ISANGI REDD+ PROJECT

Document Prepared By Rainforest Alliance

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Summary:

This is a Final Validation Report of Jadora LLC's Isangi REDD+ project in the Democratic Republic of Congo. The validation report purpose is to provide a systematic way of identifying conformance to the VCS Version 3 and CCB Standards, Second Edition, as well as areas of nonconformance and observations. The Final Validation Report is based upon PDD v3.0 from 02 September 2014, as well as AFOLU Non-Permanence Risk Report version 1.7 from 29 August 2014.

The VCS Standard Version 3 and the CCB Standards Second Edition, along with the VCS VM0006 v2.1 methodology are the relevant criteria used for this evaluation. The method is desk based and field based. A prevalidation report was conducted in the weeks prior to the field audit (issue date April 16 2014), which served to identify areas of potential nonconformance and to guide the audit and sampling plan. The field audit was conducted from April 20-May 1 and involved 4 full days at the project site, along with several days in Kinshasa and Kisangani conducting interviews of key informants, government agencies, and other stakeholders. The audit was combined with a VCS and CCB verification audit for which a separate verification report will be issued. Given the large scope of the audit, two Rainforest Alliance senior auditors were assigned to the audit, along with a Rainforest Alliance auditor, and a local consultant and content expert.

Thirty three areas of nonconformance were identified during the field audit and the subsequent desk review. The proponent subsequently implemented several corrective actions and provided evidence to the Rainforest Alliance audit team to demonstrate conformance. Subsequent review by the Rainforest Alliance indicated full conformance with the VCS Version 3 and CCB Standards Second Edition without restriction. Areas of nonconformance, as well as evidence submitted for closure of nonconformances, are presented in Appendix 1 of this report. The Isangi REDD+ project has demonstrated positive conformance to the VCS Version 3 and CCB Standards, Second Edition, with an *ex ante* estimated net GHG reduction of 9,736,022tCO2e over 30 years, resulting in an *ex ante* estimate of VCUs generated over 30 years at 8,686,929 VCUs. The project area is 187,571 hectares.

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1 INTRODUCTION

Rainforest Alliance certification and auditing services are managed and implemented within its RA-Cert Division. All related personnel responsible for audit design, evaluation, and certification/verification/validation decisions are under the purview of the RA-Cert Division, hereafter referred to as Rainforest Alliance or RA. Rainforest Alliance is an ANSI ISO 14065:2007 accredited validation and verification body; additionally, Rainforest Alliance is a member of the Climate, Community, and Biodiversity Alliance (CCBA) standards, and an approved verification body with a number of other forest carbon project standards. For a complete list of the services provided by the Rainforest Alliance, see http://www.rainforest-alliance.org/climate.cfm?id=international_standards.
Dispute resolution: If Rainforest Alliance clients encounter organizations or individuals having concerns or comments about Rainforest Alliance and our services, these parties are strongly encouraged to contact the local Rainforest Alliance regional office or the RA-Cert Division headquarters directly. Formal complaints or concerns should be sent in writing.

1.1 Objective

The purpose of this report is to document the conformance of the design of the **Isangi REDD+ Project** with the requirements of the Verified Carbon Standard and the Climate, Community, and Biodiversity Standards, Second Edition. The project was developed by Jadora, LLC, hereafter referred to as "Project Proponent". The report presents the findings of qualified Rainforest Alliance auditors who have evaluated the Project Proponent's systems and performance against the applicable standard(s).

1.2 Scope and Criteria

Scope: The scope of the audit is to assess the conformance of the **Isangi REDD+ Project** in the **Democratic Republic of Congo** against the **Verified Carbon Standard and the Climate, Community, and Biodiversity Standards, Second Edition**. The objectives of this audit included an assessment of the project's preliminary conformance with the standard criteria for validation. The project covers an area of 187,571 hectares. The land is government owned land leased to a private concession. The project has a lifetime of 30 years, and estimates a net GHG reduction of 9,376,022tCO2e over the course of the project lifetime, with an estimated generation of 8,686,929 VCUs over the time period.

Standard criteria: Criteria from the following documents were used to assess this project:

- Verified Carbon Standard Program Guide Version 3.5;
- Verified Carbon Standard Version 3.4;
- Verified Carbon Standard Agriculture, Forestry and Other Land Use (AFOLU) Requirements Version 3.4;
- Verified Carbon Standard AFOLU Non-Permanence Risk Tool Version 3.2;
- Verified Carbon Standard Program Updates
- VCS VM0006 v2.1
- Climate, Community and Biodiversity Standards, Second Edition, 2008
- Rules for the Use of the Climate, Community, and Biodiversity Standards. December 2013

Materiality: The Isangi REDD Project *ex ante* estimates that it will produce over 300,000tC02e in reductions per year, hence it is a VCS Large Project and subject to a 1% materiality threshold.

1.3 Level of assurance

This audit was conducted to a reasonable degree of assurance.

1.4 Summary Description of the Project

Tropical rainforests represent one of the largest reservoirs of both carbon and biodiversity on earth. Degradation and deforestation of these forests accounts for 10-15% of all emissions of greenhouse gases by humans. Carbon finance presents an economical way to reduce these emissions while preserving biodiversity resources and improving the lives of forest-dependent people. This document describes a plan to reduce emissions from mosaic deforestation within a tropical rainforest in the Isangi Territory of the Democratic Republic of Congo (DRC).

Jadora, LLC (Jadora), the project proponent, has developed the Isangi REDD+ Project (the project) on a 348,000 ha parcel spanning two logging concessions leased by the DRC government to the Congolese company Safbois, Societe Privee a Responsabilite Limitee (S.P.R.L). A significant portion of this concession has been determined to be a prime area for a REDD+ project. The original Safbois concession consists of two sections, a large concession (252,000 ha) just south of the Congo River near the town of Isangi and a smaller, adjacent concession (96,000 ha) further to the south. Prior to the project start date, Safbois planned to log the forested parts of the concessions on a 30-year rotation.

The REDD+ project area contains one parcel of forest in the concession totalling 187,571 hectares. Active deforestation is occurring on three sides of the project area and inside the exterior boundaries of the project area. The coordinate centroid of the project area is 0º 24’ N, 23º 55’ E. The official name of the project is the Isangi REDD+ project.

In the “without project” or baseline scenario, selective logging of the project area would be relatively low impact, as it would remove less than 3% of the carbon in the forest and does not result in deforestation detectable with large scale methods such as the interpretation of satellite imagery.

Although the direct emissions from logging are minimal, the subsequent emissions from forest clearing and agriculture are substantial. New logging roads invite settlement by farmers that practice shifting agriculture. Forest is cut, wood is harvested for building materials and cooking fuel, and the remainder is burned to supply mineral-laden ash to fertilize soil. Soils retain nutrients poorly because of heavy rainfall, and farmers must cut new forest every 3-5 years to sustain food productivity.

With the population of the DRC growing at more than 3% per year (Perez et al. 2006) and expected to more than double by 2050, deforestation driven by shifting agriculture is likely to follow the trajectory of other logging concessions in the Congo and of tropical forest nations like Indonesia, Mexico, and Brazil (Brink and Eva 2009, Drigo et al. 2009, Diaz-Gallegos et al. 2010), where roads created for logging open up formerly impenetrable forests to exploitation for conversion to agricultural or pastoral land use in a mosaic pattern. Continued logging operations create new roads, while improving and maintain existing roads over time. The creation, improvement and maintenance of roads lead to a compounding cascade of mosaic deforestation over time.

The Isangi REDD+ project will engage in two key activities to reduce emissions from deforestation:

1. Prevent the compounding cascade of deforestation by ceasing logging operations, with no shift in logging to other locales, to reduce emissions from forest clearing to agriculture.

2. Reduce area of forest cleared for agriculture by establishing sustainable agricultural practices that improve crop production and intensify agriculture on existing farm land.

These activities are expected to reduce deforestation rates by 30-100% (see section 5.4), leading to average annual reductions in greenhouse gas emissions of 324,534 tonnes of CO_2e, annually. This equates to 280,224 tonnes of CO_2e, annually, after allocation to and release from the buffer account, based on the 15% risk rating at validation.

2 VALIDATION PROCESS

2.1 Method and Criteria

Audit Team Composition:

Auditor team names and positions	*Auditor qualifications*
Cam Moore Carbon Specialist Rainforest Alliance	Campbell is a tropical forestry and REDD+ expert with international professional experience in Africa, Central America, South America and Southeast Asia. He is Carbon Expert with Rainforest Alliance where he conducts audits against six forest carbon standards, supervises methodology assessments, and acts as technical expert on carbon for RA-Cert globally. Campbell has experience on both the technical and policy sides of REDD+. Previous professional experience includes consulting work for GIZ Philippines performing carbon stock assessments of different forest types including agroforestry and plantation systems, as well as work centered on reforestation in Sri Lanka for the Environmental Leadership and Training Initiative. He additionally has worked for Climate Focus on LULUCF policy issues. From 2009-2011 Campbell pursued his Master of Forestry from the Yale University School of Forestry and Environmental Studies. This period included a variety of forestry projects including developing a management plan for Connecticut forest preserve, planning timber sales in a New England hardwood forest, and designing and modeling carbon sequestration potential of agroforestry systems for the Nature Conservancy's Global Climate Team. Prior to his time at Yale, Campbell worked in The Gambia for over two years as a Peace Corps Volunteer designing and implementing a wide variety of forestry, agroforestry, and agricultural projects. In addition to his Master of Forestry degree, he holds a M.A. in Environmental Studies from St. Mary's College. Campbell is fluent in Pulaar and Wolof and has experience with Spanish.
Ian Starr Climate Specialist Rainforest Alliance	Ian is a forester and resource manager with personal and professional experience in North America, Central and South America, and Africa with an emphasis on REDD+ projects. He currently serves as the Climate Technical Specialist for the Rainforest Alliance's Climate Program. To date he has participated in auditing or advising on over a dozen forest carbon offset projects in Africa and South America either designed for the voluntary markets or as development projects. Ian also conducts trainings on the voluntary carbon standards and provides technical expertise to other Rainforest Alliance departments and projects. In addition he has collaborated on a variety of forestry and natural resource management projects in both Amazonia, and the temperate hardwood forests of the Northeastern United States. These projects have included modeling the carbon sequestration potential of various reforestation systems as well as designing and participating in several forest inventories in the northern United States to plan timber sales based on natural regeneration. Ian received his Masters degree in Forestry from the Yale School of Forestry and Environmental Studies with a focus on tropical forest and resource management, and received his B.A. from Colgate University where he concentrated in Native American Studies with a focus on Central and South America. He is fluent in Spanish and Portuguese.
Achille Djeagou Rainforest Alliance	Achille Djeagou is a Forest legality and Chain of Custody assessor. He has now worked in forestry concessions assessments, as an auditor instructor and forest policy analyst to link with international timber trade in the Congo basin and West African countries for more than ten years. His career to date has taken him to work with forest management companies, government agencies,

	processors, specialized researchers, local communities, national and international NGOs. Achille has a distinguished academic background combining a Bsc. in Information system management and a post graduate diploma in international environmental law, with key experiences in the timber industry and professional qualifications in forest auditing, GIS & remote sensing applications, climate change diplomacy, GHG accounting and sound strategic thinking.
Leon Muba Translator	Leon is a forestry and legal expert based in Kinshasa, DRC. Leon served as language and cultural interpreter and is participating in the drafting of the audit report.
Nick Wilson Remote Sensing and Geospatial expert	Nick is a remote sensing and land use change modeling expert and contributed to this audit through provision of technical input on these aspects to the audit team but did not participate in the drafting of the audit report.

Auditor(s)	Responsibilities							
	Lead	Desk Review	On-site visit	Climate Specialist	Biodiversity Specialist	Social Specialist	Report	Senior Internal Review
Campbell Moore	☒	☒	☒	☒	☒	☐	☒	☐
Ian Starr	☐	☒	☒	☒	☐	☒	☒	☐
Achille Djeagou	☐	☐	☒	☐	☒	☐	☒	☐
Nick Wilson	☐	☐	☐	☒	☐	☐	☐	☐
Janice O'Brien								☒

2.2 Document Review

Describe how the validation was performed as an audit where the project description and any supporting documents were reviewed and compared with identified and stated requirements.

Ref	Title, Author(s), Version, Date	Electronic Filename
1	Isangi REDD+ VCS-CCB Project Description, Ecological Carbon Offsets Partners, LLC (ecoPartners), v1.26, 19 March 2014	Jadora Isangi REDD+ VCS CCB Project Description v1.26.pdf
2	Project Area (Annex AD), Author unknown, version and date unknown.	ProjectArea.tif
3	Project Area KML File, Annex AF, Author unknown, version and date unknown.	IsangiProjectArea.kmz
4	Isangi Project Zone, Annex I, EcoPartners, 17 March 2014.	Isangi Project Zone.pdf
5	Isangi Project Zone, Annex J, EcoPartners, 17 March 2014.	Isangi Project Area.pdf
6	Isangi Project Area and Leakage Belt, Annex N, EcoPartners, 17 March 2014.	Isangi Project Area and Leakage Area Benchmark.pdf
7	Appendix YY: Jadora and Safbois Agreement (Annex AJ), Jadora and Safbois, v2.00, November 2012	Appendix YY Jadora and Safbois Agreement.pdf

8	Isangi Reference and Protected Areas, Annex O, EcoPartners, 17 March 2014	Isangi Reference & Protected Areas.pdf
9	Isangi Implementation Plan, Annex P, EcoPartners, v1.10, 19 March 2014	Isangi Implementation Plan v1.10.pdf
10	Risk Report Calculation Tool, Annex L, Author Unknown, v3.0, Date unknown	Isangi VCS Risk Report Calculation Tool, v3.0.xls
11	Implementation plan budget,Annex E,, Author unknown, version and date unknown.	Implementation plan budget.xlsx
12	Isangi Policy Document, Annex F, Ecopartners, v1.0, 19 March 2014	Isangi Policy Document v1.1.pdf
13	Scanned Questionnaries of Forest Uses in 6 villages: Yabatwange, Yanguba, Yabotetele, Bolene, Yailombo II, Yolema; Ethan Fried, 2012.	Annex G (multiple files); forest uses 1 through forest uses 6.pdf
14	Bolinga Signed FPIC Agreement, Annex H, author, date and version unknown.	Bolinga_FPIC_signedagreement.pdf
15	Pre-Processing of Remote Sensing Data, Annex RS, EcoPartners, date and version unknown.	RS Pre-Processing Methodology.pdf
16	Classification of Remote Sensing Data, Annex AR, EcoPartners, date and version unknown	RS Classification Methodology v1.2.pdf
17	Isangi Harvest Blocks, Annex R, Safbois, date and version unknown	Isangi Harvest Blocks.pdf
18	Isangi Reference Area. Annex AQ, EcoPartners, 17 March 2014, version n/a	Isangi Reference Area.pdf
19	Isangi Reference Area Limits. Annex AW, EcoPartners, 12 March 2014, version n/a	Isangi Reference Area Limits.pdf
20	Drivers of Deforestation. Annex AZ, EcoPartners, 14 March 2014, version n/a	Drivers of Deforestation.pdf
21	Elevation. Annex AX, EcoPartners, 17 March 2014, version n/a	Elevation.pdf
22	Slope Comparision between project area and reference region. Annex AY, EcoPartners, date n/a, version n/a	Geopatial Stats.xlsx
23	LULC 1994-95. Annex S, EcoPartners, 14 March 2014, version n/a	LULC 1994-95.pdf
24	Isangi Project Area and Leakage Area Benchmark. Annex N, EcoPartners, 17 March 2014, version n/a	Isangi Project Area and Leakage Area Benchmark.pdf
25	Ex-Ante Driver Importance PD. Annex BB, EcoPartners, date n/a, version 1.4	Ex-Ante Driver Importance PD v1.4.xlsx
26	Emissions Factors. Annex BG, EcoPartners, date n/a, version 1.0	Emissions Factors v1.0.xlsx
27	Isangi Plot Locations, Annex X, Jadora, 17 March 2014, version n/a	Isangi Plot Locations.pdf
28	Uncertainty Factors. Annex BH, EcoPartners, date n/a, version 1.0	Uncertainty Factors v1.0.xlsx
29	Isangi forest plot data, Annex BS, Author unknown, Dec 2011, version 1.9	Isangi forest plot data V7 Dec 2011 v1.9.xlsx
30	Project Area Deforestation Rate, Annex BJ, Author unknown, version n/a	Project Area Deforestation Rate.xlsx
31	Leakage Area Deforestation Rate, Annex BK, Author unknown, version n/a	Leakage Area Deforestation Rate.xlsx
32	Ex-Ante Emission, Annex BE, Author	Ex-Ante PD v1.2.xlsx

	unknown, version n/a	
33	Cancellation Rates PD, Annex BN, Author unknown, Date n/a, version 1.9	Cancellation Rates PD v1.0.xlsx
34	Isangi Leakage Area, Annex AO, EcoPartners, 17 March 2014, version n/a	Isangi Leakage Area.pdf
35	Legal Opinion, Annex AH, Pierre Okendembo, 3 March 2014	legalopinion_carbonrights_pt1and2_english.pdf
36	Quittance NS, Evidence of Payment of Concession Fees for Isangi Concession (Confidential)	QUITTANCE NS.pdf
37	Annex AJ, Jadora and Safbois Agreement	Appendix YY Jadora and Safbois Agreement.pdf
40	Annex AK, Translation of Letter of Government Attestation	Appendix XX_translation_Letter of gove attestation_english.pdf
41	RS Classification Methodology v1.2, Annex AR	RS Classification Methodology v1.2.pdf
42	RS Pre-Processing Methodology, Annex AS	RS Pre-Processing Methodology.pdf
43	LULC Reference Data PD v1.7, Annex AT	LULC Reference Data PD v1.7.xlsx
44	Theory of Change Matrix v1.6, Annex AU	Theory of Change Matrix v1.6.xlsx
45	LULC Spatial Model Leakage Area PD v1.2, Annex BC	LULC Spatial Model Leakage Area PD v1.2.xlsx
46	LULC Spatial Model Project Area PD v1.2, Annex BC	LULC Spatial Model Project Area PD v1.2.xlsx
47	Ex-Ante PD v1.2, Annex BE	Ex-Ante PD v1.2.xlsx
48	Ex-Ante PD v1.2, Annex BP	Ex-Ante PD v1.2.xlsx
49	Harvested Wood Products v1.1, Annex BQ	Harvested Wood Products v1.1.xlsx
50	Authorization1_translation_english, Annex BR	Authorization1_translation_english.pdf
51	SAFBOIS - Autorisation 1, Annex BR	SAFBOIS - Autorisation 1.pdf
52	SAFBOIS - Autorisation 2, Annex BR	SAFBOIS - Autorisation 2.pdf
53	SAFBOIS - Autorisation 3 Annex BR	SAFBOIS - Autorisation 3.pdf
54	SAFBOIS - Autorisation 4, Annex BR	SAFBOIS - Autorisation 4.pdf
55	SAFBOIS - Autorisation 5, Annex BR	SAFBOIS - Autorisation 5.pdf
56	SAFBOIS - Autorisation 6, Annex BR	SAFBOIS - Autorisation 6.pdf
57	Isangi forest plot data V7 Dec 2011 v1.9, Annex BS	Isangi forest plot data V7 Dec 2011 v1.9.xlsx
58	Harvest Blocks, Annex BT	Harvest Blocks.xlsx
59	Implementation plan budget, Annex E	Implementation plan budget.xlsx
60	mobility responses (all villages) v1.1, Annex G	mobility responses (all villages) v1.1.xlsx
61	forest uses 1 Annex G	forest uses 1.pdf
62	forest uses 2, Annex G	forest uses 2.pdf
63	Extra Copy, Annex G	Extra Copy.pdf
64	forest uses 3, Annex G	forest uses 3.pdf
65	forest uses 4, Annex G	forest uses 4.pdf
66	forest uses 5, Annex G	forest uses 5.pdf
67	forest uses 6, Annex G	forest uses 6.pdf
68	outline, Annex G	outline.pdf
69	Bolinga_FPIC_signedagreement, Annex H	Bolinga_FPIC_signedagreement.pdf
70	Isangi Harvest Blocks, Annex R	Isangi Harvest Blocks.pdf
71	Isangi Plot Locations, Annex X	Isangi Plot Locations.pdf
72	Belgian Expedition 2010, A\	Belgian Expedition 2010.pdf
73	ReferenceArea., Annex AA	ReferenceArea.tif
74	LeakageArea, Annex AB	LeakageArea.tif
75	ProjectZone, Annex AC	ProjectZone.tif

76	ProjectArea, Annex AD	ProjectArea.tif
77	IsangiProjectArea, Annex AF	IsangiProjectArea.kmz
78	Isangi Palm Oil Plantations, Annex AG	Isangi Palm Oil Plantations.pdf
79	legalopinion_carbonrights_pt1and2_english, Annex AH	legalopinion_carbonrights_pt1and2_english.pdf
80	Jadora_status_english, Annex AI	Jadora_status_english.pdf
81	reviewedCITES_RED list, Annex AL	reviewedCITES_RED list.xlsx
82	Appendix III Faunal_Species_Fr_v1_02, Annex AM	Appendix III Faunal_Species_Fr_v1_02.pdf
83	Yaengo meeting_participant list, Annex AN	Yaengo meeting_participant list.pdf
84	Yaondaie meeting_ participant list, Annex AN	Yaondaie meeting_ participant list.pdf
85	Yoela meeting_participant list, Annex AN	Yoela meeting_participant list.pdf
86	Grievance Process Document v1.1, Annex AO	Grievance Process Document v1.1.pdf
87	Appendix XX Letter du Attestation, Annex AP	Appendix XX Letter du Attestation.pdf
88	Isangi Reference Area, Annex AQ	Isangi Reference Area.pdf
89	Orientale Concessions 1990, Annex AV	Orientale Concessions 1990.pdf
90	Isangi Reference Area Limits, Annex AW	Isangi Reference Area Limits.pdf
91	Elevation, Annex AX	Elevation.pdf
92	Geospatial Stats, Annex AY	Geospatial Stats.xlsx
93	Drivers of Deforestation, Annex AZ	Drivers of Deforestation.pdf
94	Isangi Implementation Plan v1.10, Annex B\	Isangi Implementation Plan v1.10.pdf
95	Isangi Project Area and Leakage Area Benchmark, Annex BA	Isangi Project Area and Leakage Area Benchmark.pdf
96	Ex-Ante Driver Importance PD v1.4, Annex BB	Ex-Ante Driver Importance PD v1.4.xlsx
97	VERIF_REP_934_14MAR2011_31OCT2012, Annex BF	VERIF_REP_934_14MAR2011_31OCT2012.pdf
98	Emissions Factors v1.0, Annex BG	Emissions Factors v1.0.xlsx
99	Uncertainty Factors v1., Annex BH	Uncertainty Factors v1.0.xlsx
100	1748-9326_8_4_044039, Annex BI	1748-9326_8_4_044039.pdf
101	Project Area Deforestation Rate, Annex BJ	Project Area Deforestation Rate.xlsx
102	Leakage Area Deforestation Rate, Annex BL	Leakage Area Deforestation Rate.xlsx
103	Adoption Rates PD v1.0, Annex BM	Adoption Rates PD v1.0.xlsx
104	Cancellation Rates PD v1.0, Annex BN	Cancellation Rates PD v1.0.xlsx
105	Cancellation Rates PD v1.0, Annex BO	Cancellation Rates PD v1.0.xlsx
106	Isangi Leakage Area, Annex BU	Isangi Leakage Area.pdf
107	Commercial Timber Extract Baseline PD v1.0, Annex C\	Commercial Timber Extraction Baseline PD v1.0.xlsx
108	Isangi Community Benefits Process v1.1, Annex D\	Isangi Community Benefits Process v1.1.pdf
109	Working Paper v3.1, Annex F\	Working Paper v3.1.pdf
110	Isangi Policy Document v1.1, Annex I\	Isangi Policy Document v1.1.pdf
111	Isangi Project Zone, Annex J\	Isangi Project Zone.pdf
112	Isangi Project Area, Annex K\	Isangi Project Area.pdf
113	Isangi Theory of Change Document v1.0, Annex M\	Isangi Theory of Change Document v1.0.pdf
114	Isangi VCS Risk Report Calculation Tool, v3.0, Annex N\	Isangi VCS Risk Report Calculation Tool, v3.0.xls
115	Community Consultation Summary v1.1, Annex O\	Community Consultation Summary v1.1.pdf
116	Isangi Project Area and Leakage Area Benchmark, Annex P\	Isangi Project Area and Leakage Area Benchmark.pdf

117	Isangi Reference & Protected Areas, Annex Q\	Isangi Reference & Protected Areas.pdf
118	Isangi Implementation Plan v1.10, Annex S\	Isangi Implementation Plan v1.10.pdf
119	concession renewal_fr, Annex T	concession renewal_fr.jpg
120	LULC 1994-95, Annex S	LULC 1994-95.pdf
121	LULC 2004-05, Annex T	LULC 2004-05.pdf
122	LULC 2008-09, Annex U	LULC 2008-09.pdf
123	Standard Operating Procedure for Biodiversity SurveysAnnex V	Standard Operating Procedure for Biodiversity Surveys.pdf
124	Isangi Community Map Original, Annex W	Isangi Community Map Original.png
125	Orientale Concessions 2010, Annex Y	Orientale Concessions 2010.pdf
126	Isangi Reference Area Limits, Annex Z	Isangi Reference Area Limits.pdf

2.3 Interviews

The following interviews were conducted as part of the field audit.

Interviewee or Village Chief	Village or other Location	Date	Number of participants
Albert BONGILO, village chief ; Robert LITUWA, Baptist church pastor; Maurice DIBA , Primary school Headmaster	Yatwengo	24/4/2014	25
Kombozi Lisele, Village Chief	Yabetuta	24/4/2014	10
Joseph BOSIMO, village chief ; Léon YAHONDA KOMBOZI,teacher Chadrack LISOMANONGO, village wise man Yahula 2 village	Yabotetele	24/4/2014	15
LOLECHA IYONGA, village chief	Bolene	25/4/2014	20
General open meeting : Isangi AT, All project area village representative, students, journalist, priest	Isangi Office, Yafunga Village	25/4/2014	100
Philemon, Community Liason Manager, Isangi Project Manager	Yafunga	24/4/2014-28/4/2014	1
Bossalo Lobela Maurice, Former head of SAFBOIS Inventory Team	Yafunga	27/04/2014	1
Isangi Forest Inventory Team, multiple interviews	Yafunga, Project Area Forest	24/04/2014-28/04/2014	12
Lambert MATONGO MUHINA, Territorial administrator (AT) ; Jean Marcel BONGONDO, chief of post migration Joseph NGWANGWA, Chief of the chiefdoms KOMBE Guillaume MAYINGOLO, Sector chief Bambelota	Kombe	25/4/2014	8
Mafuta Mingi, cloth tailor, President Bokawa Mbela, housewife, secretary	Women's focus group in Yafunga	25/04/2014	2
Meeting with teachers of Mekiba II school	Yafunga	26/04/2014	6
Bosongo Yaweli françois and other village wise men including women and children	Yabetuta, second visit	27/04/2014	11

Bamanisa Saidi Jean, Governor of Orientale Province	Governor's office, Kisangani	29/04/2014	5
José ILANGA LOFONGA, Director in charge of studies and planning (DEP) ; Frederick DJENGO BOSULU, Expert director, at the directorate of study and plannifcation (DEP)	Ministry of environnement, nature conservation and tourism (MECNT)	30/4/2014	7
Pierre OKENDEMBO MULAMBA, SAFBOIS Attorney	Attorney office(*DIUMULA &OKENDEMBO Avocats associé*), immeuble SIDISA-Gombe	30/04/2014	6

2.4 Site Inspections

Location	Date
Kinshasa, DRC, Openiing meeting, strategic interviews with project proponent	21 April-23 April 2014
Kisangani, DRC, strategic interviews and document review with project proponent	23 April 2014
Project Zone, Multiple Villages, Jadora Office and Headquarters	24 April - 27 April 2014
Kisangai, DRC, Office of Governor of Orientale Province	28 April-29 April 2014
Kinshasa, Ministry of Environment, Nature, Conservation and Tourism, (MCENT) Office	30 April 2014
Kinshasa, Office of Pierre OKENDEMBO MULAMBA, SAFBOIS Attorney	30 April 2014
Kinshasa, Grand Hotel, Multiple meetings with project proponent	30 April 2014

2.5 Public Comments

The CCB public comment period lasted from 21 March through 20 April 2014. Comments were received from a range of villages in the project zone, and were incorporated into the audit plan and sampling. The audit team was able to meet with several of the individuals that submitted the relevant comments.

2.6 Resolution of Any Material Discrepancy

Material discrepancies and nonconformances were identified through the issuance of nonconformity reports (NCRs) which the proponent has provided sufficient evidence or response for closure of such reports. Two rounds of evidence were submitted by the proponent and the proponent determined by the end of the second round of evidence that conformance had been demonstrated. A total of thirty-three nonconformances were identified to both the VCS and CCB requirements. Ten observations remain open which do not prevent conformance with the VCS and CCB Standards.

The following updated documents were submitted to the audit team and reviewed as part of the process of closing NCRs and observations.

Ref	Title, Author(s), Version, Date	Electronic Filename
1	Isangi REDD+ VCS-CCB Project Description, Ecological Carbon Offsets Partners, LLC (ecoPartners), v2.0, v2.5, v2.6, v2.7, v2.8, v3.0,	Jadora Isangi REDD+ VCS CCB Project Description v2.0, v2.5, v2.6, v2.7, v2.8, v3.0.pdf
2	Annex A, Contrat de partenariat_signed	Contrat de partneriat_signed
3	Annex AA, Worker Training Handbook	Worker Training Handbook.pdf
4	Annex AB, Manager Training Handbook	Manager Training Handbook.pdf
5	Annex AC, Worker Safety Risk Analysis	Worker Safety Risk Analysis.pdf
6	Annex AD, VM0006 Accounting Isangi v3.6	VM0006 Accounting Isangi v3.6.xlsm
7	Annex AE, Jadora Participatory Rural Appraisal v1.0	Jadora Participatory Rural Appraisal v1.0.pdf
8	Annex AF, Implementation Plan Budget, v2.0	Implementation plan budget v2.0.pdf
9	Annex AG, Isangi Project Zone v1.0	Isangi Project Zone v1.0.pdf
10	Annex AH, Isangi Project Area v1.0	Isangi Project Area v1.0.pdf
11	Annex AI, DRC Relative to World v1.2	World_DRC_relative v1.2.pdf
12	Annex AJ, Concessions of Orientale Province, 1990	Orientale Concessions 1990.pdf
13	Annex AK, Elevationv1.2 Safbois Reference Area Support Safbois Reference Area Support, English Translation	Elevation v1.2.pdf Safbois Reference Area Support.pdf Safbois Reference area support_translation.pdf
14	Annex AL, Remote Sensing Pre-Processing Methodology, ecoPartners	RS Pre-Processing Methodology.pdf
15	Annex AM, Remote Sensing Classification Methodology v1.2, ecoPartners	RS Classification Methodology v1.2.pdf
16	Annex AM, Expedition Boyekoli Ebale Congo 2010	Belgian Expedition 2010.pdf
17	Annex AO, Isangi Implementation Plan v1.10	Isangi Implementation Plan v1.10.pdf
18	Annex AP, Isangi Community Benefits Process v1.2	Isangi Community Benefits Process v1.2.pdf
19	Annex AQ, Implementation plan budget v2.0	Implementation plan budget v2.0.pdf
20	Annex AR, Isangi Policy Document v1.1, ecoPartners	Isangi Policy Document v1.1.pdf
21	Annex AT, Signed Agreements from participating communities, local community chiefs	Bolene_Yasuka_YailomboII_Yabotetele_FPIC_signedagreement_inlingala.pdf Bolinga_FPIC_signedagreement.pdf FPIC_keymessages.pdf FPIC_opener_Yabotetele_YailomboII_Bolene_Yaosuka.pdf FPIC_opener_Yoela_YaondaiII_Yaengo.pdf FPIC_translation_allviallages.pdf Yabetuta_Yabatwenge_Yaulali_FPIC_signedagreement_lingala.pdf Yatwengo_FPIC_signedagreement_Lingal.pdf Yoela_YaondaiII_Yaengo_FPIC_signedagreement_lingala.pdf
22	Annex AU, Isangi Theory of Change v1.0, ecoPartners	Isangi Theory of Change Document v1.0.pdf
23	Annex AV, Community Consultation Summary	Community Consultation Summary v1.2

	v1.2	
24	Annex AW, Isangi Project Area and Leakage Area Benchmark v2.0, ecoPartners	Isangi Project Area and Leakage Area Benchmark v2.0.pdf
25	Annex AX, Isangi Implementation Plan v1.1, ecoParterners	Isangi Implementation Plan v1.1.pdf
26	Annex AY, Concession Renewal form for Safbois, DRC government MCENT	Concessionrenewal_fr.pdf
27	Annex AZ, Isangi Harvest Blocks v1.3	Isangi Harvest Blocks v1.3.pdf
28	Annex B, Isangi Territory Community Consultation Program Report, 2010, Dr. Duncan Earle, 2010	Isangi Territory Community Consultation Program Report,2010.pdf
29	Annex BA, LULC 1994-95 v1.0	LULC 1994-95 v1.0.pdf
30	Annex BB, LULC 2004-05 v1.0	LULC 2004-05 v1.0.pdf
31	Annex BC, LULC 2008,09 v1.0	LULC 2008-09 v1.0.pdf
32	Annex BD, Standard Operation Procedure for Biodiversity Surveys, ecoPartners	Standard Operation Procedure for Biodiversity Surveys.pdf
33	Annex BE, Map of villages	Corrected_villages_map.pdf
34	Annex BF, Isangi Plot Locations v2.1	Isangi Plot Loctions v2.1.pdf
35	Annex BG, Orientale Concessions 2010	Orientale Concessions 2020.pdf
36	Annex BH Isangi Project Area Limits v2	Isangi Project Area Limits v2.pdf
37	Annex BI, Reference Area	Reference Area.pdf
38	Annex BJ, Leakage	Leakage.pdf
39	Annex BK, Project Zone	Project_zone.tfw
40	Annex BL, Project Area	ProjectArea4.tfw
41	Annex BM, Isangi Project Area 4_1	Isangi Project Area 4_1.kmz
42	Annex BN, Isangi Palm Oil Plantations v1.1	Isangi Palm Oil Plantations v1.1.pdf
43	Annex BO, Legal Opinion of Carbon Rights pt1, pt 2, English, Dumula & Okendembo	Legalopinion_carbonrights_pt1and2_engli sh.pdf
44	Annex BP, Jadora Status, ecoPartners	Jadora_status_english.pdf
45	Annex BQ Translation of Government Letter of Attestation, DRC government MCENT	Appendix XX_translation_Letter of gove attestation_english.pdf
46	Annex BR, Grievance Process Document, v1.1, ecoPartners	Grievance Process Document v1.1.pdf
47	Annex BS, Letter du Attestation	Appendix XX Letter du Attestation.pdf
48	Annex BT, Isangi Reference Area v1.0	Isangi Reference Area v1.0.pdf
49	Annex BU, Remote Sensing Classification methodology v1.2, ecoPartners	RS Classification Methodology v1.2.pdf
50	Annex BV, Remote Sensing Pre-Processing Methodology, ecoPartners	RS Pre-Processing Methodology.pdf
51	Annex BX, Theory of Change Matrix v2.0, ecoPartners	Theory of Change Matrix v2.0.xlsx
52	Annex BY, Geospatial Stats ecoPartners	Geospatial Stats.xlsx
53	Annex BZ, Drivers of Deforestation, v1.2	Drivers of Deforestation v1.2.pdf
54	Annex C, Jadora Biodiversity Monitoring SOPs v1.1, ecoPartners	Jadora Biodiversity Monitoring SOP v1.1.pdf
55	Annex CE, Participatory Rural Appraisals materials, Jadora LLC	Multiple PDF files of scans of community responses Jadora Participatory Rural Appraisal v1.0 – TRANSLATE TO LINGALA.doc Jadora Participatory Rural Appraisal v1.1
56	Annex CF, Isangi Leakage Area v1.0	Isangi Leakage Areav1.0.pdf
57	Harvested Wood Products, v1.1	Harvested Wood Products v1.1.xlsx
58	Annex CI, Authorisation of Safbois	Authorization1_translation_english.pdf

	Concessions, DRC MCENT	SAFBOIS – Autorisation1.pdf SAFBOIS – Autorisation2.pdf SAFBOIS – Autorisation3.pdf SAFBOIS – Autorisation4.pdf SAFBOIS – Autorisation5.pdf SAFBOIS – Autorisation6.pdf
59	Annex CK, Harvest Blocks	Harvest Blocks.xlsx
60	Annex CL, Commercial Timber Extraction Baseline PD v1.0	Commercial Timber Extraction Baseline PD v1.0.pdf
61	Annex D, Isangi A Faunal Observation Data 2011-2012 updated	Isangi A Faunal Observation Data 2011-2012 updated.xlsx
62	Annex F, Isangi Implementation Plan v1.1	Isangi Implementation Plan v1.1.pdf
63	Annex G, Isangi REDD+ Non-Permanence Risk Report v1.6, v1.7	Isangi REDD+ Non-Permanence Risk Report v1.6.pdf Isangi REDD+ Non-Permanence Risk Report v1.7.pdf
64	Annex H, Isangi Community Benefits Process v1.2.pdf	Isangi Community Benefits Process v1.2
65	Annex I, Net Revenue and Cashflow v1.5	Net Revenue and Cashflow v1.5.xlsx
66	Annex J, Legal Opinion, English Translation, Diumula & Okendembo	AVIS SAFBOIS.pdf AVIS SAFBOIS2.pdf Legalopinion_englishtranslation.pdf
67	Annex K, Jadora Community Meeting SOP v1.2, ecoPartners	Jadora Community Meeting SOP v1.2.pdf
68	Annex M, The context of REDD+ in the DRC, Poyi, Nyamwoga, Kabamba and Mvondo, CIFOR publication	The context of REDD+ in the DRC.pdf
69	Annex N, Horizontal Accuracy Assessment SOP v1.4, ecoPartners	Horizontal Accuracy Assessment SOP v1.4.pdf
70	Annex O, Horizontal Accuracy Report v1.3, ecoPartners	Horizontal Accuracy Report v1.3.pdf
71	Annex P, Thematic Accuracy Report v1.3, ecoPartners	Thematic Accuacy Report v1.3.pdf
72	Annex Q, Thematic Accuracy Assessment SOP v1.2, ecoPartners	Thematic Accuracy Assessment SOP v1.2.pdf
73	Annex S, Soil Map Jadora Isangi, ecoPartners	Soil Map Jadora Isangi.pdf
74	Annex T, Soil Drainage Jadora Isangi, ecoPartners	Soil Drainage Jadora Isangi.pdf
75	Annex U, Mosaic Deforestation Example 1	Mosaic Deforestation Example 1.pdf
76	Annex V, Mosaic Deforestation Example 2	Mosaic Deforestation Example 2.pdf
77	Annex W, Agreement to establish project start date between SAFBOIS and Jadora LLC, Land, Carbon Offset, and Biofuel Program Management Agreement	20140819122538.pdf
78	Annex X, Isangi Forest Data v1.1	Isangi Forest Data v1.1.xlsx
79	Annex Y, Isangi Crop Data v1.1	Isangi Crop Data v1.1.xlsx
80	Annex Z, Isangi Settlement Data v1.1	Isangi Settlement Data v1.1.xlsx

VALIDATION FINDINGS

3 GENERAL

3.1 Summary Description of the Project (G3)

Document the evidence used to determine that the project satisfies G3.1.

Section 1.1 describes the climate, community, and biodiversity objectives of the project with sufficient detail and clarity. The objectives are congruent with the current state of project implementation based on observation by the audit team in the field of project activities that have been implemented (described in the concurrent verification report with this validation). The specific objectives map onto the program areas and subsequent project activities that have either been implemented at this stage or proposed for future implementation.

Objectives of the project include:

Climate Objectives

1. Reduce CO2 emissions that result from conversion of intact forest to agricultural land.

Community Objectives

1. Increase access to, relevance, and quality of education to communities in the project zone.
2. Improve quality of life and alleviate poverty in project zone by promoting sustainable economic development and agricultural practices and improving public health.
3. Maintain the value of resources and ecosystem services that are fundamental to the basic needs of communities in the project zone.
4. Support communities in maintaining traditional, cultural, spiritual, and religious identities in the project zone.

Biodiversity Objectives

1. Maintain habitat for viable, abundant, and diverse natural populations.
2. Reduce threats to rare, threatened, and endangered species.
3. Maintain the function of the natural ecosystem.
4. Increase local and global understanding of biodiversity in the project zone and Congo River Basin.

3.2 Project Location (G1 & G3)

Identify, discuss and justify conclusions regarding project location, including the requirements of G1.1, G1.3 and G3.3.

VCS

The proponent provides details in section 1.2 of the PDD that address the VCS Standards requirements for the project location and project area including VCS Standard 3.10.1, VCS AFOLU 3.4 and VM0006 4.1.1. This includes a KML file of the project area, the name of the concession, its coordinates, the project area size and location (Annex J), and details of project

ownership, which is a forestry concession. Section 1.2 provides information for all VCS requirements including:

-project area size (187,571 hectares), and geography

-ownership (government owned land leased to Safbois S.P.R.L as two logging concessions with carbon rights transferred to the proponent),

-physical parameters including soil, geology, elevation and climate

-spatial depictions of the project area, project zone, reference region, and leakage area. KML files for all spatial domains are included in Annexes BL, BM, BI, BJ, and BK.

The audit team has confirmed the accuracy of the PD description of the project area/location based on the findings of the field audit. Project location boundaries were opportunistically verified using GPS units during the field audit, when boundaries were crossed, as well as with visual interpretation of Google Earth imagery of notable landforms including the adjacent oil palm plantations. The size of the project area was reduced as a result of the field audit due to a discrepancy noted between a government issued concession file and a government approved GIS map (the WRI concessions of DRC) of concessions in DRC. The proponent selected the more conservative, smaller definition of project location area.

The audit team confirmed the ownership status and concession status of the land via interviews with provincial and national officials. It was confirmed that the concessions are in good standing and that all fees have been paid.

The physical parameters of the project area are generally homogenous as climate, elevation, and geology are in the central Congo Basin. The audit team was able to visually confirm these attributes in the field. The proponent provided the audit team with maps and adequate justification that peat soils did not exist in the project area, which could not be visually confirmed by the audit team.

<u>CCB</u>

<u>G1.1</u> - As mentioned above the basic location of the project and relevant spatial domains has been identified. The proponent's identification of the soil type, geology, and climate type (Koppen classification) is sufficient to characterize the basic physical parameters of the project.

<u>G1.3;</u> - The proponent has provided maps in Section 1.2 of the PD to show the various spatial domains in isolation and in relationship to each other.

<u>G3.3</u> - The findings pertaining to project location and boundaries have been discussed above. The proponent has identified the location of project activities in the map in Figure 6 of the PD. The map is very generic and only depicts the outline of the project area. However, the audit team acknowledges that this is likely appropriate given that this is a validation and that the implementation of specific project activities over time is dependent on an adaptive management

approach in which activities are adjusted based on feedback from communities. The audit team concurs that this is the most appropriate approach at this point.

3.3 Conditions Prior to Project Initiation (G1)

Identify, discuss and justify conclusions regarding the condition prior to project initiation, including the requirements of G1.2, G1.5-8.6.

CCB

G1.2

The proponent describes the types and conditions of vegetation in the project zone in sufficient detail in the PD Section 1.3.2 and 1.3.7, including floral diversity and forest type. The descriptions are appropriately based on sampling in the project area.

G1.5-1.8

Section 1.3.6 of the PD describes communities including a socioeconomic assessment of population and demographic change based on national-level data. While more regionalized data would be more appropriate, it is possible that this data is unavailable in the DRC at a regional level and based on the audit team's observations of the project zone the basic themes of poverty, high population growth rate, and likely high infant mortality are consistent with the project zone. Cultural description was provided including tribal and religious identity, and market access which was confirmed during the field audit.

Women are identified as a special group in the PD Section 1.3.6.3. The proponent attempts to engage women in the project but also respects traditional gender roles. This was confirmed in the field audit. Approximately 10% of attendees at a major meeting involving multiple communities, were women. Likewise, Jadora has organized a women's group to focus on specific issues and needs of women.

Labor, land, and resource descriptions are additionally provided in the PD and are materially accurate per observations made in the field. The proponent describes traditional land use rights in the PD Section 1.3.6.4, which has been confirmed via interviews in the field.

Approximately 50,000 people live in the project zone per census records, though the audit team and proponent recognize the possible uncertainty in this data.

Biodiversity is described in depth in Section 1.3.7 of the PD. The great biodiversity of the central Congo Basin is well known and the audit team confirmed the high biodiversity values of the project area in the field via review of camera trap photos, observations of species removed from the project area for bush meat, and key observation. Some of the endangered species identified in the PD were observed by the audit team in the field, including Afromosia trees.

PD Section 1.3.7.1 identifies HCVs in the project area. The HCVs are discuss in detail in Section 4.4 of this report.

3.4 Project Proponent (G4)

Identify, discuss and justify conclusions regarding roles/responsibilities for the project proponent(s), including the requirements of G4.1.

Section 1.4 of the PDD identifies Jadora, LLC as the sole project proponent and all contact details have been provided. Jadora has been identified as being fully responsible for design, implementation, and management of the VCS/CCB project. Other entities have been identified in section 1.5 of the PDD and are described in the next section.

3.5 Other Entities Involved in the Project (G4)

Identify, discuss and justify conclusions regarding roles/responsibilities for any other entities involved in the development of the project, including the requirements of G4.2.

VCS + CCB G4.2

Safbois S.P.R.L. and Jadora S.P.R.L. have been identified as other entities involved in the project and contact information has been provided. The roles and responsibilities of Safbois has been understood as providing logistical support to the project, while Jadora S.P.R.L has been identified as legal entity to process financial matters related to the project. EcoPartners is identified as another implementing partner fulfilling the role of Climate Director for Jadora and its general contributions to the development of the project have been included in the PD. The description states that EcoPartners has provided technical consulting services to Jadora on project design, documentation, carbon accounting, validation, and remote sensing, as well as in drafting the Project Description. The proponent has added clarifying text to the PD indicating that ecoPartners will provide ongoing support to fill the role of Climate Director for the project and that their contribution is not specific to only developing the PD. Roles an Ongoing management and monitoring responsibilities are specified in Annex F.

Section 1.5.1 of the VCS-CCB PDD addresses the technical skills required for project implementation. Annex P, Section 8.1.1 of the PDD, and the Monitoring and Implementation Report (MIR) have been provided and referenced as a general structure of the project and the competencies required by each position in a general sense. Annex P fulfills the identification of the key technical skills required for the project because it adequately explains and identifies the main skills required by each position. Section 8.1.1 of the PDD provides a summarized representation of this information as conveyed in Annex P. The proponent then refers the reader to the MIR for a current list of Jadora staff members and their skills and experience. The proponent has sufficiently described and justified other entities involved in the project in a manner congruent with observations made by the audit team.

3.6 Project Start Date

Identify, discuss and justify conclusions regarding the project start date.

The project start date has been identified in section 1.6 of the PDD as September 12, 2009. The justification for this date has been cited as the execution date of the agreement between Jadora and Safbois (Annex W), which ceased logging operations in the area. A specific clause in the agreement requires Safbois to cease logging operations, thus justifying the project start date. The cessation of logging operations is cited as the first project activity implemented by the project proponent to address the drivers of deforestation in the project area and generate GHG emissions reductions. The audit team reviewed harvest plan maps from in the field and identified tentative roads in the project area which have not been built as a result of the project activities. Logging did continue in and near the project zone after 2009, however this ended as of 2011. Observation of the old logging camp confirms it has not been used in recent years. Additional observation of logging roads confirms these are not maintained and are reverting to forest or foot paths. The audit team did not see evidence during the field audit to indicate that logging had continued after September 12, 2009 in the project area, and this was corroborated in interviews with previous Safbois logging staff.

3.7 Project Crediting Period (G3)

Identify, discuss and justify conclusions regarding the project crediting period, including the requirements of G3.4.

The proponent has identified the crediting period as from September 12, 2009 through September 11, 2039, for a total period of 30 years. The project longevity is aligned with the crediting period for the same term. Four phases are identified for the project implementation to be broken into and Annex B (Isangi Implementation Plan) is identified as evidence of key milestones in each phase. This is in conformance with the VCS and CCB requirements. Safbois, the land owner, will have to renew the logging concession in 2034 to be in compliance with the VCS minimum project longevity of AFOLU projects of 30 years. Annex Q (concession renewal form and procedures) has been provided to the audit team as evidence of the possibility of concession extension in 2034.

4 DESIGN

4.1 Sectoral Scope and Project Type

Identify, discuss and justify conclusions regarding the sectoral scope(s), type, technologies and measures implemented and eligibility of the project.

The project is under the AFOLU Sectoral Scope and is a REDD Avoiding Unplanned Deforestation (AUD) project type. This is an eligible project type under the VCS and CCB. The proponent has chosen a VCS methodology congruent with the project type (VCS VM0006 v2.1).

4.2 Description of the Project Activity (G3)

Identify, discuss and justify conclusions regarding the project activity, including the requirements of G3.2.

Project activities are described in the PDD Section 2.2. The project seeks to create emissions reductions by reducing the amount of forest area that would be converted to agriculture in the baseline scenario. This is accomplished through i) reducing access by ceasing logging operations which would create roads that enable access to forest for agents of deforestation and ii) a suite of activities designed to improve agricultural production and address poverty of deforestation agents.

The proponent identifies four program areas including Education, Improved Access to Resources, Improved Production, and Land Use Planning. Specific project activities are not described in detail in the PD, but are described in some relevant Annexes (Annex K). Per interviews with the proponent, the program areas are treated as the project activities in a general sense. Specific project activities will be implemented and continued or discontinued based on their assessed efficacy using an adaptive management approach. Annex K, the theory of change document provides the overarching logic of how currently implemented and future proposed project activities will contribute to each program area, and hence to climate, community, and biodiversity benefits. The Theory of Change Document v1.0 identifies project objectives in Section 2 and identifies how program areas will impact these objectives in Section 3. The logic behind how each program area will achieve climate, community and/or biodiversity impacts is clear, while individual project activities forming each program area are not evaluated, which is acceptable given the adaptive management approach used.

4.3 Management of Risks to Project Benefits (G3)

Document the evidence used to determine that the project satisfies G3.5 and G3.7.

<u>VCS</u>

The proponent identifies risks in PDD Section 2.3.2 that correspond to the sections of the VCS AFOLU Non-permanence Risk Tool. The proponent has provided the summary results of the VCS risk assessment in Tables 2, 3, and 4 of the PDD. These tables include the risk factor scores of the elements that received a score greater than 0. The proponent provides Annex G (Isangi REDD+ Non-Permanence Risk Report v1.7) as the reference document that contains all of its risk factor selections. The proponent cites the following risk scores: Internal Risk = 14; External Risk = 1; Natural Risk = 0, Total Risk = 15.

The proponent has identified risks to project benefits in Section 2.3.2 of the PD as well as in the Isangi REDD+ Non-Permanence Risk Report v1.7 (Annex G).

Internal Risks

Findings based on review of Table 1, Project Management

Risk Factor	Project's self-assessed risk rating	Auditor Findings
A	0	Justified. The project does not generate credits from planting tree species.
B	0	Justified. Although the proponent claims agents of deforestation are internal, this is actually not correct as the project area is only the forested area and as such adjacent villages are considered external. However, the project uses an incentive-based model rather than an enforcement-based model to protect carbon stocks so the score of "0" is justified.
C	0	Justified. The management team is highly skilled in carbon monitoring, measurement, and accounting, as well as project management and community development.
D	0	Justified. The management team is based within 1 day of project area.
E	-2	Justified. The management team includes Ecopartners which have participated in the development of several AFOLU projects.
F	-2	Justified. The audit team confirmed in the field that the project was collecting data on success/failures of project activities and was using this data for adaptive management.
Total PM Score	-4	Justified.

Findings based on Table 2, Financial Viability

Risk Factor	Project's self-assessed risk rating	Auditor Findings
A	0	Not selected rating
B	0	Not selected rating

C	0	Not selected rating
D	0	Selected rating. Justified. The project cash flow breakeven point is estimated to be in 2014 approximately 1 year from the current risk assessment, which is within the 4 year requirement for this risk factor score. The model is justified with conservative assumptions for VCU prices which are less than the average REDD VCU value in 2013 per leading industry publications such as Ecosystem Marketplace's *State of the Voluntary Carbon Markets Report 2014.*
E	0	Not selected rating
F	0	Not selected rating
G	0	Not selected rating
H	0	Selected rating. The project is expected to breakeven in 2014 or 2015 and has provided justification for this assertion in a net cashflow model based on conservative assumptions.
I	-2	Justified. Jadora and Safbois have provided all funding needed to cover cash out before breakeven. As breakeven is expected in 2015 and it is currently 2014 and the project has been running for 5 years based only on funding provided by Jadora and Safbois, this assertion is credible.
Total PM Score	0	Justified.

Findings based on Table 3, Opportunity Cost

Risk Factor	Project's self-assessed risk rating	Auditor Findings
A	0	Not selected rating
B	0	Not selected rating
C	0	Not selected rating

D	0	Selected rating. Justified. The proponent asserts that baseline activities are subisistence driven which is accurate based on the audit teams interviews, observations, and review of supporting documentation as well as well-known land use trends in the DRC. The proponent expects to generate net-positive impacts for local communities. Interviews in the field audit confirmed that the communities prefer the REDD project to the baseline scenario which was continuation of selective logging leading to influx of deforestation agents. The proponent has implemented a range of community development activities to generate net positive impacts for communities.
E	0	Not selected rating
F	0	Not selected rating
G	0	Not selected rating
H	0	Not selected rating
I	0	Not selected rating
Total OC Score	0	Justified.

Findings based on Table 4 Project Longevity

Risk Factor	Project's self-assessed risk rating	Auditor Findings
A	18	Justified. The project does not have a legal agreement or requirement to continue management practice.
B	0	Not selected rating
Total PL Score	18	Justified

The total Internal Risk score of 14 is correct and justified.

<u>External Risks</u>

Findings based on Table 6. Land Tenure and Resource Access/Impacts

Risk Factor	Project's self-assessed risk rating	Auditor Findings

A	0	N/A. The proponent has selected risk factor b which is more conservative.
B	2	Justified. The proponent selects this more conservative rating based on the fact that the government owns the land and Safbois holds concession rights on the land with the carbon rights transferred to Jadora.
C	0	Justified. The proponent claims there are no disputes over land tenure or ownership. The audit team saw no evidence of this in the field audit based on observations and interviews with community members. Per the General Property Law of 1973 communities retain traditional use rights of unallocated resources in forest concessions.
D	0	Justified. Participation in the project is voluntary (as confirmed by the audit team in the field) and the project does not limit user rights to resources even if these result in deforestation but rather seeks to offer alternatives and incentives to reduce deforestation.
E	0	N/A
F	0	Not selected rating
G	0	Not selected rating
Total LT Score	2	Justified.

Findings based on Table 7 Community Engagement

Risk Factor	Project's self-assessed risk rating	Auditor Findings
A	0	Justified. The proponent has consulted all communities in the project area boundary as confirmed by the audit team and supporting documentation.
B	0	Justified. The audit team collected evidence that the proponent has effectively consulted several communities surrounding the project area. In addition the proponent has demonstrated via PRA that community members do not travel more than 7km to conduct farming activities and it is reasonable to claim that all communities within 7km of the project area are

		informed about the project. Furthermore, the project does not reduce access or use rights to communities and is actually likely to increase communities' user activities of the project area in comparison to the baseline in which deforestation would proceed unabated since communities depend on the forest resources.
C	-5	Justified. The project generates net positive impacts for communities based on auditor interviews with several communities as well as documentation provided by the proponent.
Total LT Score	-5	Justified.

Findings based on Table 8 Political Risk

Risk Factor	Project's self-assessed risk rating	Auditor Findings
A	6	Justified. The proponent has correctly selected the most conservative governance score.
B	N/A	
C	N/A	
D	N/A	
E	N/A	
F	-2	The proponent correctly claims that the DRC is implementing REDD+ Readiness activities with UN REDD and provides the appropriate link to the UN REDD Programme site.
Total LT Score	4	Justified.

Total external risks are appropriately identified as 1.

Findings based on Natural Risks.

Risk Factor	Project's self-assessed risk rating	Auditor Findings
Fire	0	Justified. The project area is in wet tropical forest and the fire risk is considered low. Proponent provides reference to supporting published literature.

		Additionally, the audit team observed no evidence of forest fires during the field audit despite the fact that fire is the primary means of forest conversion to agriculture.
Pests/Disease	0	Justified. The project area is highly biodiverse with a disturbance regime not typically exhibiting significant mortality due to pest/disease outbreaks. No evidence of disease/pests in the natural forest was observed during the field audit. The proponent cites the FAO evaluation of risk of pest/disease to support its assertion.
Extreme Weather	0	Justified. The project lies outside of the tropical cyclone belt, and while damage from downbursts likely occurs, there is no evidence to suggest this could be greater than insignificant. The audit team observed only small 0.1 ha treefall gaps during the audit. The project area is bounded by the Lomami river which likely does damage forest areas occasionally, however, this logically would be offset by forest regrowth on newly formed riparian floodplain areas.
Geological Risk	0	Justified. Eastern DRC is a highly active seismic area. However, the project lies in Central DRC and the proponent provides references from the USGS to support the assertion of insignificant geological activity.
Other Risk	0	Justified. No other risks identified. Based on the field audit, the audit team does not believe other natural risks to carbon stocks are significant.
Total Natural Risk	0	Justified.

Total natural risks are appropriately identified as 0. Inland tropical wet evergreen forests are typically not subject to the stand replacing disturbances typical of temperate forests, montane forests, or forests in areas with cyclonic activity.

<u>CCB</u>

<u>G3.5</u>

The CCB Standards G3.5 requires that risks be identified for the specific climate, community, and biodiversity benefits during the project lifetime and that specific measures be outlined to mitigate these risks. The proponent identifies risks in Section 2.3.1 that correspond to the sections of the VCS AFOLU Non-permanence Risk Tool.

Section 2.3.1 of the PDD, Table 3, identifies broad categories of risk, as well as the specific impact of these categories of potential risks on the climate, community, and biodiversity benefits of the project. Based on the audit team's field observations and interviews, the partitioning of the risks across the climate, community, and biodiversity categories is justified and representative of the on the ground situation. Following Table 3, the proponent provides reasonable mitigation measures for the selected risks. The proponent is employing a range of activities including direct financial support to communities from VCU sales to project communities from social instability and tradeoffs to former Safbois logging employees who have lost jobs as a result of the project. The project also employs alternative protein source projects (tilapia farming, caterpillar farming) to mitigate hunting leakage outside the project area, and to improve overall health of communities and bolster resistance to natural risks such as disease and crop failure. Several other mitigation measures are identified. The measures are credible and appropriate based on the audit team observations in the field.

G3.7

Section 2.3.3 of the PD describes "Management of Risks Beyond Project Lifetime" and provides a short description of how implementation of appropriate technology in the project zone (tilapia farming, improved agricultural varieties) leads to benefits beyond the project lifetime. Management of risks is not assessed, despite the title of the section. The audit team confirmed during the field audit that some project technologies are already disseminating through the project zone via informal information sharing networks, rather than just through Jadora trainings. Approximately nine additional tilapia ponds have been created by villagers using this knowledge in the project zone.

While it is laudable that the proponent appears to intend to manage risks beyond the project lifetime, CCB indicator G3.7 actually requires that measures to maintain or enhance benefits be assessed, rather than measures to reduce risks. The proponent has identified some measures that will maintain benefits, however the PD would benefit from a clarification of the title of Section 2.3.3, resulting in an observation, as this is not a material issue.

4.4 Measures to Maintain High Conservation Values (G3)

Document the evidence used to determine that the project satisfies G3.6.

The proponent has provided detail in the PDD Sections 4.2 and 4.5.1.6 in order to explain the process for evaluating HCV attributes in the project zone and for specifying measures to conserve these values. In general the proponent has not subdivided the project zone to differentiate areas within it as having higher HCV attributes than in other areas of the project zone. This is an acceptable approach given that the project activities are designed to maintain habitat and avoid deforestation throughout the project area, and that HCVs are likely well distributed in the project area. In terms of social and environmental safeguards the project does not support any activity to actively restrict access to the project area, therefore there is no indication that any activity to maintain any identified HCV is threatened by project activities. Therefore the proponent's strategy for avoided deforestation is the principal mechanism by which

HCVs are conserved. In general the proponent has provided satisfactory explanations to explain how HCV criteria were assessed. Specific comments concerning each HCV are given below:

HCV 1 – The proponent identifies that no protected areas exist in the project zone as determined through a check against the IUCN and RAMSAR websites. The evidence has been incorrectly cited as Annex AQ and the audit team cannot find this evidence. As a result an observation has been raised. However this is not a material error as the audit team gathered sufficient evidence in the field audit to suggest that no protected areas overlapped with the Safbois concession. Nonetheless, the correct citation would improve the transparency of the analysis.

Threatened species were cross listed between faunal observations and the IUCN RED List and two species were identified. However the IUCN RED List was not provided to the auditors and as such the audit team cannot validate the proponent's assertion. However, the species diversity to Congolese forests, and its threats are widely documented and the audit team observed that the proponent has abundant photographic and documentary data of faunal sightings. Annex X contains the forest inventory list however there here too the proponent has not provided the endangered species list against which its forest inventory was compared to determine that 12 Red-list tree species are in the project area.

The proponent has provided a suitable explanation regarding its search to determine the number of endemic species given difficulty in proving such a point. It relies on cross listing sightings against the DRC national draft guidance document Forets de Haute Valeur pours la Conservation en RDC resulting in one species (African Peacock), though the high rate of endemism in Congolese forests is well documented in the academic literature. The proponent has not indicated to the audit team where this resource can be found within the documentation but this point is immaterial given the auditor's familiarity with the topic. An observation has been raised on this issue.

The proponent acknowledges that there is insufficient evidence to prove that the project area harbours significant populations of species during their lifecycle. Given the state of understanding of species dynamics in Congo forests this is an acceptable conclusion.

HCV 2 – the proponent uses Annex E to demonstrate successfully how the project area contributes meaningfully to the landscape scale connectivity of the region.

HCV 3 – The proponent acknowledges that there is insufficient information to confidently determine whether there are any particularly threatened or rare ecosystems within the project area. This determination is appropriate given the lack of research in the region.

HCV 4 – The proponent cites the value of water filtration provided by the forest, which is critically important for local water quality and community needs. This is appropriate given the mostly intact nature of the project area and the local reliance on these services.

HCV 5+ HCV 6 – The proponent cites that surveys and participatory maps were used to assess areas of particular cultural/livelihood importance. The audit team viewed hand-drawn participatory maps at the project site and acknowledge that communities have been consulted via numerous positive responses in the field. In general the audit team agrees that the entire project area is essential for local communities therefore it is difficult to further subdivide the project area.

Section 2.4 of the PD acknowledges that since the project's strategy is to conserve the project area and contribute to improved land management practices that these strategies do not threaten HCVs in the project zone and that the proponents' monitoring activities will only add value in terms of enhanced knowledge and understanding of the project area's ecosystem and species. The audit team concurs with this assessment based on interviews with communities and Jadora staff concerning their project strategy and ethic.

The proponent has provided suitable justification to demonstrate conformance with the requirements.

4.5 Project Financing (G3 & G4)

Document the evidence used to determine that the project satisfies G3.11 and G4.7.

The proponent discusses CCB G3.11 and G4.7 in section 2.5 of the PDD. Regarding G4.7 the proponent discusses project cash flow by way of Annex E (Implementation Plan Budget). Regarding G3.11, the proponent mentions generally that each proponent and implementing partner is committed to covering the costs of the project, and that they are "sufficiently capitalized". The proponent has provided evidence that the project is likely to reach its break-even point in 2014 or 2015 and Jadora and Safbois have provided all resources to implement and maintain the project for four years prior to validation and verification, indicating sufficient financial health.

4.6 Employment Opportunities and Worker Safety (G4)

Document the evidence used to determine that the project satisfies G4.3-4 and G4.6.

The proponent describes employment opportunities and worker safety in Section 2.6 of the PDD, providing evidence of opportunities for employment for local communities. The audit team confirmed substantial employment opportunities for local communities in the field. Given the lack of economic opportunities in the project zone, Jadora is one of the main employers and employs a range of security guards, cooks, forest inventory crews, biodiversity specialists, agricultural specialists, and others. It is clear that local communities are given equal opportunity for employment, provided that the minimum qualifications of the position are met.

The proponent notes that hiring practices are implemented with respect to traditional gender roles, which may reduce women's opportunities for employment. It is culturally appropriate and in conformance with the intent of the CCB to respect traditional cultures while attempting to extend rights to marginalized groups. Hiring women is considered "a priority" however evidence is not provided that many have been thus far hired. Women are currently employed by the proponent as cooks and teachers at the Jadora School, led by a headmistress. Jadora is seeking a female lead upper level employee for the community team.

Section 2.6.4 of the PDD describes provisions for worker safety noting that the methodology of the International Labor Office is followed to assess risk of hazards from project activities and that these risk assessments and mitigation measures are identified in the "Worker Safety Risk Analysis" document.

In the field the proponent provided the audit team with the Worker Safety Risk Analysis document. The team confirmed appropriate identification of risks through interviews with workers, and workers were generally knowledgeable of risk mitigation measures. Appropriate implementation of worker safety measures was evaluated through the verification audit during this same field visit.

4.7 Stakeholders (G3)

Document the evidence used to determine that the project satisfies G3.8-10.

G3.8

Communities are appropriately identified as stakeholders in the project. All communities in the project zone have been consulted regarding the project. During the field audit the audit team confirmed through interviews with chiefs and community members at 5 different communities, as well as at a large meeting of 90+ individuals and representatives from around the project zone, that the communities were well-informed about the project. The audit team confirmed that ongoing consultation and sensitization about the project is occurring, witnessing a presentation of the project objectives, expectations, potential benefits for communities. The proponent has also confirmed that several thousand pamphlets describing the project have been distributed in appropriate local languages (Lingala). Audit team members reviewed pamphlets and confirmed distribution with communities. Community members and other stakeholders are also continually informed about the project through a weekly radio program. Interviews with communities confirmed a very positive impression of the consultation process and excellent working relationship with the proponent. The primary complaint from communities was that they felt the

level of consultation that has occurred is extremely thorough, but that they are waiting for more significant distribution of project benefits, which is dependent on sales of VCUs.

Appropriate external stakeholders are identified including local and national government officials, the Yangambi agricultural research center, and the Busira palm oil plantation. During the field audit the team concluded that all relevant stakeholders had been identified and that the proponent has identified potentially affected stakeholders in a very broad sense, given that the project does not likely reduce or impact any stakeholder's access to resources. Support from relevant local and regional government officials was confirmed through interviews with local officials and the Governor of Orientale Province.

G3.9

The proponent has appropriately summarized the PDD in Lingala and French (languages used by Stakeholders) and has publicized the public comment period through the Community Consultation Team via direct visits to communities and distribution of summaries. Community members have been informed of the opportunity to visit the Jadora base camp to use the internet to access more information. The audit team has received comments from communities indicating that the proponent's efforts at generating public comments are functioning. The audit team confirmed during field interviews that communities had opportunities to submit comments during the comment process.

G3.10

Section 2.7.4 of the PDD describes the grievance process and stakeholder conflicts. The proponent has provided Annex AO as the grievance mechanism. Review of Annex AO indicates that it appropriately leverages traditional and formal channels of communication for communicating grievances. Jadora staff, including the Community Consultation Team play a significant role in the process, providing an opportunity for information related to the grievance to be directly communicated to Jadora staff. The Territorial Adminstrator (AT) office is identified as the mediator to prevent COI, with the AT himself identified as the mediator when initial mediation efforts fail. During the field audit, the team confirmed that the AT was aware of this responsibility.

4.8 Commercially Sensitive Information

Identify, discuss and justify conclusions regarding commercially sensitive information.

The proponent has identified the following annexes as being commercially sensitive

Annex I	Net Revenue and Cashflow
Annex W	Proponent Agreement with Concessionaire
Annex AQ	Budget

Annex AS	Community Agreements
Annex AT	Community Agreements
Annex AZ	Pre-project concession details
Annex BQ	Letter of attestation - English
Annex BX	Theory of Change Matrix
Annex CI	Concession ownership details
Annex CK	Pre-project concession details

The annexes designated by the proponent as commercially sensitive are in conformance with the VCS definition as well as with VCS Standard 3.18.2. These annexes pertain either to confidential agreements between the concession holder and the government, agreement between the proponent and concession holder, or financial projections.

5 LEGAL STATUS

5.1 Compliance with Laws, Statues, Property Rights and Other Regulatory Frameworks (G4 & G5)

Identify, discuss and justify conclusions regarding compliance with applicable laws, statutes and regulatory frameworks, including the requirements of G4.5 and G5.1-5.2.

VCS+ CCB

Section 3.1.3 of the VCS AFOLU Requirements establishes that the project activities shall not lead to a violation of any applicable laws. The proponent has provided a list of applicable laws in section 3.1 of the PDD which address this requirement as well as CCB G5.1. The audit team included team members familiar with the DRC laws and regulations identified. Confirmation of conformance with laws and regulations was established through field observation, and interviews. The audit team met with the Governor of Orientale province, the Adminstrateur de Territoire of the region, and members of the MCENT, the Ministry the Environment, Nature Conservation, and Tourism. Each interview with these key government officials confirmed that to their knowledge the project was in compliance with laws. Additionally, evidence was provided to that audit team by Safbois, the owner of the concession, to establish that they were up to date on payment of concession fees.

The proponent has provided documentation of total approval by MCENT, the appropriate government representative, as evidenced by a signed, stamped, and dated (23 June 2014) copy

of the appropriate document, "Contrat de partenariat pour la valorisation des Services environnementaux a un projet REDD+ au profit de la soociete SAFBOIS" (Annex A), a contract for the valorization of environmental services from a REDD+ project with SAFBOIS. As the name of the signatory was illegible, the audit team independently contacted Ilanga Joseph, the Directeur Coordonnateur DEP, of MCENT, who was interviewed during the field audit, and confirmed that MCENT has approved the project and supports it. Confirmation of this was received on August 8 2014 from Mr. Ilanga.

Per the guidance provided in the VCS Validation and Verification Manual Section 3.2.1, Rainforest Alliance is able to determine that the proponent has demonstrated that Safbois holds right of use to a reasonable level of assurance, noting that per this guidance Rainforest Alliance is not providing an independent legal opinion on ownership of GHG reductions/removals.

5.2 Evidence of Right of Use (G5)

Identify, discuss and justify conclusions regarding evidence of right of use, including the requirements of G5.6.

Per the guidance provided in the VCS Validation and Verification Manual Section 3.2.1, Rainforest Alliance is able to determine that the proponent has demonstrated that Safbois holds right of use to a reasonable level of assurance, noting that per this guidance Rainforest Alliance is not providing an independent legal opinion on the ownership of GHG reductions/removals.

The proponent has provided documentation of total approval by MCENT, the appropriate government representative, as evidenced by a signed, stamped, and dated (23 June 2014) copy of the appropriate document, "Contrat de partenariat pour la valorisation des Services environnementaux a un projet REDD+ au profit de la soociete SAFBOIS" (Annex A), a contract for the valorization of environmental services from a REDD+ project with SAFBOIS. As the name of the signatory was illegible, the audit team independently contacted Ilanga Joseph, the Directeur Coordonnateur DEP, of MCENT, who was interviewed during the field audit, and confirmed that MCENT has approved the project and supports it. Confirmation of this was received on August 8 2014 from Mr. Ilanga. In combination with the legal analysis presented by the proponent the audit team is able to confirm that right of use has been identified consistent with the VCS Standard 3.11.1 right 1) with the MCENT as the competent authority.

5.3 Emissions Trading Programs and Other Binding Limits

Identify, discuss and justify conclusions regarding emissions trading programs and other binding limits.

The proponent explains in section 3.3 of the PDD that the project will not be used for compliance with Emissions Trading Programs or other binding limits, and that emissions reductions are only issued as VCU's. The audit team has verified that the project does not pertain to any emissions trading program or binding limit through interview with regional and national government officials

and confirming their understanding that the project will only issue emissions reductions into the VCS system.

5.4 Participation under Other GHG Programs

Identify, discuss and justify conclusions regarding participation under other GHG programs.

The proponent asserts in section 3.4 of the PDD that it has not and will not be seeking registration under other GHG programs other than the VCS. The audit team has confirmed that the project has not been registered with other voluntary carbon standards (Plan Vivo) which potentially accept REDD credits.

5.5 Other Forms of Environmental Credit

Identify, discuss and justify conclusions regarding other forms of GHG-related environmental credit.

The proponent asserts that the project is not generating any form of environmental credit, however its assertion must be more clearly phrased to accurately reflect the nature of the Isangi REDD project. For example, in section 3.5 of the PDD the proponent states that "The Isangi REDD+ project has not and does not intend to generate any related environmental credit for GHG emissions reductions or removals claimed under the VCS Program". This suggests that the project does not intend to be validated/verified under the VCS GHG program, which is incorrect. As the overall intent of the proponent to register under the VCS for emissions reductions is clear, this is not considered a material issue by the audit team, and an observation has been issued.

5.6 Projects Rejected by Other GHG Programs

Identify, discuss and justify conclusions regarding rejection by any other GHG programs.

The proponent asserts in section 3.6 of the PDD that it has not submitted the project under other GHG programs nor has it been rejected by one. The audit team has verified that the project is not listed under any other GHG program.

5.7 Respect for Rights and No Involuntary Relocation (G5)

Document the evidence used to determine that the project satisfies G5.3-4.

The project proponent has provided a description in section 3.7 of the PD regarding FPIC and that no involuntary relocation is required by the project. The proponent asserts that the project

does not require or involve the involuntary relocation of people or of their livelihood activities. Annex F has been provided as evidence describing Jadora's policies and principles regarding their work with local communities. Annex F describes the proponent's adherence to best practices regarding Free, Prior and Informed Consent (FPIC), compliance with legal frameworks, grievances and conflicts, employment policies. The document underscores that the proponent has followed the UN-REDD Programme's guidelines on FPIC (2013) when consulting with communities.

Section 3.7 of the PDD explains that voluntary terms of agreement were signed with 12 villages (out of 21 in the project zone) and that villages can opt-out of project activities at any time. The audit team reviewed a sample of 5 of the signed community agreements and confirmed in these villages that the relevant traditional representatives (village chief and elders) had signed. One example of the community agreements has been provided in Annex H. Community members interviewed confirmed that there has been substantial sensitization efforts from the proponent including village meetings, radio programs, and brochures, over a 4 year period.

The CCB Standards G5.3 footnote 31 requires that FPIC be obtained in the event that the project may encroach on community property, which includes lands traditionally used. Communities are immediately adjacent to the project area and use the forest for fuel and protein sources. However, the Isangi project takes a voluntary approach to participation in the project and attempts to reduce deforestation and negative biodiversity impacts through an incentive-based approach rather than by restricting access to the forest, or use of forest materials. No community members experience a reduction in forest access or resource use as part of the Jadora project. The audit team confirmed this during the field audit through a variety of methods. Five village meetings were held, as well as several semi-structured interviews with key informants from the communities as well as Jadora employees. All confirmed that Jadora did not restrict access to forest resources. This same policy was repeated three times during an educational meeting Jadora held with over 90 community members from throughout the project zone, which the audit team observed. The most common response interviewees provided when questioned about whether they had experienced negative impacts associated with Jadora, was that the benefit-sharing had not flowed to communities as fast as hoped.

5.8 Illegal Activities and Project Benefits (G5)

Document the evidence used to determine that the project satisfies G5.5.

The proponent explains in section 3.8 of the PD that illegal activities do not pose a significant threat to CCB impacts. For example illegal logging is of small scale and low impact due to a lack of capital by local residents, and agricultural use is technically permitted under the forest code. The proponent is attempting to address the minor risk of illegal logging through generation of alternate income activities for residents of the project zone. Although not noted in the PD, there is a substantial amount of bushmeat hunting in the project zone which may violate some Congolese laws and does violate international laws when endangered species are shipped overseas, which may be coming from the project zone. However, the proponent is actively working with communities to reduce dependence on the bushmeat trade for income and protein

sources, through alternative activities including tilapia farming, animal husbandry, etc. The activities already implemented (fish farming) have been observed in the field by the audit team.

6 APPLICATION OF METHODOLOGY

6.1 Title and Reference of Methodology

Identify the title, reference and version number of the applied methodology

The proponent has identified the selected carbon accounting methodology as VCS Methodology VM0006, Version 2.1. Methodology for Carbon Accounting for Mosaic and Landscape-scale REDD Projects in section 4.1 of the PDD. This information is sufficient for properly identifying and referencing the utilized methodology.

6.2 Applicability of Methodology

Identify, discuss and justify conclusions regarding the applicability of the methodology.

Section 4.2 of the PDD includes responses to each applicability condition required by section 4.1.1 of VM0006. Although the proponent has presented arguments to show conformance with the applicability conditions there are some instances where insufficient evidence has been provided to more fully justify the proponent's claims. These cases have been documented as a non-conformity.

Condition 1

The proponent explains that an FAO definition of forest was used to determine the project area. This definition comes from Annex 2 pg. 209 of the following document: http://www.fao.org/docrep/013/i1757e/i1757e.pdf. This definition is defined by an internationally recognized entity and it is acceptable for defining the VCS project area. The proponent references Section 5.3.2 of the PDD to show how the project area was defined using this definition and asserts that it was forested for a minimum of 10 years. The audit team noted that the project area is old mature forest that has been forest well beyond the 10 year minimum.

Condition 2 (and 3)

The proponent has combined two applicability criteria into one argument that is intended to show that the deforestation/degradation is likely without the project, that losses of forest cover would be mosaic in nature, and that the drivers of deforestation/degradation can be categorized into at least one of the list provided by VM0006. The proponent identifies four (4) primary drivers of deforestation, of these, 1 and 2 (Conversation of forest land to cropland for subsistence farming, and Conversion of forest land to settlements) are cited as contributing to the majority of deforestation, but all four are contained in the list provided by VM0006. The audit team can confirm that these drivers are in fact present based on interviews and direct observation in and around the project area.

Condition 3 (Continued)

The proponent has provided an argument for identifying whether any of the drivers listed are planned in nature. The argument provided suggests that no drivers need to be excluded from analysis because there are no planned activities, other than those planned deforestation drivers whose effect cannot be easily detected through common remote sensing techniques (large oil palm plantations). Specifically the proponent identifies pre-project commercial selective logging and conversion of forest by subsistence agriculture. Logging in the project area is identified as being planned but not resulting in detectable losses of forest. The audit team agrees with this assertion based on visible evidence of selective logging in the field and minimal resulting impact on canopy cover. Conversion due to subsistence agriculture is classified as unplanned deforestation, which is a point corroborated by the audit team's visit and observation of manual clearings performed by villagers for agricultural production. The audit team interviewed multiple local farmers about agricultural practices and confirmed the accuracy of that described in the PDD.

Lastly, the proponent explains that Oil Palm Plantations are not likely to contribute to future deforestation and that they were established on degraded land. The audit team understood that the oil palm plantations were established well before the Safbois concession before the project. Although expansion is technically a risk to the project area it would be in the form of an illegal expansion into the forestry concession. The audit team witnessed rotational replacements of old oil palm stands suggesting the plantation is operating within their boundaries. Further analysis of imagery through google earth suggests their boundaries have been stable. Moreover, they are excluded from the proponent's project boundaries.

Condition 4

The audit team reviewed the LandSat imagery used in constructing the imagery required for establishing the baseline deforestation rate in the reference region. The dates, image number, and image names have been provided in Section 5.3.2.1 of the PDD. The audit team has reviewed the dates of the scenes used to create each image and confirmed that they permit conformance with this condition. Additionally, as the audit team has now been provided required supporting documentation establishing accuracy assessment SOPs and results, as well as other relevant analyses the audit team is now able to confirm the appropriate use of methods in creating the images corresponding with the 10-15 year, 4-9 year, and 0-3 year before project start date requirements. To ensure the scenes referenced in the PDD were appropriate for the analyses conducted by the proponent, the audit team confirmed a random selection of scenes on the Glovis site (glovis.usgs.gov), including image LT51760601995022XXX02, image LT51760591994339XXX02, image LE71760592005009ASN01, and image LE71770602007070ASN00. No errors in selection of imagery were found. Therefore this condition has been sufficiently demonstrated.

Condition 5

The proponent references section 4.5.1.6 of the PDD for details regarding the project's classification accuracy methods. Annexes BA, BB, BC, BU, BV, N, O, P, and Q were provided as documentation. The audit team reviewed these documents with the proponent on July 22nd, 2014 and found that all supporting documents explained the classification accuracy assessment

process to reasonable extent and demonstrated adherence to established conventions and good practices in remote sensing. Therefore this condition has been sufficiently demonstrated.

Condition 6

The proponent references and utilizes data from the International Soil Reference and Information Center to support the argument that it is unlikely that organic peat soils are found in significant amounts within the project area (Annexes R, S, T). The source provided is from a reputable source and provides reasonable assurance that Condition 6 has been met. The audit team visited semi-inundated (occasional during the rainy season) forests along the Lomami River, where peat would be most likely to be present and no peat was identified. Therefore this component has been sufficiently demonstrated.

Conditions Related to Eligible Project Activities

The proponent has identified three out of the seven eligible project activities identified in VM0006. The requirement was to identify at least one of these activities, therefore by identifying three activities: 1). Strengthening of land-tenure status and forest governance. 2) Supporting the development and implementation of sustainable forest and land use management plans 3). Sustainable intensification of agriculture on existing agricultural land; the proponent has demonstrated that it is in compliance with this condition. The audit team has understood these activities are a part of the proponents planned activities as per the Implementation plans (Annex B) and interviews with project staff. This condition has been met.

6.3 Methodology Deviations

Identify, discuss and justify conclusions regarding methodology deviations applied to the project.

The proponent has identified one methodological deviation related to a requirement in VM0006 v2.1 Section 8.1.2.2. This deviation relates to the requirement that forest class must be subdivided into forest strata. The proponent has requested a methodological deviation to not sub-divide the forest class into multiple forest strata. In addition, the proponent has identified this deviation as both a monitoring and measurement deviation because the definition of forest strata can improve measurements of carbon density, and because the monitoring of carbon stocks over time is directly related to the manner in which the forest class has been stratified. The audit team agrees with this characterization. The proponent has justified this deviation on the grounds that the spectral signatures obtained from optical sensors could not reliably and consistently distinguish between forest types, and because the uncertainty deductions applied to emission factors account for any loss of accuracy attributed to using only one forest stratum. The audit team agrees with this argument based on observation of the characteristics of the forest during the field audit as well as based on review of the remote sensing analysis. The forests of this region of the Congo Basin are quite homogenous due to the consistent elevation, topography, and climate.

Lastly, the proponent has described the impact of this deviation on GHG quantifications by explaining that the uncertainty attributed to this deviation is already accounted for in the emissions factors. The audit team has reviewed the GHG quantification model and agrees with the proponent. Conformance has been demonstrated.

6.4 Project Boundary (G1)

Identify, discuss and justify conclusions regarding the definition of the project boundary.

Carbon Pools

Table 6 in section 4.4 of the PDD has identified the carbon pools that have been included as part of the project boundary and provided sufficient justification for inclusion/exclusion of pools.

Table 7 includes a list of GHGs and sources that have been deemed *de minimis*. The justifications for designating these sources and gases as *de minimis* are mostly based on the fact that they are not relevant to the project or not required. In the case of CH4 and N2O from biomass burning the proponent makes the case that they are insignificant in the project case unless they are catastrophic. The audit team agrees with this assessment since catastrophic forest fires in the moist forests of the DRC are historically rare. The proponent has adequately justified *de minimis* sources of GHG emissions.

Spatial Boundaries

Section 4.4.2 of the PDD provides a generalized description of how spatial boundaries were determined. The proponent has provided KML files of spatial boundaries in appropriate annexes. The audit team has reviewed the designation of the project area, leakage, reference region, and project zone designations in detail in other sections of this report and has determined these designations to be in conformance with the VCS and CCB standards, but no description or the methods used have been provided or referenced. Section 5.3 of the VM0006 requests spatial boundaries for the project area, leakage area, and reference region. Section 4.4.2 of the PDD only references the project area boundaries. Please refer to auditor comments regarding spatial boundaries of the project area in section 3.2 for detailed comments on the project area. Regarding the leakage area and reference area the proponent has provided explanations regarding the method for delineating them in Sections 5.5.1.3 and 5.3.1 of the PDD respectively. However these sections should be referenced in section 4.4.2 to enhance clarity and transparency and have been cited as an observation.

6.5 Baseline Scenario (G2)

Identify, discuss and justify conclusions regarding the determination of the baseline scenario, including the requirements of G2.1 and G2.4-5.

Section 4.5 of the PDD outlines the baseline scenario which is explained as being conversion of forest to cropland for subsistence uses, which is fuelled by road expansion and inability of Safbois to prevent this conversion due to the high costs involved in doing so. Subsections of Section 4.5 identify the specific climate scenario (see VCS section below), community scenario, and biodiversity scenario.

CCB

G2.1

The proponent uses an approved VCS methodology, VCS VM006 v2.1, appropriately designed for REDD Avoiding Unplanned Deforestation (AUD) projects. The VCS methodology is considered equally or more robust than IPCC 2006 GL, and the VCS standards requirements for methodologies are rooted in IPCC 2006 GL for AFOLU requirements.

G2.4

Section 4.5.2 of the PDD describes the baseline impacts on communities. The proponent asserts that in the baseline the communities would continue to rely on conversion of primary forest to cropland leading to large scale degradation of soil resources, facilitated by the greater access to forest resources due to logging roads that would be built by Safbois. The heavy rain and phosphorus-poor soil typical of the Congo Basin, combined with the increasing population would in turn would precipitate a gradual reduction in fallow periods resulting in further decrease of soil fertility. Appropriate academic sources are cited to support the biophysical description of this scenario which is a well-established pattern in the wet tropics in the presence of growing human populations, when slash and burn agricultural practices are not adapted to the higher modern population densities. Safbois in the baseline would employ 80 persons, which is insignificant in comparison to the estimated 50,000 population of the project zone. The audit team has confirmed during the field audit that individuals formerly employed by Safbois were likely economically better off in the baseline, however, as a whole the communities have overwhelmingly communicated that the prefer the REDD project to the baseline scenario.

During the field audit, the audit team confirmed the validity of the baseline scenario. Interviews with key informants (local government representatives, church leaders, village chiefs) and community members were held throughout the 5 days at the project location. Most interviews provided conflicting accounts of population growth in the project area, however, the audit team finds the assertion by the proponent that population is growing to be credible based on well-known trends in the region as well as the preponderance of young children. A significant number of community members have moved to the area, or moved back to the area in recent years since conflict has ended, or moved to the project area during the conflict to escape larger population centers. Direct observation of household size indicates that it is not uncommon for there to be 5 or more children per household indicating high population growth (although the proponent has not provided regional demographic data to support this). The audit team confirmed visually that slash and burn agriculture is the primary or only form of agriculture in the project area, and degraded fields abandoned after slash and burn were observed.

The audit team also found evidence to substantiate the claim that in the baseline Safbois would have continued logging and constructed logging roads throughout the project area, facilitating greater access to forest and more deforestation. Auditors witnessed old logging roads and skid trails growing back into forest and shrubs since the cessation of logging. Logging maps dating to prior to the project start date were reviewed and indicated planned logging roads that had not been constructed in the harvest blocks that would have been harvested next. Additionally, the audit team held an interview with a timber spotter who worked for Safbois in the past and confirmed that valuable timber was present throughout the project area.

These aspects of the community baseline scenario are considered credible by the audit team.

The proponent has evaluated the baseline community scenario in detail in Section 4.5.2 of the PDD using the Focal Issue Problem Flow Analysis tool, from the SBIA Manual which is considered an appropriate methodology per the CCB Standards Second Edition. This approach is used for the without project scenario and is used in combination with the theory of change model for demonstrating net positive community impacts in the withproject scenario.

Review of Section 4.5.2 of the PDD indicates that three focal issues have been identified, including lack of sustainable food security, lack of employment opportunities and inadequate health care. The community input necessary to inform the focal issues is derived from the original stakeholder engagement process carried out by the Community Consultation Team.

The focal areas identified are consistent with the audit team's observations and the current situation as reported by interviewees during the field audit. Section 4.5.2 of the PDD now provides much greater detail of the without project community scenario. The Focal Issue Problem Flow Analyses tool output has been presented for each focal issue, along with the relationship to the program areas implemented by the proponent. The selection of a CCB-approved methodology for assessing the without project scenario, along with the increased detail provided in the PD v2.0, is sufficient to demonstrate conformance.

G2.5

The biodiversity baseline scenario is described in PDD Section 4.5.3. The same scenario described in Section 4.5.2 of the PDD in which deforestation agents convert primary forest to farmland and degraded farmland as population grows is described as the biodiversity scenario. Biodiversity suffers in this scenario through loss of habitat and physical destruction via conversion to agricultural land. As the currently relatively low deforestation rates increase in the future more significant habitat destruction is expected. The proponent cites the example of Indonesia where deforestation rates approaching 1% lead to severe biodiversity impacts including habitat loss. It is also assumed that bushmeat hunting would increase in the baseline scenario.

Based on the field audit the biodiversity baseline scenario is credible. Expansion of logging roads combined with increasing population would lead to biodiversity losses. Animal density is much lower in forest areas adjacent to roads and farms, as was determined by review of the camera trap images with the proponent. The bushmeat trade was observed in local markets as well. Additionally, based on logging that occurred in the project area prior to the project start date, logging did include threatened species such as Afromosia.

6.6 Additionality (G2)

Identify, discuss and justify conclusions regarding the demonstration of additionality, including the requirements of G2.2.

Section 4.6 of the PDD contains an assessment of additionality which addresses the principal sections required by the VCS Tool for additionality (VT0001).

Following an initial nonconformance, the proponent has modified PDD section 4.6 to follow the structure of VT0001 (VCS Additionality tool). The explanations given clearly follow the steps in the tool and the audit team was able to easily understand how the proponent's arguments mapped to the various steps in the tool. The proponent's analysis closely follows the evidence and observations gathered by the audit team concerning its additionality. There is an obvious need for investment in rural Congo and meetings with the governor of Orientale Province corroborated the fact that the government is open to private sector financing through REDD to supplement the difficulties in directing and securing funds to promote rural livelihoods in the region and by the low level of human development observed in the region. The governor was

highly supportive of the Jadora project and expressed this clearly to the audit team. Conversations with the Territorial Administrator and a range of local residents corroborated that the Jadora project is unique in the area and that VCS revenue is necessary to support the project at scale and in the long term. Residents have had Jadora's continued presence for many years but due the time scales required to achieve verification the project has had to severely restrict its project activities to the minimum. This is sufficient evidence to demonstrate that VCS revenue is essential to the project and that no other funds of an equivalent sustaining nature are available to the project. The project complies with every step of VT0001 and identifies the most plausible scenario as a continuation of pre-project land uses (shifting agriculture made possible by logging roads), a point sufficiently corroborated in the field by the audit team.

Alternative scenarios identified are reasonable and include continuation of the pre-project land use, the project activity in the absence of registration with the VCS, and conservation of the project area forest carbon stocks due to legal requirements. The pre-project land use is appropriately selected as the most likely baseline scenario as this existed on the project site and is the common land use in all concessions in the region.

The proponent selected the investment analysis and selected a simple cost analysis as the project activity generates no income whatsoever other than from potential sales of VCUs. The proponent has provided the implementation budget (Annex AF) and the Net Revenue and Cashflow model (Annex I) as evidence. The audit team has reviewed both documents. Based on these documents, interviews with key stakeholders in the MCENT, the governor of Orientale Province, local officials, and local communities, the simple cost analysis is appropriate and the assertion that there is no revenue generated to cover the substantial project implementation costs other than through VCU sales is credible.

The proponent has justified the common practice analysis acknowledging that there are two other REDD initiatives in the region. The government initiative is fundamentally different as it started four years after the Isangi project and is not project-scale and is funded by the African Development Bank. Another REDD projects exists (not validated yet) in the region but it does not occur on forest concessions and as such has different underlying aspects of land ownership and has a start date two years later than the Isangi project. The assertion that the REDD project is not commonplace is valid given that it predates all similar projects/initiatives in the region and is of a different nature.

The proponent has justified the additionality of the project.

7 QUANTIFICATON OF GHG EMISSION REDUCTIONS AND REMOVALS

7.1 Project Scale and Estimated GHG Emission Reductions or Removals

Identify, discuss and justify conclusions regarding the project scale and the estimated GHG emission reductions or removals, including the requirements of G1.4.

The proponent has identified the project scale and estimated GHG reductions over the project lifetime in section 5.1 of the PDD. The project is a VCS Large project, estimated to generate slightly more than 300,000tCO2e of reductions per year.

<u>CCB G1.4</u>

The proponent has identified the carbon stocks of the relevant strata including forest carbon stocks, cropland carbon stocks, and settlement area carbon stocks in the PDD Section 1.3.3.

7.2 Leakage Management

Identify, discuss and justify conclusions regarding leakage management.

The proponent has provided a description of strategies for leakage management in section 5.2 of the PDD. Quantification of leakage emissions is covered in Section 7.5 of this report.

CL2.1

The proponent has identified a range of project activities designed to mitigate leakage emissions. The audit team has reviewed project activities in the field and confirmed through interview that local communities deforesting the area feel that the activities can reduce their need to deforest if fully implemented.

CL2.2

The proponent is required to estimate the extent to which leakage will be reduced by the leakage mitigation activities. The proponent estimates that leakage will be fully mitigated in the future once the project is fully implemented. This will be monitored in future verification period.

7.3 Baseline Emissions (G2)

Identify, discuss and justify conclusions regarding the quantification of baseline emissions, including the requirements of G2.3.

The methodology contains numerous steps for estimating baseline GHG emissions which are evaluated in detail below.

Selecting a Valid Reference Region (8.1.1.2)

The proponent has described the process for delineating the reference region in section 5.3.1 of the PDD. Below is a summary of the requirements set forth by VM0006 in section 8.1.1.2 regarding the establishment of the reference region. The proponent has selected and justified a reference region consistent with the VM0006 methodology as well as the VCS Principles of Accuracy and Conservativeness.

a. Minimum size of 250,000ha or the size of the project area at the start of the crediting period

The proponent has delineated a reference area of 1,814,578 ha, which exceeds the thresholds established by the methodology. This is comprised of limits of logging concessions in Orientale Province from 1990 and 2010 and represented by Annex AW. The logging concessions have been represented in a PDF map (Annex AV and Annex Y) and are derived from WRI shapefiles which the government uses as an official source

b. Boundaries of reference region must be unbiased

The proponent has defined the boundaries of the reference region using an accessibility analysis in the concessions in Orientale Province in 1990 and 2008. The selection of all concessions is appropriate and unbiased given that the project area is a concession in the baseline and that the proponent did not artificially select concessions with higher deforestation rates. In an effort to remove any bias from concessions that are proximate to Kisangani or a major national highway that leads north from Kisangani, the proponent has delimited the reference region to those areas of the concessions that are within 25km of a local or provincial road, which is the maximum difference from such road within the project area. To further prevent bias, roads which are connected directly to national highways are excluded. The result (Annex AW) is an unbiased selection of analogous concessions limited by accessibily similar to that within the project area.

c. Demonstrate that the reference region does not contain areas where agents of deforestation have restricted access

The proponent has excluded areas of known restricted access for deforestation agents including, oil palm plantations, protected areas, and areas that are otherwise inaccessible due to lack of transportation infrastructure which typically provides the means of entry for deforestation. The proponent has digitized and removed the oil palm plantations (see Annex BN). The audit team has confirmed that the reference region excludes the Yangambi reserve, the only known protected area near the project area. The audit team acknowledges that the DRC is an information poor environment and due to the project's coordination with local and national authorities who would be aware of areas of restricted access. It should be noted as well that the accidental addition of areas of restricted access to the reference region would create a more conservative baseline deforestation rate. Hence the proponent appropriately balances the VCS principles of Accuracy and Conservativeness by attempting maximum accuracy but structuring the analysis such that if information is missing it would result in a more conservative issuance of VCUs. To ensure the reference region accurately reflects the risk of deforestation the proponent has also restricted the reference region to the area within 25 km of local and provincial road within the concessions, which is reflective of the maximum Euclidean distance from road in the project area. National highways were appropriately removed from this analysis as they provide access to deforestation agents which is not characteristic of the project area.

d. The reference region must exclude areas where planned deforestation activities took place.

With respect to points "c" and "d", the proponent maintains in section 5.3.1 of the PD that the Isangi oil palm plantations, nature reserves and parks were excluded from the reference region and refers to Annex AQ, which is "Implementation plan budget v2.0.xlsx". This reference is believed to be erroneous and it is assumed that the proponent is referring to Annex BN. The proponent also cites changes made to section 4.2 of the PDD under applicability condition #3 which signal that "Oil palm plantations were digitized form high resolution imagery in the project zone and excluded from the project area. There are no other planned forest conversion activities in the region." The audit team has reviewed the imagery and compared the locations of digitized oil palm plantations to Google Earth imagery and confirmed that the oil palm plantations have been appropriately digitized and excluded.

e. The reference region must exclude deforested areas caused by natural (non-anthropogenic) large-scale, extraordinary events

The proponent states that remote sensing LULC analysis was used to ensure that no large deforestation events due to natural events occurred in the reference region. The audit team has confirmed appropriate use of remote sensing technologies for this analysis.

f. The project proponent must demonstrate that the reference region contains, at minimum, 15% forest cover at the beginning of the crediting period,

The amount of forested area in the reference area at the beginning of the reference period is 100% which exceeds the minimum threshold established by the methodology and which is represented by Annex BT.

g. The project proponent must compare a number of key variables between the reference region and project area according to the procedures outlined in Table 3

Drivers of Deforestation

The proponent submits Annex AZ as evidence of similarities in drivers of deforestation in section 5.3.1.1 of the PDD. This annex shows cropland vs. forests vs. the location of roads and shows a similar pattern of deforestation. The proponent has explained the rationale for the assumption that subsistence agriculture is the primary driver of deforestation in both the reference area and the project area during the geospatial review with the geospatial expert. The assumption is supported by the choice and application of variables in the spatial model. The spatial model was able to demonstrate a statistically significant relationship between risk of deforestation and distance to forest edge, and distance to roads. This is a well-known pattern typical of deforestation patterns caused by subsistence agriculture drivers. In addition, the audit team observed only two forms of deforestation The pattern of deforestation in forest concessions caused by local agents of agricultural conversion is established across the DRC and supported by the 1973 General Property Law which affords this right to non-allocated resources in forest concessions.

Distribution of native forest types

Based on the audit teams evaluation of forest types during the field audit, there is general homogeneity of forest type in the project area and in the areas of the reference region visited by the audit team. This is driven largely by the homogeneity of elevation, slopes, and climate across the reference region and project area. Although some small scale differences in forest species composition and structure were noted by the audit team near rivers as compared to areas that were slightly more elevated, these differences were not significant and the assertion by the proponent that remote sensing analyses could not detect different native forest types is considered credible.

Elevation

The proponent submits Annex AX as evidence that the project area and reference region fall within the same 500m elevation class, which falls in the established range set by the methodology. AX contains a representation of a digital elevation model across the reference region, however the source of the DEM has not been provided to justify this claim, however this is not material since the auditors travelled extensively down the Congo River and could determine elevation is likely not materially different between the reference and project area.

Slope

The proponent submits Annex AY as evidence that 99% of the project area and reference region fall within the same 0-5% slope class. This falls in the range set by the methodology (10%). Annex AY contains a representation of slope data derived from DEM data.

Land Tenure Status

The proponent provides the 1973 DRC General Property Law (No. 73-021) as justification for similarity in land tenure patterns and policies. Although the proponent was did not provide further explanation or justification, the audit team, after consulting a regional forestry legal expert, has determined this justification is sufficient. It should be noted that although the reference region contains areas where the concessions have been decommissioned in the latter part of the

reference period, the impacts of this change in status are immaterial on land tenure as the General Property Law applies equally across concessions and non-concession land areas., Particularly, the law allows for certain types of 'permanent private concessions', and also recognizes that customary laws apply to user rights over 'non-allocated lands in rural areas'. Also Forest ownership and user rights are subject to the 2002 Forest Code, which sets out the basic 'framework' for the DRC Government's forest policy. The Code does not modify the 1973 Land Law, and continues to assert state ownership over all areas of forest. These laws are national laws so apply equally to the project area and the reference region.

Policies and Regulations

Both the reference and project area are located in Orientale Province, which has been used as the justification for similarity between policies and regulations between the two areas and is a reasonable assumption.

Degree of Urbanization

The proponent explains that the urban areas and settlements were excluded from the project area and reference region during the historical reference period, Annex S and Annex N are cited as examples of these maps. This forms the basis for similarity analysis.

8.1.2 – Historical deforestation in the Reference Region

The proponent has provided a summary of various processes used to meet the requirements in section 8.1.2. The audit team geospatial auditor has conducted interviews with the proponent to better understand remote sensing and deforestation detection processes used to understand historical deforestation, and has confirmed the appropriateness of the procedures per best practice and VM0006. For thematic accuracy the results of the overall accuracy of classification were 85% which is greater than the minimum VM0006 requirement of 70%. In the proponents original classified imagery during the historical reference period there were errors related to the classification of the water class with forest frequently converting to water, and vice versa. The proponent has addressed this uncertainty conservatively by assuming that if a pixel is represented as water in any time-step image it shall be considered water in all other images. The historical deforestation analysis is in conformance with VM0006 and the VCS.

8.1.3 – Identify Agents and Drivers of Deforestation

Section 5.3.3.1 of the PDD provides a discussion of the relative importance of drivers of deforestation (related to section 8.1.3.2 in VM0006) and lists the quantitative measures required by the methodology of absolute carbon loss and relative contribution. Annex BB is provided as evidence.

Section 5.3.3.2 of the PDD provides a discussion of the relative importance of drivers of deforestation (related to section 8.1.3.3 in VM0006) and lists the quantitative measures required by the methodology in Table 17 of the PDD. The proponent mentions that a social appraisal was used to determine the mobility analysis and has described the sampling method, provided the audit team with the tabulated results of the social appraisal, and provided the audit team with copies of original response sheets from the appraisal.

Section 5.3.3.3 of the PDD provides a discussion of the driving variables of deforestation (related to section 8.1.3.4 in VM0006) and lists them in Table 18 of the PDD. The reference region did not need to be adjusted as suggested by VM0006, based on the results of the spatial model. The proponent has provided a transparent description of the spatial model utilized including the statistical program used (R statistical program), the mathematical underpinnings of the model, the assumptions involved (first order stationarity), and supporting academic literature for similar models and approaches. Additionally, factor maps and model validation methods and results were included in the PDD.

8.1.4 – Determine Emission Factors for All Included Transitions

Section 5.3.4 of the PDD provides a discussion of the various processes followed to determine the emissions factors used to quantify GHG emissions from land use change. Specifically, sections 5.3.4.1-5.3.4.4 present discussions regarding the data sources used to estimate the carbon density of carbon pools in the forest stratum (above and below ground live biomass and soil organic matter). An extensive forest inventory of 541 plots forms the basis for the live aboveground biomass estimates (PDD 5.3.4.2 and Annex BG). Three forest plots were visited at random and the proponent's field methods and records were found to be sound. The audit team additionally visit four other plots in a previous 2012 field audit, making for a total sample size of seven plots based on the same inventory data and found also found those plots to be well implemented and measurements to be accurate. The audit team additionally observed the field inventory team independently conducting measurements of the forest carbon stocks to assess and understand the Standard Operating Procedures (SOPs). The SOPs are based on best practice and were faithfully implemented. The inventory team is well qualified and trained.

Forest Carbon Stocks

The chosen allometric relationship has been identified as that developed by Djomo (2010), and is described in PD Section 5.3.4.3.1. The equation is appropriate for the forest type and region. The r^2 value reported in Djomo is 0.96, and the proponent justifies that with an r^2 value this model could be considered significant at a 95% confidence level. Additionally, the dbh range of the sample used to develop the Djomo equation is greater (5-170cm) than that observed in the forest inventory, further indicating the appropriate nature of the allometric model.

Belowground biomass is correctly estimated on root/shoot ratios from an IPCC endorsed source (Aalde et al, 2006).

The audit team has reviewed the relevant spreadsheet in which forest carbon stocks were calculated (Annex X, Isangi Forest Data v1.0) and identified no material errors or omissions. The Djomo equation, carbon fraction, root to shoot ratios, and other defaults were faithfully implemented in the calculations. The audit team independently calculated a sample of forest carbon stocks and found congruence with the values reported by the proponent. The audit team additionally followed the independent field measurements made by the audit team through the calculations and confirmed their consistency.

The final forest carbon stock value of 190.2tC/ha in aboveground carbon stocks is a high value, but within reasonable range of IPCC default values. The audit team finds the value to be credible given the preponderance of large (>100cm dbh) trees in the forest, as well as the consistent very tall stature of codominant individuals in the forest (approximately 40m) with occasionally canopy emergents up to 50m.

Cropland and Settlement Carbon Stocks

The proponent calculates cropland and settlement carbon stocks using the same method applied to the forest carbon stocks, with the same carbon pools evaluated. The proponent updated cropland carbon stocks following the field audit with a new inventory of both the cropland and settlement LULC classes. The same carbon pools measured in the forest stratum were

measured in the cropland and settlement strata (including the deadwood pool), using the same inventory protocols, with the same inventory teams. As the audit team evaluated these inventory protocols and the inventory teams in April 2014, the audit team has confidence that application of the same methods to the cropland and settlement land cover types would result in accurate quantification of biomass and carbon stocks.

The updated carbon stocks for cropland and settlement land covers, and the related emissions factors have been reviewed in the supporting annexes as well as in the updated PD v3.0. The new values are both more conservative and deemed by the audit team, based on expert knowledge, to be representative of the high carbon stock agricultural and fallow areas observed during the field audit.

The proponent used a simple random sampling method with sample points allocated in a GIS, which follows best practice. As a result of a minor error made in the quantification of carbon stocks in the settlement land cover, which actually decreases the quantity of VCUs claimed by the project and observation was issued.

The proponent provides a summary of emissions factors based on carbon stock measurements and potential LULC transitions in Section 5.3.44 of the PDD, Table 25. The table is appropriate for the purpose.

8.1.5 – Estimate Ex-ante Land Transition Rates under the Baseline Scenario

The proponent has selected three scenes to calculate the baseline deforestation rate in the reference region. The scenes are appropriately selected and conform to VM0006 requirements regarding temporal selection. The audit team has reviewed the imagery and classification methods, as well as accuracy assessments with the proponent and determined conformance. The historical deforestation rate is estimated at 0.24%/year, which is very similar to the national average of 0.2%/year, indicating a conservative reference region given that the national average includes vast areas of the Congo Basin that are inaccessible. VM0006 requires the proponent to calculate net deforestation, deducting regeneration during the time period in question, which the proponent has correctly done.

Tables 26-35 correctly depict the deforestation and regeneration rates by LULC transition for each time step of the historical reference period.

PD Section 5.3.5.3 describes the spatial model in detail in detail including the statistical program used (R statistical program), the mathematical underpinnings of the model, the assumptions involved (first order stationary), and supporting academic literature for similar models and approaches. Additionally, factor maps and model validation methods and results were included in the PD. Visual outputs of the model for each parameter/factor are presented in the PD which lends greater transparency to the analysis. In the final analysis, two parameters are selected as significant with appropriate statistical justification.

Finally, the proponent presents the *ex-ante* baseline emissions in both the project area and leakage are in table 39. The values demonstrate consistency with supporting annexes including the carbon accounting model. Conformance has been demonstrated.

7.4 Project Emissions

Identify, discuss and justify conclusions regarding quantification of project emissions.

Section 8.2 of the VM0006 requires the estimation of the effectiveness of the project activities through quantitative effectiveness factors. Table 40 demonstrates the estimated effectiveness of project activities per driver, per year, as requested by VM0006. The proponent has noted that estimating 100% effectiveness of some activities at Year 1 of the project is unrealistic and as a result has altered the effectiveness rating to be scaled in gradually at approximately 30% per year depending on the driver. The audit team confirms that this is a much more conservative approach and is possible in the event that the project is able to generate significant funding to support implementation of project activities. The audit team reviewed the implementation of the graduated effectiveness rating in carbon calculations in the carbon accounting model with the proponent and determined that no errors or omissions could be detected. The estimation of project emissions is in conformance.

7.5 Leakage

Identify, discuss and justify conclusions regarding quantification of leakage emissions.

The proponent has described the demarcation of the leakage belt in terms of cost-of-transportation approach as required in section 8.3.2.2 of VM0006. The proponent bases the cost of transportation estimate on the results of a Participatory Rural Appraisal (PRA) conducted in a range of communities in the project area questioning how far they currently travel to their farms, their preferred distance, and how far they would travel given limited access near their village. Community members reported low willingness to travel several kilometers to farm given the difficulties in logistics of transporting hundreds of kilos of agricultural products on their backs or bicycles. As villages cluster around roads, the leakage belts were defined as a given distance (7km) based on the maximum results of the PRA.

The audit team considers the leakage approach and results to be credible. It should be noted that the project itself does not restrict access to deforestation agents anywhere within the project zone, so the probability that agents of deforestation would travel outside the project area to deforest, when their ability to do so inside the project area is not limited, is considered low likelihood. The project attempts to reduce deforestation through incentives and alternative livelihoods rather than through restriction of access to forest areas.

7.6 Summary of GHG Emission Reductions and Removals

Identify, discuss and justify conclusions regarding the summary of GHG emission reductions or removals and uncertainties associated with the calculation of emissions.

Tables 41-44 of the PDD presents a summary of the GHG emissions reductions/removals according to the requirements of the methodology.

The audit team has evaluated the inputs, assumptions, and measurements that lead into the final calculation of GHG reductions and has confirmed that this *ex ante* estimate is materially in conformance. The audit team has reviewed the carbon accounting model (VM0006 Accounting Isangi v3.6 in great detail with the proponent. Results of sub-steps of the methodology leading to the final GHG reductions were calculated and tested independently and determined to be identical to the methodology. EcoPartners staff participated in several hours of meetings with the audit team in which the audit team tested the model and no errors or inconsistencies were identified in model code or outputs.

The audit team has determined the overall summary of GHG emissions reductions and removals to be in conformance.

7.7 Climate Change Adaptation Benefits (GL1)

If applicable, document the evidence used to determine that the project satisfies GL1.1-4.

The PDD in Section 5.7 discusses climate change adaptation benefits. The proponent describes general projected climate trends without providing references or sources for these projections which are discussed in a broad qualitative fashion. Project activities and leakage management activities which will provide resource substitution to project zone inhabitants or other economic options are identified as likely to help project zone communities adapt. The analysis is generic and not substantiated by academic references or other appropriate sources. The project has not demonstrated gold level climate change adaptation benefits, however, GL1 is not required for CCB Validation or Verification.

8 COMMUNITY

8.1 Net Positive Community Impacts (CM1)

Document the evidence used to determine that the project satisfies CM1.1-2.

<u>CM1.1</u>

The proponent assesses net positive community impacts in Section 6.1 of the PDD and in key annexes such as Annex AU and Annex K.

The proponent's project activities fall under four broad program areas (Education, Improved Access to Resources, Improved Production, and Land-Use Planning). Several project activities, which are adaptive over time, are organized under each program area. These program areas and associated activities, in turn, contribute to the project objectives, which are organized by climate, community, and biodiversity thematic areas. The Theory of Change Matrix v 1.6 (Annex

AU) provides highly specific project activities, indicators/outputs, outcomes, and impacts on the different objectives in an organized fashion. In tandem with the Theory of Change document (Annex K), the logic behind how net positive community benefits will be generated is clear and transparent. Monitoring of outputs and outcomes throughout project implementation is meant to inform selection and implementation of project activities over time.

The proponent follows an appropriate methodology (The Social and Biodiversity Impact Assessment (SBIA) Manual for REDD+ Projects Theory of Change Model). This approach systematizes the estimate of project benefits by creating a causal link between individual project activities, outputs, outcomes, and long term impacts. This is laid out thoroughly in the Theory of Change Matrix which the audit team has reviewed in detail. The chain of logic is clear. Section 6.1.1.1-6.1.1.4 identify the approach and assumptions for each program area in conformance with indicator CM1 requirements.

The audit team held several meetings and interviews with community leaders such as elders and chiefs, the women's group, individual farmers, and key informants such as local community members who work for Jadora, to assess the appropriateness of the program areas and project activities, and likelihood to generate net positive benefits. These interviews confirmed the appropriateness of the program areas and stage 1 project activities. The audit team witnessed dissemination of project activity technologies among community members. Jadora directly constructed 3 tilapia ponds in the project zone, but the technology has stimulated others to participate (with support in training and fish fry from Jadora), and a total of 14 tilapia ponds exist in the project zone. Dissemination of agricultural technologies and materials was confirmed by interview with farmers who had received planting materials (manioc, pineapple, etc.) and training from Jadora extension workers--this was further confirmed through review of extension worker training records and work records.

Despite the nascent stage of implementation at validation, it is evident that project zone communities will experience net positive benefits over the baseline if the project is fully implemented. During a meeting with 90+ individuals representing the project zone, the audit team asked the community to compare life with Jadora vs Safbois (representing the baseline). Approximately 80% of respondents raised their hands to signify that life with Jadora was better, with 0% preferring the Safbois period. Interviewees did not identify negative benefits associated with the Isangi project other than the expectation that they reduce their level of deforestation, which is non-binding. Community members felt strongly that if Jadora is able to deliver the anticipated project benefits that this will more than compensate for the loss to forest resources community members would experience if they reduced their level of agricultural expansion and deforestation, indicating that the claim that the proponent makes that the project will be net positive is shared by relevant stakeholders.

<u>CM1.2</u>

Section 6.1.3 of the PDD describes impacts on HCVs and estimates no negative impacts. As the project does not require a reduction in deforestation or other resource extraction from the forest by community members, but rather incentivizes it and attempts to replace this need, there is no expected impact to resources communities depend on. Section 5.6.1 of the PDD confirms that no harvesting of wood products is permitted in the project area in the project scenario, and the

partnership between Safbois and Jadora will ensure Safbois does not harvest timber products in the project area. The proponent plans to work with communities through the Land Use Planning program area to identify other areas of cultural and spiritual significance to communities and to design agricultural intensification to avoid these areas as well as areas of biodiversity importance. As the project activities work to conserve biodiversity, endangered species, and habitat connectivity, and do not impose restrictions on communities which could negatively impact them, there is no credible risk to HCVs.

8.2 Negative Offsite Stakeholder impacts (CM2)

Document the evidence used to determine that the project satisfies CM2.1-3.

Section 6.2 of the PDD describes impacts to offsite stakeholders in terms of dissemination through market networks of improved varieties of agricultural products which will be introduced into the project zone. The impact is anticipated to be positive and this is a logical conclusion based on the dissemination of these agricultural products. Given that the audit team has already observed the dissemination of agricultural products and technologies (improved manioc, tilapia farms) beyond project activities that Jadora has specifically implemented, it is credible to assume these may spread beyond the project zone. No negative offsite stakeholder impacts are identified. Based on the field audit the audit team does not have reason to suspect negative impacts will occur. During a large community meeting, several community representatives came from the offsite zone (as far as 50 km away) and did not express any harm from the Isangi project, but rather interest in learning more about the project.

8.3 Exceptional Community Benefits (GL2)

If applicable, document the evidence used to determine that the project satisfies GL2.1-5.

The PDD Section 6.3 covers exceptional community benefits and notes that the proponent is not seeking validation of exceptional community benefits under the CCB Standards.

9 BIODIVERSITY

9.1 Net Positive Biodiversity Impacts (B1)

Document the evidence used to determine that the project satisfies B1.1-5.

B1.1

The project is estimated to have local and regional net positive impacts as it seeks to reduce deforestation of a globally significant rainforest area. Impacts on floral diversity and abundance are expected to be directly correlated to conservation of tropical forest area which is obviously

more biodiverse than agricultural land or degraded 4 year fallows (the post-conversion land use). The endangered and vulnerable floral species identified in the project area all thrive in intact forest and do not persist in converted agricultural land. Given that some of these species were observed close to the forest edge, there is a high likelihood that their populations will diminish in the immediate term if deforestation is not reduced.

The project also expects to have net positive impacts on faunal diversity and abundance. The bushmeat trade has heavily impacted the forest area, as described in the PD and as witnessed by the audit team (lack of species observed near roads and bushmeat observations in markets). Reduction of deforestation will provide habitat for forest-obligate species that are under pressure from the bushmeat trade. The implementation of tilapia ponds in the project area is meant to reduce bushmeat consumption. Interviews with pond owners was mixed with some claiming that the ponds reduced their bushmeat consumption but others saying they preferred meat so still consume bushmeat as well as fish. The project also intends to send veterinarians and veterinary medications into the project area to make domestic animal rearing more successful, which is currently afflicted by frequent diseases. Interviewees expressed a very strong preference for this intervention and felt this would significantly reduce their bushmeat consumption.

The proponent claims that the project will generate net biodiversity benefits, and the audit supports this claim as the project aims to reduce deforestation and provide alternatives to bushmeat consumption--the main drivers of biodiversity loss in the project zone. The assumptions that forest-obligate fauna and primary forest floral species will benefit from a reduction in deforestation is credible and self-evident. Fallow areas do hold some unique floral and faunal habitat, but per auditor observation, tend to degrade into grassy non-productive land after a few agricultural cycles and hence are expected to have minimal biodiversity benefit in the baseline.

<u>B1.2</u>

The proponent provides a brief and generic explanation that conservation of forest and biodiversity, as well as efforts to reduce hunting and enhance protein sources, will not impact high conservation values.

The audit team agrees with this assumption, yet an observation has been issued as the proponent does not demonstrate that HCVs will not be negatively affected in a manner that is particular to the three relevant HCVs (HCV1-HCV3), but rather just makes a reasonable assumption. The proponent should justify conformance based on the CCB indicator rather than an assumption.

<u>B1.3-B1.4</u>

The proponent identifies all species that will be used in the project, which are typical and pan-tropical agricultural plants and fish. The project will not reduce new domestic animals but rather seeks to reduce mortality among the existing, cattle, sheep, goats, and pigs. No invasive species will be used in the project. The audit team visited agricultural project areas and interviewed employees during the field audit to confirm this.

<u>B1.5</u>

The proponent provides a guarantee in Section 7.1.4 of the PDD that no GMOs will be used in the project. The audit team found no evidence to contradict this claim.

9.2 Negative Offsite Biodiversity Impacts (B2)

Document the evidence used to determine that the project satisfies B2.1-3.

B2.1

The proponent has identified only leakage hunting as a potential negative biodiversity impact. As the project seeks to increase agricultural productivity rather than mandate limits on expansion of farming area, the proponent does not anticipate deforestation from leakage (although it is monitored per VCS rules). The proponent assumes that no deforestation from leakage will occur. This will be detected via future monitoring if it does occur so there is no material risk of an error in this assumption.

B2.2-B2.3

The program will introduce alternative agricultural and aquaculture practices and materials designed to supplant the increased demand for bushmeat and agricultural area. It is expected that this technology will spread to the offsite zone through markets and informal networks and that the surplus of food produced in the project zone will move to the offsite zone through markets as well. Based on the spread of tilapia farming technology (4 ponds were constructed by the proponent which stimulated an additional 10 ponds) this is a reasonable assumption. There is potential that leakage hunting could occur and not be fully mitigated by the above, however, the proponent assumes this leakage to be minimal and the conservation benefits in the project zone to greatly outweigh this potential loss to the offsite zone, thus maintaining net positive. The audit team concurs based on the knowledge that bushmeat hunters must seek permission from chiefs of communities to hunt in their traditional domain, confirmed by interview.

9.3 Exceptional Biodiversity Benefits (GL3)

If applicable, document the evidence used to determine that the project satisfies GL3.1-2.

The proponent has identified 4 Endangered floral species, 8 Vulnerable floral species, and two Vulnerable faunal species in the project area. During the field audit the audit team witnessed some of the endangered floral species (*Pericopsis elata*) and vulnerable floral species (*Entandrophragma utile*). Based on the Isangi Biodiversity expert, Joe Wasilewski is an expert tropical biologist and herpetologist who works globally on faunal conservation. During the field audit he demonstrated expert knowledge of local fauna and shared several wildlife photos from camera traps with the audit team as well as detailed results of wildlife monitoring in the field conducted by the biodiversity team.. The project also employs several very knowledgeable Congolese foresters who demonstrated expert knowledge of floral identification. Based on this and the direct observations the audit team made in the field the audit team concludes that the

assessment of endangered species in the project area is accurate and fulfils the CCB requirements for exceptional biodiversity benefits.

10 MONITORING

10.1 Description of the Monitoring Plan (CM3 & B3)

Identify, discuss and justify conclusions regarding the following:

- *Data and parameters available at validation*

• Data/Parameter	Finding
CF, Carbon Fraction—0.5	Valid, IPCC source
E, Combustion efficiency—0.3	Valid, IPCC source. The proponent makes a minor mistake in citing both the correct value in the table (0.4) and the correct value for secondary forest (0.3) in the same table. This is a nonmaterial issue as the correct value (0.4) has been identified.
P, Proportion of biomass burned—83.9%	Valid, IPCC source
GWP_{CH4},--25	Valid, IPCC source
ER_{CH4}, Emission ratio CH4—0.012	Valid, IPCC source
Sc_1, Forest scarcity factor-- -6.6	Valid procedure from VM0006
Sc_2, Forest scarcity factor, second shape—0.83	Valid procedure from VM0006
Wwf(ty), wood waste fraction per class—24%	Valid, Winjum (1998) source used for developing countries. DRC is developing country. Winjum is considered best practice
Slp(ty), proportion of short lived products	Valid, Winjum (1998) values used for different wood product classes
fo(ty), fraction of C emitted between 5 and 100 years from harvest date	Valid, Winjum (1998)
Pwood,j, wood density values	Valid, wood density values come from the CIRAD database, and/or Global Wood Density Database. Both considered reputable databases. For species missing from the databases, the mean wood density of all species observed in the forest inventory was used. The audit team held discussions with the proponent about whether it is a more credible approach to use the mean wood density of all species in the inventory vs all

	commercial species (a much smaller subset of species). Both approaches have some justification. Regardless, the approach used, of using the mean wood density of all species in the inventory does not reflect a material difference compared to the other approach.
BEF_2, Biomass Expansion Factor for extrapolating from harvested roundwood to total aboveground biomass—3.4	Valid, IPCC source
$EF_{rice,max}$, Emission factor for methane—36	Valid, published scientific literature source. Also, unused by the proponent at this point.
$NCV_{biomass}$, Net calorific value of non-renewable biomass that is substituted—0.015 TJ (Mg DM) $^{-1}$	Valid, IPCC default

Conclusion: All data and parameters available at validation, provided in the PD are considered valid by the audit team as all values are either derived from IPCC sources, or other well-regarded published literature. No errors or misrepresentations were detected in the review of these data, and based on review of the calculations of the proponent, no values are missing.

- *Data and parameters monitored*

• Spatial domains—all relevant spatial domains are monitored	The proponent appropriately includes all spatial domains mandated by the methodology. The calculation method (multiplication of number of pixels in each spatial domain by 0.09 to obtain area in hectares) is considered correct by the audit team given the relative size of a 30x30m pixel to a hectare.
$RFRGrate(CS_1\text{->}CS_2)$, Relative annual forest cover increase and regeneration factor for LULC transitions	Appropriately included for future monitoring
$Area_{fireBiomassLoss}$	Appropriately included in case prescribed burning results in future biomass loss

Note: data and parameters which are evaluated in other parts of the audit are not re-evaluated here. For example, the data unit describing the size in hectares of the project area changes over time and hence is listed in Section 8.3 of the PDD. However, the audit team has evaluated the geospatial analysis leading to the current definition of this spatial domain so it is not revaluated here. Data/parameters included in the methodology, but not relevant to the project (i.e. area of fire breaks, when the proponent is not implementing firebreaks) are not evaluated here as they are not used in this project. However, the audit team notes that the proponent included these data/parameters in Section 8.2.

The proponent also included tables describing data/parameters of social and qualitative data including that which is relevant to the CCB Standards and internal monitoring.

Other data and parameters related to drivers and actions includes:

$CT_{baseline}(h,j,ty,t)$, annually extracted volume of harvested timber roundwood for commercial sale in baseline scenario	The baseline scenario includes commercial harvesting as this is a timber concession. However, the harvesting does not relate in deforestation, but rather degradation. Roads constructed for harvesting facilitate the migration of villages into the project area resulting in deforestation in the baseline scenario. Valid source was used including pre-project harvest plans as well as interviews with pre-project timber exploitation staff.
$DT_{baseline}(h,j,ty,t)$, annually extracted volume of timber for domestic use	Used for baseline reassessment. Appropriately included.
$Contribution_{DF}(d)$ and $Contribution_{DG}(d)$	Used for baseline reassessment. Appropriately included.
$RelativeDriverImpact_{DF}(t,d)$ and $RelativeDriver\ Impact_{DG}(t,d)$	Used for baseline reassessment. Appropriately included.
$leakage_{unconstrained}(d)$	Used for baseline reassessment. Appropriately included.
Effectiveness(a,d)	Used for baseline reassessment. Appropriately included.
EF_{forest}	Used for baseline reassessment. Appropriately included.
$OM_o(i)$ *Organic matter of LULC class*	Used for baseline reassessment. Appropriately included.
$Proportion_{DF}(d)$ and $Proportion_{DG}(d)$ *Proportion of the gradual carbon loss leading to deforestation or degradation due to a given driver*	Used for baseline reassessment. Appropriately included.
C(t,i) Carbon stock density at time *t* in stratum *i*	Appropriately included. Shall be updated at least at every verification
Fallometric(y) Allometric equation	Possibly updated at baseline reassessment. Appropriately included
$F_{belowground(y)}$ *Root to Shoot ratio*	Possibly updated at baseline reassessment. Appropriately included
$U_{transition(i)}$ *Uncertainty discounting factor for LULC class transitions*	

The proponent has also identified several community monitoring indicators used for establishing net positive community benefit. These are transparently and completely identified in the PD in Section 8.3. The audit team has confirmed in other aspects of this audit that proper monitoring of these indicators is likely to generate useful information for establishing whether net positive community benefit has been achieved.

- *Applicability and eligibility of monitoring equipment and procedures*

  The proponent uses well-established monitoring equipment and procedures including forest inventory equipment (GPS, dbh tapes, clinometers, distance tapes, etc.) which are industry standard and appropriate remote sensing technologies. The proponent has provided the audit team with a series of annexes which detail the remote sensing, validation, and accuracy assessment SOPs which will be used in future monitoring. The audit team has reviewed these annexes and confirmed their congruence with best practice.

Document the evidence used to determine that the project satisfies CL3.1-2, CM3.1-2, B3.1-2, CM3 and B3.

Complete and transparent monitoring requires that a monitoring plan be developed with enough specificity that i) the verification audit can meaningfully compare the ex-post monitoring to the ex-ante monitoring plan and ii) a different team of individuals working for Jadora in future decades can replicate the monitoring procedures. The PD v2.6 includes monitoring procedures that are sufficiently detailed to meet these objectives.

Section 8.1.2.6.1.1 refers to Section 5.3, 5.4, and 5.5 of the PDD as well as the remote sensing SOPs. Review of Sections 5.3, 5.4, and 5.5 and the SOPs indicates that successful monitoring is likely, although it is noted that some sections of Section 5.3, 5.4, and 5.5 are not relevant for monitoring. This is however not considered to be a material error. The audit team has reviewed the remote sensing SOPs in Annexes Annexes, AL, AM, N, and Q and confirmed their appropriateness for monitoring.

The accuracy assessment documentation recently provided in appendices N, Q, P, and O provide detailed descriptions of the accuracy methodology and accuracy assessment results. The methodology utilized meets the requirements of the VM0006 methodology. For thematic accuracy, the results of overall accuracy of the classification were 85%, which is greater than the minimum requirement of 70%.

Furthermore, the proponent has developed standard operating procedures for remote sensing analyses and validation and accuracy assessment in Annexes, AL, AM, N, and Q and stipulated in the PD Section 8.1.2.7.3 that these shall be adhered to *ex post.* The audit team has reviewed these documents and confirmed their appropriateness for the objective.

<u>CCB</u>

<u>CM3.1-CM3.3</u>

Section 8.1.2.4 of the PD describes the community monitoring plan. Communities are monitored both on a regular informal basis by the community consultation manager, as well as through formal periodic surveys conducted at households, markets, and health clinics. The proponent will additionally use the Sustainable Livelihoods Framework (SLF) to monitor community perception of well-being. Sections 8.2 and Section 8.2 include the parameters that will be monitored in communities along with relevant information. Additionally, the Theory of Change Matrix, Annex AU, provides highly specific project activities, and indicators and output variables to be monitored.

The community monitoring SOPs are detailed and appropriate for the intended purpose. The proponent has based the SOPs on the focal problem analysis approach (suggested by the CCB Standards Second Edition) described in the PD in Section 4.5.2 as well as the indicators selected for monitoring program areas developed through the theory of change approach identified in the PD. This is internally consistent and appropriate.

B3.1 and B 3.3

Biodiversity monitoring focuses on three proxies for faunal biodiversity benefit including faunal monitoring, monitoring of hunting apparatus, and monitoring of volume and types of bush meat in local markets. Based on the field audit observations and interviews these are appropriate selections given the importance of bush meat as a threat to faunal diversity and the large scale of the project area.

Floral monitoring assumes that an increase of intact unlogged tropical rainforest above the baseline indicates net positive floral biodiversity. This assumption is credible given the fact that many of the endangered and vulnerable species identified are commercial timber trees and the fact that agricultural areas harbor very little plant diversity compared to the intact forest, as the audit team witnessed through forest inventory remeasurements.

The proponent has provided biodiversity SOPs in Annex V. Review of Annex V indicates that it describes the tools, periodicity, and methods for biodiversity monitoring. The specific variables monitored are identified as well. The audit team confirmed in the field that the proponent has already conducted initial biodiversity monitoring including camera traps, transects for hunting equipment and animal sign, and bush meat surveys. Supporting documents were reviewed.

B3.2

The proponent has provided detailed information supporting the plan for assessing the effectiveness of measures used to maintain/enhance HCV attributes in the project zone. The proponent has clarified that a Pressure-State-Response framework will be used in evaluating biodiversity in the project zone. Monitoring procedures continue to be detailed in the Biodiversity Monitoring SOPs.

HCV monitoring indicators have been selected and described in Section 8.3.3 of the PD. The proponent relied on proxy indicators in some cases, rather than direct monitoring of target populations, given a lack of available scientific knowledge of the project zone and the difficulties of monitoring all species populations directly. The indicators chosen appear appropriate based on the audit team's field visit. The proponent maintains a staff of very knowledgeable local and international experts capable of carrying out the HCV monitoring.

Based on the specific details of the indicators, monitoring approach selected, and details of the PDD, the proponent has demonstrated conformance.

11 VALIDATION CONCLUSION

Clearly state whether the project conforms with the validation criteria for projects, as set out in VCS Version 3 and CCB Standards Second Edition, and include any qualifications or limitations. Conclude whether the project is likely to achieve estimated GHG emission reduction or removals and positive community and biodiversity impacts.

CCB STANDARDS CRITERIA CHECKLIST:

GENERAL SECTION	**CONFORMANCE**	
G1. Original Conditions in the Project Area (Required)	YES _X	NO __
G2. Baseline Projections (Required)	YES _X	NO __
G3. Project Design and Goals (Required)	YES _X	NO __
G4. Management Capacity and Best Practices (Required)	YES _X	NO __
G5. Legal Status and Property Rights (Required)	YES _X	NO __
CLIMATE SECTION		
CL1. Net Positive Climate Impacts (Required)	YES _X	NO __
CL2. Offsite Climate Impacts (“Leakage”) (Required)	YES _X	NO __
CL3. Climate Impact Monitoring (Required)	YES _X	NO __
COMMUNITY SECTION		
CM1. Net Positive Community Impacts (Required)	YES _X	NO __
CM2. Offsite Community Impacts (Required)	YES _X	NO __
CM3. Community Impact Monitoring (Required)	YES _X	NO __
BIODIVERSITY SECTION		
B1. Net Positive Biodiversity Impacts (Required)	YES _X	NO __
B2. Offsite Biodiversity Impacts (Required)	YES _X	NO __
B3. Biodiversity Impact Monitoring (Required)	YES _X	NO __
GOLD SECTION		
GL1. Climate Change Adaptation Benefits (Optional)	YES _	NO _X
GL2. Exceptional Community Benefits (Optional)	YES __	NO _X
GL3. Exceptional Biodiversity Benefits (Optional)	YES _X	NO __

12 APPENDIX 1. NONCONFORMITY REPORTS (NCRS) AND OBSERVATIONS

NCR#:	01/14
Standard & Requirement:	VCS AFOLU 3.4.1, 3.4.2; VM0006 Section 4.1.1 (Applicability Conditions); CCB Standards G1.3
Report Section:	VCS CCB Validation Report Section 3.2
Description of Non-conformance and Related Evidence:	

The proponent provides details pertaining to the project location in terms of the project area in section 1.2 of the PDD but several issues have been identified against the VCS Standard regarding the requirements for establishing the project location and project area (VCS AFOLU 3.4 and VM0006 4.1.1).

a. *The proponent has listed the project area as occurring within "*Isangi Logging Concessions of *Safbois* S.P.R.L", but no concession identification numbers have been provided as required by AFOLU Requirement 3.4.1 (1), and no justification has been provided for omitting this means of identification in the PD.

b. Section 1.2.5 of the PD defines the project area as 201,731.5 ha, which is contained within two adjacent logging concessions (252,000 and 96,000 ha respectively). Although the proponent has provided files that represent the project area's spatial extent through maps, it has not explained how the definition of forest – the FAO Definition as described in 4.5.1.3 of the PD - was applied to determine the project area (VM0006 Section 4.1.1). Considering that swidden agriculture occurs at the forest edge interface and that regeneration of non-forest to forest occurs in the project area limits it is important to understand how the definition's threshold for forest/non-forest was applied for the purposes of GHG accounting.

c. In section 4.4.2 of the PD the proponent states that *"The concession boundaries were obtained from government shapefiles, though shapefile boundaries in the southwest corner of the concessions were incorrect. Using maps of concession boundaries provided by Safbois, the boundaries in the southwest corners were corrected."* The proponent has not justified why concession boundaries developed by Safbois were more accurate and acceptable to use instead of official government files and has not presented the audit

team with an explanation of its process for creating the corrected boundary to substantiate its control over the project area (VCS AFOLU 3.4.2). Also the sources of the government shapefiles have not been identified in the PD and as mentioned in other findings in this report, the Forestry Atlas produced by WRI and the MECNT contains current versions of concession shapefiles. The proponent has not identified whether these files were used or whether they were obtained from other sources within the government and whether there may be differences between government sources. Moreover, the proponent has not discussed whether the proposed modifications have been presented to or approved by the relevant government agencies. d. Lastly, the proponent shared the file "Concessions_orientale.kmz" with the auditors, which was compared to IsangiProjectArea.KMZ (Annex AF). This comparison indicated that a portion of the central western project area boundary limit extended beyond the concession boundary as shown in "Concessions_orientale.kmz". The proponent has not discussed this area and whether the proponent can in fact claim legal control over these and any other areas where such a condition arises. Therefore there is uncertainty whether the proponent has full control over the entire project area and insufficient documentation has been provided to substantiate its full control over the entirety of the proposed project area (VCS AFOLU 3.4.2)	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v3.0.docx APPENDIX XX_translation_Letter of gov attestation_english.pdf (Annex BQ) Contrat de partenariat_signed.pdf (Annex A) Annex W Isangi Project Area v1.0.pdf (Annex AH)
Findings for Evaluation of Evidence:	a) The proponent has now provided the Safbois concession identification numbers in section 1.2.1 of the PD. Therefore this aspect of the NCR is considered closed. b) The proponent has indicated to the audit team that section 4.2 contains a response to Condition 1 that substantiates that the project area was forest 10 years prior to the project start date. The audit team reviewed the proponent's classification and accuracy assessment methods and results and concludes that the proponent has followed best practices and conventions for its historical analysis and that its analysis in fact demonstrates that the project area qualified as forest as requested by section 4.1.1 of the methodology. The proponent has not clearly

	explained how the specific definition of forest (>10% canopy cover, trees greater than 5 m) has been applied to determine the forest area. However, based on the audit team's knowledge of the project area nad the reference region, this omission is not considered material. The audit team is able to infer that the actual canopy cover definition de facto used in the remote sensing analysis is much greater than 10% cover based on the thematic accuracy assessments of all images resulting in greater than 85% accuracy. This is because the crop areas in the region frequently contain 10% or slightly higher crown cover per the audit team's observations due to the common practice of leaving large trees that are too difficult to remove. If the proponent has demonstrated that the classification of the project area and reference area is able to differentiate between crop areas of this structure and the forest area it can be inferred that all area classified as forest more than meets the crown cover requirement. Regarding the canopy height requirement, 100% of forest areas observed by the audit team in the region were much greater than 5m in canopy height, usually a minimum of 30m, resulting in minimal risk of misclassification based on this characteristic. c) The proponent indicates that section 4.4.2 explains that WRI shapefiles were used to establish the concession boundaries. Although the project has indeed included such text there is no formal reference that would permit a reader to find this source. Currently the PD only includes additions to the PD such as "The project area limits are defined using World Resources Institute (WRI) maps of concessions boundaries". Although helpful, there is no complete reference for this source in the PD. This issue also appears in NCR 14/14. d) The proponent has not addressed this point and as a result this aspect of the nonconformance remains open. . The NCR remains open as a result of points c) and d). <u>Findings Related to evidence submitted on 25 August 2014</u> c. The proponent has included the shapefiles used to designate the project area in Annex CM, which is a public annex and is clearly referenced in the PD. As a result the project boundaries are transparent and this part of the NCR is closed. d. The proponent has clarified that the project area boundaries have been adjusted to exactly conincide with the WRI boundaries. The audit team has observed that this resulted in a reduction in project area size from slightly over 200,000 hectares to 187,571 hectares. The nonconformance is closed.
NCR Status:	**CLOSED**

Comments (optional):	Refer to NCR 14/14 for point “c”.

NCR#:	02/14
Standard & Requirement:	VCS Standard 3.11.1
Report Section:	VCS CCB Validation Report Section 5.2
Description of Non-conformance and Related Evidence:	

The proponent has failed to demonstrate conformance with VCS Right of Use. Annex AH, the legal opinion provided to substantiate Right of Use addresses "implicit carbon rights" rather than right of use and does not identify which of the seven applicable rights of use identified in 3.11.1 is claimed. Additionally, per interview with the Director of Planification of the Ministry of MCENT, the proponent requires conformance with Ministerial Order 004, demonstrated by signature of Annex 4, the Model for Valorization of Environmental Services in the DRC.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation Prior to Verification
Evidence Provided by Organization:	The proponent has provided as evidence of conformance: An updated legal analysis of VCS Right of Use (Annex BO and Annex J) The Jadora-Safbois agreement as evidence of transfer of Right of Use to Safbois (Annex W) Approval from MCENT of the project (Annex A)
Findings for Evaluation of Evidence:	The updated legal analysis provided by the proponent clarifies the Right of Use by identifying the right as usage rights consistent with VCS Standard 3.11.1 1), with the competent authority identified as the MCENT. The proponent has provided the documentation of approval by MCENT, as evidenced by a signed, stamped, and dated (23 June 2014) copy of the appropriate document, "Contrat de partenariat pour la valorisation des Services environnementaux a un projet REDD+ au profit de la soociete SAFBOIS", a contract for the valorization of environmental services from a REDD+ project with SAFBOIS. As the name of the signatory was illegible, the audit team independently contacted Ilanga Joseph, the Directeur Coordonnateur DEP, of MCENT, who was interviewed during the field audit, and confirmed that MCENT has approved the project and supports it. Confirmation of this was received on August 8 2014 from Mr. Ilanga. Per the guidance provided in the VCS Validation and Verification Manual Section 3.2.1, Rainforest Alliance is able to determine that the proponent has demonstrated that Safbois holds right of use to a reasonable level of assurance, noting that per this guidance Rainforest Alliance is not providing an independent legal opinion on ownership of GHG reductions/removals. No determination can be made at this time regarding the transfer of Right of Use from Safbois to Jadora, as the referenced supporting annex (Annex W) has not yet been provided to the audit team. As a result this NCR remains open. <u>Findings from 25 August 2014</u>

	The proponent has provided the audit team with Annex W, the agreement between the concession holder (Safbois) and the proponent (Jadora International, LLC) transferring right of use as well as establishing the project start date conclusively as September 12, 2009. The document is signed by the CEO of Jadora and the president of Safbois and establishes that Safbois has transferred rights to carbon credits, as well as the ability to sell them, to Jadora. The nonconformance is closed.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	03/14
Standard & Requirement:	VCS Standard 3.18.2
Report Section:	VCS CCB Validation Report Section 4.8
Description of Non-conformance and Related Evidence:	
The proponent has designated several annexes as confidential that do not meet the VCS requirements for commercially sensitive information. Per VCS Standard 3.18.2 the proponent shall not designate as commercially sensitive information related to determination of baseline scenario, additionality, and estimation and monitoring of GHG emission reductions and removals. Several annexes fall into these categories, including Annexes X, AR, AS, AT, BC, BD, BE, BP, BQ and BS.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence

	above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation Prior to Verification
Evidence Provided by Organization:	Full list of Annexes submitted to audit team Jadora Isangi REDD+ VCS CCB Project Description v3.0.docx
Findings for Evaluation of Evidence:	The proponent's corrective actions are effective in closing the nonconformance. Per review of the table identifying confidential annexes on page 10 of the tracked changes version of the PD v3.0, the proponent has undesignated the majority of the annexes identified by the audit team as inappropriately deemed confidential, as well as for several other annexes not identified as examples by the audit team. However, according to the table, AS, AT, BQ are still designated as confidential. The documents in these appendices have changed since the PD v1.0 and the documents and subject matter of these annexes now are eligible for commercially sensitive status according to the VCS Standard 3.18.2, as these documents include agreements signed between the proponent and local communities and/or agreements signed with the MCENT to establish right of use.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	04/14
Standard & Requirement:	VCS Standard 3.5.1
Report Section:	VCS CCB Validation Report Section 3.2
Description of Non-conformance and Related Evidence:	
The proponent has identified one methodological deviation related to a requirement in VM0006 v2.1 Section 8.1.2.2, which is classified as both a measurement and monitoring deviation. This deviation relates to the requirement that forest class must be subdivided into forest strata. The proponent has requested a methodological deviation to not sub-divide the forest class into multiple forest strata. The proponent has justified this deviation on the grounds that the spectral signatures obtained from optical sensors could not reliably and consistently distinguish between forest types, and because the uncertainty deductions applied to emission factors account for any loss of accuracy attributed to using only one forest stratum. The audit team agrees with this argument in principle but the proponent indicated that remote sensing analyses were still being adjusted, and the audit team could not review the remote sensing data with the proponent to fully evaluate the limitations described by the proponent from spectral signatures of forest. The proponent has described the impact of this deviation on GHG quantifications by explaining that the uncertainty attributed to this deviation is already accounted for in the emissions factors. Although this is may be true in principle, the emission factors and GHG calculations are in	

flux, therefore the audit team must be able to fully review these calculations in order to adequately evaluate this statement. In sum, the audit team must evaluate additional evidence that is pending for it to fully evaluate this deviation. At this point in time the evidence is incomplete.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Annex BI, Reference Area.pdf Annex BJ, Leakage.pdf Annex BK, Project Zone.tfw Annex BL, Project Area.tfw
Findings for Evaluation of Evidence:	Based on review of the completed remote sensing analyses the proponent is now in conformance with the VCS and VCS VM006 v2.1. The audit team, which included global forest carbon experts as well as local experts from DRC knowledgeable about DRC forest types, did not find evidence during the field audit that significant variation in forest types existed in the project area or reference region. This is largely driven by the significant homogeneity in elevation, slope, and climate across this part of the Congo basin. The remote sensing expert contributing to this audit has also confirmed based on review of remote sensing analyses results and processes, that the determination of no difference in forest strata, significant enough to be detected by remote sensing, is justified. Based on these findings the nonconformance is closed.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	05/14
Standard & Requirement:	VCS Standard 3.14.1
Report Section:	VCS CCB Validation Report 3.2

Description of Non-conformance and Related Evidence:	
The proponent's application of the VCS Tool for Additionality has not been fully completed. The audit team could not clearly determine who the descriptions in Section 4.6 of the PDD map to several requirements of the tool such as the requirements in Sub-step 1a and 1b. For example the description in PDD section 4.6.1 does not clearly map to the three required scenarios of sub- step 1a of VT0001. The investment analysis (PDD 4.6.4) has not been sufficiently substantiated as no documentation has been referenced or explained to corroborate the result of the Simple Cost Analysis required by the tool. Further, the Barrier Analysis (PDD 4.6.5) has been has not clearly related the analysis to the requirements of Step 3 of the tool because the information has not been unambiguously related back to the requirements 2.3 (a) and (b) of the tool and some important references have not been provided to the audit team.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v3.0.docx Implementation plan budget v2.0.xlsx (Annex AF) Net Revenue and Cashflow v1.4.xlsx (Annex I) VM0006 Accounting Isangi v3.2.xlsx (Annex D)

Findings for Evaluation of Evidence:	The proponent has modified section 4.6 to closely follow the structure of VT0001 (VCS Additionality tool). The explanations given clearly follow the steps in the tool and the audit team was able to easily understand how the proponent's arguments mapped to the various steps in the tool. The proponent's analysis closely follows the evidence and observations gathered by the audit team concerning its additionality. There is an obvious need for investment in rural Congo and meetings with the governor of Orientale Province corroborated the fact that the government is open to private sector financing through REDD to supplement the difficulties in directing and securing funds to promote rural livelihoods in the region and by the low level of human development observed in the region. The governor was highly supportive of the Jadora project and expressed this clearly to the audit team. Conversations with the Territorial Administrator and a range of local residents corroborated that the Jadora project is unique in the area and that VCS revenue is necessary to support the project at scale and in the long term. Residents have had Jadora's continued presence for many years but due the time scales required to achieve verification the project has had to severely restrict its project activities to the minimum. This is sufficient evidence to demonstrate that VCS revenue is essential to the project and that no other funds of an equivalent sustaining nature are available to the project. The project complies with every step of VT0001 and identifies the most plausible scenario as a continuation of pre-project land uses (logging, agriculture), a point sufficiently corroborated in the field by the audit team. However, the audit team observed that the VCU issuance represented in the cashflow (Annex I) does not match exactly with the VCU projections in section 5.6.3 of the PD or Annex D (although it was close) and a variety of assumptions or clarifications were not found in the document including the difference between "issuance" and "adjusted issuance" and justification for the price per VCU. This issue was subsequently resolved through the proponent submitting evidence to close NCR 33/14. The nonconformance is closed
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	06/14
Standard & Requirement:	VCS AFOLU 3.1.4, VCS Non-Permanence Risk Tool Table 1, CCB G4.1;
Report Section:	VCS CCB Validation Report Section 3.4
Description of Non-conformance and Related Evidence:	

EcoPartners has not been fully identified as an implementing partner in the PDD section 1.5.1. Its roles and responsibilities have not been described in the PD in general as required by VCS AFOLU 3.1.4 and CCB Standards G4.2. Discussions with Jadora and EcoPartners representatives confirmed that EcoPartners has been contracted to function as the project's "Climate Director" and it has drafted the VCS/CCB PDD and related technical work. These functions have not been described in the PD. As per VCS AFOLU 3.1.4 and CCB G4.1, all implementing partners must be identified in the PD and their roles and responsibilities explained.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v3.0.docx
Findings for Evaluation of Evidence:	The proponent has modified section 1.5 of the project description. Specifically EcoPartners is now identified and its general contributions to the development of the project have been added as a new section to the PD. The description states that EcoPartners has provided technical consulting services to Jadora on project design, documentation, carbon accounting, validation, and remote sensing, as well as in drafting the Project Description. However this description has not clarified whether the proponent intends for EcoPartners to serve in an ongoing technical or management advisory role to the project after validation. VCS 3.1.4 requests that proponents address the role of implementing partners in their management and monitoring of the project over the project crediting period. For example, it has not described whether its services are restricted to authoring and advising on initial project design, documentation, and validation/verification or whether there is an intention for EcoPartners to fulfil some or all of the function envisioned and described by the position of "Climate Director" as described in Annex F (Isangi Implementation Plan v1.10) on some type of ongoing basis. Due to the lack of clarity about whether EcoPartners will be an implementing partner beyond this validation audit, the nonconformance remains open. <u>Findings from August 25 2014</u> The proponent has added clarifying text to the PD indicating that ecoPartners will provide ongoing support to fill the role of Climate Director for the project and that their contribution is not specific to only developing the PD. Roles an Ongoing management and monitoring responsibilities are specified in Annex F. The nonconformance is closed
NCR Status:	**CLOSED**

Comments (optional):	

NCR#:	07/14
Standard & Requirement:	CCB Standards G1.8, CCB Rules (Third Edition) page 18; CCB Standards G3.6
Report Section:	VCS CCB Validation Report Section 3.3 and Section 4.4
Description of Non-conformance and Related Evidence:	
The current descriptions provided in the PD section 1.3.7.1 identify HCVs but do not show how the proponent's evaluation follows the HCV criteria, therefore it is difficult for the audit team to properly assess how HCVs were identified and evaluated. The proponent also fails to specifically identify the measures used to ensure maintenance or enhancement of HCV attributes per HCV, as required by CCB G3.6, which requires specific measures for the HCV attributes identified in CCB B1. This lack of specificity in HCV identification and subsequent HCV analysis does not allow the auditor to fully evaluate the HCV assertions made by the proponent. CCB Standards Rules require that the PD be constructed in a manner that facilitates the ability of an auditor to assess it.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Isangi A Faunal Observation Data 2011-2012 updated.xlsx (Annex D) Isangi Forest Data v1.0.xlsx (Annex X) HCV 2 IFL and Project Area.kml (Annex E) Jadora Isangi REDD+ VCS CCB Project Description v3.0.docx
Findings for Evaluation of Evidence:	Annex AQ has been erroneously cited as providing evidence suitable for establishing HCV Forets de Haute Valeur pours la Conservation en RDC has not been indicated as part of the project documentation (OBS) The proponent has updated sections 4.2 and 4.5.1.6 in order to explain the process for evaluating HCV attributes in the project zone and for specifying measures to conserve these values. In general the proponent has not subdivided the project zone to differentiate areas within it as having higher HCV attributes than in other areas of the project zone. This is an acceptable approach given that the project

	activities are designed to maintain habitat and avoid deforestation in the project area. In terms of social and environmental safeguards the project does not support any activity to actively restrict access to the project area, therefore there is no indication that any activity to maintain any identified HCV is threatened by project activities. Therefore the proponent's strategy for avoided deforestation is the principal mechanism by which HCVs are conserved though none is threatened by it. In general the proponent has provided satisfactory explanations to explain how HCV criteria were assessed, although the PD or annexes lacked specific references to the guidance questions provided by the HCV Guidance documents. This made it more difficult for the audit team to cross reference the PD against these criteria, however overall conformance was determined to be positive. Specific comments concerning each HCV are given below: HCV 1 – The proponent identifies that no protected areas exist in the project zone as determined through a check against the IUCN and RAMSAR websites. The evidence has been incorrectly cited as Annex AQ and the audit team cannot find this evidence. As a result an observation has been raised. However this is not a material error as the audit team gathered sufficient evidence in the field audit to suggest that no protected areas overlapped with the Safbois concession. Nonetheless, the correct citation would improve the transparency of the analysis. Threatened species were cross listed between faunal observations and the IUCN RED List and two species were identified. However the IUCN RED List was not provided to the auditors and as such the audit team cannot validate the proponent's assertion. However, the species diversity to Congolese forests, and its threats are widely documented and the audit team observed that the proponent has abundant fotographic and documentary data of faunal sightings. Annex X contains the forest inventory list however there here too the proponent has not provided the endangered species list against which it's forest inventory was compared to determin that 12 Red-list tree species are in the project area. The proponent has provided a suitable explanation regarding its search to determine the number of endemic species given difficulty in proving such a point. It relies on cross listing sightings against the DRC national draft guidance document Forets de Haute Valeur pours la Conservation en RDC resulting in one species (African Peacock), though the high rate of endemism in Congolese forests is well documented in the academic literature. The proponent has not indicated to the audit team where this resource can be found within the documentation but this point is immaterial given the auditor's familiarity with the topic (OBS 11/12) The proponent acknowledges that there is insufficient evidence to prove that the project area harbours significant populations of species during their lifecycle. Given the state of understanding of species dynamics in Congo forests this is an acceptable conclusion. HCV 2 – the proponent uses Annex E to demonstrate successfully how the project area contributes

	meaningfully to the landscape scale connectivity of the region. HCV 3 – The proponent acknowledges that there is insufficient information to confidently determine whether there are any particularly threatened or rare ecosystems within the project area. This determination is appropriate given the lack of research in the region HCV 4 – The proponent cites the value of water filtration provided by the forest, which is critically important for local water quality and community needs. This is appropriate given the mostly intact nature of the project area and the local reliance on these services. HCV 5+HCV 6 – The proponent cites that surveys and participatory maps were used to assess areas of particular cultural/livelihood importance. The audit team viewed hand-drawn participatory maps at the project site and acknowledge that communities have been consulted via numerous positive responses in the field. In general the audit team agrees that the entire project area is essential for local communities therefore it is difficult to further subdivide the project area. Section 2.4 of the PD acknowledges that since the project's strategy is to conserve the project area and contribute to improved land management practices that these strategies do not threaten HCVs in the project zone and that the proponents' monitoring activities will only add value in terms of enhanced knowledge and understanding of the project area's ecosystem and species. The audit team concurs with this assessment based on interviews with communities and Jadora staff concerning their project strategy and ethic. Given that the proponent has suitable justified its HCV analysis and plan for maintaining these values this NCR is CLOSED.
NCR Status:	**CLOSED**
Comments (optional):	Raised OBS 11/12

NCR#:	08/14
Standard & Requirement:	VM0006 Section 4.1.1 (Applicability Conditions);
Report Section:	VCS CCB Validation Report Section 6.2
Description of Non-conformance and Related Evidence:	

The proponent has not provided sufficient evidence in the PDD to sufficiently address several of the applicability conditions.

Condition 2
The proponent has not discussed whether deforestation in absence of the REDD activity is mosaic in nature. This point has not been included in the PDD

Condition 4.
The proponent references section 5.3.2.1 of the PDD to meet the requirement regarding the number of data points needed for the reference region and their temporal limits. Table 13 in section 5.3.2.1 provides a list of all Landsat images used determine LULUC data and clearly identifies the scenes that were mosaicked to represent land cover data from 1994-1995, 2004-2005, and 2008-2009. All image identification numbers have been provided and based on the information presented in Table 13 the proponent has presented sufficient information for the purposes of prevalidation to show conformance with this applicability conditions. However, it should be noted that the LandSat images and related analyses pertaining to data in Table 13 were not provided to the audit team at validation, therefore this review could not be completed by the audit team at this time.

Condition 5
The proponent mentions that the classification accuracy of LULC and forest cover maps is estimated to be 96%. However the proponent has not presented, discussed, or referenced any evidence that supports or demonstrates the methodology used determine the classification accuracy or its results. The audit team could not find any such data in the PDD, therefore the audit team has determined that insufficient information has been presented to demonstrate conformance with this applicability condition. The proponent has acknowledged this fact and the audit team will be scheduling another review session to evaluate modifications made to the classification accuracy assessment.

Condition 6
The proponent explains that no organic soils or peatlands are included in the project boundary. No further explanation or rationale is given by the proponent. Although the audit team did not observe evidence during the field visit to suggest peat soils were prevalent, the proponent has not provided a robust argument to better explain why it believes peat soils are not part of the project area.

Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v3.0.docx Mosaic Deforestation Example 1.pdf (Annex U) Mosaic Deforestation Example 2.pdf (Annex V)

	LULC 1994-95 v1.0.pdf (Annex BA) LULC 2004-05 v1.0.pdf (Annex BB) LULC 2008-09 v1.0.pdf (Annex BC) RS Classification Methodology v1.2.pdf (Annex BU) RS Pre-Processing Methodology.pdf (Annex BV) Horizontal Accuracy Report v1.3.pdf (Annex O) Horizontal Accuracy Assessment SOP v1.4.pdf (Annex N) Thematic Accuracy Report v1.3.pdf (Annex P) Thematic Accuracy Assessment SOP v1.2.pdf (Annex Q) ISIRC Report and GIS files (Annex R) Soil Map Jadora Isangi.pdf (Annex S) Soil Drainage Jadora Isangi.pdf (Annex T)
Findings for Evaluation of Evidence:	Based on the modifications and clarifications provided in section 4.2 of the PD the project has demonstrated sufficient evidence to close this NCR. Detailed findings are provided below. **Condition 2** The proponent has modified section 4.2 to include additional justifications for this condition. Annex U and Annex V are provided as imagery from Google Earth along with an explanatory narrative that relates the evidence and field conditions back to AFOLU requirement 4.2.9 – the definition for Mosaic Deforesation. The evidence provided is sufficient to demonstrate compliance with Condition 2 because it clearly establishes that the land use dynamic creates a patchwork of land cover types of different ages and uses. This is also in line with the observations gathered by the audit team during the field visit. Therefore this condition has been sufficiently demonstrated and this component deemed to be CLOSED. **Condition 4** The audit team reviewed the LandSat imagery used in constructing the imagery required for establishing the baseline deforestation rate in the reference region. The dates, image number, and image names have been provided in Section 5.3.2.1 of the PD. The audit team has reviewed the dates of the scenes used to create each image and confirmed that they permit conformance with this condition. Additionally, as the audit team has now been provided required supporting documentation establishing accuracy assessment SOPs and results, as well as other relevant analyses the audit team is now able to confirm the appropriate use of methods in creating the images corresponding with the 10-15 year, 4-9 year, and 0-3 year before project start date requirements. To ensure the scenes referenced in the PD were appropriate for the analyses conducted by the proponent, the audit team confirmed a random selection of scenes on the Glovis site (glovis.usgs.gov), including image LT51760601995022XXX02, image LT51760591994339XXX02, image LE71760592005009ASN01, and image LE71770602007070ASN00. No errors in selection of imagery were found. Therefore this condition has been sufficiently demonstrated and this component of the nonconformance is closed.

	Condition 5 The proponent references section 4.5.1.6 of the PD for details regarding the project's classification accuracy methods. Annexes BA, BB, BC, BU, BV, N, O, P, and Q were provided as documentation. The audit team reviewed this documents with the proponent on July 22nd, 2014 and found that all supporting documents explained the classification accuracy assessment process to reasonable extent and demonstrated adherence to established conventions and good practices in remote sensing. Therefore this condition has been sufficiently demonstrated and this component is deemed to be CLOSED. **Condition 6** The proponent references and utilizes data from the International Soil Reference and Information Center to support the argument that it is unlikely that organic peat soils are found in significant amounts within the project area (Annexes R, S, T). The source provided is from a reputable source and provides reasonable assurance that Condition 6 has been met. Therefore this component of the NCR is CLOSED. Based on the proponent's submission of evidence to demonstrate conformance with all required applicability conditions of the methodology, this nonconformance is closed.
NCR Status	**CLOSED**

NCR#:	09/14
Standard & Requirement:	VCS Standard 3.16.3
Report Section:	VCS CCB Validation Report Section 10.1
Description of Non-conformance and Related Evidence:	
PD sections relating to Climate monitoring reference sections of the PD which are themselves incomplete due to nonconformances, preventing the installation of a coherent GHG information system for quantifying and reporting GHG emissions and/or removals as required by VCS Standard 3.16.3. For example, Sections 5.3.-5.5 are referenced as the procedures that shall also be followed for future monitoring, however these sections do not include a description of accuracy assessment methods for LULC classification and clarity on whether emissions factors are set at validation or may be adjusted through future carbon stock monitoring in forest inventories, which appear to be ongoing to some degree.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation Prior to Verification

Evidence Provided by Organization:	PD Section 4.5.1.6; Section 5.3-5.5 Annex AL RS Pre-Processing Methodology Annex AM RS Classification Methodology v1.2 Annex N Horizontal Accuracy Assessment SOP v1.4 Annex Q Thematic Accuracy Assessment SOP v1.2
Findings for Evaluation of Evidence:	The accuracy assessment documentation recently provided in appendices O and P provide detailed descriptions of the accuracy methodology and accuracy assessment results. The methodology utilized meets the requirements of the VM0006 methodology. For thematic accuracy, the results of overall accuracy of the classification were 85%, which is greater than the minimum requirement of 70%. Furthermore, the proponent has developed standard operating procedures for remote sensing analyses and validation and accuracy assessment in Annexes, AL, AM, N, and Q and stipulated in the PD Section 8.1.2.7.3 that these shall be adhered to *ex post.* The audit team has reviewed these documents and confirmed their appropriateness for the objective. It is also clear that emissions factors will not be updated except possibly at baseline reassessment. The nonconformance is closed.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	10/14
Standard & Requirement:	VCS Standard 3.13.1; VM0006 8.1.2.1 Table 4, VCS Principles of Transparency and Completeness, CCB Standards G2.3
Report Section:	VCS CCB Validation Report Section 7.3
Description of Non-conformance and Related Evidence:	
The data sources used for the historical analysis of deforestation have not been fully identified or described in a manner that is either requested by the methodology or provides sufficient detail to conform to the VCS Principles (Transparency). 1. The proponent has not provided a complete identification or explanation of the extent and purpose for which high-resolution images have been used for training classification or ground-truthing procedures as requested in Table 4 of VM0006. Section 5.3.2.1 of the PD identifies LandSat imagery as the basis for historical deforestation but no other data sources have been discussed. Conversations with the proponent confirmed that high resolution images were used as part of various remote sensing procedures, particularly, the accuracy assessment, yet the use of such sensors do not appear in section 5.3.2.1, and the only time a high resolution sensor is mentioned, such as GeoEye, occurs in section 4.4.2 of the PDD in relation to the digitization of the spatial extent	

of existing palm oil plantations. A minor point is that section 5.3.2.1 says that Landsat 7 and 8 were used in all analysis yet tables in that section suggest the sensors used were LS 5 and 7. 2. In section 5.3.1 of the PD the proponent explains that government shapefiles of forestry concessions in Oriental Province from 1990 and 2010 were used to delineate the Reference Region. The specific source from which these concessions were obtained has not been identified in the PD. In conclusion, the audit team has gathered sufficient evidence to suggest that not all data sources have been sufficiently identified and described.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v3.0.docx
Findings for Evaluation of Evidence:	The proponent has included some additions to the PD to address the findings related to transparency. Although the proponent has taken steps to enhance the transparency of the data identified in this finding, the proponent's modifications have not fully addressed these issues. Referring to the points indicated in the original finding: 1. Table 14 has been provided and is fashioned similarly to that of the table design demonstrated by Table 4 of VM0006, although the audit team notes that information need not be contained in a table that exactly resembles Table 4 of the methodology. The table has increased the degree to which the proponent has identified the relevant sources of remote sensing/spatial data used for developing the project, however it is remains incomplete. The proponent now clearly identifies three principal types of image or map data used in the project: LandSat (medium resolution), GeoEye (high resolution), and FACET maps (medium resolution). Each table entry describes the data's use, the source from which it was acquired, and its spatial/spectral resolution or type. The image dates however are only provided for LandSat data in Table 16, while no such specificity is given or referenced for the GeoEye or FACET Data. The proponent has also submitted the procedures and methods used for accuracy assessment(s) in Annex N, O, P, and Q, with Annexes P and Q relevant for thematic accuracy assessment. Although it is not immediately apparent in the PD, GeoEye and FACET data, along with LandSat were only used as grid points for evaluating the accuracy of the classified maps.

	The intent of the VM0006's Table 4 is to provide a reasonable degree of transparency to the reader for identifying how each source of imagery/maps was used and key details of each data type. The current description provided in v2.0 of the PD does not specify which purposes GeoEye or FACET data were used for (i.e. historical deforestation, benchmark forest cover map, deforestation model calibration/validation, etc.), nor does it identify the dates and other identifying information of these data sets. However, the submission of detailed accuracy assessment SOPs and results is sufficient to close this aspect of the nonconformance and an observation is issued (OBS 12/14). 2. The proponent now has has identified that the source for its concession boundaries came from information generated by WRI and provides in-text modifications to the paragraphs that constitute section 5.3.1 of the PD. Based on the audit team's interviews, WRI created new and additional shapefiles to refine and assist the DRC government's information related to its forestry concessions and which have become official data. However the PD's in-text references do not include any reference that permits a reader to identify and find the actual source of the concession shapefile data. Section 9 of the PD "References" does not have an associated reference either. Therefore this NCR remains open because this important data source has not been clearly identified in a form that can be followed and found by the audit team or by interested readers. In summary, all aspects of the nonconformance are closed except for the missing references for the WRI shapefiles which have a systematic impact on the transparency of the project and result in the nonconformance remaining open. <u>Findings from 25 August 2014</u> The proponent has included the shapefiles used to designate the project area in Annex CM, which is a public annex and is clearly referenced in the PD, new version 3.0. As a result the project boundaries are transparent and the nonconformance is closed.
NCR Status:	**CLOSED**
Comments (optional):	OBS 12/14

NCR#:	11/14
Standard & Requirement:	VCS AFOLU 3.7.3; VCS Non-Permanence Risk Report Section 1.3.1; CCB Standards G3.5; G3.11; G4.2; G4.7
Report Section:	VCS CCB Validation Report Section 4.3

Description of Non-conformance and Related Evidence:

The proponent has presented the results of the VCS Non-Permanence Risk Tool v3.2 in section 2.3.2 of the PDD. Although the tool has been presented the manner in which it has been presented is incomplete.

V3.2 is the most recent version of the tool, and the proponent has utilized the VCS calculation tool (Annex L) to compute the risk scores. However if a proponent uses the calculation tool it must use the VCS Non-Permanence Risk Report (Short Form). In contrast, the proponent has only provided the calculation as an annex and cuts and pastes only selected tables into the PDD. The Short Form is not used.

In addition , the proponent has determined an overall risk rating of 20 and justifies this through a presentation of the usage of the Risk Tool in section 2.3.2 and the calculation tool. Although the proponent has provided some explanation to justify its self-assessed risk rating for each risk factor the proponent does not clearly document and substantiate the majority of its risk ratings (see VCS Non-Permanence Risk Tool 1.1.3) and in some cases the Risk tool is incomplete. Elements of this finding also pertain to CCB Standards G3.5 pertaining to natural and human induced risks to expected CCB benefits since the VCS tool serves as a component of this analysis, and to G4.2 regarding documentation of management capacity.

Examples

a. The VCS Risk tool is incomplete as several required risk factors have been omitted from the analysis including the following:

1. Table 1 (a, b, d)
2. Table 6 (c, d, e)
3. Table 7 (all)

All required risk factors must be evaluated and presented in the Non-permanence risk report according the rules set in the tool itself (VCS AFOLU 3.7.3). The onus is on the proponent to ensure the risk tool has been filled out according to these rules.

b. Not all risk factor selections have been identified or substantiated with supporting evidence. For example required risk factors that were identified as “0” and required in a given risk category or table, such as the factors listed in the previous note, require justification and should be substantiated with evidence (VCS Non-Permanence Risk Tool 1.1.3). In other cases, such as in the table for Financial Risk, additional evidence required by either Standard was not provided, such as evidence regarding the financial health of implementing organizations (Risk Tool 2.2.2 (4)) and CCB G4.7). The cash flow projection was provided to the audit team (Annex E – Implementation Plan Budget) but cannot yet be evaluated until issues with GHG quantification are resolved (Risk Tool 2.2.2 and CCB G3.11).

c. Non-zero risk factors also require evidence to justify their selection. The tables in PDD section 2.3.2 omit supporting evidence for every risk factor. One such example is the analysis of the proponent’s management capacity in Table 1 of the Risk Tool. One example of many

occurs in Table 1, item c) where the proponent justifies a risk rating of -2 by asserting that EcoPartners has the appropriate level of competencies to qualify for this rating. However no further information is provided or referenced to substantiate this claim. This particular point overlaps with CCB G4.2 which requests that the management team be explicitly identified and prior expertise documented. This analysis is absent from the PDD. In conclusion, the proponent has not used the VCS Short Form nor has it provided sufficient documentation and justification for each risk factor. Therefore the audit team cannot properly assess whether the project's overall risk rating of 20 is appropriate.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Isangi REDD+ Non-Permanence Risk Report v1.6.pdf (Annex G) Isangi REDD+ Non-Permanence Risk Report v1.7.pdf (Annex G) Jadora Isangi REDD+ VCS CCB Project Description v2.1.docx
Findings for Evaluation of Evidence:	The proponent has submitted an updated and correctly completed VCS AFOLU non-Permanence Risk Report (v1.6) as well as updated the relevant section of the PD. The updated Non-permanence risk report provides concise, yet justified evidence for each risk rating selected as well as for those risk ratings which were not selected. However, an additional area of nonconformance was identified in which the *ex ante* estimated VCU issuance between the PD v2.1, the Net Revenue and Cashflow v1.4 excel spreadsheet, and the VM0006 Isangi Carbon Accounting Model v3.4, are contradictory. This contradiction prevents the audit team from closing this nonconformance. <u>Findings from 25 August 2014</u> The proponent has submitted an updated Annex I, Net Revenue and Cashflow v1.5 excel spreadsheet which matches the *ex ante* VCUs estimated in Table 43 of the PD. The audit team has confirmed that these values are congruent as well with the updated accounting model (Annex AD—VM0006 Accounting Isangi v3.6). The proponent has rectified the inconsistency and the nonconformance is closed. The proponent has updated the Isangi non-Permanence Risk Report to version 1.7 to deal with a minor inconsistency related to another topic.
NCR Status:	**CLOSED**

Comments (optional):	

NCR#:	12/14
Standard & Requirement:	VCS Standard 3.13.1, VM0006 8.1.2.2, VCS Standard Principle of Accuracy; CCB Standards G1.4
Report Section:	VCS CCB Validation Report Section 7.3
Description of Non-conformance and Related Evidence:	
The audit team detected errors in the proponent's classification of LULC and Forest strata classes in the reference region that lead to material errors in the quantification of baseline GHG emissions. An inspection of Annex Q and R listed in PD section 4.5.3.1 indicate significant sources of inaccuracy in the definition of LULC classes and Forest strata in the reference region. Noticeable errors were particularly observed in the classification of water pixels around scanline corrector errors in LandSat 7 data or due to the presence of haze or clouds. These issues were acknowledged by the proponent during conversations during the field audit.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	PD Section 4.5.3.1 PD Section 4.5.1.6
Findings for Evaluation of Evidence:	The updated classification of LULC removed the obvious errors related to this NCR. The water class, which was the greatest source of error, has been merged into a single static water class across all images where in any pixel that is defined as water in any time step is considered water in all other time steps. This removes the inaccuracies that came from water being converted to forest or forest to water over time. The updated classification excluded all other errors that could be attributed to data artefacts and misclassifications. Furthermore the accuracy assessment results and methods submitted by the proponent has demonstrated conformance with the VM0006 v2.1 methodology and best practice. This nonconformance is closed.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	13/14
Standard & Requirement:	VCS Standard 3.13.1; VM0006 8.1.2.7; CCB Standards G2.3
Report Section:	VCS CCB Validation Report Section 7.3
Description of Non-conformance and Related Evidence:	
The proponent has not provided a complete description or supporting evidence of its map accuracy assessment as required by the methodology in section 8.1.2.7. This issue prevents the audit team from assessing the accuracy of baseline GHG emissions estimates.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Annex N Annex O Annex P Annex Q
Findings for Evaluation of Evidence:	The accuracy assessment documentation recently provided in Annexes O and P provide detailed descriptions of the accuracy methodology and accuracy assessment results. The methodology utilized meets the requirements of the VM0006 methodology. For thematic accuracy, the results of overall accuracy of the classification were 85%, which is greater than the minimum requirement of 70. For the accuracy assessment portion of this NCR, it can be closed.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	14/14
Standard & Requirement:	VCS Standard 3.13.3, VM0006 8.1.1.2, CCB Standards G2.3
Report Section:	VCS CCB Validation Report Section 7.3
Description of Non-conformance and Related Evidence:	

The audit team detected potential sources of dissimilarity between the defined reference region and the project area that may result in a material overestimation or inaccuracy in the baseline deforestation rate and the baseline GHG emissions estimates.

1. The delineation of the Reference Area includes areas with close proximity and access to the city of Kisangani, which is a significant source of agents and drivers of deforestation. In contrast, based on the auditor's experience traveling to the project area and comparing the quality of roads leading from Kisangani to Buta versus Kisangani to Isangi, the project area is likely to experience less risk of land use change from Kisangani than areas of the reference region directly north of Kisangani along the road to Buta. The argument used in the PD, Table 11 – that only areas of forest within concessions in Oriental province constitute the Reference area - does not sufficiently demonstrate or justify how drivers of deforestation in the areas reference region north of Kisangani, especially along the road to Buta, are similar enough to the project area to include them as part of the reference area. Section 8.1.1.2 of VM006 requests that VVBs determine whether the selection of the reference region is truly unbiased – the proponent has not fully explained how its approach to include areas close to Kisangani in the reference area creates a plausibly similar situation to the project area.

2. The proponent has not identified the source of its shapefiles or explained the rationale for selecting concessions from 1990 and 2010 and why these dates are relevant and important for the construction of the reference area. The current description does not conform to the VCS Principle of Transparency and Accuracy as the audit team cannot fully understand the rationale for the delineation of the reference region and whether the process used by the proponent affects the accuracy of the baseline emissions scenario.

3. The audit team consulted the DRC Forestry Atlas, an official publication produced by WRI and the MECNT that discloses the valid forestry concessions in DRC since the implementation of the 2002 Forestry Code (http://www.wri.org/applications/maps/forestatlas/drc/index.htm#v=atlas&l=fr&init=y). This product is periodically updated and as of this report displays forestry concessions registered with the DIAF current as of July 2013. The Forestry Atlas suggests a possible discrepancy between the areas identified as official forestry concessions in the reference region delineated by the proponent for the historical reference period and those concessions that were listed by the Forestry Atlas. Several areas that are included in the proponent's reference region (Annex AW/Annex Z; Annex AQ) are not listed in the Forestry Atlas, including a significant section just north of Kisangani along the road to Buta. The Forestry Atlas suggests that some areas included in the reference region by the proponent may not have been forestry concessions during the historical reference period. This would suggest that different policies and regulations governed some areas that had categorized by the proponent as forestry concessions when they may not have been designated for this use during the entire historical reference period. As per Table 3 of VM0006 the reference region and the project area must be governed by comparable policies, regulations, etc. The proponent has not sufficiently identified or explained whether it has already accounted for changes in the regulations that govern the reference region during the historical period and how those changes might affect the reference area limits (or not) The information in the Forestry Atlas, an official government document, suggests that the delineation of the current reference area requires more explanation in order for the audit team to understand why all sections of the proponent's reference area are comparable to the project area.

4. Conversations with the proponent clarified the operating assumption that the reference region was delineated to include a broad sample of concessions with deforestation rates ranging from high to very low and that the average of these scenarios constructs a reasonable baseline scenario deforestation rate. In principle this may be true but the audit team cannot properly evaluate this

assumption because only a single deforestation rate is provided. The contribution of each concession to the reference region's deforestation rate cannot be evaluated nor can the possible biasing effect of outlier data. Section 8.1.1.2 of VM006 requests that VVBs determine whether the selection of the reference region is truly unbiased.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v2.0.docx Jadora Isangi REDD+ VCS CCB Project Description v3.0.docx Isangi Project Area v1.0.pdf (Annex AH) Orientale Concessions 1990.pdf (Annex AJ) Orientale Concessions 2010.pdf (Annex BG) Isangi Project Area and Leakage Area Benchmark v2.0.pdf (Annex AW) Isangi Reference Area v1.0.pdf (Annex BT) Safbois Reference area support (Annex AK) Drivers of Deforestation v1.2.pdf (Annex BZ) Elevation v1.2.pdf (Annex AK) Geospatial Stats.xlsx (Annex BY) LULC 1994-95 v1.0.pdf (Annex BA) LULC 2004-05 v1.0.pdf (Annex BB) LULC 2008-09 v1.0.pdf (Annex BC) RS Classification Methodology v1.2.pdf (Annex BU) RS Pre-Processing Methodology.pdf (Annex BV) Horizontal Accuracy Report v1.3.pdf (Annex O) Horizontal Accuracy Assessment SOP v1.4.pdf (Annex N) Thematic Accuracy Report v1.3.pdf (Annex P) Thematic Accuracy Assessment SOP v1.2.pdf (Annex Q)
Findings for Evaluation of Evidence:	The proponent has provided modifications to the PD and related annexes to resolve findings pertaining to

	the selection and definition of the reference region. Although many improvements have been made some outstanding issues remain that cause this NCR to remain OPEN. 1. The proponent describes the measures taken in section 5.3.1 of the updated PD to ensure that the reference region reduces sources of possible bias that previously may have lead to overestimated deforestation rates. Specifically, the proponent explains that both national highways and the administrative boundary of Kisangani (WRI source data) were excluded from the analysis and that a 25 km buffer from local and provincial roads was used to define the reference area based on the greatest distance of the project area forest to a road. These measures were taken to define a reference region that is plausibly similar to that of the project area. Figures 10-13 of the PD provide a suitable visual representation of how the reference area was constructed. Table 13 of the PD was also updated accordingly to reflect these exclusions. In sum, the proponent has sufficiently addressed the first component of this NCR which has resulted in the elimination of areas that may overestimate deforestation rates in the reference region as compared to the project area. Therefore this aspect of the finding is closed. 2. The proponent has identified the source of the shapefiles used to construct the reference region as originating from WRI data, which is used by the MCENT as official data. However the proponent has not specified the exact reference for this source. Therefore this aspect of the NCR remains OPEN because the principle of transparency has not yet been met for these data, which are important inputs for the creation of the reference region and therefore baseline emissions estimates. 3. The proponent asserts in section 5.3.1 of the PD that even though concessions were reallocated in 2002 it is conservative to include concessions from both 1990 and 2009 even though some concessions ceased being concessions while in other cases new ones were created in 2002. The proponent justifies this by asserting that a) "*it is unlikely that new roads will be built or existing logging roads maintained*." within de-gazetted concessions; b) "*Upon examination of the reference region between 1994-2004 versus 2004-2008 the deforestation rates were lower during the first period than the second, 0.39%/yr verus 0.49%/yr, respectively. As of 2002, concessions and concession boundaries were reallocated. By incorporating concessions prior to 2002, the overall average deforestation rate during the historic reference period is conservatively less than only considering those concessions after 2002.*"; and c) by asserting in table 13 that in terms of the similarities between Polices and Regulations that "*Both the reference region and project area are located within the Orientale province, thus the policies and regulations that apply to the reference region and project area are the same.*"

	In support of assumption a) the proponent has provided a letter of support from a relevant government official (Annex AK). The letter, from the Vice Governor of Orientale Province, which contains the entire reference region, supports the claim that decommissioned forest concessions typically do not experience significant development activities and claims that "the forests have not suffered damages of any form during the above period (the reference period)". Additionally, the audit team observes that in the project area that old logging roads (3-5 years old) were beginning to be colonized by regrowing forest and that settlements and deforestation cluster around the maintained roads much more than unmaintained roads. Per b), the audit team is unclear what the proponent is trying to communicate and more discussion with the proponent is likely required for clarification. Per c), it is true that the land use regulations pertaining to the main deforestation agent (small-scale agriculturalists) are the same in active and decommissioned concessions per the General Property Law of 1973 which affords traditional use rights to unallocated land. However, the claim that all areas in the province are subject to identical land use regulations is not credible as regulations are applied differently depending on the circumstance and land use of a given area. For example, if a decommissioned concession was designated as an open pit mining area, naturally the policies impacting it would change. 4. The proponent has limited the reference region to the area of the concessions in Orientale province that is within 25 km of a local or regional road, which is the maximum distance in the project area to a local or regional road. To make the designation more conservative, the proponent has also excluded national highways and other roads that are immediately connected to a national highway. This new designation of the reference region has resulted in a significantly more conservative reference region which the audit team expects is also a more accurate representation of the project area. The proponent has provided significantly more justification for the designation of the reference region and has addressed all aspects of this nonconformance with the exception of #2 and #3 above. The nonconformance remains OPEN. <u>Findings from 25 August 2014</u> 1. Previously closed 2. This aspect of the nonconformance is now closed as a result of the proponent making appropriate reference to the WRI shapefiles which delineate the project boundary in the PD as well as providing the shapefiles in Annex CM

	3. The proponent has provided additional clarification in the PD to justify the reference region. The proponent has improved the historical explanation for the merging of the 1990 and 2009 WRI concession areas. These two time points represent the valid spatial depictions of concessions in Orientale Province. Concession boundaries changed in 2002 due to a change in the Forest Code. The proponent has both maintained the pre-2002 concessions that were subsequently degazetted, and has included the concessions that were gazette post-2002 for the entire reference period. The proponent explains that this approach is conservative based on the following evidences/assumptions: A. Inclusion of degazetted concessions is conservative since it is assumed that these concessions have ongoing deforestation since the logging roads have already been constructed, however, the deforestation is assumed to be less than it would otherwise be given that logging roads are reasonably assumed to not be maintained once the concession is degazetted. The audit team accepts this assumption based on observation in the project area and reference region. All roads in Orientale Province are in extremely poor condition, yet roads still remain the primary vector for agents of deforestation to enter the forest. In the project area, decommissioning the logging roads has resulted in a reduction of deforestation, but has not halted deforestation, as the logging roads revert to footpaths and bicycle tracks. The assumption that this approach is conservative is accepted. B. Inclusion, before 2002 of the areas that only became logging concessions after 2002 is conservative according to the proponent because agents of deforestation will not access the forest area until the roads are built, thus creating a reduced reference deforestation rate due to the minimal access in the pre-2002 period. This assumption rests on acceptance of the assumption that roads other than logging roads were not built in these areas in the pre-2002 period. The audit team accepts this assumption based on the field audit. The DRC is, and has been for several decades, extremely underdeveloped. The Congo River provides the main transportation infrastructure for the country. The audit team traveled a section of the national highway that travels between Kinshasa and Kisangani and the road was in a state of extreme disrepair, requiring at one point, crossing a river on a homemade barge of canoes. It is reasonable to assume the government had not constructed roads in the far flung areas of the reference region that were not designated concessions until 2002. Additionally, the proponent has provided as evidence the letter in Annex AK from the Vice Govournor of Orientale Province, stating that the area in question was not subject to development of government infrastructure during the historic reference period. 4. Previously closed. Based on the new information submitted to the audit team in the PD Section 5.3, as well as the accompanying Annex AK, the nonconformance is closed.

NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	15/14
Standard & Requirement:	VCS Standard 3.13.3, VM0006 Section 5.2, CCB Standards G1.4 and G2.3
Report Section:	VCS CCB Validation Report Section 7.3

Description of Non-conformance and Related Evidence:

The audit team gathered sufficient evidence to suggest that the proponent has not adequately justified its emissions factors. This comes from a combination of the project's carbon pools having not been adequately selected, justified, and measured in several strata. This issue results in a likely overestimation of the baseline GHG emissions estimates because the current emissions factors for cropland are lower than what the observed evidence suggests they should be. As per VCS 3.13.3, values and assumptions cannot lead to the overestimation of net GHG reductions, and per VCS AFOLU 4.3.1 and VM0006 Section 5.2 the deadwood pool can only be excluded if it is conservative to do so. Further, CCB Standards G2.3 requests that all data and assumptions used to estimate baseline emissions be fully justified. There are several inter-related points to consider regarding the evidence presented by the proponent and the requirements listed previously:

1. The proponent's current selection of carbon pools likely leads to an overestimation in emissions from converting forest to cropland. Table 6 of the PD states that it is conservative to omit the dead wood pool, however the audit team gathered numerous field observations of cleared fields suggesting that it is not conservative to omit the dead wood pool from the cropland stratum due to the observed propensity for swidden agriculture to result in elevated levels of standing and lying dead wood as compared to the project scenario (forest). Therefore the audit team believes that it is not conservative to omit the dead wood pool and that the current procedure results in a material overestimation of the project's baseline emissions.

2. Similar observations of cleared cropland suggest that the aboveground carbon content from live trees in cropland is underestimated due to the pattern observed by the audit team for dispersed live trees to be left behind during the clearing process. Furthermore the cyclical nature of swidden agriculture is not reflected in the cropland Emissions Factor, which when averaged over time is likely higher than what is currently listed by the proponent (approximately 3tC/ha). Conversation with the proponent indicated that the cyclical nature of the cropland stratum and its related biomass levels were not captured in the current emissions factor for cropland. Therefore there is sufficient evidence to believe that the aboveground biomass component of the emissions factor for cropland is underestimated, which contributes to a likely overestimation of GHG emissions Baseline Scenario from the conversion of forest to cropland.

3. Existing cropland and settlement emissions factors have not been identified in the main PD and have not been clearly substantiated. These values are not reported in the main PD but are reported in Annex BG. The sources and rationale for the use of these factors are not provided or discussed in the PD and related annexes. However, as discussed above, there is sufficient observational evidence to suggest that the proponent's current values are too low.

Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Annex Z Jadora Isangi REDD+ VCS CCB Project Description v3.0
Findings for Evaluation of Evidence:	The proponent has provided sufficient evidence of corrective actions to close the nonconformance. The proponent acknowledged the substantial quantity of live and particularly dead wood in the cropland land cover in the project area. Subsequently, the proponent undertook a new inventory of both the cropland and settlement strata. The same carbon pools measured in the forest stratum were measured in the cropland and settlement strata (including the deadwood pool), using the same inventory protocols, with the same inventory teams. As the audit team evaluated these inventory protocols and the inventory teams in April 2014, the audit team has confidence that application of the same methods to the cropland and settlement land cover types would result in accurate quantification of biomass and carbon stocks. The updated carbon stocks for cropland and settlement land covers, and the related emissions factors have been reviewed in the supporting annexes as well as in the updated PD v3.0. The new values are both more conservative and deemed by the audit team, based on expert knowledge, to be representative of the high carbon stock agricultural and fallow areas observed during the field audit. The proponent used a simple random sampling method with sample points allocated in a GIS, which follows best practice. As a result of a minor error made in the quantification of carbon stocks in the settlement land cover, which actually decreases the quantity of VCUs claimed by the project, OBS 12/14 was issued as part of this review.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	16/14
Standard & Requirement:	VCS Standard 3.13.1; VM0006 – 8.1.5.3 and 8.1.5.4, VCS Principle of Transparency
Report Section:	VCS CCB Validation Report Section 7.3
Description of Non-conformance and Related Evidence:	

PD section 5.3.5.3 and 5.3.5.4 do not contain a complete and transparent description of the spatial model and associated methods used to estimate the LULC transitions in project area in the baseline scenario, therefore these components cannot yet be fully evaluated by the audit team. Based on the descriptions provided the audit team cannot understand what models or techniques were actually used to create, execute, and validate deforestation projections as described in Section 8.1.5.3 and 8.1.5.4 of VM0006. In addition, the processes for determining the forest scarcity factor have not been presented or explained and cannot be evaluated because the description in section 5.3.3 of the PDD is currently incomplete. The VCS Principle of Transparency and the CCB Standards G2.3 also apply here as complete descriptions must be provided in order to properly understand and evaluate the function of the methods used construct the baseline emissions scenario. Conversations with the proponent suggest that many more processes and methods were used than were represented or described in the PD.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	PD Section 5.3.5.3
Findings for Evaluation of Evidence:	The proponent has provided a more transparent description of the spatial model utilized including the statistical program used (R statistical program), the mathematical underpinnings of the model, the assumptions involved (first order stationarity), and supporting academic literature for similar models and approaches. Additionally, factor maps and model validation methods and results were included in the PDD. This additional information presented in the PD is sufficient to meet the VCS principle of Transparency.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	17/14
Standard & Requirement:	VCS Standard 3.13.3, VM0006 – 8.2.1.2,
Report Section:	VCS CCB Validation Report Section 7.3
Description of Non-conformance and Related Evidence:	

There is uncertainty in the determination of the project's "effectiveness rating" which may be producing an unrealistic ex-ante estimate of the effectiveness of the project scenario and therefore an overestimate of the net GHG benefits of the projects ex-ante. The proponent's project activities are executed in a way that do not expressly prohibit pre-project land uses (subsistence agriculture) from occurring in the project area. Currently the proponent uses an effectiveness rating of "1" as per EQ 46, which signifies that the proponent will not allow any deforestation from occurring as per its land use agreements with communities around the project area. This rating is not realistic given the fact that the proponent does not directly protect and enforce against deforestation and that project activities will take time to spread throughout the project's area of influence. However, the audit team acknowledges that VM0006 may not give the proponent an adequate way of representing its effectiveness in a more realistic way. Therefore this finding is subject to further analysis with the project proponent.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	PD Section 5.4.1.9; Section 2.2.9 VM0006 Accounting Isangi v3.2, v3.4, v3.6
Findings for Evaluation of Evidence:	The proponent has acknowledged that estimating 100% effectiveness of some activities at Year 1 of the project is unrealistic and as a result has altered the effectiveness rating to be scaled in gradually at approximately 30% per year depending on the driver. The audit team confirms that this is a much more conservative approach and is possible in the event that the project is able to generate significant funding to support implementation of project activities. The audit team reviewed the implementation of the graduated effectiveness rating in carbon calculations in the carbon accounting model with the proponent and determined that no errors or omissions could be detected.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	18/14
Standard & Requirement:	VCS AFOLU 3.6.3, VM0006 8.3.2.2, CL2.1
Report Section:	VCS CCB Validation Report Section 7.5
Description of Non-conformance and Related Evidence:	

The assumptions used in the analysis of the mobility of deforestation agents have not been fully identified and justified. The argument used by the proponent rests on the implicit assumption that deforestation agents are confined to village limits based on data gathered from a PRA (Annex G). The proponent has not sufficiently identified this assumption in the PD, provided a justification for it or related how this assumption applies to the VM0006 requirement in section 8.3.2.2 that asks proponents to determine the willingness of an agent to travel to access the forest resource. Section 5.3.3.2 of the PD does refer to Annex G which contains the results of village area limits but does not explicitly ask a version of "what the extra time is that a single household would have to spend if the project area is not accessible anymore" as requested in VM0006 8.3.2.2, therefore the relationship of this particular PRA question to the methodology's question of how far an agent is willing to move to relocate its deforestation activities has not been clearly established by the proponent. Further, auditor interviews with communities around the project area determined that intra village movement is not uncommon and that new settlements can and do occur for numerous reasons including the attainment and demonstration of social status, and increasing village population. The proponent has not fully identified and justified how its current set of assumptions regarding the use of village limits are adequate for addressing the question of how far agents of deforestation are willing to travel to access the forest resource. Therefore conformance with section 8.3.2.2 of VM0006 (Demarcate the leakage belt) has not been conclusively established resulting in uncertainty as to whether the leakage areas have been adequately identified and defined (VM006 8.3.2.2 and CCB Standards CL2.1).	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v3.0.docx ; Jadora Participatory Rural Appraisal v1.0.pdf (Annex AE) mobility responses (all villages) v1.1.xlsx (Annex CE)
Findings for Evaluation of Evidence:	Findings from August 8 2014 The proponent has modified section 5.3.3.2 of the PD and provided Annex AE (Jadora Participatory Rural Appraisal v1.0.pdf) to address this finding. Annex AE is a new field survey that explicitly asks respondents to gauge their willingness to travel to establish a new farm. This document adequately fulfils the methodology's requirement to establish the maximal willingness to travel, but several methodological elements are missing from the documentation. The proponent has not provided details regarding the methodology for the new PRA. For example, there is no mention or reference to an explanation regarding which villages were chosen and why, whether responses were at a household level or individual level, and how participants were selected for their participation in the survey. Lastly, Annex CE appears to be an excel spreadsheet summarizing the responses of interviewees to a different PRA conducted by the proponent several years ago that was initially presented to the audit team as support for the leakage area spatial definition. This approach has subsequently been updated to the new approach evidenced by Annex AE, but it appears that Annex CE has not been updated.

	The nonconformance remains open due to the incorrect file use in Annex CE. Additionally the audit team requests copies of a sample of questionnaire response sheets as well as description of the methods including the sample design. <u>Findings from August 25, 2014</u> The proponent has provided the appropriate files in Annex CE, including: 1. An excel file summarizing the responses to the PRA and calculating the mobility factor. File name—Jadora Participatory Rural Appraisal v1.1.xlsx 2. A word file containing the PRA questions and the results of all interviewees (over 30 pages of responses). File name—Jadora Participatory Rural Appraisal v1.1.xlsx 3. 17 individual response sheets in the form of scanned copies for the audit team to review 4. Additional information in Section 5.3.3.2 regarding the sampling design The audit team has reviewed these files and confirmed them to be appropriate for the purpose and to contain valid information. The PRA responses indicate that an appropriate sample size was used across the communities and that respondents understood the questions and hence the audit team places credence in their answers. The nonconformance is CLOSED.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	19/14
Standard & Requirement:	VCS Principle of Completeness; VCS Standard 3.18.1; CCB Standards G1.4
Report Section:	VCS CCB Validation Report Sections 10.1 and 7.1
Description of Non-conformance and Related Evidence:	
Some components are missing from the PD demonstrating nonconformance with the VCS Principle of Completeness. Proponents are required to use the VCS PD template in full. The proponent has not included Section 8.3, Data and Parameters Monitored. CCB Standards G1.4 requires the proponent to provide basic climate information including carbon stocks of all relevant land use or land cover categories and major carbon pools. The proponent has not provided this information in the PD Section 1.3.3.	

Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v3.0
Findings for Evaluation of Evidence:	Both Section 8.2, Data and Parameters Available at Validation and Section 8.3, Data and Parameters Monitored, are now present in the PD. Section 1.3.3 of the PD has been updated to include the aboveground carbon stocks of the primary forest area, cropland area, and settlement areas. These figures match the updated carbon stocks calculated in the relevant annexes which were updated as a result of a related NCR. The annexes calculating these carbon stocks are deemed public. Section 8.2 and 8.3 are now present in the PD and describe in detail the data and parameters available at validation and data and parameters monitored. All data/parameters from VM0006 which are relevant to the project area included, along with sources, QA/QC measures, and other data required by the VCS Project Description template. The audit team has reviewed these data/parameters and determined that all cited sources are either IPCC sources or published literature and that for those which are monitored, the described monitoring approaches are appropriate. The proponent has additionally included several of the community, qualitative, and social monitoring indicators relevant to CCB in Section 8.3 of the PD which is both transparent and complete. The corrective actions taken are sufficient to close the nonconformance.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	20/14
Standard & Requirement:	VCS Standard 3.7.1
Report Section:	VCS CCB Validation Report Section 3.5
Description of Non-conformance and Related Evidence:	

In the Jadora-Safbois agreement (Annex AJ) provided to the audit team to demonstrate project start date, there is no date of execution, nor signature. The agreement does identify the agreement as effective as of "August ___ 2009", however the actual date is not specified and this is a unsigned agreement. Additionally the agreement does not appear to require the cessation of logging by SAFBOIS, and the proponent has failed to demonstrate which clauses of the agreement support the argument that signature of the agreement results in cessation of logging, thus preventing the construction of roads which begins the REDD project.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora-Safbois agreement. Annex W.
Findings for Evaluation of Evidence:	The proponent intends to provide an updated version of the Jadora-Safbois agreement demonstrating project start date. At present the document has not been provided so the nonconformance remains open. <u>Findings from 25 August 2014</u> The proponent has provided the audit team with Annex W, a confidential agreement between Safbois and the proponent (Jadora International, LLC) which successfully establishes the project start date as September 12, 2009. It appears the original copy received by the audit team was in error. The agreement is signed by both parties and is appropriate for the purpose of establishing start date. A specific clause holds Safbois to cease all logging operations, and not plan new harvest blocks with the consent of Jadora. The proponent has successfully argued that the ceasing of construction of logging roads begins the avoidance of GHG emissions. The audit team observed during the field audit that rather than selective logging producing emissions, GHG emissions are almost entirely produced by shifting cultivation by agents of deforestation along logging roads. The proponent has justified the project start date and the nonconformance is closed.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	21/14
Standard & Requirement:	CCB Standards G5.1

Report Section:	VCS CCB Validation Report Section 5.1
Description of Non-conformance and Related Evidence:	
Based on interviews during the field audit it appears that Jadora and its implementing partner, Safbois, may not be in conformance with all necessary laws and regulations. CCB Standards G5.1 requires that "where relevant, demonstrate how compliance is achieved". Per interview with the Director of Planification at the DRC Ministry of Environment, Nature Conservation and Tourism (MCENT) the Isangi project requires final approval by MCENT, signified by the signature by the Minister of Annex 4 Modele de contrat de partenariat pour la valorisation des services environnementaux a un projet REDD+ en RDC. This demonstrates compliance with Ministerial Order 004 of 2012. Additionally, per interview with Jadora staff members, in the existing agreement between Safbois and the government a $0.50/metric ton of carbon sold fee shall be allocated to community benefits. Annex AJ, the agreement between Safbois and Jadora specifies 15% of carbon revenues shall be allocated to community benefits. Given fluctuations in carbon prices it is not justified how the Safbois-Jadora agreement will ensure that the $0.50/metric ton fee is allocated to community benefits if carbon prices drop low enough that 15% of the price per ton is less than $0.50.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Modele de contrat de partenariat pour la valorization des services environnementaux a un projet REDD+ en RDC, complying with Ministerial Order 004 of 2012. (Annex A) PD Section 3.1
Findings for Evaluation of Evidence:	The audit team has reviewed the "Modele de contrat de partenariat pour la valorization des services environnementaux a un projet REDD+ en RDC" which the proponent is required to have in effect with the MCENT per Ministerial order 004 of 2012. This document resolves the previous contradiction between the community benefit allocation requirements between Jadora and Safbois by mandating in Article 13 the proportion of carbon revenue allocated to community benefits shall not be less than $0.50 per ton of carbon credit sold. The contradiction has been resolved and the proponent has demonstrated compliance with the appropriate ministerial order. The nonconformance is closed.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	22/14
Standard & Requirement:	CCB Standards G2.4/CM1.1
Report Section:	VCS CCB Validation Report Section 6.5
Description of Non-conformance and Related Evidence:	
The CCB Standards require that the "without project" community scenario be evaluated with appropriate methodologies, such that this forms the baseline against which future net positive benefits are demonstrated through monitoring. Section 4.5.2 of the PD provides a general, qualitative overview of the community baseline which is not specific enough to enable meaningful measurement and monitoring of net positive future impacts congruent with the highly specific indicators identified in Annex AU, the Theory of Change Matrix.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v3.0
Findings for Evaluation of Evidence:	The proponent has re-written Section 4.5.2 of the PD, in which the baseline community scenario is evaluated using the Focal Issue Problem Flow Analysis tool from the SBIA Manual which is considered an appropriate methodology per the CCB Standards Second Edition. This approach is used for the without project scenario and is used in combination with the theory of change model for demonstrating net positive community impacts in the with-project scenario. Review of Section 4.5.2 of the PD indicates that three focal issues have been identified, including lack of sustainable food security, lack of employment opportunities and inadequate health care. The community input necessary to inform the focal issues is derived from the original stakeholder engagement process carried out by the Community Consultation Team. The focal areas identified are consistent with the audit team's observations and the current situation as reported by interviewees during the field audit. Section 4.5.2 of the PD now provides much greater detail of the without project community scenario. The Focal Issue Problem Flow Analyses tool output has been presented for each focal issue, along with the relationship to the program areas implemented by the proponent. The selection of a CCB-approved methodology for assessing the without project scenario, along with the increased detail provided in the PD v3.0, is sufficient to demonstrate conformance.

NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	23/14
Standard & Requirement:	CCB Standards G3.3
Report Section:	VCS CCB Validation Report Section 3.2
Description of Non-conformance and Related Evidence:	
The CCB Standards require that a map where project activities occur is included, yet no such map is provided for the PD nor MIR.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	PD Section 2.2
Findings for Evaluation of Evidence:	The audit team has reviewed the updated PD and determined that no map of project activities exists in the PD Section 2.2, or otherwise within the PD. The nonconformance remains open. <u>Findings from 25 August 2014</u> The proponent has included a map on page 45 of the PD indicating the location of project activities, therefore the nonconformance is closed.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	24/14
Standard & Requirement:	CCB Standards G3.5
Report Section:	VCS CCB Validation Report Section 4.3
Description of Non-conformance and Related Evidence:	
The CCB Standards G3.5 require that risks be identified for the specific climate, community, and biodiversity benefits during the project lifetime and that specific measures be outlined to mitigate these risks.. Section 2.3.1 of the PDD does not identify which risks correspond to which climate, community, or biodiversity benefits, nor which mitigation measures correspond to which risks. This section of the PD is insufficiently detailed to demonstrate conformance with G3.5. For example, under "Land Tenure" risks, the PD states that "risk related to land tenure does exist" but does not identify what this risk is, which climate, community, or biodiversity benefits it jeopardizes, and what the mitigation measure is.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v2.0- Track Changes Jadora Isangi REDD+ VCS CCB Project Description v2.0 Jadora Isangi REDD+ VCS CCB Project Description v3.0
Findings for Evaluation of Evidence:	The proponent has added substantial documentation to the PD to more clearly identify risks presented to project benefits, which project benefits are potentially impacted by which risks, and corresponding mitigation measures. To enhance the clarity in linking risks to benefits the proponent has provided a summary table (Table 3) which sufficiently organizes the risks and related benefits. The following pages of additional text in the PD elaborate upon the nature of the risks and provide descriptions of proposed mitigation measures to reduce or eliminate said risks. Given that it is inherently impossible to fully mitigate all risks, especially in a country like the DRC with a history of social upheaval and endemic poverty, the proponent has provided a sufficient suite of mitigation measures for the risks. The majority of the mitigation measures have been either aligned with a pre-existing VCS or CCB requirement (for example, the CCB grievance process), or are aligned with Jadora's own independent goals, therefore increasing the likelihood of successful implementation. The additional evidence and clarifications to the PD demonstrate conformance.

NCR Status:	b
Comments (optional):	

NCR#:	25/14
Standard & Requirement:	CCB Standards G4.1
Report Section:	VCS CCB Validation Report Section 3.3
Description of Non-conformance and Related Evidence:	
Section 1.4 of the PD identifies Jadora, LLC as the sole project proponent, however page 53 of the PD identifies Safbois as the project proponent, creating confusion around the identity of the proponent.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v2.0 – Track Changes Jadora Isangi REDD+ VCS CCB Project Description v2.0 Jadora Isangi REDD+ VCS CCB Project Description v3.0
Findings for Evaluation of Evidence:	The proponent has provided an updated PD v2.0, and later v3.0 (in which no changes occur which impact this NCR which was closed with v2.0) in which any erroneous mention of Safbois as the proponent has been removed. The audit team has inspected the document for errors of this nature and identified none. The proponent has demonstrated conformance.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	26/14
Standard & Requirement:	CCB Standards
Report Section:	VCS CCB Validation Report Section 3.3
Description of Non-conformance and Related Evidence:	
Section 1.4 of the PD identifies Jadora, LLC as the sole project proponent, however page 53 of the PD identifies Safbois as the project proponent, creating confusion around the identity of the proponent.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v2.0 – Track Changes Jadora Isangi REDD+ VCS CCB Project Description v2.0 Jadora Isangi REDD+ VCS CCB Project Description v3.0
Findings for Evaluation of Evidence:	The proponent has provided an updated PD v2.0 (and v3.0 which is the final version although this NCR was first closed in v2.0) in which any erroneous mention of Safbois as the proponent has been removed. The audit team has inspected the document for errors of this nature and identified none. The proponent has demonstrated conformance.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	27/14
Standard & Requirement:	VM0006 8.1.1.2
Report Section:	VCS CCB Validation Report Section 7.3
Description of Non-conformance and Related Evidence:	

Some evidence regarding the selection of a valid reference region has not been provided as requested in section 8.1.1.2 of VM0006.

c. Demonstrate that the reference region does not contain areas where agents of deforestation have restricted access.
The proponent asserts in section 5.3.1 of the PDD that protected areas, and oil palm plantations have been identified and excluded from analysis. This is represented in Annex O, however the proponent has not described or referenced a process for identifying these areas or the sources that were consulted to identify these areas. The audit team reviewed this process with the proponent in the field.

d. The reference region must exclude areas where planned deforestation activities took place.
Oil palm plantations have been identified as areas identified for exclusion in the reference area. Annex O contains a representation of this procedure, but the process for identifying Oil palm plantation limits has not been referenced or explained. Please refer to the previous finding.

e. The reference region must exclude deforested areas caused by natural (non-anthropogenic) large-scale, extraordinary events
The proponent states that remote sensing LULC analysis was used to ensure that no large deforestation events due to natural events occurred in the reference region yet these methods are not referenced or described in the PDD.

f.The project proponent must demonstrate that the reference region contains, at minimum, 15% forest cover at the beginning of the crediting period,
The amount of forested area in the reference area is listed as 91%, which exceeds the minimum threshold established by the methodology and which is represented by Annex AQ. However the proponent has not clearly demonstrated how the amount of forest cover in the reference area was determined nor how its classification accuracy was established.

Drivers of Deforestation
The proponent submits Annex AZ as evidence of similarities in drivers of deforestation in section 5.3.1.1 of the PD. This annex shows cropland vs. forests vs. the location of roads and shows a similar pattern of deforestation. Although this pattern of deforestation associates land cover patterns to similar drivers of deforestation in other concessions, the proponent has not explicitly justified or explained its rationale for assuming that subsistence agriculture is the primary driver of deforestation in both the reference area and project area.

Distribution of native forest types
The proponent claims no differences in forest types were distinguishable but does not provide or reference data or processes that were used to reach this conclusion.

Elevation
The proponent submits Annex AX as evidence that the project area and reference region fall within the same 500m elevation class, which falls in the established range set by the methodology. AX contains a representation of a digital elevation model across the reference region, however the source of the DEM has not been provided to justify this claim, however this is not material since the auditors travelled extensively down the Congo River and could determine elevation is likely not materially different between the reference and project area.

Slope The proponent submits Annex AY as evidence that 99% of the project area and reference region fall within the same 0-5% slope class. This falls in the range set by the methodology (10%). Annex AY contains a representation of slope data derived from geospatial analysis however the procedure for determining slope classes has not been presented or described. Land Tenure Status The similarity of land tenure status has been described as being similar on the basis of the DRC 1973 General Property Law (Law No. 73-021). The proponent has not explained this law and how it relates both to the reference area and project area.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	global forest resources.pdf Isangi Reference Area v1.0.pdf Jadora Isangi REDD+ VCS CCB Project Description v3.0.docx Isangi Palm Oil Plantations v1.1
Findings for Evaluation of Evidence:	c. Demonstrate that the reference region does not contain areas where agents of deforestation have restricted access. The proponent has excluded areas of known restricted access for deforestation agents including, oil palm plantations, protected areas, and areas that are otherwise inaccessible due to lack of transportation infrastructure which typically provides the means of entry for deforestation. The proponent has digitized and removed the oil palm plantations (see Annex BN). The audit team has confirmed that the reference region excludes the Yangambi reserve, the only known protected area near the project area. The audit team acknowledges that the DRC is an information poor environment and due to the project's coordination with local and national authorities who would be aware of areas of restricted access., It should be noted as well that the accidental addition of areas of restricted access to the reference region would create a more conservative baseline deforestation rate. Hence the proponent appropriately balances the VCS principles of Accuracy and Conservativeness by attempting maximum accuracy but structuring the analysis such that if information is missing it would result in a more conservative issuance of VCUs. To ensure the reference region accurately reflects the risk of deforestation the proponent has also restricted the reference region to the area within 25 km of local and provincial road within the concessions, which is reflective of the maximum Euclidean distance from road in the project area. National highways were appropriately removed from this analysis as they provide access to deforestation agents which is not characteristic of the project area. This aspect of the nonconformance has been

	closed. d. <u>The reference region must exclude areas where planned deforestation activities took place</u> With respect to points “c” and “d”, the proponent maintains in section 5.3.1 of the PD that the Isangi oil palm plantations, nature reserves and parks were excluded from the reference region and refers to Annex AQ, which is “Implementation plan budget v2.0.xlsx”. This reference is believed to be erroneous and it is assumed that the proponent is referring to Annex BN. . The proponent also cites changes made to section 4.2 of the PD under applicability condition #3 which signal that “Oil palm plantations were digitized form high resolution imagery in the project zone and excluded from the project area. There are no other planned forest conversion activities in the region.” The audit team has reviewed the imagery and compared the locations of digitized oil palm plantations to Google Earth imagery and confirmed that the oil palm plantations have been appropriately digitized and excluded. This aspect of the NCR is closed. <u>e. The reference region must exclude deforested areas caused by natural (non-anthropogenic) large-scale, extraordinary events</u> This point is inferred to be true by virtue of Annex BT and the related explanations in section 5.3.1. However the proponent has not explicitly addressed this point resulting in issuance of new NCR 14/14. This aspect of the NCR is closed. <u>f. The project proponent must demonstrate that the reference region contains, at minimum, 15% forest cover at the beginning of the crediting period,</u> The proponent has redefined the reference region as depicted in Isangi Reference Area v1.0.pdf (Annex BT). The proponent’s forest cover analysis demonstrates a satisfactory level of adherence to good practices and conventions for processing and utilizing LandSat images for forest cover analysis. A description of the forest cover accuracy assessment is provided in section 4.5.1.6 of the PD and was found to have been sufficiently explained. As a result the proponent has sufficiently demonstrated that the reference region was at least 15% forest cover at the beginning of the crediting period as represented by Annex BT. Additional aspects of this NCR include: <u>Drivers of Deforestation</u> The proponent submits Annex AZ as evidence of similarities in drivers of deforestation in section 5.3.1.1 of the PD. This annex shows cropland vs. forests vs. the location of roads and shows a similar pattern of deforestation. The proponent has explained the rationale for the assumption that subsistence agriculture is the primary driver of deforestation in both the reference area and the project area during the geospatial review with the geospatial expert. The assumption is supported by the choice and application of variables in the spatial model. The spatial model was

	able to demonstrate a statistically significant relationship between risk of deforestation and distance to forest edge, and distance to roads. This is a well-known pattern typical of deforestation patterns caused by subsistence agriculture drivers. In addition, the audit team observed only two forms of deforestation The pattern of deforestation in forest concessions caused by local agents of agricultural conversion is established across the DRC and supported by the 1973 General Property Law which affords this right to non-allocated resources in forest concessions. <u>Distribution of native forest types</u> Based on the audit teams evaluation of forest types during the field audit, there is general homogeneity of forest type in the project area and in the areas of the reference region visited by the audit team. This is driven largely by the homogeneity of elevation, slopes, and climate across the reference region and project area. Although some small scale differences in forest species composition and structure were noted by the audit team near rivers as compared to areas that were slightly more elevated, these differences were not significant and the assertion by the proponent that remote sensing analyses could not detect different native forest types is considered credible. <u>Elevation</u> The proponent submits Annex AK as evidence that the project area and reference region fall within the same 500m elevation class, which falls in the established range set by the methodology. AK contains a representation of a digital elevation model across the reference region, however the source of the DEM has not been provided to justify this claim, however this is not material since the auditors travelled extensively down the Congo River and could determine elevation is not materially different between the reference and project area. <u>Slope</u> The proponent submits Annex AY as evidence that 99% of the project area and reference region fall within the same 0-5% slope class. This falls in the range set by the methodology (10%). Annex AY contains a representation of slope data derived from DEM data. <u>Land Tenure</u> The proponent provides the 1973 DRC General Property Law (No. 73-021) as justification for similarity in land tenure patterns and policies. Although the proponent was did not provide further explanation or justification, the audit team, after consulting a regional forestry legal expert, has determined this justification is sufficient. It should be noted that although the reference region contains areas where the concessions have been decommissioned in the latter part of the reference period, the impacts of this change in status are immaterial on land tenure as the General Property Law applies equally across concessions and non-concession land areas., Particularly, the law allows for certain types

	of 'permanent private concessions', and also recognizes that customary laws apply to user rights over 'non-allocated lands in rural areas'. Also Forest ownership and user rights are subject to the 2002 Forest Code, which sets out the basic 'framework' for the DRC Government's forest policy. The Code does not modify the 1973 Land Law, and continues to assert state ownership over all areas of forest. These laws are national laws so apply equally to the project area and the reference region.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	28/14
Standard & Requirement:	VCS Standard 3.9.1
Report Section:	VCS CCB Validation Report 7.1
Description of Non-conformance and Related Evidence:	
The proponent has identified the project scale and estimated GHG reductions over the project lifetime in section 5.1 of the PDD. However the proponent has incorrectly identified the project scale by identifying the proposed project as a "Project" vs. as a "Large Project". Table 10 states that the average annual ER's are 672,224 tCO_2e and the annual estimates in Table 10 show estimates generally over 700,000 tCO_2e. Based on this information the proponent has not fully justified why the project qualifies as a "project" scale as defined in VCS 3.9.1	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v2.0 – Track Changes Jadora Isangi REDD+ VCS CCB Project Description v2.0 Jadora Isangi REDD+ VCS CCB Project Description v3.0
Findings for Evaluation of Evidence:	Due to revisions made to the PD since the field audit, the estimated annual GHG reductions has been reduced from 672,224 tCO2e/year to an average of 334,294 tCO2e/year. This still qualifies as a VCS "Large Project". The proponent has updated Section 5.1 of the PD to clearly identify the project as a VCS Large Project. Conformance has been demonstrated.
NCR Status:	**CLOSED**

Comments (optional):	

NCR#:	29/14
Standard & Requirement:	VCS Standard 3.15.2
Report Section:	VCS CCB Validation Report Section 7.6
Description of Non-conformance and Related Evidence:	
The proponent has not provided a complete and consistent *ex ante* calculation of GHG emissions reductions, removals, generation of VCUs.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	VM0006 Accounting Isangi v3.2, v3.6 Isangi Forest Data v1.0 (Annex W) Isangi Crop Data v1.0 (Annex X) Isangi Settlement Data v1.0 (Annex Y)
Findings for Evaluation of Evidence:	The proponent has provided the audit team with a complete and consistent *ex ante* calculation of GHG emission reductions, and generation of VCUs. The proponent has provided the audit team with excel spreadsheets in which the calculation of carbon stocks is completed for all LULC classes including the single forest strata, a single crop strata, and a single settlement strata. The selected strata and decision to not further stratify these strata are appropriate based on the homogeneity within each strata. The audit team has reviewed these excel spreadsheets and found only the following error/inconsistency: The application of the Djomo (2010) equation for calculating aboveground tree biomass in the excel spreadsheets utilizes parameters in the equation which are not reported in the Djomo paper. Additionally, the application of this equation does not appear to correspond to the description of the calculation method detailed in the PD Section 5.3.4.3.1. Pending clarification of the calculation method for quantifying aboveground biomass stocks and the

	revision of the PD to correspond to the calculation method, this nonconformance remains OPEN. The audit team has also reviewed the carbon accounting model presented by the proponent and identified no material errors or inconsistencies within the model. <u>Findings from 25 August 2014</u> The proponent has submitted an updated version of the PD v3.0 which includes additional clarifying text in Section 5.3.4.3.1 detailing the application of the Djomo equation. The proponent has transformed the equation to a non-log form explaining the different parameters than those cited in the Djomo paper. The proponent has removed the erroneous references to other parameters and academic papers which were not used in the carbon calculations. The updated PD is clear and consistent with the calculations in the supporting excel spreadsheets that establish carbon stocks. The nonconformance is closed.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	30/14
Standard & Requirement:	CCB Standards GL 2.1-2.5
Report Section:	VCS CCB Validation Report Section 8.3
Description of Non-conformance and Related Evidence:	
The proponent claims CCB Gold Level status for community benefits. While the project is a low human development country, as defined by the UN Human Development Report, the proponent does not use this metric to justify conformance to indicator GL2.1, but rather uses other life expectancy and income indices. The proponent provides no evidence for conformance with CCB indicators GL 2.2-2.5 which require specific analyses or evidence.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by	Jadora Isangi REDD+ VCS CCB Project Description v2.0 – Track Changes

Organization:	Jadora Isangi REDD+ VCS CCB Project Description v2.0 Jadora Isangi REDD+ VCS CCB Project Description v3.0
Findings for Evaluation of Evidence:	The proponent has chosen to not pursue Gold Level status for community benefits. As such the confusing text has been removed from the PD. Conformance has been demonstrated as Gold Level is optional, rather than mandatory.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	31/14
Standard & Requirement:	CCB Standards CM3.1-CM3.2
Report Section:	VCS CCB Validation Report Section 10.1
Description of Non-conformance and Related Evidence:	
The proponent mentions in PD Section 8.1.2.4 the existence of community monitoring SOPs, but has not provided these to the auditor. This document is necessary to link together the specific indicators and outputs of the Theory of Change Matrix and Section 8.2 and 8.3 with the methods and frequency of monitoring required by CCB CM3.1. The proponent has also failed to provide a plan for how they will assess the effectiveness of measures used to enhance High Conservation Values related to community well-being, including the related SOPs	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Community Monitoring SOP v1.2 (Annex K) PD Sections 8.1.2.4 and 8.3.4
Findings for Evaluation of Evidence:	The community monitoring SOPs are detailed and appropriate for the intended purpose. The proponent has based the SOPs on the focal problem analysis approach (suggested by the CCB Standards Second Edition) described in the PD in Section 4.5.2 as well as the indicators selected for monitoring program areas developed through the theory of change approach identified in the PD. This is internally consistent and appropriate. The nonconformance is closed.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	32/14
Standard & Requirement:	CCB Standards B3.2
Report Section:	VCS CCB Validation Report Section 10.1
Description of Non-conformance and Related Evidence:	
The proponent has not provided an initial plan for assessing the effectiveness of measures used to maintain or enhance High Conservation Value (HCV) attributes in the project zone as required by B3.2.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	PD Section 8.1.2.5; Section 8.3.4 Biodiversity Monitoring SOP (Annex C)
Findings for Evaluation of Evidence:	The proponent has provided updated and detailed information supporting the plan for assessing the effectiveness of measures used to maintain/enhance HCV attributes in the project zone. The proponent has clarified that a Pressure-State-Response framework will be used in evaluating biodiversity in the project zone. Monitoring procedures continue to be detailed in the Biodiversity Monitoring SOPs. HCV monitoring indicators have been selected and described in Section 8.3.3 of the PD. The proponent relied on proxy indicators in some cases, rather than direct monitoring of target populations, given a lack of available scientific knowledge of the project zone and the difficulties of monitoring all species populations directly. The indicators chosen appear appropriate based on the audit team's field visit. The proponent maintains a staff of very knowledgeable local and international experts capable of carrying out the HCV monitoring. Based on the specific details of the indicators, monitoring approach selected, and details of the PD, the nonconformance is closed.
NCR Status:	**CLOSED**
Comments (optional):	

NCR#:	33/14
Standard & Requirement:	VCS AFOLU Non-Permanence Risk Tool v3.2, Section 2.2.2
Report Section:	VCS CCB Validation Report Section 4.3
Description of Non-conformance and Related Evidence:	
Inconsistencies have been identified regarding the *ex-ante* estimated VCU issuance between the PD v2.1, the Net Revenue and Cashflow v1.4 excel spreadsheet, and the VM0006 Isangi Carbon Accounting Model v3.4. For example the *ex-ante* VCUs for 2015 differ as described below: PD v2.1: 471,206 VCUs Accounting Model v3.4: 377,931 VCUs Net Revenue and Cashflow v1.4: for this model the "issuance" is described in 2015 as 724,535 VCUs whereas the "adjusted issuance" is described as 326,041 VCUs. This inconsistency prevents the audit team from being able to confirm the PD's claims and to fully evaluate conformance to the VCS AFOLU non-Permanence Risk Tool v3.2 Section 2.2.2. (See NCR 11/14). The proponent has submitted an updated version of the PD (v23.0), and the an updated Net Revenue and Cashflow v1.5 spreadsheet which has values for *ex ante* estimated VCU issuances which are congruent with those listed in the VM0006 Isangi Carbon Accounting Model v3.6 as well as all other supporting documents. The nonconformance is closed.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	Jadora Isangi REDD+ VCS CCB Project Description v3.0 Net Revenue and Cashflow v1.5 VM0006 Isangi Carbon Accounting Model v3.6
Findings for Evaluation of Evidence:	The proponent has submitted an updated version of the PD (v3.0), and the an updated Net Revenue and Cashflow v1.5 spreadsheet which has values for *ex ante* estimated VCU issuances which are congruent with those listed in the VM0006 Isangi Carbon Accounting Model v3.6 as well as all other supporting documents. The nonconformance is closed.

NCR Status:	**CLOSED**
Comments (optional):	

Observations

OBS 01/14	Reference Standard & Requirement: CCB Standards G3.7
Description of findings leading to observation: CCB G3.7 requires that projects identify measures to maintain or enhance benefits beyond the project lifetime. The proponent, in PD Section 2.3.3 appears to identify measures to manage risks beyond the project lifetime (rather than measures to enhance benefits). These measures will also work to maintain benefits, however the PD would benefit from clarification of this section to more specifically follow the CCB Standards.	
Observation: The proponent should update the PD to be consistent with the CCB Standards.	

OBS 02/14	Reference Standard & Requirement: CCB Standards B1.2
Description of findings leading to observation: The proponent provides a brief and generic explanation that conservation of forest and biodiversity, as well as efforts to reduce hunting and enhance protein sources, will not impact high conservation values. The audit team agrees with this assumption, yet an observation has been issued as the proponent does not demonstrate that HCVs will not be negatively affected in a manner that is particular to the three relevant HCVs (HCV1-HCV3), but rather just makes a reasonable assumption.	
Observation: The proponent should justify conformance based on the CCB indicator rather than an assumption.	

OBS 03/14	Reference Standard & Requirement: CCB Standards CL2.2
Description of findings leading to observation: The proponent is required to provide an estimate of to what extent leakage will be reduced by leakage mitigation activities. In Section 5.2 of the PD the proponent does not provide this estimate other than to state that leakage mitigation activities are expected to "discourage further clearing of agricultural land inside and outside the project area."	
Observation: The proponent should clarify the assumed efficacy of leakage mitigation activities.	

OBS 04/14	Reference Standard & Requirement: CCB Standards CL2.1
Description of findings leading to observation: An observation has been raised as some elements of this explanation merit further clarification. For instance, the proponent mentions that it anticipates "two types of activity shifting leakage" but they have not been identified or explained further what these two types of leakage are as required by CL2.1 of the CCB Standard.	
Observation: The proponent should clarify the types of activity shifting leakage.	

OBS 05/14	Reference Standard & Requirement: CCB Standards G1.3; G3.3
Description of findings leading to observation: The proponent has provided Annex I and J to show the spatial boundaries of the project zone and the project area respectively. However these annexes represent the boundaries project area and project zone separately. This issue has been identified an Observation because separating these boundaries into separate maps makes it more challenging to clearly determine the relationship between the project area and the project zone.	
Observation: The project should produce combined maps that permit a reader to more easily compare the relationship between the project zone and the project area.	

OBS 06/14	Reference Standard & Requirement: VM0006 4.1.1 Applicability Conditions
Description of findings leading to observation: The proponent has not completely documented the land use dynamic of oil palm plantations within the project area limits, though this does not materially detract from the auditor's positive assessment generated through interviews and field observations.	
Observation: The proponent should discuss the historical circumstances regarding the establishment of the commercial oil palm plantations present within the Safbois concession in order to strengthen the claim that they do not pose a serious risk for future planned deforestation.	

OBS 07/14	Reference Standard & Requirement: VM0006 5.3
Description of findings leading to observation: Regarding the leakage area and reference area the proponent has provided explanations regarding the method for delineating them in sections 5.5.1.3 and 5.3.1 of the PDD respectively. However these sections are not referenced in PDD section 4.4.2.	
Observation: Section 5.5.1.3 and 5.3.1 should be referenced in section 4.4.2 to enhance clarity and transparency	

OBS 08/14	Reference Standard & Requirement: VCS Standard 3.13.3
Description of findings leading to observation: Following issuance of the Draft Audit Report, the proponent provided the audit team with an updated excel calculation file "Isangi Settlement Data v1.0" in which carbon stocks of the settlement land cover class were calculated. Review of this file indicates that the Djomo 2010 equation was applied to palms.	
Observation: Separate allometric models for palms should be used for palm trees given that height is typically the strongest indicator of biomass, rather than dbh, as with the Djomo equation. This likely leads to a very minor, immaterial, overestimation of the settlement carbon stocks, resulting in a very minor underestimation of the VCUs generated by avoiding conversion of forest to settlement. Only 11 palm individuals were identified in the settlement inventory.	

OBS 09/14	Reference Standard & Requirement: VCS Standard Principle of Transparency
Description of findings leading to observation: In response to NCR 09/14, the proponent submitted additional evidence of corrective actions include Annex O and Annex P, as well as updates to the PD in Section 4.5.1.6 and Section 5.3-5.5, detailing the accuracy assessment methods and results. These demonstrated conformance with the VM006 methodology and were sufficient to close the NCR. However, the proponent has not reproduced the accuracy assessment results for each individual image in Section 4.5.1.6.2 of the PD.	
Observation: In conformance with the VCS Principle of Transparency, the proponent should replicate the results in the PD, rather than in just Annexes demonstrating that the accuracy of each image is greater than or equal to 85%.	

OBS 10/14	Reference Standard & Requirement: VCS Standard Principle of Transparency
Description of findings leading to observation: The proponent has not provided direct confirmation or evidence that natural (non-anthropogenic) large-scale extraordinary deforestation events have been excluded from the reference region. However, this point is inferred to be true by virtue of other evidence submitted by the proponent including Annex BT and Section 5.3.1 of the PD.	
Observation: The proponent should provide direct evidence that this applicability condition has been conformed to in the applicability conditions section of the PD, in conformance with the VCS Principle of Transparency.	

OBS 11/14	Reference Standard & Requirement: VCS Standard Principle of Transparency
Description of findings leading to observation: The proponent has provided a suitable explanation regarding its search to determine the number of endemic species given difficulty in proving such a point. It relies on cross listing sightings against the DRC national draft guidance document Forets de Haute Valeur pours la Conservation en RDC resulting in one species (African Peacock), though the high rate of endemism in Congolese forests is well documented in the academic literature. The proponent has not indicated to the audit team where this resource can be found within the documentation but this point is immaterial given the auditor's familiarity with the topic.	
Observation: The proponent should provide the audit team with correct reference to where the justification can be found in the documentation.	

OBS 12/14	Reference Standard & Requirement: VCS Standard Principle of Transparency
Description of findings leading to observation: The intent of the VM0006's Table 4 is to provide a reasonable degree of transparency to the reader for identifying how each source of imagery/maps was used and key details of each data type. The current description provided in the PD does not specify which purposes GeoEye or FACET data were used for (i.e. historical deforestation, benchmark forest cover map, deforestation model calibration/validation, etc.), nor does it identify the dates and other identifying information of these data sets. However, the submission of detailed accuracy assessment SOPs and results is sufficient to close this aspect of the nonconformance as it does specify the purpose of these data and an observation is issued.	
Observation: The proponent should update Table 4 to include the dates of the imagery.	