



VERIFICATION REPORT

INFAPRO REHABILITATION OF LOGGED-OVER DIPTEROCARP FOREST IN SABAH, MALAYSIA



Document Prepared by TÜV NORD CERT GmbH

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Client	Face The Future
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Summary:

Description of the project:

INFAPRO is a forest rehabilitation project in Sabah, Malaysia, aiming at the additional sequestration of CO₂ from the atmosphere, established by Face the Future and Yayasan Sabah. The project rehabilitates 25,000 ha of severely logged-over mixed dipterocarp rainforest in Sabah, Malaysia and prevents relogging of the forest in this area. In the absence of the project activity, the forest would be re-logged and would only slowly recuperate due to the high quantities of vines and climbing bamboos suppressing the remnant trees and the natural regeneration process.

This verification report is based on the information provided by the project proponent, describing the results of project monitoring carried out from the 1st of January 2011 to the 30th of June 2024 for the purpose of verification of the GHG emission reductions resulting from project implementation. Since the start of the IFM project activities 11,819 hectares have been rehabilitated. A part of the rehabilitated area is not part of the carbon monitoring campaign since those activities were done for 3rd party investments without the requirement to issue VERs. Therefore, this monitoring campaign includes only 10,604 ha of rehabilitation area.

The results of the 2024 carbon monitoring campaign show that the tree growth during the monitoring period, between the 1st of January 2011 to the 30th of June 2024, resulted in a net emission removal of 1,114,295 tCO₂e and, after a buffer subtraction of 12%, 980,580 VCUs are eligible for issuance

Description of the verification:

The second verification has been carried out by TÜV NORD CERT GmbH. During the verification, it has been assessed if the project description is following VCS rules and its applicability and conformance to the applied VCS methodology "Methodology for Conversion of Low-Productive Forest to high Productive Forest" VM0005. The reassessment of the base line has been carried out as described in the VCS rules and in the applying methodology. The demonstration of additionality has been assessed. The second verification has been conducted for the second monitoring period 01-January-2011 to 30-June-2024. The project implementation started already on 1st of January 2007. It has been verified in which extent methods and procedures have

been implemented in accordance with the validated project description. The conformance with the monitoring plan and the accuracy of reductions and removals reported in the monitoring report have been verified as well.

The verification is based on the monitoring report^{/2/}, the monitoring report for the monitoring period 2020-2022^{/2/}, the emission reduction calculation spreadsheet^{/3/}, the monitoring plan as set out in the PD and MR and supporting documents made available to the TÜV NORD JC/CDM CP by the project proponent.

Purpose and scope of verification:

The scope of the second verification and the baseline re-assessment is defined according physical and temporal boundaries on the GHG data and information provided by the project proponent. The crediting period is defined from 01-January-2007 to 31-December-2036, the second monitoring period is defined from 1st of January 2011 to the 30th of June 2024. INFAPRO project activities are taking place on 11,819 ha of dipterocarp rainforest in Sabah, Malaysia.

Method and criteria:

The second verification and baseline re-assessment were conducted using TÜV NORD CERT GmbH procedures in line with the requirements specified in the latest version of the VCS Validation and Verification Manual and applying auditing techniques. The verification team assessed the proposed project activity's compliance under the VCS Version 4.7, the selected methodology and the project description. The project activity is found to be appropriately eligible under Project Scope 14 "Agriculture, Forestry, and other Land Use (AFOLU)". The verification criteria followed the guidance documents provided by VCS including the following: VCS Standard Version 4.7, VCS Program Guide Version 4.4, AFOLU Non-Permanence Risk Tool Version 4.2, Methodology VM0005 1.2 – "Methodology for Improved Forest Management: Conversion of Low-Productive to High-Productive Forest".

Number of findings:

In the course of the second verification, 16 Clarification Requests (CLs), 03 Corrective Action Request (CARs) and 01 Forward Action Requests (FARs) were raised and successfully closed. The assessment is included in this report

Uncertainties:

There are no restrictions of uncertainty.

Verification conclusion:

As a result of the second verification for the monitoring period 1st of January 2011 to the 30th of June 2024, the verifier confirms that all operations of the project are implemented and installed as planned and described in the validated project design document; the monitoring plan is in accordance with the applied approved VCS methodology VM0005 1.2; the installed equipment essential for measuring parameters required for calculating emission reductions are properly maintained; the monitoring system is in place and functional. The project has generated GHG emission reductions. In addition, the verifier confirms that the GHG emission reductions are calculated without material misstatements in a conservative and appropriate manner. TÜV NORD CERT GMBH herewith confirms that the project has achieved emission reductions in reporting period 1st of January 2011 to the 30th of June 2024 of 1,114,295 tCO₂e. With the inclusion of the calculated buffer of 12% this reduces to 980,580 tCO₂e.

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1 INTRODUCTION

1.1 Objective

The aim of validating the baseline reassessment and conducting the second verification is to ensure that an independent third party evaluates the project design.. In particular the project's baseline, the monitoring plan (MP), and the project's compliance with

- the requirements of the VCS Version 4.7;
- the requirements of the approved methodology;
- relevant rules, including the host country legislation;

The project design document section 1.14, 1.15, 1.16, 3.1, 3.2, 3.4, 4.1 – 4.4, 5.12 are reassessed in order to confirm that the project design as documented is sound, reasonable and meets the stated requirements and identified criteria. Baseline reassessment is seen as necessary to provide assurance to stakeholders on the quality of the project and its intended generation of Verified Carbon Units (VCUs) / Emission reductions.

The purpose of this verification, by independent checking of objective evidence, is as follows:

- to verify that the project is implemented as described in the project design document;
- to assess the implementation of the monitoring plan (MP) content in the VCS-PD;
- to assess the project's compliance with other relevant rules, including the host country (Malaysia) legislation.
- to confirm that the monitoring system is implemented and fully functional to generate voluntary emission reductions (VERs/VCUs) or ERs without any double counting; and
- to establish that the data reported are accurate, complete, consistent, transparent and free of material error or omission by checking the monitoring records and the emissions reduction calculation

1.2 Scope and Criteria

The reassessment of the baseline is given as a thorough independent and objective assessment of the project design sections 1.14, 1.15, 1.16, 3.1, 3.2, 3.4, 4.1 – 4.4, 5.12, including especially the correct application of the methodology, the project's baseline study, additionality justification, stakeholder involvement, environmental impacts and monitoring plan, which are included in the project design document & monitoring report^{1/2/} and other relevant supporting documents, to ensure that the proposed VCS project activity meets all relevant and applicable VCS Version 4.7 criteria.

The information included in the project design document & monitoring report^{/1/2/} and the supporting documents were reviewed and assessed against the requirements as set out by the VCS Version 4.7.

The reassessment of the baseline is not meant to provide any consultancy to the project participants. However, stated requests for clarifications and/or corrective actions may provide input for improvement of the project design.

The verification of this project is based on the project design document & monitoring Report^{/1/2/}, emission reduction calculation spread sheet^{/3/}, supporting documents made available to the verifier and information collected through performing interviews and during the on-site assessment. Furthermore, publicly available information was considered as far as available and required.

The TÜV NORD CERT GMBH has 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.

The baseline reassessment & verification are based on the information made available to TÜV NORD CERT GMBH and on the contract conditions. TÜV NORD CERT GMBH cannot be held liable by any entities for making its verification opinion based on any false or misleading information supplied to it during baseline reassessment and verification.

1.3 Level of Assurance

Enough data has been tested to ensure confidence that no material errors are present for the project. The amount of testing has been conducted according to the outcome of the risk assessment. A site visit has been included for baseline reassessment and verification with a sample-based approach. Assumptions regarding the used methodology, parameters, factors, modelling, conservativeness, and sensitivity analysis have been reassessed by the audit team and are considered reasonable.

The verification has been planned and organized to achieve a reasonable level of assurance.

1.4 Summary Description of the Project

INFAPRO is a forest rehabilitation project in Sabah, Malaysia, aiming at the additional sequestration of CO₂ from the atmosphere, established by Face the Future and Yayasan Sabah. The project rehabilitates 25,000 ha of severely logged-over mixed dipterocarp rainforest in Sabah, Malaysia and prevents relogging of the forest in this area. In the absence of the project activity, the forest would be re-logged and would only slowly recuperate due to the high quantities of vines and climbing bamboos suppressing the remnant trees and the natural regeneration process.

This verification report is based on the information provided by the project proponent, describing the results of project monitoring carried out from the 1st of January 2011 to the 30th of June 2024 for the purpose of verification of the GHG emission reductions resulting from project implementation. Since the start of the IFM project activities 11,819 hectares have been rehabilitated.

The results of the 2024 carbon monitoring campaign show that the tree growth during the monitoring period, between the 1st of January 2011 to the 30th of June 2024, resulted in a net emission removal of 1,114,295 tCO₂e and, after a buffer subtraction of 12%, 980,580 VCUs are eligible for issuance

2 VERIFICATION PROCESS

2.1 Method and Criteria

The baseline reassessment/verification of the project consisted of the following steps:

- Appointment of team members and technical reviewers
- Publication of the VCS project description & monitoring report^{1/2/}
- A desk review of the VCS project description & monitoring report^{1/2/} submitted by the client and additional supporting documents with the use of customised validation protocol
- Baseline reassessment
- Review of the following sections in the PD: 1.14, 1.15, 1.16, 3.1, 3.2, 3.4, 4.1 – 4.4, 5.12
- Verification planning
- On-Site assessment
- Background investigation and follow-up interviews with personnel of the project developer and its contractors
- Draft verification reporting
- Resolution of corrective actions
- Final verification reporting
- Technical review
- Final approval of the baseline reassessment and verification.

The sequence of the verification is given in the table 2.1 below:

Table 2-1: Baseline Reassessment and Verification sequence

Topic	Time
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Assignment of baseline reassessment and verification	2024-11-07
On-site visit	2025-03-10 - 2025-03-16
Draft reporting finalised/List of Findings	2025-04-08
Final reporting finalised	2025-08-08
Technical review on final reporting finalised	2025-08-21
Final corrections	2025-08-26
Final corrections after PRR by VERRA	2026-01-14
Final corrections after PRR by VERRA	-

Sampling Plan: The INFAPRO project area has been visited and PSPs (permanent sample plots) of the PP's monitoring system re-measured. Out of the 382 permanent plots, 18 plots have been remeasured in the 3 different strata (open canopy, pioneer trees and remnant or pioneer trees) identified by PP, namely 5 plots for the open canopy, 4 plots for the pioneer trees and 9 plots for remnant or pioneer trees. In total 4 baseline plots and 14 project plots. Respectively to the FSC sampling approach, the number of plots to remeasure has been defined as follow (where x equal the number total plots and X the number of plots to remeasure):

$$X = 0,8 * \sqrt{x}$$

Applied:

$$X = 0,8 * \sqrt{382} = 15,63$$

The calculation of carbon removal reductions is based on the entire sampling plots (382) results. Auditing those plots allowed to get a good overview of the total project area, in the different strata of the project and procured further information and understanding of the project while going to the PSPs.

Appointment of baseline reassessment and Verification Team: Based on a competence analysis and individual availabilities, a baseline reassessment and verification team has been appointed. Furthermore, the personnel for the technical review and the final approval has been determined. The list of involved personnel, the tasks assigned, and the qualification status are summarized in the table 2-2 below (see appendix 2 for more details).

Table 2-2: Baseline reassessment and Verification Team Members

No.	Role	Signature	Affiliation	Involvement in
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			Last name	First name	(e.g. name of central or other office of DOE or outsourced entity)	Desk/Doc review	On-site inspection	Interview(s)	Validation/Verification findings
1.	Team Leader	IR	Gavant	Martin	TNC	☒	☒	☒	☒
2.	Team member/trainee	IR	Mesquita	Laila	TNC	☒	☒	☒	☒
3.	Host Country Expert	IR	Ismail	Khairul Anwar	TNC	☒	☒	☒	☒

Table 2-3: Technical reviewer and approver

No.	Role	Type of resource	Last name	First name	Affiliation (e.g. name of central or other office of DOE or outsourced entity)
1.	Technical reviewer / Final Approver	IR	Nuske	Alexandra	TÜV NORD CERT GmbH
2.	Technical reviewer/ Trainee	IR	Jung	Verena	TÜV NORD CERT GmbH

Refer to Appendix 3 for competence of team members and technical reviewer.

2.2 Document Review

The VCS PDMR^{1/2/} and supporting background documents related to the project design and baseline were reviewed. Documents reviewed included data used to set baseline, additionality analysis and carbon calculation spreadsheets.

Furthermore, the baseline reassessment/verification team used additional documentation by third parties like host party legislation, technical reports referring to the project design or to the basic conditions and technical data.

The references used in the course of this the baseline reassessment/verification are summarized in Appendix 5.

The baseline reassessment/verification was performed based on the document check and site inspection. Refer to section 3.4 of this report for the baseline reassessment process and section 4 for the verification process in detail and corresponding documents review.

2.3 Interviews

The baseline reassessment/verification team has carried out interviews to assess the information included in the project documentation and to gain additional information regarding the compliance of the project with the relevant criteria applicable for the VCS. Representatives of the PP, including the operational staff of the forest operation, representative of the tourism sector, local communities, local forest administration and NGOs have been interviewed. The selection of interviewees was both structured and random. For example, technical interviewees were purposively selected to verify the information provided in the PD and MR. Field staff, employees, and affected neighbours and residents, if any, were randomly selected without informing the PP in advance to obtain unbiased and authentic information and to verify the information provided. The interviews served to confirm selected information and to resolve issues identified in the document review. The main topics of the interviews are summarized in Table 2-4.

Table 2-4: Interviewed groups of persons and interview topics

Interviewed Persons / Entities	Interview topics
Project proponent representatives	- Chronological description of the project activity with documents of key steps of the implementation.
Project consultant	- Technical details of the project realization, project feasibility, designing, operational lifetime, monitoring of the project
Field staff	- Monitoring and measurement equipment and system.
Forest Guards	- Financial aspects
Environmental NGOs	- Project activity starting date
Local Communities	- Baseline study assumptions
	- Additionality
	- Monitoring
	- Analysis of local stakeholder consultation
	- Roles & responsibilities of the project participants w.r.t. project management, monitoring and reporting
	- Editorial issues of the VCS PDMR
	- Environmental aspects
	- Social-economic aspects

The interviews served to confirm selected information and to resolve issues identified in the document review. The main topics of the interviews are summarized in Table 2-4. A full set of

interviewed persons can be found in the attendance register including all names, and signatures is available^{04/} but not included due to privacy concerns. It can be presented to VERRA upon request. See table 2-5 below:

2-5: Interviewed Persons

Interviewed Persons – ID	Name	Function
IM01	Kars Riemer	Project proponent Head of project
IM02	Martijn Snoep	Project proponent Head of project
IM03	Climate Impact Partners	Investor Due Diligence and technical team
IM04	Yayasan Sabah / Innoprise Corporation Sdn. Bhd. / INFAPRO	Project Implementation Partner Coordinators
IM05	Yayasan Sabah / Innoprise Corporation Sdn. Bhd. / INFAPRO	Project Implementation Partner Measurement team
IM06	Yayasan Sabah / Innoprise Corporation Sdn. Bhd. / INFAPRO	Project Implementation Partner Conservation and Research
IM07	Yayasan Sabah / Innoprise Corporation Sdn. Bhd. / INFAPRO	Project Implementation Partner Maintenance and Development
IM08	Yayasan Sabah / Innoprise Corporation Sdn. Bhd. / INFAPRO	Project Implementation Partner Senior and Junior Forest Rangers
IM09	Yayasan Sabah / Innoprise Corporation Sdn. Bhd. / INFAPRO	Langom Research Center Coordinator
IM10	Yayasan Sabah / Innoprise Corporation Sdn. Bhd. / Sabah Forestry Department - Ulu Segama-Malua (SFD – USM)	Forest Department Forest officers
IM11	Taliwas Research Center and Education	Officer in charge & Ranger
IM12	Tampinau Village	Village representatives and community leaders
IM13	Yayasan Sabah / Innoprise Corporation Sdn. Bhd. /)Rakyat Berjaya Sdn Bhd (RBJ)	Forest Management Forest officer

Interviewed Persons – ID	Name	Function
IM14	Borneo Rain Forest Lodge	Tour Manager
IM15	Danom Valley Research Center	Conservation Research officer
IM16	Danom Valley Research Center	Maintenance and Development officer

2.4 Site Visits

As essential part of the baseline reassessment/verification exercise, an inspection on site has been carried out between the 10.03.2025 and 15.03.2025 in order to verify that the project is implemented in accordance with the applicable criteria. Furthermore, the on-site assessment was necessary to check the monitoring data checking the compliance and accuracy to ensure the emission reduction calculations. The main tasks covered during the site visit include, but are not limited to:

- the verification of the project boundary
- the verification of status of ownership of the land
- the verification of the eligibility of the lands,
- the verification of the baseline land use, carbon stocks and land cover
- the verification of the leakage situation
- the verification of project start date
- the project area and surrounding areas were visited including 2 PSPs remeasured; the PSPs have been chosen in a way that allowed an overview over the total project area.
- the on-site assessment included an investigation of whether all relevant equipment is installed and works as anticipated.
- the operating staff was interviewed and observed in order to check the risks of inappropriate operation and data collection procedures as well as risk of accidents/health and safety.
- information processes for generating, aggregating and reporting the selected monitored parameters were reviewed.
- the monitoring processes, routines and documentations were audited to check their proper application.
- the monitoring data were checked completely.
- the data aggregation trails were checked via spot sample down to the level of the meter recordings.

An onsite visit has been carried out on the date as indicated in table 2.1 above. Martin Gavant carried out jointly the onsite visit as Lead Auditor, accompanied by Khairul Anwar Ismail (Host Country Expert) and Laila Mesquita (Trainee auditor). The areas visited were recorded by the audit team using Avenza maps APP including pictures and notes made on the different spots visited, as well where sampling plots have been remeasured.

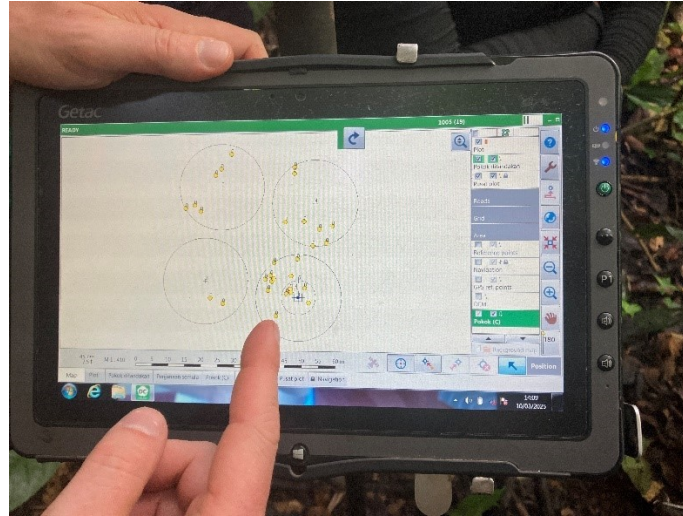
The pictures below show different project activities and impressions gathered during the field audit on the project areas visited:



Segama River at the border of the Project area (source: Martin Gavant)



Baseline Scenario covered with climbers without natural regeneration (Source: Martin Gavant)



Example of plot measurement on site with Field Mapping Technology (Source: Martin Gavant)

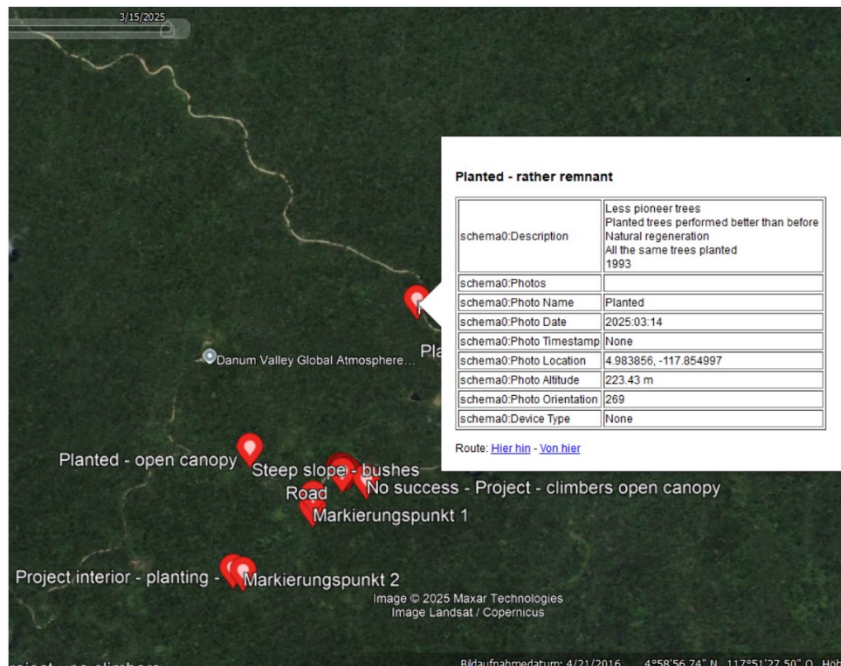


Tagged trees to find the plot centers (Source: Martin Gavant)



Project scenario being rehabilitated with natural regeneration and elderly trees

The pictures below show the tracking of sites visited by the auditors where field notes and observations have been made:



Auditor's field notes^{05/} (Source: Martin Gavant)

2.5 Resolution of Findings

Material discrepancies identified in the course of the validation are addressed either as CARs, CLs or FARs.

A **Corrective Action Request (CAR)** is established where:

- mistakes have been made in assumptions, application of the methodology or the project documentation which will have a direct influence the project results,
- the requirements deemed relevant for validation of the project with certain characteristics have not been met or
- there is a risk that the project would not be registered or that emission reductions would not be able to be verified and certified.

A **Clarification Request (CL)** will be issued where information is insufficient, unclear or not transparent enough to establish whether a requirement is met.

A **Forward Action Request (FAR)** will be issued when certain issues related to project implementation should be reviewed during the next verification.

A detailed list of the CARs CLs and FAR raised and discussed in the course of this validation is included in **Appendix 4** of this report.

Number of findings: In the course of the validation **16 Clarification Request (CL), 3 Correction Action Requests (CAR)** and **1 Forward Action Request (FAR)** were **raised** and successfully closed. The assessment is included in the report.

2.5.1 Forward Action Requests

FAR ID	01	Section no.	Baseline forest management	Date:	02/04/2025
Description of FAR					
The implementation of TSI and SFM practices has increased in recent years in the Yayasan Sabah Concession, primarily through climber cutting to enhance forest recovery and rehabilitation. However, the majority of the concession has still not be treated. As per the annual reports edited by Sabah Forest Department, 25% of the reference area (Malua FR) has been treated for rehabilitation according to TSI (Timber Stand Improvement). PP provided in the MR as well a map of the Malua FR showing that silvicultural treatment is no applied consistently in the reference area. Discussions about potential incorporation of the baseline shift are ongoing at INFAPRO. Several options have been presented to the auditor such as: (1) implementing TSI practices in the untreated project area, (2) shifting the baseline plots to another project area, such as Malua Forest Reserve, with better accessibility and consistent application of TSI, (3) changing the methodology to compare national forest inventory data, if available. Those options will be reviewed and evaluated by the PP and should be assessed for next verification. It should be ensured that the sustainable forest management activities as described in the ULM sustainable forest management plan (SFMP) 2018-2027 are properly considered in the baseline scenario area. PP should consider in the future any update of new forest management practices in the Yayasan Sabah Concession that may impact the baseline scenario.					
Project participant response					Date: DD/MM/YYYY

Documentation provided by project participant	
DOE assessment	Date: DD/MM/YYYY

2.6 Eligibility for Validation Activities

TÜV NORD CERT GmbH undertake as validation activities the reassessment of the baseline of the project INFAPRO. TÜV NORD CERT GmbH hold accreditation for validation and the relevant scopes. No further evidence justifying the eligibility of TÜV NORD CERT GmbH are required.

3 VALIDATION FINDINGS

3.1 Methodology Deviations

No methodology deviation applied to the project in this monitoring period has been identified by the auditor. No prove proving the contrary have been detected during the audit.

3.2 Project Description Deviations

PP identified that 30 sample plots out of 382 are located within the 30 meters buffer zone along the road (see CL06). This regulatory was established during validation of the project and is defined in the PD. Since the 30 meters buffer zone of project roads are to be excluded from the monitoring and sample plots have been in this area, a deviation from the sampling framework as described in the PD is manifest. PP evaluated the impact of the measurement of those plots in the project.

Some sampling plots within the 30 m zone from project roads have been checked on site. PP demonstrated that the impact of including those plots in the project activities was rather resulting in a more conservative result. The average growth of plots within the road areas is lower than in the plots located beyond the 30 meters zone. Respectively 3.1 and 5.7 tCO₂/ha/yr). This was reviewed by the audit team. The calculation is deemed plausible. The lower biomass growth might be the result of the degraded state of the area closed to the roads because of a higher impact of harvesting in the 80s. As well, the among of light close the roads is higher which favorize the growth of competing vegetation such as climbers/^{CL10}/. See Document INFAPRO_VCS-Monitoring-Report_2011_024_Appendix1_Quantification_updated.xlsx/⁰³/.

The applicability of the methodology is not impacted by the deviation. Integrating those plots result in a more conservative result since the growth in those plots is less important than the one beyond the 30 meters zone. The appropriateness of the baseline scenario is not changed while measuring the plots in the 30 meters zone.

TÜV NORD CERT GmbH deems the deviation appropriately described and justified. The INFAPRO project remains in conformance with the VCS rules.

TÜV NORD CERT GmbH deems the project deviation valid based on the reference checked by the audit team and the observations made on-site.

3.3 New Project Activity Instances in Grouped Projects

The project is not a grouped project activity.

3.4 Baseline Reassessment

Did the project undergo baseline reassessment during the monitoring period?

☒ Yes ☐ No

The project started on the 1st of January 2007^{/1/}. As described under VCS v4.7 section 3.2.5, projects that undergo the baseline assessment more than 10 years ago have to reassess the baseline.

3.4.1 Applicability of the methodology

The used methodology (Methodology for Improved Forest Management: Conversion of Low Productive to High Productive Forest, VCS Methodology VM0005) is still applicable^{/100/}. The latest version is v1.2. Project activities intent to enhance forest carbon stocks by enrichment planting and silvicultural treatment of degraded forest and / or avoid emissions from further forest degradation from logging. The project activity aims at both avoiding short-term relogging and rehabilitation of the forest stand.

TÜV NORD CERT GmbH deems the applicability of the methodology still valid.

3.4.2 Validity of the baseline scenario

PP conducted the baseline scenario reassessment following the procedure for determining the baseline scenario as outlined in Chapter 6 of the methodology VM0005^{/100/}.

According to the methodology, the baseline scenario must reflect what most likely would have occurred in the absence of the project. It consists of a logged-over natural Evergreen Tropical Rainforest, normally with no or insignificant regrowth that may or may not be relogged.

PP meets the minimum acceptable requirements outlined for the baseline scenario namely^{/100/}:

- A documented history of the operator.

The history of the operator is outlined in section 2.4 of the PD reviewed by the auditor. The history per se didn't change. The audit team reviewed the information relating to the monitoring period between 2011 and 2024 accordingly. As specified in the MR section 3.4.3.1 and recorded in the validated PD, logging activities stopped from 2008 and are no longer permitted in the project area. See moratorium on logging in Ulu Segama - Malua announced by the Sabah State Government on 15 March 2006^{/23/}. This remains unchanged since validation as confirmed during site visit and interviews carried out with relevant stakeholders^{/05/IM01-16/}. Consequently, PP didn't account for avoidance credits during the second monitoring period, only removals as confirmed in the calculation sheet provided^{/03/}.

PP mentions that the project belongs to the Ulu Segama Forest Reserve for which 2 management plans are relevant for the monitoring period, namely the one edited for the period 2008-2017 and the second for the period 2018-2027^{/6/}. The FMPs for the two periods have been reviewed by the auditor. The FMPs defines the forestry activities implemented in the baseline scenario which can be located in the reference area Malua Forest Reserve (FR) as defined in the PD validated in 2011. Forestry restoration activities are mainly characterized by TSI (Timber Stand Improvement)^{/6/} TSI is a low-intensity silvicultural treatment, different to the project activities implemented by INFAPRO since consisting of only one round of climber cutting, depending on external funding sources under the Malaysian National Development Plans. This was confirmed during site visit^{/05/IM01-16/}. Moreover, as confirmed during the interviewees and observed on site, those restoration activities implemented by Ulu Segama Forest Reserve in the baseline scenario area, have not been carried out in the reference area Malua FR until 2019^{/06/IM01-16/}, only in few places and at limited scale in the rest of the concession. Some further restoration areas are planned in the future as well at limited scale in the concession^{/6/}. Some restoration activities have been implemented in the the Malua FR between 2019 and 2023 as defined in the Sabah Forest Department annual report^{/7/}. The scale of restoration in the reference area is rather low (25% achieved) with different technics less expensive than the rehabilitation activities implemented by PP. As checked and discussed with PP during site visit, the rehabilitation activities carried out by PP are more cost intensive, including different silvicultural interventions, namely, enrichment planting using indigenous tree species, as well at 2 rounds of climber cutting, tending of planted seedlings and natural seedlings, row slashing and ring weeding^{/05/}.

Since the treatment of the baseline is inconsistently undertaken in the reference area, no update of the baseline deems necessary. Since it might be changing in the future, PP will explore baseline update possibilities. See FAR 01.

- The legal requirements for forest management and land use in the area

PP actualized the information for the monitoring period 2011-2024. New legal aspects have been identified by PP. Since 2014, the entire Ulu Segama Forest Management Unit has been classified as Class I (protection forest reserve) or Class VI (Virgin Jungle Reserve) since 2014. This information has been reviewed in the management plan/^{6/} and confirmed during interviews with the different stakeholders/^{IM01-16/}. This implies that no more logging activities are permitted in the entire area of the USM FMU. The only activities permitted are for environmental protection and biodiversity conservation. This doesn't affect the baseline of the project for the second monitoring period since PP is accounted only carbon for rehabilitation activities and no more for avoided logging activities as it was the case for the first monitoring period where the avoided emission from preventing from a second round of logging had been accounted.

- Proof that environmental practices equal or exceed those commonly considered a minimum standard among similar landowners in the area.

PP equals or exceeds the commonly considered minimum standard in the project area. Indeed YS operates under a SFMLA signed in 1997, which aligns with the Sustainable Forest Management (SFM) policy adopted by the Sabah Forestry Department. This agreement ensures that YS follows established sustainable practices/^{19/}. YS has implemented comprehensive Forest Management Plans (FMPs) covering periods from 2008-2017 and 2018-2027. These plans outline specific sustainable practices, including forest protection, restoration, and monitoring/^{06/}. By continuing to operate under the SFMLA and adhering to 10-year plans, YS demonstrates a long-term commitment to sustainability, ensuring that its practices remain at least on par with other landowners.

TÜV NORD CERT GmbH confirms that the requirements regarding the documented history of the operator, the legal requirements for forest management and land use in the area as well as the proof of PP equaling or exceeding commonly environmental practices, are fulfilled, based on the information crossed checked, stakeholders in-put and the supporting references.

3.4.3 Validity of the project description

3.4.3.1 Quality and completeness of evidence, data ,assumptions, and justification in the updated sections of the project description

Eligibility:

The eligibility of the project remains unchanged since validation. No land use change appeared during the second monitoring period^{/05/IM01-16/}. The forest land remaining is forest land. The definition of forest according to the Kyoto Protocol is applying since Malaysia is a signatory state. The threshold is applying and correspond to the forest characteristics of the project area (minimum land area superior of 0.05 ha to 1 ha, minimum tree crown cover superior to 10% to 30% and the minimum tree height superior to 2 to 5 m)^{/ 5/IM01-16/}. The project area is located in a forest concession recognized by the local regulatory bodies^{/9/10/}. The project area does not contain any environmental, cultural or other areas where logging has been prohibited in the past^{/5/IM0-16/}. This is unchanged since validation. The boundary of the IFM activities are still clearly defined and only applying on land qualifying as forest^{/8/}. Each discret area of land has unique geographical identification^{/8/}. The requirements for the description of the physical project boundaries are fulfilled (name, identifier, maps, coordinates, land area, holder and user rights)^{/8/IM01-16/}. No market leakage has been identified since no avoided logging activities took place in the project for the second monitoring period^{/05/IM01-16/}. The project area is still larger than the carbon accounting area, this remains unchanged^{/8/}. The excluded areas have been clarified to the auditor (difficulties of access, different contract)^{/05/IM01-06/}. The reference area remains unchanged (Malua Forest Reserve) located in the baseline scenario, still meeting the applicability and similarity conditions as defined in the PD section 4.2.4^{/01/}.

TÜV NORD CERT GmbH confirms that the requirements regarding the eligibility criteria for the project are still fulfilled, based on the information crossed checked, stakeholders in-put and the supporting references.

Baseline scenario determination:

The baseline scenario determination remains unchanged since validation. PP reviewed the procedure for determining the baseline scenario as verified in section 3.4.2 of this report (see document history, legal requirements and proof of best environmental practices).

TÜV NORD CERT GmbH confirms that the requirements regarding the baseline determination for the project are still fulfilled, based on the information crossed checked, stakeholders in-put and the supporting references.

Baseline emissions quantification:

The baseline emissions quantification has been reviewed by the audit team^{/03/}. The net emissions in the saline scenario are calculated according to equation (2) of the methodology VM0005 v1.2 and is applied correctly for the second verification^{/03/}:

$$\Delta C_{BSL} = \sum_{t=1}^{t^*} \sum_{i=1}^{M_{BSL}} (\Delta C_{REL,i,t} + \Delta C_{tree-exist,i,t}) + GHG_{BSL-E,t}$$

$\Delta C_{REL,i,t}$ is the net carbon stock change due to relogging in the baseline scenario in stratum i at year t . This equal 0 since the last relogging activities taking place in the reference area was in 2007.

$GHG_{BSL-E,t}$ is the greenhouse gas emissions as a result of relogging within the project boundary in stratum i at year t . This equal 0 since the last relogging activities taking place in the reference area was in 2007.

$\Delta C_{tree-exist,i,t}$ is the change in carbon stock in existing tree vegetation in the baseline scenario in stratum i at year t . This has been monitored for the second monitoring period, the results reviewed in calculation^{/03/} and controlled during plot visit^{/05/}. The estimates of changes in carbon stocks due to regrowth of tree biomass in the baseline are obtained as per validation from parts of the project area that have not been treated with silvicultural techniques. PP applied correctly equation (19)^{/03/} to evaluate the change in carbon stock in existing tree vegetation:

$$\Delta C_{tree-exist,i,t} = A_{i,t} \times \sum_{j=1}^S \Delta C_{tree-exist,j,i,t}$$

Equation (20) has been correctly applied^{/03/} to evaluate change in carbon stock in existing tree vegetation in above and below ground biomass:

$$\Delta C_{tree-exist,j,i,t} = \Delta C_{tree-exist-AB,j,i,t} + \Delta C_{tree-exist-BB,j,i,t}$$

Equation (35) has been correctly applied^{/03/} to evaluate the change in carbon stock in existing tree in the above ground biomass:

$$(35) \Delta C_{AGB,i,t} = A_{i,t} \times (C_{AGB,i,t} - C_{AGB,i,t-T}) \times 44/12 / T \text{ equivalent to (MR) } \Delta C_{tree-exist-AB,i,t} = A_{i,t} \times (C_{tree-exist-AB,i,t} - C_{tree-exist-AB,i,t-T}) \times 44/12 / T$$

Equation (40) has been correctly applied^{/03/} to evaluate the change in carbon stock in existing tree in the below ground biomass:

$$(40) \Delta C_{BGB,i,t} = \Delta C_{AGB,i,t} \times R_j \text{ equivalent to (MR) } \Delta C_{tree-exist-BB,i,t} = \Delta C_{tree-exist-AB,i,t} \times R_j$$

Where $\Delta C_{tree-exist-BB,i,t}$ equals $\Delta C_{BGB,i,t}$ and $\Delta C_{tree-exist-AB,i,t}$ equals $\Delta C_{AGB,i,t}$.

TÜV NORD CERT GmbH confirms that the requirements regarding the accounting of baseline emissions for the project are fulfilled, based on the information crossed checked, site visit, the measurement of some sampling plots, stakeholders in-put and the supporting references.

Data/parameters determined for ex-ante calculations:

The data/parameters determined ex-ante didn't change since validation except R (root/shoot ratio) and CF (conversion of dry weight to carbon stock in above-ground tree biomass)^{/110/111/}. PD has been updated accordingly. This was checked during the review of the calculations and can be confirmed based on the observations made and the information gathered during the audit^{/CL11/03/05/IM01-16/}.

TÜV NORD CERT GmbH confirms that the requirements regarding the data/parameters determined for ex-ante calculation are fulfilled, based on the information crossed checked, site visit, the measurement of some sampling plots, stakeholders in-put and the supporting references.

3.4.3.2 Quality and completeness of evidence, data, assumptions, and justification for the assessment of the impact of new relevant national and/or sectoral policies

PP identified that the local forestry administration namely Sabah Forest department changed the whole area of Ulu Segama-Malua (USM) Forest Management Unit (FMU) from class II production forest reserve in 2014 to class I protection Forest Reserve or Class VI Virgin Jungle Reserve^{/06/}. This does not change the baseline scenario since PP is accounting for the second monitoring period only for emission reductions coming from rehabilitation activities and no more for avoided re-logging activities that were already counted during the first monitoring period. This was confirmed while reviewing the cost calculation^{/03/}.

No further new relevant national or sectoral policies have been identified by the audit team while reviewing the references and interviewing stakeholders/05/IM01-16/.

TÜV NORD CERT GmbH confirms that the requirements regarding the impact of new relevant national or sectoral policies and circumstances on the validity of the baseline scenario are fulfilled, based on the information cross checked in the references provided to the auditor and obtained during the audit site visit and stakeholders in-put.

3.4.3.3 Appropriateness of the revised estimates of relevant rates and patterns of land-use change, and baseline emissions provided in the updated project description

No land use change has been identified during validation in the baseline scenario. This remains unchanged for the second monitoring period as per the supporting references reviewed, the observation made on site and the interviews carried out with local stakeholders/05/IM01-016/.

TÜV NORD CERT GmbH confirms that the requirements concerning the estimates of relevant rates and patterns of land use change have been met. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

3.4.3.4 Appropriateness of the ex-ante baseline projections for the subsequent baseline reassessment period

The data/parameters determined ex-ante didn't change since validation except R (root/shoot ratio) and CF (conversion of dry weight to carbon stock in above-ground tree biomass)/110/111/. The calculation has been updated accordingly for the subsequent baseline reassessment period.. This was checked during the review of the calculations and can be confirmed based on the observations made and the information gathered during the audit/CL11/03/05/IM01-16/.

TÜV NORD CERT GmbH confirms that the baseline reassessment and the resulting baseline scenario are accurate, realistic and valid. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

4 VERIFICATION FINDINGS

4.1 Project Details

The INFAPRO rehabilitation project belongs to sectoral scope 14 Agriculture, Forestry and Other Land Use (AFOLU), in the project category Improved Forest Management (IFM) with the project activity Low-Productive to High-Productive Forest (LtHP).

The project consists of rehabilitating 25.000ha of severely logged-over mixed dipterocarp rainforest in Sabah, Malaysia and prevents relogging of the forest in the area. Without the project, the forest would hardly recover due to the high quantities of vines and climbing vegetation suppressing the remnant trees and the natural regeneration process.

The project description is accurate, complete and well referenced. All references have been made available to the audit team on due time.

Item	Evidence gathering activities, evidence checked, and assessment conclusion:
Audit history	See VERRA registry .
Double counting and participation under other GHG programs	The project does not participate in any other GHG program and has not been rejected by any other GHG program. This was checked on different platform and registries^{/24/}. This information was confirmed considering the in-put provided by stakeholders interviewed on site^{/IM01-16/}. TÜV NORD CERT GmbH confirms that the requirements concerning double counting and participation under other GHG programs are met. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
No double claiming with emissions trading programs or binding emission limits	The project reductions and removals are not included in an emissions trading program or binding emission limit. This was checked on different platform and registries^{/24/}. This information was confirmed considering the in-put provided by stakeholders interviewed on site^{/IM01-16/}.

	TÜV NORD CERT GmbH confirms that the requirements concerning double claiming with emissions trading programs or binding emission limits are met. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
No double claiming with other forms of environmental credit	The project activity does not seek, receive or plan to receive credit from other GHG-related environmental credit system. TÜV NORD CERT GmbH confirms that the requirements concerning double claiming with other forms of environmental credit are met. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Supply chain (scope 3) emissions double claiming	N/A
Sustainable development contributions	PP identified 6 SDG targets distributed among 4 SDG as follows: - 4.4 Number of people trained in skill enhancement and 8.2 Capacity building: PP is carrying out several training providing skill enhancement and capacity building to its staff. This can be verified in the annual INFAPRO reports^{/09/}. The member of the staff interviewed confirmed this information and the content of the trainings explained to the auditor^{/IM01-16/}. - 8.5 Number of employment opportunities provided by the project for communities: the number of employees has been confirmed during the audit on site while interviewing staff^{/IM01-16/} and is recorded in the annual reports of INFAPRO^{/09/}. The local stakeholders interviewed raised the importance of the INFAPRO project for local employment. - 13.0 Tonnes of greenhouse gas emissions avoided or removed: the project has achieved the sequestration of 1,114,295 tCO_{2e} during the second monitoring period. The calculation has been verified by the audit team and is plausible^{/03/}.

	- 15.2 and 15.5 restoration of native tropical rain forest and supports high conservation values: the project actively participates in the restoration of native tropical rain forest as verified on site comparing the baseline and the project scenario^{/05/IM01-16/}. Without the project activities, the forest would be still in a more degraded state. The project is recording the conservation activities in its annual reports^{/09/}. Those have been reviewed by the auditor. The INFAPRO runs within the structure of the Conservation and Environmental Management Division of Yayasan Sabah Group. Specific species (dipterocarps, fruit species, others) are selected for the enhancement of the biodiversity as presented in table 4 of the 2021 INFAPRO annual report^{/09/}. TÜV NORD CERT GmbH confirms that the requirements concerning sustainable development contributions are met. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Additional information relevant to the project	No commercially sensitive information has been excluded from the public version of the monitoring report and the documents. TÜV NORD CERT GmbH confirms that the requirements concerning additional information relevant to the project are met. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

TÜV NORD CERT GmbH considers the project description to be accurate and complete, offering readers a clear understanding of the project's nature.

4.2 Safeguards and Stakeholder Engagement

4.2.1 Stakeholder Identification

Item	Evidence gathering activities, evidence checked, and assessment conclusion
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Stakeholder identification	No local communities are living in the project area as confirmed during site visit and interviews with villagers located several km away from the project area^{/05/IM01-16/}. The core stakeholders are unchanged through the monitoring period and are represented in the steering committee of INFAPRO. The steering committee includes mainly the Yayasan Sabah Group, the Sabah Forest department, the forest research institute Malaysia (FRIM) and Face the Future. Those are listed in the minutes of the meetings^{/11/}. The project is in contact with further stakeholders not in the steering committee such as the Danum Valle, the Royal Society and the INIKEA project^{/IM01-16/}. TÜV NORD CERT GmbH confirms the requirements regarding stakeholder identification fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Legal or customary tenure/access rights	The INFAPRO project area is located in the Yayasan Sabah Sustainable Forest Management license area. This was explained during on site visit and is related in supporting documents (USM Forest Management Plan and License Agreement signed in 1970)^{/06/12/}. In 1992, a MoU has been signed between the State Government of Sabah and Face the Future agreeing on the join efforts to rehabilitate logged over forest in Sabah. The agreement referred to the INFAPRO project area of 25,000 ha. For the entire contract period of 99 years, Face the Future is exclusively entitled of the CO₂ credits. Since 2009, 10% of the carbon ownership is shared with Yayasan Sabah^{/13/IM01-16/}. TÜV NORD CERT GmbH confirms the requirements regarding legal or customary tenure/access rights fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

Stakeholder diversity and changes over time	No local communities are living in the project area as confirmed during site visit and interviews with villagers located several km away from the project area^{/05/IM01-16/}. The core stakeholders are unchanged through the monitoring period and are represented in the steering committee of INFAPRO. The steering committee includes mainly the Yayasan Sabah Group, the Sabah Forest department, the forest research institute Malaysia (FRIM) and Face the Future. Those are listed in the minutes of the meetings^{/11/}. The project is in contact with further stakeholders not in the steering committee such as the Danum Valle, the Royal Society and the INIKEA project^{/IM01-16/}. TÜV NORD CERT GmbH confirms the requirements regarding stakeholder diversity and changes over time fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Expected changes in well-being	Since project stakeholders are exclusively conformed by institutions and agencies, PP notifies that expected changes in their well-being under the baseline scenario is not expected. Still, the project does have positive social impacts on the local stakeholders and surrounding communities^{/05/IM01-16/}. TÜV NORD CERT GmbH confirms the requirements regarding expected changes in well-being fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Location of stakeholders	PP referenced the different locations of the stakeholders (villages 80 km away from the project area, Yayasan Sabah Group in Kota Kinabalu, INFAPRO Project Team in Faceville, Ulu Segama Forest Reserve in Lahad Datu). The location has been confirmed while going on site during the audit^{/05/IM01-16/}.

	TÜV NORD CERT GmbH confirms the requirements regarding the location of stakeholders fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Location of resources	PP described the location of territories and resources owned by stakeholders. The project is taking place in the Ulu Segama Forest Reserve, which is owned by the State Government of Sabah^{/13/}. Face is entitled to the CO₂ sequestration offset. Since 2009, 10% of the carbon ownership of all newly rehabilitated areas is shared with Yayasan Sabah^{/13/IM01-16/}. No customary access exists in the project area^{/05/IM01-16/}. TÜV NORD CERT GmbH confirms the requirements regarding the location of resources fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

4.2.2 Stakeholder Consultation and Ongoing Communication

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Ongoing consultation	PP described all appropriate measures to communicate and consult with stakeholders during the monitoring period (Steering Committee, consultation with project stakeholders, topics related to ongoing consultation). The minutes of the meeting confirms this information^{/11/} as well the in put provided during interviews with stakeholders participating to the steering committee^{/IM01-16/}. The ongoing communication is in line with the validated plan. See section 6 of the PD^{/01/}. TÜV NORD CERT GmbH confirms the requirements regarding the ongoing consultation fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

Date(s) of stakeholder consultation	PP referenced the dates of stakeholder consultations (11-11-2011 (11th meeting); 29-08-2013 (12th meeting); 08-10-2015 (13th meeting)). See the minutes of the steering committee^{/11/}. TÜV NORD CERT GmbH confirms the requirements regarding the dates of stakeholder consultation fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Communication of monitored results	PP describes how the monitoring results were communicated (steering committee meetings, information of relevant stakeholder, feedback rounds, frequency of meeting, location, where the meetings are carried out, language). Results were provided in timely manner with edition of the meetings minutes shortly after the meetings. For instance the 12th SCM took place the 29-08-2013 and the minute of the meeting were prepared on the 9th of September 2013^{/11/}. As well the results of the second monitoring period 2011-2024 have been communicated to the steering committee^{/25/}. TÜV NORD CERT GmbH confirms the requirements regarding the communication of monitored results fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Consultation records	The consultation records have been documented in the minutes during consultation meetings have been made available to the audit team^{/11/}. TÜV NORD CERT GmbH confirms the requirements regarding the consultation records fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

Stakeholder input	PP describes how the input of all stakeholders is taking into account following the rule “who” proposed “what” and “who” is responsible to take action as per the minutes of the meetings^{11/}. Some actions taken by the project are described based on the input from the stakeholder consultation such as the improvement of a bridge, the improvement of the monitoring design, the denomination of employment position. No update to the project design were necessary in this respect or deemed appropriate since no major matters have been raised during the monitoring period. TÜV NORD CERT GmbH confirms the requirements regarding the stakeholder input fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
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4.2.3 Free, Prior, and Informed Consent

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Consent	The FPIC process is not applicable to the project since there are no IPLCs and customary rights holders inside or around the project zone. TÜV NORD CERT GmbH confirms the requirements regarding the consent fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Outcome of FPIC discussion	The FPIC process is not applicable to the project since there are no IPLCs and customary rights holders inside or around the project zone. TÜV NORD CERT GmbH confirms the requirements regarding the outcome of FPIC discussion fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

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	No applicable since no grievance received during the monitoring period. TÜV NORD CERT GmbH confirms the requirements regarding the grievance received and steps taken to resolve them fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Grievance redress procedure	PP developed a grievance procedure to receive, coordinate and take action on all grievances received^{/20/}. TÜV NORD CERT GmbH confirms the requirements regarding the grievance redress procedure fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

4.2.5 Public Comments

Comments received	Actions taken by the project proponent	Evidence gathering activities, evidence checked, and assessment conclusion
No public comment received during the monitoring period.	No public comment received during the monitoring period.	No public comment received during the monitoring period.

4.2.6 Risks to Local Stakeholders and the Environment

4.2.6.1 Management Experience

PP demonstrated that management teams have expertise and experience in implementing similar project activities and engaging communities in different countries of the world since the 1990s^{/101/}. PP is implementing the project with local partners (Yayasan Sabah). Both staff from Yayasan Sabah and Face the Future are highly qualified to manage the implementation of the carbon project INFAPRO. This was confirmed based on the observation made on site and the interviewees carried out with local project partners Yayasan Sabah, Face the Future and stakeholders^{/05/IM01-IM16/}.

TÜV NORD CERT GmbH confirms the requirements regarding the management experience fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

4.2.6.2 Risk Assessment

In the table below, describe i) the evidence gathering activities, ii) the evidence checked, and iii) provide a conclusion on the assessment of project's risk assessment and commensurate mitigation or preventative measure(s), including where no risk has been identified by the project proponent. Where no risk has been identified by the project proponent, provide a conclusion on the assessment confirming no risk has been identified.

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Natural and human induced risks to stakeholders' wellbeing	No risk has been identified. TÜV NORD CERT GmbH confirms that no risk exists regarding natural and human induced risks to stakeholders' wellbeing. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Risks to stakeholder participation	No risk has been identified. TÜV NORD CERT GmbH confirms that no risk exists regarding risks to stakeholder participation. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

Working conditions	PP identified risks for working conditions with injuries from misuse of equipment. Mitigation measures are well implemented (Safety and Health Administration team managing, monitoring of safety and health laws implementation, training)^{/14/}. TÜV NORD CERT GmbH confirms that risks on working conditions have been properly addressed and mitigation measures implemented appropriate. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Safety of women and girls	No risk has been identified. TÜV NORD CERT GmbH confirms that no risk exists regarding safety of women and girls. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Safety of minority and marginalized groups, including children	No risk has been identified. TÜV NORD CERT GmbH confirms that no risk exists regarding safety of minority and marginalized groups, including children. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Pollutants (air, noise, discharges to water, generation and release of hazardous materials and chemical pesticides and fertilizers)	PP identified the following risks: domestic refuse (1), water treatment/damming of stream (2), water treatment/chemical pollution (3) and use of fertilizer and pesticides (4). Mitigation measures are implemented: (1): it was checked on site that waste are separated between biodegradable and non-biodegradable. Those are located away from watercourses^{/05/IM01-16/}. (2)&(3): the damming of stream is limited to one stream. The residuals from the water treatment are flushed into pioneer perennial streams that has already a severely degraded state^{/05/IM01-16/}.

(4): The use of fertilizers and pesticides is very limited. Those spots are away from watercourses.

TÜV NORD CERT GmbH confirms that risks on pollutants have been properly addressed, and mitigation measures implemented appropriate. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

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	No risk identified. TÜV NORD CERT GmbH confirms that no risk exists regarding discrimination. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Sexual harassment	No risk identified. TÜV NORD CERT GmbH confirms that no risk exists regarding sexual harassment. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Gender equity in labor and work	No risk identified. TÜV NORD CERT GmbH confirms that no risk exists regarding gender equity in labor and work. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Forced labor	No risk identified.

	TÜV NORD CERT GmbH confirms that no risk exists regarding forced labor. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Child labor	No risk identified. TÜV NORD CERT GmbH confirms that no risk exists regarding child labor. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Human trafficking	No risk identified. TÜV NORD CERT GmbH confirms that no risk exists regarding human trafficking. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

4.2.7.2 Human Rights

Risks identified	Evidence gathering activities, evidence checked, and assessment conclusion
No risk identified.	TÜV NORD CERT GmbH confirms that no risk exists regarding human rights. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

4.2.7.3 Indigenous Peoples and Cultural Heritage

Risks identified	Evidence gathering activities, evidence checked, and assessment conclusion
No risk identified	The section is not applicable since there are no IPLCs and customary rights holder inside or around the project zone/05/IM01-16/.

	TÜV NORD CERT GmbH confirms that no risk exists regarding Indigenous Peoples and Cultural Heritage. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
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4.2.7.4 Property Rights

Risks identified	Evidence gathering activities, evidence checked, and assessment conclusion
No risk identified	This section is not applicable since the land is owned by the State Government of Sabah and managed by Yayasan Sabah Group^{10/13/IM01-16/}. TÜV NORD CERT GmbH confirms that no risk exists regarding property rights. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

4.2.7.5 Benefit Sharing

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Summary of the benefit sharing plan	No customary rights are hold by local communities in the project area^{05/IM01-16/}. 10% of the carbon credits are in the ownership of Yayasan Sabah^{21/} TÜV NORD CERT GmbH confirms the requirements regarding the benefit sharing plan fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Benefit sharing during the monitoring period	No customary rights are hold by local communities in the project area^{05/IM01-16/}. 10% of the carbon credits are in the ownership of Yayasan Sabah^{21/}

TÜV NORD CERT GmbH confirms the requirements regarding the benefit sharing during the monitoring period fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

4.2.8 Ecosystem Health

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Impacts on biodiversity and ecosystems	PP identified the following risks for the impacts on biodiversity and ecosystems while implementing the project activities: (1): Temporary reduction of food sources and habitats for wildlife due to climber cutting. Mitigation measures: rehabilitation of the forest successful on the long run with habitat of much higher quality. During the second monitoring period it was confirmed while going on site that the habitats are recovering and better for wildlife. This was confirmed by local stakeholders interviewed (scientists, forest department, tourism)/05/IM01-16/. (2): Possible cutting of desirable species due to renticing and row opening, as well as due to maintenance activities and liberation thinning. Mitigation measures: no desirable species are removed when renticing and opening as confirmed during plot measurements and interviews/05/IM01-16/. (3): Alteration of forest species composition during planting activities. Mitigation measures: PP carried out studies for planting the right species according to site conditions and ecological requirements. See INFAPRO management plan/¹⁰/. This information was confirmed by INFAPRO staff explaining the choice of species. Staff is also acquainted with local species suitable for site and ecological conditions/IM01-16/.

(4): Reduced seed dispersal and food availability to wildlife due to seed collection activities.

Mitigation measures: PP only selects seeds where sufficiently available and assess each time the availability in the project area to minimize its impact/10/IM01-16/.

(5): Reduced original wildlings on forest floor, and temporary reduction of food sources and habitats due to wildling collection.

Mitigation measures: the collecting of wildling is helping to reduce competition and enhance the quality of food sources and habitats for wildlife/IM01-16/.

(6): Loss of top soil and ground vegetation from soil collection

Mitigation measures: PP uses soil from natural landslides and plant quickly where soil was taken to avoid further soil losses/IM01-16/.

(7): Environmental pollution due to domestic refuse

Mitigation measures: Wastes are recycled and separated. Those are stored away from watercourses/05/IM01-16/.

(8): Environmental pollution due to use of fertilizers and pesticides

Mitigation measures: PP use small amounts of fertilizers and pesticides with low significance for the environment/05/IM01-16/.

TÜV NORD CERT GmbH confirms that risks on impacts on biodiversity and ecosystems have been properly addressed, and mitigation measures implemented deem appropriate. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

Soil degradation and soil erosion	PP identified the following risks on soil degradation and soil erosion: (1): Increased soil erosion through road maintenance Mitigation measures: PP is implementing mitigation measures to avoid further soil erosion when road are maintained as observed during the site visit/05/IM01-16/. No further road as the one from the network are used or re-opened/05/. (2): Soil erosion due to site clearance Mitigation measures: site clearance is needed for severely degraded forest. To avoid erosion, seedlings are planted immediately after clearance/IM01-16/. TÜV NORD CERT GmbH confirms that risks on soil degradation and soil erosion have been properly addressed. Mitigation measures implemented are appropriate. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Water consumption and stress	PP identified the following risks on water consumption and stress: (1): Damming of stream due to water treatment Mitigation measures: PP limits the damming of river to one. This was checked on site/05/IM01-16/. (2): Chemical pollution due to water treatment Mitigation measures: the residuals water are flushed in pioneer dominated trees away from perennial streams/05/IM01-16/

TÜV NORD CERT GmbH confirms that risks on water consumption and stress have been properly addressed. Mitigation measures implemented are appropriate. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

4.2.8.1 Rare, Threatened, and Endangered species

Item	Evidence gathering activities, evidence checked, and assessment conclusion
Species or habitat	No negative impact on species or habitat are resulting from the project activities. On the contrary, the project has a positive influence on species and habitats. PP demonstrates that the project will not and has not adversely impacted habitats and areas needed for habitat connectivity for rare, threatened, or endangered species during the monitoring period. The project accelerates the recovery pace for biodiversity/^{14/IM01-16/}. TÜV NORD CERT GmbH confirms that no risks on species or habitat are induced by the project. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Areas needed for habitat connectivity	No negative impact on areas needed for habitat connectivity is resulting from the project activities. On the contrary, the project has a positive influence on areas needed for habitat connectivity. PP demonstrates that the project will not and has not adversely impacted areas needed for habitat connectivity during the monitoring period. The project improve the connectivity between habitats/^{14/IM01-16/}.

	TÜV NORD CERT GmbH confirms that no risks on areas needed for habitat connectivity are induced by the project. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
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Evidence gathering activities, evidence checked, and assessment conclusion	
Habitats for rare, threatened, and endangered species	No risk identified by PP. TÜV NORD CERT GmbH confirms that no risks on habitats for rare, threatened and endangered species are induced by the project. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Areas for habitat connectivity	No risk identified by PP. TÜV NORD CERT GmbH confirms that no risks on areas for habitat connectivity are induced by the project. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

4.2.8.2 Introduction of Species

Species introduced	Evidence gathering activities, evidence checked, and assessment conclusion
Only native species have been introduced in the project area for the monitoring period.	TÜV NORD CERT GmbH confirms that only native species have been introduced during the monitoring period. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

Existing invasive species	Evidence gathering activities, evidence checked, and assessment conclusion
Acacia mangium (108 individuals)	This invasive species was introduced before the second monitoring period. PP is controlling the area where the species is planted to prevent any spread/IM01-16/. TÜV NORD CERT GmbH confirms that the requirements regarding the existing invasive species are fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
Tectona grandis (15 individuals)	This invasive species was introduced before the second monitoring period. PP is controlling the area where the species is planted to prevent any spread/IM01-16/. TÜV NORD CERT GmbH confirms that the requirements regarding the existing invasive species are fulfilled. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

	Evidence gathering activities, evidence checked, and assessment conclusion
<i>Acacia mangium</i>	No risk identified by PP. The area is controlled by PP and no risk of spread have been identified. TÜV NORD CERT GmbH confirms that no risk exist regarding <i>Acacia mangium</i>. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
<i>Tectona grandis</i>	No risk identified by PP. The area is controlled by PP and no risk of spread have been identified.

	TÜV NORD CERT GmbH confirms that no risk exist regarding <i>Tectona grandis</i> . This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.
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4.2.8.3 Ecosystem conversion

Item	Evidence gathering activities and evidence checked
Ecosystem conversion	No risk identified. The ecosystem is getting restored by project activities/05/IM01-16/. No land was cleared or drained of existing natural ecosystems during the monitoring period/05/IM01-16/. TÜV NORD CERT GmbH confirms that no ecosystem conversion took place during the second monitoring period. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

4.3 Accuracy of Reduction and Removal Calculations

The data and parameters used to calculate the GHG emission reductions and carbon dioxide removals for this verification period are summarized in the following table:

Parameter	Description
DBH	The diameter at breast height of tree measured at 1.3 m. The parameter has been verified during the on-site audit. See SOP and calculation/03/16/.
Tree species	The name of the tree species, identified at both genus and species level. The parameter has been verified during the on-site audit. See SOP and calculation/03/16/.
$\Delta C_{tree-exist,i,t}$	The carbon stock changes in the existing vegetation in the baseline scenario. The parameter has been verified during the on-site audit. See SOP and calculation/03/16/.

ΔC_{BSL}	The net emissions in the baseline scenario. The parameter has been verified during the on-site audit. The parameter has been verified during the on-site audit. See SOP and calculation/ ^{03/16/} .
$\Delta C_{P,i,t}$	The net carbon stock change due to forest regrowth and silvicultural interventions in the with-project scenario. The parameter has been verified during the on-site audit. See SOP and calculation/ ^{03/16/} .
$GHG_{WPS-E,t}$	The GHG emissions relating to project implementation. The parameter has been verified during the on-site audit. See SOP and calculation/ ^{03/16/} .
ΔC_{WPS}	The net emissions in the with-project scenario. The parameter has been verified during the on-site audit. See SOP and calculation/ ^{03/16/} .

R (root to shoot ratio) and CF (carbon fraction) have been updated/^{110/111/}.

TÜV NORD CERT GmbH confirms that all parameters monitored and used for the project have been explained to the audit team. All of them comply with the standard's requirements and have been verified by the audit team. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

The INFAPRO plot network is monitored to test the accuracy of the forest and carbon inventory database and modelling results, and to calibrate the inventory or growth & yield and/or carbon models if necessary. At each verification, the project makes an assessment of the inventory accuracy in comparison to the latest installed carbon plots toward a target standard error of +/- 10%/^{16/17/}. Calculation have been presented to the audit team and the necessary accuracy assessed as sufficient by the audit team/^{16/17/}.

The methods and formulae set out in the project description for calculating the baseline emissions, project emissions and leakage emissions have been followed/^{1/2/}. No discrepancies have been observed by the audit team.

The project proponent is using appropriate default values in the monitoring report and are in conformance with the VCS program rules.

It has been explained to the audit team that field data is collected on digital data recorders and is transferred electronically to minimize data entry and transfer errors. If there are material anomalies that cannot be resolved noted within plot data, the plot will be re-measured or omitted from the analysis/^{16/}.

Reductions and removals provided in the project's GHG statement have been quantified correctly in accordance with the monitoring plan and applied methodology/^{3/}.

TÜV NORD CERT GmbH confirms that the reductions and removals provided in this project's GHG statement have been quantified correctly in accordance with the monitoring plan and applied methodology. This confirmation is based on information cross-checked against the references provided to the auditor, as well as insights obtained during the audit site visit and stakeholder input.

4.4 Quality of Evidence to Determine Reductions and Removals

The INFAPRO Project has installed a permanent fixed and geo-located plot network for monitoring the forest and carbon inventory data during this monitoring period which has been checked by the audit team^{/05/16/17/}. The project installed 382 plots (293 project plots and 89 baseline plots in three different stratum namely open canopy, pioneer and remnant tree) following the procedures described in the INFAPRO SOP and PD^{/01/16/}. The plot network was installed by trained field crews with previous experience installing similar permanent plots. The plot installation SOP requires blind check-cruises of a minimum of 10% of the plots, with 100% re-measurement of all variables which meet the minimum DBH, height, and tree count accuracy thresholds (+/- 10% standard error at 90% confidence interval) for each monitoring period^{/17/}. This was checked on site with the audit team^{/05/IM01-16/}. Field data is collected on digital data recorders and is transferred electronically to minimize data entry and transfer errors. If there are material anomalies that cannot be resolved noted within plot data, the plot will be re-measured or omitted from the analysis. This information was also checked by the audit team on site.

Based on the onsite measuring of carbon plot in the baseline and project scenario, PP extrapolates the data for each stratum to calculate the reductions and removals during the monitoring period^{/03/}.

TÜV NORD CERT GmbH confirms the requirement fulfilled regarding sufficiency of quantity, and appropriateness of quality, of the evidence used to determine the reductions and removals.

4.5 Non-Permanence Risk Analysis

The project utilized the VCS Procedural Document "AFOLU Non-Permanence Risk Tool" (Version 4.2) to assess risk according to internal risk, external risk, natural risk and mitigation measures for minimizing risk. At all levels the rationale, appropriateness and justifications of risk rating chosen by PP has been evaluated. Each risk category was calculated based on the VCS guidance and the input provided by the PPs. Details of the assessment is listed as follow according to the documentation provided by PP:

Risk factor	Verification findings
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Internal risks	
Project management	Q1: The Project has an adaptive management plan in place as part of the monitoring plan. See the latest version of the Ulu Segama forest management plan/^{06/} and INFAPRO forest management plan/^{10/}. As well the adaptive management plan is reflected in the Standard Operation Procedures/^{16/}. Q2: None of the listed management risk detailed under Q2 are applicable. a) No risk with no native planted species. 100% of the planted species are native. See PD and MR/^{01/02/}. This was confirmed on site/^{05/IM01-16/}. b) The risk of encroachment in the planted area is not significant. It was confirmed during interviews with local stakeholders/^{IM01-16/}. No trace of encroachment has been detected on site/^{05/}. No risk identified. c) INFAPRO covers individuals with extensive experience (>5 years' experience) in all aspects required for the successful implementation of this project. This was confirmed during the audit/^{05/IM01-16/}. See table about the capacity of INFAPRO team in the INFAPRO NPRA justification document/^{18a/} and Face The Future Website/^{101/}. No risk identified. d) INFAPRO has a full-time management team located in the project area/^{06/10/IM01-16/}. No risk identified. e) The management team did not experience loss events previously/^{18a/}. No risk identified. Q3: Mitigation: h) The team has more than 5 years of experience in AFOLU project design and implementation, carbon accounting and reporting under the VCS program or other approved GHG programs/^{05/101/IM01-16/}. TÜV NORD CERT GmbH confirms the requirement fulfilled for the internal risk, project management part. All the above has been verified under consideration of observations made at the onsite visits, documents reviewed, field inspections and interviews conducted. The total score equals 0.
Financial viability	Q1: The project payback period is four years or less from the current risk assessment. The project has no loan and no payback required. The project does not have further obligations to rehabilitate the forest for which no funding is available/^{05/18a/IM01-16/}. Q2 The project proponent has secured more than 80% (indeed 100%) of the funds necessary to cover the total cash out before the project breaks even. A confirmation of financial viability has been provided to the auditor. The project activities are starting once the funding secured/^{22/}. The quality of the documentation is deemed to be sufficient to evaluate the risk correctly.

	Q3: Project has available, as callable and secured financial resources, at least 80% of total cash out before the project reaches breakeven^{/22/}. TÜV NORD CERT GmbH confirms the requirement fulfilled for the internal risk, financial viability part. All the above has been verified under consideration of observations made at the onsite visits, documents reviewed, field inspections and interviews conducted. The total score equals 0.
Opportunity cost	Q1: The baseline activities are not subsistence driven. Q2: NPV of the most profitable alternative land use activity is expected to be 20 percent or less than that of project activities. See justification of NPRA^{/18a/}. This due to the fact that baseline is class I forest where no timber management is taking place. It was confirmed during the interviews with local forestry department^{/IM01-16/}. Q3: n.a. since response to Q1 is no Q4: Project is protected by legally binding agreement to continue management practices that protect the credited carbon stocks for at least 100 years. The whole project area has been gazetted as Class I Protection Forest Reserve. The protection of the forest is guaranteed by law. See USM forest management plan and confirmation during interviews with forest department^{/06/IM01-16/}. TÜV NORD CERT GmbH confirms the requirement fulfilled for the internal risk, opportunity cost part. All the above has been verified under consideration of observations made at the onsite visits, documents reviewed, field inspections and interviews conducted. The total score equals 0.
Project longevity	Q1: The project did not request registration on or after 1 January 2024^{/102/}. Q2: Project is protected by legally binding agreement to continue management practices that protect the credited carbon stocks for at least 100 years. The whole project area has been gazetted as Class I Protection Forest Reserve. The protection of the forest is guaranteed by law. See USM forest management plan and confirmation during interviews with forest department^{/06/IM01-16/}. Q3-Q8: N/A. TÜV NORD CERT GmbH confirms the requirement fulfilled for the internal risk, project longevity part. All the above has been verified under consideration of observations made at the onsite visits, documents reviewed, field inspections and interviews conducted. Total score equal to 0. All the above has been verified under consideration of observations made at the visit, documents reviewed, field inspections and interviews conducted.

External risks	
Land tenure and resource access/impact	Q1: Any disputes over ownership and land, resource access or use right have been clarified. No dispute exist since the area belongs to the State of Sabah/^{12/18a/}. Q2: An agreement has been signed between the project proponent and the land owner. See Sabah Sustainable Forest Management license area/^{12/} and MoU Face The Future / Sabah/^{13/}. Q3: Ownership is hold by the State of Sabah and resource access or use rights guaranteed to Yayasan Sabah/^{12/}. Q4: No instances of Government intervention in the past 20 years or specific instances of expropriation and government intervention on land rights in the project area have been conclusively resolved against the government in a court of competent jurisdiction. The land is owned by the State of Sabah/^{12/}. Q5: No disputes exist. During document review, field visit and interviews no information on existing disputes over land tenure and ownership were observed/^{05/IM01-16/}. Q6: No disputes exist. During document review, field visit and interviews no information on existing disputes over land tenure and ownership were observed/^{05/IM01-16/}. Q7: n.a. since not a WRC project. Q8: n Mitigation: Project area is protected by a legally binding agreement (e.g., a conservation easement, conservation servitude or protected area) to continue management practices that protect carbon stocks for the duration of the project crediting period. See USM Forest Management Plan and change to class I Protection Forest/^{06/}. TÜV NORD CERT GmbH confirms the requirement fulfilled for the external risk, Land Tenure and Resource Access or Impacts part. All the above has been verified under consideration of observations made at the onsite visits, documents reviewed, field inspections and interviews conducted. Total score equal 0.
Stakeholder Engagement	Q1: No. The risk factor does not apply, as there are no households reliant to the project areas. Respective information has been provided and verified by the audit team by document review, field visit and interviews/^{05/IM01-16/}. Q2: n.a. since first communities living 80 km away from the project area/^{05/IM01-16/}

	Q3: : n.a. since first communities living 80 km away from the project area^{/05/IM01-16/}. TÜV NORD CERT GmbH confirms the requirement fulfilled for the external risk, Stakeholder Engagement part. All the above has been verified under consideration of observations made at the onsite visits, documents reviewed, field inspections and interviews conducted. Total score equal 0.
Political Risk	Q1: Based on the WGI data (http://info.worldbank.org/governance/wgi/index.asp) of the most recent 5 years Malaysia has a governance score of 0,41. The value has been calculated automatically in the VCS hub. Q2: Malaysia is party of the UNFCCC^{/103/}, includes AFOLU commitments in its NDC^{/104/} and has an active climate change plan that includes the project activities (see National Policy on Climate Change 2.0 including action for areas with natural resources and forestry)^{//}. TÜV NORD CERT GmbH confirms the requirement fulfilled for the external risk, Political Risk part. All the above has been verified under consideration of observations made at the onsite visits, documents reviewed, field inspections and interviews conducted. Total score equal 0.
Natural risks	
Fire	<u>Historical significance:</u> The historical significance of the fire risk is evaluated as being non applicable since 0.12% of the area was lost in the area of Lahad Datu between 2001 and 2023^{/18a/106/}. <u>Historical Likelihood:</u> The likelihood is estimated as once every 100 years or less frequently, or risk is not applicable to the project area. No fire have been recorded since the beginning of the project in the project area^{/05/18a/IM01-16/}. <u>Mitigation Factor:</u> No mitigation factor has been selected. Affected by climate Change: Yes, it is expected that fire weather occurrence in the project region will increase as reported on the Thinkhazard website^{/107/}. TÜV NORD CERT GmbH confirms the requirement fulfilled for the natural risk, Fire part. All the above has been verified under consideration of observations

	made at the onsite visits, documents reviewed, field inspections and interviews conducted.
Pest and disease outbreaks	<u>Historical Significance</u> The historical significance of the pest and disease risk is evaluated as being non applicable since the project didn't experience pests or diseases since the beginning 30 years ago. It was also confirmed during interviews/18a/IM01-16/. <u>Historical Likelihood</u> The likelihood is estimated as once every 100 years or less frequently, or risk is not applicable to the project area. No pest or disease have been recorded since the beginning of the project in the project area/05/18a/IM01-16/. <u>Mitigation Factor</u> No mitigation factor has been selected. Affected by climate Change: yes TÜV NORD CERT GmbH confirms the requirement fulfilled for the natural risk, pest and disease outbreaks part. All the above has been verified under consideration of observations made at the onsite visits, documents reviewed, field inspections and interviews conducted.
Extreme Weather	<u>Flooding</u> <u>Historical Significance</u> PP evaluated the historical significance as being insignificant for flooding (less than 5 percent loss of carbon stocks). The impact of flooding is rather insignificant on the forest in the region. The last 30 years since start of the project implementation, the project area hasn't been impacted by flooding/18a/. No traces of damage caused by flooding have been noticed on site/05/IM01-16/. <u>Historical Likelihood</u> The historical likelihood is limited to 25 to 50 years for flooding since one event of flooding was recorded in 2000. This is conservative since no flooding event impacted the project area since the start of the project implementation. <u>Mitigation factor</u> A buffer zone of 50m away from the rivers has been implemented with safer distance from it for the INFAPRO project boundaries/08/18a/. The mitigation score equals 0,5. Affected by climate Change: yes/107/

	<u>Cyclones</u> <u>Historical Significance</u> PP evaluated the historical significance as being insignificant for cyclones (less than 5 percent loss of carbon stocks). The impact of cyclones is rather insignificant in tropical forests^{/18a/108/}. No cyclone impacted the project area since project start in 1990 before VCS registration^{/18a/}. No traces of damage caused by cyclones have been noticed on site^{/05/IM01-16/}. <u>Historical Likelihood</u> The historical likelihood is limited to 25 to 50 years for cyclones since no event of cyclone was recorded in the project area since cyclones didn't impact directly the project area but occurred in Sabah in 1996, 1999 and 2006. This is conservative since no cyclone event impacted the project area since the start of the project implementation in the 90s. Affected by climate Change: yes^{/107/} TÜV NORD CERT GmbH confirms the requirement fulfilled for the natural risk, extreme weather part. All the above has been verified under consideration of observations made at the onsite visits, documents reviewed, field inspections and interviews conducted.
Geological risk	<u>Landslides / Earthquakes</u> <u>Historical Significance</u> PP evaluated the historical significance as being insignificant for landslides (less than 5 percent loss of carbon stocks). The impact of landslide is rather insignificant in the project area, occurring mainly along the road or in isolated strips of land in the project area. This was observed during site visit and discussed with PP, concluding that the effect is rather insignificant on the carbon stock^{/06/IM01-16/}. <u>Historical Likelihood</u> The historical likelihood is limited to once every 10 to less than 25 years for earthquakes that might trigger landslides. The probability of earthquakes based on literature has been calculated by PP as 10%^{/18a/107/}. <u>Mitigation measures</u> PP applied the mitigation factor "Prevention measures applicable to the risk factor are implemented" resulting in a 0,5-mitigation factor. PP justified accordingly with planting avoided in extreme slopes and the rehabilitation of the

		forest decreasing the risk of land slide with less soil erosion and landslides/05/18a/IM01-16/. Affected by climate change: yes/¹⁰⁷/ TÜV NORD CERT GmbH confirms the requirement fulfilled for the natural risk, geological part. All the above has been verified under consideration of observations made at the onsite visits, documents reviewed, field inspections and interviews conducted.
Other risks		None is observed, hence rated as not applicable. Affected by climate Change: No
Future Climate Impact		
Reference region		Using the QGIS provided by the standard it was determined that the entire project area is located in the S.E.Asia region.
Future Climate Impact		Due to the nature of IFM systems the impact of the project has been evaluated as following: Heat and cold • Mean air temperature: N/A • Extreme heat: negative • Cold spells: N/A Wet and dry • Mean precipitation: positive • River flood: negative • Landslide: negative • Soil moisture: N/A • Agricultural and ecological drought: N/A • Fire weather: N/A Wind • Mean wind speed: N/A • Tropical cyclone: negative TÜV NORD CERT GmbH confirms the requirement fulfilled for the natural risk, Future Climate Impact part. All the above has been verified under consideration of observations made at the onsite visits, documents reviewed, field inspections and interviews conducted.

SLR Impact level	Does not apply
Adaptive capacity	PP demonstrated at least 5 criteria of adaptive capacity, namely 7. The information is collected in NPRA Notes document and has been reviewed by the auditor^{/18b/} as well as further references mentioned below: • Criteria 1. Variety: A range of policy options to address climate change are applying directly to the project scope or activity. See adaptive capacity table of INFAPRO (National Climate Change Policy 2.0 2025; Climate Change Act; Malaysia updated NDC 2021; National REDD+ Strategy 2017; Malaysia Policy on Forestry 2021; Sabah Biodiversity Strategy 2024 – 2034)^{/18b/}. PP is also participating in climate change governance process being in contact with the ministry of natural Resources and Environmental Sustainability, the Sabah Forestry Department and the Sabah Biodiversity Center^{/18b/}. This direct control over activities and policy decisions, along with a highly variable approach to management creates an ability to take a variety of approaches to adapt to climate change. • Criteria 2. Learning Capacity: the project is able to address future climate events and learn from past experiences to improve routines regarding climatic experiences (periodic meeting with Yayasan Sabah; exchange with relevant stakeholder regarding climate change issues during steering committees). PP is taking action regarding climate change (protection and enhancement of forest carbon stocks decreasing the impact of climate change; rehabilitation of degraded forest improving its resilience to climate change; improving natural habitats making it more resilient for climate change)^{/03/05/18b/}. • Criteria 3. Room for change: PP has continual access to climate information at different spatial temporal scales. This is mainly thanks to the monitoring results, the intensive communication and exchange with local stakeholder specialized in research topics on climate change (Danum Valley Conservation Area)^{/05/18b/}. Results are summarized in the annual reports and forest management plans^{/09/10/}. • Criteria 4. Leadership: PP has a long term vision on climate change and can be considered as innovative with the project activities (worldwide vision of Face the Future in implementing carbon project to enhance forest ecosystem protection, enhance biodiversity and social benefit)^{/18b/101/}. PP has is proactive regarding entrepreneurship and collaboration from different stakeholders (working together with the University Malaysia Sabah, Forest Research Institute Malaysia, Wageningen University, ETH Zürich, University of Oxford, Aberdeen, Vancouver, Makerere, Eastern Finland)^{/18b/}.

- Criteria 5. Resources: PP has climate change expertise available, as well as knowledge and human labor force in the field of environmental sciences (90% of Face The Future staff having background in environmental sciences; specialization of the staff in adaptation)/05/18b/IM01-16/. Financial resources are available to address climate change (project dedicated to tackle effects of climate change, founding of tree planting and forest, ecosystem conservation)/18b/105/IM01-16/.
- Criteria 6. Fair governance: evidence of policies practices and behaviors that address climate change effectively (measuring impact of the project activities in the monitoring plan)/01/02/05/. Availability of accountability procedures to implement climate change orientated actions (high level sustainable performance indicators)/109/.
- Criteria 7. Innovation: PP has implemented novel solutions to reduce the threat or take advantage of climate change (rehabilitation of Dipterocarp forest; experience in raising dipterocarp seedlings and restoration; experience of the project applied in Sabah Forest's)/05/18b/IM01-16/.

TÜV NORD CERT GmbH confirms the requirement fulfilled for the adaptive capacity part. All the above has been verified under consideration of observations made at the onsite visits, documents reviewed, field inspections and interviews conducted.

5 VERIFICATION OPINION

5.1 Verification Summary

The GHG statement is the responsibility of the project proponent. The project conforms with the verification criteria for projects and their GHG emission reductions and removals set out in VCS Version 4,7. The project has been implemented in accordance with the project description and subsequently validated variations.

The verification of the GHG statement was conducted in accordance with ISO 14064-3;2019.

5.2 Verification Conclusion

Face The Future has commissioned the TÜV NORD CERT GmbH CP to carry out the Verified Carbon Standard (VCS) validation and first verification of the project INFAPRO REHABILITATION OF LOGGED-OVER DIPTEROCARP FOREST IN SABAH, MALAYSIA, VCS reference No. 672, for the monitoring period 01-January-2011 to 30-June-2024, with regard to the relevant requirements for VCS.

Based on the documented evidence and corroborated by an on-site assessment, TÜV NORD can confirm that:

the project has been implemented and operated as per the validated PD:

- the project description is in compliance with the PD following VCS standards 4.7.
- the monitoring report and other supporting documents provided are complete and verifiable and in accordance with the applicable VCS requirement;
- the monitoring is in place as per the applied baseline and monitoring methodology;
- the monitoring complies with the monitoring plan in the validated PD;
- the monitoring plan in the validated PD is as per the applied baseline and monitoring methodology.

The GHG removals by sink were calculated correctly on the basis of the approved monitoring methodology VM0005 Methodology for Conversion of Low-Productive Forest to High-Productive Forest, v1.2 the monitoring plan in the validated VCS PD.

Verification period: From 01-January-2011 to 30-June-2024

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.	N/A
Whether a loss has been appropriately accounted for, in accordance with the VCS Program rules, if applicable.	N/A

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)
01-Jan-2011 to 31-Dec-2011	12.463	97.910	0	9.920	0	72.750	72.750
01-Jan-2012 to 31-Dec-2012	12.463	97.910	0	9.920	0	72.750	72.750
01-Jan-2013 to 31-Dec-2013	12.463	97.910	0	9.920	0	72.750	72.750
01-Jan-2014 to 31-Dec-2014	12.463	97.906	0	9.920	0	72.746	72.746
01-Jan-2015 to 31-Dec-2015	12.463	97.854	0	9.914	0	72.702	72.702
01-Jan-2016 to 31-Dec-2016	12.463	97.846	0	9.913	0	72.695	72.695
01-Jan-2017 to 31-Dec-2017	12.463	97.867	0	9.915	0	72.713	72.713
01-Jan-2018 to 31-Dec-2018	12.463	97.865	0	9.915	0	72.711	72.711
01-Jan-2019 to 31-Dec-2019	12.463	97.870	0	9.916	0	72.716	72.716
01-Jan-2020 to 31-Dec-2020	12.463	97.875	0	9.916	0	72.719	72.719
01-Jan-2021 to	12.463	97.905	0	9.920	0	72.745	72.745

31-Dec-2021							
01-Jan-2022 to 31-Dec-2022	12.463	97.888	0	9.918	0	72.730	72.730
01-Jan-2023 to 31-Dec-2023	12.463	97.886	0	9.918	0	72.729	72.729
01-Jan-2024 to 31-Jun-2024	6.231	47.489	0	4.790	0	35.126	35.126
Total	168.250	1.319.983	0	133.715	0	980.580	980.580

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
01-Jan-2011 to 31-Dec-2011	38.483	82,670	115%	Additional forest regrowth in the treated area (project scenario) compared to the untreated area (baseline scenario) is higher than expected, mainly due to higher tree mortality in the untreated areas. This was verified while checking the calculation/ ^{03/} (see tab “plot results”), comparing baseline and project plots during site visit/ ^{05/IM01-16/} .
01-Jan-2012 to 31-Dec-2012	36.667	82,670	125%	
01-Jan-2013 to 31-Dec-2013	42.151	82,670	96%	
01-Jan-2014 to 31-Dec-2014	48.329	82,666	71%	
01-Jan-2015 to 31-Dec-2015	95.136	82,616	-13%	In later years, however, the achieved carbon removals are lower than expected ex-ante, as the implementation
01-Jan-2016 to 31-Dec-2016	110.984	82,608	-26%	

01-Jan-2017 to 31-Dec- 2017	123.883	82,628	-33%	of rehabilitation activities by the project did not proceed as planned. This was confirmed on site and this answer is plausible with the information gathered with the interviewees^{/05/IM01-16/}. TÜV NORD CERT GmbH confirms the requirement fulfilled for ex-ante vs ex-post comparison. All the above has been verified under consideration of observations made at the onsite visits, documents reviewed, field inspections and interviews conducted.
01-Jan-2018 to 31-Dec- 2018	138.480	82,626	-40%	
01-Jan-2019 to 31-Dec- 2019	150.150	82,631	-45%	
01-Jan-2020 to 31-Dec- 2020	110.722	82,635	-25%	
01-Jan-2021 to 31-Dec- 2021	111.167	82,665	-26%	
01-Jan-2022 to 31-Dec- 2022	112.854	82,648	-27%	
01-Jan-2023 to 31-Dec- 2023	113.740	82,646	-27%	
01-Jan-2024 to 31-Jun- 2024	117.120	39,916	-66%	
Total	1.349.866	1,114,295	17%	

Freiburg, 14. January 2026

TÜVNORD
i. A. Digital
unterschrieben
von Gavant Martin

Martin Gavant
Audit Team Leader
TÜV NORD CERT GmbH

Hanover, 14. January 2026

TÜVNORD
i. A. Digital
unterschrieben von
Nuske Alexandra

Alexandra Nuske
Final Approval
TÜV NORD CERT GmbH

APPENDIX 1: COMMERCIALLY SENSITIVE INFORMATION

<i>Section</i>	<i>Information</i>	<i>Justification</i>	<i>Assessment method and conclusion</i>
N/A	N/A	N/A	N/A

APPENDIX 2: AUDIT TEAM COMPOSITION

Lead Auditor VCS verifier: Martin Gavant.

He is qualified by TÜV NORD in Validation and Verification of Clean Development Mechanism Requirements (CDM projects) and other voluntary schemes such as VCS, CCB, ISO14064-2, GoldStandard, ICR, ERS (Ecosystem Restoration Standard) and WKS (WaldKlimaStandard). Martin Gavant detains a bachelor's degree in biology and Environment Sciences from the Université Jean Monnet, Saint Étienne/France, has a forest engineer degree from AgroParisTech Nancy/France and a master's degree of forest sciences from the Albert-Ludwigs-University, Freiburg/Germany. As well he worked as an auditor and a manager in the certification of sustainable forest management (FM), auditing projects following FSC and PEFC requirements. During his professional career, he worked in countries in Northern and Southern America, Africa and Europe. Martin Gavant is involved in the internal TÜV NORD CERT GmbH accreditation mechanism for ERS and representative in those activities for further standards such as VCS, GoldStandard, WKS and ISO14064-2. Martin Gavant is also providing training in the filed of carbon project with a focus on topics related to land use and forestry.

Host Country Expert: Khairul Anwar Ismail

Khairul Anwar bin Ismail is a Lead Auditor qualified by TÜV NORD, with extensive experience in sustainability and carbon certification. He has undergone various auditor training programs, including ISCC EU, ISCC Plus, MSPO, RSPO, SA8000, and ISO 9001, 14001, and 45001. He holds a Bachelor of Agriculture Science from Universiti Putra Malaysia, with expertise in plantation management, sustainability auditing, and carbon certification schemes.

With a professional background spanning integrated management systems and sustainability certifications, he has conducted audits across Malaysia, Indonesia, and Singapore, covering areas such as sustainable palm oil certification (MSPO, RSPO), international sustainability standards (ISCC EU, ISCC Plus), and occupational safety and health compliance. His expertise extends to land use and forestry, having managed projects related to plantation advisory, land development, and environmental impact assessments.

Khairul is actively involved in internal TÜV NORD accreditation processes and contributes to training programs on sustainability, and land use best practices. His extensive experience in certification and auditing aligns with leading global voluntary schemes such as ISCC, and MSPO.

Trainee auditor: Laila Mesquita

Laila Mesquita is a prospective GHG auditor by TÜV NORD, with broad experience from tropical and Canadian forestry, renewable energies, and carbon projects in Southern Africa. She holds a Bachelor in Forestry Engineering from the University of Minas Gerais, Brazil, and a M.Sc. in Renewable Energy Engineering and Management from the University of Freiburg, Germany, with proved expertise in environmental chemistry and solar energy research and development.

With a professional background spanning from environmental contamination and forestry chemistry, forestry, renewable energy research and project management, she supports TÜV NORD VVC activities in the various voluntary schemes such as CDM, GS4GG, VERRA, ISO etc. with her broad expertise and international professional experience, which includes Brazil, Canada, Germany, and Southern Africa.

She has undergone various GHG auditor training programs, such as the GHG Auditor training course and the ISO 9001 Lead Auditor course.

APPENDIX 3: TEAM COMPETENCES



Statement of Competence
Appointment and authorization according to the procedures of the TÜV NORD JI/CDM Certification Program

Mr. Gavant, Martin

SCHEME	STATUS				VALID UNTIL
	Assessor	Lead Assessor	Senior Assessor	Technical Reviewer	
ISO 14064-2	X			X	2025-12-12
VCS	X			X	2025-12-12
GS4GG	X				2025-12-12
WKS	X			X	2025-12-12

Authorization status for technical areas within sectoral scopes:

CODE	TECHNICAL AREA	CODE	TECHNICAL AREA
14.1	Afforestation and Reforestation		

425- Rev. 05, Date: 2025-01-29
Valid without signature

This document has been approved according to CERT-401-VA-007. Details are available from the QM-Department.
501-VA060-F20 Rev. 05/01.25 Page 1 of 1



Statement of Competence
Appointment and authorization according to the procedures of the TÜV NORD JI/CDM Certification Program

Ms. Nuske, Alexandra

SCHEME	STATUS				VALID UNTIL
	Assessor	Lead Assessor	Senior Assessor	Technical Reviewer	
ISO 14064-2			X		2028-03-03
VCS		X		X	2028-03-03
UER		X		X	2028-03-03
GS4GG		X		X	2028-03-03
CDM		X		X	2028-03-03
WKS		X		X	2028-03-03
ICR		X		X	2028-03-03

Authorization status for technical areas within sectoral scopes:

CODE	TECHNICAL AREA	CODE	TECHNICAL AREA
14.1	Afforestation and Reforestation		
1.2	Renewables		

095- Rev. 13, Date: 2025-03-18
Valid without signature

This document has been approved according to CERT-401-VA-007. Details are available from the QM-Department.



Statement of Competence
Appointment and authorization according to the procedures of the TÜV NORD JI/CDM Certification Program

Mr. Khairul Anwar, Bin Ismail

SCHEME	STATUS				VALID UNTIL
	Assessor	Lead Assessor	Senior Assessor	Technical Reviewer	
ISO 14064-2					2028-02-12
VCS					2028-02-12
GS4GG					2028-02-12
UER					2028-02-12
CDM					2028-02-12

Authorization status for technical areas within sectoral scopes:

CODE	TECHNICAL AREA	CODE	TECHNICAL AREA

447 - Rev. 00, Date: 2025-02-13
Valid without signature

This document has been approved according to CERT-401-VA-007. Details are available from the QM-Department.
501-VA060-F20 Rev. 05/01.25 Page 1 of 1



Statement of Competence
Appointment and authorization according to the procedures of the TÜV NORD JI/CDM Certification Program

Ms. Mesquita, Laila

SCHEME	STATUS				VALID UNTIL
	Assessor	Lead Assessor	Senior Assessor	Technical Reviewer	
ISO 14064-2				X	2028-02-20
VCS				X	2028-02-20
UER				X	2028-02-20
GS4GG				X	2028-02-20
CDM				X	2028-02-20

Authorization status for technical areas within sectoral scopes:

CODE	TECHNICAL AREA	CODE	TECHNICAL AREA
1.2	Renewables		
3.1	Energy demand		

448- Rev. 00, Date: 2025-02-21
Valid without signature

This document has been approved according to CERT-401-VA-007. Details are available from the QM-Department.
501-VA060-F20 Rev. 05/01.25 Page 1 of 1

APPENDIX 4: FINDINGS

CL ID	1	Section no.	General comments Monitoring Report	Date: 07/04/2025
Description of CL				

0. Please revise the whole monitoring report and ensure that the layout rules are respected in the whole document. For instance, see section 2.4.1, font size is 9,5 and not 10,5.

1. Section 1.1. the following has been written in the monitoring report “The results of the 2024 carbon monitoring campaign show that the tree growth during the monitoring period, between the 1st of January 2011 to the 30th of February 2023”. As communicated to the auditor, the monitoring period is ending on the 30th of June 2024. Please correct in the whole report.

2. Section 1.6 “Project start date: 29 June 2992”. Please correct the typo.

3. Section 1.12, table 1, row 4 “Throughout its lifetime the project has restored 12,076 hectares of tropical rainforest in the Malaysian state of Sabah”. Please explain related to the 11,982ha mentioned in the report in other sections, what the 12,076 ha stand for.

4. Section 2.1.1 “Additionally, many experts and organizations have been involved in the establishment and further development of the project, such as FRIM, researchers of Danum Valley Field Centre, WWF Malaysia, Earthwatch, CIRAD-FORET, IKEA, GEF, local and overseas Universities and the Sabah Forestry Department”. Please provide reference/communication proofs showing the involvement of those additional experts in the project during the last monitoring period.

5. Section 2.2.2 “To mitigate this risk, residuals from the water treatment plant are flushed into the pioneer dominated forest away from any perennial streams”. Please indicate with coordinates where the residuals from water treatment are flushed in the project area.

5. Section 2.2.2 “To mitigate this risk, the project restricts the use of fertilizers and pesticides to specific spots only, away from watercourses”. Please indicate how this risk is considered for the nursery since fertilizers are still used for growing seedlings and the nursery located closed to watercourses.

6. Section 2.4 “Possible cutting of desirable species due to renticing and row opening, as well as due to maintenance activities and liberation thinning [...]. The project will tag naturally regenerating native species prior to renticing and row opening activities, in order to ensure that no desirable species are removed”.

- Please clarify the term renticing if not a typo.

Please explain what is with row opening activities meant for the monitoring period since no opening activities have been detected on site nor mentioned during the visit for the second monitoring period.

- Please clarify if thinning activities took place during the second monitoring period and where since it wasn't mentioned on site as part of the project activities for the second monitoring period and none of those were mentioned on site.

PP explained during the introduction that planting is monitored through different phases of "census". Please provide a document describing the census procedure and the time scale/cycles of census observed after planting. Please clarify if census has been carried out during the second monitoring period, and where.

7. Section 2.4 "Alteration of forest species composition during planting activities [...]. To mitigate this risk, the project has conducted a careful study on the ecological conditions and reference composition of each planting site and ensures that the species planted match the specific ecological requirements". Is this risk still relevant since no planting activities took place during the second monitoring period as explained on site? Please clarify.

8. Section 2.4 "Loss of topsoil and ground vegetation from soil collection [...] Once the soil is deposited in the planting site, then seedlings are planted quickly to avoid further soil losses". Please explain for which purposes soil is collected if not only for planting and why soil is needed for planting activities. Are those risks relevant for the second monitoring period since no planting has been mentioned in the project area since 2011?

9. Section 2.4 "Damming of stream due to water treatment [...]. To mitigate this risk, the project established the two surface-overflow dams only in one river that runs across the camp in a severely degraded forest, dominated by pioneer species". Please explain the risk related to the damming of water. Please explain the two surface-overflow principle and indicate where the dam is in the project area. Please explain why choosing a severely degraded forest dominated by pioneer species for the run off of the water treatment plant.

10. Section 2.4.1 "In total, 207 rare, threatened and endangered species are present in the project area: 63 mammals, 82 birds, 27 amphibians, 17 reptiles, 18 fish". Please provide a reference to the list of threatened and endangered species.

11. Section 2.4.1 "Rare, threatened, and endangered species in the project zone are dependent on native patches of forest. The project will restore the native vegetation, increase forest cover and

health and avoid re-logging, hence providing wildlife habitats”. Are there any study/research projects/references exploring the evolution of biodiversity and threatened/endangered species in the project area? Has the impact of the project on biodiversity been measured through a biodiversity monitoring for instance? Do you rely on any references/indicators showing an improvement of the habitat connectivity thanks to the project?

12. Section 2.4.2 “existing invasive species”. Have the invasive species *Acacia mangium* and *Tectona grandis* been introduced by PP? Were those individuum present in the project area before project start? Please indicate where those invasive individuum are located in the project area. Please provide any reference relating to the research purposes.

13. Section 3.1. Please clarify in the monitoring report as required by the template that no new projects activities have been implemented in the project area but previously implemented project activities continued to be implemented during the second monitoring period.

14. Section 3.4.3.1 “Compared to TSI, forest rehabilitation is more expensive; the costs for rehabilitation per hectare are estimated to be 7 times higher than the costs for TSI”. Please precise in the MR the signification of TSI. Provide any reference demonstrating that rehabilitation is 7 time higher in terms of cost than TSI.

15. Section 3.4.3.1. Please explain why the project reference area Malua is mentioned in the MR since this area is not yet in the project boundaries nor considered for the baseline assessment. As explained by PP, this area might be part of the project once changing the methodology. Please clarify.

16. Section 3.4.3.1. Please specify in the monitoring report what SFD means.

17. Section 5.5.3. “Tree mortality in the baseline higher the expected”. Please correct the typo and complete the explanation in MR why the difference between ex-ante emission reductions/removals and ex-post measured reductions/removals is that high. Please explain what was expected and what happened in the project area leading to a positive delta. It was explained that avoidance emissions have been considered for the first monitoring period whereas for the second monitoring period only removals from the rehabilitated forest have been considered. Please explain why removals from the rehabilitated forest were not expected from an ex-ante perspective and what changed while implementing the project activities leading to a positive delta for the second monitoring period.

18. Please provide additionally the following references:

- FMP INFAPRO 2001-2010
- Project annual report for 2011, 2013, 2021 and 2024
- License Agreement for Timber between the State of Sabah and the Sabah Foundation (Yayasan Sabah) - 1970
- Sustainable Forest Management Licence Agreement (SFMLA) - 1997
- MoU between Sabah and Face the Future – 1992
- Minutes of the steering committee meetings (11-11-2011 (11th meeting); 29-08-2013 (12th meeting); 08-10-2015 (13th meeting)
- If available, any description of the steering committee tasks
- Any registry relating to the number of permanent and seasonal workers during the last monitoring period
- Document describing the Grievance Redress Procedure
- Any document/training/control provided/carried out by the Sabah foundation group regarding Occupational Safety and Health at work
- Yayasan Saba Group Human Resource Manual relating to anti-discrimination measures and points out the code of conduct for staff to avoid discrimination
- Document describing the management structure of the carbon revenue sharing plan.
- Forest Management Plan for INFAPRO project
- Sabah Forestry Department (2008). Forest Management Plan for Ulu-Segama Malua Sustainable Forest Management Project Area 2008-2017.
- Sabah Forestry Department (2018). Forest Management Plan for Ulu-Segama Malua Sustainable Forest Management Project Area 2018-2027.
- SFD Annual Report 2011, 2015, 2018 and 2023
- SOP full text (a PPT presentation has been provided till now to the audit team)
- Document referring on which date the different plots have been measured for the 2nd VCS verification.

Project participant response

Date: 28/05/2025

0. Adjusted MR to align with mandatory font size of 10.5, also checked whole document on layout rules set
1. Corrected throughout MR
2. Corrected to 29 June 1992
3. 11,819 ha is the correct total intervention area since the start of the project. This includes also the most recent area where activities were implemented in 2019. The mentioned 11,982 ha and 12,076 ha was incorrect. The MR is now corrected where all sections mentioning 11,982 ha or 12,076 ha were changed to 11,819 ha.
4. The involvement of the stakeholders in the second monitoring period is clear from the participation in the Steering Committee Meetings, e.g. in 2011, 2013 and 2015. See the minutes of the last two SCM's: 'Min Meeting 12th SCM Infapro (231213).pdf' and ' Minutes of the 13th INFAPRO SCM' provided as reference documents.
5. - The location of the water treatment is at the tree nursery at the INFAPRO project center. Coordinates are: 4°58'50.9"N 117°51'22.8"E
 - The application of fertilizer in the nursery is minimal and only applied to the planting pots. This avoids the leakage of fertilizer to the streams.
6. a. Renticing is clearing an access path through the vegetation.
 b. Row opening is an activity that is carried out prior to enrichment planting. During the monitoring period this has only been applied in Contract Area 7, 8 and 9.
 c. Thinning activities were also carried out in the same Contract Areas during the second monitoring period.
 d. See the document INFAPRO_Census_Procedures.pdf provided as separate file for a description of the procedure followed for the census. This has been applied to Contract Area 7, 8 and 9 within the second monitoring period.
7. This is a misunderstanding, planting activities did take place during the monitoring period, namely: 64ha in 2011, 91ha in 2012, 99ha in 2013 and 95ha in 2019.
8. See above, planting did happen after 2011, so this risk is relevant. Soil is only collected to raise the tree seedlings on the nursery
9. A) The primary risk identified relates to alteration of the natural hydrological regime, which could lead to reduced downstream flow, disruption of aquatic habitats, and increased water stress.
 B) The two surface-overflow principle refers to a design feature of the dams where excess water is allowed to flow continuously over the dam crest, mimicking natural stream flow and preventing accumulation of large amounts of water. This approach ensures that only a limited volume of water is retained at any given time, thus reducing the risk of altering downstream water availability or creating stagnant water bodies. The system is designed to treat water while maintaining natural hydrological connectivity and minimizing ecological

disturbance. Both surface-overflow dams are located in one river that runs across the camp inside the project zone.

C) The choice to locate the water treatment runoff in a severely degraded forest area dominated by pioneer species was a strategic mitigation measure. Such areas typically have lower ecological value, limited biodiversity, and high resilience to disturbance, making them more suitable for hosting infrastructure with minor environmental impacts. By placing the water runoff from the treatment plant in this area, the project avoids affecting intact or regenerating natural forest, rare habitats, or sensitive aquatic ecosystems.

10. The list of rare, threatened and endangered species is provided to the VVB as separate document (List of species present in Project Zone.xlsx)
11. Generally as a project we don't monitor biodiversity, other than data collected through the carbon monitoring campaign, which can potentially provide insights in tree species composition. The area is open to research. Research is mainly from scientists connected to the nearby Danum Valley Field Centre. Some studies have been done by students. e.g. on colony development of stingless bees, species diversity of cyprinid freshwater fishes and diversity of herpetofauna.
12. The mentioned planting trials were not established by the project. These trees were planted in the 70's and 80's way before the project start date. It was planted on log landings as research trials. At the time the Infapro was not in the picture yet.
13. As explained under point 7 the project did continue forest restoration activities during the 2nd monitoring period (2011-2024). To clarify this better a table is now included in section 3.1 of the MR explaining the forest rehabilitation activities carried out by the project.
14. Section 3.4.3.1 is now updated better explaining what TSI stands for.

Regarding the higher costs for Rehabilitation (enrichment planting) compared to TSI (climber cutting), this was specified in the VC PD section 2.4. This specific section in the PD is now also referred to in the MR. PP also changed "7x higher" to "significantly higher", since prices are changing over time.
15. There seems to be a misunderstanding here regarding the reference area for the project. As mentioned in section 4.2.4 of the VCS PD for Infapro Malua is actually selected as Reference Area for the project:

"The selected Reference Area is the Malua Forest Reserve, which is located at the North western boundary of INFAPRO and is part of the Yayasan Sabah Concession Area. It consists of lowland dipterocarp forest and has a size of 33,969 hectares."

Therefore the describes baseline reassessment is focusing on Malua, being the Reference Area to the project.

Furthermore it has never been mentioned or explained by the PP, during the audit visit or online meetings, that Malua might become part of the project upon any potential change of

the methodology. The current project boundary for INFAPRO is fixed and will also not change if the methodology will change in future.

16. Sabah Forest Department (SFD). This abbreviation is now explained in section 3.4.3.1 of the VCS MR

17. The explanation in section 5.5.3 of the MR is further elaborated as follows, better explaining the difference: *“Additional forest regrowth in the treated area (project scenario) compared to the untreated area (baseline scenario) is higher than expected, mainly due to higher tree mortality in the untreated areas. In later years, however, the achieved carbon removals are lower than expected ex-ante, as the implementation of rehabilitation activities by the project did not proceed as planned.”*

18. References requested are provided as separate documents in a folder submitted with these responses.

Additional remarks with the references:

- There are a total of 28 staff in INFAPRO, consisting of 22 permanent and 6 contract staff.
- So far, INFAPRO has not received any grievances.

Documentation provided by project participant

\References\Infapro 2001 Forest management plan 2001-2010 (18Nov2009).pdf

\References\INFAPRO_Census_Procedures.pdf

\References\Infapro_Plots_MeasuringDates.xlsx

\References\List of species present in Project Zone.xlsx

\References\MoU_Face_Sabah.pdf

\References\Sabah Licence Agreement for Timber 1970.pdf

\References\SFD_AnnualReports\ar2011.pdf

\References\SFD_AnnualReports\ar2015.pdf

\References\SFD_AnnualReports\ar2023.pdf

\References\SFD_AnnualReports\SFD.AR2018.pdf

\References\SOP_3Aug06.pdf

\References\SOPs_ForestInventory\CarbonStockMonitoring_FieldWorkStepByStep.pdf

\References\SOPs_ForestInventory\FieldMap_ProcedureSteps_INFAPRO.docx

\References\SOPs_ForestInventory\IFER 2010 SOP Carbon monitoring campaign Infapro v2.pdf

\References\SOPs_ForestInventory\INFAPRO_CarbonCampaign_2024_Procedures.pdf

\References\Sustainable Forest Management Licence Agreement 1997.pdf

\References\20240611_Letter_of_Intent_INFAPRO_Cost_Benefit_Sharing.pdf

\References\Audit_InvitationLetters_StakeholderInterviews\BNT INV REQ.pdf

\References\Audit_InvitationLetters_StakeholderInterviews\KG. TEMPINAU INV REQ.pdf

\References\Audit_InvitationLetters_StakeholderInterviews\RBJ INV REQ.pdf

\References\Audit_InvitationLetters_StakeholderInterviews\USM INV REQ.pdf

\References\FMP 2008-2017\APPENDICES.PDF

\References\FMP 2008-2017\APPENDIX 1.PDF

\References\FMP 2008-2017\APPENDIX 2.PDF

\References\FMP 2008-2017\APPENDIX 3.PDF

\References\FMP 2008-2017\APPENDIX 4.PDF

\References\FMP 2008-2017\APPENDIX 5.PDF

\References\FMP 2008-2017\COVER.PDF

\References\FMP 2008-2017\EXECUTIVE SUMMARY.PDF

\References\FMP 2008-2017\LIST OF FIGURES.PDF

\References\FMP 2008-2017\PART I - INTRODUCTION.PDF

\References\FMP 2008-2017\PART II - GENERAL INFORMATION.PDF

\References\FMP 2008-2017\PART III - FOREST RESOURCE BASE.PDF

\References\FMP 2008-2017\PART IV - MANAGEMENT PRESCRIPTIONS.PDF

\References\FMP 2008-2017\PART V - BUDGET.PDF

\References\FMP 2008-2017\PART VI - EIA AND FOREST MANAGEMENT STANDARDS.PDF

\References\FMP 2008-2017\PART VII - IMPLEMENTATION AND MONITORING.PDF

\References\FMP 2008-2017\REFERENCES.PDF

\References\FMP 2008-2017\TABLE OF CONTENTS.PDF

\References\FMP 2018-2027\1_USM 2nd FMP.pdf

\References\FMP 2018-2027\2_USM 2nd FMP_Table of Content.pdf

\References\FMP 2018-2027\3_USM 2nd FMP_Chapter 1 to 10.pdf

\References\INFAPRO_AnnualReports\Annual report Infapro 2013.pdf

\References\INFAPRO_AnnualReports\Infapro annual report 2012.pdf

\References\INFAPRO_AnnualReports\INFAPRO Annual Report 2021.pdf

\References\INFAPRO_AnnualReports\INFAPRO Annual Report 2024.pdf

\References\OccupationalSafety&Health\Anti-harassment and anti-Discrimination Policy for Infapro.pdf

\References\OccupationalSafety&Health\CODE OF CONDUCT .pdf

\References\OccupationalSafety&Health\Labour_Ordinance_of_Sabah_Amendment_Act_2024_172 1210718-1.pdf

\References\SCM Meetings\11th SCM INFAPRO.pdf

\References\SCM Meetings\Min Meeting 12th SCM Infapro (231213).pdf

\References\SCM Meetings\Minutes of the 13th INFAPRO SCM.pdf

\References\SCM Meetings\ToR_Steering Committee.PDF

DOE assessment

Date: 12/06/2025

0. Layout rules have been revised for the whole monitoring report in the new version provided to the auditor.
1. The correct monitoring period has been corrected in the whole monitoring report.
2. The project start date has been corrected to the 29 June 1992.
3. The total area of intervention has been corrected to 11,819 ha. The calculation of the total intervention area has been reviewed in the following document: "INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification.xlsx".
4. The involvement of the stakeholders has been recorded in the minutes of the last two Steering Committee Meetings and was checked by the auditor while reviewing the documents "Min Meeting 12th SCM Infapro (231213).pdf" and "Minutes of the 13th INFAPRO SCM".
5. The residuals from the water treatment are flushed close to the treatment area in the pioneer dominated forest around. The coordinates have been provided to the auditor.

The application of fertilizers in the nursery is minimal and only applied in the planting pots, avoiding any leakage of fertilizers into the streams.

6.
 - a. The term "renticing" has been clarified
 - b. PP clarified where row opening has been carried out namely in contract areas 7, 8 and 9 during the monitoring period.
 - c. PP clarified where thinning activities have been carried out namely contract areas 7, 8 and 9.
 - d. Census has been conducted in contract area 7, 8 and 9 within the second monitoring period. PP provided a document "INFAPRO_Census_Procedures" describing the Census methodology.
7. It was explained during site visit that the planting activities were only carried out in the project area for rehabilitation not included in the monitoring report because of third party investment. A new version of the calculation has been provided to the auditor meanwhile (INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification.xlsx) with a distinction of the areas planted in 2011, 2012, 2013 and 2019 included and not included in the monitoring report for VERs namely 0 ha of 64 ha in 2011, 65 ha of 91 ha in 2012, 99ha of 99ha in 2013 and 0 ha of 95 ha in 2019 included in the monitoring report.
8. Planting activities have been carried out during the monitoring period as discussed above. Soil is only collected to raise the tree seedlings in the nursery and the quantities collected relatively low.
9. The risk related to damming has been explained and is relevant for the project. The risk related to damming is related to the alteration of the natural hydrological regime which could lead to a reduced downstream flow and an alteration of the aquatic habitats with water stress.

The two surface-overflow principle has been clarified by PP and the location of the dams provided.

PP explained why choosing a severely degraded forest dominated by pioneer species for the run-off of the water treatment plant was relevant. The low ecological value with limited biodiversity makes this zone more suitable for receiving run-off with minor environmental impacts.

10. The document “List of species present in Project Zone.xlsx” has been provided to the auditor and reviewed. The same amount of rare, threatened and endangered species has been identified.
11. PP is not monitoring biodiversity other than the data collected through the carbon monitoring campaign. It can be confirmed that the project does not have a negative impact on biodiversity as expected from the VCS standard and may improve the biodiversity through the restauration of the forest.
12. PP confirmed that the invasive species mentioned have been planted in the 70’s and 80’s so way before the project start date.
13. PP clarified through table 2 in the MR the areas being rehabilitated and the ones included in the monitoring report for the second verification.
14. The acronym TSI has been clarified in the report (Timber Stand Improvement). PP updated MR. The wording concerning the higher cost of the rehabilitation project compared to TSI activities has been changed to “significantly higher”. This was clarified in section 2.4 of the PD and in the barrier analysis during validation.
15. The Malua forest reserve is designated as reference area for the project, having similar size and specificities as the project area. The Malua forest reserve will not be part of the project area in the future since the project boundaries are fixed for the whole lifetime of the project.
16. The abbreviation SFD (Sabah Forest Department) has been clarified in the monitoring report.
17. Two trends can be observed regarding the difference between the ex-ante and ex-post calculations and measurements. The first trend, from 2011 to 2014, shows a positive difference in the achieved removals. PP justified this by noting higher tree mortality in the untreated areas than expected. This was confirmed on site because lot of pioneer trees died rapidly and few of them have been found on site. The second trend, starting from 2015, is rather negative, with higher ex-ante removals calculated than those actually achieved. This is mainly because the project did not proceed as planned, and fewer restoration activities took place in the project area than anticipated. This was confirmed on site and can be confirmed while comparing the area planned for forest rehabilitation in table 7.2 of the PD being much larger than the area actually rehabilitated as defined in the calculation “INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification_updated.xlsx” tab “project area.
18. PP provided the required references to the auditor.

Finding is closed

CL ID	2	Section no.	INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification_DRAFT_v2	Date: 02/04/2025
Description of CL				
The measurement of the sample plots for the second monitoring period has been done over more than one year. It started with the baseline plots remeasured in 2023 with some project plots. The measurement of the project plots is still ongoing at the time of the audit (see CAR01). Some of the reasons of this delay have been explained to the audit team: INFAPRO was measuring first the plots in the baseline scenario and some few project plots to test if the project was still successful in terms of CO₂ sequestration. Once confirmed, the measurement of the remaining project plots has been carried out and is still ongoing at time of the audit. Since most of the project plots have been measured one year after the baseline plots, it can lead to an overestimation of the growth in the project plots since baseline plots are still growing even if at a lower rate than in the project plots. Please estimate the significance of this bias for the finale removal calculation.				
Project participant response				Date: 11/07/2025

Measurement Timing

Not all baseline plots were measured in 2023. Out of the total of 88 baseline plots, only 44 (50%) were measured in 2023, while the remaining 44 plots were measured in 2024. In addition, 32 project plots were also measured in 2023.

Impact of Measurement Timing on Project Results

To assess whether the measurements done in 2023 would potentially have caused a significant change to the final result of the NET GHG removals by the project, all plots measured in 2023 were increased with 1 year of additional growth as was measured on the particular plot in 2023. If a positive growth was measured on a plot, the annual growth on that plot was calculated and then added to the plot result to make up for the 1 lost year. When the measured growth on the plot was negative, the plot result therefore decreased even further.

Following this process, the results of this correction are presented in table below. As can be seen the total difference of the NET GHG Removals by the project would have been 7,642 tCO₂e less compared to the uncorrected result. This is a difference of -0.7%

	Uncorrected results (tCO ₂ e)	Corrected results (tCO ₂ e)	Difference (tCO ₂ e)	Difference (%)
Baseline removals (tCO ₂ e)	189,739	201,926	12,187	
Project removals (tCO ₂ e)	1,367,982	1,372,527	4,545	
Net GHG Removals (tCO₂e)	1,178,243	1,170,600	-7,642	-0.7%

Assessment of Significance

According to the Verra VCS significance threshold ($\geq 5\%$ of total removals), the impact of the measurement timing discrepancy (being only -0.7%) is considered insignificant. It does not materially affect the credibility or conservativeness of the overall emissions removals estimate.

Forward-Looking Improvements

To further enhance data accuracy, the project will ensure that all plots are measured within a shorter and more consistent timeframe in future verification rounds. Additional logistical measures will be implemented to expedite the measurement process. This will mitigate the risk of similar discrepancies and further increase the robustness of monitoring data.

Documentation provided by project participant

INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification_v1.2_significanceAssessment_2023plots.xlsx

DOE assessment

Date: 14/07/2025

PP considers in its final calculation the uncorrected result since the difference is only -0.7% compared to the version calculated with growth simulation of one year added for the baseline plots measured in 2023. The difference can be considered as insignificant. The calculations provided with and without correction have been reviewed by the auditor.

Finding is closed.

CL ID	3	Section no.	SOP	Date: 02/04/2025
Description of CL				

1. During the on-site visit, the audit team observed that PP's plot measurement team was cutting climbers to go to the center of the plot and when doing the measurement on the plot. To ease the measurement of the tree diameters, climbers were cut on trunks. These interventions might provide a bias for the whole project since growing of trees might be favorized in plots through the cutting of climbers while this is not the case in the rest of the project area. Please explain how this issue might be hindered for the future.

2. When doing the laser measurement for DBH with field-map equipment in case of larger trees, only one side of the tree is considered. Since some of the trees have an elliptic trunk shape, measuring only the width on one side might cause an error of DBH estimation. Measuring on one side might lead to an over or underestimation of the DBH. Please explain how PP deal with this issue.

3. During the re-measurement of plots, it was explained to the audit team that trees changing their trunk shape when growing (appearance of buttress for instance) had still to be measured at 1m30. Measuring DBH at a higher position on the trunk where no buttress appears would have otherwise led to an underestimation of the tree volume. Generally, the SOP are not describing how to consider trees with buttress. Please clarify how measurement of such trees should be done.

4. Some trees are presenting irregularities along the whole trunk. Clarify if measuring the DBH without considering those irregularities provide a good estimation of the volume since the diameter is not round but irregular.

Project participant response

Date: 28/05/2025

1. This is actually not how the teams are instructed and trained to operate. Normally the teams measuring are not cutting any climbers in the plot. For next verification the instruction will be improve stronger emphasizing this point. This to avoid this happening again during the next monitoring and verification rounds
2. PP will include this as standard procedure for the next monitoring campaign. It will be set as a requirement for the new monitoring program to measure 2 diameters when using the laser, one from the operator's position and one on 90 degrees from that position.
3. Measurement of the DBH for trees with buttresses above 1.30 m should happen at the position above the buttresses where the stem is more regular. This is clear to most of the teams. But to avoid any misinterpretations in the future, the SOP will be improved for the next monitoring and verification round to include a clear instruction as described here.
4. With these irregular stems, it is still the standard procedure to measure 2x DBH to capture the irregularity with the average of both of them. When it is extremely irregular, the teams are also asked to use measuring tape. This will also be included for the next monitoring campaign to improve the instructions for tree measurements in the SOP

Documentation provided by project participant

DOE assessment

Date: 17/06/2025

1. PP takes the observation into consideration and will emphasize that point (not cutting climbers when measuring plots to avoid bias) for the next monitoring rounds.
2. PP set the measurement with laser of 2 diameters as a requirement for the next monitoring campaign instead of measuring only one diameter.
3. PP will include for the next monitoring campaign new instructions in the SOP to clarify how to measure trees with buttresses, namely at 1m30 from to point where the stem is getting more regular.
4. PP takes the observation into account for irregular stems and will update the SOP. For extremely irregular stems, the measuring tape will be used instead of the forest caliper.

Finding is closed.

CL ID	4	Section no.	Work Safety / SOP	Date: 02/04/2025
Description of CL				
During the on-site visit, the audit team observed that some members of the PP's plot measurement team were climbing on each other's shoulder to measure the DBH of wider trees with large buttresses. As demonstrated by PP, the technology used with field-map (© IFER-Monitoring and Mapping Solutions, Inc.) makes possible the measurement of DBH at higher tree high when trees present large buttresses for instance or if the diameter are larger than the measurement instruments allow. Beside safety issues, it was noticed that the precision of measurement decreased when agents climbing on each other's shoulder. Please explain how to ensure safety at work for the measurement team and avoid such practices for better data precision.				
Project participant response				Date: 28/05/2025
This is a valid point. This will be avoided in the future by improving the SOP for the next monitoring campaign, allowing the teams to only use laser measurements of bigger trees and therefore not allow climbing big trees anymore.				

Documentation provided by project participant	
DOE assessment	Date: 17/06/2025
PP consider the observation made during site visit and will update SOP to avoid climbing trees for security and accuracy issue in the future. Finding is closed.	

CL ID	5	Section no.	Illegal activities in the project area	Date: 02/04/2025
Description of CL				
While carrying out interviews with neighboring stakeholders, the audit team was informed that illegal gold mining activities and illegal sandal wood cutting are happening in the area of the project. PP is not aware and didn't mention such activities in its project area. Please clarify since this information was new to the audit team and check if those illegal activities are happening in the project area. Please evaluate any risk for the project that those activities might imply.				
Project participant response				Date: 28/05/2025
The mentioned mining activity only happened once during the Monitoring Period. The activity was very small scale with no significant damage to the forest in the project area. As far as the project team is aware, there are no reports on sandal wood cutting in the project area during the Monitoring Period. Therefore, both activities reported does not have any significant effect on the forest in the project area.				
Documentation provided by project participant				

DOE assessment	Date: 17/06/2025
PP clarified that the illegal activities took place at very small scale once during the monitoring period and did not impact the forest in the project area. PP is not aware of further sandal wood cutting in the project area during the monitoring period. Finding is closed.	

CL ID	6	Section no.	Plot location	Date: 02/04/2025
Description of CL				
The project is comparing the growth of forest in the baseline area and project scenario area. Baseline and project scenario area are comprised in the same project boundary, encompassing 25,000ha. However, some of the baseline plots are located outside the project boundaries. Please explain the reasons and how the location of baseline plots has been determined. Moreover, the audit selected plot n°281 which is located less than 30 m to the road. According to the sampling framework, plots should be located between 30 and 250 m from roads or beyond 250m. Please explain this deviation and consider further plots in a similar case as plot n°281. Please specify if the removal calculation done for the second monitoring period is excluding the 30 m buffer zone along roads as described in the PD.				
Project participant response				Date: 28/05/2025

1. The locations of the plots were set in 2007 and 2011 and also validated by the third party auditor in 2011. The plots located outside the project boundary (only some baseline plots) were placed there since the location is a good representation of the baseline scenario. There is no difference between the forest just outside the boundary and inside the boundary at these locations. These locations do have the same baseline and condition in terms of history, current degradation status and management.
2. Indeed some sample plots (like the visited plot 281) are located close to (within 30 meters) from the roads. These plots were measured in the previous inventories in 2007 and 2010, and have now also been remeasured during the 2024 inventory. Out of the 382 sample plots, a total of 30 sample plots are located within 30 meters from a project road. 28 of these sample plots are project plots and 2 sample plots are baseline plots. The project therefore deviates from the described sampling framework in the VCS PD.

This deviation is justified on conservative grounds, as it results in a lower estimate of emission removals. growth-monitoring data for 2010 – 2024 show that plots near roads exhibit slower biomass accumulation than plots located more than 30 m away. Because the roadside plots are almost exclusively project-scenario plots, including them reduces the overall growth-rate estimate and thus produces a more conservative calculation of emission removals. The corresponding results are summarized in the table below.

This deviation is also described in the monitoring report (MR) as a “Project Description Deviation” in Section 3.2.2.

	Number of plots of plots (N)	Average Tree Biomass Growth AGB+BGB 2010-2025 (tCO2/ha/yr)
Baseline plots <=30m from road	2	2.56
Project plots <=30m from road	28	3.09
All plots <=30m from road	30	3.05
Baseline plots >30m from road	87	1.00
Project plots >30m from road	265	7.26
All plots >30m from road	352	5.71

3. See our answer to point 2 above, since the project is actually monitoring the roadside zone (within 30 meters from project roads), the project does not need to exclude this zone from the project area. This is in line with the VCS PD section 3.4.2.2 which states: “The 30 meter

wide strip along the road, <u>if not monitored</u>, is excluded from the area of the with-project strata (Ai,t) for which VCU's are claimed." So the project is actually monitoring the roadside zone and therefore does not exclude it from the project area.	
Documentation provided by project participant	
DOE assessment	Date: 17/06/2025
The sampling framework has been validated already. The baseline plots located outside the project boundaries have similar characteristics as the one inside the project boundaries. PP referenced that a total of 30 plots are located within the 30 meters road buffer zone. PP demonstrated via calculation that the plots located close to the roadsides have a lower biomass increase than the one beyond the buffer zone (3.05 tCO₂/ha/yr instead of 5.71 tCO₂/ha/yr). Including those plots reduce the overall growth-rate and including those is considered as being conservative. The deviation to the VCS PD has been described under section 3.2.2 of the monitoring report. PP specified that the buffer zone is excluded from the area of the with-project strata for which VCU's are claimed. Finding is closed.	

CL ID	7	Section no.	NPRA	Date: 02/04/2025
Description of CL				

1. Landslides have been detected along the roads and river sides when visiting the project areas, leading to local forest destruction. Please estimate the impact of this phenomenon in the project area in term of area/carbon stock. Precise if this is a pure natural phenomenon or if the landslides are related to the degree of soil degradation caused by the former harvesting activities in the 80s/90s. Are landslides occurring with the same occurrence in virgin forests? Please adapt the risk assessment adequately.

2. At time of the audit 263 project plots out of 293 have been measured. Out of the 263, 36 project plots present a negative growth when comparing results between 2010 and 2024. It was explained that these negative results might be the consequence of some dying pioneer trees getting replaced by climax trees. Since the project area is taking place on degraded land because of severe logging activities in the past, please explore if any correlation can be find out to the negative results of those plots with any factor/aspect of the project area/activities (for instance in terms of strata etc.) and relate it to the risk assessment adequately.

Project participant response

Date: 28/05/2025

1. The landslides are mainly caused by the combination of high rainfall and steep slopes. These landslides can also happen in primary tropical rainforest in Sabah, especially when triggered by seismic activity (like in 2015). Also, landslides can be expected along rivers in primary forests. However, degraded forests are more prone to landslides, because there is less protection by vegetative cover. Trees and other vegetation stabilize the soil by the interception of rainfall through crowns and the root systems enhances the mechanical strength of soils. There is a lack of data on the occurrence of landslides in primary undisturbed tropical forests, but based on the beforementioned factors, it's reasonable to expect that landslides are happening more frequently in degraded forests. The project intervention in INFAPRO helps to rehabilitate the forest and increase the resilience against landslides. The occurrence of landslides is higher in the baseline scenario if compared with the project scenario. With regards to landslides along roads: this can be regarded as an example of human induced landslides. The extent of the landslides is very small, typically ranging between 10 to 150 m². The project does not claim the carbon benefits in a strip of 30 meters wide along each side of an actively maintained road. As for the impact of landslides taking place into the interior of the project compartments, the change detection of carbon stocks is captured through our carbon monitoring plots. In summary: the impact of landslides in our project is very low and the carbon impact is either outside the area for carbon benefits are claimed (i.e. along roads), or the carbon impact is captured through our carbon monitoring framework (monitoring plots).

2. INFAPRO is working in a natural forest area, consisting of a mixture of species and different tree ages. This means that natural dynamics of recruitment and mortality are taking place throughout the forest. The detection of 'negative growth' is always expected to take place in a part of the monitoring plots. This is also the case in primary forests. These changes in forest carbon stocks are captured through our carbon monitoring framework, so it's not considered as a non-permanence risk.

Documentation provided by project participant

DOE assessment

Date: 17/06/2025

1. PP explains that landslides can be triggered by seismic activities and are also occurring in primary tropical rainforest in Sabah. Degraded forests are more prone to landslides since vegetation cover is less dense (rainfall interception lower, less developed root system maintaining the soil etc). The project activities rehabilitate the forest and decrease the risk of landslides which has a positive effect in this regard. The road construction can induce some landslides but with a rather small impact. The impact in the project area is captured while measuring the monitoring plots.

2. PP confirms similar fluctuation of carbon stock in the primary forest and do not relate the fluctuation of carbon stock to the degraded stage of the forest. The fluctuations are captured while measuring the monitoring plots though not considered as a non-permanence risk.

Finding is closed.

CL ID	7	Section no.	Baseline forest management	Date: 02/04/2025
Description of CL				
1. As mentioned in the monitoring report “After the creation of the USM FMU in 2006, the first forest management plan (FMP) on sustainable forest management of the USM Forest Reserves was adopted covering the 2008-2017 period. Subsequently, in 2018 the second FMP on sustainable forest management of the USM Forest Reserves was released covering the 2018-2027 period. USM is the second model for sustainable forest management in Sabah”. The baseline area of the project zone should follow the same management as the one applied by USM (see TSI). Please demonstrate how the management activities resulting from the first and second forest management plan developed by USM have been implemented in the baseline area. Please indicate in the MR what the acronym TSI stands for.				
Project participant response				Date: 28/05/2025

TSI stands for Timber Stand Improvement. This is adapted in the MR in section 3.4.3.1

In section 3.4.3.1 of the MR, it is already described how the 2008-2017 FMP (no TSI and forest rehabilitation activities in Malua FR) and the 2018-2027 FMP (TSI in certain sections of Malua FR) have been implemented by SFD in Malua FR, the reference area to the project. It is the reference area (Malua FR) that should be used to determine the baseline scenario. This reference area is different from the areas in which the baseline monitoring plots are situated. In the baseline plots monitored by the project, no management activities and TSI activities have been implemented by the project or SFD.

Documentation provided by project participant

DOE assessment

Date: 17/06/2025

The term TSI has been clarified.

No additional forest management activities are being implemented in the project zone where the baseline plots are situated. The project's design has been validated. The baseline plots are located in the untreated area of the INFAPRO project zone, while the reference area has been selected in the Malua Forest Reserve, where forest management activities, such as Timber Stand Improvement (TSI) and Sustainable Forest Management (SFM), are occurring, albeit at a slow pace. The monitoring report notes that the implementation of TSI and SFM plans is behind schedule. Furthermore, the project is considered conservative in choosing the untreated project area for the baseline plots, as only one round of logging has occurred there, compared to multiple rounds in the Malua Forest Reserve. Consequently, the project is accounting for fewer avoidance credits than it potentially could.

However, the implementation of TSI and SFM practices has increased in recent years in the region, primarily through climber cutting to enhance forest recovery and rehabilitation. Discussions about potentially incorporating this baseline shift are ongoing at INFAPRO. Several options have been presented to the auditor such as: (1) implementing TSI practices in the untreated project area, (2) shifting the baseline plots to another project area, such as Malua Forest Reserve, with better accessibility and consistent application of TSI, (3) changing the methodology to compare national forest inventory data, if available.

These options will be discussed and evaluated by the PP. FAR 01 has been raised in this context.

The finding is closed.

CL ID	8	Section no.	Quality control/SOP	Date: 02/04/2025
Description of CL				

During site visit, it was explained that a quality control of the plot measurement is carried out for each verification. Please interpret and indicate the results of the quality control for the second monitoring period in the monitoring report. Please provide a reference with a full description of the quality control. Please indicate how the plots are selected for the re-measurement during quality control. Please explain which measures/corrective actions are considered by PP if the results from the quality check have a mean difference higher than 5% with the original measurement results.

Project participant response
Date: 28/05/2025

1. The PP has described the QC procedure and presented the results in Section 5.3.3 of the appendix 2 of the VCS MR.
2. As reported, the mean relative difference observed during QC re-measurements is 5.6%, slightly exceeding the standard threshold of 5%. This minor deviation is attributed to a combination of factors, including:
 - a. Highly dynamic forest conditions, with rapid fluctuations in growth and mortality rates; and
 - b. An extended measurement period, due to logistical challenges and limited accessibility to certain sample plots.
3. To address this in future monitoring periods, the PP will implement the following corrective measures:
 - a. Enhance logistical planning and improve access to field plots during the next monitoring campaign; and
 - b. Ensure that all sample plots are measured within a shorter, more consistent timeframe.
4. Although the threshold was marginally exceeded, the deviation is considered minor and has been transparently disclosed. The PP remains committed to continuous improvement and will strive to maintain the relative difference within the acceptable range (<5%) in future monitoring cycles.

Documentation provided by project participant
DOE assessment
Date: 17/06/2025

PP described and updated the quality control under section 5.3.3.

PP evaluated a mean difference of 5.6% between the measurements of the whole plots and the ones from the quality control. The factors leading to this minor deviation are identified by PP namely the high dynamic forest condition between the moment the plots have been measured by the monitoring team and the quality control team, plus an extended measurement period due to logistical challenges. The quality control has been done in January 2025 before the audit. PP defined measures to improve the challenges identified namely enhancing the accessibility of plots and carrying out the plot measurement campaign in a shorter period of time.

The calculation of the mean difference of 5.6% has been reviewed by the audit team and is deemed as being plausible. See document INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix2_QC_Results.xlsx. As defined in the PD section 3.4.2.6, PP has to assess the reasons of the difference to 5% and take measures to improve the situation. This is fulfilled by PP.

Finding is closed.

CL ID	09	Section no.	Uncertainty	Date: 10/07/2025
Description of CAR				

The following issues have been notified regarding the uncertainty:

1. MR, section 5.3 “02_INFAPRO_VCS-Monitoring-Report_2011-2024_v1.1_updated.docx”. The uncertainty percentages for the baseline and the project scenario are not corresponding to the one provided in the calculation “INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification_updated.xlsx”. Please update the monitoring report.
2. MR, section 5.3 “02_INFAPRO_VCS-Monitoring-Report_2011-2024_v1.1_updated.docx”. The number of the equation for the formula $C_{IFMerror} = \sqrt{Uncertainty_{BSL}^2 + Uncertainty_{WPS}^2}$ is (47) according to VM0005 and not (49). Please correct.
3. MR, section 5.3 “02_INFAPRO_VCS-Monitoring-Report_2011-2024_v1.1_updated.docx”. The number of the equation for the formula $Uncertainty_{BSL} = \frac{(U_{BSL,1} \times E_{BSL,1}) + (U_{BSL,1} \times E_{BSL,1}) \dots + (U_{BSL,MBSL} \times E_{BSL,MBSL})}{E_{BSL,1} + E_{BSL,2} \dots + E_{MBSL}}$ is (1) according to VT0003 and not (2). Please correct.
4. In the Monitoring Report (MR), section 5.3, titled “02_INFAPRO_VCS-Monitoring-Report_2011-2024_v1.1_updated.docx,” it was observed that the square root and the square of each product in the dividend of formula (1) in VT0003 are missing as written in the MR. The calculation was performed using PP both as it appears in the MR (without the square root and square of each product) and as described in the tool (with the square root and square of each product), resulting in different outcomes. Please reassess the calculation to ensure accuracy.

Project participant response

Date: 11/07/2025

1. Section 5.3 is fully corrected with the updated uncertainty results
2. Equation number mentioned is corrected from (49) to (47) in section 5.3
3. Equation number mentioned is corrected from (2) to (1) in section 5.3
4. The uncertainty calculation was reassessed, and the PP agrees that there was a mistake in applying equation (1) of VT0003 to calculate the baseline and project uncertainty. PP corrected this mistake in the calculations by adding the square root and the square of each product. The correction resulted into a decreased total uncertainty from 19.5% to 13.2%.

Attached PP is sending an updated MR and Appendix 1 which now reflects the updated and corrected quantification following the correction to the uncertainty calculations. All sections VCS MR with quantification results have been updated using track changes.

Documentation provided by project participant	
INFAPRO_VCS-Monitoring-Report_2011-2024_v1.2.docx INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification_v1.2.xlsx	
DOE assessment	Date: 14/07/2025
1. The correct percentages of uncertainty for baseline, project scenario and total have been updated in the PD. 2. The correct equation number has been referenced in the MR for the total uncertainty (47). 3. The correct equation number has been referenced in the MR for the calculation of the uncertainty in the baseline (1). 4. The new calculation of the uncertainty has been revised by PP and its correctness reviewed by the auditor. The MR has been updated accordingly. Finding is closed.	

CL ID	10	Section no.	MR 3.2.2 Project Description Deviations	Date: 29/07/2025
Description of CL				
The following is described in the MR under section 3.2.2: “Growth monitoring data over the period 2011–2014 indicate that forests located within 30 meters of roads exhibit slower biomass growth rates compared to forests located farther away. Therefore, including these lower-performing plots in the calculation leads to more conservative estimates of net emission removals.”. Please explain why the growth is slower in plots located in the buffer zone of 30 m to the road.				
Project participant response				Date: 31/07/2025

We are not exactly sure what the explanation is for the slower growth within the road buffer. A possible explanation is the higher harvesting impact in the 1980s when selective logging took place. Areas directly along the roads had a higher risk of disturbance from machinery of the logging operators, compared to areas further away from the road. Another factor could be the higher availability of light, promoting the growth of climbers and vines that compete with other vegetation and can slightly suppress tree growth.

Documentation provided by project participant

DOE assessment

Date: 07/08/2025

PP explain that the lower growth of biomass close to the road might be due to the higher harvesting impact during last logging in the 80s. As well, another reason explained might be the higher amount of light available favorizing the growth of suppressing vegetation.

Finding is closed.

CL ID	11	Section no.	MR 3.4 Baseline Reassessment	Date:	29/07/2025
Description of CL					

1. Section 3.4.3.1: “No forest rehabilitation was planned for, or has been implemented, in the project’s reference area Malua FR.” This sentence is contradictory with the information provided further in the same section of the monitoring report, figure 3 “Implementation of silvicultural treatment as part of the forest management plan in Malua Forest Reserve”.
2. Section 3.4.3.1: “At the end of 2023, approximately 25% of the compartments within Malua have been silvicultural treated. This amounts to less than half of the total forest area of Malua FR. See also the map underneath with a visualization of the silvicultural treatments deployed by the Sabah Forestry Department in Malua FR between 2019 and 2023. This illustrates that silvicultural treatment has not yet been consistently undertaken in Malua FR. Therefore, silvicultural treatment is excluded from the baseline for the INFAPRO project, which thereby remains unchanged.” Can you elaborate and explain why the fact that silvicultural treatment has not been consistently undertaken in Malua make it not eligible to include it in the baseline scenario? Already 25% of the area has been treated in Malua which is the reference area. Please clarify.
3. Section 3.4.3.1: “To be conservative, the project plans to update the baseline in the next monitoring round.” Considering that some silvicultural treatment already happened on 25% of the area, can it still be considered as conservative updating the baseline for the next monitoring period?
4. Section 3.4.3.1: “The methodology does not provide an option to monitor the baseline in areas with two rounds of logging and undergoing silvicultural treatment”. Please demonstrate how the methodology limits to monitor the baseline in areas with two rounds of logging and undergoing silvicultural treatment?
5. Section 3.4: please specify if any update in the data/parameters determined at ex-ante should be considered or if any change has appeared and might be relevant for the project?
6. Section 3.4: As required in the verification report “the appropriateness of the ex-ante baseline projections for the subsequent baseline reassessment period” should be checked. Which, as understood from the requirement, means that the ex-ante calculation should be reassessed at least for the next 10 years. Please update the ex-ante calculation.

Project participant response

Date: 31/07/2025

1. There is a distinction between forest rehabilitation and silvicultural treatment. Forest rehabilitation is a more intensive and costlier intervention and is applied in fewer cases and to severely degraded areas. This has not been applied in Malua FR. Figure 3 shows the implementation of silvicultural treatment only, which has indeed been applied in Malua FR.
2. Silvicultural treatment of 25% of the FR is between 2019 and 2023. The current verification period is from 2011 to 2024. The absence of silvicultural treatment is more representative for the baseline reassessment period, because: 1) most of the period no activities were carried out in the reference area, and 2) the majority of the reference area was not treated in the baseline. But as explained, we think this will be different for the next baseline reassessment. Please take also note of section 3.4.3 (Validity of the Baseline) where it is stated that *“the previous baseline assessment was conducted at the start of the prior Monitoring Period on January 1, 2007. Consequently, the first baseline reassessment was scheduled for January 1, 2017. Since the current Monitoring Period spans 2010 to 2024, the reassessment is being carried out now, based on the perspective and conditions of 2017. Nevertheless, as this Monitoring Period runs up until the end of June 2024, developments that have occurred between 2017 and the present are also being considered.”* So the perspective and conditions of 2017 have been most important in our considerations, without ignoring the developments of the most recent years since 2019.
3. We agree it's better to rephrase it as: “Therefore, ...” and remove “To be conservative, ..”. This is adjusted in the version 1.3 of the Monitoring Report. Please take note that the reassessment will then be earlier than the 10 year interval, making it a more conservative then doing the reassessment later.
4. This is covered in section 9.1.5 of the methodology: “(...) Furthermore, regrowth in the relogged residual stand is assumed to be smaller than regrowth in the pre-relogged residual stand. Therefore, as a conservative approach, the regrowth in the baseline case is estimated as the regrowth of the pre-relogged residual forest applied to the entire area of the stratum, despite any relogging in that stratum.”
5. Since the conclusion of the baseline reassessment is that no changes are applicable to the baseline, no update of ex-ante data/parameters is needed.
6. Similarly, since the conclusion of the baseline reassessment is that no changes are applicable to the baseline, no update of the ex-ante baseline projection is needed.

Documentation provided by project participant

The updated Monitoring Plan 1.3

DOE assessment

Date: 07/08/2025

1. PP distinguishes between forest rehabilitation and silvicultural treatment. This has been properly clarified.
2. The PP clarifies that the silvicultural treatment of 25% of the Malua Forest Reserve (FR) occurred between 2019 and 2023. However, the current verification period for the project spans from 2011 to 2024. This means that for most of the verification period, silvicultural treatments were not consistently undertaken. The PP emphasizes that the absence of silvicultural treatment is more representative of the baseline reassessment period. The PP notes that the baseline reassessment is based on the perspective and conditions of 2017, as the first baseline reassessment was scheduled for January 1, 2017. This means that the conditions and activities up to 2017 are crucial in determining the baseline scenario. Although the baseline reassessment is primarily based on 2017 conditions, the PP acknowledges that developments from 2019 onwards are also considered. However, these recent activities do not outweigh the conditions and lack of treatment observed during the majority of the verification period.
3. PP rephrased the sentence and removed “to be conservative”.
4. PP's response explains that the methodology limits monitoring by using a conservative estimate of regrowth based on pre-relogged conditions, which does not account for the potential impacts of additional logging or silvicultural treatments. This approach is intended to ensure consistency and simplicity in baseline estimations, even if it means not fully capturing the nuances of areas with multiple logging rounds.
5. PP confirms that no update of ex-ante data/parameters is needed.
6. PP confirms that no up date of the ex-ante calculation is needed for the next 10 years since ex-ante data/parameters didn't change.

Finding is closed.

CL ID	12	Section no.	MR 2.1.1 Stakeholder identification	Date:	29/07/2025
Description of CL					
Section 2.1.1, legal or customary tenure/access rights: “Following the project agreement between Face the Future , individual Forms of Agreement for CO2 offsets have been entered by the parties in which specific rehabilitation activities are described”. Information is missing between who and who the agreement has been set.					
Project participant response					Date:
					01/08/2025

This is between Face the Future or its predecessor on the hand and Yayasan Sabah on the other hand. This is corrected in the new version of the Monitoring Report.	
Documentation provided by project participant	
Version 1.3 of the Monitoring Report	
DOE assessment	Date: 07/08/2025
Text has been clarified in the MR.	
Finding is closed.	

CL ID	13	Section no.	MR 2.3.5 Benefit sharing	Date: 29/07/2025
Description of CL				
Please provide any reference for the 10% benefit sharing hold by YS.				
Project participant response				Date: 01/08/2025
The 10% benefit share is covered in Contracts 6, 7 and 8. Contract 8 is shared with the auditor, and the other contracts are available on request.				
Documentation provided by project participant				
DOE assessment				Date: 07/08/2025
The signed agreement on the 10% share between FtF and YS has been provided to the auditor.				
Finding is closed.				

CL ID	14	Section no.	MR 2.4 Ecosystem health	Date: 29/07/2025
Description of CL				
Section “Soil degradation and soil erosion”: “To mitigate this risk, clearance activities are limited exclusively to severely degraded sites, and seedlings are planted immediately to avoid soil erosion. “ Please explain why site clearance activities are needed in the project area? Please complete the MR. Section “Water consumption and stress”: What is the benefit/mitigation measure given when residual waters flow in the pioneer dominated trees?				
Project participant response				Date: 01/08/2025
The risk of soil degradation and soil erosion is applicable to the INFAPRO basecamp and nursery. This relates back to the time when the basecamp and nursery was established. In the current monitoring and verification period this is not applicable, since the site has not expanded. Water consumption and stress: The mitigation measure is that the residual water flow into pioneer dominated areas (with lower ecological value) instead of into forest area with a higher ecological value, like remnant forest. This is also elaborated in our response to point 9 of Clarification Request 1, dated 7 April 2025, regarding the same topic.				
Documentation provided by project participant				
DOE assessment				Date: 07/08/2025

PP clarified the clearances activities meant. Those were not noticed during the field visit. As confirmed by PP, those activities did take place rather when the project was established. This risk is rather low.

Water residuals are conducted to pioneer forest with lower ecological value and not into forest areas with a higher ecological value. This limits the risk on ecosystem health.

Finding is closed.

CL ID	15	Section no.	MR 5.1 Baseline Emissions	Date: 29/07/2025
Description of CL				
Please revise the numbering of the following equations in the MR: - $\Delta C_{tree-exist,i,t} = A_{i,t} \times \sum_{j=1}^S \Delta C_{tree-exist,j,i,t}$ (21) indicated in the MR whereas (19) in the methodology - $\Delta C_{tree-exist,j,i,t} = \Delta C_{tree-exist-AB,j,i,t} + \Delta C_{tree-exist-BB,j,i,t}$ (22) indicated in the MR whereas (20) in the methodology - $\Delta C_{tree-exist-BB,i,t} = \Delta C_{tree-exist-AB,i,t} \times R_j$ - “Based on equation (37) from the methodology the net carbon stock change in above-ground tree biomass per stratum in year 2024 is calculated: $\Delta C_{tree-exist-AB,i,t} = A_{i,t} \times (C_{tree-exist-AB,i,t} - C_{tree-exist-AB,i,t,T}) \times 44/12 / T$				
Project participant response				Date: 01/08/2025

This has been corrected in the new version 1.3 of the Monitoring Report.

- Please note that equation $\Delta C_{\text{tree-exist-BB},i,t} = \Delta C_{\text{tree-exist-AB},i,t} \times R_j$ is not literally included in the methodology but based on equation 40: $\Delta C_{\text{BGB},i,t} = \Delta C_{\text{AGB},i,t} \times R_j$, in line with section 9.1.5 of the methodology, where it says: “If below-ground biomass is included, $\Delta C_{\text{tree-exist-BB},j,i,t}$ can be estimated as in subsection: “Changes in C Stock in Below-ground Tree Biomass”” Which refers to equation 40 of the methodology.
- The same applies to equation: $\Delta C_{\text{tree-exist-AB},i,t} = A_{i,t} \times (C_{\text{tree-exist-AB},i,t} - C_{\text{tree-exist-AB},i,t,T}) \times 44/12 / T$, which has been similarly modified in line with section 9.1.5 of the methodology: “To estimate $\Delta C_{\text{tree-exist-AB},j,i,t}$ see subsection: “Changes in C Stock in Above-ground Tree Biomass””

Documentation provided by project participant

Version 1.3 of the Monitoring Report

DOE assessment

Date: 07/08/2025

The number of the equations have been adjusted.

Finding is closed.

CL ID	16	Section no.	General	Date: 14/08/2025
Description of CL				
- Chapter 1.12: There is no summary description additional to the table provided. - Chapter 5.2.2 and chapter 5.2.3.4, chapter 5.5.1., 5.5.2: Equation numbers are not correctly labeled. - Chapter 5.3ff: the numbering from the content table shall not be changed - 5.3 is Leakage emission in the original template but in the MR it is 5.4.				
Project participant response				Date: 18/08/2025
- Summary description now added to section 1.12 in the VCS MR. - Equation numbers are corrected in Sections 5.2.2, 5.2.3.4, 5.5.1 and 5.5.2 as requested. Additionally also equation numbers are corrected in sections 4.3.6, 5.1.2.2 and 5.2.1. - The uncertainty calculation (which was described in section 5.3) has now been moved to section 5.4 as sub-section 5.4.2. with that the section numbers are now corrected: leakage emissions are now described in section 5.3 following the VCS MR template v4.4.				
Documentation provided by project participant				

DOE assessment	Date: 19/08/2025
1. A summary description as required by the template has been added to section 1.12 2. The equations numbers have been corrected as per VM0005 3. The leakage emissions part has been moved to section 5.3 as per VCS Monitoring Report v4.4. Finding is closed.	

Table 2. CAR from this validation

CAR ID	01	Section no.	SOP/Removals quantification	Date: 02/04/2025
Description of CAR				
The number of sample plots has been set to 382 after validation and first verification. The calculation of CO₂ removals is based on this number of pots as demonstrated in the excel sheet “INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification_DRAFT_v2”. At time of the audit, 31 plots were still missing because of unusual intense and long rainy season in the project area. Please provide an update of the removal calculation once all the sample plots are measured.				
Project participant response				Date: 28/05/2025
All 382 sample plots are now measured and included in the calculations and results reported in the VCS MR.				
Documentation provided by project participant				
DOE assessment				Date: 17/06/2025

PP provided the full measurement of the 382 sample plots to the audit team. See document “INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification”.

Finding is closed.

CAR ID	02	Section no.	Stratification	Date: 02/04/2025
Description of CL				

Stratification is determined in the methodology for both baseline and project scenario:

1. Baseline:

- a) according to the methodology §8 “Baseline stratification must occur only once and remain fixed for the lifetime of the project, unless baseline monitoring occurs in a reference area.” According to the methodology “A reference area is an area that is representative of the project area in the baseline scenario and thus meets the criteria set out by the applicability conditions (minimum size) and those elaborated below (similarity to project area), where the volume of biomass that would have been removed from the project area over the lifetime of the project can be assessed”.

Please clarify if the baseline monitoring is occurring in a reference area. If yes, re-stratification for baseline should be done.

- b) According to the excel calculation provided to the audit team “INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification_DRAFT_v2”, the size of the different strata in the baseline scenario has been determine as equal as the ones for the project scenario. The baseline area is equal to 13,001 ha and might have a different strata distribution than the one in the project scenario area. Please explain why the area of each stratum in the baseline area has not been determined to extrapolate properly the result from the different plots in each stratum of the baseline area.

2. Project scenario: according to the methodology §8 “Stratification in the with-project scenario must be updated at the time of each and every monitoring campaign prior to verification based on recent developments”. This requirement has not been fulfilled yet.
3. MR, Section 4.3.2. Three layers for stratification are mentioned namely “Remnant/ Pioneer forest, Pioneer dominated forest and Open Canopy forest as well as non-forest. However, while auditing on site, many plots were qualified as “intermediate”. Please clarify how those intermediate plots are categorized according to the 3 categories mentioned in the MR.

Project participant response

Date: 28/05/2025

1.a&b. The monitoring of the baseline growth does not occur in a separate reference area. It however occurs on sample plots which are located in untreated areas within the INFAPRO project area. The measured baseline forest growth in these untreated areas are subsequently extrapolated to the forest strata inside the treated areas. Because of this approach the Baseline stratification must occur only once and remain fixed for the lifetime of the project. 2. Following the methodology, the stratification of the with-project scenario has now been updated based on recent Sentinel Satellite Imagery. This new stratification is described in section 4.3.2 of the MR and chapter 5 have subsequently been fully adapted to account for this new stratification in the quantification. 3. This is a confusion of tongues, sometimes the “Pioneer dominated forest” strata is being referred to as “Intermediate”, since it is the middle forest strata between “Open canopy” and “Remnant / Pioneer forest”.	
Documentation provided by project participant	
DOE assessment	Date: 17/06/2025
1.a&b. As clarified by PP, the baseline monitoring is not occurring in a reference area but in the untreated project areas. Though, no re-stratification is needed for the baseline. Each strata’s size has been determined for the baseline area based on the satellite images from 2002. This has been reviewed by the auditor while verifying document INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification, tab “stratification_2002”. 2. PP carried out the re-stratification of the with-project scenario as required by the methodology section 8. The calculation has been provided to the auditor and reviewed. See INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification. 3. The classification of the 3 strata and its denomination has been clarified by PP. Finding is closed.	

CAR ID	03	Section no.	Stakeholder input	Date: 02/04/2025
Description of CL				
While carrying out interviews with stakeholders neighbouring or working with INFAPRO, it was found out that for several of them it was not clear what the project was about. Moreover, many of them were wishing to get more insight in the project to better understand their activities and improve their cooperation with INFAPRO. The last steering committee took place in 2015. Please explain how INFAPRO can improve the situation since ongoing communication is expected from the VCS v4.7, see §3.18.3, §3.18.5. Moreover, demonstrate how §3.18.6 VCS v4.7 is fulfilled by INFAPRO.				
Project participant response				Date: 28/05/2025

As explained by the PP, no steering committee meetings were organized since 2015. Nevertheless, Yayasan Sabah, the implementation partner, have been continuing to be in touch on a regular basis with different stakeholders since it is part of their program.

Furthermore a new Steering Committee will be planned in Q3 of this year following the verification results. Depending on the results of verification, the project will plan annual Steering Committee Meetings during the next Monitoring Period.

Regarding §3.18.6 VCS v4.7, the communication by the project on the different points mentioned was as follows:

- 1) The project design and implementation, including the results of monitoring.
 - a. Project design and implementation is known to the Stakeholders (at least at senior level)
 - b. The results of the monitoring is being shared with Yayasan Sabah and the INFAPRO team. Moreover, it is planned to also share the results with the other stakeholders during the next Steering Committee Meeting (SCM) in Q3 2025
- 2) The risks, costs and benefits the project may bring to stakeholders.
 - a. This will also be part of the update planned during the SCM in Q3 2025
- 3) The benefit sharing mechanism where relevant.
 - a. The benefit sharing mechanism has been discussed with Yayasan Sabah and a letter of intent have been drafted between Yayasan Sabah and the PP. This Letter of Intent is also provided by the PP to the VVB as separate file accompanying this response document.
 - b. This will also be part of the update planned during the SCM in Q3 2025
- 4) The ongoing FPIC process.

FPIC is not applicable. There are no communities living inside the project area.
- 5) All relevant laws and regulations covering workers' rights in the host country.
 - a. Yayasan Sabah is following all guidelines regarding workers rights in Malaysia and through these guidelines they are communicating this with the INFAPRO team
- 6) The process of VCS validation and verification and the validation/verification body's site visit.
 - a. The different stakeholders were informed through a letter by PP and Yayasan Sabah prior to the VVB site visit, informing them about the verification process. These letters are provided by the PP to the VVB as separate file accompanying this response document.

Documentation provided by project participant	
DOE assessment	
Date: 18/06/2025	
PP is willing to improve the situation and is planning to organize annual steering committee meetings during the next monitoring period. The next steering committee will be hold in Q3 of 2025. Regarding VCS v4.7 §3.18.6, PP communicates the project design and implementation including the results of monitoring (knowledge senior employees, communication with Yayasan Sabah, Steering Committee), risks, costs and benefits will be shared during the SCM from Q3 2025, the benefit sharing mechanism has been discussed with Yayasan Sabah (letter reach out to the audit team “20240611_Letter_of_Intent_INFAPRO_Cost_Benefit_Sharing.pdf”, update of the SCM Q3 2025), FPICs process is not applicable, all relevant laws and regulation are covered (Yayasan Sabah following the guidelines) and the process of VCS validation and verification is communicated to the stakeholder (see document “Audit_InvitationLetters_StakeholderInterviews”). Finding is closed.	

APPENDIX 5: REFERENCES

References	Documents	Sources
/1/	VCS PD INFAPRO version 1.7 VCS PD INFAPRO version 2.0.doc	PP/VERRA
/2/	02_INFAPRO_VCS-Monitoring-Report_2011-2024_v1.1_updated.docx INFAPRO_VCS-Monitoring-Report_2011-2024_v1.2.docx INFAPRO_VCS-Monitoring-Report_2011-2024_v1.3.docx INFAPRO_VCS-Monitoring-Report_2011-2024_v1.4.docx INFAPRO_VCS-Monitoring-Report_2011-2024_v1.5	PP
/3/	INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification_v1.2.xlsx INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix1_Quantification_v1.5.xlsx INFAPRO_VCS-Monitoring-Report_2011-2024_Appendix2_QC_Results_v1.5.xlsx	PP
/4/	NPRA	PP/VERRA
/5/	Field notes	PP
/6/	Forest Management Plan USM FMU	PP
/7/	SFD Annual Reports	PP
/8/	INFAPRO Shapefiles	PP
/9/	INFAPRO Annual Reports	PP
/10/	INFAPRO Management Plan	PP

/11/	Steering_Committee_Meeting_INFAPRO	PP
/12/	Sabah_Sustainable_Forest_Management_license_area	PP
/13/	MoU_Face_Sabah	PP
/14/	Health&Security	PP
/15/	List_species_biodiversity	PP
/16/	SOPs	PP
/17/	INFAPRO_Internal_Monitoring_QC	PP
/18a/	NPRA Justification INFAPRO 2025	PP
/18b/	NPRA Adaptive Capacity table INFAPRO 2025	PP
/19/	SMLA_1997	PP
/20/	Grievance_Procedure	PP
/21/	10%_Agreement_FtF&YS	PP
/22/	Contract8_FtF_2011	PP
/23/	SFD_2006_SFM_USM_Kalumpang.pdf	PP
/24/	References for other GHG Programs	https://databank.worldbank.org/source/worldwide-governance-indicators https://www.globalforestwatch.org/ https://earth.google.com/web/ https://verra.org/ https://registry.goldstandard.org/projects?q=&page=1

		S&P Global Registry - Public Reports Carbon Registry Carbon Credits Overview
/25/	Letter Stakeholder results MR 2011-2024	PP

References	Website	Sources
/100/	VM0005 VM0005 Methodology for Conversion of Low-Productive Forest to High-Productive Forest, v1.2 - Verra	VERRA
/101/	https://facethefuture.com/	Face The Future
/102/	Verra Search Page	VERRA
/103/	Malaysia UNFCCC	UNFCCC
/104/	Malaysia Climate Promise	UNDP
/105/	nres.gov.my/ms-my/pustakamedia/Penerbitan/National Policy on Climate Change 2.0.pdf	MINISTRY OF NATURAL RESOURCES AND ENVIRONMENTAL SUSTAINABILITY (NRES)
/106/	Lahad Datu, Malaysia, Sabah Deforestation Rates & Statistics GFW	Global Forest Watch
/107/	Think Hazard - Lahad Datu - Wildfire	Thinkhazard
/108/	Implications of tropical cyclones on damage and potential recovery and restoration of logged forests in Vietnam Philosophical Transactions of the Royal Society B: Biological Sciences	Royal Society Biological Sciences

/109/	<u>Face the Future</u> - INFAPRO project	Face the Future
/110/	<u>2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories – IPCC</u>	IPCC
/111/	<u>Proposal to integrate AFOLU</u>	IPCC

Abbreviations	Meaning
FR	Forest Reserve
INFAPRO	Innoprise Face Foundation project
SFD	Sabah Forest Department
SFMLA	Sustainable Forest Management Licence Agreement
SOP	Standard Operation Procedures
TSI	Timber Stand Improvement
USM FMU	Ulu Segama-Malua Forest Management Unit
YS	Yayasan Sabah