



**Verified Carbon
Standard**

FAMILY FOREST CARBON PROJECT

VERIFICATION REPORT



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Prepared by	AENOR CONFÍA S.A.U.

	Génova, 6. 28004 Madrid - Spain Telephone +34 914326000 www.aenor.com (jfuentes@aeonr.com ; srodrigo@aeonr.com ; jimenezbarriosc@gmail.com)
Approved by	José Luis Fuentes (jfuentes@aeonr.com)
Work carried out by	Team Leader / Auditor: Carlos Jiménez (jimenezbarriosc@gmail.com) Auditor: Adrián Vidal Auditor: Pablo Moreno Technical reviewer 1 y 2: Javier Cócera, Daniel Bermejo

Summary:

Forest Carbon Works, PBC is a US-based company that seeks to conserve and restore functional forestland throughout the United States for the primary purpose of increasing carbon sequestration. Forest Carbon Works plans to democratize access to carbon revenue by making carbon offset payments available to small landowners that face pressures to liquidate their timber to cover unforeseen expenses. By the year 2030, the Project Proponent anticipates protecting around 202,347 hectares of forest land to be locked into durable agreements for 60 years (with possible extension to 125 years) of permanent carbon storage. The Family Forest Carbon Project (“the Project”) is a grouped project whose potential geographic area encompasses the contiguous United States and southern Alaska.

The Project contrasts with regional common practice among the owners of these lands prior to project implementation: extractive timber harvesting to compensate for owner decreasing revenues. To reduce GHG emissions across the project area, the project technologies and measures include transitioning the management of forestland to sustainable, uneven-aged silvicultural systems that include group selection, patch cuts and continuous thinning, where appropriate. In these transition activities, practices include the application of special silvicultural treatments that accelerate the recruitment of trees into standing dead wood, among other treatments. By extending rotation ages (ERA) through the implementation of uneven-aged silviculture of these commercially harvestable forests, the project increases carbon storage relative to the baseline case, as well as increases biodiversity and diversity in forest structure.

The purpose of this first verification was the independent evaluation of the project’s compliance with the VCS Standard v4.7 and the assessment of the ex-post anthropogenic GHG removals and emissions reductions that occurred as a result of the project’s activities according to VM0003 v1.3 Methodology for improved forest management (IFM) through extension of rotation age (ERA). The process was performed through a combination of document revision on the Monitoring Report (and supporting documents), interviews with relevant personnel and onsite inspections. During the validation 7 CARs and 13 CLs were reported. All these issues were appropriately closed by means of corrections, more clear explanations and other supported documents. No FARs were raised in this verification event.

AENOR carried out a final verification report and deems reasonable the project assumptions, since it

complies with all of the verification criteria for VCS. The assessment team has no restrictions or uncertainties with respect to the compliance of the project with the verification criteria. Hence, the audit team concludes that the ex-post GHG removals for the lands included in the project boundary have been projected in accordance with VCS rules.

During the current verification, 61 new Project Activities Instances (PAI) were included. Considering the initial instance validated during the Project Description validation, 62 PAIs were currently verified, covering 6,559.8 hectares protected under agreements with owners located in USA states of California, Kansas, Kentucky, Maine, Michigan, Minnesota, Mississippi, New York, Oregon, Pennsylvania, Rhode Island, Virginia, Vermont, Washington, Wisconsin, and West Virginia.

AENOR can confirm that the gross GHG removals and emission reductions for the monitoring period (14-July-2020 to 29-September-2023) are 75,804 tCO₂e; of which 66,708 tCO₂e correspond to VCU's considering a 12% non-permanence risk deduction (9,094 tCO₂e). AENOR considers these estimations are accurate and free of material errors and AENOR holds no restrictions or uncertainties with respect to the compliance of the project with the validation criteria.

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1 INTRODUCTION

1.1 Objective

The purpose of the verification audit activity was to conduct an independent assessment of the project in order to determine whether it complies with the verification criteria as set out in the guidance documents listed in Section 1.2 of this report, including the monitoring procedures; and that the ex-post GHG removals/emission reductions reported are materially accurate.

In accordance with VCS Standard, AENOR carried out an ex-post independent assessment of the GHG emission reductions and removals that have occurred as a result of the project during the monitoring period, conducted in accordance with the VCS Program rules. In accordance with the VCS Validation & Verification Manual, the objectives of the verification engagement were to evaluate the monitoring report and assess:

- The extent to which methods and procedures, including monitoring procedures, have been implemented in accordance with the validated Project Description (this included assessing conformance with the monitoring plan).
- The extent to which GHG emission reductions and removals reported in the monitoring report are materially accurate.
- The extent to which the non-permanence risk analysis is applicable and reliable.

Independent third-party validation is a requirement for all VCS projects and is mandatory to provide assurance to Verra and other stakeholders of the quality of the project and its projected Verified Carbon Units (VCUs) generation.

1.2 Scope and Criteria

The scope of this audit included the verification of the ex-post achieved removals/emission reductions against the VCS requirements for the first monitoring period (14-July-2020 to 29-September-2023), as well as the validation and verification of 61 new instances according the Eligibility criteria specified in the validated PD (see section 1.4 in this report). The scope was defined as follows:

The criteria for verification were the VCS Version 4, including the following documents:

- VCS Standard v4.7 issued 16 April 2024
- VCS Program Guide v4.4 issued 29 August 2023
- Program Definitions v4.4 issued 29 August 2023
- AFOLU Non-Permanence Risk Tool v4.2 issued 12 October 2023
- VT0001 Tool for the Demonstration and Assessment of Additionality in VCS AFOLU Project Activities v3.0, issued 1 February 2012.

- VM0003 Methodology for Improved Forest Management Through Extension of Rotation Age v1.3, issued 16 May 2023.

AENOR employed a risk based approach in the verification, focusing on the identification of significant risks and reliability of project monitoring and generation of emission reductions/removals.

Unless otherwise indicated, the assessment was performed against the most recent version of the relevant VCS documents.

1.3 Level of Assurance

The level of assurance is used to determine the depth of detail that the verifier places in the Verification and Sampling Plan to determine if there are any errors, omissions, or misrepresentations (ISO 14064-3:2019). For this VCS verification, AENOR assessed the project (general principles, data, sampling descriptions, documentation, calculations, etc.) to provide reasonable assurance to meet the project level requirements of the VCS Program, described in Section 4.1.10(1) and 4.1.2(2) of the VCS Standard v4.7. Based on the verification findings, a final evaluation statement reasonably assures that the project GHG representations are materially accurate. The evidence used to achieve a reasonable level of assurance is specified in subsequent sections of this report.

All the versions of the verification report were subjected to an independent internal technical review before being submitted to the client to confirm that all verification activities had been completed according to the pertinent VVB instructions required. The technical review was performed by a technical reviewer qualified in accordance with AENOR's qualification scheme for VCS validation.

1.4 Summary Description of the Project

Forest Carbon Works, PBC is a US-based company that seeks to conserve and restore functional forestland throughout the United States for the primary purpose of increasing carbon sequestration. By the year 2030, the Project Proponent anticipates protecting around 202,347 hectares of land to be locked into durable agreements for 60 years (with possible extension to 125 years) of permanent carbon storage. The Family Forest Carbon Project ("the Project") is a grouped project whose potential geographic area encompasses the contiguous United States and southern Alaska.

The Project contrasts with regional common practice among the owners of these lands prior to project implementation: extractive timber harvesting to compensate for owner decreasing revenues. Forest Carbon Works plans to democratize access to carbon revenue by making carbon offset payments available to small landowners that face pressures to liquidate their timber to cover unforeseen expenses.

To reduce GHG emissions across the project area, the project technologies and measures include transitioning the management of forestland to sustainable, uneven-aged silvicultural systems that include group selection, patch cuts and continuous thinning, where appropriate. In these transition activities, practices include the application of special silvicultural treatments that accelerate the

recruitment of trees into standing dead wood, among other treatments. There is no rotation age associated with the project activity as even-aged forest management is not practiced. Rotation ages within baseline scenarios differ among activity instances and is dependent on common forest management practices in the geographic area.

Sponsored by Forest Carbon Works in relation to this project, university research indicates that the promotion of standing deadwood through these treatments significantly increases total carbon storage over time, as compared to no treatment or extractive timber harvesting. By extending rotation ages (ERA) through the implementation of uneven-aged silviculture of these commercially harvestable forests, the project increases carbon storage relative to the baseline case, as well as increases biodiversity and diversity in forest structure. Diverse forest age classes and heterogeneity across landscapes are proven to increase forest resiliency to disturbances such as wildfire, landslides, and insect or disease outbreak.

During the current verification, 61 new Project Activities Instances (PAI) were included. Considering the initial instance validated during the Project Description validation, 62 PAIs were currently verified, covering 6,559.8 hectares protected under agreements with owners located in USA states of California, Kansas, Kentucky, Maine, Michigan, Minnesota, Mississippi, New York, Oregon, Pennsylvania, Rhode Island, Virginia, Vermont, Washington, Wisconsin, and West Virginia. No harvesting activities were carried out in the PAIs during the monitoring period.

AENOR can confirm that the gross GHG removals and emission reductions for the monitoring period (14-July-2020 to 29-September-2023) are 75,804 tCO₂e; of which 66,708 tCO₂e correspond to VCUs considering a 12% non-permanence risk deduction (9,094 tCO₂e).

2 VERIFICATION PROCESS

2.1 Method and Criteria

The verification (and validation of new PAIs) was performed through a combination of document review, interviews with relevant project personnel and stakeholders and onsite inspections, as discussed in Sections 2.2 through 2.4 of this report. At all times, the project was assessed for conformance to the criteria described in Section 1.2 of this report. As discussed in Section 2.5, findings were issued to ensure that the project was in full conformance to all requirements.

A project specific sampling plan was developed to guide the verification auditing process to ensure efficiency and effectiveness. The purpose of the sampling plan was to present a risk assessment for determining the nature and extent of the verification procedures necessary to ensure the risk of auditing error was reduced to a reasonable level. The verification sampling plan methodology was derived from all items in our auditing process stated above. Specifically, the sampling plan utilized the VCS guidance documents and ISO 14064-3:2019.

Based on these analyses and considering the requirements of the GHG program used, the sampling plan considered the following topics regarding the verification of 1 PAI already included (during the validation of the PD) and the validation of the 61 new PAIs:

- Project proponent, developers/management team, local team onsite.
- Title Deeds, Forest Management Lease Agreements and License Agreements (only for new PAIs)
- Baseline scenario and additionality (only for new PAIs)
- Project start date (only for new PAIs)
- Methodology eligibility conditions (only for new PAIs).
- Compliance with Eligibility criteria in grouped projects (only for new PAIs).
- Monitoring procedures. Monitoring team and equipment.
- Project activities conducted during the monitoring period (reporting, results, concordance with plan as per PD, etc.)
- Review of operation and measurement records. Controls established to detect and correct any error or omission in monitoring parameters.
- Carbon calculations. Estimates and assumptions for determining GHG data (ex-post for the monitoring period).
- Project rights and legal requirements.
- Financial issues, financial sustainability.
- Stakeholders consultation process and safeguards
- Project conflicts, barriers, or difficulties.
- Project Communication & Grievance Mechanism
- Benefit permanence (mid and long term) and non-permanence risks.

The sample methods assessed the project components that match with key characteristics in the entire documentation to be examined and the requirements of the VCS. In addition, sampling was designed to yield insights and observation that closely align with the real context onsite, the current project status and its alignment with the already validated project documentation (PD). The sampling included to check the quantity and type of evidence below:

- To carefully review the Monitoring Report and supporting documentation (cited in section 2.2 of this report) for conformance to the verification criteria and consistency with the validated Project Description.
- To reproduce 100% of sheets in the MR and the other spreadsheets for the monitoring period for the project area crosschecking with used methodology requirements.
- To reproduce the GHG emissions reductions and removals calculations presented in the spreadsheet and crosscheck with the Monitoring Report.
- To check 100% the project boundary and land cover changes in the project area for the monitoring period using the GIS database.

- Verify 100% and crosschecked with validated values the carbon stock changes, and the land used classes in the project area.
- To carefully review the Non-Permanent Risk (NPR) Report and supporting documentation for conformance to the verification criteria and consistency with the Project Description, and the application of the buffer % correctly.

Any modifications applied to the verification sampling plan were made based upon the conditions observed for monitoring in order to detect the processes with highest risk of material misstatement.

The validation activities in which risks were assessed were the evaluations of the eligibility criteria validated in the PD regarding the new instances. The verification activities in which risks were assessed were the application of the monitoring system (data flow, data control procedures, etc.), the quality of raw data as well as sources and the calculations spreadsheets. AENOR reproduced and verified 100% of workbooks for the monitoring period (14-July-2020 to 29-September-2023). The project boundaries for the monitoring period were 100% checked using the GIS database.

The sampling and location justification for the PAIs visited onsite is explained in section 2.4 of this report.

The carbon stock changes, and the land used classes in the project area were also 100% verified and crosschecked with validated values.

AENOR carried out a deep and meticulous review of the spreadsheets in order to verify the correct application of the methodology (formulae, equations, etc.) and checked that data required calculating the GHG removals and emissions reduction were appropriately provided. Based on the assessment carried out, AENOR confirms with a reasonable level of assurance that the claimed removals/emissions reduction are free from material errors, omissions, or misstatements.

AENOR confirms that sufficient evidence was presented for the reported net anthropogenic GHG removals/emissions reduction and that there is a clear audit trail that contains the evidence and records that confirms the stated figure in this verification report since:

- Sufficient evidence available: The project participant has provided the 100% of data used in the calculations to achieve the final amount of GHG removals/emissions reduction reported.
- Nature of evidence: The raw data was collected from reliable sources. It is detailed in the project documents, has been provided to the audit team and was checked during the interviews and the onsite visit.
- Cross-checked evidence: AENOR cross-checked the collected information through interviews with stakeholders, reproducing calculations and onsite inspections (see sections 2.2 Document review, 2.3 Interviews, 2.4 Site visits).

Hence, AENOR confirms that the stated figures in Monitoring Report are correct and it is able to certify net anthropogenic GHG removals/ emissions reduction based on verifiable and reliable evidence.

The appointed verification team, and the distribution of tasks, is the following. The competence of the team individuals complies with Verra accreditation rules for VCS Program and AFOLU activities.

Name	Role	Activities				
		Desk review	Site visit	Reporting	Technical review	Supervision / Approval
Carlos Jiménez	Team Leader / Verifier auditor	X	X	X		
Adrián Vidal	Verifier auditor	X		X		
Pablo Moreno	Verifier auditor	X		X		
Javier Cócera	Verifier auditor				X	
Jose Luis Fuentes	Project Manager					X

The verification schedule was as follows:

Activity	Date
Audit plan and completeness check to verify all the information requested was provided.	09 February 2024
NOVS	11 March 2024
Kick off meeting	01 April 2024
Onsite audit inspection	01-05 April 2024
Three rounds of findings, with corrective action requests or clarification requests raised	19 April to 12 July 2024
Technical internal review (AENOR) and delivery of VCS verification report to PP for its revision	07 August 2024
Submission to Verra and PRR	Last submission (response to PRR2): 22 October 2024

2.2 Document Review

The MR submitted by the Project Proponent (PP) was reviewed against the approved methodology and against VCS requirements, as well as the validated PD. Additional background documents related to the baseline, ownership, project start date and additionality were also made available before, during and

after the onsite visit, along with the non-permanence risk report. Other documents reviewed included data from monitoring, carbon rights contracts, management agreements, maps and GIS database, monitoring and grievance SOPs, biomass and carbon calculation spread sheets, etc. All documents were provided digitally to the audit team.

To address the corrective actions and clarification requests that arose from the desk review and onsite visit, the PP revised the project MR version 1 (dated on 9 February 2024) and developed a final version 1.5 dated on 3 July 2024.

The list of all documents reviewed from the client for this verification is the following. Note that along this report, supporting evidences (documents, interviews, on site visit activities) are referred by its Reference number in the first column of the lists in sections 2.2 and 2.3, as well as the onsite visit activities carried out and reported in section 2.4.

Reference	File name (last version provided)
MR	VCS MR Project ID 4268 14JUL2020-29SEP2023 v1.5
Annex A	- Cohort 1 Soil Maps - Forest Carbon Works Conserve Peat Policy
Annex B	- PAI Maps - Harvest constraints defined in State Forest Practices Rules: 1- California, https://bof.fire.ca.gov/media/y5rfw50b/2022-fpr-and-fpa_ada.pdf ,California Forest Practice Rules - Idaho, https://www.idl.idaho.gov/wp-content/uploads/sites/2/2022/07/Web-Rulebook-2022.pdf ,Rules Pertaining to the Idaho Forest Practices Act 2- Kansas, https://www.kansasforests.org/rural_forestry/streamside_forestry/streamside_docs/Timber%20Harvesting.pdf ,Kansas Forest Service - Timber Harvesting 3- Kentucky, http://www2.ca.uky.edu/agcomm/pubs/for/for67/intro.pdf ,Kentucky Forest Practice Guidelines for Water Quality Management 4- Michigan, https://www.michigan.gov/-/media/Project/Websites/dnr/Documents/FRD/Mgt/IC4011_SustainablePracticesForestLand.pdf?rev=562c1ea908584f5baa61797b87743f97 ,MI Dept of Natural Resources 5- Minnesota, https://mn.gov/frc/assets/MFRC_Forest_Management_Field_Guides_2014-1_With-Bookmarks_tcm1162-502201.pdf ,Minnesota's Forest Management Guidelines 6- Mississippi, https://www.mfc.ms.gov/wp-content/uploads/2020/03/Entire_bmp_2008-7-24_2.pdf ,Best Management Practices for Forestry in Mississippi 7- New York, https://www.dec.ny.gov/docs/lands_forests_pdf/forestrybmp.pdf ,NYS Forestry Voluntary Best Management Practices for Water Quality 8- New York, https://apa.ny.gov/Documents/Laws_Regs/APAACT.pdf ,Adirondack Park Agency Act 9- Oregon, https://www.oregon.gov/odf/aboutodf/documents/2022-odf-private-forest-accord-report.pdf ,ODF Private Forest Accord 10- Oregon, https://oregonforests.org/sites/default/files/2018-02/OFRI_IllusManual_full.pdf ,Oregon's Forest Protection Laws 11-

	Ohio,https://ohiodnr.gov/static/documents/forestry/factsheets/BMPsErosionControlLogging.pdf, BMPs for Erosion Control for Logging and Forestry Practices in Ohio 12- Pennsylvania,https://www.stormwaterpa.org/assets/media/BMP_manual/07_Chapter_6.pdf, Pennsylvania Stormwater Best Management Practices Manual Chapter 6 13- Tennessee,https://www.tn.gov/content/dam/tn/agriculture/documents/forestry/2018/AgForBMPs.pdf, Guide To Forestry Best Management Practices in Tennessee 14- Vermont,https://fpr.vermont.gov/sites/fpr/files/Forest_and_Forestry/Forest_Management/Library/FullDocument-7.29.pdf, Acceptable Management Practices for Logging Professionals 15- Virginia,https://forestcarbonworks-my.sharepoint.com/personal/kyle_forestcarbonworks_com/Documents/FCW%20-%20Analytics/Resources/Forestry%20Regulations/Virginia/VAs-Forestry-BMP-Technical-Guide_pub.pdf?CT=1678317155933&OR=ItemsView,Virginia?s=ForestryBest management Practices for Water Quality 16- Washington,https://www.dnr.wa.gov/publications/bc_rules_title222wac_032021.pdf, WA Forest Practices Rules Title 222 WAC 17- Wisconsin, https://cf-store.widencdn.net/widnr/4/3/6/436ee708-c2b4-455b-9943-f503ca7b8d35.pdf?response-content-disposition=inline%3B%20filename%3D%22Best-Management-Practices-for-Water-Quality--FR-093.pdf%22&response-content-type=application%2Fpdf&Expires=169298630, Wisconsin's Forestry Best Management Practices for Water Quality
Annex C	KML (Project areas + Centroids)
Annex D	Signed MLA (Forest Management Lease Agreement)
Annex E	Overlapping Critical Species Habitat documentation (Canada Lynx, Gray Wolf, Indiana Bat, Virginia Big Ear Bat)
Annex F	- FCW Conserve Lying Dead by PAI Cohort 1 v3 - The Fire and Fuels Extension to the Forest Vegetation Simulator: Updated Model Documentation - Lying Dead Reference Table, USDA FS, pp295-296.png - Forest Inventory And Analysis National Core Field Guide Volume I: Field Data Collection Procedures For Phase 2 Plots Version 9.2.
Annex G	Miles, Patrick & Smith, Wm. (2009). Specific Gravity and Other Properties of Wood and Bark for 156 Tree Species found in North America. USDA For. Serv., Res.
Annex H	- Forester Attestations to Baseline Silviculture per State - Attestation Foresters Resume
Annex I	- ARB Compliance Offset Protocol U.S. Forest Projects. Adopted: June 25, 2015. - assessment.area.data.file.xls
Annex J	Forest Harvests and Wood Products: Sources and Sinks of Atmospheric Carbon Dioxide. Jack K. Winjum, Sandra Brown, and Bernhard Schlamadinger. 1998.
Annex K	Global Forest Resources Assessment 2020 - Terms and Definitions FRA 2020

Annex L	- 2023 Forest Cruiser Training material. - Nephos Digitization Manual.pdf by Forest Carbon Works
Annex M	Harmon, Mark E.; Woodall, Christopher W.; Fasth, Becky; Sexton, Jay; Yatkov, Misha. 2011. Differences between standing and downed dead tree wood density reduction factors: A comparison across decay classes and tree species. Res. Pap. NRS-15. Newtown Square, PA: U.S. Department of Agriculture, Forest Service, Northern Research Station. 40 p.
Annex O	IPCC, Good Practice Guidance for Land Use, Land –Use Change and Forestry, 2003
Annex P	- U.S. Forest Projects (June 25, 2015) - Volume and Biomass Equations for Forest Offset Projects in All States Except Alaska, California, Oregon, and Washington - Regional biomass equations used by FIA to estimate bole, bark, and branches updated 09-19-2014 (biomass.equations.ca.or.wa) - FIA Volume Equation documentation updated on 9-19-2014 (volume.equations.ca.or.wa)
Annex Q	Conserve Harvest Policy.pdf
Annex R	- FCW Offer Packet Template - FCW Conserve Membership Guide - FCW Stakeholder Engagement Plan
Annex S	NPV for additionality demonstration: - FCWConservePDAdditionality_NPV_v2 – NPRR version - NPV Calculations Supporting Evidence
Annex T	FCW Conserve Adaptive Management Plan v4
Annex U	- FCW VCS Certification Model v2 - Kimmeridge Carbon Solutions, L.P. and Chestnut Carbon LLC Proof of Funds
Annex V	- FCW Conserve Risk-Report-Calculation-Tool - FCW Conserve_Non-Permanence-Risk-Report
Annex W	FCW Conserve Treelist Workbook (URS and no URS)
Annex X	FCW Landowner License Agreements
Annex Y	Management Strata (Modeling Units, Plots, and Property Boundaries) Shapefile
Annex Z	Example comparable baseline timber harvest plans per State
Annex AA	FVS Files, including Microsoft Access Database of FVS Model Inputs and Outputs
Annex AB	FCW Conserve ERR Calculation Spreadsheet: - FCW Conserve ERR Calculation Spreadsheet v1.2- C1 - No URS.xlsm - FCW Conserve ERR Calculation Spreadsheet v1.2- C1.xlsm - Estimated Discount Factor at the time of MP1 Verification.xlsx
Annex AC	FCW Conserve Model Results (FCW Conserve Model Results v4.2.xlsx) – URS and no URS
Annex AD	FCW Conserve Baseline Wood Products (FCW Conserve Baseline Wood Products v4.2.xlsm)
Annex AE	Signed NCX Contracts

Annex AF	List of Recorded Invasive Species by State
Annex AG	Landowner Deeds
Annex AH	Forest Stewardship County US Forest Management Standard
Annex AI	Stakeholder Correspondence (PP-PAIs)
Annex AJ	In-Person Stakeholder Meeting Invite (December 6, 2023)
Annex AK	FSC Gender Equality Guidelines. SDG 05: Gender Equality
Annex AL	QAQC Reference v1.0 (QAQC Reference V1.0.xlsx)
Annex AM	US Contributions to 17 Sustainable Development Goals by 2030-2022 Report
Annex AN	Secondary Stakeholder List
Annex AO	Digital and Physical Copy of Stakeholder Mailers and Postcards
Annex AP	- FCW Conserve - Sample Size (MP 1) v2.1 - Current aboveground live tree carbon stocks and annual net change in forests of conterminous United States
Annex AQ	Cohort 1 Harvest Plan Comparison per State v1.0
Annex AR	FSC Audit Supplement
Annex AS	- Monitoring Period Harvest Check Procedure - Cohort 1 PAI Harvest Checks during MP1 (L2 Landsat 8-9 imagery)
Annex AT	FCW Conserve Eligible Forested Land Review
Annex AU	NPRT Historical Natural Risk Rating Evidence: - Historical Risk Score Justification.xlsx - Brown, James K.; Smith, Jane Kapler, eds. 2000. Wildland fire in ecosystems: effects of fire on flora. Gen. Tech. Rep. RMRS-GTR-42-vol. 2. Ogden, UT: U.S. Department of Agriculture, Forest Service, Rocky Mountain Research Station. 257 p. - Kraemer, Martin J.; Nyland, Ralph D. 2010. Hardwood crown injuries and rebuilding following ice storms: a literature review. Gen. Tech. Rep. NRS-60. Newtown Square, PA: U.S. Department of Agriculture, Forest Service, Northern Research Station. 29 p. - Perry, David & Hessburg, Paul & Skinner, Carl & Spies, Thomas & Stephens, Scott & Taylor, Alan & Franklin, Jerry & McComb, Brenda & Riegel, Gregg. (2011). The ecology of mixed severity fire regimes in Washington, Oregon, and Northern California. Forest Ecology and Management. 262. 703-717. 10.1016/j.foreco.2011.05.004. - Boose, Emery & Chamberlin, Kristen & Foster, David. (2001). Landscape and regional impacts of hurricanes in New England. Ecological Monographs. 71. 27-48. 10.1890/0012-9615(2001)071[0027:LARIOH]2.0.CO;2. - Fei, Songlin & Morin, Randall & Oswalt, Christopher & Liebhold, Andrew. (2019). Biomass losses resulting from insect and disease invasions in US forests. Proceedings of the National Academy of Sciences. 116. 201820601. 10.1073/pnas.1820601116. - Vose, J.M.; Clark, J.S.; Luce, C.H.; Patel-Weynand, T., eds. 2016. Effects of drought on forests and rangelands in the United States: a comprehensive science synthesis. Gen. Tech. Rep. WO-93b. Washington, DC: U.S. Department of Agriculture, Forest Service, Washington Office. 289 p. - https://www.epa.gov/climateimpacts/climate-change-impacts-forests

	- Beach, Robert H.; Sills, Erin O.; Liu, Tzu-Ming; Pattanayak, Subhrendu. 2010. The influence of forest management on vulnerability of forests to severe weather. In: Pye, John M.; Rauscher, H. Michael; Sands, Yasmeen; Lee, Danny C.; Beatty, Jerome S., tech. eds. 2010. Advances in threat assessment and their application to forest and rangeland management. Gen. Tech. Rep. PNW-GTR-802. Portland, OR: U.S. Department of Agriculture, Forest Service, Pacific Northwest and Southern Research Stations: 185-206.
Annex AV	University Research Statement
Annex AW	- Laws and Policies noted for relevance to forest management in the US - FCW Conserve Safeguard Risk Identification Report - FCW Conserve Safeguard Risk Policy
Annex AX	Safety and Harassment and Discrimination Prevention: - Contractor-Emergency-Contact-Form.pdf - CruiserSafetyPlan.pdf - FCW Field Safety Policy.pdf - NR Field Safety Training Module.pdf - Safety Training Certificates - Cruiser Safety Presentations - Field Safety Training Resources.docx - Harassment and Discrimination Prevention
Annex 1	Site visit: - FCW Conserve - Cohort 1 LO Contact details - Site Visit Plots Location (shp) - Family Conserve Monitoring Protocol - FCW Conserve Verification Site Visit Tree List (xlsx) - FCW Conserve Verification Site Visit Inventory T-test (xlsx)
Annex 2	- Forest Vegetation Simulator Staff. 2008 (revised April 16, 2024). Northeast (NE) Variant Overview (including WV) - FVS. Internal Rep. Fort Collins, CO: U. S. Department of Agriculture, Forest Service, Forest Management Service Center. 56p. - Forest Vegetation Simulator Staff. 2008 (revised April 25, 2024). Southern (SN) Variant Overview (including VA) - FVK. Internal Rep. Fort Collins, CO: U. S. Department of Agriculture, Forest Service, Forest Management Service Center. 83p.
Annex 3	- Civil Rights Act of 1964 (Public Law 88-352, 78 Statute 241) - Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) - Fair Labor Standards Act (29 U.S.C. § 201 et seq.) - Occupational Health and Safety Act (29 U.S.C. § 651 et seq.) - Federal Water Pollution Control Act (33 U.S.C § 1251 et seq.) - Endangered Species Act (16 U.S.C. § 1531 et seq.) - National Environmental Policy Act (42 U.S.C. § 4321 et seq.)
PD	Family Forest Carbon Project PF v1.6

2.3 Interviews

AENOR verification team conducted interviews with Project Proponent and owners regarding the work products provided to the audit team in support of the MR and NPR Report; actions undertaken to ensure conformance with various requirements; and project activities as planned and implemented. The following personnel associated with the Project were interviewed:

Reference	Name	Affiliation	Role	Date(s) Interviewed
Interview #1	Julian Bauer	Forest Carbon Works (FCW)	Director	01-05 April 2024 (onsite visit)
Interview #2	Jason Woodfin	FCW	Regional Forester	01-05 April 2024 (onsite visit)
Interview #3	Dan Perry	FCW	Associate forester	01-05 April 2024 (onsite visit)
Interview #4	Alani Worden	FCW	Carbon Analyst - Tree List Workbook	April 2024 (remote)
Interview #5	Galen Maennicke	FCW	Carbon Analyst - Model Results Workbook	April 2024 (remote)
Interview #6	PAI ID (13) : 1047, 1012, 1046, 1086, 1088, 1048, 1038, 1027, 1094, 1040, 1014, 1074, 1080	Owners (and management responsible) of the PAIs visited onsite	-	01-05 April 2024 (onsite visit)
Interview #7	PAI ID (49): 1007, 1023, 1024, 1025, 1026, 1028, 1029, 1030, 1031, 1033, 1034, 1035, 1036, 1037, 1039, 1041, 1042, 1043, 1044, 1045, 1050, 1051, 1052, 1053, 1054, 1055, 1056, 1057, 1058, 1059, 1061, 1062, 1063, 1064, 1065, 1066, 1067, 1068, 1069, 1070, 1073, 1082, 1083, 1084, 1085, 1087, 1089, 1090, 1095	Owners (and management responsible) of the PAIs not visited onsite	-	April 2024 (consulted by mail)
Interview #8	- Lee Reno (CA) - Kevin Church (KS) - Christopher Will (KY) - Kirby Ellis (ME) - Matt Carothers (MI) - Stan Grossman (MN) - Ray Galloway (MS)	Attestation forester	Independent	May 2024 (remote)

	- Michael J Chiverton (NY) - Nick Bryant (OR) - Anthony Pappas (PA, WV) - Gregg Cassidy (RI) - McChesney Godall (VA) - Fran Sladyk (VT) - Mike Olson (WA)			
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The names of the owners (whose PAI IDs have been indicated in the table above) are not shown to maintain their anonymity, although additional information can be requested from the VVB and the PP in this regard. A kml with the exact location of each PAI is located in Verra Registry as required by VCS.

The FCW team was interviewed during the field visit, which they attended and supported on the dates indicated. Additionally, the staff in charge of the calculations was consulted remotely for explanations of the calculations. Owners whose PAIs were visited (21% of the total PAIs) were consulted during the visit or afterwards remotely. The sampling rationale and the location of the PAIs visited are described in section 2.4. Owners whose PAIs were not visited were contacted by email to notify that the audit was taking place and to collect comments, complaints, etc. if they had any, as well as the opportunity to contact the VVB directly if they preferred. Finally, foresters who confirmed the baseline scenarios were also consulted remotely. The way in which stakeholders were contacted during the audit is considered culturally appropriate, since in the context of the PP, owners and foresters, communication in English, whether in person, by phone or by email, is the usual means.

It is important to clarify that, besides the owners, the only stakeholders (secondary stakeholders) that could potentially be affected in the future at the time of project expansion because of the project activities are only the neighbours, as identified by the PP. However, they were not considered for consultations by the VVB during the audit since at the moment they have no relation to the project and are not affected by the project activities. AENOR confirmed that given the nature of the project (private properties with private management, where the project activity will be passive -non-intervention- and that does not request any specific permission from the Government, in a context of current PAIs dispersed in a vastly agricultural-cattle ranching landscape) the number of stakeholders is limited. For example, in practice, for the current PAI, no local policy makers, groups of women or minorities, or third parties with any rights over the project properties that have or potentially could have any affectation by the project have been identified; and this, according to the onsite visit and rest of the interviews is consistent. That said, the consideration of the neighbours as the only local stakeholder seems correct, but either way the list of stakeholders is expected to be constantly updated (Annex T and AN).

2.4 Site Visits

The selection of PAIs to visit was based on the following criteria:

- Based on the FSC Multisite Standard FSC-STD-20-007 the formula ($n=0.3 \cdot \sqrt{N}$) was applied. Following the sampling approach of FSC, an internationally accepted standard, is considered

good practice. The formula was applied on two levels. Firstly, at the level of PAIs, with 62 in total, it was necessary to visit at least 3 PAIs. Second, at the cluster level (if the PAIs of each State were considered as a group with similar management in the baseline scenario considering the legal requirements), out of a total of 16 States according to the FSC formula, it would be necessary to visit at least 2 States.

- Once the aforementioned minimum sample was obtained, the choice of States was due to criteria of representativeness of the area and logistics. The State with the largest area of PAIs is VA, and among the adjoining States, the next with the largest project area is WV (third), so it was decided that both States (VA and WV), which add up to 35% of the project area, would be the ones visited. Within the states, no sampling was carried out, and all the PAIs of the States of Virginia and West Virginia were visited.

- In summary, 13 PAIs were finally visited (21% of all PAIs in the project), in 2 States (VA and WV, out of a total of 16 States). Therefore, both at the PAI and cluster levels, the minimum sampling was complied with.

- Within the PAIs, at least 10% of the plots in the PP inventory should be measured (in the sample as a whole), and at least 2 plots per PAI visited. Finally, during the audit, 24 inventory plots were measured (in one PAI no plots could be measured), then 11% of the 204 plots measured by the PP were measured by the audit team.

In summary, with respect to the total number of PAIs and PAIs visited:

PAI ID	Currently Validated	Verified	Visited during this audit
1024 Total: 1	No (validated during PD validation)	Yes	No (visited during PD validation)
1047, 1012, 1046, 1086, 1088, 1048, 1038, 1027, 1094, 1040, 1014, 1074, 1080 Total: 13	Yes	Yes	Yes
1007, 1023, 1025, 1026, 1028, 1029, 1030, 1031, 1033, 1034, 1035, 1036, 1037, 1039, 1041, 1042, 1043, 1044, 1045, 1050, 1051, 1052, 1053, 1054, 1055, 1056, 1057, 1058, 1059, 1061, 1062, 1063, 1064, 1065, 1066, 1067, 1068, 1069, 1070, 1073, 1082, 1083, 1084, 1085, 1087, 1089, 1090, 1095 Total: 48	Yes	Yes	No
Total: 62	61	62	13

The objectives of the on-site inspections performed were mainly to cross check the description provided in the MR, particularly:

Reference	Onsite activity																														
Activity #1	Ensure that the geographic area of the project, as reported in the MR and the accompanying geodatabase base is in conformance with Section 3.11.2 of the VCS Standard. For this, 13 PAIs (under validation and verification) were visited , where the limits of the properties and land uses and identified strata were reviewed in accordance with the defined carbon accounting areas, being in accordance with what was reported in the MR. It was also observed that the boundaries were marked and there signs indicating the PP contact details in case of comments or grievances.																														
Activity #2	Select samples of data and information for validation/verification in order to meet a reasonable level of assurance and to meet the materiality requirements of the project, as required by VCS Standard v4.7, including the measurement of at least 10% of the inventory plots and at least 2 per visited PAI (13 PAIs in total out of 62). 24 inventory plots were randomly surveyed out of the 204 plots carried out by FCW (11%) in that PAIs. Plots measured (see section 4.3 in this report regarding the two-level stratification process by the PP): <table><tr><th>PAI</th><th>Inventory plot measured</th><th>Measurement Stratum</th></tr><tr><td>1047</td><td>1: -82.2981; 38.1779 2: -82.2981; 38.1753</td><td>104701</td></tr><tr><td>1012</td><td>2: -81.9629; 38.2844 8: -81.9623; 38.2824</td><td>101203</td></tr><tr><td>1046</td><td>2: -81.5396; 38.5804 3: -81.5388; 38.5792</td><td>104601</td></tr><tr><td>1086</td><td>3: -81.097; 38.961 4: -81.0952; 38.9619</td><td>108601</td></tr><tr><td>1088</td><td>1: -81.0986 ; 38.9588 3: -81.0974 ; 38.9592</td><td>108801</td></tr><tr><td>1048</td><td>Due to weather conditions, the PAI was visited but no measurement of plots was possible.</td><td>-</td></tr><tr><td>1038</td><td>2: -80.6844; 38.5321 4: -80.6934; 38.5263</td><td>103801</td></tr><tr><td>1027</td><td>1: -79.3825; 38.6654 4: -79.3776; 38.6539</td><td>102701</td></tr><tr><td>1094</td><td>1: -79.3868; 38.5515 4: -79.3846; 38.551</td><td>109402</td></tr></table>	PAI	Inventory plot measured	Measurement Stratum	1047	1: -82.2981; 38.1779 2: -82.2981; 38.1753	104701	1012	2: -81.9629; 38.2844 8: -81.9623; 38.2824	101203	1046	2: -81.5396; 38.5804 3: -81.5388; 38.5792	104601	1086	3: -81.097; 38.961 4: -81.0952; 38.9619	108601	1088	1: -81.0986 ; 38.9588 3: -81.0974 ; 38.9592	108801	1048	Due to weather conditions, the PAI was visited but no measurement of plots was possible.	-	1038	2: -80.6844; 38.5321 4: -80.6934; 38.5263	103801	1027	1: -79.3825; 38.6654 4: -79.3776; 38.6539	102701	1094	1: -79.3868; 38.5515 4: -79.3846; 38.551	109402
PAI	Inventory plot measured	Measurement Stratum																													
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1046	2: -81.5396; 38.5804 3: -81.5388; 38.5792	104601																													
1086	3: -81.097; 38.961 4: -81.0952; 38.9619	108601																													
1088	1: -81.0986 ; 38.9588 3: -81.0974 ; 38.9592	108801																													
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1094	1: -79.3868; 38.5515 4: -79.3846; 38.551	109402																													

	1040	2: -80.8714; 37.5143 3: -80.8682; 37.5071	104001
	1014	3: -81.3218; 36.8222 5: -81.3303; 36.8237	101401
	1074	2: -78.7618; 37.5676 4: -78.7625; 37.5695	107402
	1080	1: 37.9273; -78.6189 4: -78.6192; 37.9274	108001
	The plot data collected by the auditor in the field was compared against the project inventory tree list: no significant difference was obtained with the values used in the verified inventory and the projection of the inventory itself (see findings regarding the validation of the inventory and its modelling for the baseline in section 4.3 of this report). The audit team was able to confirm with reasonable assurance that the inventory data was collected with accuracy and precision in line with professional forest measurement techniques.		
Activity #3	Observe the PP's evidence and collect and record data in order to assess whether data collection techniques conform to the monitoring plan and related documentation and to evaluate data quality control systems. During the measurement of plots, it was observed that the staff was correctly trained and followed the monitoring procedures reported in the FCW protocol.		
Activity #4	Assess the potential implementation of the project activities reported: the only activity to be implemented is the conservation of forest areas, confirming that no commercial harvesting activity will be carried out so far, except any maintenance activity (clear cuts, patch cuts, seed tree, continuous thinning or group selection practices) and no harvesting was carried out during the monitoring period.		
Activity #5	Carry out interview with stakeholders in order to cross check the documentary information provided. Given the nature of the project, the stakeholders involved are limited: the technical team, the owners of the 13 visited PAIs, and the corresponding attestation foresters were interviewed.		
Activity #6	Perform a risk-based review of the project area to ensure that the project conforms to all other requirements of the VCS rules and the methodology (sanitary conditions, presence on invasive species, etc.).		
Activity #7	Walkthrough of project calculations in order to give audit team a chance to follow the process and where to find key information in the documents provided, from the GIS and inventory design and data collection to the ex-post VCUs expected (baseline, removals, emissions, leakage, uncertainty), through the methodology, associated tools and SOPs.		

In fulfillment of the above objectives, the Team Leader performed an on-site inspection of the project area during 01-05 April 2024 (5 days x audit team member) observing the project area and vicinity to assess whether conditions are as described in the MR.

The visit did not occur prior to the end of the monitoring period.

2.5 Resolution of Findings

All documentation provided by the PP was assessed against the applicable version of the relevant VCS guidance document listed in section 1.2 of this report. Several clarification requests (CL) and corrective action requests (CAR) were raised and submitted to the PP, which addressed them either by providing to the audit team with the requested information or by making the appropriate corrections. Updated versions of the documentation were submitted by the PP and the audit team reassessed them against the guidance documentation. This process was repeated iteratively until all CAR and CL were fully closed. Specifically, 7 CARs and 13 CLs were raised and properly closed.

All findings issued by the AENOR audit team during the validation process have been closed. In accordance with Section 4.1.20-21 of the VCS Standard v4.7, all findings issued during the validation process, and the inputs for their closure, are described in Appendix 2 of this report.

2.5.1 Forward Action Requests

No Forward Action Requests were raised to the PP during this process.

2.6 Eligibility for Validation Activities

AENOR holds accreditation for validation and verification for the relevant sectorial scope 14 under which this project activity is classified, then providing evidence that the eligibility requirements set out in the VCS Program Guide are met is not applicable. Sixty-one instances were validated as part of this verification event whose inclusion is justified in section 3.3 of this report.

3 VALIDATION FINDINGS

3.1 Methodology Deviations

The project deviates from the procedures set out in VM0003 v1.3 by applying one methodology deviation:

Deviation #1

Description of the deviation	The PP proposed an alternative method related to the criteria and procedures for monitoring that is more efficient for project-specific
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circumstance.

The Uncredited Reserve Stock (URS) is a division of the above ground biomass and standing dead wood carbon pools. URS represents a small portion of project carbon stocks that are subject to the project activity but will conservatively not count towards VCU accounting or issuance. The URS is calculated as 9% of the initial carbon stock of all PAIs as quantified at the time of addition of each PAI to the grouped project. Contributions to (once upon enrollment into the grouped project) and depletions from, the URS are tracked at the PAI level. The balance of the uncredited reserve stock must be included in all future monitoring reports and the balance shall be within the scope of verification however not a selected pool.

The purpose of the URS is to establish a dedicated carbon pool that can be depleted to account for carbon removed from the project boundary due to limited harvesting activities to promote forest health according to the policies of FCW, such as limited continuous thinning, which aim to maintain forest vigor and improve structural characteristics to the benefit of added carbon removal by residual trees over time.

According to Annex AB and reported in MR Section 4.2 Data and Parameters Monitored (URS), the URS by PAI is the following for the current monitoring period:

PAI	URS (tCO ₂ e)
1007	1.676,45
1012	8.720,11
1014	38.359,41
1023	698,31
1024	1.701,70
1025	238,18
1026	603,79
1027	3.239,83
1028	349,19
1029	2.236,93
1030	419,45
1031	431,64
1033	7.236,44
1034	1.024,98
1035	1.218,31
1036	3.852,12
1037	1.085,11
1038	4.986,35
1039	1.103,01
1040	2.058,65
1041	680,81
1042	8.199,21

	1043	285,72	
	1044	1.382,73	
	1045	1.294,91	
	1046	439,17	
	1047	1.628,90	
	1048	918,02	
	1050	1.136,01	
	1051	466,08	
	1052	1.078,11	
	1053	718,55	
	1054	414,34	
	1055	611,14	
	1056	6.918,56	
	1057	3.189,85	
	1058	5.013,52	
	1059	13.357,86	
	1061	253,38	
	1062	4.093,04	
	1063	20.496,06	
	1064	739,39	
	1065	2.466,75	
	1066	1.709,13	
	1067	3.094,07	
	1068	2.201,62	
	1069	5.870,15	
	1070	3.782,62	
	1073	1.757,22	
	1074	8.133,18	
	1080	1.158,75	
	1082	1.563,09	
	1083	1.662,76	
	1084	6.845,21	
	1085	480,10	
	1086	640,35	
	1087	11.267,29	
	1088	1.252,06	
1089	216,83		
1090	6.719,12		
1094	2.273,73		
1095	7.283,61		
Whether the deviation meets with the criteria and specifications for permitted methodology deviations.	The deviation does not have an impact on the applicability conditions, additionality, or the appropriateness of the baseline scenario; only in the monitoring criteria and procedures. Thus, in opinion of the VVB, the deviation meets with the criteria and specifications for permitted methodology deviations in section 3.20 of VCS standard v4.7.		
Whether the deviation negatively impacts the	The deviation achieves the same level of accuracy and results and is more conservative than what is set out in the methodology: there is no change		

conservativeness of the quantification of GHG emission reductions or removals (except where they result in increased accuracy).	in the calculation of uncertainty, as it was confirmed by the VVB in the comparison of both uncertainty scenarios: URS vs. no-URS (Annex W). The conservativeness is ensured since it reduces crediting of emissions in the baseline scenario relative to the outcome where it had not been deducted. The comparison amongst the scenarios with-URS and without-URS in the inventory and ex-post calculations was checked by the VVB (Annex AB, AC), which proves the deviation does not result in an overestimation of net GHG emissions reductions or removals and is therefore conservative. The parameter to be monitored was defined in section 5.2 of the PD, section 4.2 of the MR and section 4.3 of this verification report. Thus, in opinion of the VVB the deviation does not negatively impact the conservativeness of the quantification of GHG emission reductions or removals.
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Thus, in opinion of AENOR, the deviation #1 is acceptable. This deviation was approved during the validation of the PD, and there are no previously validated methodology deviations, nor new methodology deviations during this monitoring period.

3.2 Project Description Deviations

NA. There are no PD deviations.

3.3 New Project Activity Instances in Grouped Projects

- The number of new project activity instances added to the project in this verification period.

During the current event, 61 PAIs were validated to be included in the Project:

PAI ID	Currently Validated
1024 Total: 1	No (validated during PD validation)
1047, 1012, 1046, 1086, 1088, 1048, 1038, 1027, 1094, 1040, 1014, 1074, 1080, 1007, 1023, 1025, 1026, 1028, 1029, 1030, 1031, 1033, 1034, 1035, 1036, 1037, 1039, 1041, 1042, 1043, 1044, 1045, 1050, 1051, 1052, 1053, 1054, 1055, 1056, 1057, 1058, 1059, 1061, 1062, 1063, 1064, 1065, 1066, 1067, 1068, 1069, 1070, 1073, 1082, 1083, 1084, 1085, 1087, 1089, 1090, 1095 Total: 61	Yes
Total: 62	61

- **Evidence-gathering process for validation of new project activity instances.**

The evidence-gathering process for validation of new project activity instances fully is described in section 2.2 above in terms of the documentation reviewed, in section 2.3 in terms of the stakeholders consulted, and in section 2.4 for the sample of PAIs onsite visited, considering all VCS Program elements to be validated. In summary, the sampling process covered:

- 100% of the documentation of the new PAIs;
- the onsite visit to the 13 (21%) PAIs (Activity #1, #2), whose justification is provided above;
- and the interviews with owners (in two approaches), forest management assessors and PP.

- **Quality and completeness of evidence, data and documentation relating to the new project activity instances.**

AENOR confirms that the sampling process covered with a reasonable assurance all of the new PAIs and found that the evidence, data and documentation had sufficient quality and were complete, so it was not necessary to modify the sampling plan to determine the validity of the new PAIs.

- **Conformance of the new project activity instances with the eligibility criteria set out in section 1.4 of the PD and the VCS Program requirements.**

AENOR confirmed that the 61 new instances comply with the validated eligibility criteria (EC) set out in section 1.4 of the PD as follows:

Eligibility criteria	New PAIs compliance
1. The PAI shall not encompass managed peat forests to the effect that no commercial harvesting is permitted on peat soils in the project scenario where the definition of peat soils are those classified as a Histosol where half (50%) or more of the upper 80 cm is organic.	The PP provided the maps (Annex A), which are considered accurate, due to the reliability of the source and the definition of peat soil. According to USDA SSURGO soil maps, some PAIs contain peat soils. In these areas of the PAIs, no harvesting is allowed during the project duration, according to the executed agreement (Forest Management Lease Agreement, Annex D). This is additionally ensured because, according to Eligibility Criterion 5, harvesting can only occur with PP approval, and such approval did not occur in areas with peat soil. Applicability Condition 5 of the VM0003 Methodology requires that “The project does not encompass managed peat forests, and the proportion of wetlands is not expected to change”. At project design, the PP included two eligibility criteria (Eligibility Criterion 1 and Eligibility Criterion 5) for the inclusion of new project activity instances to satisfy applicability condition 5. By meeting EC1 and EC 5 (see below), both components of VM0003 v1.3’ Applicability Condition 5 are satisfied. During the monitoring period there was no harvesting in the project areas (see project emissions in section 4.3 of this report), including

	peat soils, as verified through the following evidences: - Analyses performed in the EO Browser Sentinel Hub (L2 Landsat 8-9 imagery) for all PAIs were through satellite imagery it was demonstrated no changes in cover during the monitoring period (Annex AS). - Interviews and field visit to PAIs (13) (Interview #6, Activity #2), where there was no evidence of harvesting. Then, there is no evidence of harvesting on peat soils during the monitoring period and no evidence of harvesting in general. In opinion of AENOR, the new PAIs comply with Eligibility Criterion 1.
2. The landowner of the PAI shall execute one or more agreements providing for the following: a) require that the landowner hold all timber and carbon sequestration rights; b) convey the right to claim all GHG emissions reductions or removals for the project activity to the project proponent; c) vest legal title to the forest, rights of access to the sequestered carbon (or avoided carbon emissions), current land tenure, and forest management to the project proponent; d) require that the landowner enroll all forested areas in the project, resulting in no activity shifting leakage; e) require that the landowner continue management practices that protect the credited carbon stocks over at least 60 years; f) ensure that the ownership and resource access/use rights are held by the same entity; g) require that the landowner shall abide by all federal, state, and local <u>regulations</u>; h) be enforceable by law; i) prohibit any action in forest management that causes any emissions, including the use of fire, without prior approval from the project proponent; and j) representation that landowner is the sole owner to the effect that ownership is not disputed.	All new PAIs have executed agreements meeting specifically points a-j. All of them were reviewed (Annex D) by the VVB and are signed. PAIs owners interviewed (Interview 6) acknowledge properly the content of the agreement. In opinion of AENOR, the new PAIs comply with Eligibility Criterion 2.
3. The PAI shall have FVS modeled projections of management practices in the baseline and	Section 5.1 and 5.2 of the MR includes descriptions of the baseline and project

project scenarios. In both scenarios, actual and modeled harvests shall follow maximum recommended water quality protection measures and all applicable laws. In all cases, the models shall demonstrate higher levels of harvesting in the baseline scenario compared to the project scenario. The baseline model shall involve even-aged harvesting techniques such as clear cuts and seed tree, among others. The baseline model shall not be unmanaged. The project model shall involve uneven-aged harvesting techniques such as patch cuts, group selection and continuous thinning.	scenarios. FVS Model of Baseline Scenario and of Project Scenario are included in Annex AA reviewed by the VVB, whose conclusions of compliance are included in section 4.3 of this report. Applicability Condition 1 of the VM0003 Methodology requires that “Forest management in both baseline and project scenarios involves harvesting techniques such as clear cuts, patch cuts, seed trees, continuous thinning, or group selection practices”. At project design, the PP included three eligibility criteria (EC 3, EC 5. and EC 6) for the inclusion of new project activity instances to satisfy Applicability Condition 1: • EC 6 requires PAIs to “have a baseline scenario demonstrating that common practice is even-aged management, without the extension of rotation age”. Further, EC 3 requires “The baseline model shall involve even-aged harvesting techniques such as clear cuts and seed tree, among others.” • EC 5 limits harvesting in the project scenario “to approved techniques that promote the extension of rotation age such as patch cuts, continuous thinning, or group selection practices”. By meeting EC 3, EC 5, and EC 6, new PAIs ensure forest management in the baseline (EC3 and EC 6) and project (EC 5) scenarios involve harvesting techniques such as clear cuts, patch cuts, seed trees, continuous thinning, or group selections practices thus satisfying Applicability Condition 1. In opinion of AENOR, the new PAIs comply with Eligibility Criterion 3.
4. The PAI shall fall inside the designated geographic area of the contiguous United States including southern Alaska, and each discrete area of land shall have a unique geographic identifier.	All new PAIs fall inside the designated area of the contiguous United States including southern Alaska, according to Annex B and C reviewed by the VVB and crosschecked in the onsite visit (Activity 1). In opinion of AENOR, the new PAIs comply with Eligibility Criterion 4.
5. The landowner of the PAI shall execute one or more of the following: An agreement prohibiting harvesting without the prior consent of the project proponent where the project proponent maintains a policy that limits approval of harvesting to approved techniques that promote the extension of rotation age such as patch cuts, continuous thinning,	This request is included in the executed agreements (Forest Management Lease Agreements). All of them were reviewed (Annex D) by the VVB and are signed. PAIs owners interviewed (Interview 6) acknowledge properly the content of the agreement. Applicability Condition 1 of the VM0003 Methodology requires that “Forest management in both baseline and project scenarios involves

or group selection practices and prohibits changing the proportion of wetland; OR b) An agreement to defer harvesting.	harvesting techniques such as clear cuts, patch cuts, seed trees, continuous thinning, or group selection practices". At project design, the PP included three eligibility criteria (EC 3, EC 5. and EC 6) for the inclusion of new project activity instances to satisfy Applicability Condition 1: • EC 6 requires PAIs to "have a baseline scenario demonstrating that common practice is even-aged management, without the extension of rotation age". Further, EC 3 requires "The baseline model shall involve even-aged harvesting techniques such as clear cuts and seed tree, among others." • EC 5 limits harvesting in the project scenario "to approved techniques that promote the extension of rotation age such as patch cuts, continuous thinning, or group selection practices". By meeting EC 3, EC 5, and EC 6, new PAIs ensure forest management in the baseline (EC3 and EC 6) and project (EC 5) scenarios involve harvesting techniques such as clear cuts, patch cuts, seed trees, continuous thinning, or group selections practices thus satisfying Applicability Condition 1. In case of peat soils, applicability Condition 5 of the VM0003 Methodology requires that "The project does not encompass managed peat forests, and the proportion of wetlands is not expected to change". At project design, the PP included two eligibility criteria (Eligibility Criterion 1 and Eligibility Criterion 5) for the inclusion of new project activity instances to satisfy applicability condition 5. By meeting EC1 and EC 5 (see below), both components of VM0003 v1.3' Applicability Condition 5 are satisfied. During the monitoring period there was no harvesting in the project areas (see project emissions in section 4.3 of this report). In opinion of AENOR, the new PAIs comply with Eligibility Criterion 5.
6. The PAI shall have a baseline scenario demonstrating that common practice is even-aged management, without the extension of rotation age, as demonstrated by the provision of a timber harvest plan (THP) comparable to the baseline model, and in the same geographic/regulatory region, to the PAI. The requirements of the California Air Resource Board Compliance Offset Protocol U.S. Forest Projects section 5.2.1(e)(2)(B) (Annex I) shall be used to define comparable.	The legality and plausibility of the baseline scenario for each PAI (by State) was confirmed by an independent forest consulting entity (Annex H includes Foresters Attestations to Baseline Silviculture per State and Attestation Foresters Resume), which was consulted during the audit (Interview #8). A set of comparable timber harvest plan was provided and compared in Annex Z and Annex AQ and deemed reasonable by the VVB. The "comparable factor" was properly interpreted.

	The testimonies of the foresters and the similar forest management plan supported the baseline scenarios, and demonstrated that common practice is even-aged management. Applicability Condition 1 of the VM0003 Methodology requires that “Forest management in both baseline and project scenarios involves harvesting techniques such as clear cuts, patch cuts, seed trees, continuous thinning, or group selection practices”. At project design, the PP included three eligibility criteria (EC 3, EC 5. and EC 6) for the inclusion of new project activity instances to satisfy Applicability Condition 1: • EC 6 requires PAIs to “have a baseline scenario demonstrating that common practice is even-aged management, without the extension of rotation age”. Further, EC 3 requires “The baseline model shall involve even-aged harvesting techniques such as clear cuts and seed tree, among others.” • EC 5 limits harvesting in the project scenario “to approved techniques that promote the extension of rotation age such as patch cuts, continuous thinning, or group selection practices”. By meeting EC 3, EC 5, and EC 6, new PAIs ensure forest management in the baseline (EC3 and EC 6) and project (EC 5) scenarios involve harvesting techniques such as clear cuts, patch cuts, seed trees, continuous thinning, or group selections practices thus satisfying Applicability Condition 1. In opinion of AENOR, the new PAIs comply with Eligibility Criterion 6.
7. Prior to the first verification event, the project area shall meet one of the following conditions: Certified to Forest Stewardship Council (FSC); OR Subject to an easement, or equivalent instrument, recorded against the deed of property that prohibits Commercial Harvesting for the duration of the crediting period, unless later certified to FSC.	The PP has an FSC certificate for forest management; however, the PAIs are not yet included in this certificate (https://search.fsc.org/) since for the moment they will not carry out harvesting. The Forest Management Lease Agreement represents the evidence of an easement that prevents commercial harvesting until FSC certification. All the agreements were reviewed (Annex D) by the VVB and are signed. PAIs owners interviewed (Interview 6) acknowledge properly the content of the agreement. During the monitoring period there was no harvesting in the project areas (see project emissions in section 4.3 of this report). In opinion of AENOR, the new PAIs comply with Eligibility Criterion 7.
8. If the landowner of the PAI was previously under contract with Natural Capital Exchange	The 3 PAIs previously under contract with NCX presented copies of all contracts between

(NCX), provision of copies of all contracts between landowner and NCX prior to the first verification event is required.	landowner and NCX, which was reviewed by the VVB (Annex AE) and deemed appropriate. In opinion of AENOR, the new PAIs comply with Eligibility Criterion 8.
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Note that section 3.6.22.4 of the VCS Standard requires eligibility criteria to be satisfied at the level of the project activity instance, not the stratum. While individual stratum included in the project may not have forest management in both the baseline and project scenarios, all PAIs have approved forest management activities in both the baseline and project scenarios thus meeting EC 3, EC 5, and EC 6 and satisfying Applicability Condition 1. Other grouped projects using VM0003 have taken a similar approach to the Family Forest Carbon Project, in that they have included forested lands that do not have harvesting (nor crediting) in both the baseline and project scenarios at the stratum level.

AENOR confirmed that credits are not being generated in ex-post calculations from strata that do not have harvests in the baseline by assessing the provided ERR Calculation Spreadsheet (Annex AB), and the workbooks used to determine the final accounting model inputs – namely, the Model Results (Annex AC), Baseline Wood Products (Annex AD), and Treelist (Annex W), in where is evident that in the absence of this strata the ex post figures remain similar.

Note that the eligibility criteria also include inherently the compliance with the baseline scenario and the additionality of the project scenario (whose harvesting techniques are defined in VM0003 v1.3 applicability condition #1), considering the silvicultural system and harvesting techniques summarized in the table below. Baseline and additionality of new instances are based on the initial instances: Eligibility Criteria 3 and 6 for baseline demonstration (VCS 3.6.13) and Eligibility Criteria 2g, 5, and 6 for demonstration of additionality (VCS 3.6.14). By new instances meeting Eligibility Criteria 2g, 3, 5 and 6, they share the same assumptions for baseline scenario and additionality as the initial instance. Therefore, the new instances are additional and meet the common practice baseline scenario.

	Silvicultural system	Harvesting techniques	Means of verification by VVB
Baseline scenario	Even-aged	- Clear cuts - Seed-tree - Shelterwood - Other even-aged techniques	- Compliance with Eligibility criterion 6 (Annex D) - Interview with independent foresters and attestations (Annex H, Interview #8) - Interview with PP and owner (Interview #1-6). - Onsite visit (Activity #2, 4).
Project scenario	Uneven-aged	- Continuous Thinning - Group Selection - Patch Cuts - Other uneven-aged techniques	- Compliance with Eligibility criterion 5 (Annex D) - Interview with independent foresters and attestations (Annex H, Interview #8) - Interview with PP and owner (Interview

			#1-6). - Onsite visit (Activity #2, 4).
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Furthermore, regarding additionality VCS 3.6.15 states the following: “Where factors relevant to the determination of the baseline scenario or demonstration of additionality require assessment across a given area, the area shall be, at a minimum, the grouped project geographic area.” VCS 3.6.16 requires grouped projects to “include one or more sets of eligibility criteria for the inclusion of new project activity instances [...] A set of eligibility criteria shall ensure that new project activity instances:

1. Meet the applicability conditions set out in the methodology applied to the project
2. Use the technologies or measures specified in the project description
3. Apply the technologies or measures in the same manner as specified in the project description
4. Are subject to the baseline scenario determined in the project description for the specified project activity and geographic area
5. Have characteristics with respect to additionality that are consistent with the initial instances for the specified project activity and geographic area.”

Per VCS 3.6.16, a set of eligibility criteria ensures new PAIs for inclusion into a grouped project have factors consistent with the initial instance, including those factors relevant to the demonstration of additionality for the project activity and geographic area [VCS 3.6.16 (5)]. Per VCS 3.6.15, relevant factors for the demonstration of additionality are assessed across the project geographic area.

As all new PAIs are inside the project’s geographic area of the contiguous United States and southern Alaska, the factors relevant for demonstrating additionality of the new PAIs are the project eligibility criteria. All new PAIs meet the project eligibility criteria established for the project’s geographic area and activity (as demonstrated in the table above through the referenced verifiable evidence), thus all new PAIs meet the same factors relevant for demonstrating additionality as the initial PAI.

The rotation age in the baseline scenario is defined in Table 13 of MR. On the other hand, it is important to note that, as treatments in the project scenario will be uneven-aged, the concept of ‘rotation age’ in the project scenario is not applicable, as intermediate treatments serve to delay the rotation age indefinitely. Uneven-age treatments inherently extend the rotation age beyond the lifetime of the project because they are not even-aged rotations.

Overall conclusion

In view of the previous findings, AENOR determined that the inclusion of the 61 new PAIs is valid.

3.4 Baseline Reassessment

Did the project undergo baseline reassessment during the monitoring period?

☐ Yes ☒ No

4 VERIFICATION FINDINGS

4.1 Project Details

Item	Evidence gathering activities, evidence checked, and assessment conclusion:
Audit history	The current event corresponds to the first verification, with a monitoring period starting on project start date (14 July 2020) and ending on 29 September 2023. The validation was carried out by the same VVB and the same audit team. Verra Registry keeps PD records and Validation Report, among other documents.
Double counting and participation under other GHG programs	The project is only registered under the VCS program and only intends to issue credits within it, since this is the first verification. According to the revision of other program registries, it is confirmed the Project does not present any overlap with any other initiative in the territory. AENOR confirms that the project has not been registered nor is seeking registration under other GHG program, nor has it been rejected by other GHG program, as confirmed through a risk-based internet review in other program registries and interview with PP (Interview #1). Where a landowner of a project activity instance was previously under contract with the Natural Capital Exchange (NCX), landowner shall provide copies of all contracts between landowner and NCX prior to the first verification event (Annex AE provided to the VVB), in accordance with Eligibility Criterion 8 to identify the term of such agreement, as it was the case for three PAIs (PAIs ID: 1034, 1080, 1082). The PP is not claiming credit for any GHG emissions reductions or removals previously claimed by NCX as guaranteed by the establishment of the PAI crediting start date upon termination of the agreement. Then, the PAI crediting period start date may only commence following the latest termination date of agreements (as it is the case according to Annex AE three agreements). Under no circumstances shall the PAI crediting start date precede the latest effective date of the NCX agreements. This clarification on how to proceed was provided to the PP by Verra staff by email in December 2022 (Annex S in PD, NCX - Verra Communication.pdf), and it has been followed by the PP (Interview #1, Annex AE) and the landowners (Interview #6, PAI 1080) as it was confirmed by the VVB.
No double claiming	The audit team confirmed that the Project is not currently participating in any

with emissions trading programs or binding emission limits	emission trading or other binding limit program or mechanism applicable to the context of the Project (AFOLU activity based in USA), as confirmed through discussion with project personnel (Interview #1) and indicated 1.11.1 MR.				
No double claiming with other forms of environmental credit	The audit team confirmed that the Project has not sought or received another form of GHG-related environmental credit, including renewable energy certificates, as confirmed through discussion with project personnel (Interview #1) and revision of main applicable GHG-related environmental credit system.				
Supply chain (scope 3) emissions double claiming	The PP is not a buyer or seller of a product whose emissions footprint is changed by the project activities. On the other hand, the Project is enrolled under sectoral scope 14: Agriculture, Forestry and Other Land Use (AFOLU). Inventory emissions are not considered under sectoral scope 14. Thus, no issuance of public statements or email notification proceeds.				
Sustainable development contributions	The PP contributes to the following three SDGs: 6 (Clean Water & Sanitation), 13 (Climate Action), and 15 (Life on Land), related to the following activities: 1) 6,559.8 ha (whole project area verified) of forest areas protected from harvesting (evidenced in Annexes R, D and X) according to regarding legally-binding long-term agreements (or under FSC-certified sustainable forest management when it proceeds according to Eligibility criterion 7), 2) GHG removals due to the implementation of extended rotation age (evidenced in the MR and in this report, since it is the main objective). According to AENOR, the PP has demonstrated its contribution to the SDGs, their monitoring and reporting, and their alignment with the achievement of the national SDGs for the USA (Annex AM).				
Additional information relevant to the project	There is no information from the MR to be excluded in its public version. All MR information can be included in its public version. Although the PP has reported some documents as commercially sensitive, these are never part of the public version of the MR, so it is not necessary to exclude them particularly. The documents mentioned by the PP to be excluded are external evidence to the MR itself and the reasons why the PP does not wish to make them public (even if they are not even part of the MR) are the following: <table border="1"> <thead> <tr> <th>Document</th><th>Justification for its confidentiality</th></tr> </thead> <tbody> <tr> <td> </td><td> </td></tr> </tbody> </table>	Document	Justification for its confidentiality		
Document	Justification for its confidentiality				

	Annex U : - FCW VCS Certification Model v2 - Kimmeridge Carbon Solutions, L.P. and Chestnut Carbon LLC Proof of Funds	It contains proprietary financial information as evidence for the Financial Viability section of the Non-Permanence Risk Report. Either way, its conclusions are indicated in the MR (and in section 4.5 of this verification report).
	Annex S. FCWConservePDAdditionality_NPV_v2 – NPPR version	It contains proprietary financial information related to the project proponent's internal project development costs. Either way, its conclusions are indicated in the MR (and in section 4.5 of this validation report).
	- Annex D Signed MLA (Forest Management Lease Agreement) - Annex AE Signed NCX Contracts - Annex AG Landowner Deeds - Annex AI Stakeholder Correspondence (PP-PAIs)	These documents contain personal information of the owners not relevant and not necessary for a public version of the MR.
The previous external documents were provided to the audit team upon request. A summary is properly included in the MR and the conclusions of its assessment are included in this verification report. That said, there is no information to be excluded from the public version of the MR.		

4.2 Safeguards and Stakeholder Engagement

4.2.1 Stakeholder Identification

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Stakeholder identification	The PP has identified the relevant stakeholders for the project in the Adaptive Risk Management Plan (Annex T). AENOR confirmed that given the nature of the project (small private properties with private management, where the project activity will be passive -non-intervention- and that does not request any specific permission from the Government) the number of stakeholders is limited: - Landowners (main stakeholder): the owners of the PAIs have all property and use rights over the land included in the Project. This is contained in Excel FCW Conserve - Cohort 1 LO details, including contact details. - Neighbors (secondary or potential stakeholder): only in case they submit a grievance or a comment regarding the Project, given that although they could have some comments/complaints, they have in general no right of ownership or use over the included lands. This is contained in Annex AN

	Secondary Stakeholder List, including contact details. The list of stakeholders is expected to be constantly updated as the number of PAIs increase, according to Annex R (FCW Stakeholder Engagement Plan v1.0) and Annex T (FCW Stakeholder Engagement Plan). The primary stakeholders consulted by AENOR are described in section 2.3 of this report (Interview #6, 7), as well as the justification for the absence of consultation of the neighbors for the time being. In conclusion, AENOR considers that the identification of stakeholders is correct. The identification process has not changed since validation; it has only been expanded with the new PAIs.
Legal or customary tenure/access rights	In AENOR's opinion, the PP sufficiently demonstrated that all properties are private, in the name of private persons, based on property deeds (Annex AG) matching with the PAIs delimitation (Annex C). According to the information provided by the PP (Interview #1), the due diligence process carried out by the PP (Annex AT), the communication records between PP-PAI (Annex AI), the testimonies of the owners of the PAIs visited (Interview #6), it is evident that land tenure is clear, and there are no land use rights disputes or encroachments risks. There is no evidence of any legal or customary tenure/access rights to territories and resources held by third parties, including other individuals, indigenous people, local communities, or customary rights holders, according to the public info of Department of Indian Affairs (U.S. Department of the Interior).
Stakeholder diversity and changes over time	As mentioned in the previous section, the number of stakeholders is limited to potentially affected owners and neighbors (who own the adjoining lands). Therefore, the differences in social, economic, and cultural terms of the stakeholders are basically due to the varied origin of the owners, who are distributed throughout 16 states of the country and whose reasons for joining the project voluntarily are varied. The list of stakeholders is expected to be constantly updated as the number of PAIs increase, according to Annex R (FCW Stakeholder Engagement Plan v1.0) and Annex T (FCW Stakeholder Engagement Plan), as it was verified by AENOR, crosschecked also with the interviews onsite (Interview #6).
Expected changes in well-being	According to the interviews conducted with the owners (Interview #6) and the field review (section 2.4 of this report), the benefits in well-being are related to the diversification of revenues from carbon and those related to avoidance the negative consequences of extractive logging, as also identified by the PP. According to what AENOR observed, there are no negative changes in well-being due to the project activity implementation.

Location of stakeholders	The owners, as main stakeholders, usually live in the PAI, or nearby. The secondary stakeholders are neighbors, owners who live in the vicinity of the PAIs, as observed in the GIS database (Annex C), interview with the owners (Interview #6) and location of the neighbors (Annex AN). According to AENOR, the PP has correctly identified the location of stakeholders and local communities. On the other side, according to Department of Indian Affairs (U.S. Department of the Interior), there are no indigenous peoples, customary rights holders in the surroundings of the PAIs.
Location of resources	There is no evidence of any legal or customary tenure/access rights to territories and resources held by third parties, including other individuals, indigenous people, local communities, or customary rights holders, according to the public info of Department of Indian Affairs (U.S. Department of the Interior). Thus, regarding the location of territories and resources which stakeholders own or to which they have customary access only corresponds to the PAIs owned by their landowners, whose title deeds are clear (see 'Legal or customary tenure/access rights' above). This is properly identified by the PP, in opinion of AENOR.

4.2.2 Stakeholder Consultation and Ongoing Communication

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Ongoing consultation	Consultation process: 1. Permanent communication with all owners/PAIs, who are the main stakeholders (Annex AI), crosschecked by AENOR during the site visit (Interview #6, 7). 2. Dissemination of the project through informative material and membership guide (Membership guide, Offer Packet Template, in Annex R) to the owners, crosschecked by AENOR during the site visit (Interview #6, 7 to owners and Interview #2 to PP Regional Team). 3. The information disseminated to owners (Membership guide, Offer Packet Template, in Annex R) coincides with the clauses of the Forest Management Agreement (Annex D) and the License Agreement (Annex X), covers the aspects required by VCS standard v4.7 (project design and implementation, risks, costs and benefits, relevant laws and regulations and the process of VCS Program verification and its site visit) and which was known to the PAIs (Interview #6, 7). 4. Information is disseminated directly to owners by culturally appropriate means, such as telephone, mail, or site visits, means that are common in the context of

	owners. Communications are always in English, the language of the owners. The suitability of this was verified by AENOR in the field. 5. There are permanent means of contact, including a grievance redress mechanism (see section 4.2.4 below). According to the evidence above, in opinion of AENOR the PP proponent takes all appropriate measures to communicate and consult with stakeholders during the monitoring period in line with the validated plan for ongoing communication.
Date(s) of stakeholder consultation	In addition to the ongoing communication previously mentioned, open events are eventually held aimed at: 1) participating owners (primary stakeholders), 2) any other stakeholder other than the participating owners (secondary stakeholders), 3) potential owners interested in joining the project. Events held: - Major stakeholder consultations: 17 November 2023 (online), 7 June 2023 (online), 6 December 2023 (in person). Evidence submitted: emails (Annex AJ) sent to secondary stakeholders (Annex AN), call brochures sent to neighbors and brochures physically distributed to neighbors (Annex AO), including information about the event, access to the project website and the complaints mechanism. In the case of the neighbors, it was also observed during the onsite visit that the boundaries were marked and there were signs indicating the PP contact details in case of comments or grievances (Activity #1). In AENOR's opinion, the calls for proposals adequately reached the interested parties and were a convenient opportunity to submit comments.
Communication of monitored results	All communication with the primary stakeholders (owners) is done by email and telephone, in addition to the events mentioned above. About the results of the monitoring is that the PP can make a proposal for payments to the owner once it has been verified, among others, the eligibility to participate in the project, its baseline, etc. Annex AI includes all communication between PPs and PAIs, and includes the results of monitoring in a timely manner, as verified by AENOR. For secondary stakeholders, the relevant information is on the website, which is communicated through the means mentioned in the previous section. A public version of the MR can always be consulted in the Verra Registry and Verra has the option to receive comments regarding the project permanently. Thus, in opinion of AENOR, communication of monitored results is adequate.
Consultation records	With the primary stakeholders (owners) the consultations are maintained by mail or telephone and are documented in writing (Annex AI). As for secondary stakeholders (neighbors), or open consultations (in person or remote), the records are kept in writing.

	Thus, in opinion of AENOR, consultation records are adequately collected, analysed and recorded.
Stakeholder input	From the written records of the consultations (Annex AI), from the interviews held between the VVB and the owners (Interview #6, 7), and the permanent communication channels (website for comments and complaints, see below), AENOR did not observe that there were inputs that had not already been considered by the PP, therefore no updates to the project were necessary.

4.2.3 Free, Prior, and Informed Consent

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Consent	According to VCS standard v4.7, “the project may affect property rights only if FPIC is obtained from those concerned, including IPs, LCs, and customary rights holders, and a transparent agreement is reached that includes provisions for just and fair compensation”. Considering the circumstances of the project, the only stakeholders with tenure or use rights to the project's lands are its owners. These private owners prove their ownership by means of their title deeds (Annex AG). Through the socialization of the project (described in section 4.2.2) they grant prior (socialization before the signing of the agreements see above), freely (participation in the project is voluntary through open call, see above) and informed (suitable information material, see above) they gave consent by signing the Landowner License Agreements (Annex X) and Forest Management Lease Agreement (Annex D). These documentary evidences were cross-checked in the field with interviews with owners (Interview #6, 7) and PP (Interview #1, 2), therefore AENOR considers that the consent obtained is legitimate. On the other hand, there is no evidence of any legal or customary tenure/access rights to territories and resources held by third parties, including other individuals, indigenous people, local communities, or customary rights holders, according to the public info of Department of Indian Affairs (U.S. Department of the Interior), neither evidences of ongoing or unresolved conflicts (according to the above mentioned evidences and also the internal correspondence with owners and the due diligence process to join the project –Annex AI, AT). Thus, in opinion of AENOR, the FPIC process is adequately addressed to the extent it is applicable.
Outcome of FPIC	See above.

discussion

4.2.4 Grievance Redress Procedure

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Grievance received and steps taken to resolve the grievance including the outcomes of the resolution	During the audit period, no comments or complaints were received using the Grievance redress procedure indicated in the row below. The absence of negative comments or complaints was also confirmed by AENOR's consultation to all PAIs (Interview #6, 7), where the comments were positive, and beyond the impacts of the project, they focused on the interest of other neighbors in the surroundings for their participation. None of these comments request follow up by the PP or implies changes in the PD. On the other hand, the PP adequately demonstrated to AENOR that the procedure is easily accessible to stakeholders: 1. The owners (main stakeholder) have in their membership guide (Annex R) the information to access the procedure on the website. 2. The neighbors (secondary stakeholder) were informed of the procedure on the web through in-person meetings, remote meetings, brochures physically distributed to neighbors, the usual presence of PP regional foresters and signage at the entrance of the PAIs (this evidence is described in section 4.2.2 above). 3. In other words, stakeholders have been informed of the procedure. On the other hand, the complaints mechanism allows you to submit comments/complaints both anonymously if you wish and, as could be seen during AENOR's field visit, both the telephone and the website and emails are means that the owners use for communication on a regular basis.
Grievance redress procedure	Grievance redress procedure had no changes since validation. The PP has established mechanisms for ongoing communication with stakeholders to allow them to raise concerns about potential negative impacts during project implementation: 1) FCW website allows for comments to be submitted at any time, https://forestcarbonworks.org/stakeholders/#submit-comment 2) and the Project website also includes a formal grievance process, as confirmed by AENOR https://forestcarbonworks.org/grievance-procedure/ AENOR confirmed that the grievance redress procedure complies with VCS Standard v4.7 by considering the steps requested, as well as it considers communications in a culturally appropriate manner, confirmation of the reception

of the grievances and PP assessment of its eligibility.

4.2.5 Public Comments

Not applicable. Since this event corresponds to verification, not a validation or joint validation and verification, there was no 30-day public comment period in Verra Registry, according to VCS standard v4.7. On the other hand, although any stakeholders may submit comments outside of the 30-day public comment period, Verra has not communicated the existence of comments to the VVB or the PP since the registration of the project.

Comments received	Actions taken by the project proponent	Evidence gathering activities, evidence checked, and assessment conclusion
-	-	-

4.2.6 Risks to Local Stakeholders and the Environment

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Risks to stakeholder participation	Project activities are aimed at increasing economic growth in the area (carbon payments to landowners ensure that over the course of the project, landowners can earn profit on their forest land equal to or exceeding those from timber sales) while keeping a specific focus on improving the lives of the community members to the extent possible, given the characteristics of the project (private properties with private management, where the project activity will be passive: principle of non-intervention). The PP prepared 'FCW Safeguard Risk Identification Report' where the risks of the project activity are analyzed in depth, including risks to stakeholder participation, aligned with the requirements of the VCS standard v4.7. In addition, the document 'FCW Safeguard Risk Policy' proposes the precise mitigation measures that the PP implements for each risk to stakeholder participation detected. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative, and that the mitigation measures implemented (described in Annex AW) are properly implemented (Annex B, D, R, Q), and coincide with the testimonies of stakeholders (Interview #2, 6, 7), who did not report negative impacts to stakeholder participation. In any case, as described in FCW Adaptive Management Plan (Annex T), if at some point any stakeholder identifies any negative impact, FCW has developed a grievance structure should anyone have complaints or comments (section 4.2.4 above).

Working conditions	The same 'FCW Safeguard Risk Identification Report' identifies precisely working conditions risks related to project activity, aligned with the requirements of the VCS standard v4.7. In addition, the document 'FCW Safeguard Risk Policy' proposes the precise mitigation measures that the PP implements for each risk to working conditions detected. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative, and that the mitigation measures implemented (described in Annex AW) are properly implemented (Training and working policies in Annex AX), and coincide with the testimonies of stakeholders (Interview #1-5), who did not report negative impacts to workers. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 4 related to working conditions. In any case, as described in FCW Adaptive Management Plan (Annex T), if at some point any stakeholder identifies any negative impact, FCW has developed a grievance structure should anyone have complaints or comments (section 4.2.4 above), that can be submitted anonymously.
Safety of women and girls	The same 'FCW Safeguard Risk Identification Report' identifies risks for safety of women and girls related to project activity, aligned with the requirements of the VCS standard v4.7. In addition, the document 'FCW Safeguard Risk Policy' proposes the precise mitigation measures that the PP implements for each detected risk for safety of women and girls. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative, and that the mitigation measures implemented (described in Annex AW) are properly implemented (training to prevent harassment and discrimination against women and girls, in Annex AX; guidelines in Annex AK), and coincide with the testimonies of stakeholders (Interview #1-5), who did not report negative impacts to workers at this regard. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 4 related to working conditions, including the prevention of discrimination or sexual harassment to women and girls. In any case, as described in FCW Adaptive Management Plan (Annex T), if at some point any stakeholder identifies any negative impact, including PP workers, PAIs o PAIs workers, FCW has developed a grievance structure if somebody have complaints or comments (section 4.2.4 above), that can be submitted anonymously.
Safety of minority and	The same 'FCW Safeguard Risk Identification Report' identifies risks for safety of minority and marginalized groups related to project activity, aligned with the

marginalized groups, including children	requirements of the VCS standard v4.7. In addition, the document 'FCW Safeguard Risk Policy' proposes the precise mitigation measures that the PP implements for each detected risk for the safety of these groups. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative, and that the mitigation measures implemented (described in Annex AW) are properly implemented (training to prevent discrimination against minorities, in Annex AX), and coincide with the testimonies of stakeholders (Interview #1-7), who did not report negative impacts to minority and marginalized groups, including children. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 1 related to the compliance with all applicable laws, regulations and nationally ratified international treaties, conventions, and agreements, among which are those for the protection of children, minorities and marginalized groups. In any case, as described in FCW Adaptive Management Plan (Annex T), if at some point any stakeholder identifies any negative impact, including PP workers, PAIs o PAIs workers, FCW has developed a grievance structure if somebody have complaints or comments (section 4.2.4 above), that can be submitted anonymously.
Pollutants (air, noise, discharges to water, generation of waste, release of hazardous materials)	An environmental impact assessment is not legally required for the Project. Since the objective is the conservation of the forest area (versus the productive use in the baseline scenario), environmental impacts are not expected if the area is not harvested. In case of harvesting, the same 'FCW Safeguard Risk Identification Report' identifies the environmental risks related to project activity, aligned with the requirements of the VCS standard v4.7. In addition, the document 'FCW Safeguard Risk Policy' proposes the precise mitigation measures that the PP implements for each detected risk related with pollutants. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative. It also considers that the mitigation measures in case of harvesting (described in Annex AW) would be properly implemented if FSC certification is a requirement (Eligibility Criterion 7 and Annex Q. Conserve Harvest Policy.pdf). During the onsite visit, negative environmental impacts were not detected, and the owners (Interview #6) were aware of the need of being FSC certified and PP permission to proceed with the harvesting. Note that the PP already holds a FSC certificate (SCS-FM/COC-009247; Annex AR), although the current PAIs are not yet included since are not going to harvest for now. In any case, as described in FCW Adaptive Management Plan (Annex T), if at some point any stakeholder identifies any negative impact, including PP workers, PAIs o

	PAIs workers, FCW has developed a grievance structure if somebody have complaints or comments (section 4.2.4 above), that can be submitted anonymously. In conclusion, in AENOR's opinion, conservation activities do not have environmental impacts and in the case of forestry activities, these would be sufficiently mitigated by the FSC forest management plan and its annual audit, and it will be verified by the VVB during the monitoring periods.
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4.2.7 Respect for Human Rights and Equity

4.2.7.1 Labor and Work

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Discrimination and sexual harassment	As mentioned previously in section 'Safety of women and girls', the PP has implemented mitigation measures to avoid discrimination or sexual harassment, described in Annex AW reviewed by AENOR. AENOR checked the training to prevent discrimination and harassment in Annex AX and PP guidelines in this regard (Annex AK), and coincide with the testimonies of stakeholders (Interview #1-5), who did not report any case. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 4 related to working conditions, including the prevention of discrimination or sexual harassment. FCW also complies with Title VII of the US Civil Rights Act, which prohibits sexual harassment or discrimination based on gender, marital status, parenthood, or sexual orientation. In any case, as described in FCW Adaptive Management Plan (Annex T), if at some point anyone wants to report a case anonymously (see grievance mechanism in section 4.2.4 above). So, according to the previous information, within the monitoring period no discrimination or sexual harassment occurred.
Management experience	No new entity was involved in project design or implementation. Management experience of the PP was proved during validation and no changes in this regard were noticed. During the entire audit the PP showed proper management experience, in opinion of AENOR.
Gender equity in labor and work	The PP implements measures to promote equal opportunities in the context of gender equity and pay for labor and work, described in Annex AW reviewed by AENOR. AENOR checked PP guidelines in this regard (Annex AK), and coincide with the testimonies of stakeholders (Interview #1-5), who did not report any case of inequity. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest

	Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 4 related to working conditions, including the gender equity in labor and work. FCW also complies with Fair Labor Standards Act (29 U.S.C. § 201 et seq.) which establishes labor standards, including minimum wage and overtime, the Civil Rights Act of 1964 (Public Law 88-352, 78 Statute 241) prohibits discrimination based on race, color, religion, sex, or national origin, and the regulations of the U.S. Equal Employment Opportunity Commission. In any case, as described in FCW Adaptive Management Plan (Annex T), if at some point anyone wants to report a case anonymously (see grievance mechanism in section 4.2.4 above). So, according to the previous information, within the monitoring period equal opportunities have been provided in the context of gender equity and pay for labor and work.
Human trafficking, forced labor, and child labor	The PP implements measures to avoid human trafficking, forced labor, and child labor, described in Annex AW reviewed by AENOR. AENOR checked PP guidelines in this regard (Annex AK), and coincide with the testimonies of stakeholders (Interview #1-5), who did not report any case. Additionally, by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit for compliance with Principle 4 related to working conditions, including human trafficking, forced labor, and child labor. FCW also complies with Title VII of the Rights Act; the Americans with Disabilities Act; the Equal Pay Act; the Fair Labor Standards Act; the Family and Medical Leave Act ("FMLA"); the Immigration Reform and Control Act; the National Labor Relations Act ("NLRA"); the Occupational Safety and Health Act; the Pregnancy Discrimination Act; and Executive Order 11246. In any case, as described in FCW Adaptive Management Plan (Annex T), if at some point anyone wants to report a case anonymously (see grievance mechanism in section 4.2.4 above). So, according to the previous information, within the monitoring period the project does not use victims of human trafficking, forced labor, and child labor.

4.2.7.2 Human Rights

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Human rights	For the current PAIs during the monitoring period, there is no evidence of any legal or customary tenure/access rights to territories and resources held by third parties, including other individuals, indigenous people, local communities, or customary rights holders, according to the public info of Department of Indian Affairs (U.S.

	Department of the Interior). Thus, regarding the location of territories and resources which stakeholders own or to which they have customary access only corresponds to the PAIs owned by their landowners, whose title deeds are clear (see 'Legal or customary tenure/access rights' in section 4.2.1 above). This is properly identified by the PP, in opinion of AENOR. According to the information provided by the PP (Interview #1), the due diligence process carried out by the PP (Annex AT), the communication records between PP-PAI (Annex AI), the testimonies of the owners of the PAIs visited (Interview #6), it is evident that land tenure is clear, and there are no land use rights disputes or encroachments risks. In any case, for future PAIs, and as a general procedure, the Projects respects and promotes the project of rights of IPs, LCs, and customary rights holders in line with applicable international human rights law, and the United Nations Declaration on the Rights of Indigenous Peoples and ILO Convention 169 on Indigenous and Tribal Peoples, according to FCW Safeguard Risk Identification Report Section 2.1 and FCW Safeguard Risk Policy Section 2.1 (Annex AW), as showed to the VVB.
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4.2.7.3 Indigenous Peoples and Cultural Heritage

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Preservation and protection of cultural heritage	As stated in section 4.2.7.2 there is neither presence of IPs, LCs, or customary rights holders in the current PAIs, apart from the owners, nor any claim for these at this regard over the current PAIs. Nevertheless, for future PAIs the PP is committed to preserve and protect cultural heritage to the extent the project activities may affect them, according to the risk assessment (Annex AW) and the mitigation measures (Annex AW) reviewed by AENOR.

4.2.7.4 Property Rights

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Disputes over rights to territories and resources	Not applicable. No disputes (see below).
Respect for property rights	In AENOR's opinion, the PP sufficiently demonstrated that all properties are private, in the name of private persons, based on property deeds (Annex AG) matching with the PAIs delimitation (Annex C). According to the information provided by the PP (Interview #1), the due diligence process carried out by the PP (Annex AT), the communication records between PP-PAI (Annex AI), the testimonies of the owners of the PAIs visited (Interview #6), it is evident that land tenure is clear, and there are no land use

	rights disputes or encroachments risks. There is no evidence of any legal or customary tenure/access rights to territories and resources held by third parties, including other individuals, indigenous people, local communities, or customary rights holders, according to the public info of Department of Indian Affairs (U.S. Department of the Interior). In case any potential PAI could have any overlap with the areas mentioned above, it wouldn't be eligible to participate, according to risk assessment (Annex AW) and the mitigation measures (Annex AW) reviewed by AENOR. Additionally, the consultation process described in section 4.2.2 prevents PAIs with conflicts in this regard to be eligible to participate. Thus, in opinion of AENOR, the PP protects and preserves the property rights of stakeholders, IPs, LCs, and customary rights holders.
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4.2.7.5 Benefit Sharing

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Summary of the benefit sharing plan	The benefit-sharing plan is described in section 2.3.5 of the MR and is public on the FCW (PP) website, with two payment methods to owners (PAIs): 1) revenue-sharing (landowners receive a percentage of credit sales) or 2) standard payment (landowners receive a fixed payment). Since the owners are the only ones with rights to the PAIs, as explained in section 4.2.1 above (Legal or customary tenure/access rights), they are the only stakeholders who receive economic benefits from the project. The modality of benefit-sharing is decided by each landowner and is agreed in each Forest Management Lease Agreement (Annex D). All the MLAs were reviewed by AENOR and are signed, no inconsistencies. During AENOR's interviews with the owners (Interview #6) they were all aware of the agreement and were satisfied. No changes to the agreement since the validation of the PD.
Benefit sharing during the monitoring period	The implementation of the benefit sharing plan is described in section 2.3.5 of the MR, including the payment schedule, amount by area and periodicity for the duration of the project, depending on the payment method indicated above. During AENOR's interviews with the owners (Interview #6) everyone was aware of the agreement. Of the 100% of owners consulted by email (Interview #7) in case they had any complaints, in no case was benefit-sharing mentioned, therefore, in AENOR's opinion, there is proper agreement with the payments for the monitoring period.

4.2.8 Ecosystem Health

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Impacts on biodiversity and ecosystems	Because the project activity limits commercial harvesting and any commercial harvesting requires FSC certification, the project will have positive outcomes for ecosystem health. In this sense, in the absence of logging, negative impacts on biodiversity and ecosystems and soil degradation and soil erosion are unlikely, and an increase in water consumption and stress is unlikely, and the use of fertilizers is not applicable, in the opinion of AENOR after the onsite visit (section 2.4 in this report). However, the PP prepared a 'FCW Safeguard Risk Identification Report' where the risks of the project activity are analyzed in depth (with some minor risks in case of harvesting), including risks to ecosystem health, aligned with the requirements of the VCS standard v4.7. In addition, the document 'FCW Safeguard Risk Policy' proposes the precise mitigation measures. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative, and that the mitigation measures implemented (described in Annex AW) are properly implemented: by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit including compliance with Principle 6 related to these environmental concerns. During the onsite visit, the interviewed owners (Interview #6) were aware of this requirement. Note that the PP already holds a FSC certificate (SCS-FM/COC-009247; Annex AR), although the current PAIs are not yet included since are not going to harvest for now (thus, the environmental risks identified are not yet applicable). Therefore, in AENOR's opinion, environmental risks are correctly identified and mitigated.
Soil degradation and soil erosion	
Water consumption and stress	
Usage of fertilizers	

4.2.8.1 Rare, Threatened, and Endangered species

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Species or habitat	Because the project activity limits commercial harvesting and any commercial harvesting requires FSC certification, the project has positive outcomes for Rare, Threatened, and Endangered species. In this sense, in the absence of logging, no negative impacts on these species are expected.

However, the PP prepared a 'FCW Safeguard Risk Identification Report' where the risks of the project activity are analyzed in depth (with some minor risks to species in case of harvesting), aligned with the requirements of the VCS standard v4.7. AENOR reviewed the risk assessment (Annex AW) and considers that it is realistic and conservative, and that the mitigation measures implemented (described in Annex AW) are properly implemented:

1) by accounting for all threatened and endangered species with habitat overlapping any project instance not modeled as “no harvest” (verified by AENOR in Annex E).

2) by compliance with legality: Endangered Species Act (16 U.S.C. § 1531 et seq.) which protects threatened and endangered species and regulates management of their habitats.

3) by Eligibility Criterion 7 (and Annex Q. Conserve Harvest Policy.pdf) the PAI has to be FSC certified before harvesting, so in case the harvest were to occur, there would also be an FSC audit including compliance with Principle 6.1.a related to these environmental concerns. During the onsite visit, the interviewed owners (Interview #6) were aware of this requirement. Note that the PP already holds a FSC certificate (SCS-FM/COC-009247; Annex AR), although the current PAIs are not yet included since are not going to harvest for now (thus, the environmental risks identified are not yet applicable).

No harvesting occurred during this monitoring period so, according to AENOR's observations, the project has not adversely impacted habitats for rare, threatened, or endangered species during the monitoring period.

4.2.8.2 Introduction of Species

Species introduced	Evidence gathering activities, evidence checked, and assessment conclusion
-	Not applicable. Project with no planting or species introduction.

Existing invasive species	Evidence gathering activities, evidence checked, and assessment conclusion
-	No invasive species have been identified, per local (state) invasive species registry (Annex AF. List of Recorded Invasive Species by State). Per FCW's harvest policy, no invasive species will be introduced nor be allowed to thrive as a result of the project activity (Annex Q). During the

	onsite visit, the audit team did not observe any invasive species in the visited PAIs (Activity #6).
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4.2.8.3 Ecosystem conversion

Item	Evidence gathering activities and evidence checked
Ecosystem conversion	Not applicable for an IFM Project.

4.3 Accuracy of Reduction and Removal Calculations

Quantification of baseline emissions

Procedures for the quantification of baseline emissions and/or removals were taken from Sections 8.2, 8.4, and 8.5 of the VM0003 Methodology v1.3. The following steps were taken:

Quantification of GHG emission reductions and removals, including Parameters at validation		Steps taken to validate the quantification methods
ΔC_{BSL}	Baseline net greenhouse gas removals by sinks (t CO ₂ e)	Properly calculated by using Equation 1, as confirmed in Annex AB.
ΔC_{BSLp}	Carbon stock changes in all pools in the baseline scenario (t CO ₂ e)	Properly calculated by using Equation 2, as confirmed in Annex AB.
$\Delta C_{BSLtree}$	Carbon stock changes in above-ground and below-ground biomass of trees in the baseline scenario (t CO ₂ e)	Properly calculated by using Equation 3, as confirmed in Annex AB. It was confirmed by the VVB that the project isn't accounting for ERRs from trees younger than the rotation age because, per VM0003 Equation 3, ERRs are only generated where baseline emissions exceed project emissions. The baseline scenario includes removals from the growth in young stands until the time they are harvested in the baseline scenario.
$\Delta C_{BSLAG BG,i,100}$	Summed annual net carbon stock change in above-ground and below-ground biomass for stratum i summed over the 100-year modelled baseline (t C)	Quantification of ex-ante onsite carbon stocking was carried out by following the allometric method approach defined in VM0003. The volume and biomass equations and references were sourced from the US Forest Inventory & Analysis (FIA) program, which are also used in both the California Air Resources Board and Climate Action Reserve

		programs, and are available on both of these programs' websites. Biomass equations were compiled in proprietary visual basic analysis code (VBA) in Microsoft Excel and data analysis software. Tree species, DBH, height, decay, and region-specific biomass equations were used to calculate carbon estimates in tonnes of CO₂ equivalent. Carbon was only calculated for trees above 5 inches at DBH and above. Both the project and baseline ex-ante scenarios utilize the same underlying forest inventory data to forecast, which was realized for all 62 verified PAIs (1,150 plots randomly located, measured amongst 2021 and 2023). All inventory data underwent QA/QC checks as described (Annex AL). The plot allocation process used the "Calculation of the number of sample plots for measurements within A/R CDM project activities" tool v2.1.0, as confirmed by VVB in Annex AP, using a grid (125m on the X axis and 75m Y axis) and random allocation (Annex Y). During the onsite visit a sample of plots were re measured (Activity #2), with no major deviations regarding Annex W and AC (prior to URS consideration). The project defined first 123 larger measurement strata designed to increase measuring precision (per VM0003 section 9.3 Sampling Design and Stratification). Using aerial imagery (National Agriculture Imagery Program –NAIP- and other aerial imagery datasets to determine differences in forest structure and species composition) and field visits, all PAIs (62) were stratified into relatively homogeneous units for sampling purposes. Due to the homogeneous nature of the forest types PAIs were stratified (for inventory purposes) into 123 strata; which was crosschecked in a sample of PAIs during the onsite visit (see Activity #2 in section 2.4 of this report). These larger measurement strata, after the field inventory and its processing, were further subdivided into 419 management strata
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		designed to better reflect a combination of management system, site index, species, and age class (per VM0003 section 8.1 Stratification, which requests “further division where differences exist in site index, species and/or age class”) to ensure that all areas subject to management within a given year or within years between monitoring events comprise whole, discrete management strata. The baseline and project model were organized by the 419 management strata, with results rolled up to the 123 measurement strata for ERR accounting. The VM0003 equations for change in carbon pools (e.g. equations 3, 4, 5) are calculated at the management stratum level, then rolled up to the project level (measurement level). In other words, the reason of the two levels of stratification is the relationship between the model for baseline and project (419 management strata) and the ERR report (123 measurement strata), so the two stratifications are not different, but nested depending on the appropriate variables/purpose of stratification, for example (similar for the 62 PAIs): <table border="1"> <thead> <tr> <th>PAI</th><th>Measurement Stratum ID</th><th>Management Stratum ID</th></tr> </thead> <tbody> <tr> <td rowspan="6">1007</td><td rowspan="2">100701</td><td>100701004</td></tr> <tr> <td>100701005</td></tr> <tr> <td rowspan="2">100702</td><td>100702002</td></tr> <tr> <td>100702006</td></tr> <tr> <td rowspan="2">100703</td><td>100703001</td></tr> <tr> <td>100703003</td></tr> </tbody> </table> Then, AENOR determined that the management system (baseline and project management system and rotation age), site index, species (leading specie and species composition), and dominate age class were properly considered by the PP for stratification, excluding harvest constraints area, according to: 1- Onsite by visiting: in the sample of PAIs surveyed (13 PAIs in total out of 62) 24 inventory plots were randomly surveyed (Activity #2 by AENOR) out of the 204 plots carried out by FCW (11%) in that PAIs (see section 2.4 of this report, where the rationale of the	PAI	Measurement Stratum ID	Management Stratum ID	1007	100701	100701004	100701005	100702	100702002	100702006	100703	100703001	100703003
PAI	Measurement Stratum ID	Management Stratum ID													
1007	100701	100701004													
		100701005													
	100702	100702002													
		100702006													
	100703	100703001													
		100703003													

		sample size and location is justified), as well as the revision of the GIS database crosschecked in the field. With the sample of plots measured in the site visit and the PP inventory a statistical comparison was carried out to demonstrate that both sets of data come from the same population: according to the T-Student comparative (Annex 1 by AENOR), the probability that the estimated means (or estimates that are more extreme) are from different populations is 0,24 and therefore AENOR concluded that both sets of data (onsite visit and PP inventory) are from the same population, and thus, the inventory carried out for the verification is valid. 2- Revision of the calculations: (Activity #7 in section 2.4; and see below the reproduction of the models by AENOR), including the processing of the inventory (Treelist), where AENOR confirmed the parameters considered for the management stratification, following VM0003 requirements. It was supported in documentary evidence (Annex Y, 1). Last, Annex B contains harvest constraints used in this management stratification. Note that in the MR and also the VerR all references to variable i in the VM0003 equations refer to measurement strata, and all references to “stratum” in all Annex documents refer to measurement strata. That said, AENOR found that the stratification approach taken by the PP is consistent and complies with the methodology, and that the model (baseline and project) was run for the management strata (as modelling unit) and accumulated for the management strata (corresponding to the surveyed PAIs) for the ERR calculation showed in the workbooks provided (Model Results, Harvest Wood Products and Accounting Model). Note that per VM0003 Section 9.3, ex-post re-stratification would be allowed under certain circumstances, including unexpected disturbances or forest management activities, what will be internally
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		monitored by the PP and crosschecked by the VVB during the onsite verification audits if there is evidence of silvicultural treatments, signs of fires, diseases, etc. If no sign or declaration by the PP, no re-stratification of the project would be required and ex-post stratification would be the same as the ex-ante one, as it is the case in this event since it is the first verification of the cohort and only one inventory has been carried out. Forest management of the baseline and project scenarios were modelled over a 100-year period using the US Forest Service Forest Vegetation Simulator (FVS) software, which is a forest growth and yield model that allows for region-specific parameterization across the United States. To confirm its accuracy, VVB reproduced the inputs used by the PP again, in order to compare the outputs, using the following steps: 1. As data input, data from the inventory carried out by the PP described in section 4.3 of the MR (Monitoring Plan) were used, corresponding to the 13 PAIs surveyed (Annex AJ checked by AENOR), once this inventory was validated by AENOR (see Activity #2 and Activity #3, and T-Student comparison amongst PP inventory and audit visit inventory above). The inventory data (starting point with the forest conditions at the beginning of the project start date) contains as parameters the species, DHB, H, all parameters related to dead Wood, plot area, site conditions, etc., this is, the necessary parameters described in sections 4.1 and 4.2 of the MR. 2. As assumptions, the 100-year simulation scenarios contemplate a baseline scenario with even-aged silvicultural system and one with an un-aged system as objective management: while the first mainly contemplates clear cuts, seed-tree harvest and shelter wood harvest as harvesting techniques, the project scenario contemplates continuous thinning, group selection and patch cuts
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		to maximize the carbon content and a harvest always less than 10% of the carbon stock during any 5-year period. Best management practices in the State of Virginia and West Virginia were also considered (Annex B), aligned also in the practices reported onsite by the PP technical team (Interview #1-5), owners (Interview #6) and independent foresters (Interview #8). 3. The models collected in Northeast –NE- for West Virginia and Southern –SN- for Virginia FVS Variant Overviews (Annex 2) –which are the corresponding ones to the surveyed PAIs (Activity #2) were used to simulate the growth and development of individual trees and stands over time, based on tree growth rates, mortality, competition, and response to environmental conditions for the region of the PAIs. 4. The projection of the future forest conditions was obtained by applying the growth and yield models (NE and SN Variant Overviews) and factoring in the effects of management actions (baseline scenario and project scenario) to predict changes in estimates of biomass considering the validated pools. After conducting a comprehensive review of the FVS simulation, the VVB assessed the accuracy and reliability of the modelling process, also supported by the PP technical team (Activity #7). The outputs in Annex AA indicate that the results obtained were based on adequate parameters from inventory and reasonable assumptions, and aligned closely with the outcomes produced by the PP's original FVS simulation. VVB examined the input data, model parameters, and simulation execution and found a high degree of consistency between both results.
ΔC_{BSLDW}	Carbon stock changes in dead wood in the baseline scenario (t CO ₂ e)	Properly calculated by using Equation 4, as confirmed in Annex AB.
$\Delta C_{BSLDW,i,100}$	Summed annual net carbon stock change in dead wood for stratum i summed over the	Under the VM0003 Methodology, the dead wood pool is broken into two components: standing dead wood and lying dead wood. Below-ground dead wood

	100-year modelled baseline (t C)	is conservatively omitted.
$\Delta C_{DW,i,t}$	Annual carbon stock change in dead wood for stratum i averaged over the monitoring period (t C yr ⁻¹)	Properly calculated by using Equation 24, as confirmed in Annex AB.
C_{DW,i,t^*}	Carbon stock of dead wood in stratum i at time t = 1,2 (t C)	The annual change in the dead wood carbon pool for stratum i was calculated as the sum of the lying and standing deadwood components, multiplied by CF_{DW} (IPCC default value = 0.5 (t C t ⁻¹ ; correctly inputted in spreadsheets), according to Equation 25, as validated by the VVB in Annex W.
$B_{SDW,i,t}$	Biomass of standing dead wood in stratum i at time t (t d.m.)	As required by the VM0003 Methodology, a 10-year linear decay function was applied to standing dead within the FVS baseline model (Annex AA). After 10 years standing dead is assumed to fall and transition into the lying dead wood pool. It was sampled using a plot method.
$B_{LDW,i,t}$	Biomass of lying dead wood in stratum i at time t (t dam.)	The super section from the California Air Resource Board Protocol for US Forest (June 2015) of all PAIs was established and the forest type was determined (validated in Annex I). Forest types were matched with FIA (Forest Inventory and Analysis Program) forest types listed in The Fire and Fuels Extension to the Forest Vegetation Simulator: Updated Model Documentation, Table 4.16.10, pp.295-296 (2015), from USGS, Forest Management Service Center (crosschecked in Annex F). The lying dead wood default biomass values for size classes 3-6, 6-12, and >12 were summed for each forest type associated with PAI, and then used as lying dead values for the initial year of the baseline model. Following the initial year, lying dead wood was assumed to be equal to the difference between current above ground carbon contained within standing dead and the standing wood values reported in the previous 10-year cycle. Since lying dead was calculated directly from changes in the standing dead wood pool, the same 10-year linear

		decay function was applied. Default lying dead wood biomass values that were used for all PAIs were correctly used for calculations in Annex F.
ΔC_{BSLWP}	Carbon stock changes in wood products in the baseline scenario (t CO ₂ e)	Properly calculated by using Equation 5, as confirmed in Annex AD (FCW Conserve Baseline Wood Products v4.2.xlsm)
$\Delta C_{BSLWP,i,t}$	Baseline annual net carbon stock change in wood products for stratum i at time t (t C yr ⁻¹)	Properly calculated by using Equation 28, as confirmed in Annex AD.
$\Delta C_{WP,t}$	Carbon stock of wood products at time t (t C)	To calculate wood products the Winjum et al. Method was used (Annex J).
$EXC_{WP,ty}$	Summed stock of extracted biomass carbon from within the project area for class of wood product ty (t C) defined here as sawnwood, wood-based panels, other industrial roundwood, and paper and paper board	Based on $V_{ex,h,ty,j}$ (Volume of timber extracted from within the project area during harvest h for species j and wood product class ty (m ³), using equation 31, as confirmed by VVB in Annex AD.
$C_{Mill,ty}$	Summed stock of carbon remaining in wood products of class ty from within the project area after milling (t C)	To calculate the total carbon in harvested timber that enters the wood products pool based on mill efficiencies and product disposition percentages, based on $EXC_{WP,ty}$ (Summed stock of extracted biomass carbon from within the project area for class of wood product ty (t C)). WW is Wood waste fraction based on mill efficiency. Assumed to be 0.19 as the PAIs exist within a developed country according to the Winjum et al. method. Properly calculated by using Equation 32, as confirmed in Annex AD. WW was correctly inputted.
$C_{WP,ty}$	Total carbon removed from the project area stored in each type, ty, of harvested	Based on $C_{Mill,ty}$ calculated and considering equation 33:

	wood products (t C)	- SLF (Fraction of wood products that are emitted to the atmosphere within 3 years of timber harvest in tC). - OF (Carbon emitted due to decay or burning of medium-lived wood products calculated for 20 years following each harvest and summed by product type and year t). Per the VM0003 Methodology, a default value of 0.62 was used for OF for both sawnwood and paper product classes. Properly calculated by using Equation 33, as confirmed in Annex AD. SLF and OF were correctly identified by PP (Winjum et al. 1998) and inputted in calculation spread book.
SLF	Fraction of wood products emitted to the atmosphere within 3 years of timber harvest (t C)	Correctly calculated according to equation 34, as confirmed in Annex AD. Default short-lived product values of 0.12 and 0.24 were used for sawnwood and paper product classes, respectively, according to VM0003 Methodology v1.3. Correctly inputted in the spreadsheets.
MLF	Fraction of wood products that is considered stored for the medium term and will be emitted to the atmosphere each year after harvest for 20 years (t C)	It was properly calculated in Annex AD according to Equation 35 and: - Using equation 36 to calculate the fraction of wood products stored between years 3 and 5 ($MLF_{3,5}$), with a Short-lived proportion for the period (slp_{adj}) of 0.08 (sawnwood) and 0.16 (paper product classes), according to VM0003 v1.3. - Also using equation 37 to calculate the fraction of wood products stored between years 5 and 100 ($MLF_{5,100}$). Both properly inputted in the spreadsheets, as the VBB could confirm in Annex AD.
GHG _{BSLE}	Greenhouse gas emissions as a result of forest management activities within the project area in the baseline scenario (tCO ₂ e)	According to equation 6, Baseline GHG emissions are equivalent to logging slash ($E_{BSL, BiomassBurn,t}$), which in the baseline scenario is excluded according to the methodology, as such, GHG_{BSL,E} was considered as zero. AENOR confirmed that it is a correct

		interpretation.
URS	Uncredited Reserve Stock	When a PAI is first enrolled to the grouped project, $\Delta C_{BSL,tree}$ and $\Delta C_{BSL,DW,standing}$ were conservatively reduced from the initial carbon stocks (based on inventory data, projected via FVS, Annex AA) to reflect the nine-percent (9%) portion of initial carbon stocks to be set aside to the URS. This procedure results in baseline depletion rates that were conservatively lower in baseline emissions, resulting in fewer credits as compared to otherwise (see section 3.3.7 in this report). Its proper calculation was confirmed in Annex AC.
Ratio of molecular weight of CO ₂ to carbon (t CO ₂ e t C-1)	$\frac{44}{12}$	Default value
D _j	Basic wood density of species j (t d.m. m ⁻³)	Bibliography value (Winjum et al. 1998). Correctly identified by the PP and inputted in calculation spreadsheet (Annex G).
D _{DW}	Basic wood density of dead wood in the density class-sound (1), intermediate (2), and rotten (3) (T d.m. ft ⁻³)	Bibliography value (Harmon et al. 2011). Correctly identified by the PP and inputted in calculation spreadsheet (Annex M).
CF _j	Carbon fraction of biomass for tree species j; IPCC default value = 0.5 (t C t ⁻¹ d.m.)	Default value. Correctly identified by the PP and inputted in calculation spreadsheet.
A _{BSL, i}	Area of baseline stratum, i (Acres)	Calculated by GIS. Crosschecked by AENOR through the shapes (Annexes Y, B) and property deeds AG, and onsite (Activity #1). The project area and its strata do not change for ex ante and ex post estimations, regardless the scenario.
BEF	Biomass expansion factor for conversion of annual net increment in stem biomass to total above ground tree biomass increment for	Default values according to VM0003 v1.3. Correctly identified by the PP and inputted in calculation spreadsheet.

	species j (Dimensionless)	
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Quantification of project emissions

Procedures for the quantification of project emissions and/or removals were taken from Section 8.5 of the VM0003 Methodology v1.3. The following steps were taken:

Quantification of GHG emission reductions and removals, including Parameters at validation		Steps taken to validate the quantification methods
ΔC_{ACTUAL}	Actual net greenhouse gas removals by sinks (t CO ₂ e)	Properly calculated by using Equation 10, as confirmed in Annex AB.
ΔC_P	Sum of the changes in above-ground biomass, dead wood and wood products in the project scenario (t CO ₂ e)	Annual change in carbon stock in all selected carbon pools for year t (t C yr ⁻¹) multiplied by the ratio of molecular weights of CO ₂ and carbon (mol mol ⁻¹) (44/12), according to equation 11. Properly calculated by using Equation 10, as confirmed in Annex AB and K.
ΔC_t	Annual change in carbon stock in all selected carbon pools for year t (t C yr ⁻¹)	It was properly calculated using Equation 12, as the sum of Annual carbon stock change in above-ground and below-ground biomass, dead wood carbon and wood products carbon for stratum l (t C yr ⁻¹). Confirmed in Annex AB.
$\Delta C_{AG,l,t}$	Annual carbon stock change in above-ground biomass of trees for stratum i (t C yr ⁻¹)	The allometric equation method was chosen (Equation 19). Tree species, DBH, height, decay, and region-specific biomass equations were used to calculate carbon estimates in tonnes of CO₂ equivalent. It was estimated based on field measurements in sample plots, considering the Carbon stock in above-ground biomass of tree and Carbon fraction of biomass for tree species (IPCC default value = 0.5 tC/td.m.). Carbon was only calculated for trees above 5 inches at DBH and above. Both the project and baseline ex-ante scenarios utilize the same underlying forest inventory data to forecast, which was realized in 2021 and 2023 (1,150 plots) for the current PAIs (Annex W). All inventory data underwent QA/QC checks as described (Annex AL). The plot allocation process used the “Calculation of the number of sample plots for measurements within A/R CDM project activities” tool v2.1.0 (Annex AP). During the onsite visit a sample of plots were re measured (Activity #2), with no major

		deviations (see rationale above). In order to be consistent, baseline scenario and project scenario have the same stratification. As well as in the baseline, the volume and biomass equations and references were sourced from the US Forest Inventory & Analysis (FIA) program, which are also used in both the CAR Board and CAR programs, and are available on both of these programs' as checked and considered appropriate by AENOR. Biomass equations were compiled in proprietary visual basic analysis code (VBA) in Microsoft Excel and data analysis software (checked in Annex AB). Within the ex-ante model the two main parameters used were: - Annual Delta C_{actual}: estimate the project proponent developed for yearly carbon accretion rates in a per acre basis in the corresponding State of US, where the current PAI are located, based on inventories conducted in the region. - Baseline Depletion Rate: developed by the PP to approximate the yearly decrease in baseline stocks from the project starting year. The parameters were only used in the ex-ante accounting model and not within ex-post calculations, since are approximate estimates for ex ante estimation. To calculate total carbon stocks in trees (Equation 21) was used, by taking Carbon stock in above-ground biomass and Carbon stock in below-ground biomass. This was multiplied by the relation of Area of stratum/Total area of all sample plots in stratum (Equation 22), to obtain Carbon stock in trees per stratum. Divided by the Number of years between monitoring time t1 and t2 (Equation 23), it is obtained Annual carbon stock change in above a below-ground biomass of trees for stratum. Proper calculation confirmed in Annex AB.
$\Delta C_{BG,t}$	Annual carbon stock change in below-ground biomass of trees for	Calculated as Carbon stock in above-ground biomass of tree multiplied by Root-shoot ratio appropriate for biomass stock of species (0.24 according to 2006 IPCC Guidelines

	stratum i ($t\ C\ yr^{-1}$)	for National Greenhouse Gas Inventories – CH_4 Forest Land), according to Equation 20. This root-to-shoot ratio was used for all strata, including pine plantations. It was correctly inputted in the spreadsheets (Annex W).
$\Delta C_{DW,i,t}$	Annual change in the dead wood carbon pool for stratum i ($t\ C\ yr^{-1}$)	Dead wood carbon pools within the project were calculated in the same manner as the baseline.
$\Delta C_{WP,i,t}$	Annual change in the wood products carbon pool for stratum i ($t\ C\ yr^{-1}$)	Harvesting is not expected neither under the project scenario in general terms, as confirmed onsite. Then wood products were not calculated for the ex-ante project scenario. When harvesting does occur carbon stocks contained within wood products will be calculated using the same equations than for the baseline.
$GHG_{PS,E}$	Greenhouse gas emissions as a result of implementation of the proposed IFM project activity within the project area in the project scenario; tCO_2-e	Project GHG emissions are equivalent to Non- CO_2 emissions due to biomass burning as part of forest management during the year t in the project scenario; $t\ CO_2-e$ ($E_{PS, BiomassBurn,t}$) according to Equation 35. However, no biomass burning will take place within the project area for the duration of the project, then the emissions as a result of the project are zero.
URS	Uncredited Reserve Stock	The project accounts for emissions from the implementation of limited harvesting as allowed by the policies of the PP which include continuous thinning, group selection and patch cuts for the purpose of maintaining forest health. These emissions will be quantified based on measurements of stock change according to the measurement methods required by VM0003 v1.3. Were the total project emissions as a result of harvesting as allowed by policy exceed the quantity of the URS, such excess emissions shall be accounted for in the selected carbon pools and ΔC_t (equation 12). Properly calculated in Annex AB.

Quantification of leakage

Ex-ante Leakage is estimated using VM0003 Methodology Section 8.6.

Quantification of GHG emission reductions	Steps taken to validate the quantification methods
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and removals, including Parameters at validation		
LK	Total GHG emissions due to leakage; tCO ₂ e	According to equation 39 in VM0003 v1.3, Leakage is equal to total GHG emissions due to impacts of project on timber supply and demand (LKMarket Effects, tCO ₂ e), it means, equal to market leakage. AENOR confirmed that it is a correct interpretation.
LK _{Market Effects}	Total GHG emissions due to market- effects leakage through decreased timber harvest; t CO ₂ -e	Using equation 41, it was calculated as the difference amongst Actual and Baseline net greenhouse gas removals by sinks, multiplied by Leakage factor for market-effects calculations (LFME). Properly calculated in Annex AB.
LF _{ME}	Leakage factor for market-effects	It was determined by using forest type default values provided by the VM0003 v1.3 for the PAI validated. Within each stratum, the proportion of total biomass in merchantable species (PMPi) is calculated and compared with the mean proportion of total merchantable biomass for each forest type (PMLFT). It was checked by VVB that the merchantable biomass was considered according to the definition in the methodology. After PMPi and PMLFT are calculated and compared, the deduction factors (LFME) determined in the VM0003 v1.3 were used. LFME was determined to be 0.2 or 0.4 depending on the PAI. Properly calculated in Annex AB for the ex-ante values. Default values were correctly inputted in calculation spreadsheet.

An applicability condition of using the VM0003 v1.3 is that the project will not have any leakage because of activity shifting to lands owned by the landowners that are outside the project area (Equation 40). This is an eligibility criteria (#2d): avoiding the leakage by requesting the owner to enroll all its lands. In case of current PAIs this was verified during the interview with the sampled owners (Interview #6) and crosschecked the PP' due diligence process (Annex AT), where it was confirmed that owners enrolled all their forested areas in the project. This prevents any activity shifting leakage because the PP and landowner do not have any unenrolled forested lands to shift harvesting onto. It is important to note that for the purposes of defining forestland, the FAO definition is used (Annex K), where land used predominantly under agricultural or urban land use is not considered forested and may be considered as other land with tree cover.

Uncertainties associated with the calculation of emissions

The determination of sampling error for the purposes of calculating the uncertainty deduction is assessed at the project-level using a 90 percent confidence interval of VM0003 v1.3 (Section 8.7.1). Stratum-level sampling variances are combined to a single project-level sampling variance, weighted by

stratum acreage relative to the total project acreage as is standard for stratified samples, following Lohr equation (2014)

For the project and baseline scenario, the included carbon pools for above ground biomass, below ground biomass, wood products and standing dead wood were all either measured as part of the plot-based inventory sample or were modeled based on input inventory data from the plot-based sample. The %SEM (Standard Error of the Mean, in %) is calculated based on plot-based inventory data, and since these pools were measured as part of the same sample, they have the same %SEM. For the project and baseline scenarios, lying dead wood is estimated as part of the transect-based inventory sample, resulting in a distinct sample from the plot-based inventory. Thus, the Lying deadwood pool %SEM is distinctly estimated using the inventory data collected from the transect-based sample.

The accurate calculation of uncertainty was confirmed by the VVB in Annex AB (Uncertainty calculation), as well as the interviews with the team in charge of calculations (Interviews #1, 4, 5; Activity #7). The correct application of the forest inventory procedures and QA/QC procedures to reduce uncertainty were checked in field Activities #1-3 above described.

Monitoring plan application

Above, the parameters available at validation were described, updated to include the current PAIs, aligned with the PD (section 5.1). This following section includes the monitored parameters, as stipulated in section 5.2 of the DP and the monitoring plan in section 5.3 (PD).

The GHG emission reductions and/or removals for the verification period were quantified correctly in accordance with the project description and with the applied methodology VM0003 v1.3. An identification of the data and parameters used to calculate the GHG emission reductions and/or removals for this verification period, and a description of the steps taken to assess each of them, follows.

Parameter monitored	Assessment of accuracy of GHG emission reductions and removals	Assessment of whether methods/formulae set out in project description have been followed Conclusion regarding appropriateness of default values
Ai Area of measurement stratum i; Hectares	The audit team reviewed the project boundaries in the field (Activity #1), the cartographic information provided (Annex B, C, Y) and independently recalculated per PAI it	Methods have been followed adequately. The values are appropriate.

	through GIS, confirming that it coincides with the data obtained by the PP and the data used in the calculation of GHG reductions (Annex AB).	
Ap Area of sample plot; Hectares/Acres	The audit team confirmed on-site the area of the non-permanent sampling plots (0.008 ha) in the field visit (section 2.4 in this report), the interview with the monitoring team (Interview #2, 3) and it was verified that it coincides with monitoring procedures (Annex 1) and was correctly used in the inventory calculation (Annex W).	Methods have been followed adequately. The values are appropriate.
DBH Diameter at breast height of tree 1.4 m (4.5 ft. above the ground); cm (in.)	A sample of plots was measured in the field (Activity #2) and no significant difference was obtained with the values used in the verified inventory. The monitoring team followed the same field monitoring procedures (Annex 1, M). The data sample was processed with the same procedures of the PP and independently recalculated inventory values, not obtaining significant variations in the inventory values (Annex W). The crosscheck and validation of PP inventory and the explanation of the replication of the modelling by AENOR is detailed in parameter $\Delta C_{BSLAG BG,i,100}$ above.	Methods have been followed adequately. The values are appropriate.
H Height of tree; m (ft.)		
DM_{n,i,t} Diameter of piece n of dead wood along the transect in measurement stratum i at time t; cm (in.)		
L Length of the transect to determine volume of lying dead wood; m (ft.)		
N Total number of wood pieces intersecting the transect		
PMP_i Merchantable biomass as a proportion of total above	The inventory values (Annex W) were recalculated independently by the audit team, that is, with the same procedure as the PP, as indicated in VM0003 v1.3 (section 9.1). The	Methods have been followed adequately. The values are

ground tree biomass for measurement stratum I within the project boundaries; %	crosscheck and validation of PP inventory and the explanation of the replication of the modelling by AENOR is detailed in parameter $\Delta C_{BSLAG BG,i,100}$ above. Parameters were correctly inputted in ex post calculations (Annex AB). Per VM0003 Section 9.3, ex-post re-stratification is allowed under certain circumstances, including unexpected disturbances or forest management activities/harvesting. However, during the onsite visit (Activity #2, 4) there was no evidence of any of them, since according to the inspection and confirmed during interviews with regional forester and owners (Interview #1, 2, 6) there were no silvicultural treatments or signs of fires, diseases, etc. during the monitoring period. Note that in order to harvest, owners must request permission to the PP (Eligibility Criteria #5.a), Thus, no re-stratification of the project was required and ex-post stratification is the same as the ex-ante one, as the PP proposed. The provided ERR calculations in the FCW Conserve ERR Calculation Spreadsheet v1.2 - C1 - No URS (Annex W) show values for each measurement strata within all PAIs. Accounting value inputs for measurement strata shown in the Raw Inputs tab of the ERR Calculation Spreadsheet represent the combined values for all management strata associated with each individual measurement strata. There are some measurement strata that do not contribute to crediting due to the absence of harvesting but are enrolled in the project to prevent activity shifting leakage; however they have been included in the ERR calculation spreadsheet (Annex W) to provide greater transparency on all lands enrolled in the project but do not contribute towards crediting.	appropriate.
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T (Number of years between monitoring period time t2 and t1 ($T = t2 - t1$); year	It was verified that the monitoring period was correctly identified: from the start date of the project to the date of the forest inventory and prior to the start of the audit process, and correctly inputted in ex post calculations (Annex AB).	Methods have been followed adequately. The values are appropriate.
URS Uncredited Reserve Stock; tCO2e	During the field visit it was verified that no commercial harvesting activity has been carried out so far, nor has any maintenance activity (clear cuts, patch cuts, seed tree, continuous thinning or group selection practices), also confirmed in interviews with staff (Interviews #1, 2) and owners (Interview #6). Then the 9% of total carbon stock in living and standing dead trees that was set aside as URS did not change for ex post estimations. On the other hand, given that in the monitoring period there have been no harvesting activities in accordance with the definition of VCS Program Definitions v4.4, and on the other hand, the inventory shows that stocks have grown, the application of the long-term average is not needed, as planned. The “No URS” version of the ERR calculation spreadsheet (FCW Conserve ERR Calculation Spreadsheet v1.2 - C1 - No URS) was provided during verification to illustrate that the URS approach is more conservative. As the PP mentioned in section 3.2 of the MR, the URS method was demonstrated during validation to not have an impact on the applicability conditions, additionality, nor the appropriateness of the baseline scenario. The uncredited reserve stock, and the impact on project-level accounting, was shown in the FCW Conserve ERR Calculation Spreadsheet v1.2-C1 spreadsheet. For reporting purposes both were referenced as Annex W in section 2.2 above, although were presented as different	Methods have been followed adequately. The values are appropriate.

	Excel spreadsheets.	
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Summary of net GHG emission reductions or removals

Quantification methods that used for GHG emission reductions and removals		Steps taken to validate the quantification methods
C _{IFM}	Net anthropogenic greenhouse gas reductions and removals (t CO ₂ e)	Calculated according equation 42, the net anthropogenic GHG removals by sinks is the actual net GHG removals by sinks minus the baseline net GHG removals by sinks minus leakage. Properly calculated in Annex AB.

In conclusion, the audit team finds that the ex post estimates of the GHG emission reductions and removals have been quantified correctly in accordance with the monitoring plan, applicable methodology VM0003 v.1.3, and validated PD for this verification period (14-July-2020 to 29-September-2023). Verified GHG emission reductions in the above verification period are as follow (Annex AB and MR Section 5.4, Table 22):

Vintage period	Baseline emissions (tCO ₂ e)	Project emissions (tCO ₂ e)	Leakage emissions (tCO ₂ e)	Buffer pool allocation (tCO ₂ e)	Reductions VCU (tCO ₂ e)	Removals VCU (tCO ₂ e)	Total issuance (tCO ₂ e)	VCU
14-Jul-2020 to 31-Dec-2020	79	344	84	40	23	275		298
01-Jan-2021 to 31-Dec-2021	2.391	11.951	2.868	1.376	536	9.561		10.097
01-Jan-2022 to 31-Dec-2022	5.986	29.242	7.045	3.381	1.407	23.394		24.801
01-Jan-2023 to 29-Sep-2023	5.609	39.151	8.952	4.297	190	31.321		31.512
Total	14.065	80.688	18.949	9.094	2.156	64.551		66.708

VCU Issuance is reported by Project Activity Instance and Vintage in MR Section 5.4, Tables 18-21.

The audit team concludes the following with respect to the MR:

Assessment of whether...	Conclusion
All estimates can be replicated using the data and parameter values provided in the MR.	The audit team was able to confirm the data and parameter assumptions used in the ex post estimates and confirms that all the process can be replicated using the input data provided for verification with the parameters, and processes described in the MR and supporting information (see

	sections 2.2, 2.3, 2.4 in this report).
All relevant assumptions and data are listed in the MR, including their references and sources.	The audit team confirms that all relevant assumptions and data as well as their references and relevant sources are documented clearly in the MR.
All data and parameter values used in the MR are considered reasonable in the context of the project.	The audit team has concluded that the values presented in the MR are reasonable in the context of the project. This was concluded after review of the data and parameter values presented in the MR, as well as independent review of documentation, interviews and onsite visit (references in sections 2.2, 2.3, 2.4 in this report).

Overall Conclusion

In conclusion, the methodology and any referenced tools, as well as the validated monitoring plan, have been applied correctly to calculate baseline emissions, project emissions, leakage and net GHG emission reductions and removals during the monitoring period.

4.4 Quality of Evidence to Determine Reductions and Removals

Based on the review of the PD, standard operating procedures, calculation workbooks, supporting documentation, on-site visit, and interviews with the project personnel and local stakeholders, the audit team asserts that the evidence used to determine the GHG reductions and removals for the verification period was of sufficient quantity and appropriate quality. An identification of the categories of evidence used to determine the GHG emission reductions and removals, and a description of the steps taken to assess the sufficiency of quantity, and appropriateness of quality, of each category of evidence, as follows:

Category	Reliability of the evidence, and source and nature of evidence (external or internal, oral or documented) for determination of GHG emission reductions or removals	Information flow from data generation and aggregation, to recording, calculation and final transposition into the MR	Appropriateness of implemented calibration frequency of monitoring equipment
Reporting spreadsheets	The calculations spreadsheets (Annex AC, AD, F, U, W, AB) were created by FCW staff and the audit team determined, after thorough testing, to be of high quality and highly reliable; quantity of	The audit team traced, recalculated and confirmed the data contained in the monitoring report from the removals/emission reductions calculation spreadsheets back	NA. Monitoring plan specifies calibration frequency of monitoring equipment and QA/QC procedures

	workbooks provided to audit team was sufficient.	to their respective sources (Activity #7).	were implemented.
Field Protocols	The field protocols (Annex 1, M) were reviewed by the audit team, who confirmed that they are based on sound scientific data using best practices and are capable of capturing changes in carbon stock in conformance with the methodology.	The audit team reviewed the field protocols and confirmed that the QA/QC (Annex AL) procedures provide checks and balances to ensure high quality data collection during the site visit, since a sample of plots was measured during the onsite visit (Activity #2) and it was observed the field crew implemented the procedures as established (Activity #3).	NA. Monitoring plan specifies calibration frequency of monitoring equipment and QA/QC procedures were implemented.
GIS Data	All stratification information in spreadsheets and other spatial data (Annex C, B, Y) was provided to the audit team, who confirmed that the data contained all the necessary information to recreate the processes employed by the project and found the calculations consistent with values stated in the MR report and applied calculations.	The audit team recalculated and confirmed the total project area per PAI, as well as the total area of each individual stratum level analysis unit reported in the workbooks (Activity #1).	NA. Monitoring plan specifies calibration frequency of monitoring equipment and QA/QC procedures were implemented.

All calculations of GHG emission reductions and removals were checked by the audit team. No errors were discovered that materially affect the stated GHG reductions/removals of the project during the monitoring period. The methods used to estimate GHG benefits of the project were consistent with the methodology and the current validated and verified PAIs of the project, and it is deemed that the evidence is sufficient and appropriate.

4.5 Non-Permanence Risk Analysis

The PP has elaborated a VCS Non permanence Risk Report (digital template in Verra Hub and hard copy in Annex AU) for the verification process according to the AFOLU Non-Permanence Risk Tool v4.2. Note that the NPRR is based in the current validated PAIs. In the future, when other PAIs join the Project it may be in other US States, and the requirements related to geographic areas of grouped projects of VCS Standard v4.7 and the definition of the AFOLU Non-Permanence Risk Tool 4.2 in VCS, will be enforced, in order to gather under the same 'designated geographic area' the similar PAIs in order to apply a Non Permanence Risk assessment and a buffer in each one.

Below, it is explained the assessment and the issues raised on regard the non-permanence risk rating determined by the PP in the MR version 1.5.

Risk factor	Risk Rating	Assessment of rationale, assumptions and justification, and quality of documentation and data provided
Internal Risk		
Project Management: (table 1 of the VCS AFOLU Risk Tool)	0 (total shall not be less than zero)	AENOR crosschecked that: a) No planting is planned as part of the project, as checked along the PD and MR and during the onsite visit of the VVB. Risk rating=0 is justified. b) Land tenure is clear, and there are no land use rights disputes or encroachments risks, as checked in property deeds (Annex AG), GIS data base (Annex B, Y), onsite visit (Activity #1), and interview with owners and PP (Interview #1, #6). Risk rating=0 is justified. c) In accordance with the evidence provided (Interviews #1-5), Management team includes individuals with significant experience in all skills necessary to successfully undertake all project activities and monitoring (Activity #3). Risk rating=0 is justified. d) The PP has HQ in US. Management team maintains permanent presence in the regions, as verified in interviews with local staff (Interview #1-5) and owner (Interview #6-7). Risk rating=0 is justified. e) Management team has never failed to submit a loss report within two years of detecting a loss event. This is the first verification and no evidence of loss event. Risk rating=0 is justified.
Financial viability (table 2 of the VCS AFOLU Risk Tool)	0 (total shall not be less than zero)	e) The payback period is four years or less from the current risk assessment. VVB verified that breakeven at year 1 (Annex U and Interview #1). Risk rating=0 is justified. i) Project has secured 80% or more of funding needed to cover the total cash out required before the project reaches breakeven (verified in Annex U by VVB and Interview #1). Risk rating=0 is justified.
Opportunity Cost (table 3 of the VCS AFOLU Risk Tool)	0 (total shall not be less than zero)	e) NPV of project activities is expected to be greater than 20 percent and up to 50 percent more profitable than that of the most profitable alternative land use activity (checked in Annex S and interviews with owners, PP and regional forester –Interview #1, 2, 6-. The baseline scenario was chosen as the alternative scenario with the highest financial profit, which is intensive harvest. Risk rating=-2 is justified.
Project Longevity	0 (total shall not be less	a) Not applicable, see below.

Risk factor	Risk Rating	Assessment of rationale, assumptions and justification, and quality of documentation and data provided
(table 4 of the VCS AFOLU Risk Tool)	than zero)	b) Without legal agreement or requirement to continue the management practice. All landowners participating in the project shall participate in the agreement that the landowner shall continue forest management practices that protect credited carbon stocks for at least 60 years, which is the project longevity (verified in the signed agreements in Annex D and Interviews #1, 6). Risk rating=0 is justified.
External Risk		
Land Tenure and resources access/impact (table 6 of the Risk Tool)	0 (total shall not be less than zero)	- Process undertaken to discover any disputes over ownership and land, resource access, or use rights. There are no disputes over land tenure or ownership of the project area of the project area nor disputes over access/use rights (or overlapping rights), according to the signed agreements in Annex D, property deeds in Annex AG, GIS database (Annex B, Y), and Interview with PP and owners #1, 6, and local staff (Interview #2). a) Ownership and resource access/use rights are held by same entity(s) as demonstrated in the signed agreements in Annex D, property deeds in Annex AG and Interviews with PP and owners #1, 6. Risk rating=0 is justified. e) No instances of Government intervention in the past 20 years or specific instances of expropriation. The project takes place solely in the United States where no expropriation or government intervention in land rights exist in modern times. Risk rating=0 is justified. h,k) No disputes exist (see above). Risk rating=0 is justified. m) Potential upstream and sea impacts are demonstrated to be insignificant or effectively mitigated. Not applicable, no area close to sea level. n) Project area is protected by legally binding commitment to continue management practices that protect carbon stocks over the length of the project crediting period. Landowner participate in the agreement that the landowner shall continue forest management practices that protect credited carbon stocks for at least 60 years, which is the project longevity (verified in the signed agreements in Annex D and Interviews #1, 6 with PP and owners). Risk rating=-2 is justified.
Stakeholder Engagement (table 7 of the Risk Tool)	0 (total shall not be less than zero)	- Local populations, including those living in the project area or within 20 km of the boundary of the project area, are not reliant on the project area. The properties where the project area is located consist of the forested and other uses (reforestation, cattle) areas and therefore no one lives in the project area. On the other hand, the communities in the area of influence do not depend on the services or goods of these areas and have no rights over them. Confirmed during the onsite visit.

Risk factor	Risk Rating	Assessment of rationale, assumptions and justification, and quality of documentation and data provided
		Last, there are no third parties with any right of use over the land. Risk rating=0 is justified.
Political Risks (table 8 of the Risk Tool)	0 (total may not be less than zero)	e) USA presents 1.05 according to the World Bank Institute's Worldwide Governance Indicators. VVB verified the value and reliability of source (World Bank Institute Worldwide Governance Indicators website). Risk rating=0 is justified.
Natural Risks		
Fire Risk (table 10 of the Risk Tool)	Several values	Annex AU was submitted to describe the process for selecting project level natural risk significance and frequency, as well as reference research papers as evidence for selection (See Annex AU in section 2.2). Original risk scores were weighted by smaller reference regions, updated NPRT now uses weighted project area by NPRT reference regions: Central North America, Eastern North America, and Western North America. The spreadsheet in Annex AU contains a table of areas of each PAI and state, assigned to a reference area of the NPRT, based on Annex C GIS area information. As checked by AENOR, significance and likelihood were properly identified by PP. Reviewed scientific articles justify the choice and are deemed applicable, reliable and conservative, in opinion of the VVB. The approach of weighting the area of each region regarding the total are seems accurate in opinion of AENOR. Climate Change Impact is properly justified in Annex AU as well. Adaptive Capacity was demonstrated according the adaptive management plan (Adaptive Management Plan in Annex T) that meets five adaptive capacity criteria.
Pest and disease outbreaks (table 10 of the Risk Tool)	Several values	
Extreme weather (table 10 of the Risk Tool)	Several values	
Geological risks (table 10 of the Risk Tool)	Several values	

The total final non-permanence risk is 12% (Total Internal Risk: 0 %; Total External Risk: 0 %; Total Natural Risk: 1%; Overall Risk Rating: 12 %). AENOR checked that information provided in the Non-Permanence Risk Report (Annex AU and scientific articles linked) is consistent with the support documents provided, and each risk factor was thoroughly assessed for conformance against proper rationale, assumptions and justifications. AENOR deems that information provided is reliable and appropriate. Thus, the overall risk rating is credible and realistic and a 12% buffer is determined and properly used for the ex post calculations.

5 VERIFICATION OPINION

5.1 Verification Summary

AENOR performed the verification of 'Family Forest Carbon Project' and confirms that the project is in conformance with the Verified Carbon Standard version 4.7 without qualifications or limitations. The verification of the GHG statement was conducted in accordance with ISO 14064-3:2019. GHG statement is the responsibility of Forest Carbon Works, PBC.

The verification process was performed on the basis of all issues and criteria of VCS. The conclusions of this report show that the project, as it was described in the monitoring report, is in line with all criteria applicable for the verification. The project has been implemented in accordance with the project description and validated variations described in section 3.1 of this report. The Project conforms with the validation criteria for projects set out in VCS Version 4.7 applied to the new instances included.

The verification assessment covered the first monitoring period from 14-July-2020 to 29-September-2023 and confirmed that calculated emission reductions were achieved during the monitoring period with a reasonable level of assurance.

5.2 Verification Conclusion

AENOR is able to issue a positive verification opinion for the 75,804 tonnes CO₂e as reported in the monitoring report for the reporting period below. The overall non-permanence risk rating was 12%. Therefore, the total number of credits to be deposited in the buffer account is 9.094 VCUs and the total VCUs to be issued are 66.708 VCUs. The level of assurance for this verification is reasonable with respect to material errors, omissions, and misrepresentations.

Verification period: From 14-July-2020 to 29-September-2023

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

The non-permanence risk rating (%)	12%
If applicable, the Long-term Average (LTA), whether it has been properly updated, and if it has been reached.	LTA is not applicable at this time. Harvesting in PAIs is prohibited without the consent of the PP, according to Eligibility criterion #5, and it maintains a policy that limits the application of harvesting to techniques that promote ERA, as demonstrated in FCW Membership Guide (Annex R) and FCW Harvesting Policy (Annex Q). Harvesting associated with the project activity shall not meet nor exceed the definition of harvest activity (according to VCS Program Definitions

	v4.4) meaning that the harvesting of trees or vegetation within each PAI shall not reduce carbon stocks by 20% or more during any 5-year period, unless applies the long-term average (according to VCS Standard v4.7). Either way, during the onsite visit (Activity #2, 4) there was no evidence of harvesting during the monitoring period, confirmed during interviews with regional forester and owners (Interview #1, 2, 6) or any other silvicultural treatments. However, all future harvesting conducted within the project will be designed to maximize carbon storage and/or improve forest health, and to transition forests to uneven-aged structure. This shift from even-aged to uneven-aged forest management will involve an increase in the average age of standing trees within the forest since the goal of the project is to sequester more carbon than currently exists with the project activity instances. On the other hand, 9% of total carbon in the standing forest is reserved by PP from crediting to provide flexibility for members to engage in climate smart forestry treatments while minimizing the impact on annual payments. This shows that, under the assumptions planned by the PP, the application of the long-term average would not proceed.
Whether a loss has been appropriately accounted for, in accordance with the VCS Program rules, if applicable.	Not applicable: no loss event during the monitoring period.

Vintage period	Baseline emissions (tCO ₂ e)	Project emissions (tCO ₂ e)	Leakage emissions (tCO ₂ e)	Buffer pool allocation (tCO ₂ e)	Reductions VCU (tCO ₂ e)	Removals VCU (tCO ₂ e)	Total VCU issuance (tCO ₂ e) ¹
14-Jul-2020 to 31-Dec-2020	79	344	84	40	23	275	298
01-Jan-2021 to 31-Dec-2021	2.391	11.951	2.868	1.376	536	9.561	10.097
01-Jan-2022 to 31-Dec-2022	5.986	29.242	7.045	3.381	1.407	23.394	24.801

¹ Annex AB and MR Section 5.4, Table 22.

01-Jan-2023 to 29-Sep-2023	5.609	39.151	8.952	4.297	190	31.321	31.512
Total	14.065	80.688	18.949	9.094	2.156	64.551	66.708

VCU Issuance is reported by Project Activity Instance and Vintage in MR Section 5.4, Tables 18-21.

5.3 Ex-ante vs Ex-post ERR Comparison

Vintage period	Ex-ante estimated reductions/removals	Achieved reductions/removals	Percent difference	Explanation for the difference
14-Jul-2020 to 31-Dec-2020	8,747	338	-96%	Ex ante estimates were made: - Considering a velocity of enrollment of lands that has not been met in terms of pace, although it has not changed in the expected total (202,347 increasing until year to 2030). - Considering the removals and emission reductions based on the initial inventory, which only included a PAI, since it was the inventory that had been done so far. VVB considers that the differences are justifiable and during the audit it was found that they correspond to what was stated by the PP.
01-Jan-2021 to 31-Dec-2021	38,031	11,474	-70%	
01-Jan-2022 to 31-Dec-2022	57,047	28,183	-51%	
01-Jan-2023 to 29-Sep-2023	76,063	35,809	-53%	
Total	179,888	75,804	-58%	

APPENDIX 1: COMMERCIALLY SENSITIVE INFORMATION

Section	Information	Justification	Assessment method and conclusion
-	-	-	There is no information from the MR to be excluded in its public version. All MR information can be included in its public version. Although the PP has reported some documents as commercially sensitive, these are not part of the public version of the MR, so it is not necessary to exclude them. The documents mentioned by the PP to be excluded are evidence to the MR itself and the reasons why the PP does not wish to make them public (even if they are not even part of the MR) are described in section 4.1 of this report.

APPENDIX 2: FINDINGS

Corrective Action Requests (CAR)

NC/CAR id.	01	Date:: 19/04/2024
NC/CAR description		
MR section 1.4: Please, update 'AFOLU Non-Permanence Risk Tool' to version 4.2.		
Project Proponent's Response		Date: 01/05/2024
The monitoring report section 1.4 does not reference the AFOLU Non-Permanence Risk Tool, however it is mentioned in Section 1.9. The version number in section 1.9 has been updated to the most recent version of the AFOLU Non-Permanence Risk Tool, v4.2.		
Documentation provided by the project proponent		
Family Forest Carbon Project Monitoring Report v1.3.		
VVB's evaluation		Date: 10/05/2024
Closed. MR section 1.9 was updated to correct the 'AFOLU Non-Permanence Risk Tool' version 4.2.		

NC/CAR id.	02	Date:: 19/04/2024
NC/CAR description		
MR section 3.3 is for validation of instances joining in this monitoring period. Thus, property 1024, which was already validated, should not be included.		
Project Proponent's Response		Date: 10/05/2024
Section 3.3 of the VCS Monitoring Report Template (v4.3) requires project proponents to provide relevant information about any new project activity instances. As such, we have removed information for project activity instance 1024, which has already gone through validation. All instances described in		

section 3.3 of the Monitoring Report are joining the project in this monitoring period and section 3.3 is now in conformance with the template.	
Documentation provided by the project proponent	
Family Forest Carbon Project Monitoring Report v1.3.	
VVB's evaluation	Date: 01/05/2024
Closed. PAI 1024 was properly removed from MR section 3.3, as it was previously validated.	

NC/CAR id.	03	Date: 19/04/2024
NC/CAR description		
In MR section 4.1, parameter 'PML,FT. Mean merchantable biomass as a proportion of total above ground tree biomass for each forest type' is not updated with current PAIs strata.		
Project Proponent's Response		Date: 01/05/2024
Per the instructions in the VCS Monitoring Report Template v4.3, "Complete the table below for all data and parameters that are determined or available at validation and remain fixed throughout the project crediting period (copy the table as necessary for each data unit/parameter). Data and parameters monitored during the operation of the project are included in Section 4.2 (Data and Parameters Monitored) below." The MR Section 4.1 has been updated to include all PML,FT values PAIs included in this verification period, including the initial project instance as this value has not changed since validation and shall remain fixed throughout the project crediting period.		
Documentation provided by the project proponent		
Family Forest Carbon Project Monitoring Report v1.3.		
VVB's evaluation		Date: 10/05/2024
Not closed. In MR section 4.1, parameter 'PML,FT' has been updated to include the values regarding all current PAIs (1 validated and 61 under validation). However: 1- VM0003 Methodology v1.4 is indicated, a version that does not exist.		

2- In the table, the 'PML,FT' values from stratum 102301 onwards do not match the information provided in Annex AB (FCW Conserve ERR Calculation Spreadsheet v1.0- Cohort 1). Particularly for PAI 1024, the values also do not coincide with those reported in the PD and its supporting documents.	
Project Proponent's Response	Date: 07/06/2024
1- References to VM0003 Methodology v1.4 has been removed and replaced with v1.3 2- PML,FT has been updated in a new version of Annex AB and these values and the table of PML,FT in Section 4.1 now align. Regarding PAI 1024, edits were made to Annex AB and PML,FT for PAI 1024 now aligns with the PD.	
Documentation provided by the project proponent	
MR Section 4.1	
VVB's evaluation	Date: 17/06/2024
1. Closed. Reference to the proper version of the methodology. 2. Not closed. 'PML,FT' values are now aligned. However, same case with 'PMP,i' values: not aligned amongst PD, MR (table in section 4.2 parameter 'PMPi'), Annex AB (FCW Conserve ERR Calculation Spreadsheet v1.1- Cohort 1), Annex W (FCW Conserve Cohort 1 TL v3). Neither in case of PAI 1024. Consider also alignment with Table 17 values in the final version. 3. Not closed (new). In MR 3.2.1, Net removals and emission and reductions (with URS) mention (65,949) and Table 5, and annual tables in MR section 5.4, do not match with the last version of the Annex AB provided. On the other hand, Annex AB has not been provided updated with no-URS version.	
Project Proponent's Response	Date: 03/07/2024
2. A new version of the PD has been submitted to match the latest values in Annex W. The PMP,i values in the table in Section 4.2 have been updated to match Annex W. 3. MR 3.2.1, Tables 5 and 6, and annual tables in Section 5.4 are updated to match the latest version of Annex AB. Additionally, the no-URS version of Annex AB has been submitted.	
Documentation provided by the project proponent	
Project Description v1.7, MR, Annex AB	
VVB's evaluation	Date: 12/07/2024
Closed. Correct external evidence and updated MR have been provided.	

NC/CAR id.	04	Date: 19/04/2024
NC/CAR description		
1- In MR section 4.2, parameter ‘ABSL, i. Area of baseline measurement stratum, i’ is a validation parameter (not a verification parameter). On the other hand, values applied do not match values used in Annex AB (FCW Conserve ERR Calculation Spreadsheet v0.99). 2- In MR section 4.2, parameter ‘PMPi. Merchantable biomass as a proportion of total above ground tree biomass for measurement stratum i within the project boundaries’ values applied do not match values used in Annex AB (FCW Conserve ERR Calculation Spreadsheet v0.99).		
Project Proponent’s Response		Date: 01/05/2024
1- The parameter “ABSLi” has been moved from MR Section 4.2 to MR Section 4.1 to reflect that it is a validation parameter. The ABSLi values in the MR are reported in hectares, whereas the ABSLi values in Annex AB were reported in acres. The values are equivalent between the two documents, the difference in values is solely due to the differing units. The “Raw Inputs” worksheet in Annex AB has been updated to provide Project Area values in both acres and hectares in columns E and F, respectively. This resolves the nonconformity by moving the parameter to the correct location and explaining the reason for the differing values between documents, as well as updating Annex AB to improve continuity between documentation. 2- The PMPi values in Annex AB are correct. MR Section 4.2, parameter PMPi, values have been updated to match those from Annex AB. This resolves the nonconformity by ensuring that the PMPi values are consistent throughout the project documentation.		
Documentation provided by the project proponent		
Family Forest Carbon Project Monitoring Report v1.3. FCW Conserve ERR Calculation Spreadsheet		
VVB’s evaluation		Date: 10/05/2024
1. Closed. Parameter “ABSLi” has been moved to the proper section and the alignment amongst the values reported in MR section 4.2 and Annex AB. 2. Closed. Parameter ‘PMPi’ values in MR section 4.2 have been corrected.		

NC/CAR id.	05	Date: 19/04/2024
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NC/CAR description	
Regarding the PAIs included in the monitoring period: 1- Some Annexes (e.g. Annex AI, Annex D, Annex AG, etc.) contain information from PAIs not included for verification. Please, explain the rationale (process not concluded, withdrawal?). 2- Table 4 and Table 2 in the MR do not include the proper PAIs (please check 1086-1087 and 1095 properties inclusion).	
Project Proponent's Response	Date: 01/05/2024
1 - The Annexes C, D, X, AG, and AI have been revised to only include PAIs ready for enrollment as part of Monitoring Period 1. Files related to PAIs planned for enrollment in Monitoring Period 2 have been removed (PAIs 1032, 1049, 1060, 1071, 1079, 1081, 1091, 1092, 1093). One PAI originally submitted for Monitoring Period 1 has been withdrawn (PAI 1072). 2- Tables 2 and 4 have been reorganized and updated to include all PAIs added during this verification cycle, with any missing data included and errors fixed. A new version of the KML of the PAI centroids has been created and submitted as Annex C.	
Documentation provided by the project proponent	
Annex C, Annex D, Annex X, Annex AG, Annex AI	
VVB's evaluation	Date: 10/05/2024
Closed. PAIs included are now aligned amongst MR sections and supporting documents (Annexes).	

NC/CAR id.	06	Date: 19/04/2024
NC/CAR description		
MR section 5.4: In final comparison table, 'Achieved reductions/Removals' do not correspond to information reported in 'Annex AB tab MR 5.4'.		
Project Proponent's Response		Date: 01/05/2024
Table 23, in MR Section 5.4, does not draw its "Achieved emissions reductions/removals" values from "Annex AB tab MR 5.4", so the values should not correspond. Because Table 23 is evaluating the achieved emissions reductions/removals, the net GHG emissions reductions or removals values were		

used instead, as they correspond to the net changes prior to buffer pool allocation and other deductions that are present in the “MR 5.4” worksheet. These net GHG values are drawn from Annex AB “MR Table 5” worksheet column E, “Net GHG emission reductions or removals (tCO₂e). This resolves the nonconformity by explaining the source of the values in question and why the values do not correspond between the cited locations.

Documentation provided by the project proponent

Family Forest Carbon Project Monitoring Report v1.3.

FCW Conserve ERR Calculation Spreadsheet

VVB's evaluation

Date: 10/05/2024

Closed. The alignment amongst figures were clarified.

NC/CAR id.	07	Date: 14/04/2024																
NC/CAR description																		
Non-Permanence Risk Report, digital tool in Verra Project Hub:																		
1- According to the NPR digital tool, the % to apply is 13%, not 12% as indicated in the MR and supporting documents (Annex AB). According to NPR Tool v4.2, “2.5.1 The overall non-permanence risk rating shall be determined using Table 15. The overall risk rating shall be rounded up to the nearest whole percent”. Since a 12.2% is obtained, the platform indicates:																		
Overall Risk Rating: 13 % Total Risk Assessment: 13 %																		
Although it is recognized that it may be confusing since it also indicates:																		
<table><tr><th>DATE ↑</th><th>PROJECT ID ↑</th><th>PROJECT NAME ↑</th><th>COUNTRY ↑</th><th>OVERALL RISK RATING ↑</th><th>LAST MODIFIED BY ↑</th><th>LAST MODIFIED DATE ↑</th><th>STATUS ↑</th></tr><tr><td>2024-03-07</td><td>6258</td><td>Family Forest Carbon Project</td><td>United States</td><td>12%</td><td>Alan Worden</td><td>2024-03-11</td><td> Submit </td></tr></table>			DATE ↑	PROJECT ID ↑	PROJECT NAME ↑	COUNTRY ↑	OVERALL RISK RATING ↑	LAST MODIFIED BY ↑	LAST MODIFIED DATE ↑	STATUS ↑	2024-03-07	6258	Family Forest Carbon Project	United States	12%	Alan Worden	2024-03-11	Submit
DATE ↑	PROJECT ID ↑	PROJECT NAME ↑	COUNTRY ↑	OVERALL RISK RATING ↑	LAST MODIFIED BY ↑	LAST MODIFIED DATE ↑	STATUS ↑											
2024-03-07	6258	Family Forest Carbon Project	United States	12%	Alan Worden	2024-03-11	Submit											
2- ‘Net change in the project's carbon stocks’ is indicated as 75855; however, it does not match with the corresponding information reported in MR and supporting documents (Annex AB).																		
3- In Stakeholder Engagement question ‘Q1 Are local populations, including those living in the project area or within 20 km of the boundary of the project area, reliant on the project area?’, please, provide rationale in the platform.																		
4- Please, provide evidence and justification for the Natural Risk Assessment, per each Risk, Historical																		

Significance and Historical Likelihood. Since the digital template does not allow to provide the explanation and upload the evidence, it can be done separately in an external document (for the explanation and links) and folder (if there are external articles).

5- Natural Risk. Future Climate Impact. Please, provide evidence and justification where requested, since some of the 'File Upload / Reason' boxes are empty.

6- Natural Risk. Adaptive Capacity. Please, provide more specific responses regarding 1) the compliance, 2) the supporting evidence (specific mention within the Adaptive Management Plan section, not only the Adaptive Management Plan in general terms). You can check the information box for orientation.

7- Natural Risk. Sea Level Rise. Please, indicate in the boxes why it is not applicable in order to provide context to any reader.

Project Proponent's Response

Date: 07/06/2024

1: The NPRT is corrected to reflect 13% in Annex AB and the rest of the monitoring report. Additionally, Annex AB, the ERR Accounting Model, has been updated to use 13% rather than the original 12%.

2: Net change in carbon stocks entered in the NPRT digital tool now matches with the C_IFM as calculated in Annex AB.

3: While PAI landowners may live on the project area, no owners of instances have indicated that they or any neighbor within 20km of the project boundary is reliant on the project area. This is clarified and added to the newest version of the NPRT digital tool. Due to a NPRT digital tool technical issue preventing justification/evidence from saving for this risk factor, justification is as follows: *While PAI landowners may live on the project area, no owners of instances have indicated that they or any neighbor within 20km of the project boundary is reliant on the project area. Additionally, as all project instances are privately owned, it is implicit in the United States that no local population should be reliant on a property not owned by that population.*

The PP has sent an email to the Verra Project Hub support email address for support on the tool deleting added text and/or files in the justification/evidence boxes.

4: A new Annex, Annex AU, has been submitted that describes the process for selecting project level natural risk significance and frequency, as well as reference research papers as evidence for selection. Original risk scores were weighted by smaller reference regions, updated NPRT now uses weighted project area by NPRT reference regions: Central North America, Eastern North America, and Western North America. However, the risk score remains the same. The spreadsheet in Annex AU contains a table of areas of each PAI and state, assigned to a reference area of the NPRT, based on Annex C GIS area information.

5: All justification boxes now have a justification and/or reference paper included in the new version of the NPRT digital tool. Some issues with saving the NPRT have been reported, and evidence of the selections is found in Annex AU: Climate Change Impact. Drought stress, higher temperatures, lower precipitation, and increasing severe winds all can have a detrimental effect on forest health, thus

causing a decline in forest stocking and potential to store carbon.

6: More detailed references have been provided in the Adaptive Capacity file/reason sections to justify selection of actions in adaptive capacity criteria in the latest version of the NPRT. In the case that references do not save, Section 5.4.4 of Annex T references adaptive capacity criteria, as well as Annex AV.

7: Added context to the NPRT digital tool stating that no instances fall directly on coastlines and are thus not susceptible to carbon stock loss due to sea level rise. In the case of the NPRT not saving this justification, see Annex C for PAI locations as evidence that no instances are directly on coastlines susceptible to sea level rise.

Documentation provided by the project proponent

Annex AB, Verra Project Hub NPRT version 2, Annex AU, Annex AV

VVB's evaluation

Date: 17/06/2024

1. Not closed. Annex AB provided in the last submission (AB. FCW Conserve ERR Calculation Spreadsheet v1.1- Cohort 1) still indicates and uses BRR as 12%.

2. Not closed. While NPR digital tool indicates 'Total number of credits to be deposited in the AFOLU pooled buffer account: 9854.520', Annex AB submitted indicates 9.094. Please, align MR, NPR Tool and Annex AB.

3. Not closed. Clarifying text is accepted, but still pending to be indicated in the digital tool (until further instructions from Verra Project Hub team).

4. Not closed. The information provided is accepted. However, in 'Historical Risk Score Justification.xlsx', the Weighted Average Significance for Extreme weather is not properly calculated (check cell C4 in Tab Regional Risk Identification). Please, update the Excel and the response in NPR Tool.

5. Not closed. Information is accepted, but still pending to be indicated in the digital tool (until further instructions from Verra Project Hub team).

6. Not closed. Please, provide more specific responses regarding:

1) the compliance: The answers have barely changed since the previous version and the answer is not specifically in line with what is required in each criteria.

2) the supporting evidence (specific mention within the Adaptive Management Plan section, not only the Adaptive Management Plan in general terms). You can check the information box for orientation: only 3 of the 5 criteria refer to section 5.4.4 of the Adaptive Management Plan, which is very generic and gives too vague support to the statement.

7. Closed. Clarification updated in NPR digital tool.

Project Proponent's Response	Date: 24/06/2024
1. Annex AB uses the updated NRR of 12%, now that point 4 below was addressed in the NPRT, the risk is now 12%. The PP notes that the buffer pool contribution calculated in Annex AB yields a 2 tCO₂e difference between the NPRT and tables in MR table 5.4. Annex AB performs the following calculation, $(0.12 * (\text{deltaCP,adjusted} + \text{deltaCDSL,adjusted}))$, where the NPRT performs $(.12 * \text{deltaCProject})$. The inputs are identical, however Annex AB rounds down <i>deltaCP,adjusted</i> and <i>deltaCDSL,adjusted</i> prior to applying the 12% reduction, thus the difference between the buffer pool allocation in the NPRT and Annex AB, and tables in the MR. 2. MR, NPR Tool and Annex AB are all aligned with correct Buffer Pool amounts using the latest NRR of 12%. 3. No action needed by PP, saving issue not fixed by Verra project hub yet. 4. Cell C4 in Tab Regional Risk Identification has been updated to reflect correct values, and the NPRT has been updated. This edit reduces the overall Risk Score to 12%. 5. Information is accepted, but still pending to be indicated in the digital tool (until further instructions from Verra Project Hub team). 6. NPRT Adaptive Capacity Criteria: 1) The PP's previous submission was not saved by the NPRT tool. A new copy of the digital NPRT has been submitted to the VVB with updated justification and evidence after a saving issue that has been resolved for justification text, however evidence saving is not functioning. The below points list the 5 Adaptive Capacity criteria met by Annex T, AV, and AU to supplement the digital tool. 2) the supporting evidence remains the same, Annex T, which has been updated to more accurately reflect the adaptive capacity criteria required in the NPRT. Where the Adaptive Management Plan is referenced, a citation to the relevant section has been included. Additionally, Annex AV and the Financial Viability risk section is referenced as evidence that was not saved by the NPRT tool. These are submitted as additional annexes to the VVB. The following lists the evidence that was uploaded to the Verra NPRT but not saved by the tool: • 2. Learning Capacity (Annex T, Adaptive Management Plan 5.4.4) • 3. Room for Change (Annex T, Adaptive Management Plan 5.4.4) • 4. Leadership (Annex T 5.4.4, Annex AV) • 5. Resources (Annex V) • 7. Innovation (Annex AV)	
Documentation provided by the project proponent	
Annex T, Annex AB, Annex AV, Annex V, Verra NPRT submission MP 1 v2	

VVB's evaluation	Date: DD/MM/YYYY
1, 2. Closed. NPR % in Annex, MR an NPR digital tool is the same. However, Verra should provide guidance on how to align the rounding. 3. Closed. Action accepted. 4. Closed. 'Historical Risk Score Justification.xlsx' updated. 5. Closed. Action accepted. 6. Closed. Action accepted.	

Clarifications (CLs)

CL ID	01	Date: 19/04/2024
CL description		
Please, provide more information in section MR 1.12 regarding the template request: "Identification of which SD contributions described in Table 1 of this report contribute to achieving any nationally stated sustainable development priorities, including any provisions for monitoring and reporting these".		
Project proponent's response		Date: 01/05/2024
Per the instructions in the VCS Monitoring Report Template v4.3, the MR table identifying Sustainable Development Contributions must also include "Identification of which SD contributions described in Table 1 of this report contribute to achieving any nationally stated sustainable development priorities, including any provisions for monitoring and reporting the same." An additional paragraph has been added prior to the table, Table 3 in the MR, to explain that the project adheres to the appropriate nationally stated sustainable development priorities and reporting standards which are with the United Nation's Sustainable Development goals adopted by the US in 2015.		
Documentation provided by the project proponent		
Annex AM		
VVB's evaluation		Date: 10/05/2024

Closed.

MR section 1.12 has been updated to comply with the request.

CL ID	02	Date: 19/04/2024
CL description		
In MR section 2.1.2: “The correspondence with the landowner was recorded and analyzed for project design comments and feedback, but neither major nor secondary stakeholders have submitted criticism or suggested updates to the project design”. 1- It is not clear if secondary stakeholders were consulted or not beyond the in-person meeting in Arkansas. In case they were not consulted widely, considering the disperse geographical scope of the project, please clarify how the means were communicated to be able to submit criticism or comments related to project design. In case they were not contacted, please provide justification and rephrase the above statement. 2- Please, provide the list of the identified secondary stakeholders if it exists. If it doesn't, please justify and clarify it in the text.		
Project proponent's response		Date: 01/05/2024
The instructions in the VCS Monitoring Report Template v4.3, state that the project proponent must, “Describe how the project proponent took all appropriate measures to communicate and consult with stakeholders during the monitoring period in line with the validated plan for ongoing communication.”. 1. While in-person feedback was solicited at the Arkansas stakeholder event, the project's website has maintained an open line of communication via the contact and grievance redress sections. Thus, though no secondary stakeholders chose to attend the in-person session, there were and continue to be open channels for communication, project feedback, and grievance resolution. These forms of communication directed towards secondary stakeholders were advertised in the printed material sent out (Annex AO) and will continue to be accessible through the project website. This clarification has been added to Section 2.1.2: Stakeholder Consultation and Ongoing Communication and the aforementioned sentences rephrased. 2. The list of the identified secondary stakeholders has been added to Annex AN.		
Documentation provided by the project proponent		

Annex AN, Annex AO Family Forest Carbon Project Monitoring Report v1.3.	
VVB's evaluation	Date: 10/05/2024
Closed. Clarification and evidence regarding the consultation of secondary stakeholders have been provided.	

CL ID	03	Date: 19/04/2024
CL description		
In MR section 2.1.4. Grievance Redress Procedure, the template requests “Where no grievances were raised, indicate this with NA and demonstrate that the procedure is easily accessible to stakeholders for ongoing consultation”. Please, update demonstrating that the procedure is easily accessible to stakeholders for ongoing consultation.		
Project proponent's response		Date: 01/05/2024
Per the instructions in the VCS Monitoring Report Template v4.3, “Use the table below to describe any grievances that were raised during the monitoring period and the steps the project proponent took to resolve the grievance including the resolution of the grievance. Repeat the rows as necessary. Where no grievances were raised, indicate this with NA and demonstrate that the procedure is easily accessible to stakeholders for ongoing consultation.” The table has been updated to demonstrate that the procedure is easily accessible to stakeholders for ongoing consultation.		
Documentation provided by the project proponent		
Family Forest Carbon Project Monitoring Report v1.3. Annex AJ, Annex AO		
VVB's evaluation		Date: 10/05/2024
Not closed. Although the section has been updated, it not yet clear how the means (e.g. phone, mail, in person meeting, etc.) are accessible to the different types of stakeholders.		

Project Proponent's Response	Date: 07/06/2024
The various means of communication available to stakeholders (e.g. phone, mail, email, project website submission form, in person meetings, etc.) allow stakeholders with differing needs to communicate with the project proponent. As various communication methods cater to different generations, regional norms, socio-economic statuses, and disabilities, having a myriad of communication forms available means that stakeholder communication is accessible across all groups. This information has been added to section 2.1.4 to clarify how the various means of communication are accessible to different types of stakeholders. Additionally, section 2.1.2 of the MR details the difference in how primary versus secondary stakeholders are consulted.	
Documentation provided by the project proponent	
Text added in section 2.1.4 of MR v1.4.	
VVB's evaluation	Date: 17/06/2024
Closed. Clarification added to demonstrate that the grievance procedure/communication channels are easily accessible to stakeholders for ongoing consultation.	

CL ID	04	Date: 19/04/2024
CL description		
MR sections 2.2 Risks to Stakeholders and the Environment, 2.3.1 Labor and Work, 2.3.2 Human Rights, 2.3.3 Indigenous Peoples and Cultural Heritage, 2.3.4 Property Rights refer to FSC certification to justify the compliance with the requests of the standard. However, MR section 3.3 (Eligibility Criterion 6) is states "No PAIs hold FSC certification during this monitoring period, so to comply with EC 7, see Annex D for evidence of an easement or equivalent instrument in place for each PAI that prevents commercial harvesting until FSC certification". Please, review MR section 2 demonstrating the compliance considering that no PAI is currently FSC-certified.		
Project proponent's response		Date: 01/05/2024
Per the instructions in the VCS Monitoring Report Template v4.3, the project must adhere to standards regarding section 2.2 Risks to Stakeholders and the Environment, 2.3.1 Labor and Work, 2.3.2 Human Rights, 2.3.3 Indigenous Peoples and Cultural Heritage, and 2.3.4 Property Rights. 1. As a group certificate holder, SCS-FM/CoC-009247, Chestnut Carbon, LLC and associates are		

beholden to FSC requirements regarding these five aspects of project development. An annual FSC audit confirms Chestnut's conformance to these standards as well as any entity associated with performing labor or tasks for the project. Thus, while there are no individual PAIs that are FSC certified, the entire grouped project must comply with FSC standards as the project proponent is a group certificate holder. All consistent activities involved in the project must abide by FSC rules including those pertaining to 'Labor and Work', 'Human Rights', 'Indigenous Peoples and Cultural Heritage', and 'Property Rights'. The requirement for individual PAI FSC certification is primarily to ensure compliance with specific forest management plan and sustainable harvest standards rather than broader policies such as human rights.	
Documentation provided by the project proponent	
Family Forest Carbon Project Monitoring Report v1.3.	
VVB's evaluation	Date: 10/05/2024
Not closed. While it is clear that Chestnut Carbon, LLC holds an FSC group certificate (SCS-FM/CoC-009247), it is not demonstrated how, if the PAIs are NOT within the certificate and this not under the annual third-party audit, the PP is guaranteeing compliance with the requirements of sections MR 2.2, 2.3.1, 2.3.2, 2.3.3 and 2.3.4. In other words, if it is not necessary for the PAIs to be within the certificate to guarantee compliance, why would they be included under the certificate at any time? Note that this is not a request to certify the PAIs, or question the existence of EC 7, but rather that, with the information provided, there is no evidence of compliance with the requirements of the standard (2.2 Risks to Stakeholders and the Environment, 2.3.1 Labor and Work, 2.3.2 Human Rights, 2.3.3 Indigenous Peoples and Cultural Heritage, and 2.3.4 Property Rights) in the PAIs to be validated, regardless the PP holds an FSC group certificate.	
Project Proponent's Response	Date: 07/06/2024
The project proponent has developed two documents to ensure compliance with MR Sections 2.2, 2.3.1, 2.3.2, 2.3.3, and 2.3.4: the 'FCW Conserve Safeguard Risk Identification Report' and 'FCW Conserve Safeguard Risk Policy' (Annex AW). The FCW Conserve Safeguard Risk Identification Report' provides an overview of Forest Carbon Works' methodology and findings in identifying and assessing potential risks associated with project activity instances within the Family Forest Carbon Project. The 'FCW Conserve Safeguard Risk Policy' offers a comprehensive framework for how FCW will mitigate risks associated with project activities. Regarding FSC certification, compliance with FSC standards will not serve as the mitigating factor for MR Sections 2.2, 2.3.1, 2.3.2, 2.3.3, and 2.3.4. Instead, the two referenced documents represent FCW's approach to identifying and mitigating risks. While FSC certification plays a role in these documents, its applicability in certain scenarios will be clarified. Although individual PAIs may not be FSC certified, no commercial harvesting related to the project activity (IFM) has taken place during this	

monitoring period that could contravene VCS safeguard requirements. If future commercial operations related to the project activity (IFM) introduce a risk of violating VCS requirements, they will be FSC certified before harvesting commences to ensure compliance. Therefore, if there is no commercial harvesting within PAIs, it is not necessary for individual instances to be FSC certified to ensure compliance. However, if any harvesting occurs in future monitoring periods, the relevant instances must be included under the certificate.

As per MR Requirements, the MR has been updated to reflect this information in the following sections:

2.2 Risks to Stakeholders and the Environment.

Additional explanation has been added to Monitoring Report Section/Table 2.2: Risks to Stakeholders and the Environment pertaining subsections 'Working Conditions', 'Safety of women and girls', and 'Safety of minority and marginalized groups, including children'. This explanation identifies risks and the corresponding mitigation strategies that FCW has undertaken. Additionally, more explanation about relevant national laws and regulations has been added to show compliance to VCS requirements. More information about FCW's strategies to mitigate risks to stakeholders can be found in the FCW Conserve Safeguard Risk Identification Report and FCW Conserve Safeguard Risk Policy (Annex AW).

2.3.1 Labor and Work

Additional explanation has been added to Monitoring Report Section/Table 2.3.1 Labor and Work pertaining subsections 'Discrimination and sexual harassment', 'Gender equity in labor and work', and 'Human trafficking, forced labor, and child labor'. This explanation expands on the work FCW has done to identify risk and why FSC certification is applicable to mitigate these risks guarantee compliance to VCS Standard and MR Template requirements. More information about FCW's identification and mitigation of risks to labor and work can be found in the FCW Conserve Safeguard Risk Identification Report and FCW Conserve Safeguard Risk Policy (Annex AW).

2.3.2 Human Rights

Additional explanation has been added to Monitoring Report Section 2.3.2 Human Rights to explain VSC standard and MR template compliance. More information about FCW's identification and mitigation of risks to human rights can be found in the FCW Conserve Safeguard Risk Identification Report and FCW Conserve Safeguard Risk Policy (Annex AW).

2.3.3 Indigenous Peoples and Cultural Heritage

Additional explanation has been added to Monitoring Report Section 2.3.3 Indigenous Peoples and Cultural Heritage to explain VSC standard and MR template compliance. More information about FCW's identification and mitigation of risks to indigenous peoples and cultural heritage can be found in the FCW Conserve Safeguard Risk Identification Report and FCW Conserve Safeguard Risk Policy (Annex AW).

2.3.4 Property Rights

Additional explanation has been added to Monitoring Report Section 2.3.4 Property Rights, subsection 'Respect for property rights', to explain VSC standard and MR template compliance. More information

about FCW's identification and mitigation of risks to property rights can be found in the FCW Conserve Safeguard Risk Identification Report and FCW Conserve Safeguard Risk Policy (Annex AW).	
Documentation provided by the project proponent	
Annex AR Annex AW	
WVB's evaluation	Date: 17/06/2024
Closed. Applicable sections have been updated to explain how the PP is guaranteeing compliance with the requirements regarding Risks to Stakeholders and the Environment, Labor and Work, Human Rights, Indigenous Peoples and Cultural Heritage, and Property Rights.	

CL ID	05	Date: 19/04/2024
CL description		
In MR section 3.1 please explain the expansion of the project in terms of PAIs included since validation during this monitoring period.		
Project proponent's response		Date: 01/05/2024
Section 3.1 of the VCS Monitoring Report Template (v4.3) requires the project proponent to describe the implementation status of the project activities. To further meet these requirements, it has now been specified which instances are part of the expansion of the project in terms of PAIs now included since validation during this monitoring period, and which PAIs have already undergone initial validation. These changes bring section 3.1 of the monitoring report into conformance with the template.		
Documentation provided by the project proponent		
Family Forest Carbon Project Monitoring Report v1.3.		
WVB's evaluation		Date: 10/05/2024
Closed. MR section 3.1 was updated to explain the increase in PAIs during this monitoring period.		

CL ID	06	Date: 19/04/2024
CL description		
In MR section 3.3, regarding Eligibility Criterion 6, please, provide a comprehensive rationale on why the forest management plans (Annex Z) provided are comparable with the baseline scenario in the PAIs added per State (or designated geographic area), e.g. considering attributes such as property slopes, zoning classes, species, geographic and regulatory region, and prescribed forest management activities.		
Project proponent's response		Date: 01/05/2024
Section 3.3 of the VCS Monitoring Report Template (v4.3) requires the project proponent to provide relevant information about any new project activity instances and demonstrate and justify how each new project activity instance meets the eligibility criteria set out in the project description. Eligibility Criterion 6 in section 3.3 of the MR requires the provision of documentation demonstrating that common practice is even-aged forest management. The provided documentation shall be comparable to the baseline scenarios and is assessed based off the requirements of the California Air Resources Board Compliance Offset Protocol U.S. Forest Projects (COP 2015) section 5.2.1(e)(2)(B). Per COP 2015, the attributes assessed include the following: 1) slopes or logging methods, 2) zoning classes, and 3) species composition, as evidenced by either a) species composition per acre, b) codominant species, or c) forest type. To meet this requirement a workbook has now been provided in Annex AQ showing the logging method, zoning classes, geographic and regulatory region (if applicable), and harvesting type for a) the provided management plans proving that even-aged forest management is practiced in each region of the project, and b) the baseline scenarios used for each project activity instance in each state. To bring section 3.3 of the MR in conformance with the template this has also been noted in the text.		
Documentation provided by the project proponent		
Family Forest Carbon Project Monitoring Report v1.3. Annex AQ		
VVB's evaluation		Date: 10/05/2024
Closed. Annex AQ has been provided to justify how forest management plans (Annex Z) provided are comparable with the baseline scenario in the PAIs added per State, according to proper criteria (defined in Annex I), and it is deemed correct.		

CL ID	07	Date: 19/04/2024
CL description		
In MR section 4.2, parameter 'Ai, Area of measurement stratum i', please indicate the Annex where the information comes from. Same for 'ABSL, i. Area of baseline measurement stratum, i'.		
Project proponent's response		Date: 01/05/2024
Section 4.2 of the VCS Monitoring Report Template (v4.3) requires the project proponent to provide the data and parameters that were determined at validation. Copies and sources of data are to be provided as necessary. Parameter 'Ai, Area of measurement stratum i' can be found within the FCW Conserve Cohort 1 TL – 'Strata_LU' tab (Annex W). Parameter 'ABSL, i. Area of baseline measurement stratum, i' is identical to 'Ai, Area of measurement stratum i'. Underlying GIS files that corroborate acreage values for Ai and ABSL, i as reported in the MR and the FCW Conserve Cohort 1 TL – 'Strata_LU' tab are located in Annex Y. References to both Annex W and Y are now referenced in the MR for parameters Ai and ABSL, i.		
Documentation provided by the project proponent		
Family Forest Carbon Project Monitoring Report v1.3.		
VVB's evaluation		Date: 10/05/2024
Closed. Proper references to sources in both parameters have been provided.		

CL ID	08	Date: 19/04/2024
CL description		
In MR section 4.3: 1- "Both the baseline and project scenarios use the same measurement stratification. There are currently 124 measurement strata in the project", "Currently, there are one hundred and twenty-four measurement strata in the project". According to other sections and supporting evidences (workbooks) there are 123 measurement strata. 2- Please, provide justification of the number of plots measured (if it is an external evidence, such an		

Excel, please also refer it in the MR text).

3- Please, clarify how overlapping or temporal gaps between monitoring periods will be avoided, given the different dates of inclusion of new PAIs and the potential different dates of monitoring (as the number of PAIs increase), according to VCS Standard v4.5, Sections 3.5.6 and 3.5.7.

Project proponent's response

Date: 01/05/2024

Section 4.3 of the VCS Monitoring Report Template (v4.3) requires the project proponent to describe the process and schedule followed during the monitoring period of obtaining, compiling, and analyzing the monitored data and parameters set out in Section 4.2.

1. The number of measurement strata described in section 4.3 of the MR now aligns with the rest of the document and the provided workbooks.
2. Language has been added into Section 4.3 of the MR specifying how minimum plots required were determined. Calculations for determining the minimum plots are now provided an Annex AP, which is referred to in the text.
3. Section 3.5.6 of the VCS Standard v4.5 states that "The monitoring period shall be a distinct time period that does not overlap with previous monitoring periods. Projects shall not be eligible for crediting of GHG emission reductions and removals generated in previous monitoring periods." Additionally, Section 3.5.7. of the Standard asserts that "Grouped projects, AFOLU projects, and other projects with a risk of a reversal or loss event shall not have gaps between monitoring periods."

Language has been added to section 4.3 of the MR clarifying how overlapping or temporal gaps between monitoring periods will be avoided, given the different dates of inclusion of new PAIs and the potential different dates of monitoring.

Documentation provided by the project proponent

Family Forest Carbon Project Monitoring Report v1.3.

VB's evaluation

Date: 10/05/2024

Closed.

The clarifications have been provided in the MR v1.3, as well as in the corresponding supporting documents.

CL ID	09	Date: 14/05/2024
CL description		

1. In Table 13 (MR Section 5), please, provide context, since the table is not understandable by itself:
 - A- 'SS, SI' meaning
 - B- 'Age Class' please explain the concept and the relation with dominant age and how it accounts or not for crediting depending on the rotation age.
 - C- 'Baseline Management System' and 'Project Management System' columns indicate codes that are not explained in the MR.
 - D- 'Project Management System' refers to Annex B (as well as the paragraph prior to Table 13) however Annex B is unrelated to this purpose.
2. After Table 12, it is mentioned 'For the purposes of emission reduction and removal accounting, following VM0003, calculations were carried out at the management strata level, then aggregated into the relevant measurement stratum, as detailed in Section 5.4 of the Project Description document'. Section 5.4 of the PD does not exist.

Project proponent's response
Date: 07/06/2024

1. In order to adhere to VM0003 Sections 8.1 and 9.3, the project proponent has implemented dual stratification, creating measurement strata made up of management strata. Table 13 describes management strata and their differentiating parameters.
 - a. "SS, SI" in Table 13 been edited to read "Site Index, Site Species" for clarity.
 - b. More text has been added to the paragraphs prior to Table 13 that describe how age class and baseline management system are used to determine if a management stratum was subject to harvesting in the baseline scenario.
 - c. To clarify baseline modeling for each management strata, a table of constraint/baseline management regime silviculture has been added to section 5.1. Section 5 of the MR has been edited to clarify that baseline management system codes can be found in Section 5.1, and Annex H, which defines the code and baseline silviculture applied to each code. Project management systems have been defined in a new table just above Table 13 in Section 5.
 - d. Project Management System was defined in Annex B of the MR, as these maps show the PAI areas and the modeling constraint codes applied to each. Constraint code definitions are found in Section 5.1 and Annex B as well, which define modeling scenarios based on legal harvesting constraints for each area, thus defining management stratum baseline modeling. These constraint codes are again defined in the forester attestation found in Annex H, defining rotation age.
2. The text of the MR now edited to reference section 4.4 of the Project Description rather than 5.4.

Documentation provided by the project proponent

Family Forest Carbon Project Monitoring Report v1.4, Annex H, Annex B

VB's evaluation
Date: 17/06/2024

1.a. Not closed. Please, include the definition of “Site Index, Site Species” in the context of the project. 1.b-2. Closed. Clarifications requested have been included.	
Project Proponent’s Response	Date: 03/07/2024
1.a. Definitions for site species and site index are now included in-text prior to Table 13 in Section 5 of the MR. Site species and site index are used as inputs to the FVS model and this is stated in the MR.	
Documentation provided by the project proponent	
MR section 5.	
VVB’s evaluation	Date: 16/07/2024
Closed. Requested definitions included.	

CL ID	10	Date: 14/05/2024
CL description		
MR section 5.2 states that no harvest took place in the PAIs during the monitoring period. Please, explain in the text, provide evidence and refer the evidence in the text, on how this is checked by the PP with a reasonable level of certainty.		
Project proponent’s response		Date: 07/06/2024
Section 5.2 of the VCS Monitoring Report Template (v4.3) requires the project proponent to quantify project emissions and/or carbon stock changes for the monitoring period in accordance with the applied methodology. Additional language has been added into Section 5.2 of the MR describing the analyses performed to confirm that no harvesting has taken place during the monitoring period. The materials needed for these analyses are also now provided in Annex AS. As this provides greater clarity on how the project proponent confirms that no harvesting has taken place, Section 5.2 of the MR is now in conformance with the template instructions.		
Documentation provided by the project proponent		
Family Forest Carbon Project Monitoring Report v1.4		

Annex AS	
VVB's evaluation	Date: 17/06/2024
Closed. The PP explained in the text, provided evidence and referred the evidence in the text on how the absence of harvesting during the monitoring period was checked.	

CL ID	11	Date: 14/05/2024
CL description		
MR section 5.3 states that “The landowner(s) of associated PAI(s) at the time of verification have enrolled all forested lands in their ownership, per the signed agreement found in Annex D. The project proponent performed further diligence checks of PAI landowner(s) for any other eligible forested land using geospatial analysis and publicly available land ownership data. The diligence check conducted by the project proponent (Annex AI) did not identify other eligible forestlands owned by the landowner(s) of each PAI”. However, after a revision of the correspondence (Annex AI), there is no trace of this systematic crosscheck by the PP. Please, explain in the text, provide evidence and refer the evidence in the text, on how the due diligence is carried out by the PP with a reasonable level of certainty to verify the compliance, beyond signing MLAs.		
Project proponent's response		Date: 07/06/2024
The annex reference was mislabeled,- rather than Annex AI, the procedure implemented to confirm that PAI landowner(s) did not own other eligible forested land can be found in Annex AT. This has been updated in the MR, and an explanation of the process used to perform these checks has been added as well. This annex explains the three-step process used by the project proponent to verify that the LO does not own any unenrolled eligible forested lands and shows that each PAI has been checked by the project proponent. This resolves the finding by correcting the annex reference and providing proof that the project proponent has carried out checks to ensure all eligible forested land is enrolled by the landowners.		
Documentation provided by the project proponent		
Annex AT		
VVB's evaluation		Date: 17/06/2024

Not closed. The PP explained in the text and provided the procedure regarding the due diligence carried out by the PP to check the compliance. However, there is no <u>specific evidence of the check carried out by the PP for all the instances verified</u>, beyond the procedure, the list of PAIs and the link to the platform.	
Project Proponent's Response	Date: 03/07/2024
Annex AT has been updated to provide additional proof of checks performed to ensure that landowners don't have any additional holdings. This proof shows date stamped comments of when checks were completed by the Project Proponent, thereby showing that checks were carried out. PAIs 1014, 1034, 1042, 1044, and 1052 were re-checked in order to provide suitable evidence and the date stamp for each shows that the comment was added minutes ago. This resolves the finding by providing the specific evidence that the landowner of each PAI was checked by the project proponent to ensure they don't own any additional eligible forested land.	
Documentation provided by the project proponent	
Annex AT	
VVB's evaluation	Date: 12/07/2024
Closed. The PP provided evidence of its check to ensure they PAI owners don't own any additional eligible forested land.	

CL ID	12	Date: 14/05/2024
CL description		
Annex AG does not include the property deeds of PAIs #1039 and #1046, neither as an exhibit of the MLA.		
Project proponent's response		Date: 07/06/2024
<i>Annex AG was updated to include a copy of the property deed for PAI #1039 and #1046.</i>		
Documentation provided by the project proponent		
Annex AG		
VVB's evaluation		Date: 17/06/2024

Closed. Property deeds of PAIs #1039 and #1046 have been provided.

CL ID	13	Date: 17/07/2024
CL description		
In section 3.3 Grouped projects, it is unclear how the baseline scenario and additionality were analysed for the new validated areas, under the Eligibility Criteria, <u>since in PD the baseline scenario and additionality was only considered for PAI #1024.</u> Please, demonstrate the baseline scenario and additionality for the new validated areas, according to <u>VCS v4.7 3.6.10</u>. In case the new validated PAIs are considered within the same designated geographic area as the first PAI and thus their baseline scenario and additionality is based upon the initial PAI (according to <u>VCS v4.7 3.6.11</u>), please explain the assumptions under the baseline scenario and the additionality are common for the designated geographic area (according to VCS <u>v4.7 3.6.13 and 3.6.14</u>). In case the new validated PAIs cannot be considered under the same designated geographic area and new analysis of baseline scenario and additionality have to be carried out (per designated area), please, consider: 1) Demonstration of regulatory surplus (according to VCS v4.7 3.14.1), 2) That the investment analysis must consider the entire period of operation (<u>CDM AM-Tool 01, v7.0, Para 30 / CDM Annex 5, Para 3: Guidelines on the assessment of investment analysis</u>), and 3) The investment analysis must exclude the financial returns from carbon finance and the financial costs of carbon project development (<u>CDM AM-Tool 01, v7.0, Para 30 / CDM Annex 5, Para 3: Guidelines on the assessment of investment analysis</u>). Please, check in the validation PRR (attached in the email) findings 5, 1 and 2.		
Project proponent's response		Date: 24/06/2024
Baseline and additionality of new instances are based on the initial instances (VCS 3.6.11). New activity instances are eligible for inclusion to the project where compliance against the full set of project eligibility criteria, including EC 3 and EC 6 for baseline demonstration (VCS 3.6.13) and EC 2g, EC 5, and EC 6 for demonstration of additionality (VCS 3.6.14), can be demonstrated. By new instances meeting EC2g, EC 3, EC 5, and EC6, they share the same assumptions for baseline scenario and additionality as the initial instance. Therefore, the new instances are additional and meet the common practice baseline scenario.		

As all new instances being added to the project this monitoring period comply with all project eligibility criteria and are within the project's geographic region (VCS 3.6.10), they are eligible for inclusion (VCS 3.6.17).

Additional detail to this effect has been added to MR Section 3.3.

Documentation provided by the project proponent

MR section 3.3

VVB's evaluation

Date: 12/07/2024

Closed. Clarification accepted and included in MR section 3.3.