

# VERIFICATION REPORT

## REDD+ PROJECT FOR CARIBBEAN GUATEMALA: THE CONSERVATION COAST



AENOR INTERNACIONAL S.A.U.  
Document Prepared By: AENOR  
Contact Information: 6 Génova. 28004 Madrid – Spain  
[www.aenor.com](http://www.aenor.com)

<b>Project Title</b>	REDD+ Project for Caribbean Guatemala: The Conservation Coast
<b>Version</b>	1.1
<b>Report ID</b>	Verification Report Conservation Coast 20200711

<b>Report Title</b>	REDD+ Project for Caribbean Guatemala: The Conservation Coast Verification Report
<b>Client</b>	Fundación para el Ecodesarrollo y la Conservación –FUNDAECO-
<b>Pages</b>	76
<b>Date of Issue</b>	03-September-2020
<b>Prepared By</b>	AENOR INTERNACIONAL S.A.U.
<b>Contact</b>	Génova 6. 28004 Madrid- Spain. Telephone +34 914326000 jlfuentes@enor.com , www.aenor.com
<b>Approved By</b>	Jose Luis Fuentes
<b>Work Carried Out By</b>	Project Manager: Jose Luis Fuentes Team Leader: Juan Carlos Gómez Auditor: Miguel López Technical Reviewer: Elena Llorente

## Summary

AENOR has carried out the verification of the REDD+ Project for Caribbean Guatemala: The Conservation Coast under the VCS and CCB Programs. The project is a grouped REDD+ project implemented in the Department of Izabal, Guatemala. The project aims to alleviate pressures on the forests through the support of governance capacity (including individual property titling, land-use planning and conservation zone demarcation), the generation of alternative economic activities and income sources, and through capacity building in administration and management. These project activities, beyond protecting local forests and biodiversity, contribute to social and economic development in one of the poorest areas of Guatemala. At the moment of verification, the project was 55,308 ha.

The project start date is 1 April 2012 and will be operational until 31 March 2042. The estimated net GHG emissions reduction at validation for the 30-year project span was 21,844,843 tCO<sub>2</sub>e, at an average of 728,161 tCO<sub>2</sub>e/yr. The emissions reduction for the current monitoring period (01-January-2019 to 31-December-2019) is 782,687 tCO<sub>2</sub>e. This is a grouped project.

The purpose of the verification was to determine the conformance of the project with respect to the VCS Version 4 and CCB Third Edition and the validated PD, and the assessment of the ex-post monitored anthropogenic GHG emissions reductions and/or removals that have occurred as a result of the project's activities. The scope of the verification was to assess the conformance of validated project, once implemented, with the VCS and CCB requirements and requirements in the validated PD. The process was performed through a combination of desk review, interviews, and communications with relevant personnel. This is the third verification event, corresponding to the monitoring period from 1 January 2019 to 31 December 2019.

During the verification 6 CLs and 1 CAR were raised for VCS and 8 CLs and 2 CARs for CCB. All these issues were appropriately closed by means of corrections, more clear explanations, and other supporting documents.

Once all issued detected were appropriately resolved, AENOR carried out this final verification report and deems with reasonable level of assurance that the project complies with all of the verification criteria. 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 cumulative net GHG emissions reductions or removals of 782,687 tCO<sub>2</sub>e over the monitoring period has been quantified in accordance with VCS rules. A buffer discount rate of 10% was applied, resulting 704,418 VCU eligible for issuance. AENOR confirms that the project has achieved the Biodiversity Gold distinction for the verified monitoring period in accordance with the Third Edition CCB Standards.

<b>Table of Contents</b>	
<b>1</b>	<b>Introduction..... 4</b>
1.1	Objective ..... 4
1.2	Scope and Criteria ..... 4
1.3	Level of Assurance..... 4
1.4	Summary Description of the Project ..... 5
<b>2</b>	<b>Verification Process..... 6</b>
2.1	Audit Team Composition ( <i>Rules 4.3.1</i> ) ..... 6
2.2	Method and Criteria..... 9
2.3	Document Review ..... 10
2.4	Interviews ..... 10
2.5	Site Inspections ..... 12
2.6	Resolution of Findings..... 13
2.7	Eligibility for Validation Activities ..... 13
<b>3</b>	<b>Validation Findings ..... 14</b>
3.1	Participation under Other GHG Programs ..... 14
3.2	Methodology Deviations ..... 14
3.3	Project Description Deviations ( <i>Rules 3.5.7 – 3.5.10</i> ) ..... 15
3.4	Minor Changes to Project Description ( <i>Rules 3.5.6</i> )..... 17
3.5	Grouped Project (G1.13 – G1.15, G4.1) ..... 18
<b>4</b>	<b>Verification Findings..... 18</b>
4.1	Public Comments ( <i>Rules 4.6</i> ) ..... 18
4.2	Summary of Project Benefits..... 19
4.3	General..... 19
4.4	Climate ..... 28
4.5	Community ..... 41
4.6	Biodiversity ..... 46
4.7	Additional Project Implementation Information ..... 51
4.8	Additional Project Impact Information ..... 51
<b>5</b>	<b>Verification Conclusion ..... 51</b>
<b>Appendix 1: LIST OF EVIDENCES PROVIDED ..... 53</b>	
<b>Appendix 2: Corrective Actions and Clarifications Requests..... 56</b>	

## 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

The scope of the verification included the review of the GHG project and implementation; physical infrastructure, activities, technologies and processes of the GHG project; GHG sources, sinks and/or reservoirs; types of GHG's; and time periods covered. The project follows the framework of Reducing Emissions from Deforestation and Degradation (REDD) through Avoided Unplanned Deforestation & Degradation (AUDD). The geographic verification scope is defined by the project boundary, the carbon reservoir types, management activities, inventory program, and contract periods.

The monitoring period for this verification is from 01 January 2019 to 31 December 2019

The scope of this audit included a verification of the projects calculated removals with the Verified Carbon Standard requirements. 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 Standard v4.0
- VCS Program Guide v4.0
- VCS AFOLU Non-Permanence Risk Tool v 4.0
- CCB Program Rules v 3.1
- Third edition CCB Standard v3.1

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

### 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.

The threshold for materiality with respect to the aggregate of errors, omissions, and misrepresentations relative to the total reported GHG emission reductions/removals was one percent (1%), as established for large projects by the VCS Standard.

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 a grouped REDD+ project implemented in the Department of Izabal, Guatemala. It aims to alleviate pressures on the forests through the support of governance capacity (including individual property titling, land-use planning and conservation zone demarcation), the generation of alternative economic activities and income sources, and through capacity building in administration and management. These project activities, beyond protecting local forests and biodiversity, contribute to social and economic development in one of the poorest areas of Guatemala. The Project Objectives are:

- **Climate Objectives**
  - Reduce CO<sub>2</sub> emissions that result from the conversion of intact forest to agricultural and pastoral land.
- **Community Objectives**
  - Empower marginalized and vulnerable communities through the legalization of land, promotion of reproductive rights and participation in resource management.
  - Improve quality of life in the project zone by creating access to new markets, promoting sustainable production and improving public health and education opportunities.
  - Promote landowner and community self-sufficiency in the project zone through diversified economies and sustainable land uses.
  - Preserve awareness and respect for traditional, cultural, spiritual and religious identities of communities within the project area.
- **Biodiversity Objectives**
  - Maintain habitat for viable, abundant, and diverse natural populations.
  - Reduce threats to rare, threatened, and endangered species.
  - Maintain the function of the natural ecosystems.
  - Support local and global knowledge of biodiversity in the project zone.

## 2 VERIFICATION PROCESS

### 2.1 Audit Team Composition (*Rules 4.3.1*)

Name	Position in the team
José Luis Fuentes	Project Manager
Juan Carlos Gómez	Team Leader
Miguel López	Auditor
Elena Llorente	Technical Reviewer

José Luis Fuentes is the manager of the Climate Change Unit of AENOR. He is a Forestry Engineer and has a Master in Business Administration and a Post-Graduate in Environmental Management. He has more than 15 years of experience in auditing, consulting and training activities related to environmental and carbon management projects. Jose Luis has 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). Jose Luis has extensive technical knowledge about the regulatory framework, policies and technical provisions emanating from the Paris Agreement, the Kyoto Protocol and the Conferences of the Parties.

Juan Carlos Gómez has more than 5 years of professional experience in climate change. He is a Forestry Engineer and holds Master in Sustainable Development and Corporate. He has developed his entire career in the field of climate change. He is an expert in the development of climate change mitigation and adaptation policies and has worked in LATAM countries and Africa, auditing REDD+ under VCS and CCB, and forestry projects under the CDM and JI.

Miguel López is a Forestry Engineer with more than 7 years of experience working in and with developing countries in fields related to community development; natural resources conservation-use; forest management, monitoring and reporting. He has large experience developing and managing programs for rural/indigenous development. He has worked and lived for 4 years in between Claveria in Northern Mindanao at the Philippines, Leticia in the Colombian Amazon, or the rural Gujarat in India.

Elena Llorente has a degree in Environmental Sciences and more than 14 years of professional experience in climate change and sustainability projects. She has worked for the UNFCCC, specifically in the management of carbon and climate change as an auditor and technical reviewer of projects and programs of mitigation activities under different types of carbon standards such as CDM and JI of the UNFCCC, VCS and Gold Standard.

The following table summarizes the experience of the team members in the assessment of climate, community development and biodiversity in similar projects.

Country	Project	Standard	Team member/ Role
Colombia	Bajo Calima y Bahía Málaga (BCBM) REDD+ Project	VCS&CCB	Jose Luis Fuentes/ Team leader and auditor Elena Llorente Pérez/ Auditor Juan Carlos Gómez/ Auditor
Colombia	Cajambre REDD+ Project	VCS&CCB	Jose Luis Fuentes/ Team leader and auditor

Country	Project	Standard	Team member/ Role
			Elena Llorente Pérez/ Auditor Juan Carlos Gómez/ Auditor
Colombia	Mutatá REDD+ Project	VCS&CCB	Jose Luis Fuentes/ Team leader and auditor Elena Llorente Pérez/ Auditor Juan Carlos Gómez/ Auditor
Colombia	Concosta REDD+ Project	VCS&CCB	Jose Luis Fuentes/ Team leader and auditor Elena Llorente Pérez/ Auditor Juan Carlos Gómez/ Auditor
Colombia	Sivirú, Usaragá, Pizarro y Pilizá (SUPP) REDD+ Project	VCS&CCB	Jose Luis Fuentes/ Team leader and auditor Elena Llorente Pérez/ Auditor Juan Carlos Gómez/ Auditor
Colombia	Carmen del Darién (CDD) REDD+ Project	VCS&CCB	Jose Luis Fuentes/ Team leader and auditor Elena Llorente Pérez/ Auditor Juan Carlos Gómez/ Auditor
Colombia	Rio Pepe y ACABA REDD+ Project	VCS&CCB	Jose Luis Fuentes/ Team leader and auditor Elena Llorente Pérez/ Auditor Juan Carlos Gómez/ Auditor
Colombia	Acapa – Bajo Mira y Frontera (ACAPA-BMF) REDD+ Project	VCS&CCB	Jose Luis Fuentes/ Team leader and auditor Elena Llorente Pérez/ Auditor Juan Carlos Gómez/ Auditor
Colombia	Proyecto de compensación de emisiones Conservación del bosque Galilea Amé.	NTC 6082/ Guía ES-I-CC-002	Juan Carlos Gómez/ Team leader and auditor Elena Llorente Pérez/ Technical reviewer
Colombia	Proyecto de Mitigación Forestal Bonanza Verde	NTC 6082/ Guía ES-I-CC-002	Juan Carlos Gómez/ Team leader and auditor Elena Llorente Pérez/ Technical reviewer
Colombia	Bonos Verdes Colombia Grupo Custodiar S.A.	NTC 6082/ Guía ES-I-CC-002	Elena Llorente/ Auditor Juan Carlos Gómez/ Technical reviewer
Colombia	Recuperación de suelos degradados con el uso de incentivos financieros en el Centro y Oriente de Colombia	NTC 6082/ Guía ES-I-CC-002	Elena Llorente Pérez/ Team leader and auditor Juan Carlos Gómez/ Auditor Jose Luis Fuentes/ Technical reviewer
Colombia	Proyecto de Conservación PALAMEKU KUWEI REDD+	NTC 6082/ Guía ES-I-CC-002	Juan Carlos Gómez/ Team leader and auditor Elena Llorente Pérez/ Technical reviewer
Colombia	Proyecto de Conservación Tángara REDD+	NTC 6082/ Guía ES-I-CC-002	Juan Carlos Gómez/ Auditor Elena Llorente Pérez/ Technical reviewer
Colombia	Reforestación de suelos degradados por la ganadería y la agricultura en Antioquia.	NTC 6082/ Guía ES-I-CC-002	Elena Llorente Pérez/ Team leader Juan Carlos Gómez/ Auditor Jose Luis Fuentes/ Technical reviewer
Colombia	Mitigación de Cambio Climático en áreas degradadas por ganadería “Fincas La Clara y Suebrá”.	NTC 6082/ Guía ES-I-CC-002	Elena Llorente Pérez/ Team leader Juan Carlos Gómez/ Technical reviewer

Country	Project	Standard	Team member/ Role
Colombia	Proyecto de Mitigación Forestal Resguardo Indígena Tikuna, Cocama y Yagua (TICOYA)	NTC 6082/ Guía ES-I-CC-002	Juan Carlos Gómez/ Auditor Elena Llorente Pérez/ Technical reviewer
Colombia	ForestEver Social Plantation & community development Program in various indigenous communities of Leticia.	-	Miguel López/ Program Manager & Coordinator on-site
India	CSR of GCI run by Up to Green Reforestation "From the Schools to the Fields"; "Social forestation in Gujarat" and "No time to waste" rural development programs.	-	Miguel López/ Program Manager & Coordinator on-site
Indonesia	Indonesia - Norway Verification of reduced emissions from deforestation and forest degradation	FREL	Jose Luis Fuentes/ Project manager Juan Carlos Gómez/ Auditor Elena Llorente Pérez/ Technical reviewer
Indonesia	Rimba Raya Biodiversity Reserve Project	VCS & CCB & SD VISTa	Jose Luis Fuentes/ Project manager Juan Carlos Gómez/ Team leader and auditor Miguel López/ Sectoral expert Elena Llorente Pérez/ Technical reviewer
Madagascar	Participatory forest restoration in the forests of the Vohibola and Vohimana reserves	-	Miguel López/ Program on-site evaluator
Peru	Reduction of Deforestation and Degradation of Tropical Dry Forest in Piura and Lambayeque	VCS & CCB	Jose Luis Fuentes/ Team leader and auditor
Peru	Cordillera Azul National Park (PNCAZ) REDD+ Project	VCS & CCB	Jose Luis Fuentes/ Team leader and auditor
Peru	Alto Mayo Conservation Initiative	VCS & CCB	Elena Llorente Pérez/ Auditor Jose Luis Fuentes/ Technical reviewer
Peru	Reduction of deforestation and degradation in Tambopata National Reserve and Bahuaja-Sonene National Park within the area of Madre de Dios region – Peru	VCS & CCB	Elena Llorente Pérez/ Team leader and auditor Juan Carlos Gómez/ Auditor Jose Luis Fuentes/ Technical reviewer
Peru	REDD+ Project in the Alto Huayabamba Conservation Concession (CAH)	VCS & CCB	Elena Llorente Pérez/ Team leader and auditor Juan Carlos Gómez/ Auditor Jose Luis Fuentes/ Technical reviewer
Peru	Forest Management to reduce deforestation and degradation in Shipibo Conibo and Cacataibo indigenous communities of Ucayali region	VCS & CCB	Elena Llorente Pérez/ Team leader and auditor Juan Carlos Gómez/ Auditor



Country	Project	Standard	Team member/ Role
Philippines	ICRAF Philippines Participative Research with claverian rural communities: "The Adoption of Agroforestry Practices by Smallholders in Claveria, Mindanao, Philippines: Diachronic Study and Determinant factors"	-	Miguel López/ Research Leader on-site

## 2.2 Method and Criteria

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

A project specific Verification and Sampling Plan was developed to guide the verification auditing process to ensure efficiency and effectiveness. The purpose of the Verification and Sampling Plan was to present a risk assessment for determining the nature and extent of verification procedures necessary to ensure the risk of auditing error was reduced to a reasonable level. The Verification & Sampling Plan methodology was derived from all items in our verification process stated above. Specifically, the sampling plan utilized the VCS guidance documents and ISO 14064-3. Any modifications applied to the Verification and Sampling plan were made based upon the conditions observed for monitoring in order to detect the processes with highest risk of material discrepancy.

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 *Fundaeco VM0015 Accounting Model v3.19 MP3 2019* for the monitoring period 01 January 2019 – 31 December 2019 for the project area. The project boundary and deforested areas in the project area for the monitoring period were 100% checked using the GIS database.

The carbon stock changes, and the land used classes in the project area were also 100% verified and crosschecked with validated values. For data provided for the reference region, AENOR carried out onsite samples of at least 5% of data since they had already been previously validated and posed a lower risk to the emissions reductions achieved by the project.

AENOR carried out a deep and meticulous review of the spreadsheets in order to verify the correct application of the methodology (formulae, equations.) and checked that data required calculating the GHG removals were 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.

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 were checked during the interviews.
- Cross-checked evidence: AENOR cross-checked the collected information through interviews with stakeholders 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

A detailed review of all project documentation was conducted to ensure consistency with, and identify any deviation from VCS program requirements, CCB program requirements, the methodology (VM0015, v1.1), and the validated PD. Initial review focused on the Monitoring Report (MR) and included an examination of the project details, implementation status, data and parameters, and quantification of GHG emission reductions and removals. Documents reviewed included data from monitoring, carbon rights contracts, economic analysis, maps and aerial images, fire specific monitoring data, deforestation and field reports, biomass and carbon calculation spread sheets, and responses to Corrective Action Requests (CARs) and Clarifications (CLs).

The verification included a review of the validated PD and MR, relative to the field conditions and interviews with project management staff, stakeholders and beneficiaries. Modifications to the Verification and Sampling plan were made based upon the conditions observed for monitoring in order to detect the processes with highest risk of material discrepancy.

The VCS AFOLU Non-Permanence Risk Tool was used by the Project Proponent to assess overall project risk. The VVB reviewed the Non-Permanence Risk Report provided with the verification supporting documentation and confirmed that the Project adheres to the requirements set out in the VCS AFOLU Non-Permanence Risk Tool. Each risk factor was thoroughly assessed for conformance. The final score was calculated to be 10%.

For a listing of all documents received from the client for this verification, please see Appendix 1.

### 2.4 Interviews

Interviews were performed as part of the overall verification process which was additional to that provided in the project description, monitoring report and any supporting documents. The AENOR verification team met with individuals with various roles in the project. This included a series of interviews with in-country staff that support the mission of the project. In addition, interviews discussions were conducted with project members, beneficiaries and leaders of the local communities. The following table summarizes the interviews carried out during the process.

Name	Role/Relation to the project
Cleotilde Troches	Las Escobas Community. Community representative in CEL (Consejo Ejecutivo Local) of Cerro San Gil. Capacitated by the project in baking for her business venture.
Francisca Janeth Gonzáles	High school teacher in Puerto Barrios.
Sonia Ramírez	San José Bonanza Woman's clinic service provider
María Isabel	San José Bonanza community member. Beneficiary of the project Huertos Familiares
Pedro Gutiérrez	Bonanza/Nuevo San José Mayor
Bernabé Méndez	Representative of patrol squad of conservation agreement with San José Bonanza community.
Maria Cabnal	Barra Sarstún Woman's clinic service provider
Catarina Tiul	Women's Committee spokesperson
Pablo Bachóc	COCODE member of the El Cedro community
Elsa López	Negro Norte community. Participant of agroforestry coffee project
Hector Anibal Chávez	Governance Representative in 3 Local Executive Councils (Cerro San Gil, Rio Sarstún, Sierra Caral and PRMMCh Advisory Council) Government Representative at the Departmental Tourism Board
Marcos Joich	Representative of the Rubel Cacao community of the Aj Ijol Quiche Association (20 communities). Conservation Agreement to carry out patrols in the Chocón Sector.
Omar Solís Cervantes	Departmental Delegate of the Guatemalan Tourism Institute
Eduardo Esteban	FUNDAECO's Biocenters Manager
José Icó	Los Laureles community leader. Producer of cardamom
Rocio Castro	Recipient of Girls and Young Women Scholarship Program
Lady Cablan	Recipient of Girls and Young Women Scholarship Program
Marvin Paiz	Local nursery entrepreneur. Owner of a REDD+ plot receiving PINPEP incentives
Juan José López	Director of the Izabal environmental management office
Celia Gamboa	FUNDAECO Costas technician – Ecovelero Program
Erica Ros	Student of Ecovelero Program
Belinda	Student of Ecovelero Program
Drawing Ponce	Graduate student of Ecovelero Program
Justo Rodríguez	Ecovelero Program
David Tobar	Representative of various sectors in the CSG CEL. Representative of the Municipality of Livingston
Azucena Mejía	FUNDAECO Administrator of ecotourism spaces
Elder Pérez	FUNDAECO Coordinator

Name	Role/Relation to the project
Marta Tiul	FUNDAECO Gender Assistant for Healthy and Empowered Women and Girls Program. Sarstún River Area
Emilio Pitan	FUNDAECO Coordinator Rio Sarstún Area
Otto Palencia	FUNDAECO Coordinator Cerro San Gil Area
Eber López	FUNDAECO Coordinator Sierra Santacruz - Chocón Nacional Area
Byron Samyoa	FUNDAECO Regional deputy director of projects and plantations
Lucrecia Morataya Menéndez	FUNDAECO Assistant to the Regional Office and Cerro San Gil

Interviewees were asked specific questions regarding the impact of the Project to the community and biodiversity as to cross-check with the information reported on the MR. Additionally, the personal opinion regarding the Project was asked to all interviewees, expressing all of them their positive impression. As for biodiversity trends, specific questions were made in terms of number and species spotted by the interviewees that access the forest regularly. All interviewees asked confirmed the positive trend reported on the MR and stated their positive opinion regarding the impact on the biodiversity and ecosystems of the project area.

Due to the COVID-19 pandemic situation, all interviews were carried out through videoconference, as explained in Section 2.5. The interviews were carried out between June 8<sup>th</sup> and 11<sup>th</sup>, 2020.

## 2.5 Site Inspections

Due to the exceptional situation caused by the COVID-19 crisis and the travel restrictions established by governments for safety reasons, it was not possible to carry out a site visit as part of the verification process of the project.

In accordance with VERRA's COVID-19 Travel Guidance for Projects (dated 18 March 2020) and since that the VCS Programs does not explicitly mandate site visits, an exemption of the site was requested on the ground of the crisis situation and considering that a reasonable level of assurance was achievable by other means. AENOR as VVB proposed to carry out a remote verification audit that ensured the achievement of the assurance level required by both the JNR and VCS programs.

Additionally, both of the exemption criteria to conduct a verification audit without site visit by Section 4.3.13 of the CCB Program Rules, v3.1 were met: i) the posting of MR for public comment was within three years of the first day of the public comment period for the audit of the last CCB site visit conducted by AENOR; and ii) AENOR considered that information provided by the PP combined with information from the last CCB site visit provides sufficient evidence for issuance of an opinion about whether the project meets the rules and requirements of the CCB Program.

The remote audit was based on the following auditing techniques:

- Document review and cross checks between the information provided in the in the MR, the PD and supporting information and evidence provided by the PP Emissions calculations, GIS database, and supporting information and evidence provided.

- Review, based on the selected methodologies, tools and the other applied methodological regulatory documents, of the appropriateness of formulae and accuracy of calculations.
- Telephone, teleconference and/or e-mail interviews for the implementation of project activities and the elaboration of project's documents.

## 2.6 Resolution of Findings

All documentation provided by the PP was assessed against the applicable version of the relevant VCS and CCB guidance document. Several clarification requests (CL) and corrective action requests (CAR) were raised and submitted to the PP, which addressed them either by providing to the audit team the requested information or by making the appropriate corrections. Updated versions of the documentation were submitted by the PP and the audit team reassessed them against the guidance documentation. This process was repeated iteratively until all CL and CAR were fully closed. Specifically, 6 CLs and 1 CAR were raised for VCS and 8 CLs and 2 CARs for CCB.

All findings issued by the AENOR audit team during the verification process have been closed. In accordance with Section 4.1.13 of the VCS Standard, 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.

One FAR was raised during the previous verification. A report used as evidence to corroborate the monitoring of trigger species in the project area only covered the monitoring results of 2017 and not those of 2018. The project proponents stated that this was due to the fact that the bridge that provides access to the Sierra Caral Reserve was inaccessible during 2018, thereby prohibiting their routine monitoring activities in the area. While the maintenance of forest cover and the periodic patrols of the areas inhabited by these trigger species give reasonable assurance to the verification team that the project activities most probably only continued to contribute to their protection, this finding became a FAR that was need to be addressed until the proponents are able to effectively prove, through their future and regular monitoring activities and results, that these trigger species effectively remain in the specific project areas.

The audit team was provided with evidence of the presence of all trigger species during the year 2019. Therefore, AENOR deems with a reasonable of assurance that the FAR raised in the previous verification event is closed.

## 2.7 Eligibility for Validation Activities

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

### 3 VALIDATION FINDINGS

#### 3.1 Participation under Other GHG Programs

The verification team is not aware of project involvement in other forms of environmental credits from its activities. The project has not been registered, and is not seeking registration, under any other GHG programs.

#### 3.2 Methodology Deviations

No new methodology deviations were applied during the monitoring and quantification of VCU for this monitoring period. A detailed description of the previous methodology deviations can be found in Section 2.2.2.2 Methodology Deviations for Previous Monitoring Periods.

The first deviation applied by PP is referred to the estimation of the carbon stocks for the wood product pool. The methodology requires estimating the wood products at the time of deforestation an estimation of extracted biomass using a measure of commercial volume extracted is proposed by the methodology in its appendix III for medium-term wood products and long-term wood products.

The PP proposes to use the VM0003 Methodology for Improved Forest Management Through Extension Rotation Age (IFM ERA), v1.2 to estimate the carbon stocks in the wood products as it provides a conservative and/or more accurate estimation.

The VM0003 Methodology allows a more accurate estimation of the extracted biomass carbon than the VM00015 due to the fact that this latter uses an indirect measurement of commercial volume relying on multiple estimators including above-ground biomass and commercial volume regressions, whereas the VM0003 estimates the EXCWP parameter just based on volume regressions equations then, the estimation does not rely on so many estimators, then, reducing the uncertainty and increasing the accuracy.

AENOR deems that the deviation is appropriately described and justified in PD and supported documentation and that the project remains in compliance with the VCS rules. For the assessment, AENOR validated the approaches and assumptions described and their application in calculations. After all, AENOR accepts the deviation and deems it reasonable because increase the accuracy and shall not negatively impact the conservativeness of the quantification of GHG emission reductions because the VM0003 v1.2 omits medium-term wood products which leads to a more conservative estimate of wood products in the baseline.

The second deviation is related to the calculation of the long-term (20 years) average carbon stocks of post deforestation classes. The project proponent has randomly sampled initial and final LULC classes to arrive unbiased estimates of carbon stocks. The project proponent applies the unbiased estimates of carbon stocks in accounting and uses a linear decay model per the requirement of Section 6.1.2 rather than a 20-year average.

The carbon stocks estimates for each selected carbon pool are unbiased because the carbon stock samples for each LULC classes were randomly selected. The project proponent conservatively accounts for the uncertainty in the carbon stock estimates according to the requirements of Section 6.1.1(f). Because the deviation is unbiased, it is more accurate than using (potentially) bias models to predict the flux within each carbon pools over a twenty-year prediction period.

Relative to the VCS Requirements for the decay of carbon over time, it is more accurate to account for the decay of biomass in below-ground and deadwood using a linear 10-year decay model rather than a 20-year average. By taking an average over time, the methodology allows for non-conservative “forward crediting” in the baseline scenario where emissions reductions for decay are accounted for before they otherwise would have occurred. This deviation is more accurate and conservative than the prescribed methodology methods.

AENOR has checked that assumptions described are faithfully used in calculations and really gathers in a more accurate and/or conservative way the situation of the project and shall not negatively impact the conservativeness of the quantification of GHG emission reductions. Hence, AENOR deems that the deviation is appropriately described and justified in PD and supported documentation and that the project remains in compliance with the VCS rules. AENOR accepts the deviation and deems it reasonable because it’s a more accurate approach.

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

There has been a PD deviation during the current monitoring period. The PP determined that there were 33 hectares within the project area boundaries that overlapped with ARR Project ID 1558. As these areas of land were receiving crediting through two different projects verified under the Verified Carbon Standard, double counting was occurring on these properties against VCS Requirements.

Therefore, the verified project area was modified to remove all 33 hectares of overlap between the verified boundaries and ARR Project ID 1558. The previously verified leakage area shall also be subsequently modified due to a change in project area boundaries. Any calculated over-issuance of credits that occurred during previous verifications shall be removed from the total VCU estimate for the 2019 verification.

This Project Description deviation meets the VCS Standard principle of accuracy. The impact of removing all areas with overlapping boundaries has resulted in the quantification of 886 tCO<sub>2</sub>e in Net Emissions Reductions that were over-estimated during previous monitoring periods. This number of tonnes has been removed from the VCU estimates for 2019 through their addition to the project accounting as an estimated project emission during this monitoring period. While the original quantified project emissions for this monitoring period were calculated to be 351,460 tCO<sub>2</sub>e, the reported emissions in section 3.2 is 352,347 tCO<sub>2</sub>e to account for the overage of 886 tonnes. While these over-estimations of NERs due to these 33 hectares has been rectified in the accounting, it is important to note that the impact of these changes in project area boundary and over-issuance are *de-minimis* and constitute 0.02% of previously verified NERs, well below the 1% threshold of materiality for large-scale AFOLU projects.

A description of the modifications along with the calculations of NERs that were over-issued can be found in section 3.2 of the MR. The magnitude and nature of this adjustment does not require the revision of the PD document itself, as the changes do not affect the applicability of the methodology, additionality, or the appropriateness of the baseline scenario as per VCS Requirement 3.18.2. This revision also does not require a CCB Standard PD Deviation or update, as the nature of grouped projects exempt them from the relevant requirement in section 3.5.7 of the CCB Program rules. Additionally, the revisions to the project boundary and the resulting change in NERs as a result of their exclusion would be considered *de-minimis*, and thus not be considered a risk to the accuracy of the project’s quantification of emissions reductions and removals as discussed below.

Therefore, the project deviation is allowed by the methodology, then, does not affect to its applicability. The additionality of the project is not affected, either. This was based on multiple barriers and they are still in place and lastly, the baseline scenario identified at validation keeps on appropriate.

AENOR deems that the project deviation is correct based on methodology assumptions and its conservativeness and it is in compliance with the VCS and CCB program rules.

Additionally, detailed description of the previous PD deviations can be found in Section 2.2.4.2 Project Description Deviations for Previous Monitoring Periods.

The first of previous PD deviations refers to the exclusion of the carbon pool “litter”. The PP appropriately described and justified the deviation in section 2.9.2 of the monitoring report. The carbon pool was included at validation, however, the project proponent determined that the litter carbon pool was not a significant pool and took in consideration the methodology assumption that states “the litter carbon pool is a pool to be decided by the PP and recommended only when significant (VM0015 Table 3)”. Thus, the project deviation is accepted by AENOR even more considering that the exclusion would be conservative in the estimate of baseline emissions, as the carbon stocks in the baseline scenario are lower than those in the project scenario. The average carbon stocks in the forest classes were determined to be 2.86 tC/ha as compared to 0.81 tC/ha in the non-forest classes.

Therefore, the project deviation is allowed by the methodology, then, does not affect to its applicability. The additionality of the project is not affected, either. This was based on multiple barriers and they are still in place and lastly, the baseline scenario identified at validation keeps on appropriate.

AENOR deems that the project deviation is correct based on methodology assumptions and its conservativeness and it is in compliance with the VCS rules.

For the assessment, AENOR validated the approaches and assumptions described above and in the methodology and their application in calculations. AENOR has checked that assumptions described are faithfully used in calculations and really gathers in a more conservative way the nature of the fact. Hence, AENOR accepts the deviation and deems it is reasonable.

The second previous PD deviation refers to the adding of new plots to improve the precision of carbon stock estimates. This procedure is related to measurement and monitoring. During the monitoring period 35 plots allocated in non-forest classes and 6 plots allocated in the Humid forest class were considered in order to reduce measurement uncertainty.

The project deviation is accepted by AENOR because improve the measurement and monitoring of carbon stocks and increase the accuracy.

Therefore, the project deviation is allowed by the methodology, then, does not affect to its applicability. The additionality of the project is not affected, either. This was based on multiple barriers and they are still in place and lastly, the baseline scenario identified at validation keeps on appropriate.

AENOR deems that the project deviation is correct because increase the representativeness of data and improve the accuracy, then it is in compliance with the VCS rules.



For the assessment, AENOR validated data from the 35 new plots and new values in the calculations. AENOR has checked that assumptions described are faithfully used in calculations. Hence, AENOR accepts the deviation and deems it is reasonable.

A third previous PD deviation is identified to include the Biodiversity Gold Level in the project. AENOR took into consideration the provisions in section 3.5.7 of the CCB Rules and assessing the project's situation considered the inclusion of the Biodiversity Gold Level as a validation of a project description deviation based on the significance of the deviation from the existing project design, but mainly based on evidence gathered during the site visit.

AENOR validated the updated PD to check the inclusion of the new indicators addressed in section GL3 of the Third Edition of the Climate, Community and Biodiversity Standard.

The project area qualifies as a 'Key Biodiversity Area' according to the CCB Standards under the vulnerability criteria, which requires the occurrence of at least a single individual critically endangered or endangered species. Part of the project area is a known habitat for 6 such species, mostly amphibians. When AENOR carried out the site visit, one of the activities were to visit one of the areas in Sierra Caral where project activities have been implemented such as the establishment of an amphibian preserve and educational programs to protect these species from disease.

AENOR checked that the project description was updated in its section 7.3. The trigger species were identified, and it was demonstrated that the vulnerability criteria (a), which requires the regular occurrence of at least a single individual critically endangered or endangered species. On the other hand, monitoring parameters have been defined and provided in the updated PD.

Therefore, AENOR accepts the project deviation since appropriate information has been provided to demonstrate that the project meets the requirements of the Biodiversity Gold Level. As the project deviation is related to biodiversity, the project deviation does not impact on the emission reductions calculation.

Lastly, a fourth previous PD deviation was applied to market leakage deduction to more accurately reflect actual market leakage effects by eliminating this deduction. This project was validated with the default market leakage deduction of 20%. Additional research in the region and a new analysis of the market impacts of the baseline scenario has demonstrated that the market leakage impact of the project is in fact de minimis. Since project validation, additional documentation and research has been identified within Guatemala that demonstrates that project impacts on commodities associated with logging and cattle ranching are very unlikely to result in significant deforestation or emissions elsewhere in Guatemala. Therefore, the leakage deduction when calculating final VCUs will only include activity shifting leakage and the market leakage deduction will be reduced from 20% of NERs to 0%.

AENOR deems that the project deviation is correct based on methodology assumptions and its conservativeness and it is in compliance with the VCS rules.

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

There have been two minor changes to PD during the monitoring period.

The first one is related to the update of community impact indicators. Originally the project presented a indicators that were suitable for the first monitoring of community impacts. During the third monitoring period

and under the adaptive management approach the project revised the indicators for a more efficient monitoring, as a result of this revision similar activities which final result will be to increase economic opportunities were merged under “Training for new productive activities and entrepreneurship”. Therefore, the activity Training on Ecotourism (63 and 58). and its indicators; # of ecotourism vendors and ecotourism staff participated (No. 63); # of trainings held (No. 63); # people trained (No. 58) are now being monitored under merged activities and indicators with: Teaching new design for handcrafts (No. 56) # of workshops held and # people trained; and with Training on how to manage a business (organizational skills) (59) # of people trained and # of trainings held (59). The new activity and its indicators are: Training for new productive activities and entrepreneurship (56) # People trained and # of trainings held.

The all previous minor changes were related to updating the Community Impact Indicators. Originally the project presented a series of indicators that were suitable for the first monitoring period and included “first stage activities” in the route to community impacts; specifically the establishment of community nurseries to supply community plantations as a first stage activity and training on ecotourism.

The second minor change to the PD during the current monitoring period was the removal of UVG-CEAB from Other Entities Involved in the Project. The involvement of UVG-CEAB into the project was only planned for the preparation of the reference level. Specifically, for the establishment of LULC maps over the historical reference period, development of species specific allometric equations, and measurement of carbon stocks. They are not providing any more services to the project.

Additionally, there was a minor change occurred in previous monitoring periods. During the second monitoring period the route for community impact didn’t required new nurseries but only to support local farmers with technical assistance and minor inputs. Therefore, the Monitoring Matrix 2017-2017 V1, was updated by eliminating activity 82 Nursery establishment, and by removing indicators: # nurseries established for activity 27.

These changes have no impact on carbon quantification since it relates to community monitoring, not forest and carbon monitoring. None of the changes made had any effect on the project’s design or compliance with CCB requirements. Thus, AENOR deems that after all changes the project remains in conformance with the CCB Standards criteria and indicators and the project’s validated design.

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

No new project areas were added to the project during this monitoring period.

As explained in section 2.2.4 of the MR and section 3.3 of this report, the PP determined that there were 33 hectares within the project area boundaries that overlapped with ARR Project ID 1558. Therefore, the verified project area was modified to remove all 33 hectares of overlap between the verified boundaries and ARR Project ID 1558. This 33 hectares were part of the PAI added to the project during previous monitoring periods and were not part of the original PAI included in the PD.

## 4 VERIFICATION FINDINGS

### 4.1 Public Comments (Rules 4.6)

The MR and its summary were subjected to a 30-day public comment period, starting on May 4<sup>th</sup>, 2020. No public comments were received during the public comment period.

## 4.2 Summary of Project Benefits

Section 1 of the MR 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 through interviews to relevant stakeholders 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 MR in its section 1.1 state the participation of school students in various environmental education and awareness activities, the implementation of forest patrols in coordination with multiple agents, women empowerment through sexual and reproductive health awareness talks, and the addressing of lack of economic and employment opportunities by the support to sustainable entrepreneurship and accompanying landowners in the request process for government forest protection incentives (PINFOR/ PINPEP/PROBOSQUE).

In addition, the project reports in section 1.2 of MR many benefits related to GHG emission reductions, improved forest land management, trainings and education, employment opportunities creation, livelihood and general well-being improvement, access to health services, and conservation of critically endangered species.

In opinion of AENOR, the project benefits are credible based on the supporting documents provided by PP and evidence received during the AENOR interviews to stakeholders, records checked and field records.

## 4.3 General

### 4.3.1 Implementation Status (G1.9)

Section 2.1.1 of the MR provides the objective to be achieved by the project activities and the main tasks carried out for the monitoring period. The information is supported with additional documents such a TOC Activity Matrix and the Monitoring Indicator and Results Matrix that give a complete information about the achievements.

In this monitoring period, FUNDAECO has maintained agreements with landowners throughout the project area to prevent the conversion of forest into agricultural land and grazing area, has provided protected area properties with consistent forest patrols, and has implemented agroforestry and livelihoods initiatives aimed at helping families to find stable sources of income that aren't derived from any deforestation activities. In this regard, the agreements between the parties were provided. The agreements gather the commitment above mentioned as well as the records showing the project activity implemented in the instances that have been added to the grouped project during previous monitoring periods.

Project activities combined forest protection through patrols with land titling and request of government forest protection incentives, which motivate landowners participating in the project to protect their forests.

The PP has monitored the forest in this period using satellite imagery of the project area for any deforestation event in the project area. Results of the monitoring were provided in the GIS package where the deforested areas occurred during the monitoring period can be found.

The community oriented project activities implemented during the past monitoring period with the greatest impact on the quality of life for people within the project zone were those tied to generating alternative and sustainable sources of income, expanding health and reproductive care throughout the project zone, and improving the resource and land management capacity of communities. Together, these project activities have worked to address focal issues raised by communities throughout the project zone. Section 4 of the MR provided the community monitoring results and demonstration of net positive community impacts for this monitoring period.

Regarding communities issues, AENOR verified during the interviews that the technical teams of the PP in the project zone included local people speaking the local languages and they are used to translate the project information to them in a form they understand. Interviewing to the communities and individuals added to the project, AENOR verified their knowledge about the risks and benefits of the project and how their opinions are collected to be considered in the project decisions and planning. Section 2.3 of the MR provides further information about the measures for the participation of stakeholders in the decision making and the procedures for the grievances and conflicts.

Project activities designed to bring about benefits to biodiversity also tend to overlap quite frequently with climate and community objectives as well. As such, many activities implemented by the PP serve to address multiple objectives across all CCB categories. The primary activities that FUNDAECO has implemented to target the biodiversity objectives of the project consist of measures targeted at reducing deforestation, including the enforcement of protected area laws, improved land use management, and improving economic opportunities.

FUNDAECO has also taken measures to directly protect populations of vulnerable species through the establishment of fish restoration zones and amphibian protection protocols.

In addition, FUNDAECO has worked to educate the public on the importance of biological diversity and environmental sustainability, through different environmental awareness programs mainly directed to school students. The PP also monitors and catalog species within the project zone in order to improve both the project's and the scientific community's understanding of species diversity within the region. Section 5 of the MR shows the biodiversity monitoring results and an assessment of net positive biodiversity impacts for this monitoring period.

Section 2.1.10 of the MR describes the contribution of the project to sustainable development goals of Guatemala. The project activities implemented during the monitoring period have a direct impact on SDGs 2, 3, 13, 14 and 15, as demonstrated in table 4 of the MR.

The implementation plan for the phased project activities has been also provided to the AENOR team along with the budget and implementation schedule. The project has achieved its objectives in Climate, Community and Biodiversity by implementing project activities in every program area as results confirm.

Section 3 of this verification report contains an exhaustive list of all deviations or changes applied to the project, including methodology deviations, project description deviations, and minor changes to the project description, validated for this and previous monitoring periods. AENOR deems that all deviations and changes are appropriately described, justified and supported documentation and that the project remains in compliance with the VCS and CCB rules.

In conclusion, 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 is mainly focused in the following program areas: resource protection and governance, sustainable enterprise, community empowerment & inclusiveness, education, and improved access to resources. Through interviews with key staff, the auditor's team confirms the main objectives of the project activity.

AENOR checked the monitoring plan contained in the validated PD and compared it with the monitoring report to verify whether there was any difference that would cause an overestimation of the GHG emission reductions in the current monitoring period. AENOR has confirmed that there are no material discrepancies between the actual monitoring system, and the monitoring plan set out in the PD and the applied methodology, except to the project deviations and changes already commented and assessed in the MR and this verification report. Also, the PP effectively monitors the required parameters to determine the project's removals by sinks and emissions by sources as required by the monitoring plan and the applicable methodology.

The parameters reported, including source, frequency and review criteria as indicated in the monitoring plan were verified to be correct and in line with the revised monitoring plan of the validated PD. Necessary management system procedures including responsibility and authority of monitoring activities have been verified to be consistent with the PD. Knowledge of personnel associated with the project activity was also found to be satisfactory. For this monitoring period there are not remaining issues from previous verification.

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. Neither has become eligible to do so since previous verification, this is the first one.

Hence, after a complete review of the different documents provided and the interviews carried out, AENOR is able to confirm that the project implementation is in accordance with the project description contained in the PD and the implementation status described in the MR. 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 MR addresses the risks to the project benefits. The PP has developed Non Permanence Risk Reports, dividing the project are in 2 separate risk areas based on differing land tenure and conservation commitments, to estimate the risks on Climate benefits in accordance with the VCS AFOLU Non-Permanence Risk Tool v 4.0.

One of the most relevant risks to the implementation of REDD projects is the role of the Institutional Organizations and the support provided by them to the project activities over the time. This information is provided in the PD, the MR and also ratified during interviews and confirmed in the verification of similar projects in Guatemala by AENOR. The lack of resources and lack of continuity of public services could results in a slow and interrupted implementation of public policies and strategies. This can affect the project coordination with authorities in charge of law enforcement.

To diminish this risk, FUNDAECO is part of National and Local working groups and Associations to favor the implementation of the project and works with the official institutions to avoid the lack of support and resources.

The design of the project as grouped project with many landowners involved and the existence of a defined grouped project area, a project zone and a project area require a correct enforcement of law in the region. The lack of governance in the project zone and surrounding areas could also be a risk for the project activities. However, the PP tries to mitigate this risk engaging local technicians and working with community promoters that keep a constant and close communication with communities and landowners to know their claims and demands. Moreover, as commented above FUNDAECO actively works in the region in different groups.

The project lifetime is 30 years. However, the project is designed to create benefits and impacts that are expected to last far beyond this time frame. For instance, through activities to support land titling FUNDAECO is ensuring community rights and also access to projects, funding, and stability for benefited communities. Furthermore, technical assistance for productive alternatives and access to education will contribute to maintain project benefits. It is expected all these joint interventions to generate impacts at the local development dynamics and patterns in the project zone, beyond project lifetime. Project Implementation Plan, records of workshops carried out, Agents and Drivers of Deforestation Assessment among other documents was assessed by the audit team.

Other potential risks such as financial ones were also considered and mitigated though the support of Althelia Climate Fund.

AENOR deems that the PP 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 by implementing the following long-term activities throughout the project lifetime:

- Climate: 70% of the actual project area is declared as protected area according to Guatemala Protected Areas Law Decreto 4-89. Also, according to FUNDAECO bylaws and to the statement from the Assembly, FUNDAECO land is to be considered for conservation purposes under perpetuity. Besides FUNDAECO has permanent coordination with government institutions in order to enhance and ensure the application of the protected areas law, and the implementation of project activities. FUNDAECO is also supporting legal and administrative mechanisms to guarantee reduction of GHG emission from deforestation beyond the project lifetime. During the Monitoring period the project actively promoted the operation of three participative governance mechanism considered in the Protected areas Law “Consejos Ejecutivos Locales” -CEL-. In order to increase legal protection within the grouped project area, FUNDAECO is also promoting the creation of a new protected area the Technical study for its creation was finalized and presented to the National Protected Areas Council and 37 meetings were held to finalize the protected area design and inform about the process.

- **Community:** For the Project Design FUNDAECO used the Theory of Change as a proved model to identify and implement actions that generate long term positive impacts for the community wellbeing and socioeconomic conditions. Project technologies include activities that will change in the medium and long term, the community situation regarding access to resources and economic opportunities, and education. Based on this model It is expected project activities to, improve and diversify livelihoods, access to reproductive health, education for opportunities and education for life presented in section 6 of the PD, will impact local socioeconomic dynamics and generate impacts beyond the project lifetime.
- **Biodiversity:** As stated before FUNDAECO is supporting all legal and administrative mechanism to extend project benefits beyond the project lifetimes, this include the enhancement of protected areas governance and the creation of a new protected area, so existing forest remain still and can sustain the biodiversity within these ecosystems. Another important strategy is environmental education, as it is expected not only that it increases awareness on forest and biodiversity importance but also to result as a change factor towards the adoption of positive actions for its conservation and sustainable management. FUNDAECO is engaged in the promotion, organization and implementation of environmental education activities with schools, communities and visitors.

AENOR has verified these activities though the desk review and during the interviews and considers the activities correct to enhance project benefits beyond the project lifetime.

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

Access to project information and project documents for stakeholder engagement is provided though FUNDAECO project web site, email communication, social media and different meetings with community associations and other groups, these meetings ensures the active engagement and participation of all stakeholders throughout the project implementation period.

The audit team verified and confirmed through interviews to different stakeholders that they have appropriate knowledge of the project and that they have been provided with access to the project information, including MR summaries and bulletins regarding project implementation.

#### **4.3.5 Stakeholder Consultation (G3.4 – G3.5)**

The veracity of the local stakeholder consultation was verified during the interviews. AENOR checked the evidence of the different meetings about the project as well as the reports of the FPIC, the communication plan, etc. Evidence confirms that information provided by the PP is credible and consistent.

The stakeholder process consisted different actions such as meetings and assemblies with the organized and unorganized groups, individuals, Departmental Development Councils (CODEDE), Municipal Development Councils (COMUDES), Community Development Councils (COCODES), Women Rights Groups and governmental institutions. These community structures have been used to implement Free Prior and Informed Consent activities. 288 consultation and socialization events where held from 2015 to 2019 (meetings, workshops, assemblies, etc.) in which community groups, governmental institutions, community leaders, private stakeholders, women rights groups, etc. participated.

AENOR interviewed representatives of these different community structures that confirmed the participation of them in the consultation process.

The meetings explained the fundamental knowledge about Climate Change and the environmental services of the forest; the deforestation rates of the Caribbean Guatemala; the concepts and elements related to REDD+, and the objectives, strategies and benefits of the REDD+ Project. Print media were also used to inform local people, performing an illustrated summary of the Project Design Document. FUNDAECO was also sensitive to the indigenous people and women groups during the consultation process. In fact, local workers in the project area belonging to FUNDAECO speak indigenous language.

AENOR deems that the stakeholder consultation practices carried out by the PP during the monitoring period ensures the participation of all community groups and other stakeholders in the design and implementation of the project, respecting their values, customs and institution, as well as optimizing community benefits. Based on the evidence provided and the testimonies of community members and representatives directly consulted by the audit team, AENOR considers that continuous communication with stakeholders has been properly carried out throughout the monitoring period, directly with communities and other stakeholders or through their legitimate representatives, and that this communication has been effective in allowing stakeholders to influence the project implementation. The stakeholder input has been properly documented and it is appropriately reflected in the project's documents.

#### **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 validated PD and the MR. The 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. Community members demonstrated awareness and consent of the project's activities. In opinion of AENOR, the communication and consultation plan is being implemented as described in the project design document.

The PP has received several request during this processes that haven adopted and incorporated in the project activities, as documented in the MR. During this monitoring period 43 meetings were held to coordinate activities and decision making with stakeholders.

#### **4.3.7 Anti-discrimination (G3.7)**

The PP has developed and is implementing a Code of Ethics and the Gender and Non Discrimination Policy in order to ensure compliance with CCB Standards and to avoid discrimination or harassment based on gender, race, religion, and sexual orientation. This policy is enforced through the implementation of activities as described in section 2.3.11 of the MR.

During the process of the verification, the audit team didn't find any evidence that the project is engaging in any form of discrimination. AENOR checked and confirms that the PP has developed specific measures to prevent discrimination and to guarantee equal opportunities for community members, including women and vulnerable and/or marginalized people



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

The PP has established a grievance redress procedure, described in the validated PD, in which reception, registration, response, resolution and/or referral of grievances is executed at different geographical and organizational levels, according to their gravity and urgency, ranging from requests of access to information, operational and administrative complaints, grievances and disputes over rights of access, collective conflicts, and potential violations of Legislation and Fundamental Rights. Different and specific channels of communication and complaint will be used, based on current practices, in order to ensure that all stakeholders, particularly vulnerable populations – such as indigenous women- have rapid access to complaints and grievance redress.

A registry of complaints, responses and referrals will be kept at the Regional, National and Institutional Level.

In order to improve the Project's performance as related to proper and effective response to complaints and grievances, mechanisms will be implemented, such as quarterly monitoring of requests for information, complaints and grievances, annual stakeholder satisfaction surveys, annual risk assessment and identification of potential conflicts, and development of a project contingency plan.

Definitively, PP and partners have involved in the consultation process to all people affected by the project in order to get a complete set of inputs from project area as well as to inform them about the project. Project proponents have a continue communication with the local Communities to implement and monitor goals of the project. Likewise, AENOR held numerous interviews with a broad range of stakeholders and confirmed that the grievance redress procedure described in the PD has been implemented during the monitoring period. AENOR could evidence how the PP has considered the comments, desires, and needs from local communities in its programs.

#### 4.3.9 Worker Relations (G3.9 – G3.12)

PP provides 4-week training for new employees immediately after beginning employment (induction process). Directors and Coordinators ensure that additional training is provided to staff, where needed, with efforts from FUNDAECO or from external support. As reported in the MR, during the monitoring period 11 training activities were held covering subjects according to identified needs. Interviews confirmed that employees were trained and well-versed in the skills needed to carry out their jobs.

The MR section 2.3.14 describes the policy for employment opportunities. The project gives opportunities to local technicians and communities through three different mechanisms; by direct hiring, by supporting productive projects from individual entrepreneurs or producers, or by supporting community productive projects. Most of the employees hired by the project -88%- are local technicians or professional born in the zone or that have been living there for more than 20 years.

The rights and obligations of workers are observed and enforced in accordance with Labor Code of Guatemala. This document is made available to workers at each office in printed form and in digital form. Besides these regulations when hired, the employee receives the institutional Code of Ethics and Values, which contained general and mission related values to be observed by our staff. More recently FUNDAECO has developed its Policy on Gender, No Discrimination and Violations against Fundamental Human Rights (see Gender, No Discrimination, and Human Rights PolicyV2.docx). All manual and regulations were implemented under the concepts and criteria stated along this Policy.

In relation to occupational risks, specific procedures related to FUNDAECO field work were included in the institutional Policy and Plan for Health and Safety. FUNDAECO has also adopted the Security and Risk Manual at the Herpetarium, from the Guadalajara Zoo Herpetarium in order to manage its local Herpetarium at Cerro San Gil. The above Policy and related documents are communicated in different manners established in the document Plan de comunicación y divulgación de riesgos; the policy was presented to all project workers 2016, new employees receive this information as part of the induction process, signs are placed at the offices and other facilities, specific trainings are provided each year, and meetings are held periodically to address the policy elements, and internal social media are also used as non-formal tools to keep messages regarding risk prevention and procedures during specific situations.

AENOR did not detect incompliances with them checking the documents provided and interviewing to the workers. Then, the audit team deems that the project fulfills with CCB requirements related to labor relations.

#### 4.3.10 Management Capacity (G4.2 – G4.3)

The MR shows (2.4.1 Required Technical Skills and Expertise) that the technical skills of the project proponent and other partner organizations were maintained and that project activities were implemented successfully. FUNDAECO has more than 20 years of experience working in the design and promotion of protected areas in Caribbean Guatemala. FUNDAECO has actively participated in all Forest Carbon and REDD+ working groups in the country and as developed other VCS projects.

In addition to the technical skills provided by the PP, the project has partnered with other organizations to increase capacity:

- **ecoPartners:** FUNDAECO partnered with this company in order to guarantee the good implementation of the VCS and CCB standards and methodologies, as well as to develop carbon accounting for the project. ecoPartners has provided FUNDAECO training workshop to increase the GIS team and the REDD+ Manager skills, as well as the Directors comprehension on the CCB and VCS standards in the past and continues to provide support for the team as needed.
- **AME Guatemala:** AME Guatemala is a Guatemalan NGO specialized in women rights a gender. FUNDAECO partner this organization in order to have an external observer for the gender policy implementation, and for the development and implementation of gender protocols for the women health clinics.
- **Althelia/Ecosphere:** Besides supporting project investments this partnership supports VCUs marketing and sales.
- **Panthera:** FUNDAECO has partnered with Panthera specifically to implement new methodologies for mammals monitoring, specially jaguars and other felines that are subject to illegal poaching.

The MR states that the project has is committed to cover project operation costs, initially through an investment from the Althelia Climate Fund that covers development expenses, project activities and scaling-up until 2021. Currently, and for the remaining lifetime of the project, FUNDAECO is also committed to selling carbon credits with support from the ACF and Ecosphere+. However, because of uncertainty in voluntary carbon markets, FUNDAECO continues to seek funds from international agencies to guarantee project cashflow. The project provided verifiers with an updated budget and cash flow worksheet. The Project's breakeven point was confirmed to be already reached. Thus, they have the suitable and

appropriate technical and management capacity to develop the project, as it was checked by AENOR during the audit.

The PP has developed a Code of Ethics and the Policy against corruption and bribery and implements internal manual and procedures, annual audits and best management practices to avoid the involvement of its team and collaborators in in any form of corruption such as bribery, embezzlement, fraud, favoritism, cronyism, nepotism, extortion, and collusion. The audit team considers that the project management has defined and set a strong and comprehensive framework to prevent the commitment any kind of illicit acts by project staff. No evidence of any form of corruption or illegality was found during the review of the provided evidence and the site visit.

#### **4.3.11 Commercially Sensitive Information (Rules 3.5.13 – 3.5.14)**

The following document and information are commercially sensitive and not publicly available:

- Project budget
- Financial projections
- FUNDAECO Manuals, Policies and regulations
- Contracts between FUNDAECO and forest owners
- Any other agreements or contacts related to the project

AENOR has checked the information and is able to confirm that it meets the VCS Program definition of commercially sensitive information and that it is not related to the determination of the baseline scenario, demonstration of additionality, and estimation and monitoring of GHG emission reductions and removals of the project.

#### **4.3.12 Rights Protection and Free, Prior and Informed Consent (G5.1-G5.5)**

The project area is formed by lands from many landholders with different land tenure arrangements, including private property, private property holders without formal title termed possessors, community lands, State lands administered by CONAP, State lands given in concession to communities and industries and other users. With the exception of possessors, all of the tenure arrangements present in the grouped project area arises from either formal titles or formal management agreements with the State.

All participating properties have transferred their emissions reductions Rights of Use to the PP. Each contract transferred project ownership for a minimum of 30 years. Where project activities have been implemented since the project start date carbon rights are transferred retroactively and landowners have declared to not participate in any other emissions trading programs.

The audit team reviewed the contracts of a randomly selected sample PAIs and is available to confirm with a reasonable level of assurance that rights are recognized, respected and supported and that the project does not encroach uninvited on private, community or government property. As reflected in all the reviewed contracts, free, prior and informed consent was obtained from all the property rights holders.

As stated in the MR, the project does not require or involve the involuntary relocation of people or of activities important for their livelihoods or culture. The project is designed respecting and supporting people rights, in this sense the project includes land legalization actions that allow interested communities, with historical rights but without land titles, to include their forest in the grouped project area.

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 with the Climate, Community & Biodiversity Standards and the validated project design.

In section 2.5.4 of the MR, the PP identifies the illegal activities that have historically occurred within the project area and described the actions taken to reduce them. These actions are aligned with the project activities and their implementation have been confirmed by the evidence provided by the PP and the stakeholders consulted by the audit team. The Project does not and has not benefited from any illegal activity.

#### **4.3.13 Legal Status (G5.6)**

The MR lists all the relevant national and local laws and regulations in section 2.56. Evidence of its fulfillment is considered complete. AENOR did not detect during the verification process any non-compliances related to laws and regulations.

## **4.4 Climate**

### **4.4.1 Accuracy of GHG Emission Reduction and Removal Calculations**

Procedures for quantifying the GHG emission reductions were conducted in accordance with the methodology VM0015 version 1.1. 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 validation 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 emissions**

Section 3.2 of the MR and the calculation spreadsheet submitted to AENOR provide information related to the baseline emissions calculations.

AENOR has checked the calculations provided and confirms that emissions in the baseline scenario are consistent with the validated PD. Some project deviations occurred during the current monitoring period. AENOR verified the correct application of the project deviation in formulas to calculate the emissions reductions of the project according to the applicable methodology.

Baseline emissions changed slightly from the previous monitoring period for the project and leakage areas due to the removal of roughly 33 hectares of project area that overlapped with a neighboring ARR project (as

described in section 3.3 of this verification report). The spatial model itself remains unchanged from validation.

The accumulated emissions in the project area in the baseline scenario for the monitoring period account for **1,135,033 tCO<sub>2</sub>e**.

### **Calculation Project Emissions**

Calculation of emissions from project activities has been determined following monitoring plan in the methodology and the PD. The deforestation in the project area was defined in accordance with the methodology but considering the methodology deviations listed in section 3.2 of this report.

For the present monitoring period, the area of all categories 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.

According to data provided for the monitoring period the deforestation in the project area has been 766 ha. The cumulative emissions for the monitoring period due to this deforestation in the project area were **351,460 tCO<sub>2</sub>e**.

Regarding monitoring changes in carbon stocks, the PP updated the values of carbon stocks at validation due to the inclusion of more sample plots. This situation has been identified as a project deviation and approved for the sake of accuracy.

The non-CO<sub>2</sub> emissions from forest fires have not been monitored because it was not considered in the baseline scenario.

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

Calculations and GIS files were provided to AENOR. A complete description of the process, assumptions and assessments carried out by proponents is provided in the monitoring report.

### **Calculation of Leakage**

The previous leakage belt boundaries were revised due to the removal of roughly 33 hectares of project area that overlapped with a neighboring ARR project (as described in section 3.3 of this verification report). Both the baseline and ex-post data for all monitoring periods were re-extracted using the revised leakage belt boundaries for all three monitoring periods.

Any ex-post emissions in the leakage belt that were found to exceed the baseline estimate were considered to be a result of leakage due to activity displacement. It is estimated that during this monitoring period there were 303 additional hectares deforested within the leakage belt for a total of 2,336 hectares across the project lifetime.

Tables in section 3.2.3 of the MR show the ex-ante baseline estimation of carbon stocks in the leakage belt and the ex post net carbon stocks in the leakage belt. It is demonstrated that the ex-ante net baseline carbon stock change in the leakage area (561,995 tCO<sub>2</sub>e) is higher than deforestation in the actual ex-post

carbon stock change (153,415 tCO<sub>2</sub>e) for the monitoring period. Thus, the total ex post leakage from activity shifting is zero.

As per the PD deviation validated in previous verifications and described in section 3.3 of this report, the market leakage deduction is considered to be 0.

Therefore, the total leakage emissions for the monitoring period are 0.

**Net GHG Emission Reductions and Removals**

Calculation of emission reductions has been provided. Audit team has found the calculation traceable and in accordance with the applied methodology and its deviations, described in section 3.2 of this report.

As an adjustment was made to the boundaries of the project and leakage areas to remove the identified ARR project area overlap (see section 3.3), the previously verified VCUs is now slightly different. In order to account for any over-crediting that occurred during the project lifetime due to this necessary adjustment in project area boundaries has been added into the calculation of VCUs for this monitoring period. It was determined that a total of 886 tCO<sub>2</sub>e net GHG emissions have been over-estimated to the project during previous monitoring periods as a result of the inclusion of these 33 hectares of overlap with the ARR project boundaries. The following table show the previously verified NERs compared with newly revised NERs removing ARR overlap.

Years	Previously Verified Estimated net GHG emission reductions or removals (tCO <sub>2</sub> e)	Estimated net GHG emission reductions or removals (tCO <sub>2</sub> e)	Overages in Total Net GHG emissions reductions or removals (tCO <sub>2</sub> e)
2012	228,309	228,548	-239
2013	451,553	451,705	-152
2014	506,958	505,802	1,156
2015	592,684	591,767	917
2016	668,418	668,916	-498
2017	966,596	966,588	8
2018	1,008,799	1,009,105	-306
<b>Total</b>	<b>4,423,317</b>	<b>4,422,431</b>	<b>886</b>

As to compensate the over-issuance of VCUs in previous verifications, the calculated difference of 886 tCO<sub>2</sub>e was added as a project emission in 2019 in order to account for any overages in crediting. Therefore, project emissions in the current monitoring period (2019) increased from 351,460 tCO<sub>2</sub>e to 352,346 tCO<sub>2</sub>e. The following table shows the final net GHG emissions reductions and removals, adjusted to remove ARR overlap and over-issuance from previous monitoring periods.

Year	Baseline emissions or removals (tCO <sub>2</sub> e)	Project emissions or removals (tCO <sub>2</sub> e)	Total Leakage emissions (tCO <sub>2</sub> e)	Net GHG emission reductions or removals (tCO <sub>2</sub> e)
2012	424,077	138,691	57,077	228,309
2013	786,259	221,817	112,888	451,553
2014	863,669	229,972	126,739	506,958
2015	976,595	235,740	148,171	592,684
2016	1,077,695	242,173	167,105	668,418
2017	1,099,533	132,937	0	966,596
2018	1,137,859	129,059	0	1,008,799
2019	1,135,033	352,347	0	782,687
<b>Total</b>	<b>7,500,721</b>	<b>1,682,736</b>	<b>611,981</b>	<b>5,206,004</b>

Therefore, the project achieved a net GHG emissions reduction of **782,687 tCO<sub>2</sub>e** during the current monitoring period.

Finally, after calculating NERs, VCU are calculated by removing the buffer credits. The non-permanence risk rating for this project is 10%. Therefore, during this monitoring period (01-January-2019 to 31-December-2019), the project generated **704,687 VCUs for issuance and 78,269 buffer credits**.

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 them directly from the data sources (field measurements). Formulae used are in compliance with monitoring plan, PD and methodology like the default values used to determine the parameters. Thus, the net amount of VCUs to be issued is accurate and realistic. Assumptions used by PP at verification were appropriately cross-checked and assessed with requested evidence. New approaches or assumptions used at verification are detailed in project deviation section. In opinion of AENOR they are appropriately treated by PP in the monitoring report. They are correct and fulfil with VCS requirements.

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).

AENOR carried out a deep review of the technical annex and the calculations (*Fundaeco VM0015 Accounting Model v3.19 MP3 2019*) and others provided by the PP that feed data values shown in the *Fundaeco VM0015 Accounting Model v3.19 MP3 2019* (see appendix 1).

AENOR verified the consistency and accuracy of each parameter detailed in sections 3.1.1 and 3.1.2 of the MR by crosschecking the information with the information in section 8.2 and 8.3 of the PD as well as checking values and reproducing the calculations in the spreadsheets calculations and GIS package (see appendix 1) and did not find inconsistencies between them after the closing of CARs and CLs requested. Therefore, AENOR deems that values reported for the parameters are accurate and consistent. Information was deemed accurate and consistent taking into account sources used. Other default values used are from sources well accredited and validated at validation stage.

AENOR verified the list of parameter available at validation reported in the monitoring report and values applied (if applicable) or the references to the documents. The list is complete and in compliance with the methodology and the PDD.

The data and parameters monitored and used to determine the emission reductions of the project are also detailed in section 3.1.2 of the monitoring report. AENOR verified that list is complete and in compliance with the applicable methodology and the PD. For each parameter, the references to the tables where they are used are provided.

The parameters monitored are the following: APDPAicl,t; APFAicl,t; APLPAicl,t; APNiPAicl,t; CUCdPA; EADLK; EADLKt; EBBBSLPA; EBBBSLtoticl; EBBBSPA; EBBCH4icl; EBBN20icl; EBBPSPA; EBBPSPA; EBBtoticl;  $\Delta$ CFCdPA,  $\Delta$ CFCdPA;  $\Delta$ CFCiPA;  $\Delta$ CFCiPA;  $\Delta$ CLPMLK;  $\Delta$ CLPMLKt;  $\Delta$ CPAdP  $\Delta$ CPFiPA; A;  $\Delta$ CPAiPA;  $\Delta$ CPAiPA;  $\Delta$ CPDdPA;  $\Delta$ CPDdPA;  $\Delta$ CPFdPA;  $\Delta$ CPFdPA;  $\Delta$ CPFiPA;  $\Delta$ CPFiPA;  $\Delta$ CPLdPA;  $\Delta$ CPPLdPA;  $\Delta$ CPLiPA;  $\Delta$ CPLiPA;  $\Delta$ CPNiPA;  $\Delta$ CPNiPA;  $\Delta$ CPSLK;  $\Delta$ CPSLKt;  $\Delta$ CPSPA;  $\Delta$ CPSPA;  $\Delta$ CUCdPA;  $\Delta$ CUCiP  $\Delta$ CUFiPAA;  $\Delta$ CUCiPA;  $\Delta$ CUDdPA;  $\Delta$ CUDdPA;  $\Delta$ CUFdPA;  $\Delta$ CUFdPA;  $\Delta$ CUFiPA;  $\Delta$ REDD;  $\Delta$ REDD; GIS software, Landsat imagery.

In order to verify the accuracy and consistency of parameters monitored and used to calculate the avoided emissions reductions achieved for the monitoring period, the AENOR verification team reproduced table by table using the sequence established in the methodology, checking the correctness of the formulae applied and assumptions used, when applicable and that values used matched with data sources. At the same time, the verification team had to check the set of other spreadsheets (see appendix 1) that feed the *Fundaeco VM0015 Accounting Model v3.19 MP3 2019* calculation spreadsheet and show data inputs for calculating the terms listed above. In addition, the whole set of spreadsheets are fed from sources mainly the GIS package and other sources/reports.

After a deep and thorough review and reproduction of calculations of tables from VM0015 and samples to the tracks to the other spreadsheets, AENOR deems the parameters monitored and available at validation are correct, reliable and consistent. Information in the monitoring report is in compliance with the PD, the calculations provided and the applicable methodology. Then, the results showed in the MR are reliable, consistency and accuracy.

#### 4.4.2 Quality of Evidence to Determine GHG Emission Reductions and Removals

The data and parameters used to determine GHG emission reductions and removals are listed in section 3.1 of the MR.

In accordance with the PD and applied methodology, carbon stocks/ha in the different strata are considered fixed, however, as commented in the project deviation section the carbon stocks were updated as the PP included the information from more permanent sample plots in order to increase the representative of data and increase the accuracy. On the other hand, PP has implemented standard operative procedures to monitoring degradation, deforestation, fires and to information storage.

The PP uses a GIS package for analyzing the existence of forest and non-forest in the project area and leakage belt during project verification. The monitoring report describes the steps followed to analyze the information. The monitoring of unplanned deforestation will be done using higher spatial resolution satellite images, depending on access to images and the advancement of technology.



The assessment of land-use and land-cover change was done using LANDSAT 8 OLI satellite images to generate the deforestation data. Deforestation estimates obtained from this analysis has been compared with the deforestation model established in the baseline scenario.

This information is deeper treated in several documents that support information provided in the monitoring report.

AENOR has verified that the monitoring plan is being implemented as the described in the project description. FUNDAECO with the assistance of EcoPartners and Althelia Ecosphere for implementing project activities. An integrated cooperation between all these organizations allows carrying out the multiple activities considered. AENOR checked that key workers are fully involved in monitoring events (training, measuring, archiving, reporting, quality control, etc.). QA/QC procedures are considered strict at identifying, reviewing, and handling inconsistencies found in order to improve the management of the project.

Roles and responsibilities along with data management and archival system are also detailed in the monitoring report and other supported documents.

Interviews with the project staff and inspection of data and results demonstrated that the PP possess all of the competencies required for reporting of GHG emissions reductions on accurate way.

Data presented to the audit team were 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 sufficiency and the quality of that information is appropriate to determine the GHG removals.

#### **4.4.3 Non-Permanence Risk Analysis**

The project utilized the non-permanence risk analysis tool, AFOLU Non-Permanence Risk Tool 4.0, to assess risk according to internal risk, external risk, natural risk, and mitigation measures for minimizing risk. The verification team reviewed the Non-Permanence Risk Report following VCS Standard v4.0 Section 3.2.9 and confirmed that the project adheres to the requirements set out in the VCS AFOLU Non-Permanence Risk Tool.

At all levels, the verification team evaluated the rationale, appropriateness, and justifications of risk ratings chosen by the project proponent. Each risk factor was thoroughly assessed for conformance.

The PP divided the project area in 2 separate risk areas based on differing land tenure and conservation commitments. Risk Area A is defined by properties that are owned through clear title by FUNDAECO. Risk Area B is defined by properties that are owned through clear title by national entities, municipal entities, private owners, and poseedores.

The final score for both areas was calculated to be less than 10% and thus the project is able to take the minimum risk rating of 10%. A brief review of each factor is found in the table below.

**Risk Area A**

Risk factor	Risk Rating	Findings and mitigation activities	CARs/CLs
<b>Internal Risks</b>			
Project Management: It is assessed using table 1 of the VCS AFOLU Risk Tool.	-4 (total may be less than zero)	<p>a) The project does not use any planted trees for GHG credits generation. Risk rating=0 is justified.</p> <p>b) While there are regular patrols funded by FUNDAECO across the project area and within protected areas that hold carbon stocks on which GHG credits have been issued, much less than 50% of these are required to be protected by patrols. Risk rating=0 is justified.</p> <p>c) Management team includes individuals with significant experience in all skills necessary to successfully undertake project activities Risk rating=0 is justified.</p> <p>d) Management team maintains a presence in-country and less than one travel day from project site. Risk rating=0 is justified.</p> <p>e) The management team has extensive experience in AFOLU project design and carbon accounting under the VCS program. Risk rating=-2 is justified.</p> <p>f) there is an adaptive management plan in place, as described in FUNDAECO's Implementation Plan. Risk rating=-2 is justified.</p>	Clarification requested (VCS CL 03)
Financial viability: It is assessed using table 2 of the VCS AFOLU Risk Tool.	0 (total may not be less than zero)	<p>a)-d) The project has already reached breakeven point. Risk rating=0 is justified.</p> <p>e)-h) Not applicable. As of the current risk assessment, the project has already reached the breakeven point and has secured sufficient funding since the start of the project to reach breakeven. Risk rating=0 is justified.</p> <p>i) Not applicable Risk rating=0 is justified.</p>	No corrective actions or clarifications were requested.
Opportunity Cost: It is assessed using table 3 of the VCS	-8 (total may be less than zero)	a)-f) NPV from project activities is expected to be at least 50% more profitable than the most profitable alternative land use activity. Risk rating=-4 is justified.	Clarification requested (VCS CL 03)

Risk factor	Risk Rating	Findings and mitigation activities	CARs/CLs
AFOLU Risk Tool.		<p>g) FUNDAECO is a non-profit organization. Risk rating=-2 is justified.</p> <p>h) FUNDAECO's land holdings are protected by a legally binding agreement that covers the length of the project crediting period. Risk rating=-2 is justified.</p> <p>i) Not applicable.</p>	
Project Longevity: It is assessed using table 4 of the VCS AFOLU Risk Tool.	15 (total may not be less than zero)	<p>a) Not applicable</p> <p>b) Although FUNDAECO is legally committed to protecting their lands for a period of 60 years, the Implementation Plan and Financial Model only cover a 30-year project lifetime, thus the overall project lifetime is set at 30 years. Risk rating=15 is justified.</p>	Clarification requested (VCS CL 06)
<b>Total internal risk=3 (total may not be less than zero)</b>			
<b>External Risks</b>			
Land Tenure and resources access/impact: It shall be assessed using table 6 of the Risk Tool.	0 (total may not be less than zero)	<p>a) Ownership and resource access / use rights of properties in Risk Area A are held by FUNDAECO. Risk rating=0 is justified.</p> <p>b) Not applicable.</p> <p>c)-d) There are no disputes over land tenure or ownership of the project area in more than 5 % of the project area nor disputes over access/use rights (or overlapping rights). Risk rating=0 is justified.</p> <p>e) Not applicable.</p> <p>f) FUNDAECO's land holdings are protected by a legally binding agreement. Risk rating=-2 is justified.</p> <p>g) Not applicable.</p>	No Corrective Actions or Clarifications were requested.
Community engagement: It shall be assessed	-5 (total may be less than zero)	a) FUNDAECO has consulted with 2101 of the 2800 families living within the Grouped Project Area. Risk rating=0 is justified.	No Corrective Actions or Clarifications were requested

Risk factor	Risk Rating	Findings and mitigation activities	CARs/CLs
using table 7 of the Risk Tool.		<p>b) Of those roughly 5,000 households within the project zone, FUNDAECO has consulted with 2101 of those households that may be dependent on the project area. This means that FUNDAECO has consulted with roughly 42% of the households that may be dependent on the project area within the surrounding region, which is well above the 20% threshold. Risk rating=0 is justified.</p> <p>c) The project generates net positive impacts on social and economic well-being of local communities is validated under the CCB Standards Risk rating=-5 is justified.</p>	
Political Risks: It shall be assessed using table 8 of the Risk Tool.	2 (total may not be less than zero)	<p>a-e) Guatemala presents a score of -0.60 according to the World Bank Institute's Worldwide Governance Indicators. AENOR verified the value and reliability of source. Risk rating=4 is justified.</p> <p>f) The country is implementing REDD+ Readiness activities. Risk rating=-2 is justified.</p>	Corrective Action requested (VCS CAR 01).
<b>Total external risks=0 (Total may not be less than zero)</b>			
<b>Natural risks</b>			
Fire Risk: It shall be assessed using table 10 of the Risk Tool.	LS*M=0	The likelihood of a natural fire is once every 100 years, being insignificant to carbon stocks. Thus LS= 0 is reasonable. Mitigation (M) measures: Not applicable	No Corrective Actions or Clarifications were requested
Pest and disease outbreaks: It shall be assessed using table 10 of the Risk tool.	LS*M=0	Due to the project area's wet tropical climate, high biodiversity levels, and natural distribution of native species, the forests have low susceptibility to losses due to pest and disease compared to forest plantations. No evidence of pest or disease outbreaks has been identified in the project area. Thus LS= 0 is reasonable. Mitigation (M) measures: Not applicable.	No Corrective Actions or Clarifications were requested
Extreme weather: It shall be assessed using table 10 of the Risk tool.	LS*M=0	Although hurricanes do affect the Caribbean coast, due to its geographic location, Izabal is very infrequently subjected to hurricanes. The only hurricane on record passing through the Izabal region was in 1887 and was a	No Corrective Actions or Clarifications were requested

Risk factor	Risk Rating	Findings and mitigation activities	CARs/CLs
		category 1 hurricane, the lowest category. The frequency of hurricanes is on a level of once every 100 years or more and thus poses no risk to the project area. Thus LS= 0 is reasonable. Mitigation (M) measures: Not applicable.	
Geological risks: It shall be assessed using table 10 of the Risk Tool.	LS*M=0	Seismic events are a regular occurrence within Guatemala. However, the majority of seismic activity is located to the west due to the subduction of the Placa de Cocos beneath the Placa del Caribe. Both the seismic and volcanic impact on carbon stocks is considered to be insignificant due to no historical evidence of loss from these types of natural events. Thus LS= 0 is reasonable. Mitigation (M) measures: Not applicable	No Corrective Actions or Clarifications were requested
<b>Total natural risks=0</b>			
<b>OVERALL RISK RATING=3+0+0=3 Then an overall risk rating of 10% is considered.</b>			

### Risk Area B

Risk factor	Risk Rating	Findings and mitigation activities	CARs/CLs
<b>Internal Risks</b>			
Project Management: It is assessed using table 1 of the VCS AFOLU Risk Tool.	-4 (total may be less than zero)	<p>a) The project does not use any planted trees for GHG credits generation. Risk rating=0 is justified.</p> <p>b) While there are regular patrols funded by FUNDAECO across the project area and within protected areas that hold carbon stocks on which GHG credits have been issued, much less than 50% of these are required to be protected by patrols. Risk rating=0 is justified.</p> <p>c) Management team includes individuals with significant experience in all skills necessary to successfully undertake project activities Risk rating=0 is justified.</p> <p>d) Management team maintains a presence in-country and less than one travel day from project site. Risk rating=0 is justified.</p> <p>e) The management team has extensive experience in AFOLU project design and</p>	Clarification requested (VCS CL 03)

Risk factor	Risk Rating	Findings and mitigation activities	CARs/CLs
		<p>carbon accounting under the VCS program. Risk rating=-2 is justified.</p> <p>f) there is an adaptive management plan in place, as described in FUNDAECO's Implementation Plan. Risk rating=-2 is justified.</p>	
<p>Financial viability: It is assessed using table 2 of the VCS AFOLU Risk Tool.</p>	<p>0 (total may not be less than zero)</p>	<p>a)-d) The project has already reached breakeven point. Risk rating=0 is justified.</p> <p>e)-h) Not applicable. As of the current risk assessment, the project has already reached the breakeven point and has secured sufficient funding since the start of the project to reach breakeven. Risk rating=0 is justified.</p> <p>i) Not applicable Risk rating=0 is justified.</p>	<p>No corrective actions or clarifications were requested.</p>
<p>Opportunity Cost: It is assessed using table 3 of the VCS AFOLU Risk Tool.</p>	<p>-8 (total may be less than zero)</p>	<p>a)-f) NPV from project activities is expected to be at least 50% more profitable than the most profitable alternative land use activity. Risk rating=-4 is justified.</p> <p>g) FUNDAECO is a non-profit organization. Risk rating=-2 is justified.</p> <p>h) FUNDAECO's land holdings are protected by a legally binding agreement that covers the length of the project crediting period. Risk rating=-2 is justified.</p> <p>i) Not applicable.</p>	<p>Clarification requested (VCS CL 03)</p>
<p>Project Longevity: It is assessed using table 4 of the VCS AFOLU Risk Tool.</p>	<p>15 (total may not be less than zero)</p>	<p>a) Not applicable</p> <p>b) The portions of the project area within Risk Area B are under legal agreement to continue the management practice. Properties within Risk Area B include those that are owned by national, municipal, private, or posesore entities that have transferred their rights of use to FUNDAECO under a legal agreement that also requires prevention of deforestation and land use change. The fifth, seventh, and twelfth clauses of this contract establish that the landowners are to avoid, by means at their disposal, deforestation on their property and willfully comply with the</p>	<p>No Corrective Actions or Clarifications were requested.</p>

Risk factor	Risk Rating	Findings and mitigation activities	CARs/CLs
		terms of the contract. The contract establishes a legally binding commitment by the landowner for a minimum period of 30 years. Risk rating=15 is justified.	
<b>Total internal risk=3 (total may not be less than zero)</b>			
<b>External Risks</b>			
Land Tenure and resources access/impact: It shall be assessed using table 6 of the Risk Tool.	0 (total may not be less than zero)	<p>a) Ownership and resource access / use rights of properties in Risk Area A are held by FUNDAECO. Risk rating=0 is justified.</p> <p>b) Not applicable.</p> <p>c)-d) There are no disputes over land tenure or ownership of the project area in more than 5 % of the project area nor disputes over access/use rights (or overlapping rights). Risk rating=0 is justified.</p> <p>e) Not applicable.</p> <p>f) FUNDAECO's land holdings are protected by a legally binding agreement. Risk rating=-2 is justified.</p> <p>g) Not applicable.</p>	No Corrective Actions or Clarifications were requested.
Community engagement: It shall be assessed using table 7 of the Risk Tool.	-5 (total may be less than zero)	<p>a) FUNDAECO has consulted with 2101 of the 2800 families living within the Grouped Project Area. Risk rating=0 is justified.</p> <p>b) Of those roughly 5,000 households within the project zone, FUNDAECO has consulted with 2101 of those households that may be dependent on the project area. This means that FUNDAECO has consulted with roughly 42% of the households that may be dependent on the project area within the surrounding region, which is well above the 20% threshold. Risk rating=0 is justified.</p> <p>c) The project generates net positive impacts on social and economic well-being of local communities is validated under the CCB Standards</p>	No Corrective Actions or Clarifications were requested

Risk factor	Risk Rating	Findings and mitigation activities	CARs/CLs
		Risk rating=-5 is justified.	
Political Risks: It shall be assessed using table 8 of the Risk Tool.	2 (total may not be less than zero)	<p>a-e) Guatemala presents a score of -0.60 according to the World Bank Institute's Worldwide Governance Indicators. AENOR verified the value and reliability of source. Risk rating=4 is justified.</p> <p>f) The country is implementing REDD+ Readiness activities. Risk rating=-2 is justified.</p>	Corrective Action requested (VCS CAR 01).
<b>Total external risks=0 (Total may not be less than zero)</b>			
<b>Natural risks</b>			
Fire Risk: It shall be assessed using table 10 of the Risk Tool.	LS*M=0	The likelihood of a natural fire is once every 100 years, being insignificant to carbon stocks. Thus LS= 0 is reasonable. Mitigation (M) measures: Not applicable	No Corrective Actions or Clarifications were requested
Pest and disease outbreaks: It shall be assessed using table 10 of the Risk tool.	LS*M=0	Due to the project area's wet tropical climate, high biodiversity levels, and natural distribution of native species, the forests have low susceptibility to losses due to pest and disease compared to forest plantations. No evidence of pest or disease outbreaks has been identified in the project area. Thus LS= 0 is reasonable. Mitigation (M) measures: Not applicable.	No Corrective Actions or Clarifications were requested
Extreme weather: It shall be assessed using table 10 of the Risk tool.	LS*M=0	Although hurricanes do affect the Caribbean coast, due to its geographic location, Izabal is very infrequently subjected to hurricanes. The only hurricane on record passing through the Izabal region was in 1887 and was a category 1 hurricane, the lowest category. The frequency of hurricanes is on a level of once every 100 years or more and thus poses no risk to the project area. Thus LS= 0 is reasonable. Mitigation (M) measures: Not applicable.	No Corrective Actions or Clarifications were requested
Geological risks: It shall be assessed using table 10 of the Risk Tool.	LS*M=0	Seismic events are a regular occurrence within Guatemala. However, the majority of seismic activity is located to the west due to the subduction of the Placa de Cocos beneath the Placa del Caribe. Both the seismic and volcanic impact on carbon stocks is considered to be insignificant due to no historical evidence of loss from these types of natural events.	No Corrective Actions or Clarifications were requested



Risk factor	Risk Rating	Findings and mitigation activities	CARs/CLs
		Thus LS= 0 is reasonable. Mitigation (M) measures: Not applicable	
<b>Total natural risks=0</b>			
<b>OVERALL RISK RATING=3+0+0=3 Then an overall risk rating of 10% is considered.</b>			

AENOR has checked that information provided in the NPRRs 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 elaborated and they are based on provided documents using conservative assessments. AENOR deems that information provided is reliable and appropriate from reliable sources, thus, the overall risk rating is credible and realistic. Thus, the overall risk rating of 10% is credible and realistic.

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

The PP informed on the project progress during meetings organized with different communities and stakeholders, almost 64 meetings were organized to inform on project progress as well as to invite new forest owners to participate in the project. The monitoring results are disseminated through summary reports informing on the project activities and results along the period in meetings and are also available in the project offices and women health clinics across the project zone. During assemblies or group meetings and are also available with PD summary and the MR summaries, in each project office and health facilities. Per the CCBA rules, this monitoring report is available in the project offices and women health clinics one month before the audit visit for the public comments period.

This was verified by the audit team during stakeholder interviews, in which interviewees confirmed that they were aware of the results of the monitoring results and that the PP shares them on a regular basis

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

Not applicable. The project is not seeking Climate Gold Level validation or verification at this time.

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

Not applicable. The project is not seeking Climate Gold Level validation or verification at this time.

### 4.5 Community

#### 4.5.1 Community Impacts (CM2.1)

The MR states in section 4.1.1 the community impacts achieved by the project during the monitoring period:

- 186.59 new ha of forest are under the forest incentives program
- 14997ha of watershed under increased protection
- 8 meetings to support conflict resolution
- 541 local producers participating in agroforestry projects and other productive projects

- 211 families are receiving incentives from the national incentives program PROBOSQUE and PINPEP, thanks to the project support in the preparation of the technical and legal files. Incentives received on annual basis: Agroforestry Q8,500.00- Q9,157.00 and for forest Q13,760.0-Q18,313.00
- 166 local farmers with access to an agroforestry technician
- 122 people were trained diverse new productive activities and entrepreneurship (70 women and 62 men)
- 64 people trained on how to manage a business (organizational skills) (4 training events)
- A total of 124 youngsters benefitted: 56 girls have participated in the scholarship program to finish elementary and/or high school, and 68 youngsters (37 girls and 31 boys) have participated in the special training program “Eco Club nautico”, where they learn skill such as boat mechanics, sailing, carpentry, basic electric and electronics and others
- 3800 students participated in environmental education talks
- 18 environmental education events with communities
- 109 talks and 9 outreach events on sexual and reproductive rights and health
- 33 volunteer girls trained and supported for peer to peer promotion of sexual and reproductive health, sustainable livelihoods and nature conservation
- 24 midwives engaged in the clinics with increased training
- 2 women/community first-aid cabinets clinics established
- 147 communities benefitted from health services
- 3675 people provided with health services
- 150 women received access to family planning methods
- 8 health community commissions (community management bodies)
- 2 second level associations and 3 protected areas councils supported
- 2 community fishermen attended to marine and coastal monitoring
- 9 landowners /communities FUNDAECO assisted with legal services
- 39 patrols across sacred sites and support to 6 Mayan cultural activities
- communities, 129 families FUNDAECO assisted with social and legal support and logistics for land legalization
- 9,000 seedling/plants provided to local producers for agroforestry plots

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)

The PP identified potential negative impacts listed below and took measures to mitigate these impacts so that the project has had a net positive impact on communities.

One major concern mentioned by stakeholders was their fear that the REDD+ project would impact their ownership rights to the land, which could lead to nonconformity in the project and contract cancellation. All project participants keep their land ownership, and this is ensured with the voluntarily signature of a contract between FUNDAECO and project participants, the contract contains a clause that clarifies that land ownership is not affected.

Another concern was that without adequate monitoring, leakage would occur, either through project members cutting down trees outside the project area or by non-participating community members logging within the project area. This leakage has been mitigated through the successful implementation of a more rigorous control and surveillance plan and through educational outreach that reinforced penalties for such actions.

Community members also identified the reduced access to timber and firewood extraction as a livelihood risk, especially to the most vulnerable community members. The project has approached any risk of unemployment related to the livelihoods by: supporting the implementation and training for productive projects that does not implies deforestation such as commercial crops on already agricultural lands, eco-tourism services, handcrafts, bakery and cooking entrepreneurs, etc.

In accordance with the reported information, 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.

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

The project was design to address agents and drivers of deforestation mentioned in the drivers of deforestation study, and to contribute to trigger a socio-economic dynamics that result in the reduction of deforestation. In this sense the project activities are designed to work with a wide array of communities that are impacted positively in their wellbeing, this in a scalability design and prioritizing communities located in the areas with more deforestation and also considering different communities interests.

The interviews with community members and leaders and other stakeholders demonstrated that communities were receiving benefits they would not otherwise have received in the absence of the project. Income-producing opportunities were made available and have included the poorest people and women. Access to health services has improved and capacity of community has increased. In opinion of AENOR, the claim of net positive stakeholder well-being impacts during the monitoring period is supported by evidence, is credible and reflects faithfully the project benefits in communities. According to AENOR observations, the net impacts of the project activities are positive for each stakeholder group.

#### 4.5.4 Protection of High Conservation Values (CM2.4)

Section 4.1.4 of the MR describes the measures applied to maintenance of the high conservation value attributes related with community. The primary measure taken to maintain HCVs is the reduction of deforestation within the sites identified as HCVs, through the voluntary integration of some of these forests

to the project area and the implementation of protection activities. By reducing deforestation and degradation, the project will avoid threats within these areas, and their environmental services and cultural uses can be guaranteed.

The implemented measures to avoid deforestation and degradation are: the deployment of 680 forest patrols; the enrollment of landowners along watersheds in PROBOSQUE and PINPEP programs, environmental and nature conservation education activities; and support to preserve awareness and respect for traditional, cultural, spiritual and religious identities of communities within the project area

In opinion of AENOR, none of the project activities have had, nor are likely to have, a negative impact on community-related HCVs. They are designed to either protect or enhance existing HCVs, as was verified by AENOR during the verification process.

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

Section 4.2 of the MR gathered information about the positive and potential negative impacts in the offsite stakeholders.

In this regard, AENOR could verify that net positive community impacts from the project activities within the project area have also positively affected stakeholders not directly impacted by these activities. These stakeholders include government institutions, municipalities, and other organized groups that are not community groups. Some offsite stakeholders identified such as the cattle ranchers could be negatively impacted by the project due to reduced land for pasture expansion. However according to results of the monitoring their average incomes remain high for the area and there has been no evidence of them being harmed by the project.

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.

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

A plan for monitoring community was developed early in the project lifetime and successfully validated. Community monitoring plan, including the project activities, indicators, frequency of monitoring, data sources and results of the most recent monitoring, is included in section 4.3.1 of the MR. Through document review AENOR confirmed the monitoring plan is in place and monitoring is going on.

The PP has demonstrated that monitoring is able to identify positive and negative impacts on the more vulnerable people in the communities. Survey results were provided to verifiers and they directly address whether the survey subjects have benefited from the project and their attitudes and expectations toward the project and other aspects of life in the community, confirmed during the interviews.

AENOR confirms dates, frequency and sampling methods used are in accordance with the validated PD and its validated minor changes 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)**

Along the monitoring period, FUNDAECO informed on the project progress during 38 assemblies or group meetings organized with different communities and stakeholders. The monitoring results are disseminated through summary reports informing on the project activities and results along the period in meetings and are also available in the project offices and women health clinics across the project zone. During assemblies or group meetings and are also available with PD summary and the MR summaries, in each project office and health facilities. Per the CCBA rules, this monitoring report is available in the project offices and women health clinics one month before the audit visit for the public comments period.

This was verified by the audit team during stakeholder interviews, in which interviewees confirmed that they were aware of the results of the monitoring results and that the PP shares them on a regular basis.

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

Not applicable. The project is not seeking Climate Gold Level validation or verification at this time.

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

Not applicable. The project is not seeking Climate Gold Level validation or verification at this time.

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

Not applicable. The project is not seeking Climate Gold Level validation or verification at this time.

**4.5.11 Optional Gold Level: Net Impacts on Women (GL2.5)**

Not applicable. The project is not seeking Climate Gold Level validation or verification at this time.

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

Not applicable. The project is not seeking Climate Gold Level validation or verification at this time.

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

Not applicable. The project is not seeking Climate Gold Level validation or verification at this time.

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

Not applicable. The project is not seeking Climate Gold Level validation or verification at this time.

## 4.6 Biodiversity

### 4.6.1 Biodiversity Changes (B2.1)

The MR states in section 5.1.1 the biodiversity changes achieved by the project during the monitoring period, considering this changes as positive for biodiversity conservation. The reported changes are the following:

- Increased forest protection and governance:
  - 233.08 hectares of lands FUNDAECO helped to register with PINFOR/PINPEP.
  - 680 patrols to prevent deforestation and/or to follow denunciations
  - 3 protected areas executive councils CELs are functioning (10 meetings during the monitoring period)
- Birds are monitored as Key taxa: 16 monitoring events to cover one season for bird monitoring
- Increased resource and ecosystem protection:
  - 51 ha and 127 km of coastline surveyed
  - 4 fishing restriction zones are supported by the project
- Improved land management in non-forested land: 94.9 ha were planted with agroforestry systems and timber over non forested land.

The results of the project activities on biodiversity are positive in general, not negatively affecting the HCVs.

In opinion of AENOR, information about benefits on biodiversity from project activities is accurate since is based on record taken from project stakeholders and project proponents, based on sources reliable and appropriate and the attribution of biodiversity changes to the project's activities is well justify

### 4.6.2 Mitigation Actions (B2.3)

All project activities have been analyzed for any potential negative effects on biodiversity within the project area and project zone by the PP. FUNDAECO has taken steps to mitigate all potential harmful impacts on biodiversity benefits as a direct and indirect result of project activities. Agroforestry project activities adhere to standard USAID protocols on the safe and judicious use and disposal of pesticides and fertilizers in addition to banning the use of GMO's and invasive species as part of project activities

FUNDAECO does use several non-native species in its agroforestry programs, including rubber, cardamom, rambutan, and pepper. However, these species are non-invasive and were introduced into Guatemala as agricultural species over 50 years ago. The Guatemalan government considers these species to be "naturalized" and to pose no threats to biodiversity within the country.

Any potential indirect negative impacts on biodiversity caused by project activities are also being minimized and mitigated through FUNDAECO programs. In order to avoid possible activity-shifting deforestation from the project area into the project zone as a result of project activities, FUNDAECO is engaging with landowners throughout the project zone to support land legalization efforts, enroll landowners into PROBOSQUE and PINPEP programs, and eventually incorporate additional landowners with forest area

into the grouped project over time. By preventing deforestation within the project area, FUNDAECO is effectively protecting the majority of biodiversity HCVs.

Based on the evidence provided by the PP and the opinion of the stakeholders consulted by the audit team, AENOR deems that the mitigation actions taken are appropriate and in accordance with the project's validated project description

#### **4.6.3 Net Positive Biodiversity Impacts (B2.2)**

The demonstration of a net-positive biodiversity impact over the project lifetime has been done by comparing the biodiversity baseline scenario, with the project's current biodiversity conditions

The project activities that produce biodiversity impacts have been categorized into four different program areas, which focus on resource protection, empowerment and inclusiveness, education, and access to resources. Many of these project activities that are effectively maintaining and supporting biodiversity in the project area are bringing about climate and community benefits as well.

The project has created benefits within the project zone that are unparalleled in comparison with the biodiversity baseline scenario. The benefits which exist within the project zone greatly outweigh the potential impacts of any potential unmitigated negative offsite action. Because of the project and its implemented project activities, the net effect of the project on biodiversity in and around the project zone is positive as it was demonstrated to AENOR.

#### **4.6.4 High Conservation Values Protected (B2.4)**

The project is dedicated to maintaining biodiversity HCVs through numerous targeted project activities. Several HCV management areas have been identified in order to focus HCV conservation efforts within the project area. The primary measure taken to maintain biodiversity HCVs is through the reduction of deforestation within the project area. As is discussed in PD, biodiversity is highly correlated with forest cover, and many of the identified biodiversity HCVs consist of forested areas within the project area and project zone, including protected areas, migratory corridors, landscape level ecosystems, and threatened ecosystems. By reducing deforestation and degradation threats within these areas, both the ecosystems and the threatened species within those ecosystems will be protected and maintained. Furthermore, FUNDAECO is implementing forest protection measures through the deployment of forest patrols, the enrollment of landowners in PINFOR and PINPEP programs, conservation education initiatives, and agroforestry systems.

Additionally, FUNDAECO is implementing specific measures to protect endangered amphibian species within the project area through the training of park guards in measures to prevent the spread of deadly amphibian fungal diseases.

Based on the evidence provided by the PP and the opinion of the stakeholders consulted by the audit team, AENOR deems that no HCV is negatively affected by the project. Furthermore, the project is actively working on protecting these HCVs.

#### **4.6.5 Invasive Species (B2.5)**

The project bans the use of invasive species in any of its activities.

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

Due to existing agricultural markets and increased economic incentives for small-scale farmers, FUNDAECO does use several non-native species in its agroforestry programs, including rubber, cardamom and rambutan. However, these species are non-invasive and were introduced into Guatemala as agricultural species over 50 years ago. The Guatemalan government considers these species to be “naturalized” and to pose no threats to biodiversity within the country. In order to further reduce any risks to biodiversity benefits through the use of non-native species in agroforestry programs, FUNDAECO engages landowners in land-management and planning activities to diversify agricultural commodities across an ownership and to avoid monoculture plantations.

In opinion of AENOR, the use of these non-native species is well justified and is common practice in Guatemala and the Caribbean region and don't pose harm to the project area's environment and its surroundings.

#### 4.6.7 GMO Exclusion (B2.7)

Project activities are prohibited from using GMOs.

#### 4.6.8 Inputs Justification (B2.8)

The FUNDAECO Policy document (Plan General de BPA 2016.docx), environmentally friendly waste management measures are to be implemented as part of any project activity. In addition, all agroforestry and sustainable agricultural programs through FUNDAECO also abide by USAID guidelines for safe pesticide use and an internal best agricultural practices policy that outlines and justifies safe and appropriate pesticide and fertilizer use.

All inputs used in the project area, fertilizers, herbicides, and fungicides have no or minimal impact and are used in agricultural plots, posing minimum risk to the natural ecosystem.

#### 4.6.9 Negative Offsite Biodiversity Impacts (B3.1) and Mitigation Actions (B3.2)

The PP has identified as negative offsite impacts on biodiversity the misuse of pesticides and fertilizers as well as ineffective waste management techniques, which could cause biodiversity toxicity and water contamination. To prevent it, the PP implements Best Agricultural Practices, including adequate doses according to fabric instructions and good waste management and disposal. All used products have key toxicity levels between practically not (PNT) to moderate (MT).

In opinion of AENOR, the 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)

The project has created benefits within the project zone that are unparalleled in comparison with the baseline scenario had the project not been present. The benefits which exist within the project zone greatly outweigh the potential impacts of any potential unmitigated negative offsite action. Because of the project and its implemented project activities, the net effect of the project on biodiversity in and around the project zone is positive as it was demonstrated to AENOR.



#### 4.6.11 Biodiversity Monitoring Plan (B4.1, B4.2, GL3.4)

A plan for biodiversity monitoring was developed early in the project lifetime and successfully validated. The biodiversity monitoring plan, including the project activities, indicators, frequency of monitoring, data sources and results of the most recent monitoring, is included in section 5.3.1 of the MR. Through document review AENOR confirmed the monitoring plan is in place and monitoring is going on.

The PP has demonstrated that monitoring is able to identify positive and negative impacts on the biodiversity. Surveys and inventories results were provided to verifiers, including bird, amphibian and jaguar specific monitoring reports.

AENOR confirms dates, frequency and sampling methods used are in accordance with the validated PD 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.

#### 4.6.12 Biodiversity Monitoring Plan Dissemination (B4.3)

Along the monitoring period, FUNDAECO informed on the project progress during 64 assemblies or group meetings organized with different communities and stakeholders. The monitoring results are disseminated through summary reports informing on the project activities and results along the period in meetings and are also available in the project offices and women health clinics across the project zone. During assemblies or group meetings and are also available with PD summary and the MR summaries, in each project office and health facilities. Per the CCBA rules, this monitoring report is available in the project offices and women health clinics one month before the audit visit for the public comments period.

This was verified by the audit team during stakeholder interviews, in which interviewees confirmed that they were aware of the results of the monitoring results and that the PP shares them on a regular basis.

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

The project area and project zone have a number of endangered and critically endangered trigger species within it that qualify this project for exceptional biodiversity benefits under the CCB Standard version 3. The project area qualifies as providing exceptional biodiversity benefits by meeting the vulnerability criteria (a), which requires the regular occurrence of at least a single individual critically endangered or endangered species. The Sierra Caral protected area is a known habitat for 6 critically endangered species *Cryptotriton wakei*, *Nototriton brodiei*, *Agalychnis moreletii*, *Bromeliodryas bromeliacia*, *Duellmanohyla soralia*, *Ptychohyla hypomykter*.

Since its beginning FUNDAECO is focus on protecting lands for these species, by acquiring land to create conservation reserves, or by promoting the creation of protected areas. As a result, the Amphibian Conservation Reserva La Firmeza was created in 2012, encompassing 2480 hectares of private land specifically for amphibian conservation, and the whole Sierra Caral was declared as National Protected area through the Guatemalan Congress in 2014. FUNDAECO is seeking to create other reserves and a protected area in amphibian AZE site Sierra Santa Cruz; two lands encompassing 957 hectares were recently acquired for this purpose and 37 meetings were held to discuss the protected area design.

The project was unable to establish a baseline for the number of individuals for the trigger species. Amphibian populations are difficult to estimate, so the use of other indicators, such as presence/absence

of related species and habitat are more suitable assessments of their conservation status. During species monitoring activities, it was possible to find individuals for key amphibian species including: *Duellmanohyla soralia*, *Ptychohyala hypomykter*, and *Agalychnis moreletii*.

The fact that the trigger species such as, *Cryptotriton nasalis*, *Cryptotriton wakei*, *Nototriton brodiei*, *Duellmanohyla soralia* (all critically endangered and endemic to Sierra El Merendon) as well as *Craugastor Nefrens* (endemic to Sierra Caral) and *Ptychohyala sanctaecrucis* (endemic to Santa Cruz) have been located in the project area at the start of the project shows that the existing forest area is providing critical habitat for this species. It is expected that if the project were not in place today, that this endangered amphibian species would experience habitat loss and fragmentation, in addition to increased risks of disease, which would likely decimate its existing population.

The Theory of Change framework shows how project activities are designed to achieve positive benefits for threatened and endangered species within the project zone. Several project activities have been implemented to protect endangered amphibians within the project zone, ensuring that the project is maintaining or enhancing the population of the trigger species. Specifically, the government recognition of Sierra Caral as a National Protected Area during this monitoring period, and the enforced protection of this forest area, has worked as the first measure taken to effectively maintain and enhance the population species.

AENOR verified, based on the documentation provided by the PP and the information gathered during the interviews, that the activities developed by the project are contributing in the protection of the natural habitat of the trigger species, which result in the maintenance of the population status.

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

The IUCN Red List notes that the 6 critically endangered species (*Cryptotriton wakei*, *Nototriton brodiei*, *Agalychnis moreletii*, *Bromeliohyala bromeliacia*, *Duellmanohyla soralia*, *Ptychohyala hypomykter*) that habit the Sierra Caral protected area are at great risk due to habitat loss and the fungus chytridiomycosis.

Habitat loss has been identified as the primary threat and is a known threat to other endangered species in the area. These forests are threatened by being converted primarily to subsistence agriculture or pasture. The project is taking measures to reduce deforestation and degradation threats within these areas, to ensure that both the ecosystems and the threatened species within those ecosystems will be protected and maintained.

To reduce the risk caused by the fungus chytridiomycosis, the PP has developed and is implementing a Protocol to avoid Chytrid fungus. All park guards in Sierra Caral Amphibian Reserve are trained to employ measures to prevent the spread of deadly amphibian fungal diseases. Forest patrols use techniques, such as through the bleaching of boots when entering and leaving forests, to prevent the possible introduction or spread of a fungus that can wreak havoc on amphibian species. For this monitoring period, two training sessions with 20 park guards were held to enhance knowledge protected areas, climate change impacts on biodiversity and amphibian fungus disease prevention and protected areas management.

To promote conservation of amphibians and their habitat, FUNDAECO has deployed a series of promotion and education activities using education materials for adults and children that are distributed during environmental talks and fairs.

During the monitoring period 37 meetings were held to consult and promote the creation of a new Protected area, Sierra Santa Cruz which also reports the presence of endemic and endangered amphibians. FUNDAECO is developing a Technical Study for the creation of this protected area, this study is under revision by CONAP.

In opinion of AENOR, the PP is taking measures that are effective at maintaining or enhancing the population status of trigger species

#### **4.7 Additional Project Implementation Information**

There is no more additional information.

#### **4.8 Additional Project Impact Information**

There is no more additional information.

### **5 VERIFICATION CONCLUSION**

After review of all project information, procedures, calculations, and supporting documentation and the interview process, AENOR confirms that the monitoring conducted by the Project Proponent, along with the supporting Monitoring & Implementation Report, are accurate and consistent with all aforementioned VCS Version 4 and CCB Third Edition criteria, the validated PD, and the selected methodology (VM0015 v1.1). AENOR confirms that the REDD+ Project for Caribbean Guatemala: The Conservation Coast, Monitoring & Implementation Report (Version 2.8 dated 2 September 2020) has been implemented in accordance with the validated PD including any validated changes as applicable.

AENOR confirms all verification activities, including objectives, scope and criteria, level of assurance, monitoring and project documentation adherence to VCS Version 4 (and all associated updates), and CCB Project Design Standards (Third Edition), as documented in this report are complete. AENOR concludes without any qualifications or limiting conditions that the REDD+ Project for Caribbean Guatemala: The Conservation Coast, meets the requirements of VCS Version 4 (and all associated updates) and CCB Standards Third Edition for the monitoring period (01-January-2019 to 31-December-2019).

The project is achieving the climate, community, and biodiversity benefits, including Gold Level Exceptional Biodiversity Benefits as described in the Monitoring & Implementation Report.

AENOR confirms all validation activities of one Project Description deviation and two minor changes to the Project Description during this verification event adhere to VCS Version 4 (and all associated updates), and CCB Standards Third Edition. AENOR concludes without any qualifications or limitation that the REDD+ Project for Caribbean Guatemala: The Conservation Coast the project complies with the validation criteria for projects set out in CCB Version 3 and VCS Version 4.

The GHG assertion provided by the project proponent and verified by AENOR has resulted in a total net GHG Emission Reductions of 782,687 tCO<sub>2</sub>e by the project during the monitoring period (01-January-2019 to 31-December-2019). Considering 10% of buffer withholding based on the VCS Non-Permanence Risk Assessment Tool v4.0 (in which the Project took the minimum risk rating), which means a buffer allocation of 78,269 tCO<sub>2</sub>e, the Verified Carbon Units (VCU) to be issued are 704,418 tCO<sub>2</sub>e.

For this period there is no release of buffer credits following VCS Registration and Issuance Process Document 19 September 2019, v4.0.

Verification/monitoring period: From 01-January-2019 to 31-December-2019.

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

Year	Baseline emissions or removals (tCO <sub>2</sub> e)	Project emissions or removals (tCO <sub>2</sub> e)	Leakage emissions (tCO <sub>2</sub> e)	Net GHG emission reductions or removals (tCO <sub>2</sub> e)
2019	1,135,033	352,347	0	782,687
<b>Total</b>	<b>7,500,721</b>	<b>1,682,736</b>	<b>611,981</b>	<b>5,206,004</b>

Overall non-permanence risk rating: 10%

VCUs buffer to be deposited: 78,269 tCO<sub>2</sub>e.

Total VCUs to be issued: 704,418 tCO<sub>2</sub>e.

Year	Net GHG emission reductions or removals (tCO <sub>2</sub> e)	Buffer pool allocation	VCUs eligible for issuance
2019	782,687	78,269	704,418
<b>Total</b>	<b>782,687</b>	<b>78,269</b>	<b>704,418</b>

## APPENDIX 1: LIST OF EVIDENCES PROVIDED

<b>General documents</b>
<p>Monitoring report:</p> <ul style="list-style-type: none"> <li>- Final version: FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.8</li> <li>- FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.7</li> <li>- FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.6</li> <li>- FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.4</li> </ul> <p>Monitoring report public summary:</p> <ul style="list-style-type: none"> <li>- Final version: Resumen MIR 2019 V1.4</li> <li>- Resumen MIR 2019 V1.3</li> <li>- Resumen MIR 2019 V1.2</li> </ul> <p>Non-Permanence Risk Report:</p> <ul style="list-style-type: none"> <li>- VCS-Non-Permanence-Risk-Report-v4.0FUNDAECO RiskAreaAV3</li> <li>- VCS-Non-Permanence-Risk-Report-v4.0FUNDAECO RiskAreaBV3</li> <li>- VCS-Risk-Report-Calculation-Tool-v4.0FUNDAECO RiskAreaAV3</li> <li>- VCS-Risk-Report-Calculation-Tool-v4.0FUNDAECO RiskAreaBV3</li> <li>- wgidataset.xlsx</li> </ul>
<b>Biodiversity</b>
<ul style="list-style-type: none"> <li>- Amphibian Monitoring Report 2017-2018</li> <li>- Binational Jaguar Conectivity Preliminary</li> <li>- BIRD_MONITORING_PROGRAM-2017-2018-final</li> <li>- FUNDAECO BIRD MONITORING PROGRAM- REPORT 2019 (WITH APPENDICES)-final</li> <li>- informe monitoreo anfibios febrero 2020 Althelia Caral y San Gil</li> <li>- Jaguar connectivity report</li> <li>- Proyecto monitoreo binacional jaguar</li> <li>- Protocol to avoid Chytrid fungus</li> <li>- Informe de Campo Levantamiento de datos biofisicos ZRP PNRD CONAP FUNDAECO</li> <li>- Informe monitoreo de temperatura Agosto 2019</li> <li>- Informe monitoreo de temperatura Octubre 2019</li> <li>- Monitoreo de ecosistemas prioritarios ZRP pastos marinos y manglares</li> </ul>
<b>Climate</b>
<p>Carbon Accounting:</p> <ul style="list-style-type: none"> <li>- Fundaeco VM0015 Accounting Model v3.19 MP3 2019</li> <li>- Fundaeco VM0015 Accounting Model v3.12 MP3 2019 - with ARR</li> <li>- MP3 Ex-Post Manual Model v1.5</li> <li>- Fundaeco Leakage Data</li> <li>- Leakage - Agents Mobility v1.1</li> </ul>
<p>Geospatial:</p> <ul style="list-style-type: none"> <li>- Project area</li> <li>- Leakage area</li> <li>- LULC</li> </ul>
<p>Market Leakage:</p> <ul style="list-style-type: none"> <li>- Cattle Ranching in Guatemala_Markus_Zander_and_Jochen_Durr</li> <li>- datos de destace de ganado bovino</li> <li>- datos de ilicitos denunciados periodo 2017-2018</li> <li>- El Agro en Cifras 2015 - MAGA Guatemala</li> <li>- FUNDAECO Cattle Market Impact Analysis</li> </ul>

<b>Community</b>
<ul style="list-style-type: none"> <li>- Base socioeconómica – Altelia</li> <li>- Consultoria Estudio Viabilidad Agroforesteria 10062014</li> <li>- Enmiendas ET SSC Sept 2019 CONAP</li> <li>- Grievance Logbook</li> <li>- Informe ceremonias mayas para karen</li> <li>- Informe de Proceso FPIC 2015-2016</li> <li>- Informe de Proceso FPIC 2017-2018</li> <li>- Informe de Proceso FPIC 2019</li> <li>- Plan de Socialización, CPLI y Comunicación</li> <li>- Procedimiento para el Monitoreo Socioeconomico y Comunitario</li> </ul>
<p>Consulta Sierra Santa Cruz:</p> <ul style="list-style-type: none"> <li>- actividades Santa Elena julio</li> <li>- Declaratoria 13-04-2019</li> <li>- Informe Declaratoria y VCUS - SAQUITZUL 15-2-2019</li> <li>- Reunion con Cocodes Cerro 1019</li> <li>- Verificador Asamblea AIK - Sesab -Proceso Declaratoria 20-8-2019</li> </ul>
<p>Consultation meetings:</p> <ul style="list-style-type: none"> <li>- Consulta Declaratoria 13-04-2019</li> <li>- consulta mejora coordinación y apoyo a JD Bonanza</li> <li>- coordinacion actividades proteccion con COCODEs y Muni</li> <li>- reunion compromisos PROBOSQUE y REDD+15,16,23-05-2019</li> </ul>
<p>Monitoring results dissemination:</p> <ul style="list-style-type: none"> <li>- 9. Reunion del CEL Río Sarstún</li> <li>- 10-05-19 REUNIÓN P.G.Q.</li> <li>- 15-08-19 REUNIÓN CON COMUNITARIOS DEL AUMRS.</li> <li>- Acta 79, listados de participantes CEL sector B</li> <li>- Acta No 78.2019 Primera CEL-2019</li> <li>- Acta no. 80 Tercera reunión el hiGUERITO</li> <li>- información de botiquines, practicante y diagnóstico</li> <li>- información y dialogo para evitar la deforestacion-1-22-3-9</li> <li>- Informe 2da reunión CEL Sierra Caral</li> <li>- Boletin_oct</li> </ul>
<p>Worker's training activities:</p> <ul style="list-style-type: none"> <li>- capacitación a mujeres de Bonanza sobre donas</li> <li>- capacitación control and surveillance</li> <li>- capacitaciones incentivos</li> <li>- General health</li> <li>- world ranger congress</li> </ul>
<p>Scholarships:</p> <ul style="list-style-type: none"> <li>- Scholarship request forms</li> </ul>
<p>Rights protection:</p> <ul style="list-style-type: none"> <li>- 03-05-19 REUNION PINPEP COMUNITARIOS</li> <li>- CHE 524 KFW Patrullaje Abril 2019</li> <li>- ejemplo participacion voluntaria en huerto</li> <li>- Ejemplo participacion voluntaria incentivo PINPEP INAB</li> <li>- Informe Patrullaje Rosario Nubes 25-6-2019</li> <li>- Patrullaje Santa Isabel 2</li> <li>- Patrullaje semuy 03-04-2019</li> </ul>

<b>Institutional documents</b>
<ul style="list-style-type: none"> <li>- Código de etica FUNDAECO 2017</li> <li>- Contrato VCUs entre FUNDAECO-PROPIETARIO 10915</li> <li>- Cuentadancia Contraloría Gral. de Cuentas</li> <li>- Exención de Impuestos</li> <li>- Gender, No Discrimination, and Human Rights PolicyV2</li> <li>- Inscripcion en Registro Civil</li> <li>- INSCRIPCION IGSS</li> <li>- Manual compras 191118</li> <li>- MANUAL DE POLITICAS NORMAS Y PROCEDIMIENTOS jul 2015</li> <li>- PÓLITICA ANTICORRUPCIÓN Y ANTI SOBORNO</li> <li>- Project status schema 2019</li> <li>- Registros Institucionales</li> <li>- REGLAMENTO INTERNO DE TRABAJO</li> <li>- RTU</li> <li>- CONTROL Y VIGILANCIA2</li> <li>- Contracts with landholders</li> <li>- Política y Plan Salud Ocupacional y Seguridad en FUNDAECO</li> <li>- PLAN DE COMUNICACIÓN INTERNA PARA DIVULGACION DE RIESGOS V4</li> </ul>
<b>BAP Manuals</b>
<ul style="list-style-type: none"> <li>- Plan General de BPA 2016</li> <li>- 02 buenas practicas agricolas CARDAMOMO</li> <li>- 03 buenas practicas agricolas PIMIENTA NEGRA</li> <li>- 03 buenas practicas agricolas RAMBUTAN</li> <li>- 04 Formulario evaluacion AGEXPORT</li> </ul>
<b>Theory of Change</b>
<b>Financial</b>
<ul style="list-style-type: none"> <li>- FUNDAECO Budget and Cashflow Analysis 2019V1</li> <li>- NPV Analysis</li> </ul>

## APPENDIX 2: CORRECTIVE ACTIONS AND CLARIFICATIONS REQUESTS

### VCS Clarification Requests (CLs)

<b>VCS CL ID</b>	<b>01</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
<p>The validated PD (27 March 2017, v2.36) included Universidad de Guatemala (UVG) Centro de Estudios Ambientales y de Biodiversidad (CEAB) as other entity involved in the project. However, there is no mention of this entity in the MR. Provide more information regarding the current role of UVG-CEAB in the project.</p>		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
<p><i>Effectively the validated PD states UVG-CEAB as one of the main organizations and individuals providing services for the development of Project, specifically for the Establishment of LULC maps over the historical reference period, development of species specific allometric equations, and measurement of carbon stocks.</i></p> <p><i>However UVG-CEAB has no further participation nor in the project implementation or monitoring.</i></p>		
<b>Documentation provided by project participant</b>		
NA		
<b>DOE assessment</b>		<b>Date:</b> 29/06/2020
<p>The removal of UVG-CEAB as other entity involved in the project shall be reflected as minor change to Project Description.</p> <p>CL still open.</p>		
<b>Project participant response</b>		<b>Date:</b> 09/07//2020
<p><i>A minor change for this monitoring period is included as to indicate that UVG-CEAB is not involved anymore in the project.</i></p>		
<b>Documentation provided by project participant</b>		
FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.7		
<b>DOE assessment</b>		<b>Date:</b> 10/07/2020
<p>The PP has provided clarification and made the adequate corrections.</p> <p><b>CL closed.</b></p>		



<b>VCS CL ID</b>	<b>02</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
Provide evidence that there are no overlapping project areas with the VCS project <i>Agroforestry and forest restoration for ecological connectivity, poverty reduction and biodiversity conservation in Cerro San Gil, Caribbean Guatemala (ID1558)</i> .		
<b>Project participant response</b>		<b>Date:</b> 09/07/2020
<p><i>The project determined that there was an area of roughly 33 hectares that was identified to have an overlap in boundaries with the neighboring ARR project (ID1558). These overlap areas were identified across 29 different PAIs within the project area. All areas of overlap were removed from the Project Area shapefiles for Monitoring Periods 1, 2, and 3 (see Geospatial Transfer Folder). No PAIs were fully removed as a result of the drop in areas of overlap, so the total number of PAIs participating in the project remains the same.</i></p> <p><i>The leakage area boundaries were also modified for the project across Monitoring Periods 1, 2, and 3 as a result of the change in project area size. As part of these modifications, an error was noted with the MP2 leakage area boundary, where areas of overlap had existed between the Project Area and Leakage Area boundaries. The LA boundary was corrected to exclude any areas that belong within the PA boundary. While the change in project area size had a small impact on credit generation for the project, the change in leakage area had no effect, as the activity-shifting leakage was calculated at 0 for both the previous and new shapefile boundaries. The MIR was updated with revised maps showing the new PA/LA boundaries (see FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.7)</i></p> <p><i>Once the new shapefiles for the PA and LA were generated as a result of the exclusion of ARR boundary overlap, the baseline data and monitoring data for the project's 3 monitoring periods was updated for those 29 modified project area parcels as well as the new leakage areas. The new revised area baseline and monitoring data was input into a new version of the accounting model, and the change in VCUs over the project lifetime was quantified (see Fundaeco VM0015 Accounting Model v3.19).</i></p> <p><i>The recent accounting model was compared with the previous version of the MP3 accounting model (see Fundaeco VM0015 Accounting Model v3.12_with ARR) version prior to the removal of the ARR overlap areas in order to determine the difference between both VCU estimates. The NERs that were previously over-credited during prior monitoring periods 1 and 2, totaling 886 tCO<sub>2</sub>e, were added to the MP3 project emissions estimate, as requested by Verra. These adjustments were made manually within Fundaeco VM0015 Accounting Model v3.19, however, upon realizing the manual adjustment following guidance from Verra, it was identified that there was a slight discrepancy of 82 VCUs between the revised model and the manual adjustment for 2019. It was determined that this de-minimis difference (less than 0.002% of total VCUs) was likely due to a double-allocation of buffer credits on the overage of 886 tCO<sub>2</sub>e. As this minor discrepancy is insignificant, conservative, and the project proponent is following the guidance issued by Verra (see EP Carbon Mail - Call Scheduling Regarding Project Overlap), and the project proponent has decided to retain this discrepancy in the accounting model. The MIR was updated with the revised VCU estimates.</i></p> <p><i>A project description deviation was added to the MIR in section 2.2.4 to reflect the reduction in project area size due to the drop in overlap between ARR boundaries and the project area. It was determined that no revisions were necessary to the PD itself due to this deviation, as</i></p>		

*the magnitude of these changes are de-minimis to both the accounting of project emissions reductions under the VCS Standard, and posed no material threats to the benefits derived under the CCB Standard. Additionally, the deviation does not impact the project's demonstration of additionality, the applicability of the methodology, or the appropriateness of the baseline scenario, as specified in section 3.18.2 of the VCS Standard 4.0. The interpretation of the requirements laid out in the VCS Program rules and the confirmation of this approach from Verra staff can be found in the included email correspondence (EP Carbon Mail - Project Description Deviations)*

**Documentation provided by project participant**

*Geospatial Transfer Folder  
FUNDAECO 2019 CCB\_VCS\_Monitoring Report\_CCBv3.0\_VCSv4.0\_v2.7)  
Fundaeco VM0015 Accounting Model v3.12- with ARR  
Fundaeco VM0015 Accounting Model v3.19  
EP Carbon Mail - Project Description Deviations  
EP Carbon Mail - Call Scheduling Regarding Project Overlap*

**DOE assessment**

**Date:** 10/07/2020

The PP has provided clarification and made the adequate corrections.

**CL closed.**

<b>VCS CL ID</b>	<b>03</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
<p>Provide the following documents/evidences:</p> <ul style="list-style-type: none"> <li>a) GroupedProjectArea_11032016.shp</li> <li>b) Control y vigilancia2.doc (Non-permanence risk report)</li> <li>c) NPV Analysis.xlsx (Non-permanence risk report)</li> </ul>		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
Documents are provided		
<b>Documentation provided by project participant</b>		
<ul style="list-style-type: none"> <li>a) <i>Is provided as zip file</i> GroupedProjectArea_11032016</li> <li>b) <i>Is provided as</i> Control y vigilancia2.doc</li> <li>c) <i>Is provided as</i> NPV Analysis.xlsx</li> </ul>		
<b>DOE assessment</b>		<b>Date:</b> 29/06/2020
<p>The PP has provided the requested documents. <b>CL closed.</b></p>		

<b>VCS CL ID</b>	<b>04</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
Provide accounting model spreadsheet in which the used calculations and formulae are traceable and reproducible.		
<b>Project participant response</b>		<b>Date:</b> 09/07/2020
<p><i>The project proponent has prepared a manual accounting model to provide further transparency and to help the VVB team verify the emissions reductions calculations for each PAI, as well as the total calculations of leakage emissions for the project (see MP3 Ex-Post Manual Model v1.5). The manual model demonstrates that the variations between the manual excel calculations and the coded calculations within the Fundaeco VM0015 Accounting Model v3.19 are much less than the 1% materiality threshold (ranging from 0-0.13% net difference), therefore confirming the accuracy of the coded calculations.</i></p>		
<b>Documentation provided by project participant</b>		
MP3 Ex-Post Manual Model v1.5 Fundaeco VM0015 Accounting Model v3.19		
<b>DOE assessment</b>		<b>Date:</b> 10/07/2020
The PP has provided the requested spreadsheet. <b>CL closed.</b>		

<b>VCS CL ID</b>	<b>05</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
<p>In section 3.1.3 of the MR, as required by the VCS&amp;CBB Monitoring &amp; Implementation Report Template, provide the following information:</p> <ol style="list-style-type: none"> <li>1. The organizational structure, responsibilities and competencies of the personnel that carried out the monitoring activities.</li> <li>2. The procedures used for handling any internal auditing performed and any non-conformities identified.</li> </ol>		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
<p><i>Section 3.1.3 has been updated incorporating an explanation on roles and responsibilities for the climate impacts monitoring.</i></p>		
<b>Documentation provided by project participant</b>		
FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.6		
<b>DOE assessment</b>		<b>Date:</b> 26/06/2020
<p>The PP has provided the requested information. <b>CL closed.</b></p>		

<b>VCS CL ID</b>	<b>06</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
<p>In the Non-permanence risk report of Risk Area A for the previous monitoring period, the following was stated for project longevity: "Although Fundaeco is legally committed to protecting their lands for a period of 60 years, the Implementation Plan and Financial Model only cover a 30 year project lifetime, thus the overall project lifetime is set at 30 years."</p> <p>However, for the current monitoring period, project lifetime has been set in 60 years. Provide justification for this change.</p>		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
<p><i>For a mistake it was stated that the project longevity for Risk Area A was 60 years, this data was corrected in the Risk Calculation and the Risk Report, to 30 years according to AFOLU Non-Permanence Risk Tool criteria</i></p>		
<b>Documentation provided by project participant</b>		
<p>VCS-Non-Permanence-Risk-Report-v4.0FUNDAECO RiskAreaAV2.pdf VCS-Risk-Report-Calculation-Tool-v4.0FUNDAECORiskAreaAV2.xlsm</p>		
<b>DOE assessment</b>		<b>Date:</b> 02/07/2020
<p>The PP has provided explanation and made the appropriate corrections. <b>CL closed.</b></p>		

**VCS Corrective Actions Requests (CARs)**

<b>VCS CAR ID</b>	<b>01</b>	<b>Date:</b> 25/05/2020
<b>Description of CAR</b>		
In the Non-permanence risk report, the calculated governance score is incorrect.		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
<i>There was a mistake in this calculation, the score was corrected in both risks calculation tools for area A and B, and in both Risks Reports for area A and B</i>		
<b>Documentation provided by project participant</b>		
VCS-Non-Permanence-Risk-Report-v4.0FUNDAECO RiskAreaAV2.pdf VCS-Non-Permanence-Risk-Report-v4.0FUNDAECO RiskAreaBV2.pdf VCS-Risk-Report-Calculation-Tool-v4.0FUNDAECO RiskAreaBV2.xlsm VCS-Risk-Report-Calculation-Tool-v4.0FUNDAECORiskAreaAV2.xlsm wgidataset monitoring 2019.xlsm (spread sheet Guatemala)		
<b>DOE assessment</b>		<b>Date:</b> 02/07/2020
The PP has correctly calculated the governance score (-0.60). However, it has been inputted in the VCS Risk Report Calculation Tool as 0.60. Thus, the Political Risk reported in the Non-permanence risk reports is incorrect.  CAR still open.		
<b>Project participant response</b>		<b>Date:</b> 09/07/2020
<i>The governance score of -0.60 has been updated in the Risk Report calculation tool, and the appropriate governance scores have also been updated in the Risk Reports themselves (see VCS-Risk-Report-Calculation-Tool-v4.0FUNDAECO RiskAreaAV3, VCS-Risk-Report-Calculation-Tool-v4.0FUNDAECO RiskAreaBV3, VCS-Non-Permanence-Risk-Report-v4.0FUNDAECO RiskAreaAV3, and VCS-Non-Permanence-Risk-Report-v4.0FUNDAECO RiskAreaBV3). The governance risk is now net 2 (a risk score of 4 with -2 points for mitigation strategies). This has been revised in both risk reports A and B.</i>		
<b>Documentation provided by project participant</b>		
VCS-Risk-Report-Calculation-Tool-v4.0FUNDAECO RiskAreaAV3 VCS-Risk-Report-Calculation-Tool-v4.0FUNDAECO RiskAreaBV3 VCS-Non-Permanence-Risk-Report-v4.0FUNDAECO RiskAreaAV3 VCS-Non-Permanence-Risk-Report-v4.0FUNDAECO RiskAreaBV3		
<b>DOE assessment</b>		<b>Date:</b> 10/07/2020

PP has made the adequate corrections.

**CAR closed.**



## CCB Clarification Requests (CLs)

<b>CCB CL ID</b>	<b>01</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
<p>Provide the following documents/evidences:</p> <ul style="list-style-type: none"> <li>a) Plan General de BPA 2016.docx</li> <li>b) Evidence of the meetings with stakeholders to provide access to project information (as reported in section 2.3.1, 2.3.3 of the MR)</li> <li>c) Bulletin (reported in section 2.3.2 of the MR) for the current monitoring period.</li> <li>d) Evidence of the worker's training activities (reported in section 2.3.12 of the MR).</li> <li>e) Informe de Proceso FPIC for the current monitoring period.</li> <li>f) Evidence of the 124 youngster benefited by the project (reported in section 4.1.1)</li> <li>g) Evidence of the coastline surveyed (reported in section 5.1.1).</li> <li>h) Protocol to avoid Chytrid fungus</li> <li>i) Enmiendas ETSSC Sept 2019 CONAP</li> </ul>		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
<i>All required documents are provided</i>		
<b>Documentation provided by project participant</b>		
<ul style="list-style-type: none"> <li>a) Plan General de BPA 2016.docx</li> <li>b) CL01b (contains several evidences)</li> <li>c) Buletin_oct</li> <li>d) CL01d (contains several evidences)</li> <li>e) Informe de Proceso FPIC 2019</li> <li>f) CL01f</li> <li>g) CLg(contains several evidences)</li> <li>h) Protocol to avoid Chytrid fungus</li> <li>i) Enmiendas ETSSC Sept 2019 CONAP</li> </ul>		
<b>DOE assessment</b>		<b>Date:</b> 29/06/2020
<p>Document c) Bulletin_oct not provided. CL still open.</p>		
<b>Project participant response</b>		<b>Date:</b> 09/07/2020
<p>For a mistake document were not uploaded, documents are now in the shared file: <i>Boletin_oct is provided</i></p>		
<b>Documentation provided by project participant</b>		
<i>Boletin_oct</i>		

<b>DOE assessment</b>	<b>Date:</b> 10/07/2020
The PP has provided the requested evidence. <b>CL closed.</b>	

<b>CCB CL ID</b>	<b>02</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
In section 2.3.7 of the MR, as required by the VCS&CBB Monitoring & Implementation Report Template, document consultations and indicate if and how project design has been affected by stakeholder input.		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
<i>Section 2.3.7 has been updated by adding information on minor requests and changes made as part of the consultation and information meetings with stakeholders.</i>		
<b>Documentation provided by project participant</b>		
FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.6 CL02 (samples of consultation meetings)		
<b>DOE assessment</b>		<b>Date:</b> 29/06/2020
The PP has provided the requested information. <b>CL closed.</b>		

<b>CCB CL ID</b>	<b>03</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
<p>In section 2.3.12 of the MR, it is stated that: "During this project monitoring period 1 information request was received and the project team solved the doubts regarding it." However, in the Grievance LogBook provided there is no record entry for any grievance during the monitoring period. Provide clarification regarding the aforementioned information request.</p>		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
<p><i>For a mistake was provided the previous logbook. We are providing the updated logbook for 2019</i></p>		
<b>Documentation provided by project participant</b>		
Grievance Logbook 2019.xlsx		
<b>DOE assessment</b>		<b>Date:</b> 29/06/2020
<p>The PP has provided the correct document. <b>CL closed.</b></p>		

<b>CCB CL ID</b>	<b>04</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
<p>In section 2.3.16 of the MR, as required by the VCS&amp;CBB Monitoring &amp; Implementation Report Template, provide the Assessment of substantial risks to worker safety that have arisen due to project implementation and describe the activities and/or processes implemented to inform workers of risks and how to minimize such risks.</p>		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
<p><i>Section 2.3.16 has been updated by adding information on FUNDAECO policies and procedures to assess risks to worker safety due to project implementation and describe the activities and/or processes implemented to inform workers of these risks. This explanation informs on policies and plans that are under implementation and describes some of the procedures.</i></p>		
<b>Documentation provided by project participant</b>		
<ul style="list-style-type: none"> <li>• FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.6</li> <li>• Política y Plan de Salud y Seguridad Ocupacional en FUNDAECO</li> <li>• Plan de comunicación y divulgación de riesgos;</li> </ul>		
<b>DOE assessment</b>		<b>Date:</b> 29/06/2020
<p>Documents <i>Política y Plan de Salud y Seguridad Ocupacional en FUNDAECO</i> and Plan de comunicación y divulgación de riesgos not provided.</p> <p>CL still open.</p>		
<b>Project participant response</b>		<b>Date:</b> 09/07/2020
<p>For a mistake document were not uploaded, documents are now in the shared file:</p> <p>Política y Plan de Salud y Seguridad Ocupacional en FUNDAECO V4</p> <p>Plan de comunicación y divulgación de riesgos</p>		
<b>Documentation provided by project participant</b>		
<p>Política y Plan de Salud y Seguridad Ocupacional en FUNDAECO V4</p> <p>Plan de comunicación y divulgación de riesgos</p>		
<b>DOE assessment</b>		<b>Date:</b> 10/07/2020
<p>The PP has provided the requested documents.</p> <p><b>CL closed.</b></p>		

<b>CCB CL ID</b>	<b>05</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
In section 2.5.2 of the MR, as required by the VCS&CBB Monitoring & Implementation Report Template, demonstrate with documented consultations and agreements that the project has not encroached uninvited on private property, community property, or government property.		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
<p><i>Section 2.5.2 has been updated with the addition of a paragraph that explains how and under what regulatory framework FUNDAECO implement projects activities especially those that implies entrance into private property, community property, or government property. Samples are provided for: control and surveillance reports where the presence of government institutions is demonstrated through participants lists and photos, and forestry incentives and agroforestry activities demonstrating the voluntary participation of land owners.</i></p>		
<b>Documentation provided by project participant</b>		
<p>FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.6 File CL05 contains samples of evidence</p>		
<b>DOE assessment</b>		<b>Date:</b> 29/06/2020
<p>The PP has provided clarification and appropriate supporting evidences. <b>CL closed.</b></p>		

<b>CCB CL ID</b>	<b>06</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
<p>Provide a copy of the contracts signed with the landowners of the following randomly selected participating properties (Código FUNDAECO):</p> <ul style="list-style-type: none"> <li>- 212</li> <li>- 360</li> <li>- 406</li> <li>- 421</li> <li>- 445</li> <li>- 481</li> <li>- 541</li> <li>- 571</li> <li>- 590</li> <li>- 811</li> </ul>		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
<i>FUNDAECO is providing scanned contracts</i>		
<b>Documentation provided by project participant</b>		
Contratosreddscaneados.zip		
<b>DOE assessment</b>		<b>Date:</b> 29/06/2020
<p>The PP has provided the requested contracts.</p> <p><b>CL closed.</b></p>		

<b>CCB CL ID</b>	<b>07</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
In section 2.5.5 of the MR, as required by the VCS&CBB Monitoring & Implementation Report Template, describe activities and/or processes implemented to resolve conflicts or disputes.		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
<i>Section 2.5.5 was updated to explain the process for conflict resolution.</i>		
<b>Documentation provided by project participant</b>		
FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.6 File CL07 (samples of conflict resolution)		
<b>DOE assessment</b>		<b>Date:</b> 29/06/2020
The PP has provided the requested information. <b>CL closed.</b>		



<b>CCB CL ID</b>	<b>08</b>	<b>Date:</b> 25/05/2020
<b>Description of CL</b>		
<p>In section 4.1.2 of the MR, as required by the VCS&amp;CBB Monitoring &amp; Implementation Report Template, describe activities and/or processes implemented to mitigate any negative well-being impacts on community groups and for maintenance or enhancement of high conservation value (HCV) attributes identified in the project description, specifically risk of unemployment related to the livelihoods of some community member working in small local sawmills</p>		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
<p><i>Section 4.1.2 has been updated as to inform how the project approach these risks but also clarifying that according to Guatemala laws and independent on the project activities, local sawmills need authorization, meaning that project activities does not limit these sawmills, but that they are previously regulated by Guatemalan laws.</i></p>		
<b>Documentation provided by project participant</b>		
FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.6		
<b>DOE assessment</b>		<b>Date:</b> 29/06/2020
<p>The PP has provided the requested information. <b>CL closed.</b></p>		

## CCB Corrective Actions Requests (CARs)

<b>CCB CAR ID</b>	<b>01</b>	<b>Date:</b> 25/05/2020
<b>Description of CAR</b>		
<p>Some of the reported unique and standardized project benefits achieved during the project lifetime in sections 1.1 and 1.2 of the MR are not quantitative coherent with the project benefits reported for the previous monitoring period. Specifically:</p> <ol style="list-style-type: none"> <li>Sufficient household income and Widespread protection (Unique benefit)</li> <li>For REDD projects: Number of hectares of reduced forest loss in the project area measured against the without-project scenario</li> <li>Number of hectares of non-forest land in which improved land management has occurred as a result of the project's activities, measured against the without-project scenario</li> <li>Number of female community members who have improved skills and/or knowledge resulting from training provided as part of project activities of project activities</li> <li>Change in the number of hectares significantly better managed by the project for biodiversity conservation, measured against the without-project scenario</li> </ol>		
<b>Project participant response</b>		<b>Date:</b> 15/06/2020
<p><i>Please consider the next explanations:</i></p> <ol style="list-style-type: none"> <li><i>Data was corrected. There was a mistake due to a typing error. Achievement during project lifetime is obtained adding data reported in the previous monitoring period (371) plus the new beneficiaries of project incentives (42) for a total 413. The logic is that for achievements during lifetime only new beneficiaries are considered cumulative. However for the monitoring period achievements we report past beneficiaries as they continue receiving incentives due to project support, thereby for this period we included 288 families receiving incentives since the previous period and 42 new families.</i></li> <li><i>Data was corrected. There was a mistake due to a typing error. Correct data is 12397.</i></li> <li><i>Data was corrected in the monitoring period achievement to "0" as no new non-forest land with improved land management has occurred during this monitoring period. Thereby Project lifetime achievement remain the same as reported in the previous monitoring period "2449".</i></li> <li><i>Data was corrected. There was a mistake due to a typing error, correct data is 1998.</i></li> <li><i>Data remains the same. In the previous monitoring period there was a miss-lecture on footnote 9 of the MIR template. During this monitoring period we corrected this data according to the criteria explained in footnote 9, thus the actual data is considered correct.</i></li> </ol>		
<b>Documentation provided by project participant</b>		
FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.6		
<b>DOE assessment</b>		<b>Date:</b> 10/07/2020

<p>a) Only the 42 new beneficiaries of project incentives shall be reported on the Achievements During the Monitoring Period column. Issue sill open.</p> <p>b) Figure appropriately corrected.</p> <p>c) Figure appropriately corrected.</p> <p>d) Figure appropriately corrected.</p> <p>e) Appropriate explanation provided.</p> <p>CAR still open.</p>	
<b>Project participant response</b>	<b>Date:</b> 09/07/2020
Section 1.1 was updated to present only the new beneficiaries of project incentives	
<b>Documentation provided by project participant</b>	
FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.7	
<b>DOE assessment</b>	<b>Date:</b> 10/07/2020
<p>The PP has made the adequate corrections.</p> <p><b>CAR closed.</b></p>	

<b>CCB CAR ID</b>	<b>02</b>	<b>Date:</b> 25/05/2020
<b>Description of CAR</b>		
<p>Table 34 of section 4.3.1 is missing the following indicators from the validated PD (27 March 2017, v2.36):</p> <ul style="list-style-type: none"> <li>a) # of ecotourism vendors and ecotourism staff participated (No. 63)</li> <li>b) # of trainings held (No. 63)</li> <li>c) # people trained (No. 58)</li> </ul>		
<b>Project participant response</b>		<b>Date:</b> 10/07/2020
<p>Considering the adaptive management approach these activities and indicators are now included under a new activity, allowing us to a more efficient monitoring as well as to the inclusion of similar trainings that could be implemented in the future. This change was explained in section 2.2.3.2 Minor Changes to Project Description for Previous Monitoring Periods, Table 8, and Table 34 was updated with this changes.</p>		
<b>Documentation provided by project participant</b>		
FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.6		
<b>DOE assessment</b>		<b>Date:</b> 29/06/2020
<p>This minor change to project description was not reported on the previous monitoring report. Therefore, it shall be reported as minor change to project description for the current monitoring period.</p> <p>CAR still open.</p>		
<b>Project participant response</b>		<b>Date:</b> 09/07/2020
<p>This change is now reported under the section 2.2.3.1 Minor change to project description for the current monitoring period, table 8</p>		
<b>Documentation provided by project participant</b>		
FUNDAECO 2019 CCB_VCS_Monitoring Report_CCBv3.0_VCSv4.0_v2.7		
<b>DOE assessment</b>		<b>Date:</b> 10/07/2020
<p>The PP has made the adequate corrections.</p> <p><b>CAR closed.</b></p>		