VERIFICATION REPORT FOR THE PROJECT

FOREST MANAGEMENT TO REDUCE DEFORESTATION AND DEGRADATION IN INDIGENOUS COMMUNITIES SHIPIBO CONIBO AND CACATAIBO OF THE UCAYALI REGION

Document Prepared By

AENOR INTERNACIONAL S.A.U

6 Génova. 28004 Madrid – Spain

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Contact	Génova 6. 28004 Madrid- Spain. Telephone +34 914326000 jlfuentes@aenor.com , www.aenor.com
Approved By	Jose Luis FUENTES PEREZ
Work Carried Out By	Lead validator: Richard Daniel GONZALES TOLEDO Technical reviewer: Juan Carlos GÓMEZ MARTÍN

Summary

This project is an Agriculture, Forestry and Other Land Use (AFOLU) project under the Reducing Emissions from Deforestation and Degradation (REDD) project category. Specifically, the project is of the "Avoided Unplanned Deforestation & Degradation" (AUDD) project category.

AENOR started the verification under VCS Standard version 4.1 and the CCB Standard Third Edition, when the Project Proponent submitted the monitoring reports for VCS/CCB and other supporting documents, such as the calculation spreadsheet, GIS package, the non-permanence risk assessment, etc.

Due to the circumstances of the COVID-19 pandemic, travel has been restricted globally. Then, on-site visit for "Forest management to reduce deforestation and degradation in indigenous communities Shipibo Conibo and Cacataibo of the Ucayali region" (ID: 1360) was not performed as mean of validation. However, in order to provide a reasonable level of assurance and compliance with applicable requirements and to ensure the completeness and credibility of the audit, a remote site-assessment was performed interviewing the project participant, local stakeholder representatives and personnel in charge of monitoring system. This assessment included a request of additional evidences, such as photogras of monitoring activities and video records.

In addition, it is important to notices that AENOR has verified the previous monitoring (3rd and 4th verifications), with site-visits to the communities. Furthermore, according to CCB rules, version 3.1; section 4.3.13., also states that: *The validation/verification body may conduct a verification audit without a site visit only in a case where both of the following criteria are met:*

1) *The posting of the current project description and/or monitoring report for public comment is within three years of the first day of the public comment period for the audit during which the same validation/verification body last conducted a CCB site visit; and*
2) *The validation/verification body decides that current information provided by the project proponent combined with information from the last CCB site visit conducted by the same validation/verification body provides sufficient evidence for issuance of an opinion about whether the project meets the rules and requirements of the CCB Program*

Then, on-site assessment has been replaced by interviews and communications via teleconferences using Microsoft Teams. Topics covered are summarized in section 2.5.

The verification scope is to verify that actual monitoring systems and procedures are in compliance with the monitoring systems and procedures described in the monitoring plan; evaluate the GHG emission reduction data and express a conclusion with a reasonable level of assurance about whether the reported GHG emission reduction data is free from material misstatement and reported GHG emission data is sufficiently supported by evidence.

The purpose of the verification was to determine the conformance of the project with respect to the VCS Standard version 4.1, the CCB Project Design Standards Third Edition and the validated VCS Project Description and CCB Project Design Document.

The implementation period covered by this verification reports is from 1 July 2019 – 30 June 2020.

This is the four-verification event. The project is well managed, and results are well supported. Monitoring plans are effective, and AIDER developed enough procedures and tools to manage data. As a result of the AIDER experience with the VCS and CCB requirements, documents are well detailed. In this regard, this is a verification report that contains the findings of the verification 2 CARs and 2 CLs. These issues rose during the verification process and were resolved.

Thus, AENOR has carried out this verification report and deems with reasonable level of assurance that the project implementation complies with all verification requirements of the VCS+CCB Standard. The assessment team has no restrictions or uncertainties with respect to the compliance of the project with the verification criteria; hence, the audit team concludes that the net GHG emissions reductions or removals 263,196 tones CO2 equivalent over the monitoring period has been quantified in accordance with VCS rules.

Table of Contents

1 INTRODUCTION

1.1 Objective

The objective of the verification audit was to conduct an independent assessment of the project to determine:

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

1.2 Scope and Criteria

Verification Scope: The scope of the verification audit is to verify the emissions reductions and/or removals of the project, against the Verified Carbon Standard, the identified methodology and the validated PD throughout the monitoring period from 1 July 2019 – 30 June 2020.

The objectives of this audit included a verification of the projects calculated removals with the Verified Carbon Standard requirements and any additional requirements of VCS AFOLU projects. In addition, the audit assessed the project with respect to the validated baseline scenarios presented in the PD and the fulfilment of the Climate, community and biodiversity criteria against the CCB Standard.

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

- VCS Program Guide v.4.0
- VCS Standard v.4.1
- CCB Rules v 3.1
- Third edition CCB Standard
- VCS AFOLU Requirements v.3.6
- VCS AFOLU Non-Permanence Risk Tool v.3.3

1.3 Level of Assurance

The assessment was conducted to provide a reasonable level of assurance of conformance against the defined audit criteria and materiality thresholds within the audit scope. Based on the audit findings, a positive evaluation statement reasonably assures that the project GHG assertion is materially correct and is a fair representation of the GHG data and information.

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

1.4 Summary Description of the Project

The project is developed in 7 native communities belonging to ethnic and Cacataibo Shibipo Conibo, which grouped occupy an area of 127,004.0 hectares. The purpose of the project is to conserve the forests of these communities with the advance of deforestation and degradation. It is proposed to reduce the pressure to change the land use in the project area with 4 components.

The activities that have been developed during this period were: promotion of community forest management, strengthening indigenous organizations to understand REDD + and Compensation for Ecosystem Services, promoting local forest governance in 07 native communities for the proper management of natural resources, increased organizational and administrative capacities of authorities and community in the management of natural resources.

None of the activities mentioned has negatively affected the GHG emission reductions or removals and monitoring. With the financial support of donors, through projects, it has managed to preserve tracts of forest, which are benefiting mitigating climate change and while creating opportunities for sustainable development in native communities.

The verification period, comprising from 01 July 2019 to 30 June 2020 and has managed to keep an average of 263,196 tCO2-e annually.

2 VERIFICATION PROCESS

2.1 Audit Team Composition (Rules 4.3.1)

The team involved in this verification is summarized below:

Name	Position	Experience and expertise
Gonzales Toledo RICHARD DANIEL	Lead auditor	He is mechanical an electrical engineer and has a Master in energy. He has more than 7 years of experience in auditing, consulting and training activities related to environmental and carbon management projects. Actively participated in the audit of international sustainable development projects in several carbon schemes, such as the Clean Development Mechanisms (CDM), Verified Carbon Standard (VCS), Climate, Community and Biodiversity Standards (CCB), Gold Standard (GS) and carbon footprints (ISO 14067 and ISO 14064). In addition, he has participated in 5 CCB-VCS verification process located in Perú (local auditor).
Juan Carlos GOMEZ MARTIN	Technical reviewer	He is a Forestry Engineer and holds a Master in Sustainable Development and Corporate Responsibility. He has more than 4 years of experience in the development of climate change mitigation and adaptation policies, energy transition and support mechanisms for renewable energies and forestry matters.

2.2 Method and Criteria

The verification was performed through a combination of document review, interviews and communications with relevant personnel and on-site inspections. The project was assessed for conformance to the criteria described in Section 1.2 of this report. As discussed in this report, findings were issued to ensure that the project was in full conformance to all requirements.

AENOR carried out this verification report and deems with reasonable level of assurance that the project complies with all of the verification criteria.

The verification has been performed through a deep desk review and remote-site assessment, including interviews with relevant personnel.

The verification activities in which risks were assessed were the evaluations of the monitoring system (data flow, data control procedures, etc.) but mainly the quality of raw data as well as sources and the spreadsheet calculations.

AENOR reproduced and verified 100% of sheets in the VM0015 spreadsheet calculations and 50% of the data/calculations carried out in those sheets for the monitoring period 1 July 2019 – 30 June 2020 for the project area and leakage belt. The project boundary and deforested areas in the project area and L.B for the monitoring period were 100% checked using the GIS database. The carbon stock changes, forest classes in the project area and L.B were also 100% verified and crosschecked with validated values.

AENOR decided to carry out a deep and meticulous review of the sheets due to the following reasons:

- ✓ To verify the correct application of the methodology (formulae, equations.) and checked that data required to calculate the GHG removals are appropriately provided.

Based on the assessment carried out, AENOR confirms with a reasonable level of assurance that the claimed emission reductions are free from material errors, omissions or misstatements.

In addition, AENOR confirms that sufficient evidence was presented for the reported net anthropogenic GHG emission reductions and that there is a clear audit trail that contains the evidence and records that validate the stated figure in this verification report since:

- ✓ Sufficient evidence available: The project participant has provided the 100% of data used in the calculations to achieve the final amount of GHG emission reductions reported.

- ✓ Nature of evidence: The raw data were collected from reliable sources. They are detailed in the project documents and have been provided to the verification team and the most relevant are appropriately detailed in the appendix 1.

- ✓ Cross-checked evidence: AENOR cross-checked the collected information through an on-site inspection to the project area and reproducing calculations.

Hence, AENOR confirms that the stated figures in the monitoring report are correct and confirms that is able to certify net anthropogenic GHG removals based on verifiable and reliable evidence.

2.3 Document Review

The monitoring report, project description, and supporting documentation were carefully reviewed for conformance to the verification criteria and consistency with the Project Description. The audit team examined the baseline data gathered from the baseline determined for this Region, spreadsheets used to enter, and compile information required by the methodology and reproduced the GHG emissions reductions calculations presented in the spreadsheet models to obtain same results than those appearing in the Monitoring report. The Non-Permanence Risks Reports for this monitoring period were assessed, as well.

Appendix 1 to this report details the list of documents provided by PP and reviewed by AENOR during the process.

2.4 Interviews

The list of the interviewed people is following detailed. The people interviewed were those directly affected or involved in the project activity, and in some cases were just indirectly affected.

Audit Date	Name	Title
20/04/2021 (Microsoft Teams)	Sylvia Mayta	Forestry Specialist – AIDER
	Mayra Espinoza	Forestry engineer - AIDER
	Rodrigo Recavarren	GIS Specialist – AIDER
21/04/2021 (Microsoft Teams)	Percy Recavarren	Project Manager - AIDER
	Wilfredo Moreno	Roya community Representative
22/04/2021 (Microsoft Teams)	Alfonso Zumaeta	Curiaca community Representative
	Roel Guimaraez	ACICOB representative
	Sofia Moreno	Sociologist - AIDER
23/04/2021 (Microsoft Teams)	Gemán Guerra	Roca community Representative
	Merino Gardel	Puerto Nuevo community Representative
	Roberto Rodriguez	Calleria community Representative
26/04/2021 (Microsoft Teams)	Clever Guimaraes	Flor de Ucayali community Representative

2.5 Site Inspections

For this monitoring period, on-site inspection has been not performed as means of verification, due to the the COVID-19 pandemic conditions. In this sense; the government of Peru by supreme decree (N°105-2021-PCM), established the national emergency until 31/05/2021, banning any group meetings and reducing displacement of people from their residences. In such circumstances, AENOR verification teams decided to interview all entities involved in the project and one representative from each community (interviewed person is listed in section 2.4)

The verification team ensures the level of assurance as reasonable; since it has verified all the information sent by the project developer, listed in the annex 1 of verification report. Moreover, during the remote on-site assessment, verification team requested additional evidences, to confirm the project benefits, including:

- Attendance lists and pictures of training activities for local stakeholder;
- Photographs of communication activities;
- Project dissemination activities pictures and video records
- Surveys conducted during the monitoring period.

In addition, AENOR has previously verified (3rd and 4th verifications) with site-visits to the communities. Moreover, during the interview with selected representatives, verification team confirmed that the general overview of the project population has not changed since last visit of AENOR´s verification team.

Finally, according to CCB rules, version 3.1; section 4.3.13., also states that: *The validation/verification body may conduct a verification audit without a site visit only in a case where both of the following criteria are met:*

2.6 Resolution of Findings

All documentation provided by the Project Proponent was assessed against the most recent version of the relevant VCS guidance document. Several clarification requests (CL) and corrective action requests (CAR) were raised and submitted to the Project Proponent, which addressed them either by providing to the audit team the requested information or by making the appropriate corrections. Updated versions of the documentation were submitted by the Project Proponent and the audit team reassessed them against the guidance documentation. This process was repeated iteratively until all CLs and CARs were fully resolved. Specifically, 2 CARs and 2 CLs were reported.

All findings issued by the AENOR audit team during the verification process have been closed for both VCS and CCB Standards. All findings issued during the verification process, and the inputs for their closure, are described in Appendix 2 of this report.

2.6.1 Forward Action Requests

No FARs were raised to the PP during the verification process

2.7 Eligibility for Validation Activities

AENOR holds accreditation for validation for the relevant sectoral scope 14 under which this project activity is classified.

3 VALIDATION FINDINGS

3.1 Participation under Other GHG Programs

The project is not included in an emissions trading program; This program does not exist in Peru to date.

3.2 Methodology Deviations

No methodology deviations were applied during the monitoring and quantification of VCUs for this monitoring period

3.3 Project Description Deviations (Rules 3.5.7 – 3.5.10)

No project description deviations are applied for this verification period.

3.4 Minor Changes to Project Description (Rules 3.5.6)

No minor changes for project description have been applied for this period.

3.5 Grouped Project (G1.13 – G1.15, G4.1)

This is not a grouped Project.

4 VERIFICATION FINDINGS

4.1 Public Comments (Rules 4.6)

No comments were received during the public comment period.

4.2 Summary of Project Benefits

Section 1 of the monitoring report provides information about the project benefits. Achievements for the current monitoring period and for the project lifetime are detailed with specific data per categories.

Data are supported with evidence and records checked during the interview with communities' representatives and desk review. The section has been completed appropriately with data from the sources provided such as GIS package, records of trainings activities, employees etc.

As specific and remarkable achievements for the current monitoring period the monitoring report in its section 1.2 states the net emission reduction of 263,196 tn CO2e for the monitoring period. Other benefits in community and biodiversity components are the number of training actions for local people and employments generated as a result of the project implementation affecting both outputs to disadvantaged groups such as women. The climate targets directly affect to the biodiversity due to the conservation of forests.

In opinion of AENOR, the project benefits are credible based on the supporting documents provided by PPs and evidence received during the AENOR's stakeholders interviewed, records checked and field records.

4.3 General

4.3.1 Implementation Status (G1.9)

Section 2.2 of the monitoring report provides a few relevant milestones occurred during the last years in the project area related to the management and development of the project to understand its implementation status. These milestones are directly linked with the success to implement and achieve the goals established by the project in the community and biodiversity areas.

Tables in section 2.2.1 of the monitoring report provide complete information of activities carried out and impacts of these activities for the six goals of the project. Project objectives and activities to reach them are analysed with their outputs and outcomes for the present monitoring period.

During this verification process, AENOR has not detected project changes in regards of the project title, its purposes and objectives. As such, the project activity accurately reflects the proposed project which mainly consists in alleviating deforestation and degradation pressures on the forests, improving the quality of life of population in the area and strengthening relationships with government agencies to insure the proper long-term management of the Project Proponent. Through interviews with key staff and evidence provided, the auditor team ratified the main objectives of the project activity.

Besides, the project has not participated nor been rejected under any other GHG programs. GHG emission reductions or removals generated by the project are not included in an emission trading program or any

other mechanism that includes GHG allowance trading. The project has not received or sought any other form of environmental credit.

Hence, after a complete review of the different documents provided and the on-site visit, AENOR is able to confirm that the project implementation is in accordance with the project description contained in the PD. There are not material discrepancies between project implementation and the project description.

4.3.2. Risks to the Community and Biodiversity Benefits (G1.10)

Section 2.2.6 of the monitoring report addresses the natural and human induced risks and how the project considered several initiatives to diminish these risks to the project benefits.

The main risks identified by the members of the community are the financial viability, that the activities foreseen in the REDD + Strategy of the Project are not carried out. Communities form the project area also identified as a potential risk the opportunity cost, the communities wish to work other types of crops than those initially proposed in the design of project. Also, a project longevity risk was identified relates to the wish to participate in the project.

For those risks, the Project Proponent has established different mitigation activities such as helping communities adapt to climate change, such as carrying out participatory mapping of project areas, improving management plans, demarcating boundaries, and implementing additional environmental protection and strengthening the communication between institutions and communities in order to resolve conflicts.

AENOR deems that the Project Proponent identified correctly the risks to the project benefits but the most important is that created, and it is implementing actions to reduce or diminish the negative impacts of these risks in the benefits on the Climate, community and biodiversity.

4.3.3 Community and Biodiversity Benefit Permanence (G1.11)

The project is currently taking active measures to enhance the climate, community, and biodiversity benefits of the project beyond the project crediting period.

During this CCB verification period, participatory training workshops have been held to improve the livelihoods of the project communities.

Additionally, small handicraft enterprises have been supported, which are worked with women from 5 native communities of the project, with the purpose of improving the embroidery technique for the elaboration of high fashion garments.

AENOR has verified these activities though the desk review and during interview with community representatives and consider the activities correct.

4.3.4 Stakeholder Access to Information (G3.1-G3.3)

During the current verification period, communities continue to have access to relevant documents regarding the implementation and financing of the REDD + project. This information has been socialized through General Assemblies where it has been reported on:

- REDD + project management model.
- Project activities to work during the next years for which there is funding.
- VCS / CCB verification report of the project.
- Progress reports and status to date of the activities carried out in the project (accountability).

AENOR could check, during the interview with community representatives, that the above documents were shared with the stakeholders:

These documents were made accessible to communities through socialization events, workshops, and / or community participation spaces, and have been delivered via printed, digital, and audio-visual materials created specifically for communities and other interested stakeholders.

4.3.5 Stakeholder Consultation (G3.4-G3.5)

Even the extraordinary situation, that is being experienced, as a result of the COVID-19 pandemic), during the present monitoring period training courses were carried out as the monitoring report states in bullet 2.3.7. and 2.3.10. Evidence was provided (screenshots and photos). Likewise, equal opportunities are provided for local communities as they received training programs to be ready for working. They evidence the implementation of activities for improving options to them

The project continues to work in a coordinated manner with the communities, taking into account their consultation and decision-making processes through the ordinary and extraordinary General Assemblies. Besides, a Plan for Participatory Consultation (FPIC Plan) was prepared, with the purpose of guiding the process of consultation and decision-making on project activities.

The feedback received, both from the communities, external consultants that the project contracts for specific activities, government actors among others, allow the AIDER team to improve their intervention strategies in the field.

4.3.6 Stakeholder Participation in Decision-making and Implementation (G3.6)

The stakeholder involvement in project design as well as the stakeholder communication system is described in the PD. During the interview with the representatives of communities, the audit team audit team was able to verify the stakeholder's involvement through the different interviews and meetings conducted and through records of different meetings and workshops.

The representatives of the communities demonstrated awareness and consent of the project's activities. In opinion of AENOR, the communication and consultation plan are being implemented as described in the project design document and COVID situation, also, has been taken into account.

PDs and other documents related to REDD+ activities were published for the communities and other stakeholders to participate.

Besides, the project has a "gender and social inclusion plan", according to the social and cultural reality of the native communities and seeks to implement actions that promote equity within communities from productive activities, training and awareness that the project executes.

These documents have been made accessible to communities through socialization events, workshops, and / or community participation spaces, and have been delivered via printed, digital, and audiovisual materials created specifically for communities and other interested stakeholders.

4.3.7 Anti-discrimination (G3.7)

The REDD + project has a Behavior Policy, and among its guidelines is expressed the rejection of any act of discrimination of the following type: racial, ethnic, political, religious, sexual and cultural; and before any type of sexual harassment, whether explicit or implicit. The scope of this policy involves the technical and field staff of the REDD + project, and any institution involved in the design and implementation of its activities. This document is transmitted verbally to the community, and also, a copy will be granted for their evaluation at the community level.

AENOR checked the Additional procedures and protocols that guarantee equal opportunities for community members, including women and vulnerable and/or marginalized people, to fill all positions, including management positions as stated in section 2.3.11 of the MR.

4.3.8 Stakeholder Feedback and Grievance Redress Procedure (G3.8)

During the verification period, the document "Guidelines for the management and resolution of disputes and conflicts" has been prepared, which will be socialized and implemented as part of the first activities to be carried out for the next verification period of the project.

AENOR checked though desk review and during the interview with communities' representatives, the Grievance and Redress Mechanism to receive complaints and according to information and evidence provided, since the project's validation there have been no formal grievances or complaints that have passed through, or that or have been recorded and/or resolved, via the established Grievance and Redress mechanism.

4.3.9 Worker Relations (G3.9 – G3.12)

Several activities were developed, despite the pandemic situation, in this period and evidence was provided to the audit team. In interviews with technicians (via Microsoft teams) the audit team verified that they receive ongoing training, some of them are engaged in specific courses.

During the present monitoring period to training courses were carried out as the monitoring report states in bullet 2.3.13. Evidence was provided. Likewise, equal opportunities are provided for local communities as they received training programs to be ready for working. They evidence the implementation of activities for improving options to them.

Bullet 2.3.15 of the monitoring report states the main laws and regulations related to worker´s right.

All the activities carried out within the framework of the project are in accordance with current regulations and AIDER is an NGO controlled by government entities that control these laws (National Superintendency

of Customs and Tax Administration, Peruvian Agency for International Cooperation, Ministry of Labor and Promotion of Employment).

AENOR did not detect incompliances with them checking the documents provided and interviewing to the workers. They have been informed about risks of the works and they received training about safety matters. Then, the project fulfils with CCB requirements related to worker relations.

4.3.10 Management Capacity (G4.2, G4.7)

The monitoring report states in its section 2.4.2 skills and capacities of the key personnel for implementing and monitoring the project, which are almost the same personnel of the previous verification.

The project has not required making alliances with other institutions for the management or administration of it, since it is being executed under the same validated technical proposal, according to PDD. The validation report under the CCB standard and the first verification under the CCB and VCS standards of the project shows the project fulfilled of the requirements.

They have the suitable and appropriate technical and management capacity to develop the project, as it was confirmed by AENOR thought teleconferences with the relevant personnel of AIDER via Microsoft teams.

4.3.11 Commercially Sensitive Information (Rules 3.4.13-3.5.14)

The commercial information regarding the sale of carbon credits made between AIDER (as representative of the 7 native communities) and Althelia, has been socialized, informed and approved in a timely manner by the legal representatives of each community, as well as by its highest authority, Assembly Communal.

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

The project area is part of the areas titled in favor of the Callería, Flor de Ucayali, Roya, Curiaca, Pueblo Nuevo, Sinchi Roca and Puerto Nuevo Native communities.

The project contemplates improving control and surveillance, so that these activities do not advance towards the communal forest. However, these activities do not qualify as relocation of livelihoods since they are illegal activities. Therefore, the project will not produce the relocation of livelihoods either.

AENOR interviewed during this verification with people of AIDER to confirm this situation.

According to information provided in the monitoring report and gathered from authorities and the project proponent. AENOR can confirm that the project protects the rights of Indigenous Peoples, communities and other stakeholders in accordance to the Climate, Community & Biodiversity Standards and the validated project design.

4.3.13 Legal Status (G5.6)

During the execution of the REDD + project to date, the native communities of Puerto Nuevo, Sinchi Roca and Flor de Ucayali presented invasion problems due to changes in use by settlers for the installation of

coca leaf crops, either close to the boundaries of the community or in areas of papaya cultivation. In this regard, the aforementioned communities have an assigned budget for the sale of carbon credits to the Althelia Investment Fund. These are detailed in bullet 2.5.1. Evidence of its fulfilment is considered complete. AENOR did not detect during the interview with communities' representatives or desk review incompliances related to laws and regulations.

4.4 Climate

4.4.1 Accuracy of GHG Emission Reduction and Removal Calculations

Procedures for quantifying the baseline emissions were conducted in accordance with the methodology. The verification team performed an intensive review of all input data, parameters, formulas, calculations, conversions, statistics and resulting uncertainties and output data to ensure consistency with the VCS documentation, methodology and associated tools, and the PD. Further, the verification team reproduced calculations for selected samples to ensure accuracy of the results. Conversion factors, formulas, and calculations were provided by project proponents in spreadsheet format to ensure all formulas were accessible for review. The verification team recalculated subsets of the analysis to confirm correctness. Project proponent also provided a step-by-step overview of select calculations to ensure the verification team understood the approach and could confirm its consistency with the methodologies and PD. Where applicable, references for analysis methods or default values were checked against relevant scientific literature for best practice.

Baseline Scenario Emissions:

Section 3.2.1 of the Monitoring Report and the calculation spreadsheet submitted to AENOR provide information related to the baseline emissions calculations.

AENOR has checked the calculations provided and confirmed that this amount of baseline emissions is in conformance and have followed the methodology in the validated P.D.

Calculation of Project Emissions:

Calculation of emissions from project activities has been determined following identified methodology and validated PD.

In section 3.2.2, the ex-post calculations of the monitoring period 2019-2020 are shown. The calculations were reported annually according as the baseline was elaborated. The deforestation which occurred in the period 2019-2020, reported in hectares, a division was made (three) to generate number of hectares per year and emissions of CO2-e.

Ex post annual areas of deforestation in the project area:

Project year t	Stratum i of the reference region in the project area	Total	
	-	annual	cumulative
	ABSLPAi,t	ABSLPAt	ABSLPA
	ha	ha	ha
2019-2020	2,217	2,217	2,217

The deforestation in the project area was defined in accordance with the methodology and through the application of image interpretation done using geographical information systems.

The proponent submitted the file spreadsheet of REDD project emission calculation (period 2019- 2020), containing calculations of emissions in the project scenario (ex-post) following the methodology.

For the present monitoring period, the area of the category's "forest" and "non-forest" in the project area and leakage belt has been calculated, the Forest Cover Maps for the project area and leakage belt have been updated along with the remaining forest area in the reference region.

Regarding monitoring changes in carbon stocks, the average carbon stock estimates for LU/LC classes do not change during the period established of the baseline and therefore monitoring of carbon stocks is not necessary for this monitoring period. This is in compliance with the methodology and the validated PD.

Carbon stocks are not subject to monitoring within the leakage belt, as this is optional per methodology and it is defined in the PDD. It is expected the increase carbon stocks in the leakage management areas due to project activities, but it is omitting in a conservative way. Therefore, carbon stocks have not been monitored within the areas of leakage management.

The non-CO2 emissions from forest fires have not been monitored because it was excluded within the project boundaries during the project design and in accordance with the guidance of the applied methodology.

For monitoring of catastrophic events, the PPs used the National Disaster Risk System and its database. According to registers from this system for the current monitoring period no natural disturbances were reported.

The project does not consider planned activities leading to decrease the carbon stocks and increases in carbon stocks are discarded as conservative measure.

Calculation of emissions from project activities has been determined following monitoring plan in the methodology and validated PD. The deforestation in the project area was defined in accordance with the methodology.

Moreover, AENOR also verified a complete GIS package provided to cross check the information with data values used in calculations and monitoring report. Other default values used are from sources well accredited and validated at validation stage. In order to calculate the above terms, the monitoring report details the data and parameters used during the verification process. For each of them, AENOR checked its accuracy, consistency and reliability by reproducing the spreadsheets calculations, verifying the correctness of formulae and methods used and crosschecking the data values with sources (Appendix 1).

Calculation of Leakage:

The deforestation in the leakage belt was defined in accordance with the VCS Methodology VM0015, version 1.1 and through the application of image interpretation done using geographical information systems. According to the VCS Methodology VM0015, version 1.1, two sources of leakage are potentially subject to monitoring, which are:

- Decrease in carbon stocks and increase in GHG emissions associated with leakage prevention activities.

During this monitoring period, leakage prevention actions did not include measures to enhance cropland and/or grazing land areas, thus no reduction in carbon stocks nor an increase in GHG emissions occurred.

Emissions from forest fires were not included in the baseline therefore are not monitored.

- Decrease in carbon stocks and increase in GHG emissions in due to activity displacement leakage.

The activities that cause deforestation within the project area in the baseline scenario could be displaced outside the project boundary due to the implementation of the AUD project activity.

Project activities have not generated displacement of activities in the leakage belt.

Leakage due to displacement activity was monitored by mapping forest cover change in the leakage belt.

The tables 9 and 11 of the monitoring report shows the ex post annual deforestation area within the leakage belt, the carbon stock per hectare for above and below ground biomass of initial forest class icl, change post deforestation and the net changes in carbon stock.

According to the methodology, the ex-post deforestation above the baseline in the leakage belt area will be considered activity displacement leakage. Thus, leakage emissions due to activity displacement were calculated as the difference between the ex ante and the ex post assessment.

As result of the analysis, deforestation in Leakage belt measured ex-post is less that baseline deforestation estimated for leakage belt without project. Then, leakage emissions are not considered

According to the methodology, as the result was >0, the total ex post leakage is zero. Therefore, no credits were discounted due to activity displacement leakage during this monitoring period.

Ex post annual areas of deforestation in the leakage belt:

Project year *t*	Stratum *i* of the reference region in the leakage belt	Total	
	- $ABSLLK_{i,t}$ ha	*annual* $ABSLLK_t$ ha	cumulative *ABSLLK* ha
2019-2020	1,332	1,332	1,332

Total net baseline carbon stock change in the leakage belt:

Project year t	Total ex ante baseline carbon stock change		Total ex post net actual carbon stock change		Total ex post leakage	
	annual CBSLLKt tCO2-e	cumulative CBSLLK tCO2-e	annual CBSLLKt tCO2-e	cumulative CBSLLK tCO2-e	annual CBSLLKt tCO2-e	cumulative CBSLLK tCO2-e
2019-2020	5,071,668.3	5,071,668.3	509,382.3	509,382.3	4,562,286.0	4,562,286.0

Calculation of emissions reductions or avoided emissions due to the project:

Calculation of emission reductions has been provided. Audit team has found the calculation traceable and in accordance with the applied methodology.

The Emission reductions generated during this monitoring period are as follows:

See as follows the baseline, project, and leakage emissions as well as emission reductions achieved by the project during this monitoring period:

Year	Baseline emissions or removals (tCO2e)	Project emissions or removals (tCO2e)	Leakage emissions(tCO2e)	Net GHG emission reduction or removals(tCO2e)
2019-2020	1,071,222.9	808,026.5	0	263,196

Year	Net Emissions Reductions (tCO2e)	Buffer credits (tCO2e)	Total VCUs to be issued
2019-2020	263,196	39,479	223,717

AENOR reproduced the calculations to achieve the same results and deems they are depicted clearly and correctly in the provided sheets. The AENOR verification team was able to trace calculations directly from the data sources of inventory´s field measurements. Formulae used are in compliance with monitoring plan,

P.D and methodology like the default values used to determine the parameters, they are appropriate. Thus, the net amount of VCUs to be issued is accurate and realistic.

In order to calculate the above terms, the monitoring report details the data and parameters used during the verification process in section 3. Data and parameters available at validation are the ones stated in section 3.1.1. of the MR.

AENOR verified for the parameters available at validation the values reported or the references to the documents where they are used or explained by reviewing, reproducing and crosschecking the evidence provided by the Project Proponent. AENOR checked the values of these parameters to be appropriate and correctly used in equations

On the other hand, the data and parameters monitored to calculate the VCUs to be issued are the ones stated in section 3.1.2. of the MR.

AENOR checked that the list of parameters to be monitored was complete and consistent with information in the monitoring plan of the P.D.

Regarding the accuracy of spreadsheet, formulae, conversions and aggregations and consistent use of data and parameters, the Project Proponent elaborated a complete procedure to assure the accuracy and appropriateness of data. During the verification process, AENOR not only verified the spreadsheet calculation, data and parameters but also the AENOR team could verify that the Project Proponent conducted a rigorous QC/QA procedure of its field measurements and an assessment of uncertainty. Thus, AENOR deems the Project Proponent performed good practices in this assessment and concludes that GHG removals were quantified correctly in accordance with the project description and applied methodology.

For all these parameters reported in the monitoring report, AENOR cross-checked with the PD and the spreadsheet calculations that values/calculations/methods match and are free of mistakes and errors.

AENOR did not find inconsistencies between the PD, technical annex, monitoring report and spreadsheet calculation.

In order to verify the accuracy and consistency of parameters monitored and used to calculate the removals achieved for the monitoring period, the AENOR verification team reproduced the calculations checking the correctness of the formulae applied and assumptions used, when applicable and that values used matched with data sources.

By crosschecking samples of original data sources from PP and taken by AENOR from the on-site visit with data in the spreadsheet calculation and other supporting documents such as the GIS package, AENOR verified the consistent between data and did not detect manual transposition errors between data sets.

4.4.2 Quality of Evidence to Determine GHG Emission Reductions and Removals

The data and parameters used to determine greenhouse gas emission reductions and removals are listed in section 3 of the monitoring report.

In accordance with the validated PD and applied methodology, carbon stocks/ha in the different strata are considered fixed, thus the proponent carried out no new forest inventory during the monitoring period. On the other hand, PP has implemented standard operative procedures: monitoring deforestation and data and information storage.

PPs were responsible for analysing the existence of forest and non-forest in the project area and leakage belt during project verification. They used a GIS information package. Section 3.1.3 of the monitoring report describes the steps followed to analyse the information. This information is deeper treated in a report where monitoring deforestation steps are described. Images of Landsat LC08 were used.

AENOR has verified that the monitoring crews implemented the monitoring plan as it is established in the validated PD. AENOR also found evidence during the on-site visit that key workers are fully involved in monitoring events (training, measuring, archiving, reporting, quality control, etc.).

Quality assurance and control is an essential part of company procedures in order to assure the accuracy of inventory data, modeling results, and carbon accounting. Quality assurance procedures are done in order to minimize and correct any potential data transcription, calculation, or formatting errors that may result in inaccurate carbon accounting results.

In this regard, AENOR paid close attention to the knowledge of field teams about procedures for measuring, the frequency of measurements and the quality of metering equipment including maintenance/calibration requirements.

After field QA/QC assessments had been completed, the data was then entered into a database. This data was diligently reviewed by field supervisors and compared to information from the digital archives, ensuring field data accuracy.

Interviews with project proponents and inspection of data and results demonstrated that the project proponents possess all of the competencies required for reporting of GHG emissions reductions in an accurate way.

Data presented to the audit team was clear and coherent and processing steps could be traced to the corresponding sections of the methodology and monitoring plan with transparency.

The monitoring plan provides means for internal data review and quality control, and the data presented by the project proponent included the results of these internal assessments. AENOR considers that information provided is sufficient and the quality of that information is appropriate to determine the GHG removals.

AENOR deems they are reliable and appropriate. AENOR deems that evidence is enough to reproduce calculations in quantity and quality.

4.4.3 Non-Permanence Risk Analysis

The Project Proponent has elaborated the project VCS Non-permanence Risk Report version 1, dated on 17 November 2020, for the monitoring event according to the latest AFOLU Non-Permanence Risk Tool.

Below, it is explained the assessment of the non-permanence risk rating determined by the project participant and issues rose to them in the assessment.

Internal Risks:

Project Management		
Risk Factor	Risk Factor and/or Mitigation Description	Risk Rating
a)	Not applicable. Is not a forestation project	0
b)	The project has already issued carbon credits.	2
c)	Not applicable. The project proponent have a multidisciplinary team with experience in development and implementation of REDD projects. See: Annex A: Technical team responsible	0
d)	Not applicable. The project proponent have offices and a team in Ucayali region, 1 hour away from the project area.	0
e)	The project proponent have a multidisciplinary team with experience in development and implementation of REDD projects. See: Annex A: Technical team responsible	-2
f)	Not applicable	0
Total Project Management (PM) [as applicable, (a + b + c + d + e + f)] Total may be less than zero.		**0**

Financial Viability		
Risk Factor	Risk Factor and/or Mitigation Description	Risk Rating
a)	Not applicable. The project have a 10 years cashflow. The project reach the breakeven point in year 1	0
b)	Not applicable. The project have a 10 years cashflow. The project reach the breakeven point in year 1	0
c)	Not applicable. The project have a 10 years cashflow. The project reach the breakeven point in year 1	0
d)	The project have a 10 years cashflow. The project reach the breakeven point in year 1. See: Flujo.REDD.Pucallpa-21.02.2017	0
e)	Not applicable. Project has secured more than 15% of funding	0
f)	Not applicable. Project has secured more than 17% of funding	0
g)	Not applicable	0
h)	The project has secured US$ 415,384 (17% of funding needed to cover the total cash out required before the project reaches breakeven) from a grant of the	0

	International Tropical Timber Organization for the design and development of the REDD project. The project has obtained US $ 415,384 (+ 100% of the funds needed to cover the total withdrawal required before the project reaches breakeven point) with the loan agreement with ALTHELIA CLIMATE FUND SICAV The project need US$ 2,435,466 to cover the total cash out required before the project reaches the breakeven. See: Convenio AIDER – ITTO See: Annex2_ Risk Report Annex E_Althelia_Loan_Agreement (page 29)	
i)	Not applicable	0
Total Financial Viability (FV) [as applicable, ((a, b, c or d) + (e, f, g or h) + i)] Total may not be less than zero.		**0**

Opportunity Cost		
Risk Factor	Risk Factor and/or Mitigation Description	Risk Rating
a)	The baseline activities are agriculture and cattle. In the opportunity cost analysis the papaya crop is the most profitable activity. The NPV of the papaya crop is more than 100% more profitable than the project activities.	8
b)	Not applicable	0
c)	Not applicable	0
d)	Not applicable	0
e)	Not applicable	0
f)	Not applicable	0
g)	The project proponent is a non-profit organization Asociación para la investigación y Desarrollo Integral	-2
h)	The communities involve in the project sign a commitment agreement to realize the project activities during the lifetime of the project. See folder: Annex C: Acta Asamblea Comunal PDD CCB Section G3.2	-2
i)	Not applicable	0
Total Opportunity Cost (OC) [as applicable, (a, b, c, d, e or f) + (g + h or i)] Total may be less than 0.		**4**

Project Longevity		
a)	Not applicable. The native communities involve in the project sign a commitment agreement to realize the project activities during the lifetime of the project.	0
b)	The communities involve in the project sign a commitment agreement to realize the project activities during the lifetime of the project (40 years)	10

	See folder: Annex C: Acta asamblea comunal	
Total Project Longevity (PL) May not be less than zero		**10**

Internal Risk	
Total Internal Risk (PM + FV + OC + PL) Total may not be less than zero.	**14**

External Risk:

Land Tenure and Resource Access/Impacts		
Risk Factor	Risk Factor and/or Mitigation Description	Risk Rating
a)	The communities involve in the project are the owners and have the use rights of the land.	0
b)	Not applicable. The communities involve in the project are the ownerships and have the use rights of the land.	0
c)	The deforestation occurred in the verification period is lower than 5% of the project area. The project area is 127,004 ha (100%) and the deforestation occurred was 1,538.6 ha (1.21%). See Annex B: Map Location of Project Communities	0
d)	Not applicable. There are no disputes over land tenure or ownership.	0
e)	Not applicable. This is not a WRC project	0
f)	The communities involve in the project sign a commitment agreement to realize the project activities during the lifetime of the project See: Annex C: Acta asamblea comunal	-2
g)	Not applicable.	0
Total Land Tenure (LT) [as applicable, ((a or b) + c + d + e + f + g)] Total may not be less than zero.		**0**

Community Engagement		
Risk Factor	Risk Factor and/or Mitigation Description	Risk Rating
a)	Consultation process have been carried out to the communal assembly in each community involve in the project. See:	0

	See: PDD CCB Section G3.2	
b)	No consultation were applied outside the project boundary.	5
c)	The project will implement productive activities inside the native community and in its buffer zone that will generate social and economic benefits for the people. The cashflow of the project (commercially sensitive information) shows the amounts allocated to the promotion of productive activities which generate the benefits mentioned above. The project will be validated under the Climate, Community and Biodiversity (CCB), showing positive net benefits for the populations involved.	-5
Total Community Engagement (CE) [where applicable, (a + b + c)] Total may be less than zero.		**0**

Political Risk		
Risk Factor	Risk Factor and/or Mitigation Description	Risk Rating
a)	Not applicable.	0
b)	Not applicable.	0
c)	The governance score calculated using “World Bank Institute´s Worldwide Governance Indicators (WGI)”,average for the years 2012 – 2016 is -0.18. See: Annex D: Governance Score 2012 – 2016	2
d)	Not applicable.	0
e)	Not applicable.	0
f)	Peru is part of the REDD+ Readiness process financed by the World Bank. The jurisdiction of the project is part of the GCF taskforce RPP.pdf	-2
Total Political (PC) [as applicable ((a, b, c, d or e) + f)] Total may not be less than zero.		**0**

External Risk	
Total External Risk (LT + CE + PC) Total may not be less than zero.	**0**

Natural risk:

Fire	
Significance	No Loss. Fires are located in areas where farmers perform controlled burns.

	The community monitoring team have not reported the occurrence of forest fires in this period.
Likelihood	Less than every ten years.
Score (LS)	0
Mitigation	0.25 The project proponent has a Plan for prevention and control of forest fires. The project proponent has experience in fire control in reforestation projects in the Ucayali region. See: Plan de Prevención y Control de Incendios Forestales

Pest and Disease outbreaks	
Significance	Insignificant (less than 5% loss of carbon stocks) or transient (full recovery of lost carbon stocks expected within 10 years of any event)
Likelihood	Less than every ten years.
Score (LS)	2
Mitigation	0.5 The project activities include to implement agroforestry systems already adapted to the natural conditions in the project area. The project will use native species already adapted to the project area and this will prevent the pest and disease outbreaks. The project proponent has mitigation measures for pest and disease outbreaks to be implemented in the project. Also indicate that there has not been registered information of pests and diseases by the National Service of Agricultural Health – SENASA (for its acronym in Spanish), in the project area. See: Plan de protección forestal

Extreme Weather	
Significance	No loss The project area is a natural forest that is part of the Peruvian amazon and where extreme climates like: hurricanes, storms and extreme droughts have not been registered to date. In this area only heavy rains are presented in the months of November to March, event that occurs every year in this period of months. This type of event is not a risk that could affect more than 5% of the project area, because it always has been ongoing, and physiographic characteristics of the project area makes it less vulnerable to these risks.
Likelihood	Less than every ten years.
Score (LS)	0
Mitigation	1 None of the above.

Geological risk	
Significance	No loss. No volcanoes in the project area. Not enough slope or altitude for avalanche.
Likelihood	Not applicable.
Score (LS)	0
Mitigation	1

Score for each natural risk applicable to the project (Determined by (LS × M)	
Fire (F)	0
Pest and Disease Outbreaks (PD)	1
Extreme Weather (W)	0
Geological Risk (G)	0
Other natural risk (ON)	Not applicable.
Total Natural Risk (as applicable, F + PD + W + G + ON)	**1**

Risk Category	Rating
Internal Risk	14
External Risk	0
Natural Risk	1
Overall Risk Rating (a + b + c)	15

AENOR has checked that information provided in the Non-Permanence Risk Report version 1, dated on 17 November 2020, for the monitoring period is consistent with supporting documents provided. The assumptions and justifications provided to determine the risk rating of each risk factor are developed and they are based on provided documents using conservative assessments. AENOR deems that information provided is reliable and appropriate from official sources, thus, the overall risk rating is credible and realistic.

4.4.4. Dissemination of Climate Monitoring Plan and Results (CL4.2)

AENOR confirmed during the interview whit communities' representatives the awareness about the results of the projects, its implementation, monitoring. Results of the climate benefits were provided in a spreadsheet calculation. AENOR reproduced the calculation to achieve the same results, checked baseline and project emissions and leakage. Further information on the process and data checks is provided in sections above. In opinion of AENOR the monitoring plan and the results were disseminated in accordance with the validated PD.

4.4.6 Optional Gold Level: Climate Change Adaptation Measures (GL1.3)

The communities have been supported implementation of the control and surveillance committees, as well as their official recognition by the of the competent forest authority. This was checked against the PDD.

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

AENOR has checked that the activities proposed in the REDD + Strategy of the project and the activities proposed in the corresponding section of the PDD have been carried out and that the communities have been supported in the training and implementation of the control and surveillance committees. Also, as part of the studies carried out in the pre-investment phase financed with the sale of carbon credits from the project, AENOR has evaluated that an investment project has been designed that includes the implementation of sustainable activities such as agroforestry.

4.5 Community

4.5.1 Community Impacts (CM2.1)

The following impacts have been detected in the community groups (Native communities of the project):

- Technical capabilities
- Community organization
- Community economic organization
- Natural Resources Management
- Land tenure and security
- Areas of high conservation value

In opinion of AENOR, the assessment of impacts is accurate and reflects faithfully the project benefits in communities.

4.5.2 Negative Community Impact Mitigation (CM2.2)

In accordance with section 4.1.2 of the MR, there are some actions taken into consideration during the verification period to mitigate possible negatives in the identified HCV zones. AENOR could check during the on site visit that to date, no negative impacts have been reported in these areas.

Therefore, the project doesn't result in net negative impacts on the wellbeing of the community. Assessment by the audit team concluded that the likelihood of net negative impacts on the well-being of the community is adequately addressed in the monitoring report and in accordance with the validated project description.

4.5.3 Net Positive Community Well-being (CM2.3)

Section 4.1.3 of the monitoring report includes the details of the positive community well-being impacts.

According to the proposal in the PDD, the following impacts are identified by each community:

Net impacts in Puerto Nuevo

Actors	Impacts	Status
The Communal Chief, Municipal Agent, Lieutenant Governor	Positive	It continues with the strengthening and generation of capacities for the communal management of these

Actors	Impacts	Status
		actors.
Ronderos	Positive	Included in control and surveillance activities, since they also work with the support of the National Police.
Shiringueros committee	Positive	The implementation of projects during the verification period has allowed the execution of activities for the production of shiringa latex and even products made with this resource. The REDD + Strategy will provide continuity for the forest management of this resource.

Net impacts in Sinchi Roca

Actors	Impacts	Status
The Communal Chief, Municipal Agent and Lieutenant Governor	Positive	It continues with the strengthening and generation of capacities for the communal management of these actors.
Shiringa committee	Positive	The implementation of projects during the verification period has allowed the execution of activities for the production of shiringa latex and even products made with this resource. The REDD + Strategy will provide continuity for the forest management of this resource.
Forestry Veeding	Positive	With the support of projects implemented during the verification period, this Veeduría became the Control and Surveillance Committee.
Cocoa committee	Positive	It is no longer active; however, it is a resource of interest for the community to be included in agroforestry activities of the REDD + Strategy.
Handicraft committee	Positive	It will be included in the activities of the REDD + Strategy.
Citizen security committee	Positive	With this committee will work on the subject of control and surveillance, as well as MRV.

Net impacts in Pueblo Nuevo

Actors	Impacts	Status
The Communal Chief, Municipal Agent and Lieutenant Governor	Positive	It continues with the strengthening and generation of capacities for the communal management of these actors.
Handicraft committee	Positive	It will be included in the activities of the REDD + Strategy.

Net impacts in Curiaca

Actors	Impacts	Status
OEP wood	Positive	Training and technical assistance have been promoted for the use and commercialization of wood.

Net impacts in Roya

Actors	Impacts	Status
Community Authorities	Positive	It continues with the strengthening and generation of capacities for the communal management of these actors.
Handicraft committee	Positive	It will be included in the activities of the REDD + Strategy.

Net impacts in Flor de Ucayali

Actors	Impacts	Status
Community Authorities	Positive	It continues with the strengthening and generation of capacities for the communal management of these actors.

Net impacts in Calleria

Actors	Impacts	Status
Committee on Fisheries	Positive	With the support of development projects, activities have been implemented for the management of Paiche.
Handicraft committee	Positive	It will be included in the activities of the REDD + Strategy.

AENOR concludes that the net impact of project activities on community groups is positive.

4.5.4 Protection of High Conservation Values (CM2.4)

The microzonification of the communities, in which the HCV areas will be taken into account for the promotion of their conservation, has not yet been carried out during the current verification period. This activity will be considered in the work plan for the next verification period. Therefore, AENOR confirms that project activities are not negatively affecting to the HCVs.

4.5.5 Other Stakeholder Impacts (CM3.2-CM3.3)

AENOR has assessed that the project doesn't result in net negative impacts on the wellbeing of other stakeholder groups. Assessment by the audit team concluded that the likelihood of net negative impacts on the well-being of other stakeholder groups is adequately addressed in the monitoring report and the net impacts of project activities on the well-being are positive.

4.5.6 Community Monitoring Plan (CM4.1, CM4.2, GL2.2, GL2.3, GL2.5)

Community monitoring plan comprises thirty-two parameters, detailed in section 4.3.1 (Table 11.)

In order to assess and continually monitor the impacts that the project is having on communities; as well as allowing affected groups within the community to also have effective participation in the evaluation of such impacts, the project has conducted Participatory Evaluation of Social Impact surveys.

AENOR confirms dates, frequency and sampling methods used are in accordance with the validated project design and with the procedures and systematics used in the verification event. AENOR confirms that community monitoring plan is implemented as the monitoring report and the validated PD.

4.5.7 Community Monitoring Plan Dissemination (CM4.3)

AENOR verified, during the interview with communities' representatives, that the information about the project is disseminated.

The monitoring report has been presented at publicized community meetings and through in-person visits, which inform stakeholders about the results and evaluations of the projects activates to date, as well as about visit of the auditing entity, the place, date, and purpose of that visit, and of the possibility of stakeholder's ability to interacting freely with this verifying entity during the visit.

Per the CCBA rules, this monitoring report was also available online one month before the start of the verification site visit for a period of public comments.

In opinion of AENOR the results of community monitoring were disseminated in accordance with the validated PD.

4.5.8 Optional Gold Level: Short-term and Long-term Community Benefits (GL2.2)

The project continues to expect to generate long-term net positive well-being benefits for community members at the individual and/or family level. At the family level, multiple achievements currently indicate that the project is on track to generate well-being benefits for communities as planned, including:

- 1,244 community members trained in the framework of the training workshops held during the verification period.
- 473 women trained in the framework of the projects executed during the verification period.
- 635 families among the 7 communities are benefiting from the productive activities and training carried out by AIDER.

At the community level, progress made since project validation in strengthening the capacity of both the Communities and other local organizations is also contributing to the probability of long-term net positive well-being benefits.

AENOR by reviewing the monitoring report, video records and photographs could check the cultivations, the silvo-pastoral systems and the patrolling squads and considers that the project is giving short-term and Log-term community Benefits.

4.5.9 Optional Gold Level: Smallholder/community member Risks (GL2.3)

Through ACICOB, the structure of redistribution of the economic benefits generated by the sale of the carbon credits generated by the REDD + project has been organized.

As said above, AENOR during the interview whit ACICOB´s president was able to confirm the economic benefits to the community members.

4.5.10 Optional Gold Level: Marginalized and/or Vulnerable Community Groups (GL2.4)

According to the activities implemented to date, AENOR could check the following:

Women from the native communities of the project. The implementation of the REDD + Strategy has allowed the traditional productive activities of the communities to be strengthened, with the purpose of improving economic income and generating community and community capacities, so that their continuity is possible over time, according to a transfer of knowledge that also involve vulnerable populations within communities, as is the case of indigenous women.

AENOR could check documented evidence regarding the people contracted.

4.5. 11 Optional Gold Level: Net Impacts on Women (GL2.5)

The project, as explained in this verification report and the MR, has generated net positive impacts on the welfare of women (mentioned in the section above) and has also ensured that women have participated in key decision-making as it relates to the project. The project continues to work with the organizational structures that are already in place, rather than imposing external conditions on project activities.

AENOR has assessed this during the interview whit communities' representatives and has also checked this though documentation review.

4.5.12 Optional Gold Level: Benefit Sharing Mechanisms (GL2.6)

The project has a consensus budget for the distribution of the economic benefits obtained by the communities from the sale of carbon credits to the Althelia Investment Fund.

This budget covers the activities of the REDD + project, among other productive activities to be developed by men and women, according to the characteristics of each community.

AENOR during the interview with communities' representatives and ACICOB´s president could check this issue.

4.5.13 Optional Gold Level: Governance and Implementation Structures (GL2.8)

The governance structure of the project described in the PDD is reinforced by the formation of ACICOB and the empowerment of the heads of each of the project communities to be able to make decisions about the project's goals, among other actions in favour of the project management and administration of the community.

AENOR during the interview with communities' representatives and ACICOB´s president could check that project's governance and implementation structures enable full and effective participation of smallholders and community members in project decision-making and implementation.

4.5.14 Optional Gold Level: Smallholders/Community Members Capacity Development (GL2.9)

The technical assistance provided by the project promoted the constitution of ACICOB, and with it, the generation of a space for consultation in which the heads of the communities and / or authorities chosen by the communities deliberate and make decisions regarding the implementation and administration of the REDD + project on behalf of their communities, with the due granting of powers and faculties that their Assemblies have conferred upon them.

AENOR during the interview with communities' representatives could check this issue.

4.6 Biodiversity

4.6.1 Biodiversity Changes (B2.1)

Hunting pressure was reported. During the COVID-19 pandemic, communities have continued with their hunting activities for self-consumption, this because their mobilization for the commercialization of their products and to receive support from outsiders has been limited for several months.

The hunting pressure of the most hunted species correspond to: 6 mammals (Pecari tajacu, Dasyprocta fuliginosa, Alouatta seniculus, Cuniculus paca, Cebus apella, Cebus albifrons) and 1 bird (Penelope jacquacu), reported in the 7 native communities.

4.6.2 Mitigation Actions (B2.3)

In this period, the species hunted by members of the native communities were not monitored, but they have continued with the activity due to what is mentioned in previous section. Then, during this monitoring period no mitigation actions are reported.

4.6.3 Net Positive Biodiversity Impacts (B2.2)

In total, during the period between July 2019 and June 2020, 317 wildlife sightings were recorded in 7 native communities (Calleria, Curiaca, Pueblo Nuevo, Roya, Puerto Nuevo, Sinchi Roca and Flor de Ucayali).

It is observed that both Noctilio leporinus and Pteronura brasiliensis were registered only in the Junín Pablo, Buenos Aires and Nuevo Loreto communities. The other species that complete the list were recorded in the 7 communities.

Section 5.1.3 of the monitoring report describes the indicators registered for 7 communities in the period July 2019 - June 2020

The net impact of the project's activities on biodiversity are positive. AENOR checked by desk review of biodiversity monitoring reports.

4.6.4 High Conservation Values Protected (B2.4)

The HCVs identified in this project activity are identified in section 5.1.4. of the monitoring report.

For each native community, the conservation status of the species according to 3 listing systems: The List of Classification and Categorization of the Endangered Species of Wildlife legally protected by Supreme Decree N ° 004-2014-MINAGRI, La Red List of the International Union for the Conservation of Nature, and the Convention on International Trade in Wild Fauna and Flora (CITES).

During the verification period, the conservation and effective management of the natural resources of the High Conservation Values of the communities of Puerto Nuevo, Sinchi Rock, Callería, Curiaca, Pueblo Nuevo and Roya was strengthened through activities to strengthen forest governance and agroforestry, which guarantee the preservation and proper management of the conservation of the identified critical species and landscape elements.

In the native Calleria community was observed:

Species (Scientific name)	DS N° 004-2014-MINAGRI	UICN	CITES
Alouatta seniculus	VU	LC	II
Tapirus terrestris	NT	VU	II
Accipiter sp.	-	LC	II
Anhima cornuta	-	LC	-
Ardea alba	-	LC	-
Cacicus cela	-	LC	-
Cairina moschata	-	LC	-
Campephilus melanoleucos	-	LC	-
Crotophaga ani	-	LC	-
Egretta thula	-	LC	-
Jacana jacana	-	LC	-
Nasua nasua	-	LC	-
Ortalis guttata	-	LC	-

Species (Scientific name)	DS N° 004-2014-MINAGRI	UICN	CITES
Potos flavus	-	LC	III
Ramphastos tucanus	-	VU	II
Saguinus fuscicollis	-	LC	II
Tigrisoma lineatum	-	LC	-

In the native Curiaca community was observed:

Species (Scientific name)	DS N° 004-2014-MINAGRI	UICN	CITES
Accipiter sp.	-	LC	II
Alouatta seniculus	VU	LC	II
Ara chloropterus	NT	LC	II
Brotogeris versicolurus	-	LC	II
Busarellus nigricollis	-	LC	II
Cuniculus paca	-	LC	III
Ibycter americanus	-	LC	II
Inia geoffrensis	DD	EN	II
Lagothrix lagotricha poeppigii	EN	VU	II
Leopardus tigrinus	DD	VU	I
Panthera onca	NT	NT	I
Pecari tajacu	-	LC	II
Ramphastos tucanus	-	VU	II
Saguinus fuscicollis	-	LC	II
Tapirus terrestris	NT	VU	II
Anhima cornuta	-	LC	-
Ardea cocoi	-	LC	-
Cacicus cela	-	LC	-
Columba livia	-	LC	-
Coragyps atratus	-	LC	-
Lipaugus vociferans	-	LC	-
Mitu tuberosum	NT	LC	-
Opisthocomus hoazin	-	LC	-
Penelope jacquacu	-	LC	-
Pitangus sulphuratus	-	LC	-

In the native Flor de Ucayali community was observed:

Species (Scientific name)	DS N° 004-2014-MINAGRI	UICN	CITES
Anhima cornuta	-	LC	-
Aramides cajaneus	-	LC	-
Ardea alba	-	LC	-
Ardea cocoi	-	LC	-
Brotogeris versicolurus	-	LC	II
Campephilus melanoleucos	-	LC	-
Cathartes sp.	-	LC	-
Crypturellus undulatus	-	LC	-
Cuniculus paca	-	LC	III
Egretta thula	-	LC	-
Pecari tajacu	-	LC	II
Penelope jacquacu	-	LC	-
Phalacrocorax brasilianus	-	LC	-
Saguinus fuscicollis	-	LC	II
Tapirus terrestris	NT	VU	II
Tayassu pecari	NT	VU	II

In the native Pueblo Nuevo community was observed:

Species (Scientific name)	DS N° 004-2014-MINAGRI	UICN	CITES
Accipiter sp.	-	LC	II
Ardea alba	-	LC	-
Ardea cocoi	-	LC	-
Brotogeris versicolurus	-	LC	II
Busarellus nigricollis	-	LC	II
Buteo nitidus	-	LC	II
Caiman crocodilus	-	LC	II
Cairina moschata	-	LC	-
Cebus sp.	-	-	II
Cuniculus paca	-	LC	III
Egretta thula	-	LC	-
Eurypyga helias	-	LC	-
Falco peregrinus	NT	LC	I
Jabiru mycteria	NT	LC	I
Mazama americana	DD	DD	-
Opisthocomus hoazin	-	LC	-
Panthera onca	NT	NT	I

Species (Scientific name)	DS N° 004-2014-MINAGRI	UICN	CITES
Pecari tajacu	-	LC	II
Pithecia sp.	-	-	II
Penelope jacquacu	-	LC	-
Pitangus sulphuratus	-	LC	-
Potos flavus	-	LC	III
Ramphastos tucanus	-	VU	II
Saguinus fuscicollis	-	LC	II

In the native Puerto Nuevo community was observed:

Species (Scientific name)	DS N° 004-2014-MINAGRI	UICN	CITES
Ara macao	NT	LC	I
Ardea alba	-	LC	-
Cairina moschata	-	LC	-
Cuniculus paca	-	LC	III
Lagothrix lagotricha poeppigii	EN	VU	II
Mazama americana	DD	DD	-
Melanosuchus niger	NT	LC	I
Mitu tuberosum	NT	LC	-
Nyctibius griseus	-	LC	-
Opisthocomus hoazin	-	LC	-
Ortalis guttata	-	LC	-
Pecari tajacu	-	LC	II
Podocnemis unifilis	VU	VU	II
Saimiri boliviensis	-	LC	II
Tapirus terrestris	NT	VU	II
Tayassu pecari	NT	VU	II

In the native Roya community was observed:

Species (Scientific name)	DS N° 004-2014-MINAGRI	UICN	CITES
Anhima cornuta	-	LC	-
Boa constrictor	EN	-	II
Brotogeris versicolurus	-	LC	II
Cacicus cela	-	LC	-
Cairina moschata	-	LC	-

Species (Scientific name)	DS N° 004-2014-MINAGRI	UICN	CITES
Clelia clelia	-	-	II
Egretta thula	-	LC	-
Jacana jacana	-	LC	-
Milvago chimachina	-	LC	II
Opisthocomus hoazin	-	LC	-
Pitangus sulphuratus	-	LC	-
Potos flavus	-	LC	III

In the native Sinchi Roca community was observed:

Species (Scientific name)	DS N° 004-2014-MINAGRI	UICN	CITES
Accipiter sp.	-	LC	II
Alouatta seniculus	VU	LC	II
Ara chloropterus	NT	LC	II
Ara macao	NT	LC	I
Ardea alba	-	LC	-
Brotogeris versicolurus	-	LC	II
Cacicus cela	-	LC	-
Cebus sp.	-	-	II
Campephilus melanoleucos	-	LC	-
Chelonoidis denticulata	-	VU	II
Cuniculus paca	-	LC	III
Egretta thula	-	LC	-
Ibycter americanus	-	LC	II
Lagothrix lagotricha poeppigii	EN	VU	II
Lipaugus vociferans	-	LC	-
Mazama americana	DD	DD	-
Nasua nasua	-	LC	-
Opisthocomus hoazin	-	LC	-
Ortalis guttata	-	LC	-
Pecari tajacu	-	LC	II
Podocnemis unifilis	VU	VU	II
Ramphastos tucanus	-	VU	II
Saguinus fuscicollis	-	LC	II
Saimiri boliviensis	-	LC	II
Tapirus terrestris	NT	VU	II

AENOR has checked that No HCV were negatively affected by the project.

4.6.5 Invasive Species (B2.5)

The project only uses native species. The project is not using invasive or exotic species.

4.6.6 Impacts of Non-native Species (B2.6)

The Project activity is using native species.

4.6.7 GMO Exclusion (B2.7)

The activities proposed by the project are based on the conservation and management of local biodiversity (flora: 166 species and 257 species of vertebrate fauna distributed in: 55 species of amphibians, reptiles 44 species, birds 101 species and mammals 57 species), besides the implementation of already validated production systems (Agroforestry), not considering the use of Genetically Modified Organisms.

AENOR has checked that no GMOs are used to generate GHG emission reductions or removals.

4.6.8 Inputs Justification (B2.8)

No fertilizers or biological control agents are used in any of the project activities.

AENOR could check this during the on-site visit talking with the community members.

There is no potential or realized adverse effects on biodiversity in the region or on communities.

4.6. 9 Negative Offsite Biodiversity Impacts (B3.1) and Mitigation (B3.2)

In accordance with section 5.2.1 of the MR, the implementation of control and surveillance activities have not generated possible negative impacts on biodiversity outside the project area. However, some threats have been identified, described in the following table:

Negative Offsite Impact	Mitigation Measure(s)
Invasion threats in the territory of the Puerto Nuevo and Sinchi Roca native communities	Boundary activities, in coordination with the competent authority (Area of Native Communities of the Regional Directorate of Agriculture of Ucayali). Patrols of Forest Control and Surveillance Committees.

In opinion of AENOR, considering previous site visit, to the project region, project has adequately identified all potentially negative offsite biodiversity impacts and has taken actions to mitigate the impacts.

4.6. 10 Net offsite Biodiversity Benefits (B3.3)

In accordance with section 5.2.2. of the MR, in the Sinchi Roca Native Community there were conflicts over the presence of settlers, who had invaded their communal territory and had the presence of livestock in their communal area. To mitigate this problem, synergies were created between the Ucayali Regional Agriculture Directorates and Huánuco, who thanks to the incidence of, the baseline and foundation of landmarks was made as shown in point 5.2.1.

4.6.11 Biodiversity Monitoring Plan (B4.1, B4.2, GL 3.4)

Monitoring activities for biodiversity were carried out in 2019-2020 in accordance with the methodology and VCS Standard. Monitoring activities and biodiversity status updates were used to confirm the state of species diversity throughout the project region and to revisit the status of biodiversity as it was reported during project validation. Also significant was the development of a formal biodiversity monitoring protocol.

Many of them were provided during the site visit and others checked in the office. The monitoring plan is in compliance with the validated PD. In opinion of AENOR the monitoring plan is effective to have a real idea of the situation. Measures scheduled and designed by the project proponent to maintain or enhance the biodiversity are correct and results confirm their effectiveness.

4.6. 12 Biodiversity Monitoring Plan Dissemination (B4.3)

Project developer planed the dissemination of the monitoring plan during the 2020 (from October to December). However, due to pandemic condition as consequence of COVID-19, It was not carried out as planned. Subsequently, it was planned to carry out the socialization as soon as the conditions of the pandemic improve; then, de monitoring plan dissemination was carried out between the months of February and March 2021, visiting each community. This fact was checked with the interview with communities' representatives

4.6.13 Optional Gold Level: Trigger Species Population Trends (GL3.3)

Not applicable.

4.6.14 Optional Gold Level: Effectiveness of Threat Reduction Actions (GL3.4)

Not applicable.

4.7 Additional Project Implementation Information

There is no more additional information; all was discussed in the above sections.

4.8 Additional Project Impact Information

There is no more additional information; all was discussed in the above sections.

5 VERIFICATION CONCLUSION

AENOR has verified that the project is in compliance with the verification criteria of Verified Carbon Standard version 4.1 and the CCB Standards Third Edition without qualifications or limitations.

The project has been implemented in accordance with the validated project description

The present verification event did not include validation activities.

AENOR is able to issue a positive verification opinion for the 263,196 tones CO2e of verified emissions reductions, as reported in the Monitoring Report version 3 dated on 29 June 2021.

The verification assessment covered the monitoring period from 1 July 2019 – 30 June 2020 and verified that calculated emission reductions and/or removals were achieved during the monitoring period with a reasonable level of assurance. The overall risk rating was 15 %. Therefore, the total number of credits to be deposited in the buffer account is 39,479 VCUs and the total VCUs to be issued are 223,717.

It is not applicable any conclusion about adaptive activities and resilience for this project. Likewise, AENOR confirms the project benefits on community and biodiversity for the current monitoring period as described in the Monitoring Report version 3 dated on 29 June 2021. In opinion of the AENOR verification team the project is achieving their community and biodiversity objectives.

Verification/monitoring period: 1 July 2019 – 30 June 2020

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

Year	Baseline emissions or removals (tCO2e)	Project emissions or removals (tCO2e)	Leakage emissions(tCO2e)	Net GHG emission reduction or removals(tCO2e)
2019-2020	1,071,222.9	808,026.5	0	263,196

Year	Net Emissions Reductions (tCO2e)	Buffer credits (tCO2e)	Total VCUs to be issued
2019-2020	263,196	39,479	223,717

Overall non-permanence risk rating: 15%

VCUs buffer to be deposited: 39,479 tn CO2e.

Total VCUs to be issued: 223,717 tn CO2e.

Date: 14 July 2021

Lead Auditor

Richard Gonzales

APPENDIX 1: LIST OF EVIDENCE PROVIDED

N°	Document
1	Final M.R version 3, dated on 29 June 2021
2	First version of the MR
3	Registered VCS PD
4	Registered CCB PD
5	Non-Permanence Risk Report version 1, dated on 17 November 2020
6	Emission reduction calculation spreadsheet for period 2019-2020
7	REDD + project management model.
8	GIS Data
9	GIS processing images
10	Sentinel Satellite images 2019 - 2020
11	Financial information
12	Survey report
13	Biodiversity monitoring report 2019 - 2020
14	Deforestation monitoring report 2019 - 2020
15	Biosafety protocol for the "forest partnership" project in the context of the health emergency caused by COVID-19
16	Plan for the monitoring, control and prevention of COVID-19 at work
17	Photographic evidence of local stakeholders' communications, during the monitoring period Surveys 2020
18	Agreement between Communities
19	Lists of Attendances of workshops carried out in native communities of Calleria, Curiaca, Flor De Ucayali, Pueblo Nuevo, Puerto Nuevo, Sinchi Roca and Roya. 2019-2020
20	List of Activities developed by AIDER
21	Plan REDD Ucayali region
22	Evidence of benefits distribution in the communities

N°	Document
23	Training activities photographs in the communities
24	List of activities in native communities for the CCB monitoring report 2019-2020
25	Working plan of the indigenous communities for the conservation forests in Ucayali – ACICOB, december 2020
26	Guidelines for the management and resolution of controversies and conflicts
27	Attendance lists and photographs of the monitoring socialization meetings in each community
28	Work plans of the control and surveillance committees
29	Photographic evidence of the training's activities during the monitoring period
30	Photographic evidence of local stakeholders' communications, during the monitoring period

APPENDIX 2: CLARIFICATION REQUESTS AND CORRECTIVE ACTION REQUESTS

CLARIFICATION REQUEST (CLS)

CL ID	**01**	**Date: 14/05/2021**
Description		
Project proponent is requested to provide the document: "*Guidelines for the management and resolution of controversies and conflicts",* stated in section 2.3.12 and provided evidences of its implementation.		
Project proponent response		**Date: 03/06/2021**
The document "Guidelines for the management and resolution of controversies and conflicts" is available, the same document that was prepared at the end of 2018. This document was planned to be socialized between January and March 2019, but due to internal problems of the federations, it was not the process was completed. Currently the document is in the process of updating. *The existing document is attached.*		
Documentation provided by Project proponent		
• *Guidelines for the management and resolution of controversies and conflicts* • *Implementation report*		
VVB Assessment		**Date: 18/06/2021**
Project proponent provided requested evidences and clarified the implementation status of the stated guideline. Then, CL is closed.		

CL ID	**02**	**Date: 14/05/2021**
Description		
Project proponent is requested to clarify the dissemination process of Biodiversity Monitoring Plan (refer to the requirements included in the section 5.3.2 of the MR template)		
Project proponent response		**Date: 03/06/2021**
The socialization was carried out in each community in the months of February and March 2021. *The biodiversity monitoring plan is prepared with the control and surveillance committee, together with the participation of community members.*		
Documentation provided by Project proponent		
- Attendance lists and photographs of the socialization meetings in each community - *Work plans of the control and surveillance committees are attached and attendance lists*		

VVB Assessment	**Date: 18/06/2021**
Project proponent provided requested evidence, regarding dissemination proves of Biodiversity monitoring plan. Then, CL is closed	

CORRECTIVE ACTIONS REQUEST (CARS)

CAR ID	**01**	**Date: 14/05/2021**
Description		
During the remote on-site assessment, the verification team identified that some information included in the monitoring report are not in accordance to reviewed evidences. i.e.: 1. The outcome or impacts 2,3 and 4, of the unique benefit reported in section 1.1 of the MR. 2. Achievements during the monitoring periods, reported in section 1.2 of the MR. 3. Data and parameters to be monitored included in section 3.1.2 (Annual area of baseline deforestation in the project area and leakage belt)		
Project proponent response		**Date: 02/06/2021**
The data has been corrected in all the sections indicated in the CAR.		
Documentation provided by Project proponent		
None		
VVB Assessment		**Date: 18/06/2021**
The monitoring report was updated, considering corrected values as per evidences reviewed during de the remote on-site assessment. Then, CAR is closed		

CAR ID	**02**	**Date: 14/05/2021**
Description		
The Monitoring report includes some Spanish infection. For example, sections 1.1, 5.1.4, 5.1.5 and 5.3.1. According to the VCS Standard version 4.1, section 1.2, the operating language of the VCS Program is English.		
Project proponent response		**Date: 20/05/2021**
The indicated sections have been corrected and translated into English.		
Documentation provided by Project proponent		
None		

VVB Assessment	**Date: 18/06/2021**
Monitoring report was updated in accordance to the VCS standard. Then, CAR is closed.	