



CCB FINAL VALIDATION REPORT

WILDLIFE WORKS KASIGAU CORRIDOR REDD PROJECT PHASE II – THE COMMUNITY RANCHES

DRAFT REPORT No. 2011-9220

REVISION No. 01



DRAFT CCB PROJECT VALIDATION REPORT

Date of first issue: 17 May, 2011	Project No.: PRJC-297154-2011-CCS-USA	DET NORSKE VERITAS (U.S.A.) INC. <i>Climate Change & Environmental Services</i> One Bush Street, 12 th Floor San Francisco, CA 94104 Tel: +1 415-318-3900 Fax: +1 415-318-3901 http://www.dnv.com
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Det Norske Veritas (U.S.A.), Inc. (DNV) has performed a validation of the “The Kasigau Corridor REDD Project Phase II – The Community Ranches” (hereafter called “the project”) in Kenya on the basis of criteria defined by the Climate Community and Biodiversity Alliance (CCBA) second edition and approved Verified Carbon Standard (VCS) methodology, “VM0009 – Methodology for Avoided Mosaic Deforestation of Tropical Forests Version 1.0,” as well as criteria for consistent project operations, monitoring and reporting. This validation report summarizes the findings of the CCBA validation.

The validation consisted of the following three phases: i) a desk review of the project design, the baseline and the monitoring plan, ii) follow-up interviews with project stakeholders and the issuance of the finding list, and iii) the resolution of outstanding issues and the issuance of the final validation report and opinion.

The main project activity is to prevent deforestation caused by slash and burn and subsistence farming activities by empowering the local communities with employment opportunities and key infrastructure projects. The project results in reductions of GHG emissions that are real, measurable and give long-term benefits to the mitigation of climate change, and have clear socio-economic benefits to the communities surrounding the project area, and to biodiversity.

In summary, it is DNV’s opinion that the “The Kasigau Corridor REDD Project Phase II – The Community Ranches” as described in the CCBA Project Document dated 27 April, 2011 meets all relevant CCBA requirements.

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Abbreviations

AFOLU Guidelines	Agriculture, Forestry and Other Land Uses Section of Guidelines for National Greenhouse Gas Inventories 2006
CAR	Corrective Action Request
CCBA	Climate Community and Biodiversity Alliance
CDM	Clean Development Mechanism
CL	Clarification Request
CO ₂	Carbon Dioxide
DNA	Designated National Authority
DNV	Det Norske Veritas
DR	Document Review
EB	Executive Board
GHG	Greenhouse Gas(es)
GPG LULUCF	Intergovernmental Panel on Climate Change's Good Practice Guidance for Land-Use Land Use Change and Forestry
GWP	Global warming potential
HCV	High Conservation Value(s)
m	Meters
MED	Methodology Element Documentation
MoV	Means of Verification
PDD	Project Design Document
REDD	Reduced Emissions from Deforestation and Degradation
SCS	Scientific Certification Systems
tCO ₂ e	Tonnes CO ₂ equivalent
VCS	Verified Carbon Standard
VCSA	VCS Association
VCU	Voluntary Carbon Unit
WBCSD	World Business Council for Sustainable Development
WRI	World Resources Institute

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1 INTRODUCTION

Wildlife Works Carbon, LLC has commissioned Det Norske Veritas (U.S.A.), Inc. (DNV) to validate the “Kasigau Corridor REDD Phase II – The Community Ranches” in Kenya. This report provides a description of the steps involved in conducting the validation and the findings of the validation based on the Climate, Community and Biodiversity Alliance (CCBA) Project Design Standards (Second Edition), as well as criteria for consistent project operations, monitoring and reporting.

The validation team consisted of the following personnel:

<i>Role/Qualification</i>	<i>Last Name</i>	<i>First Name</i>	<i>Country</i>
Project manager / CCBA Validator	Stevenson	Samuel	USA
CCBA Validator / VCS REDD AFOLU Expert	Smith	Gordon	USA
Technical reviewer	Kapambwe	Misheck	Australia

1.1 Objective

The purpose of a validation is to have an independent third party assess the project design against all criteria set out by the CCBA. Validation is a requirement for all CCBA projects and is seen as necessary to provide assurance to stakeholders of the quality of the project and its intended climate, community, and biodiversity benefits. The final decision on the registration of a proposed project rests with the CCBA.

1.2 Scope and Criteria

The validation scope is defined as an independent and objective review of the CCBA Project Document (CCBA PD). The CCBA PD is reviewed against the criteria stated in the CCB Project Design Standards (Second Edition – December, 2008), and the approved VCS methodology, VM0009 Methodology for Avoided Mosaic Deforestation of Tropical Forests, Version 1.0.

In particular, the project was assessed against the CCB Standards Second Edition to determine which of the fourteen required and three optional CCB standards criteria the project satisfies. As specified by CCBA, an ‘approved’ project is one that meets all 14 of the required CCB standards criteria.

The validation is not meant to provide any consulting for the project participants. However, stated requests for clarifications and/or corrective actions may have provided input for improvement of the project design.

1.3 CCB Project Description

The “Kasigau Corridor REDD Project Phase II – The Community Ranches” has been developed by Wildlife Works Carbon, LLC, a project proponent based in California, USA. The project is

implemented on 13 blocks of land known as the Kasigau Corridor, which is owned by the Indigenous Community Ownership Groups, each one of the 13 blocks being owned by different legal entities formed in the and 1970s, 1980s and 1990s by the Communities and the Government of Kenya to hold legal title of the land. The project also includes Maungu Hill Bio-diversity Conservation and Eco-tourism Project and a Wildlife Corridor adjacent to the Nairobi-Mombasa Highway.

The project proponent is Wildlife Works Carbon, LLC and the project developer is Wildlife Works Carbon LLC. DNV has confirmed that Wildlife Works Carbon, LLC has the right to all and any greenhouse gas (GHG) reductions generated by the Project during the Project Crediting Period /3/.

The project is 169 741.4 hectares with an average canopy cover of 34.6%, with mature tree heights ranging from 5-10 meters (m), and therefore conforms to the latest VCS definition of “forest” /49/ (see Section 3.2.1).

The main project activity is to prevent deforestation caused by subsistence farming activities. The objective of the project activity is to prevent the conversion of forest to cropland for annual crops, typically maize that ultimately results in net GHG emissions into the atmosphere. The primary agents of deforestation are the growing population of the local Taita and Kamba people living in the Reference Area. Forest clearing for agriculture in the Reference and Leakage Areas is permanent and cultivation activities do not shift.

In addition to project activities to address the loss of carbon stocks through deforestation, major project activities within the project area include the protection of the wildlife corridor and wildlife habitat. Major project activities in the project zone include reforestation, organic greenhouses, community projects, and community employment. In addition to the community projects that are directly controlled by the project proponent, a significant sum of funding will be directly going back to the communities. At this time, Wildlife Works has helped set up two community led groups, Marungu Hills Conservancy Association and the Kasigau Development Trust, that have outlined a list of nearly 80 community projects to be implemented in 2011.

The project start date is 1 January, 2010, which is the date Wildlife Works assumed financial responsibility for the project area and began specific project activities within the project area and project zone /5/. The selected crediting period is from 1 January, 2010 to 31 December, 2039. The total emission reductions from the project are estimated to be 38 759 015 tonnes CO₂ equivalent over the 30-year crediting period. This includes project emissions, total confidence deduction and the VCS Agriculture, Forestry and Other Land Uses (AFOLU) buffer deductions currently assessed at 20%. This estimate also includes an *ex-ante* deduction of a further 20% to account for leakage in years 2011-2039 (per VM0009 Version 1.0) and possible future changes in the project baseline. The estimate does not include offsets expected to be released from the VCS buffer account to the project developer upon future re-verifications of the project. VCS AFOLU guidance requires the baseline to be re-calculated after 10 years and if the baseline changes, the estimated future emission reductions will also change.

1.4 Level of Assurance

DNV provides reasonable assurance that the emission reduction estimations for the “Kasigau Corridor REDD Project Phase II –The Community Ranches” are conservative and meet the CCB criteria and approved VCS methodology, VM0009 Version 1.0.

The project will use a quantitative *ex-post* measurement of leakage. As a result, *ex-ante* estimation of leakage at the project outset is highly uncertain. Wildlife Works has determined an *ex-ante* leakage rate for the project crediting period at 20% and it is our assessment given a lack of past project data that this is appropriate given the conditions of the project and we find the assessment to conform to the requirements in the approved methodology VM0009.

To ensure complete transparency, DNV has included any clarification or corrective actions that were raised in this validation report in Appendix B.

2 METHODOLOGY

The validation consisted of the following three phases:

- A desk review of the project design and the baseline and monitoring methodology.
- Site visit and interviews with project stakeholders.
- The resolution of outstanding issues and the issuance of the final validation report and opinion.

The validation process included the following events and activities:

- Opening meeting, introduction and project orientation.
- Desk Review of the project document (PD) and supplemental documentation including data, models, and maps of project zone.
- Site visit from 14–23 March, 2011 in addition to 10–14 January, 2011. The site visit included:
 - Project overview and orientation.
 - Interviews with Wildlife Works management.
 - Interviews with Wildlife Works employees.
 - Interviews with all 13 ranch Board of Directors members/shareholders.
 - Meeting with Maungu Hills Conservancy Association directors.
 - Field tours of local communities.
 - Interview with community members.
 - Tour of local schools.
 - Interviews with local school teachers and administrators.
 - Field tours of the project area.
 - Tours of facilities and agricultural plantings.
 - Tour of all Project activities.
 - Closing meeting and presentation of preliminary findings.
- Review of stakeholder comments.
- Review of collected evidence and supporting documentation.
- Issuance of findings.

- Project proponent responses to findings.
- Preparation of draft report.
- Technical review of draft report.
- Comment on draft report by project proponent.
- Submission of final report to CCBA.

In order to ensure transparency, a validation protocol was customized for the project. The protocol used shows in a transparent manner the criteria, means of verification and the results from validating the identified criteria. The validation protocol serves the following purposes:

- It organizes, details and clarifies the requirements that a CCB project is expected to meet.
- It ensures a transparent validation process where the validator will document how a particular requirement has been validated and the result of the validation.

The validation protocol consists of two tables. The different columns in these tables are described in Figure 1. The completed validation protocol for the “Kasigau Corridor REDD Project Phase II – The Community Ranches” is enclosed in Appendix A to this report.

Findings established during the validation can either be seen as a non-fulfilment of validation protocol criteria or where a risk to the fulfilment of project objectives is identified. Corrective Action Requests (CAR) are issued where:

- Mistakes have been made with a direct influence on project results.
- Validation protocol requirements have not been met.
- There is a risk that the project would not be accepted as a VCS project or that emission reductions will not be certified.

The term Clarification (CL) may be used where additional information is needed to fully clarify an issue.

Validation Protocol Table 1: Requirement Checklist				
Checklist Question	Reference	Means of verification (MoV)	Comment	Draft and/or Final Conclusion
<i>The various requirements in Table 1 are linked to checklist questions the project should meet. The checklist is organized in seven different sections. Each section is then further sub-divided. The lowest level constitutes a checklist question.</i>	<i>Gives reference to documents where the answer to the checklist question or item is found.</i>	<i>Explains how conformance with the checklist question is investigated. Examples of means of verification are document review (DR) or interview (I). N/A means not applicable.</i>	<i>The section is used to elaborate and discuss the checklist question and/or the conformance to the question. It is further used to explain the conclusions reached.</i>	<i>This is either acceptable based on evidence provided (OK), or a Corrective Action Request (CAR) due to non-compliance with the checklist question (See below). A request for Clarification (CL) is used when the validation team has identified a need for further clarification.</i>

Validation Protocol Table 2: Resolution of Corrective Action Requests and Requests for Clarification			
Draft report corrective action requests and requests for clarifications	Ref. To Table 1	Project participants' response	Final conclusion
<i>If the conclusions from the draft Validation are either a Corrective Action Request or a Clarification Request, these should be listed in this section.</i>	<i>Reference to the checklist question number in Table 1 where the Corrective Action Request or Clarification Request is explained.</i>	<i>The responses given by the project participants during the communications with the validation team should be summarized in this section.</i>	<i>This section should summarise the validation team's responses and final conclusions. The conclusions should also be included in Table 1, under "Final Conclusion."</i>

Figure 1: Validation Protocol Tables

2.1 Review of Documents

The project document /1/, dated 27 April, 2011 and previous versions for "Kasigau Corridor REDD Phase II – The Community Ranches" was submitted by Wildlife Works Carbon, LLC, along with additional background documents related to the project design and baseline, which were assessed as part of the validation. The project documentation followed the guidance set out in CCB Standard Second Edition, December, 2008.

The following table lists the documentation that was assessed during the validation:

Documents provided that relate directly to the project:

- /1/ Wildlife Works Carbon LLC, *CCB PD for Kasigau Corridor REDD Project Phase II – The Community Ranches*, Version 9 with supporting document, 27 April 2011 and previous versions.
- /2/ Wildlife Works Carbon LLC, *VCS PD for Kasigau Corridor REDD Project Phase II – The Community Ranches*", 12 April 2011
- /3/ "Carbon Rights Agreement" between Wildlife Works Inc. and each of the 13 ranches.
- /4/ Leasehold titles and ownership structures to each of the 13 ranches
- /5/ Re: - Management Authority for Rukinga Ranch (1 January, 2005).
- /6/ The National Environment Management Authority (*NEMA*) Kenya, Audit Report of Wildlife Works EPZ, December, 2006.
- /7/ Shareholder lists and AGM minutes from each of the 13 ranches.
- /8/ Wildlife Works Inc. financial statements and projections – As of 23 March, 2011.
- /9/ CCB validation report conducted by Scientific Certifications Systems – 20 December, 2009.
- /10/ Image Classification Protocol (as of 1 April, 2011).
- /11/ How to Use the Classification Tool (as of 1 April, 2011).
- /12/ Logistic regression model for deforestation (as of 1 April, 2011).
- /13/ Field measurement protocol – Standard Operating Procedure Biomass (as of 1 April, 2011).

/14/ Field measurement protocol – Standard Operating Procedure Soils (as of 1 April, 2011).

- /15/ Soil lab report of measured soil carbon concentrations (Kasigau Corridor 1m Soil Analysis.xlsx, 19 April, 2011).
- /16/ Forest Biomass Data (Forest Inventory Phase II Summary-Strata2_v4.xlsx, 1 April, 2011).
- /17/ Forest biomass sampling quality control comparisons (QC report.xlsx, 23 March, 2011).
- /18/ Data used to develop tree biomass allometric equations (allometry_weighted_PhaseII.xlsx, 24 March, 2011).
- /19/ Letters to shareholders of the 13 ranches pertaining to an Extraordinary Annual General Meetings.
- /20/ Wildlife Works Inc. Tool for AFOLU Non-Permanence Risk Analysis and Buffer Determination for the Kasigau Corridor REDD Project, Phase II – The Community Ranches (1 April, 2011).
- /21/ Phase II NERs v6.xlsx (19 April, 2011)
- /22/ Leakage Model Expanded (1 April, 2011).
- /23/ Grid_Data_RefArea_flaggedPoints_Phase2.xlsx (1 April, 2011).
- /24/ TCA Management Plan Final Draft Jan 2008 revised 26-03-08.pdf (2008)
- /25/ 2007 Annual Report-Ruk.doc (2007)
- /26/ Patterson, B.D., *Annual Accomplishment Report of 2007 – Lions of Tsavo*, 2007
- /27/ Final Evaluation of Proposal by Wildlife Works Carbon to Taita Ranch-6.docx
- /28/ Cropnuts Methodology.pdf (2007)
- /29/ Desnaring Manual.doc (August 2006)
- /30/ Discovery Guide (1999)
- /31/ Kasigau Reforestation Final.doc (2007)
- /32/ Kasigau Reforestation Report 2007.doc (2008)
- /33/ Kasigau Reforestation Report 2008.doc (2008)
- /34/ Kasigau tree farm_Ian.doc (30 November 2010)
- /35/ Mt Kasigau Biodiversity Report.pdf (June 2002 – August 2003)
- /36/ Public Comments Phase II instructions.doc (14 March 2011)
- /37/ Public Notice CCB Phase II.doc (14 March 2011)
- /38/ Ruk eles 2006-09.xls (September 2006)
- /39/ Ruk Wildlife-09.xls (2009)
- /40/ Rukinga Progress Repo #6452D.doc (July 2007)
- /41/ TCA Management Plan Final Draft Jan 2008 revised 26-03-08.pdf (26 March 2008)
- /42/ Wildlife Works, *EcoCharcoal Project Activity Design Document*, March 2011
- /43/ Wildlife Works Carbon, *Consumer Powered Forest Conservation*, 23

March 2011

/44/ Public Comments Responses to Phase II Kasigau Corridor Project

Background documents related to the design and/or methodologies employed in the design or other reference documents:

- /45/ Climate, Community, and Biodiversity (CCB), *Project Design Standards Second Edition* – December 2008
- /46/ Approved VCS methodology, *VM0009 Methodology for Avoided Mosaic Deforestation of Tropical Forests*, Version 1.0, 11 January, 2011.
- /47/ VCS Association, *Voluntary Carbon Standard 2007.1*, November 2008.
- /48/ VCSA, VCS Sectoral Scopes (http://www.v-c-s.org/sectoral_scopes.html)
- /49/ VCSA, *Guidance for Agriculture, Forestry and Other Land Use Projects*, 18 November, 2008.
- /50/ VCSA, *Tool for AFOLU Non-Permanence Risk Analysis and Buffer Determination*, 18 November, 2008
- /51/ VCSA, *Update to the VCS 2007.1: Tool for Non-Permanence Risk Analysis and Buffer Determination*, 8 September, 2010.
- /52/ VCS VT0001 *Tool for the Demonstration and Assessment of Additionality in VCS Agriculture, Forestry and Other Land Use (AFOLU) Project Activities Version 1.0*, 21 May, 2010.
- /53/ Climate Action Reserve, *Forest Project Protocol*, Version 3.2 August 31, 2010

2.2 Follow-up Interviews

During 16-23 March, 2011, DNV performed interviews with project stakeholders at the project site in Rukinga, Kenya to confirm selected information and to resolve issues identified in the document review. Representatives of Wildlife Works Carbon, LLC were interviewed. The main topics of the interviews are summarized in Table 1, and the persons interviewed are listed in Table 2.

Table 1 Interview Topics

Interviewed Organization	Interview Topics
Wildlife Works Carbon, LLC	<ul style="list-style-type: none"> ✓ Project start date. ✓ Demonstration of additionality. ✓ Emission reduction estimates. ✓ Monitoring plan. ✓ Baseline determination. ✓ Buffer determination. ✓ Leakage rates. ✓ Resources, training, procedures of management structure.

	<ul style="list-style-type: none"> ✓ Project Implementation Plan. ✓ Disbursement structure and plan. ✓ Environmental Monitoring and Impacts. ✓ Biodiversity Monitoring and Impacts. ✓ Land use rights. ✓ Carbon Easements review. ✓ Community Outreach methods. ✓ Procedure for handling conflicts.
<p>Marungu Hills Conservancy Association</p>	<ul style="list-style-type: none"> ✓ Disbursement methods of carbon revenues to affected communities. ✓ Management structure. ✓ History of organization. ✓ Affiliation with Wildlife Works. ✓ Concerns about potential negative impacts. ✓ Purpose and expected benefits. ✓ Method for prioritizing community projects. ✓ Growth plans for respective organizations.
<p>Ranch Directors of the 13 ranches (listed below)</p>	<ul style="list-style-type: none"> ✓ Understanding of Carbon Easement. ✓ Financial Records. ✓ Future plan for ranch land. ✓ Free, Prior, and Informed Consent. ✓ Disbursement Plans to shareholders.

Table 2. Participants at Project Site (Rukinga, Kenya)

Name	Position	Organization
Jeremy Freund	VP, Carbon Development	Wildlife Works Carbon LLC
Rob Dodson	General Manager	Wildlife Works EPZ, Ltd.
Patrick Kabatha	Biodiversity Specialist	Wildlife Works Sanctuary, Ltd.
Hassan Sachedina	VP, Conservation Enterprise	Wildlife Works Carbon LLC
Laura Cowan	Office Manager	Wildlife Works Sanctuary, Ltd.
Eric Sagwe	Head Ranger	Wildlife Works Sanctuary, Ltd.
Lenjo Laurian	Community Relations, Office Manager	Wildlife Works Sanctuary, Ltd.
Joseph Mwanganda	Greenhouse, Nurseries and Jojoba Project Manager	Wildlife Works Sanctuary, Ltd.
Jamie Hendriksen	Carbon Operations Manager	Wildlife Works Sanctuary, Ltd.
Berhard Mwadime Fumbu	Secretary	Kambanga Ranch
George Mwakideu	Vice Chairman	Kambanga Ranch
Elijah B. Mwakio	Secretary	Dawida Ranch
Edward Chege	Chairman	Dawida Ranch
Benson M. Murwana	Treasurer	Dawida Ranch
Renson Did Mwamodo	Director & Treasurer	Taita Ranch
Angelina Mdari	Director	Taita Ranch
Alfonoeji Mwanghvnda	Secretary	Wangala Ranch
Leonard Mbogho Monge	Secretary & Treasurer	Wangala Ranch
Livingston M. Ikonge	Chairman	Wangala Ranch
Davison M. Jgoda	Director	Washumbu Ranch
Samuel K. Mkungo	Treasurer	Washumbu Ranch
Saul J. Mwangola	Chairman	Kutima Ranch
Raymond J. Mwangola	Chairman	Choke
Jones M. Mlolwa	Treasurer	Maungu Ranch
Gerald M. Mbela	Vice Chairman	Maungu Ranch
Dawson Marami	Secretary	Maungu Ranch
Leonard Kapalla	Director	Mgeno Ranch
Anold Msheshe	Treasurer	Mgeno Ranch
Sam Mwammanga	Representative	Sagalla & Ndara Ranch
Babu Kisai Kifuso	Organizing Secretary	Maungu Hill Conser Asso
Donald M. Konde	Chairman	Maungu Hill Conser Asso
Andrw MwDyoho	Project Secretary	Maungu Hill Conser Asso
Jamis M' Mboge	Project Co-coordinator	Maungu Hill Conser Asso

2.3 Resolution of Any Material Discrepancy

To guarantee the transparency of the validation process, the concerns raised by DNV and the response provided by the project proponent and the consultant are documented in Table 2 of the Validation Protocol in Appendix A.

3 VALIDATION FINDINGS

3.1 G1 – Original Conditions in the Project Area

The “Kasigau Corridor REDD Project Phase II – The Community Ranches” has been developed by Wildlife Works Carbon, LLC, a project proponent based in California, USA. The project is implemented on 13 blocks of land known as the Kasigau Corridor, which is owned by the Indigenous Community Ownership Groups, each one of the 13 blocks being owned by different legal entities formed in the and 1970s, 1980s and 1990s by the Communities and the Government of Kenya to hold legal title of the land. The project also includes Marungu Hills Bio-diversity Conservation and Eco-tourism Project and a Wildlife Corridor adjacent to the Nairobi-Mombasa Highway.

The project area covers 100% (169 741.4 hectares) of the 13 community ranches. At the time of the project start date, 94.3% of the project area was forested for 10 years prior to the project start date. Areas that were not forested were mostly roads, old cattle bomas, rock outcrops, and seasonally wet sites that grow grass instead of trees. The project boundary was confirmed by DNV by reviewing the two documents provided by Wildlife Works, the leasehold titles to each of the 13 ranches /3/, and the Carbon Rights Agreement between Wildlife Works Carbon, LLC and each of the 13 ranches/4/.

DNV was able to verify the original conditions of the project area through document review and interviews /1/:

- DNV confirmed by visiting the project site that the primary driver of deforestation is the conversion of forest to cropland for annual crops and harvesting of wood to support the legal and illegal charcoal trade. Evidence of forest conversion to agriculture was evident both in the reference area and in the immediate surroundings of the project area. The existence of illegal charcoal trade was deduced from observing rangers checking charcoal permit papers on a charcoal transport truck, from news reports of government arrests and destruction of illegal charcoal kilns in the area, observed charcoal kilns in the bush, and stumps of trees cut and removed.
- DNV confirmed that the project area has been tropical dryland forest for at least 20 years with the review of LANDSAT imagery dating back to 1987.
- DNV confirmed that the project area meets the FAO 2010 and residing designated national authority's (DNA) definition of "forest" for the project country for a minimum of 10 years prior to the project start date /47/.
- DNV confirmed that the project is located in a semi-arid tropical region through its site visit.
- It was found during the site visit that the biodiversity description within the project area and zone are adequate. Appropriate guidance is referenced in section G.1.7 and the results of a biodiversity study conducted by the project proponent and Earthwatch is presented in section G.1.7 /26/ /35/ /24/. The project proponent also played a significant role in assisting the Kenya Wildlife Service with the recent publication of the Tsavo Conservation Area Management Plan.
- Threats to biodiversity identified and confirmed by DNV include: 1) overgrazing of the group ranches, 2) poaching for bush meat, and 3) the illegal charcoal making activities.

3.2 G2 – Baseline Projections

The baseline projections of net emission reductions are based on the approved VCS methodology VM009, "VM0009 Methodology for Avoided Mosaic Deforestation of Tropical Forests Version 1.0" /48/. The project start date is 1 January, 2010. The project applies a new VCS methodology VM0009 "VM0009 Methodology for Avoided Mosaic Deforestation of Tropical Forests Version 1.0" /48/, which was approved on 11 January, 2011. The project baseline is constructed according to the approved methodology. The project proponent elected to use the linear model baseline alternative provided within VM0009.

Baseline emissions are calculated as a function of the baseline area predicted to be deforested each year, multiplied by the carbon stock per hectare in woody biomass, plus soil carbon loss as a decay function since conversion to agriculture. The project avoids GHG emissions to the extent that monitored deforestation is less than predicted baseline deforestation, adjusted for changes in biomass carbon stocks.

3.2.1 Baseline Scenario

The selected baseline scenario is ongoing deforestation from subsistence agriculture. The rate of deforestation was calculated by defining a reference area that is near the project area and has similar conditions and drivers of deforestation, and then observing the proportion of the reference area that is deforested at each of several points in time, ranging from 1987 to 2009.

DNV concludes that the selected baseline scenario appropriately applies to the project area because:

- There are settlements to the south, east, and north of the project area and active deforestation is occurring on the outskirts of these settlements.
- There is a major highway near the eastern boundary of the project area and validators observed large amounts of locally produced illegal bush charcoal for sale and being transported along this highway.
- Observations of time-series land cover images show rapid deforestation continuing to occur within the reference region.
- Prior to the project start date, subsistence farmers had begun clearing land for farms within the project area. It was clear that there is clear pressure from encroaching farm lands. The Kambanga Ranch, for example, excised an area on the south east border for the project, since there was a community permanently settled within the boundaries of the ranch.

Thus, it is DNV's opinion that the selection of the continuation of the pre-project practice of the conversion of forest to cropland as the baseline scenario is deemed to be appropriate.

3.2.1.1 The Cumulative Deforestation Model

A pilot study estimated the variance of land cover state observations. The project calculated that fewer than 8 650 observation points would be needed to meet statistical precision goals. The project elected to observe 11 232 points. Points were assigned using the GIS software ArcMap, in a regular grid pattern within the project boundary. LANDSAT imagery was obtained for the area, for 17 different years from 1987 to 2009. To build the Cumulative Deforestation Model, imagery was used from 1987 until the one year prior to the project start date (2009). For some years, images from different times within the year were tiled to create complete or relatively complete coverage of the project area. The project proponent developed an image interpretation protocol and the protocol was used to guide classification of each point at each time for which imagery was obtained.

In the region where the project is located, most deforestation occurs in a mosaic pattern. A key element of the methodology is having a consistent decision rule for distinguishing: (a) areas of forest with nearby deforested fields, from (b) remnant patches of trees among fields that are classified as deforested. The image classification protocol states that if the forest fragment is surrounded by cleared area and the point is within a forest fragment but is less than one field width from the edge of the fragment, the point is classified as deforested.

Points that switched back and forth between forest and non-forest were identified. Imagery for each flagged point was reviewed, and inconsistencies were removed.

Each vegetation state observation was given a weight, using the procedure described in VM0009. A commercial statistical software package, "R" was used to fit a logistic curve to the observed changes in the forest state over time. DNV reviewed the code used to fit the logistic curve and the software appears to have been used appropriately. The statistical uncertainty in the logistic model is 5.36% at the 95% confidence level.

Population was tested to see if it added explanatory power to the model. Population did not add power and was left out of the final deforestation model.

As allowed by the VCS Methodology Element Documentation (MED) VM0009, the project developer elected to be credited according to a linear deforestation rate that is cumulatively less than the logistic model at all times within the project life.

3.2.1.2 The Soil Carbon Loss Model

Soil carbon stocks were measured to a one-meter depth in undisturbed forest within the project boundary and in fields near the project that had been in agricultural use for at least 10 years. The average carbon stock was calculated for forest soil and for agricultural soil and the difference assumed to be the loss resulting from deforestation and conversion to agriculture. The observed 45% loss of forest soil carbon is within the common range of soil loss given in published studies of other locations around the world. Carbon loss was assumed to occur at a declining exponential rate, starting from the date of deforestation. The exponential rate was chosen to match the rate graphed in Figure 10 of Methodology VM0009.

3.2.1.3 Baseline Scenario for Selected Carbon Pools

The project developer has elected to count above-ground and below-ground carbon in live trees and shrubs, above-ground and below-ground carbon in herbaceous vegetation, and carbon in the top meter of soil.

No commercial harvesting of wood for long-lived wood products occurs within the project area. Very small amounts of wood are retained in subsistence use. Branches are used in wattle-and-daub walls of farm huts. Few trees are suitable for using as posts, and few posts are used in local construction or farming. Some ranches will continue owning cattle on their lands without degradation and loss of carbon stock.

The cumulative deforestation model provides the baseline rate of deforestation for the project area. When a hectare is deforested, the carbon in woody biomass is assumed to be emitted to the atmosphere as carbon dioxide (CO₂).

The project is expected to reduce burning of stumps during clearing, which may reduce emission of methane from the burning. However, the project does not claim avoided methane from biomass burning as an emission reduction. Not claiming the avoided emission is conservative. Relatively small amounts of biomass are burned during land clearing in this area. Tree trunks appear to be left to decompose on site, used for domestic fuel, or removed prior to deforestation during illegal charcoal production. The project counts decomposition as emission and does not claim to reduce total wood fuel and charcoal emissions. Most tree branches are moved to the edges of fields to function as fencing. Because the amount of biomass burned is small, not counting avoided methane emissions from burning does not cause material inaccuracy in emissions accounting.

Woody debris decomposition rates in the area are not well documented. When asked how long some individual pieces of woody debris on tree measurement plots had been dead, local field staff gave estimates ranging from six to eighteen months for Class Two and Class Three woody debris. Pieces that local staff identified as being dead for at least 12 months were very light—for example, a few kilograms for a 20-cm diameter, 4-meter long tree trunk. Decomposition of buried dead wood is even less well documented. Soil sampling pits in the forest revealed significant amounts of tough, live roots between 0.5 and 2 cm in diameter. However, hand tilling soil within a year of deforestation did not appear to be impeded by roots. As is common, it appears that decomposition of buried dead wood is faster than decomposition of above-ground dead wood.

It appears that little carbon stock remains in woody debris one year after clearing, especially when trees with dense wood (and presumably slower decomposing wood) are removed for charcoal before the land is cleared for farming. Counting woody debris pieces on a couple of sites gave densities on the order of 20 pieces per hectare greater than 15-cm in diameter. Even if the points where woody debris was counted had unusually high woody debris mass, it is unquestionable that within one year of deforestation the carbon stock in the remaining wood is substantially less than the carbon stock in the dead wood in undisturbed forest. Because the project elected not to count avoided emissions from woody debris in the forest, it is conservative not to count any carbon that may remain stored in biomass that survives more than a year after deforestation.

Soil carbon stocks in undisturbed forest and in fields that had been cleared at least 10 years previously were measured by sampling. The difference between the average soil carbon stock in the forest and the average soil carbon stock in tilled fields was taken to be the soil carbon loss due to clearing. Soil carbon loss dynamics are not well documented in this ecosystem. As noted above, the soil carbon loss function used to calculate soil emissions after deforestation was set to match Figure 10 in the approved methodology.

3.2.2 Additionality Assessment

During the site visit, the auditors confirmed the benefits of the project through various interviews with the Maungu Hill Conservation Trust and local community members. In fact, two of the largest conservation parks (Tsavo East and West) surround the project area. The agents of deforestation are described adequately. It was confirmed during the site visit that the agents of deforestation are in fact very apparent and the without project scenario would lead to both degradation and deforestation within the project area.

DNV has confirmed that the alternative land use scenarios identified by Wildlife Works are appropriate. It was also determined that the identified alternative land uses are consistent with enforced mandatory laws and regulations.

DNV confirmed that the project is not mandated by any enforced law, statute, or other regulatory framework by reviewing the relevant laws and regulations outlined in the project document, leasehold title, management authority agreement, and the audit report by the Kenya National Environmental Management Authority /1/ /4/ /5/ /6/.

In summary, it is demonstrated that the project activity is not a likely baseline scenario due to the need of financial revenues to offset mitigation activities, and that the emission reductions are additional to what would have happened in the absence of the project activity.

3.2.3 G3 – Project Design and Goals

The project avoids deforestation within the project boundary by controlling project lands with ranger patrols and relationships between Wildlife Works staff and members of surrounding communities. The project provides alternatives to subsistence agriculture to avoid leakage in the form of displacing land clearing from within the project boundary to outside the project boundary. The project is developing a sustainable charcoal production program to avoid displacement of charcoal production from within the project boundary to other locations. The sustainable charcoal program involves establishing new plantations of acacia trees on degraded woodland, and pruning branches less than 2 cm in diameter for material to make charcoal. Because the sustainable charcoal production involves establishing new plantations that are expected to have higher carbon stocks than the degraded vegetation they replace, DNV believes it is conservative to exclude accounting of the change in carbon stocks on sustainable charcoal project lands.

DNV also finds that the project proponent has appropriately defined a reference area, appropriately measured deforestation over time within the reference area, and appropriately monitored starting biomass and soil carbon stocks within the project boundary. DNV has also confirmed that the project is implementing leakage mitigation activities and has performed baseline measurements needed to quantify whether or not leakage occurs over time.

Wildlife Works took financial responsibility for all conservation activities within the Project Area on 1 January, 2010. As such, the project start date and project crediting period is 1 January, 2010 – 31 December, 2039. Although Wildlife Works was performing conservation activities centered around the ecofactory administered by Wildlife Works EPZ prior to 2005, all activities were located outside of the Project Area and thus do not affect the project start date or project crediting period of Phase II of this project. DNV confirmed that the project start date and project crediting period was determined properly through reviewing the contract signed between each of the 13 ranches/5/ and the Carbon Rights Agreements between these ranches /3/. A 30-year crediting period was selected, with 1 January, 2010 as the start date. The project will therefore end on 31 December, 2039.

Quantification of deforestation was performed by human interpretation of a time series of LANDSAT images of the reference area, classifying each point of a sample as forest, non-forest, built, cloud/shadow or no image. Methods described in approved VCS Methodology VM0009, Version 1.0 were used to statistically weight each forest state observation and calculate a logistic curve representing cumulative baseline deforestation over time.

Starting vegetation and soil carbon stocks were measured within the project area. Vegetation sampling was stratified by vegetation type. Soil carbon was measured using unstratified random sampling. Destructive sampling of trees and shrubs was used to construct allometric equations to predict tree biomass as a function of diameter and shrub biomass as a function of height. Loss of soil carbon was estimated by measuring carbon stocks in farmed fields and finding the difference between stocks in fields and in undisturbed forest.

Section G3.2 in the PDD describes each project activity adequately. Upon the assessment of project activities during the site visit, it was clear these project activities contribute to the net positive impact of the project. The project proponent also provided an implementation schedule for the project activities, including financial projections to achieve the project's objectives. The project activities identified within the PD include: Organic greenhouse and fruit tree propagation, financial aid to the Marungu Hill Conservation Association, Jojoba propagation and extension into the Community, Mushroom farms from elephant dung, the reforestation of Mt. Kasigau, Wildlife Works REDD forest and Biodiversity monitoring, community wildlife scouts, the Kasigau Development Trust, and others. Initially, the PD did not include any description of how the Kasigau Development Trust and Marungu Hills Conservancy Association will be central to the disbursement and prioritization of community projects. As this is a central and material component of the project's activities, DNV requested that the project proponent include this within their PD.

During the audit, the implementation schedule of the various project activities was presented to the auditor. This is a key component for future verifications to ensure that the project activities are moving ahead effectively.

A list of the major risks, both natural and human-induced was identified. The risks identified include change in legislation, income, crop failure, invasion of cattle grazers, drought, and fire. For each of these risks, the project proponent has outlined the mitigation strategies.

The PD demonstrates that the project design includes specific measures to ensure the maintenance and enhancement of high conservation values (HCVs) in the project zone. The measures include improving the Proponent's ability to monitor HCV species through rangers, a GIS center and maintaining and monitoring a 3-year reforestation project on Mt. Kasigau, an area identified as having a HCV.

The relevant stakeholders identified for this project activity include members of the Taita community, the Duruma tribe, and local employees tasked with the implementation and maintenance of the Kasigau REDD project. A local stakeholder process was carried out by soliciting public comments through the internet and postings on local area notice boards. DNV reviewed all comments and found that the process complies with CCB requirements. In addition, DNV reviewed the CCBA project validation report conducted by Scientific Certification Systems (SCS) in 2009 /9/ and stakeholder comments received during the CCBA process /9/. The project area underwent a CCBA project validation on 22 December, 2009. Feedback from the stakeholders regarding the REDD project was very positive /9/ for Phase I in addition to Phase II.

3.3 G4 – Management Capacity and Best Practices

Wildlife Works is majority owned and managed by Mike Korchinsky, a former management consulting company owner with nearly 30 years of experience at all levels of running enterprises. Rob Dodson, Vice President of African Field Operations has nearly 20 years in the role of Site Manager, and is experienced in all dimensions of running a professional business venture in the African bush. DNV observed Mr. Dodson managing project staff and interacting with local community members and noted a high degree of effectiveness in achieving agreements and results.

Wildlife Works Carbon, LLC is a conservation organization. One third of its revenues are intended to be distributed to the shareholders of the ranches. The majority of shareholders for the ranches had never received any financial distributions in the over 25 years of land title ownership prior to the arrival of Wildlife Works. It is expected that a total of \$1-2 million should be dispersed to the shareholders of the 13 ranches and stakeholders of the community in 2011 alone.

The technical capability of the project was assessed by DNV. It was found that the project developer has more than a decade of experience implementing sustainable livelihood activities in the region. The sustainable charcoal program appears to have the possibility of being financially self-sustaining.

Where ever possible, the employment of locals have been a priority and DNV was able to confirm such activity during the site visit

3.4 G5 – Legal Status and Property Ownership

DNV can confirm the project ownership by Wildlife Works by reviewing documents provided by Wildlife Works /3/ and /4/. In addition, DNV can confirm that the project is not included in any emission trading program and is not subject to binding GHG emissions limits /1/. The legal status and property ownership was confirmed by DNV by reviewing the two documents provided by Wildlife Works, the leasehold titles of each of the 13 ranches /3/, and the Carbon Rights Agreement between Wildlife Works Inc. and each of the 13 ranches/4/.

3.5 CL1 – Net Positive Climate Impacts

DNV considered the VCS Standard /47/, VCS AFOLU guidance /49/, VCS approved methodology VM0009 /46/, conditions observed during site visitation, and knowledge of other ecosystems and forest projects when judging the appropriateness of the GHG emission reduction calculations of this project. DNV concludes that all significant emission sources are included in project emission calculations. Calculation equations are published in VM0009. DNV reviewed the calculations in detail and, with the corrections made in response to the CARs, calculations are correctly applied as specified by the VM0009. Factors used in calculations are stated in the project document and are derived from local measurements, VM0009, or widely-referenced public sources. Equations for specifying statistical confidence intervals are specified in VM0009. Statistical confidence intervals are calculated for the baseline deforestation function, allometric equations developed to predict tree biomass, and carbon stocks estimated from sampling. As with any sampling, biased measurement and classification errors are expected to increase the statistical error observed in sampling. DNV found no potential sources of bias in accounting, other than the conservative exclusions described above. Statistical confidence levels meet the precision levels required to avoid uncertainty deductions.

The GHG Sources Determination

GHG sources that are counted are live trees above-ground and below-ground biomass, shrub above-ground and below-ground biomass, herbaceous above-ground biomass, and soil carbon. Emissions that are negligible or conservatively omitted include woody debris, methane from biomass burning, and fuel consumed in land management. Any sink in long-term wood products is negligible. Credible justification of the selection of the carbon pools is included within the Project Document and DNV assessed that selection conforms to the requirements set out in VM0009.

The Correctness and Transparency of Formulas and Factors Used

The approaches used to estimate emission reductions for years 2010-2039 are described in the VCS Project Document. DNV can confirm that the approaches conform to the requirements in the VCS approved methodology “VM0009 Methodology for Avoided Mosaic Deforestation of Tropical Forests Version 1.0.”

Estimated Cumulative Project Lifetime Emission Reductions

As part of the project validation, the validator is to express its estimate of a conservative amount of offsets the project is likely to generate through the life of the project. The project proponent

estimates that the project will generate 38 759 015 metric tons CO₂e of offsets over the project life. This estimate is calculated using by:

- Extending the current baseline deforestation rate through the project life.
- Assuming that the carbon stock within the project boundary does not change,¹ soil carbon stock change at the rate quantified in the Project Document, and no deforestation within the project area.
- Assuming 20% leakage in years 2011-2039.
- Applying a 20% AFOLU buffer deduction through the entire project crediting period.

There is a high likelihood that at least one of these four factors will change over the project life. The baseline deforestation rate has limited chance of increasing because approximately 95% of the project area is assumed to become deforested by the end of the project life. The baseline could be revised downward if less deforestation is observed over time in the reference area. If the baseline deforestation rate is revised down, the project would generate fewer offsets, all other things remaining unchanged. The carbon stock within the project area could rise or fall over time. It is possible that because of drought or disturbance, the existing forest carbon stock could decline. Increasing carbon stock within the project area would increase the number of offsets generated by the project, and decreasing carbon stock would decrease the number of offsets generated. There is a chance that the leakage mitigation activities executed by the project will not succeed in mitigating all the demand for land displaced by the project, and leakage may occur. The project may not receive credit for positive leakage, so if there is any leakage it can only reduce the amount of offsets generated by the project.

DNV is to express its opinion of a conservative amount of offsets the project is likely to generate over the project lifetime. To be conservative, the estimate must be a number such that it is likely that the project will not generate less than the estimated amount of offsets. We note that the factors that could result in increased generation of offsets are highly unlikely to cause an increase in offset generation greater than a few percent. At the same time, it is possible that the factors that could result in the project generating fewer offsets could result in a large reduction in benefits. We have been unable to find historical leakage observations for any other REDD projects and have no historical data on which to make actuarial projections for this project.

In the absence of project data, estimating a leakage rate at the project outset is highly uncertain. Wildlife Works has determined an *ex-ante* leakage rate for the project crediting period at 20%, and it is our assessment that this is appropriate given the conditions of the project and the fact that the value is consistent with the 20% default leakage rate proposed by the Climate Action Reserve.

¹ The biomass carbon stock within the project boundary is re-sampled and re-calculated at least once every five years. The biomass carbon stock will certainly change to some degree but DNV has no reason to believe that either increase or decrease is more likely than carbon stock change in the other direction. As a result, this estimate uses the middle estimate that biomass carbon stock in undisturbed forests within the project area does not change over time.

DNV therefore can confirm that the calculation equations and input values are proper as described above, and hence can confirm that the emission reduction estimates of 38 759 015 tCO₂e over the selected 30-year crediting period are proper.

3.6 CL2 Offsite Climate Impacts “Leakage”

Following methodology VM0009, the project developer has randomly located plots for measuring leakage. Baseline amounts of degradation and deforestation have been measured on these plots. The needed number of plots was calculated using the observed variance of forest state observations across the reference area.

Leakage model parameters were calculated from the field measurements and compared to the cumulative deforestation model. The leakage lag was calculated as the difference between the deforestation curve and the leakage curve, and was provided in the Project Document.

As required by the methodology VM0009, leakage is measured empirically post-project start date from the shifted leakage curve. At the time of the next verification of offsets generated by the project, the leakage plots can be re-measured and the change in degradation and deforestation calculated. These measurements and calculations are expected to support quantification of the amount of leakage, if any, that has occurred. Thus leakage will be empirically assessed during the next verification cycle.

As part of the project validation, the validator is to assess the project proponent’s leakage *ex-ante* estimation that is likely to occur during the life of the project. Leakage is defined as displacement of deforestation from within the project area to outside the project area. This project will quantify leakage by measuring the rate of deforestation observed over time within the leakage area. The leakage area is selected as equivalently accessible to drivers of deforestation that would have deforested the project area. Any deforestation on the leakage area that is greater than the baseline rate of deforestation is counted as leakage.

The project is implementing a variety of leakage mitigation activities that are providing alternative livelihoods to local people. Leakage mitigation activities include employment in a clothing factory, work on project monitoring and Kasigau Corridor protection, development projects through a local women's center, a sustainable charcoal program, schooling, the establishment of an organic greenhouse and nursery program, and other activities. These activities are scheduled to be expanded in the future, using funding from the sale of the initial tranche of offsets generated by the project. DNV does not have data on the complete number of people who benefit from leakage mitigation activities, and does not know if these people would have cleared forest for subsistence agriculture in the absence of the project. Also, it is not possible to know for certain the scale at which leakage mitigation activities will be implemented in the future.

If leakage mitigation activities are less than the displaced demand for land, leakage is likely to occur. The current baseline deforestation is approximately 900 hectares per year within the project area. If each farm were to clear 2.5 hectares (the area estimated by the project proponent),

this would mean that the project should avoid the establishment of 382 new farms each year to avoid leakage. If the baseline rate of deforestation is adjusted down in the future, clearing for fewer farms would need to be avoided.

We have been unable to find historical leakage observations for any other REDD projects other than the Phase I project validated in January, 2011, and have no historical data on which to make actuarial projections for this project. As a reference point, we assessed The Climate Action Reserve's default leakage risk for crop displacement activities, which is identified as 24% /53/. As noted, we do not have data on the exact number of people involved in leakage mitigation activities, and do not know the extent to which leakage mitigation activities will be implemented over the life of the project. Also, DNV is unable to determine if people involved in leakage mitigation activities would have cleared forest if they did not participate in leakage mitigation activities.

In the absence of past project data, any estimate of future leakage thus needs to rely on the conditions observed during site visitation, knowledge of other ecosystems, assessment of the agents and drivers of deforestation when judging the appropriateness of the *ex-ante* leakage estimation of this project.

Estimating a leakage rate at the project outset is highly uncertain. Wildlife Works has determined an *ex-ante* leakage rate for the project crediting period at 20%, and it is our assessment that this is appropriate given the conditions of the project and that it is consistent with values proposed by The Climate Action Reserve. DNV thus finds the leakage assessment to conform to the requirements in the approved methodology, VM0009.

3.7 CL3 – Climate Impact Monitoring

The project applies the approved VCS “VM0009 Methodology for Avoided Mosaic Deforestation of Tropical Forests Version 1.0.” The monitoring plan is in accordance with the methodology. The monitoring plan specifies how to measure and document real, achieved emission reductions over the life of the project. As required by the methodology VM0009, leakage will be measured *ex-post* from the shifted leakage curve.

All the variables defined in VCS “VM0009 Methodology for Avoided Mosaic Deforestation of Tropical Forests Version 1.0” are measured in order to determine and account for emission reductions. Each carbon pool monitored is a separate variable, with the exception that the project has elected to count large and small live trees together.

The baseline is calculated *ex-ante*. The current baseline is reported in the Project Document.

Although VCS addresses leakage separately from monitoring, it is useful to consider this project's leakage monitoring as a part of the overall monitoring program. The project document reports computation of a “lag” variable, used to find correspondence between the baseline deforestation model curve and the observed degradation and deforestation measured on leakage plots. Re-measurement of the leakage plots in the future, calculation of total degradation and

deforestation on the leakage area, and adjustment by the lag factor will yield a cumulative actual deforestation number that can be compared to the baseline deforestation proportion for the date of the leakage measurement.

At future times when offsets are to be verified, the project developer will map any deforestation that may occur within the project boundary. Biomass carbon stocks will be re-measured using the same protocols as used for the original measurement. Change in carbon stocks within the project area are included in the calculation of net emission reductions as the CPE term of Equation 34 of the approved methodology. Project emissions may be positive (emissions) or negative (a sink resulting from forest growth).

Consistent with the VCS requirements for grouped projects, the data management systems used by Wildlife Works Carbon, LLC are centralized. The general responsibility and authority for registration, monitoring, measurement and reporting activities are defined in the VCS PD. Wildlife Works Carbon, LLC has a carbon easement with each of the 13 ranches and a contract, to measure, monitor, report, and register offsets generated by avoiding deforestation within the project area. The agreement was ratified during general meetings of the shareholders of the landowning companies. DNV has reviewed this documentation /3/7/19/ /46/.

The parameters being monitored were discussed with the project proponent. The project proponent has developed sufficient guidance for image classification and monitoring carbon in soils and biomass in order to ensure that reliable field data is collected /10/13/14/.

The frequency of the data collection depends on the specific parameter included in the monitoring plan. DNV found that these are in line with the requirements of the methodology, VM0009.

3.8 CM1 – Net Positive Community Impacts

Wildlife Works outlines within the PD the net positive impact that the project has and will continue to have on the local community. During the site visit, DNV assessed the impact to the local community and found that the assertions made within the PD are accurate and that the project proponent has delivered a significant and measureable benefit back to the community.

The community projects that are currently being implemented include a nursery program, organic greenhouse, reforestation program, eco-charcoal production, building and operating schools, paying school fees, and various community infrastructure projects. Further, revenues will be dispersed and organized largely through the Kasigau Conservation Trust and Marungu Hills Conservancy Association (MHCA) moving forward, which are two trusts that Wildlife Works has helped set up on behalf of the community.

During interviews with the directors of the MHCA, it was confirmed that the institutional structures are in place to disburse the funds to the community level. The two trusts are currently deciding on whether to move forward on a \$2 million USD water pipeline project that will

provide ready access to water for the communities surrounding Mt. Kasigau to the Marungu Hills.

The employment of local community members provides a steady monthly cash flow that was not provided to them prior to the project activities.

Phase II of the project successfully links two of the largest conservation areas in Kenya, Tsavo East and West National Parks. One of the goals of the project proponent was to secure lands to create a migratory corridor for wildlife in order for them to freely move between the parks. Without the implementation of the project, it is clear that the baseline scenario is clearing of the land and thus this scenario would negatively affect the said HCV of the area. Further, DNV confirmed during the site visit that the HCVs identified will not be negatively affected by the project's activities.

3.9 CM2 – Offsite Stakeholder Impacts

Several potential net negative offsite stakeholder impacts have been identified by the project proponent. These include the potential increase in human-wildlife conflict as the wildlife populations return to the Kasigau Corridor, an exclusive dependence on Wildlife Works for cash flow, a need for grazing within the community, and an alternative livelihood for charcoal burners previously active on the Phase II ranches.

To mitigate such potential negative impacts, Wildlife Works is providing viable initiatives and alternatives to ensure that the local community will benefit from the project activities. As the project progresses, the community will therefore further be empowered to diversify into other sustainable income generation activities in the project area and project zone.

3.10 CM3 – Community Impact Monitoring

The PD includes metrics to monitor the project's community impact for the EcoFactory, Organic Greenhouse project, Jojoba/Dryland Farming Project, Forest and Biodiversity Monitoring, ecotourism in the project area and project zone, school construction and bursary scheme, carbon project leakage mitigation, project product marketing and sales, soap factory expansion, and other success metrics. DNV reviewed the documents applicable to these projects and assessed the implementation of the projects during the site visit and found the monitoring metrics to be appropriate.

The project proponent has committed to develop a detailed monitoring plan within 12 months of validation. Since the project is also undergoing an initial verification, however, the project proponent was asked to produce a monitoring report for the projects that have been implemented during the verification period.

3.11 B1 – Net Positive Biodiversity Impacts

During the site visit, the project proponent provided its datasheets showing evidence of the methodologies used to monitor biodiversity changes in the ranch. The audit team also assessed the biodiversity data collection techniques and analysis during the site visit. Implementing a recommendation made during the validation of Phase I, all biodiversity transect data is marked with a GPS. The estimation methods are considered to be reasonable.

It was also observed during the site visit that the number of rangers that patrol the project area has kept poaching activities and land degradation within the project area at a minimum. The rangers work in conjunction with the Kenya Wildlife Service (KWS), who provide armed guards if it is needed to control poaching activities. Wildlife Works rangers do not carry armed weapons. These rangers provide both the biodiversity monitoring and GHG emissions mitigation activities /38//39/.

The project proponent clearly states within the PD that there will not be any negative impacts on the HCVs as their mission and day-to-day activities are to conserve such areas. The audit team was able to confirm this during the on site upon assessment of the project activities being implemented.

The PD correctly states that because the project is essentially a conservation project, new species are not being introduced to the project area. Where leakage mitigation activities are being implemented, the reforestation of Mt. Kasigau is being accomplished using only non-invasive species already present within the project zone. The PD outlines the species that are being planted currently.

The audit team confirmed the existence of Jojoba (*Simmondsia chinensis*), and that the project proponent is testing the suitability of its seed as a cash crop. The Jojoba was introduced to the area many years before the project proponent took over management of the area. It was shown that the species has not spread beyond the areas in which it was introduced, and thus is not invasive and does not pose a threat to the biodiversity of the project zone.

The PD states that indicator B.1.4 does not apply and references ISSG's database. The audit team confirmed this on the site visit. Although the project proponent is cultivating fast-growing exotic species in its greenhouse nursery, these are not planted within the project area. These species are being given to the local community for planting on their private farms to empower the community.

The project proponent clearly states that no genetically modified organisms (GMOs) are being used.

3.12 B2 – Offsite Biodiversity Impacts

The project proponent states that the activities undertaken due to the project will result in no offsite negative impact on biodiversity. Following the site visit to the project site, the audit team was able to confirm that the project will not result in any potential negative offsite biodiversity impacts. In fact, as a result of the protection of the wildlife corridor, the project zone will have offsite positive biodiversity impact due to the project activities.

3.13 B3 - Biodiversity Impact Monitoring

The project proponent outlines the appropriate variables and metrics to monitor biodiversity. The project proponent has implemented a suggestion made during the validation of Phase I to use GPS coordinate to mark wildlife, poaching, and charcoal activities. The project proponent uses its rangers to assess the richness of the species in the project area, as well as to prevent illegal charcoal production and poaching on a daily basis. Thus, the project proponent's rangers are critical to the monitoring activities, including HCV areas.

3.14 GL1 – Climate Change Adaptation Benefits

The PD identifies risks to the project's climate, community and biodiversity benefits resulting from likely climate change and climate variability impacts. Risks include lower food productivity which will increase pressure on poaching and diversity, increased drought, degradation of natural food sources for wildlife, and increased pressure for cattle grazing within the project area. These risks are reasonable given the likely climate change impacts for local land-use.

As the PD states and as assessed during the site visit, the project proponent demonstrates that the project activities will assist communities and biodiversity in adapting to the probable impacts of climate change. This is achieved by creating alternative livelihoods to subsistence farming, protection of wildlife from poachers, and the improved efficiency of agriculture production through the cultivation of Jojoba, citrus trees and other cash crops that can survive very arid conditions.

3.15 GL2 – Exceptional Community Benefits

The project proponent has elected not to pursue these optional Gold Level criteria since Kenya falls just above the threshold for Low Development Countries with an HDI of 5.21 vs. a <5.0 limit.

3.16 GL3 – Exceptional Biodiversity Benefits

The project area is inhabited by Grevy zebras (*Equus grevyi*) and African Hunting Dogs (*Lycan pictus*), which are both IUCN Red List – Endangered. The project area is also inhabited by cheetahs (*Acinonyx jubatus*) and lions (*panthera leo*) that are IUCN Red List – Vulnerable, as well as Taita Apalis (*Apalis fuscigularis*) and Taita Thrush (*Turdus helleri*), both of which are

IUCN – Critically Endangered. The project area is also part of the Eastern Arc Mountain Global Hot Spot, as defined by Conservation International.

The information provided by the project proponent meets GL 3.1.1. and thus qualifies under this criterion.

4 CCB VALIDATION CONCLUSION

Det Norske Veritas (U.S.A.), Inc. (DNV) has performed a validation of the “The Kasigau Corridor REDD Project Phase II – The Community Ranches” in Kenya on the basis of CCBA Climate, Community, and Biodiversity Project Design Standards (Second Edition), at the Gold level.

The project proponent is Wildlife Works Carbon, LLC. DNV has confirmed that Wildlife Works Carbon, LLC has the right to all and any reductions generated by the Project during the Project Crediting Period 1 January, 2010 – 31 December, 2039.

The review of the project design documentation and the subsequent follow-up interviews have provided DNV with sufficient evidence to determine the fulfilment of stated criteria.

The project correctly applies the approved VCS methodology element VM0009, “Methodology for Avoided Mosaic Deforestation of Tropical Forests Version 1.0” for the quantification of GHG emissions reductions and monitoring of leakage.

The main project activity is to prevent deforestation caused by slash and burn and subsistence farming activities by empowering the local communities with employment opportunities and key infrastructure projects. The project results in reductions of GHG emissions that are real, measurable and give long-term benefits to the mitigation of climate change, have clear socio-economic benefits to the communities surrounding the project area, and to biodiversity.

Adequate training and monitoring procedures have been implemented to monitor how climate, community, and biodiversity are affected by the project activities.

In summary, it is DNV’s opinion that the “The Kasigau Corridor REDD Project Phase II – The Community Ranches” in Kenya as described in the CCBA PD of 27 April, 2011, meets all relevant CCBA requirements, at the Gold level.

5 CCBA COMPLIANCE CHECKLIST – THE KASIGAU CORRIDOR REDD PROJECT PHASE II

		<i>Conformance</i>			
General Section					
G1.	Original Conditions in the Project Area (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
G2.	Baseline Projects (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
G3.	Project Design and Goals (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
G4.	Management Capacity and Best Practices (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
G5.	Legal Status and Property Rights (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Climate Section					
CL1.	Net Positive Climate Impacts (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
CL2.	Offsite Climate Impacts (“Leakage”) (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
CL3.	Climate Impact Monitoring (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Community Section					
CM1.	Net Positive Community Impacts (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
CM2.	Offsite Community Impacts (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
CM3.	Community Impact Monitoring (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Biodiversity Section					
B1.	Net Positive Biodiversity Impacts (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
B2.	Offsite Biodiversity Impacts (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
B3.	Biodiversity Impact Monitoring (Required)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Gold Section					
GL1.	Climate Change Adaptation Benefits (Optional)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
GL2.	Exceptional Community Benefits (Optional)	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
CL 3.	Exceptional Biodiversity Benefits (Optional)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
CCBA Validation Level Attained:					
Approved (all requirements met)					<input type="checkbox"/>
Gold (all requirements and also at least one optional Gold Level criterion met)					<input checked="" type="checkbox"/>

APPENDIX A

Resolution of Corrective Action and Clarification Requests

Table 3 Requirements Checklist

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
<p>G.1. Original Conditions in the Project Area The original conditions at the project area and the surrounding project zone before the project commences must be described. This description, along with baseline projects (G2), will help to determine the likely impacts of the project. The project proponents must provide a description of the project zone, containing all the following information.</p>					
<p>G.1.1. The location of the project and basic physical parameters (e.g., soil, geology, climate).</p>	/1/	DR	The location of the project is described adequately in the PD. The basic physical parameters such as the soil, geology, and climate are adequately addressed in section G.1.1.		OK
<p>G.1.2. The types and condition of vegetation within the project area.</p>	/1/	DR	The types and condition of the vegetation in the project area are described appropriately. The PD describes three different vegetation strata in section G1.2.		OK
<p>G.1.3. The boundaries of the project area and the project zone.</p>	/1/	DR	Descriptions of the boundaries of the project area and project zone are shown in Section G.1.3. The project area covers 100% (169 741.4 hectares) of the 13 community ranches. At the time of the project start date, 94.3% of the project area was forested for 10 years prior to the project start date. The project boundary was confirmed by DNV by reviewing the two documents provided by		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			Wildlife Works, the leasehold titles to each of the 13 ranches /3/, and the Carbon Rights Agreement between Wildlife Works Carbon, LLC and each of the 13 ranches/4/.		
G.1.4. Current carbon stocks within the project area(s), using stratification by land-use or vegetation type and methods of carbon calculation (such as biomass plots, formulae, and default values) from the Intergovernmental Panel on Climate Change’s 2006 Guidelines for National GHG Inventories for Agriculture, Forestry and Other Land Use (IPCC 200GL for AFOLU) or a more robust and detailed methodology.	/1/	DR, I	<p>The project calculates carbon stock by following the approved VCS methodology VM0009, ‘Methodology for Avoided Mosaic Deforestation of Tropical Forests version 1.0’.</p> <p>The project developer has elected to count above-ground and below-ground carbon in live trees and shrubs, above-ground and below-ground carbon in herbaceous vegetation, and carbon in the top meter of soil.</p>		OK
G.1.5. A description of the communities located in the project zone, including basic socio-economic and cultural information that describes the social, economic and cultural diversity within communities (wealth, gender, age, ethnicity. etc.), identifies specific groups such as Indigenous Peoples and describes any community characteristics.		DR, I	There are two communities that were identified in the PD and confirmed during the site visit, the Taita and the Duruma tribes. These people live in rural towns such as Mangu, Itinyi, Buguta, Marungu, Kale, Mwakasinyi, and Sasenyi. Where businesses exist, the economy is based on small service businesses, small shops		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			and bars. The description provided in G.1.5. is sufficient given the lack of socio-economic opportunities in the project zone.		
<p>G.1.6. A description of current land use and customary and legal property rights including community property in the project zone, identifying any ongoing or unresolved conflicts or disputes and identifying and describing any disputes over land tenure that were resolved during the last ten years (see also G5).</p>	/1/	DR, I	<p>A description of the current land use and customary and legal property rights is included in the PD in section G.1.6. The PD adequately describes the historical land tenure rights in Kenya and provides recent examples of the Duruma tribe ignoring such land tenure rights. The PD also outlines recent changes at the local level and describes the land tenure and title rights of the project area. The project is implemented on 13 blocks of land known as the Kasigau Corridor, which is owned by the Indigenous Community Ownership Groups, each one of the 13 blocks being owned by different legal entities formed in the 1960s and 1970s by the Communities and the Government of Kenya to hold legal title of the land. The project also includes Maungu Hill Bio-diversity Conservation and Eco-tourism Project and a Wildlife Corridor adjacent to the Nairobi-Mombasa Highway.</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
G.1.7. A description of current biodiversity within the project zone (diversity of species and ecosystems) and threats to that biodiversity, using appropriate methodologies, substantiated where possible with appropriate reference material.	/1/	DR, I	It was found during the site visit that the biodiversity description within the project area and zone and project area are adequate. Appropriate guides are referenced in section G.1.7. and the results of a biodiversity study conducted by the project proponent and Earthwatch is presented in section G.1.7 /26/ /35/ /24/. The project proponent also played a significant role in assisting the Kenya Wildlife Service with the recent publication of the Tsavo Conservation Area Management Plan. Threats to biodiversity identified and confirmed by DNV include: 1) overgrazing of the group ranches, 2) poaching for bush meat, and 3) illegal charcoal activities.		OK
G.1.8. An evaluation of whether the project zone includes any of the following High Conservation Values (HCVs) and a description of the qualifying attributes.	/1/	DR, I	Section G.1.8. of the PD contains descriptions of HCVs, including endangered species, the project area as a wildlife corridor for migration and dispersals of large mammals, the area as a unique dryland ecosystem, and Mount Kasigau, which uniquely provides for the local population.		OK
G.1.8.1. Globally, regionally or nationally significant concentration of biodiversity values, such as: a) protected areas, b) threatened	/1/	DR, I	Section G.1.8 of the PD contains descriptions of HCVs including		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
areas, c) endemic species, and d) areas that support significant concentrations of a species during any time in their lifecycle (e.g., migrations, feeding grounds, breeding areas).			endangered species, the project area as a wildlife corridor for migration and dispersals of large mammals, the area as a unique dryland ecosystem, and Mount Kasigau which uniquely provides for the local population.		
G.1.8.2 Globally, regionally or nationally significant large landscape-level areas where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance.	/1/	DR, I	Section G.1.8. of the PD contains descriptions of HCVs, including endangered species, the project area as a wildlife corridor for migration and dispersals of large mammals, the area as a unique dryland ecosystem, and Mount Kasigau which uniquely provides for the local population.		OK
G.1.8.3 Threatened or rare ecosystems.	/1/	DR, I	Section G.1.8, of the PD contains descriptions of HCVs, including endangered species, the project area as a wildlife corridor for migration and dispersals of large mammals, the area as a unique dryland ecosystem, and Mount Kasigau which uniquely provides for the local population.		OK
G.1.8.4 Areas that provide critical ecosystem services (e.g. hydrological services, erosion control, fire control).	/1/	DR, I	Section G.1.8. of the PD contains descriptions of HCVs, including endangered species, the project area as a wildlife corridor for migration and dispersals of large mammals, the area as a unique dryland ecosystem, and Mount		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			Kasigau which uniquely provides for the local population.		
G.1.8.5 Areas that are fundamental for meeting the basic needs of local communities (e.g., for essential food, fuel, fodder, medicines or building materials without readily available alternatives).	/1/	DR, I	Section G.1.8. of the PD contains descriptions of HCVs, including endangered species, the project area as a wildlife corridor for migration and dispersals of large mammals, the area as a unique dryland ecosystem, and Mount Kasigau which uniquely provides for the local population.		OK
G.1.8.6 Areas that are critical for the traditional cultural identity of communities (e.g., areas of cultural, ecological, economic, or religious significance identified in collaboration with the communities).	/1/	DR, I	Section G.1.8. of the PD contains descriptions of HCVs, including endangered species, the project area as a wildlife corridor for migration and dispersals of large mammals, the area as a unique dryland ecosystem, and Mount Kasigau which uniquely provides for the local population.		OK
G.2. Baseline Projections: A baseline projection is a description of expected conditions in the project zone in the absence of project activities. The project impacts will be measured against this ‘without-project’ reference scenario.					
G.2.1. Describe the most likely land-use scenario in the absence of the project, following IPCC 2006 GL for AFOLU or a more robust and detailed methodology, describing the range of potential land-use scenarios and the associated drivers of GHG emissions and justifying why the land-use scenario selected is most likely.	/1/	DR, I	The PD provides a clear description of the baseline scenario in the ‘without’ project case. The current and most likely land-use scenario in the project area in the ‘without’ project scenario is slash and burn agriculture and illegal charcoal burning activities. This was clearly		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			confirmed during the auditors' site visit to the Kasigau corridor. DNV conducted an aerial viewing of both the project and reference area and confirmed this conclusion. Also, based on interviews conducted during the site visit, it is apparent that slash and burn agriculture is the baseline scenario and would proceed rapidly without the project being implemented.		
G.2.2. Document that project benefits would not have occurred in the absence of the project, explaining how existing laws or regulations would likely affect land use and justifying that the benefits being claimed by the project are truly "additional" and would be unlikely to occur without the project.	/1/	DR, I	During the site visit, the auditors confirmed the benefits of the project through various interviews with the Maungu Hill Conservation Trust and local community members. In fact, two of the largest conservation parks (Tsavo East and West) surround the project area. The agents of deforestation are described adequately. It was confirmed during the site visit that the agents of deforestation are in fact very apparent and the "without project" scenario would lead to both degradation and deforestation within the project area.		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			<p>DNV has confirmed that the alternative land-use scenarios identified by Wildlife Works are appropriate. It was also determined that the identified alternative land uses are consistent with enforced mandatory laws and regulations.</p> <p>DNV confirmed that the project is not mandated by any enforced law, statute, or other regulatory framework by reviewing the relevant laws and regulations outlined in the project document, leasehold title, management authority agreement, and the audit report performed by the Kenya National Environmental Management Authority /1/ /4/ /5/ /6/.</p> <p>In summary, it is demonstrated that the project activity is not a likely baseline scenario due to the need for financial revenues to offset mitigation activities, and that the emission reductions are additional to what would have happened in the absence of the project activity.</p>		

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
<p>G.2.3. Calculate the estimated carbon stock changes associated with the “without project” reference scenario described above. This requires estimation of carbon stocks for each of the land-use classes of concern and a definition of the carbon pools included, among the classes defined in the IPCC 2006 GL for AFOLU. The timeframe for this analysis can be either the project lifetime (see G.3) or the project GHG accounting period, whichever is more appropriate. Estimate the net change in the emissions of non-CO₂ GHG emissions such as CH₄ and N₂O in the “without project” scenario. Non-CO₂ gases must be included if they are likely to account for more than 5% (in terms of CO₂-equivalent) of the project’s overall GHG impact over each monitoring period. Projects in which activities are designed to avoid GHG emissions (such as those reducing emissions from deforestation and forest degradation (REDD), avoiding conversion of non-forest land, or certain improved forest management projects) must include an analysis of the relevant drivers and rates of deforestation and/or degradation and a description and justification of the approaches, assumptions and data used to perform this analysis. Regional-level estimates can be used at the project’s planning stage as long as there is a commitment to evaluate locally-specific carbon stocks and to develop a project-specific spatial analysis of deforestation and/or degradation using an appropriately robust and detailed carbon accounting methodology before the start of the project.</p>	/1/	DR, I	<p>The baseline projections of net emission reductions are based on the approved VCS methodology VM009, “VM0009 Methodology for Avoided Mosaic Deforestation of Tropical Forests Version 1.0” /48/. The project start date is 1 January, 2010. The project applies a new VCS methodology, “VM0009 Methodology for Avoided Mosaic Deforestation of Tropical Forests Version 1.0” /48/, which was approved on 11 January, 2011. The project baseline is constructed according to the approved methodology. The project proponent elected to use the linear model baseline alternative provided within VM0009.</p> <p>Baseline emissions are calculated as a function of the baseline area predicted to be deforested each year, multiplied by the carbon stock per hectare in woody biomass, soil carbon loss as a decay function since conversion to agriculture. The project avoids emissions to the extent that</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			<p>monitored deforestation is less than predicted baseline deforestation, adjusted for changes in biomass carbon stocks.</p> <p>See section 3.2 G2 – Baseline Scenario above.</p>		
<p>G.2.4. Describe how the “without project” reference scenario would affect communities in the project zone, including the impact of likely changes in water, soil and other locally important ecosystem services.</p>	/1/	DR, I	<p>It was confirmed during the site visit that there would be severe risks and impact to water, soil and other ecosystem services. The project activities will serve to mitigate these negative impacts as described in Section G.2.4 of the PD.</p>		OK
<p>G.2.5. Describe how the “without project” reference scenario would affect biodiversity in the project zone (e.g., habitat availability, landscape connectivity and threatened species).</p>	/1/	DR, I	<p>It was confirmed during an aerial viewing of the reference region that without the project activities, there would be significant and obvious affects on biodiversity. This is related to the fact that the project creates a wildlife corridor between the two national parks. In addition, the rangers are actively reducing poaching activities that would continue in the “without project” scenario.</p>		OK
<p>G.3. Project Design and Goals The project must be described in sufficient detail so that a third-party can adequately evaluate it. Projects must be designed to minimize risks to the expected climate, community and biodiversity benefits and</p>					

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
to maintain those benefits beyond the life of the project. Effective local participation in project design and implementation is key to optimizing multiple benefits, equitably and sustainably. Projects that operate in a transparent manner build confidence with stakeholders and outside parties and enable them to contribute more effectively to the project. The project proponents must:					
G.3.1. Provide a summary of the project’s major climate, community and biodiversity objectives.	/1/	DR, I	The PD includes an appropriate summary of the major climate, community, and biodiversity benefits of the project in Section G.3.1. and cover such activities such as the protection of the project area, long-term sustainability activities (socio-economic and environmental aspects), investment and outreach. The project design document for the EcoCharcoal initiative was reviewed by the auditors/42/.		OK
G.3.2. Describe each project activity with expected climate, community and biodiversity impacts and its relevance to achieving the project’s objectives.	/1/	DR, I	Section G.3.2. describes each project activity adequately. Upon assessing the project activities during the site visit, it was clear that these project activities contribute to the net positive impact of the project. The project proponent also provided an implementation schedule for the project activities, including financial projections to achieve the project’s objectives. The project activities identified within the PD		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			<p>include, Organic greenhouse and fruit tree propagation, financial aid to the Marungu Hill Conservation Association, Jojoba propagation and extension into the community, mushroom farms from elephant dung, the reforestation of Mt. Kasigau, Wildlife Works REDD forest and biodiversity monitoring, community wildlife scouts, the Kasigau Conservation Trust, and others. Initially, the PD did not include any description of how the Kasigau Conservation Trust and Marungu Hill Conservation Association will be central to the disbursement and prioritization of community projects. As this is a central and material piece to the project's activities, DNV requested that the project proponent include this within their PD.</p> <p>CAR 1</p> <p>Section G.3.2 - Please include a description of how the Kasigau Conservation Trust and Marungu Hill Conservation Association will be central to the disbursement and prioritization of community projects. As this is a central and material piece to the project's</p>		

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			activities, DNV requests that the project proponent include this within their PD.		
<p>G.3.3. Provide a map identifying the project location and boundaries of the project area(s), where the project activities will occur, and the project zone and additional surrounding locations that are predicted to be impacted by project activities (e.g. through leakage).</p>	/1/	DR, I	<p>The PD contains maps of the project area and project zone delineating between Phase I and the Phase II ranches. Though the map describes the project area and zone, DNV requested that the project proponent include the communities that would be impacted through the project activities. This has been addressed in the new PD.</p> <p>CAR 4 Section CL.3.2 - A monitoring plan is already in place to demonstrate the climate benefits of the project activities in accordance with VCS MED VM0009. Please adjust section CL.3.2. to state this fact.</p>		OK
<p>G.3.4. Define the project lifetime and GHG accounting period and explain and justify any differences between them. Define an implementation schedule, indicating key dates and milestones in the project’s development.</p>	/1/	DR, I	<p>Wildlife Works took financial responsibility for all conservation activities within the Project Area on 1 January, 2010. As such, the project start date and project crediting period is 1 January, 2010 – 31 December, 2039. Although Wildlife Works was performing conservation activities centered</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			<p>around the ecofactory administered by Wildlife Works EPZ prior to 2005, all activities were located outside of the Project Area and thus do not affect the project start date or project crediting period of Phase II of this project. DNV confirmed that the project start date and project crediting period was determined properly through reviewing the contract signed between each of the 13 ranches/5/ and the Carbon Rights Agreements between these ranches /3/. A 30-year crediting period was selected, with 1 January, 2010 as the start date. The project will therefore end on 31 December, 2039.</p> <p>During the audit, the implementation schedule of the various project activities was presented to the auditor. This is a key component for future verifications to ensure that the project activities are moving ahead effectively.</p>		
G.3.5. Identify likely natural and human-induced risks to the expected climate, community and biodiversity benefits during the project lifetime and outline measures adopted to mitigate these risks.	/1/	DR, I	A list of the major risks, both natural and human-induced, were identified. The risks identified include change in legislation,		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			income, crop failure, invasion of cattle grazers, drought, and fire. For each of these risks, the project proponent outlines how they will mitigate these risks.		
G.3.6. Demonstrate that the project design includes specific measures to ensure the maintenance or enhancement of the high conservation value attributes identified in G.1 consistent with the precautionary principle.	/1/	DR, I	The PD demonstrates that the project design includes specific measures to ensure the maintenance and enhancement of HCVs in the project zone. The measures include improving the Proponent’s ability to monitor HCV species through rangers, a GIS center, and maintaining and monitoring a 3 -ear reforestation project on Mt. Kasigau, an area identified as having an HCV.		OK
G.3.7. Describe the measures that will be taken to maintain and enhance the climate, community and biodiversity benefits beyond the project lifetime.	/1/	DR, I	Section 3.7 states that the project proponent is seeking permanently tie the carbon easements that are currently in place in the project area to the project activities, although there is no precedent for this in Kenyan law. Initially, the project proponent did not identify long-term job creation and long-term financial health and changing behavioral norms within the community as measures the project will complete to enhance the climate, community and biodiversity benefits beyond the		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			<p>project lifetime. As this is material to the project, DNV has requested that this be included within section G.3.7. This has now been included in the revised version of the PD.</p> <p>CAR 2</p> <p>Section G3.7 - Please identify long-term job creation and long-term financial health and changing behavioral norms within the community as measures the REDD project will complete to enhance the climate, community and biodiversity benefits beyond the project lifetime. As this is material to the project, DNV requests that this be included within section G.3.7.</p>		
<p>G.3.8. Document and defend how communities and other stakeholders potentially affected by the project activities have been identified and have been involved in project design through effective consultation, particularly with a view to optimizing community and stakeholder benefits, respecting local customs and values and maintaining high conservation values. Project developers must document dialogues with stakeholders and indicate if and how the project proposal was revised based on this input. A plan must be developed to continue communication and consultation between project managers and all community groups about the project and its impacts to facilitate adaptive management throughout the life of the project.</p>	/1/	DR, I	<p>DNV interviewed representatives from each Board of Directors of the 13 ranches, met with community members in the various towns surrounding the project area and with the directors of the Marungu Hill Conservation Association and the Kasigau Hill Conservation Trust. Through these interviews, it was found that the project proponent has engaged the community and its various stakeholders throughout the</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			<p>project implementation. Lenjo Laurian of Wildlife Works is in charge of community relations and continually holds community meetings throughout the project zone. During the site visit, the auditors interviewed Lenjo and also confirmed with the communities his involvement with them.</p> <p>Through interviews with the Ranch directors, the auditors ensured that the carbon project is occurring on behalf of the land owners with full consent from its shareholders /3//7//19/ /46/. As the number of shareholders varies from 2 to 2 500, the auditors reviewed the meeting minutes from the AGM meetings where a vote was taken to ensure that a quorum was met.</p> <p>Kenyan law states that AGM meetings must be advertised 21 days prior to the meeting. The auditors checked this for each of the AGM meetings and confirmed this law was followed.</p> <p>During the site visit, the leaders of</p>		

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			various communities visited the Wildlife Works headquarters to present proposals for various community projects. The open-door policy is clearly followed and understood by the communities in the project zone.		
G.3.9. Describe what specific steps have been taken, and communications methods used, to publicize the CCBA public comment period to communities and other stakeholders and to facilitate their submission of comments to CCBA. Project proponents must play an active role in distributing key project documents to affected communities and stakeholders and hold widely publicized information meetings in relevant local or regional languages.	/1/	DR, I	<p>Following a revised PD, the specific actions that were taken and communications used to publicize the CCBA public comment period to the communities and other stakeholders have been met /36//37/.</p> <p>CAR 3</p> <p>Section 3.9 - Please provide further details on how the public comment period was publicized within the affected communities. Please also describe how non-electronic comments were transcribed and submitted to the CCBA.</p>		OK
G.3.10. Formalize a clear process for handling unresolved conflicts and grievances that arise during project planning and implementation. The project design must include a process for hearing, responding to and resolving community and other stakeholder grievances within a reasonable time period. This grievance process must be publicized to communities and other	/1/	DR, I	A Conflict Resolution Process was formalized during the CCBA validation of Phase I. The auditors reviewed this document and find this to be appropriate.		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
<p>stakeholders and must be managed by a third party or mediator to prevent any conflict of interest. Project management must attempt to resolve all reasonable grievances raised, and provide a written response to grievances within 30 days. Grievances and project responses must be documented.</p>					
<p>G.3.11. Demonstrate that financial mechanisms adopted, including projected revenues from emissions reductions and other sources, are likely to provide an adequate flow of funds for project implementation and to achieve the anticipated climate, community and biodiversity benefits.</p>	/1/	DR, I	<p>Wildlife Works Carbon, LLC is a conservation organization. One-third of its revenues are intended to be distributed to the shareholders of the ranches. The majority of shareholders for the ranches had never received any financial distributions in the over 25 years of land title ownership prior to the arrival of Wildlife Works. It is expected a total of \$1-2 million USD should be dispersed to both the shareholders of the 13 ranches and stakeholders of the community in 2011 alone.</p> <p>Approximately one-third of the revenues are likely to be dedicated to community benefit projects administered by Wildlife Works. Significant components of community projects include a nursery, organic greenhouse, reforestation program, ecocharcoal production, building and operating schools, paying school fees, and various</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			<p>community infrastructure projects. Further, revenues will be dispersed and organized largely through the Kasigau Conservation Trust and Marungu Hills Conservancy Association (MHCA), which are two trusts that Wildlife Works has helped set up on behalf of the community. During interviews with the directors of the MHCA, it was confirmed that the institutional structures are in place to disburse the funds to the community level. The two trusts are currently deciding on whether to move forward on a \$2 million USD water pipeline project that will provide ready access to water for the communities surrounding Mt. Kasigau to the Marungu Hills.</p> <p>The analysis supplied during the site visit included information demonstrating the costs and revenues of all project activities, clearly stated anticipated benefits to the climate, community and biodiversity, and that sound financial mechanisms are being adopted.</p>		
G.4. Management Capacity and Best Practices					

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
<p>The success of a project depends upon the competence of the implementing management team. Projects that include a significant capacity-building (training, skill building, etc.) component are more likely to sustain the positive outcomes generated by the project and have them replicated elsewhere. Best practices for project management include: local stakeholder employment, worker rights, worker safety and a clear process for handling grievances. The project proponents must:</p>					
<p>G.4.1. Identify a single project proponent that is responsible for the project’s design and implementation. If multiple organizations or individuals are involved in the project’s development and implementation the governance structure, roles and responsibilities of each of the organizations or individuals involved must also be described.</p>	/1/	DR, I	<p>The project proponent is Wildlife Works Carbon LLC and the PD identifies them as the single project proponent.</p>		OK
<p>G.4.2. Document key technical skills that will be required to implement the project successfully, including community engagement, biodiversity assessment and carbon measurement and monitoring skills. Document the management team’s expertise and prior experience implementing land management projects at the scale of this project. If relevant experience is lacking, the proponents must either demonstrate how other organizations will be partnered with to support the project or have a recruitment strategy to fill the gaps.</p>	/1/	DR, I	<p>The project developer has more than a decade of experience implementing sustainable livelihood activities in the region. The sustainable charcoal program appears to have the possibility of being financially self-sustaining.</p> <p>The project proponent documents key technical skills in the PD required to implement the project successfully.</p>		OK
<p>G.4.3. Include a plan to provide orientation and training for the project’s employees and relevant people from the communities with an objective of building locally useful skills and knowledge to increase local participation in project implementation. These capacity building efforts should target a wide range of people in the communities, including minority and underrepresented groups. Identify how training</p>	/1/	DR, I	<p>Wildlife Works currently employs over 150 members of the local community and has promoted several of the locals to leadership positions, including Joseph Mwanganda (Project Manager),</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
will be passed on to new workers when there is staff turnover, so that local capacity will not be lost.			Paschal Mulonzya (Company Accountant), Eric Sagawe (Head Wildlife Ranger), and Lenjo Laurian (Office Manager and Community Relations Personnel). Given Wildlife Work's commitment to the success of the local community, it is evident that the project proponent will continue to hire locals when possible.		
G.4.4. Show that people from the communities will be given an equal opportunity to fill all employment positions (including management) if the job requirements are met. Project proponents must explain how employees will be selected for positions and where relevant, must indicate how local community members, including women and other potentially underrepresented groups, will be given a fair chance to fill positions for which they can be trained.	/1/	DR, I	<p>Each of the 13 ranches is owned by a different number of shareholders. Upon discussions with the ranch directors, it was found that some ranches are owned by the community itself and have over 2 500 shareholders. Shares in the community ranches can be bought and sold only within the community. Other ranches such as the Washumbu and Choke ranch are family-owned and thus the same sort of opportunities are not afforded to the wider community.</p> <p>Wildlife Works currently employs over 150 members of the local community and has promoted several of the locals to leadership positions including Joseph Mwanganda (Project Manager),</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			<p>Paschal Mulonzya (Company Accountant), Eric Sagawe (Head Wildlife Ranger), and Lenjo Laurian (Office Manager and Community Relations Personnel). Given Wildlife Work's commitment to the success of the local community, it is evident that the project proponent will continue to hire locals when possible.</p>		
<p>G.4.5. Submit a list of all relevant laws and regulations covering worker's rights in the host country. Describe how the project will inform workers about their rights. Provide assurance that the project meets or exceeds all applicable laws and/or regulations covering worker rights and, where relevant, demonstrate how compliance is achieved.</p>	/1/	DR, I	<p>A complete list of relevant laws and regulations covering worker's rights is provided in the PD. It was found that these laws are communicated to the employees in a statement within the employee contracts.</p>		OK
<p>G.4.6. Comprehensively assess situations and occupations that pose a substantial risk to worker safety. A plan must be in place to inform workers of risks and to explain how to minimize such risks. Where worker safety cannot be guaranteed, project proponents must show how the risks will be minimized using best work practices.</p>	/1/	DR, I	<p>The PD outlines potential hazards at each of the project activity sites. It was found during the site visit that the identified risks are appropriate.</p>		OK
<p>G.4.7. Document the financial health of the implementing organization(s) to demonstrate that financial resources budgeted will be adequate to implement the project.</p>	/1/	DR, I	<p>It was found during the site visit that the land is owned free and clear by the shareholders. The main project costs are for staff. Until the next scheduled verification of offsets, these costs can be entirely paid through offset revenues. Implementation of the sustainable charcoal program is</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			being done by an independent company that will be supported by revenue from charcoal sales. Materials for the clothing factory are paid for by sales of finished clothing. School bursary costs are largely covered by donations. Thus it was found that the cash flow analysis demonstrated that the financial resources budgeted will be adequate to implement the project activities moving forward.		
<p>G.5. Legal Status and Property Rights</p> <p>The project must be based on a solid legal framework (e.g., appropriate contracts are in place) and the project must satisfy applicable planning and regulatory requirements. During the project design phase, the project proponents should communicate early on with relevant local, regional and national authorities in order to allow adequate time to earn necessary approvals. The project design should be sufficiently flexible to accommodate potential modifications that may arise as a result of this process. In the event of unresolved disputes over tenure or use rights to land or resources in the project zone, the project should demonstrate how it will help to bring them to resolution so that there are no unresolved disputes by the start of the project.</p> <p>Based on information about current property rights provided in G.1., the project proponents must:</p>					
<p>G.5.1. Submit a list of all relevant national and local laws and regulations in the host country and all applicable international treaties and agreements. Provide assurance that the project will comply with these and, where relevant, demonstrate how</p>	/1/	DR, I	It was found that the project is in compliance with all national laws and license requirements relating to conservation projects in Kenya		OK

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compliance is achieved.			and that there is no law mandating that the land is a conservation area.		
G.5.2. Document that the project has approval from the appropriate authorities, including the established formal and/or traditional authorities customarily required by the communities.	/1/	DR, I	– A quick discussion was held with the Kenyan Forest Service on whether they foresee any future regulations on REDD in Kenya.		OK
G.5.3. Demonstrate with documented consultations and agreements that the project will not encroach uninvited on private property, community property, or government property and has obtained the free, prior, and informed consent of those whose rights will be affected by the project.	/1/	DR, I	<p>DNV interviewed representatives from each Board of Directors of the 13 ranches, met with community members in the various towns surrounding the project area and with the directors of the Marungu Hill Conservation Association and the Kasigau Hill Conservation Trust. During these interviews, it was found that the project proponent has engaged the community and its various stakeholders throughout the project implementation. Lenjo Laurian of Wildlife Works is in charge of community relations and continually holds community meetings throughout the project zone. During the site visit, the auditors interviewed Lenjo and confirmed with the communities his involvement with them.</p> <p>Through interviews with the Ranch directors, the auditors ensured</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			<p>that the carbon project is occurring on behalf of the land owners with full consent from its shareholders. As the number of shareholders varies from 2 to 2 500, the auditors reviewed the meeting minutes from the AGM meetings where a vote was taken to ensure that a quorum was met.</p> <p>Kenyan law states that AGM meetings must be advertised 21 days prior to the meeting. The auditors checked this for each of the AGM meetings and confirmed that this law was followed.</p>		
<p>G.5.4. Demonstrate that the project does not require the involuntary relocation of people or of the activities important for the livelihoods and culture of the communities. If any relocation of habitation or activities is undertaken within the terms of an agreement, the project proponents must demonstrate that the agreement was made with the free, prior, and informed consent of those concerned and includes provisions for just and fair compensation.</p>	/1/	DR, I	<p>It was confirmed during the site visit that, as stated in the PD, nobody lives within the project area. In fact, where “illegal” encroachment has occurred on the southern parts of the Kilibasi ranch (a community has been settled there for a decade), the project proponent has excised this area from the project area in consultation with the communities and the ranch owners, despite a loss of carbon reductions and the resulting revenues.</p>		OK
<p>G.5.5. Identify any illegal activities that could affect the project’s</p>	/1/	DR, I	<p>The two illegal activities within the</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
<p>climate, community or biodiversity impacts (e.g., logging) taking place in the project zone and describe how the project will help to reduce these activities so that project benefits are not derived from illegal activities.</p>			<p>project area are bush meat snaring or torch and horn poaching of wild animals, in addition to the harvesting of local hardwoods for charcoal production.</p> <p>With the employment of nearly 100 rangers, the project proponent is effectively reducing these activities. Both of these activities and descriptions of how these activities will be reduced in the project zone as a result of this project are identified in Section G.5.5. of the PD.</p>		
<p>G.5.6. Demonstrate that the project proponents have clear, uncontested title to the carbon rights, or provide legal documentation demonstrating that the project is undertaken on behalf of the carbon owners with their full consent. Where local or national conditions preclude clear title to the carbon rights at the time of validation against the Standards, the project proponents must provide evidence that their ownership of carbon rights is likely to be established before they enter into any transactions concerning the project's carbon assets.</p>	/1/	DR, I	<p>As referenced within Section G.5.6 of the PD, Section G.5.3. outlines the carbon rights agreements held with each of the ranches for the project area.</p> <p>DNV interviewed representatives from each Board of Directors of the 13 ranches, met with community members in the various towns surrounding the project area and with the directors of the Marungu Hill Conservation Association and the Kasigau Hill Conservation Trust. During these interviews, it was found that the project proponent has engaged</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			<p>the community and its various stakeholders throughout the project implementation. Lenjo Laurian of Wildlife Works is in charge of community relations and continually holds community meetings throughout the project zone. During the site visit, the auditors interviewed Lenjo and confirmed with the communities his involvement with them.</p> <p>Through interviews with the Ranch directors, the auditors ensured that the carbon project is occurring on behalf of the land owners with full consent from its shareholders. As the number of shareholders varies from 2 to 2 500, the auditors reviewed the meeting minutes from the AGM meetings where a vote was taken to ensure that a quorum was met.</p>		
<p>CL.1. Net Positive Climate Impacts The project must generate net positive impacts on atmospheric concentrations of greenhouse gases (GHGs) over the project lifetime from land use changes within the project boundaries.</p> <p>The project proponents must:</p>					
<p>CL.1.1. Estimate the net change in carbon stocks due to the project</p>	<p>/1/</p>	<p>DR, I</p>	<p>The project developer has elected</p>		<p>OK</p>

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
<p>activities using the methods of calculation, formulae and default values of the IPCC 2006 GL for AFOLU or using a more robust and detailed methodology. The net change is equal to carbon stock changes <i>with</i> the project minus carbon stock changes <i>without</i> the project (the latter having been estimated in G.2.). This estimate must be based on clearly defined and defensible assumptions about how project activities will alter GHG emissions or carbon stocks over the duration of the project or the project GHG accounting period.</p>			<p>to count above-ground and below-ground carbon in live trees and shrubs, above-ground and below-ground carbon in herbaceous vegetation, and carbon in the top meter of soil.</p> <p>See Section 3.2 above for details.</p>		
<p>CL.1.2. Estimate the net change in the emissions of non-CO₂ GHG emissions such as CH₄ and N₂O in the <i>with</i> and <i>without</i> project scenarios if those gases are likely to account for more than a 5% increase or decrease (in terms of CO₂-equivalent) of the project's overall GHG emissions reductions or removals over each monitoring period.</p>	/1/	DR, I	See Section 3.2 above for details.		OK
<p>CL.1.3. Estimate any other GHG emissions resulting from project activities. Emissions sources include, but are not limited to, emissions from biomass burning during site preparation, emissions from fossil fuel combustion, direct emissions from the use of synthetic fertilizers, and emissions from the decomposition of N-fixing species.</p>	/1/	DR, I	<p>As a result of comments from the CCB validation of Phase I, the project proponent has elected to provide a full carbon footprint analysis of the project activities including the ecofactory, water supply, and electricity use. The coefficients were found to be appropriate for the scale of the emissions reported.</p>		OK
<p>CL.1.4. Demonstrate that the net climate impact of the project is positive. The net climate impact of the project is the net change in carbon stocks plus net change in non-CO₂ GHGs where appropriate minus any other GHG emissions resulting from project activities minus any likely project-related unmitigated negative offsite climate impacts (see CL2.3).</p>	/1/	DR, I	Based on the evidence provided in Section CL.2.3 and Section CL.1.3 in the PD, the project has a clear net positive climate impact.		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
<p>CL.1.5. Specify how double counting of GHG emissions reductions or removals will be avoided, particularly for offsets sold on the voluntary market and generated in a country with an emissions cap.</p>	/1/	DR, I	<p>The GHG emissions reductions and removals cannot be double counted, since Kenya does not have an emissions cap. If a policy is adopted to incorporate REDD as a nested approach, the project accounting will need to be adjusted at a later date. As the policy outcome is highly uncertain, there is currently no risk of double counting of GHG emissions reductions.</p>		OK
<p>CL.2. Offsite Climate Impacts ('Leakage') The project proponents must quantify and mitigate increased GHG emissions that occur beyond the project area and are caused by project activities (commonly referred to as 'leakage').</p> <p>The project proponents must:</p>					
<p>CL2.1. Determine the types of leakage that are expected and estimate potential offsite increases in GHGs (increases in emissions or decreases in sequestration) due to project activities. Where relevant, define and justify where leakage is most likely to take place.</p>	/1/	DR, I	<p>Activity shifting through the displacement of illegal charcoal production and subsistence farming is identified in the PD. As per the VCS MED VM0009, leakage plots will be monitored to determine the leakage rate of these activities. During the site visit, it was determined that five leakage plots needed to be moved to an area that the activities are more likely to shift to. These plots have been moved to an appropriate location for</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			determining an ex-post leakage rate. These have been addressed and the new leakage plots were found to be appropriate.		
CL.2.2. Document how any leakage will be mitigated and estimate the extent to which such impacts will be reduced by these mitigation activities.	/1/	DR, I	<p>The project is implementing a variety of leakage mitigation activities that are providing alternative livelihoods to local people. Leakage mitigation activities include employment in a clothing factory, work on project monitoring and Kasigau Corridor protection, development projects through a local women's center, a sustainable charcoal program, schooling, the establishment of an organic greenhouse and nursery program, and other activities. These activities are scheduled to be expanded in the future, using funding from the sale of the initial tranche of offsets generated by the project.</p> <p>DNV does not have data on the complete number of people who benefit from leakage mitigation activities, and does not know if these people would have cleared forest for subsistence agriculture in the absence of the project. Also,</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			<p>it is not possible to know for certain the scale at which leakage mitigation activities will be implemented in the future.</p> <p>In the absence of past project data, any estimate of future leakage thus needs to rely on the conditions observed during site visitation, knowledge of other ecosystems, and assessment of the agents and drivers of deforestation when judging the appropriateness of <i>ex-ante</i> leakage estimation of this project.</p> <p>Estimating a leakage rate at the project outset is highly uncertain. Wildlife Works has determined an <i>ex-ante</i> leakage rate for the project crediting period at 20% and it is our assessment that this is appropriate given the conditions of the project and is consistent with values proposed by The Climate Action Reserve. DNV thus finds the leakage assessment to conform to the requirements in the approved methodology, VM0009.</p>		

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			Section CL.2.2 documents these leakage mitigation activities sufficiently. Quantification of leakage will be determined using the approved VCS MED VM0009.		
CL.2.3. Subtract any likely project-related unmitigated negative offsite climate impacts from the climate benefits being claimed by the project and demonstrate that this has been included in the evaluation of net climate impact of the project (as calculated in CL.1.4).	/1/	DR, I	Given that the leakage rate will be determined at a future monitoring period and that the estimated positive benefits of the project were established during the validation at the outset of the project, the net climate impact of the project is positive.		OK
CL.2.4. Non-CO ₂ gases must be included if they are likely to account for more than a 5% increase or decrease (in terms of CO ₂ -equivalent) of the net change calculations (above) of the project's overall off-site GHG emissions reductions or removals over each monitoring period.	/1/	DR, I	Non-CO ₂ gases have been demonstrated to account for less than 5% of the net change in the project's overall off-site GHG emissions reductions or removals.		OK
CL.3. Climate Impact Monitoring Before a project begins, the project proponents must have an initial monitoring plan in place to quantify and document changes (within and outside the project boundaries) in project-related carbon pools, project emissions, and non-CO ₂ GHG emissions if appropriate. The monitoring plan must identify the types of measurements, the sampling method, and the frequency of measurement. Since developing a full monitoring plan can be costly, it is accepted that some of the plan details may not be fully defined at the design stage,					

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<p>when projects are being validated against the Standards. This is acceptable as long as there is an explicit commitment to develop and implement a monitoring plan.</p> <p>The project proponents must:</p>					
<p>CL.3.1. Develop an initial plan for selecting carbon pools and non-CO₂ GHGs to be monitored, and determine the frequency of monitoring. Potential pools include above-ground biomass, litter, dead wood, below-ground biomass, wood products, soil carbon and peat. Pools that will be monitored must include any pools expected to decrease as a result of project activities, including those in the region outside the project boundaries resulting from all types of leakage identified in CL.2. A plan must be in place to continue leakage monitoring for at least five years after all activity displacement or other leakage causing activity has taken place. Individual GHG sources may be considered “insignificant” and do not have to be accounted for if <i>together</i> such omitted decreases in carbon pools and increases in GHG emissions amount to less than 5% of the total CO₂-equivalent benefits generated by the project. Non-CO₂ gases must be included if they are likely to account for more than 5% (in terms of CO₂-equivalent) of the project’s overall GHG impact over each monitoring period. Direct field measurements using scientifically robust sampling must be used to measure more significant elements of the project’s carbon stocks. Other data must be suitable to the project site and specific forest type.</p>	/1/	DR, I	<p>The project applies the approved VCS “VM0009 Methodology for Avoided Mosaic Deforestation of Tropical Forests Version 1.0.” The monitoring plan is in accordance with the methodology. The monitoring plan specifies how to measure and document real, achieved emission reductions over the life of the project. As required by the methodology VM0009, leakage will be measured ex-post from the shifted leakage curve.</p>		OK
<p>CL.3.2. Commit to developing a full monitoring plan within six months of the project start date or within twelve months of validation against the Standards and to disseminate this plan and the results of monitoring, ensuring that they are made publicly available on the internet and are communicated to the</p>	/1/	DR, I	<p>The project applies the approved VCS “VM0009 Methodology for Avoided Mosaic Deforestation of Tropical Forests Version 1.0.” The monitoring plan is in accordance</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
<p>communities and other stakeholders.</p>			<p>with the methodology. The monitoring plan specifies how to measure and document real, achieved emission reductions over the life of the project. As required by the methodology VM0009, leakage will be measured ex-post from the shifted leakage curve.</p> <p>CAR 4 A monitoring plan is already in place to demonstrate the climate benefits of the project activities in accordance with VCS MED VM0009. Please adjust section CL.3.2. to state this fact.</p> <p>CL 2 Section G.3.2. DNV requests that the project proponent include the communities that would be impacted through the project activities.</p>		
<p>CM1. Net Positive Community Impacts The project must generate net positive impacts on the social and economic well-being of communities and ensure that costs and benefits are equitably shared among community members and constituent groups during the project lifetime. Projects must maintain or enhance the High Conservation Values (identified in G.1) in the project zone that are of particular importance to the communities'</p>					

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
well-being. The project proponents must:					
CM.1.1. Use appropriate methodologies to estimate the impacts on communities, including all constituent socio-economic or cultural groups such as indigenous peoples (defined in G.1), resulting from planned project activities. A credible estimate of impacts must include changes in community well-being due to project activities and an evaluation of the impacts by the affected groups. This estimate must be based on clearly defined and defensible assumptions about how project activities will alter social and economic well-being, including potential impacts of changes in natural resources and ecosystem services identified as important by the communities (including water and soil resources), over the duration of the project. The “with project” scenario must then be compared with the “without project” scenario of social and economic well-being in the absence of the project (completed in G.2). The difference (i.e., the community benefit) must be positive for all community groups.	/1/	DR, I	The project proponent’s PD details the net positive community impacts the project will have on the affected communities surrounding the project. It has been well documented to the extent that the project proponent employs the local community. These employment opportunities empower the local community members and increase the probability that the project will succeed both in the short and long term.		OK
CM.1.2. Demonstrate that no High Conservation Values identified in G.1.8.4-6 will be negatively affected by the project.	/1/	DR, I	The project area links two of the most important conservation areas in Kenya, Tsavo East and West. The project will thus act as a migratory corridor for wildlife from the parks. The “with project” case will also reduce poaching and land degradation activities. Further, the project proponent is working on a reforestation project with the community to plant 20		OK

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			000 trees over a three-year period. The auditors were able to verify this activity while on site.		
<p>CM.2. Offsite Stakeholder Impacts The project proponents must evaluate and mitigate any possible social and economic impacts that could result in the decreased social and economic well-being of the main stakeholders living outside the project zone resulting from project activities. Project activities should at least “do no harm” to the well-being of offsite stakeholders.</p> <p>The project proponents must:</p>					
<p>CM.2.1 Identify any potential negative offsite stakeholder impacts that the project activities are likely to cause.</p>	/1/	DR, I	The project proponent has identified a few potential negative impacts identified during Phase I of this project. These impacts include a potential increase in human-wildlife conflict, an exclusive dependence on Wildlife Works for their livelihood, a need for an area to graze, and a need for an alternative livelihood for charcoal producers.		OK
<p>CM.2.2. Describe how the project plans to mitigate these negative offsite social and economic impacts.</p>	/1/	DR, I	Within section CM.2.2., the project proponent provides adequate documentation on viable initiatives and these were considered by the audit team to be sufficient.		OK
<p>CM.2.3. Demonstrate that the project is not likely to result in net negative impacts on the well-being of other stakeholder groups.</p>	/1/	DR, I	It was found during the site visit the with the clear benefits the project is bringing to the		OK

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			community by using carbon revenues for building schools, local employment, and much needed water infrastructure, it is unlikely that there will be a net negative impact on the well-being of the various stakeholders of this group.		
<p>CM.3. Community Impact Monitoring</p> <p>The project proponents must have an initial monitoring plan to quantify and document changes in social and economic well-being resulting from the project activities (for communities and other stakeholders). The monitoring plan must indicate which communities and other stakeholders will be monitored, and identify the types of measurements, the sampling method, and the frequency of measurement. Since developing a full community monitoring plan can be costly, it is accepted that some of the plan details may not be fully defined at the design stage, when projects are being validated against the Standards. This is acceptable as long as there is an explicit commitment to develop and implement a monitoring plan.</p> <p>The project proponents must:</p>					
<p>CM.3.1. Develop an initial plan for selecting community variables to be monitored and the frequency of monitoring and reporting to ensure that monitoring variables are directly linked to the project's community development objectives and to anticipated impacts (positive and negative).</p>	/1/	DR, I	The PD outlines key metrics that will be tracked for each of its project activities. This will provide the basis for measuring the community benefits of the project.		
<p>CM.3.2. Develop an initial plan for how they will assess the effectiveness of measures used to maintain or enhance High Conservation Values related to community well-being (G1.8.4-6) present in the project zone.</p>	/1/	DR, I	The project proponent outlines a plan to assess the effectiveness of its reforestation activities on Mt. Kasigau (a HCV area related to		

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			community well-being). A plan for the monitoring of biodiversity within this HCV is also completed /31//32//33//34//35/.		
<p>CM.3.3. Commit to developing a full monitoring plan within six months of the project start date or within twelve months of validation against the Standards and to disseminate this plan and the results of monitoring, ensuring that they are made publicly available on the internet and are communicated to the communities and other stakeholders.</p>	/1/	DR, I	<p>The project proponent has committed in the revised PD to develop a detailed monitoring plan within twelve months of the validation. The project proponent has also documented within the PD how they will publish this plan to the wider community once a monitoring plan has been developed.</p>		OK
<p>B.1. Net Positive Biodiversity Impacts</p> <p>The project must generate net positive impacts on biodiversity within the project zone and within the project lifetime, measured against the baseline conditions.</p> <p>The project should maintain or enhance any High Conservation Values (identified in G.1.) present in the project zone that are of importance in conserving globally, regionally or nationally significant biodiversity.</p> <p>Invasive species populations must not increase as a result of the project, either through direct use or indirectly as a result of project activities.</p> <p>Projects may not use genetically modified organisms (GMOs) to generate GHG emissions reductions or removals. GMOs raise unresolved ethical, scientific and socio-economic issues. For example,</p>					

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
some GMO attributes may result in invasive genes or species.					
The project proponents must:					
<p>B.1.1. Use appropriate methodologies to estimate changes in biodiversity as a result of the project in the project zone and in the project lifetime. This estimate must be based on clearly defined and defensible assumptions. The “with project” scenario should then be compared with the baseline “without project” biodiversity scenario completed in G.2. The difference (i.e., the net biodiversity benefit) must be positive.</p>	/1/	DR, I	<p>During the site visit, the project proponent provided its datasheets showing evidence of the methodologies used to monitor biodiversity changes in the ranch. The audit team also assessed the biodiversity data collection techniques and analysis during the site visit. Implementing a recommendation made during the validation of Phase I, all biodiversity transect data is marked with a GPS. The estimation methods are considered to be reasonable.</p> <p>It was also observed during the site visit that the number of rangers that patrol the project area has kept poaching activities and land degradation within the project area at a minimum. The rangers work in conjunction with the Kenya Wildlife Service (KWS), who provide armed guards if needed to control poaching activities. Wildlife Works rangers do not carry armed weapons.</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			These rangers provide both the biodiversity monitoring and GHG emissions mitigation activities /38//39/.		
B.1.2. Demonstrate that no High Conservation Values identified in G.1.8.1.3. will be negatively affected by the project.	/1/	DR, I	The project proponent clearly states within the PD that there will not be any negative impacts on the HCVs, as their mission and day-to-day activities are focused on conserving such areas. The audit team was able to confirm this while on site through assessment of the project activities being implemented.		OK
B.1.3. Identify all species to be used by the project and show that no known invasive species will be introduced into any area affected by the project and that the population of any invasive species will not increase as a result of the project.	/1/	DR, I	<p>The project correctly states that because the project is essentially a conservation project, new species are not being introduced to the project area. Where leakage mitigation activities are being implemented, the reforestation of Mt. Kasigau is solely using non-invasive species already present within the project zone. The PD outlines the species that are being planted currently.</p> <p>The audit team confirmed the existence of a Jojoba (<i>Simmondsia chinensis</i>) as a cash crop. The project proponent is testing its</p>		OK

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			suitability for its seeds. The Jojoba was introduced to the area many years before the project proponent took over management of the area. It was shown that the species has not spread beyond the areas where it was introduced and thus is not invasive and therefore does not pose a threat to the biodiversity of the project zone.		
B.1.4. Describe possible adverse effects of non-native species used by the project on the region’s environment, including impacts on native species and disease introduction or facilitation. Project proponents must justify any use of non-native species over native species.	/1/	DR	The PD states that indicator B.1.4. does not apply and references ISSG’s database. The audit team confirmed this on the site visit. Though the project proponent is cultivating fast-growing exotic species in its greenhouse nursery, these are not planted within the project area. Rather, these species are being given to the local community for planting on their private farms to empower the community.		OK
B.1.5. Guarantee that no GMOs will be used to generate GHG emissions reductions or removals.	/1/	DR	The project proponent clearly states that no GMOs are being used and thus are not GMOs for the purposes of generating emissions reductions or removals.		OK
B2. Offsite Biodiversity Impacts The project proponents must evaluate and mitigate likely negative					

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
impacts on biodiversity outside the project zone resulting from project activities. The project proponents must:					
B.2.1. Identify potential negative offsite biodiversity impacts that the project is likely to cause.	/1/	DR, I	The PD states that there will be no potential negative offsite biodiversity impacts that the project is likely to cause. The audit team was able to confirm this statement during the site visit. Rather than negative offsite biodiversity impacts caused by the project activities, the offsite areas will have positive biodiversity impacts as wildlife increases in the area and project activities such as the reforestation Mt. Kasigau are fully implemented.		OK
B.2.2. Document how the project plans to mitigate these negative offsite biodiversity impacts.	/1/	DR	Based on the response to B.2.1., this does not apply. This is reflected in the PD as well.		OK
B.2.3. Evaluate likely unmitigated negative offsite biodiversity impacts against the biodiversity benefits of the project within the project boundaries. Justify and demonstrate that the net effect of the project on biodiversity is positive.	/1/	DR	Based on the response to B.2.1., this does not apply. This is reflected in the PD as well.		OK
B3. Biodiversity Impact Monitoring The project proponents must have an initial monitoring plan to quantify and document the changes in biodiversity resulting from the project activities (within and outside the project boundaries). The monitoring plan must identify the types of measurements, the					

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
<p>sampling method, and the frequency of measurement.</p> <p>Since developing a full biodiversity-monitoring plan can be costly, it is accepted that some of the plan details may not be fully defined at the design stage, when projects are being validated against the Standards. This is acceptable as long as there is an explicit commitment to develop and implement a monitoring plan.</p> <p>The project proponents must:</p>					
<p>B.3.1. Develop an initial plan for selecting biodiversity variables to be monitored and the frequency of monitoring and reporting to ensure that monitoring variables are directly linked to the project’s biodiversity objectives and to anticipated impacts (positive and negative).</p>	/1/	DR, I	<p>The project proponent outlines the appropriate variables and metrics to monitor biodiversity. The project proponent has implemented a suggestion made during the validation of Phase I to use GPS coordinates to mark wildlife, poaching, and charcoal activities.</p>		OK
<p>B.3.2. Develop an initial plan for assessing the effectiveness of measures used to maintain or enhance High Conservation Values related to globally, regionally or nationally significant biodiversity (G.1.8.1.3.) present in the project zone.</p>	/1/	DR, I	<p>The project proponent uses its rangers to assess the richness of the species in the project area, as well as to prevent illegal charcoal production and poaching on a daily basis. Thus, the project proponent’s rangers are critical to monitoring activities including, HCV areas.</p>		OK
<p>B.3.3. Commit to developing a full monitoring plan within six months of the project start date or within twelve months of validation against the Standards and to disseminate this plan and the results of monitoring, ensuring that they are made publicly</p>	/1/	DR, I	<p>The project proponent has committed to developing a plan for biodiversity monitoring within 12 months of the validation and to</p>		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
available on the internet and are communicated to the communities and other stakeholders.			make the plan public.		
<p>GL1. Climate Change Adaptation Benefits</p> <p>This Gold Level Climate Change Adaptation Benefits criterion identifies projects that will provide significant support to assist communities and/or biodiversity in adapting to the impacts of climate change. Anticipated local climate change and climate variability within the project zone could potentially affect communities and biodiversity during the life of the project and beyond. Communities and biodiversity in some areas of the world will be more vulnerable to the negative impacts of these changes due to: vulnerability of key crops or production systems to climatic changes; lack of diversity of livelihood resources and inadequate resources, institutions and capacity to develop new livelihood strategies; and high levels of threat to species survival from habitat fragmentation. Land-based carbon projects have the potential to help local communities and biodiversity adapt to climate change by: diversifying revenues and livelihood strategies; maintaining valuable ecosystem services such as hydrological regulation, pollination, pest control and soil fertility; and increasing habitat connectivity across a range of habitat and climate types.</p> <p>The project proponents must:</p>					
GL.1.1. Identify likely regional climate change and climate variability scenarios and impacts, using available studies, and identify potential changes in the local land-use scenario due to these climate change scenarios in the absence of the project.	/1/	DR	The likely regional climate change and climate variability scenarios and impacts are outlined with specific references in section GL.1.1. The identified potential changes seem appropriate based on an assessment conducted during the site visit and the cited references.		OK
GL.1.2. Identify any risks to the project’s climate, community and	/1/	DR	The PD identifies risks to the		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
biodiversity benefits resulting from likely climate change and climate variability impacts and explain how these risks will be mitigated.			<p>project’s climate, community and biodiversity benefits resulting from likely climate change and climate variability impacts. Risks include lower food productivity, which will increase pressure on poaching and diversity, increased drought, degradation of natural food sources for wildlife, and increased pressure for cattle grazing within the project area.</p> <p>These risks are reasonable given the likely climate change impacts for local land-use.</p>		
GL.1.3. Demonstrate that current or anticipated climate changes are having or are likely to have an impact on the well-being of communities <i>and/or</i> the conservation status of biodiversity in the project zone and surrounding regions.	/1/	DR	<p>The project proponent states that the climate change impacts identified in GL.1.1. and GL.1.2 are identical within the project area and the surrounding regions. Upon an assessment of the region, the audit team has come to the same conclusion as the project proponent.</p> <p>CL 3 Section GL.1.3. - Please fix the statement “project area and project area” in Section GL.1.3.</p>		OK
GL.1.4. Demonstrate that the project activities will assist communities <i>and/or</i> biodiversity to adapt to the probable impacts of climate change.	/1/	DR	As the PD states and as assessed during the site visit, the project proponent demonstrates that the		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
			project activities will assist communities and biodiversity to adapt to the probable impacts of climate change. This will and is being done by creating alternative livelihoods to subsistence farming, protection of wildlife from poachers, and the improved efficiency of agriculture production through its Jojoba, citrus trees and cash crops that can survive very arid conditions.		
<p>GL2. Exceptional Community Benefits</p> <p>This Gold Level Exceptional Community Benefits criterion recognizes project approaches that are explicitly pro-poor in terms of targeting benefits to globally poorer communities and the poorer, more vulnerable households and individuals within them. In so doing, land based carbon projects can make a significant contribution to reducing the poverty and enhancing the sustainable livelihoods of these groups. Given that poorer people typically have less access to land and other natural assets, this optional criterion requires innovative approaches that enable poorer households to participate effectively in land-based carbon activities. Furthermore, this criterion requires that the project will ‘do no harm’ to poorer and more vulnerable members of the communities, by establishing that no member of a poorer or more vulnerable social group will experience a net negative impact on their well-being or rights.</p> <p>Project proponents must:</p>					
GL.2.1. Demonstrate that the project zone is in a low human development country OR in an administrative area of a medium	/1/	DR	The project proponent has elected not to pursue these optional Gold		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
or high human development country in which at least 50% of the population of that area is below the national poverty line.			Level criteria since Kenya falls just above the threshold for Low Development Countries with an HDI of 5.21 vs. a <5.0 limit.		
GL.2.2. Demonstrate that at least 50% of households within the lowest category of well-being (e.g., poorest quartile) of the community are likely to benefit substantially from the project.	/1/	DR	NA		OK
GL.2.3. Demonstrate that any barriers or risks that might prevent benefits going to poorer households have been identified and addressed in order to increase the probable flow of benefits to poorer households.	/1/	DR	NA		OK
GL.2.4. Demonstrate that measures have been taken to identify any poorer and more vulnerable households and individuals whose well-being or poverty may be negatively affected by the project, and that the project design includes measures to avoid any such impacts. Where negative impacts are unavoidable, demonstrate that they will be effectively mitigated.	/1/	DR	NA		OK
GL.2.5. Demonstrate that community impact monitoring will be able to identify positive and negative impacts on poorer and more vulnerable groups. The social impact monitoring must take a differentiated approach that can identify positive and negative impacts on poorer households and individuals and other disadvantaged groups, including women.	/1/	DR	NA		OK
GL3. Exceptional Biodiversity Benefits All projects conforming to the Standards must demonstrate net positive impacts on biodiversity within their project zone. This Gold Level Exceptional Biodiversity Benefits criterion identifies projects that conserve biodiversity at sites of global significance for biodiversity conservation. Sites meeting this optional criterion must be based on the Key Biodiversity Area (KBA) framework of vulnerability and irreplaceability. These criteria are defined in terms of species and population threat levels, since these are the most clearly defined					

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
<p>elements of biodiversity. These scientifically based criteria are drawn from existing best practices that have been used, to date, to identify important sites for biodiversity in over 173 countries.</p> <p>Project proponents must demonstrate that the project zone includes a site of high biodiversity conservation priority by meeting either the <i>vulnerability or irreplaceability</i> criteria defined below:</p>					
<p>Vulnerability Regular occurrence of a globally threatened species (according to the IUCN Red List) at the site:</p> <p>GL.3.1.1. Critically Endangered (CR) and Endangered (EN) species - presence of at least a single individual; or</p> <p>GL.3.1. 2. Vulnerable species (VU) - presence of at least 30 individuals or 10 pairs.</p>	/1/	DR	<p>The project area is inhabited by Grevy zebras (<i>Equus grevyi</i>) and African Hunting Dogs (<i>Lycaon pictus</i>), which are both IUCN Red List – Endangered. The project area is also inhabited by cheetahs (<i>Acinonyx jubatus</i>) and lions (<i>panthera leo</i>) that are IUCN Red List – Vulnerable, as well as Taita Apalis (<i>Apalis fuscigularis</i>) and Taita Thrush (<i>Tudrdus helleri</i>), both of which are IUCN – Critically Endangered. The project area is also part of the Eastern Arc Mountain Global Hot Spot, as defined by Conservation International.</p> <p>The information provided by the project proponent meets GL.1.1. and thus qualifies under this criterion.</p>		OK
Or,	/1/	DR	NA		OK

Checklist Question	Ref	MoV*	Comments	Draft Concl	Final Concl
<p>GL.3.2.1. Irreplaceability</p> <p>A minimum proportion of a species' global population present at the site at any stage of the species' lifecycle according to the following thresholds:57</p> <p>GL.3.2.1. Restricted-range species - species with a global range less than 50,000 km2 <i>and</i> 5% of global population at the site; or</p> <p>GL.3.2.2. Species with large but clumped distributions - 5% of the global population at the site; or</p> <p>GL.3.2.3. Globally significant congregations - 1% of the global population seasonally at the site; or</p> <p>GL.3.2.4. Globally significant source populations - 1% of the global population at the site;</p>					

APPENDIX B

CORRECTIVE ACTION REQUESTS, CLARIFICATION REQUESTS AND FORWARD ACTION REQUESTS

Table 4 Resolution of Corrective Action and Clarification Requests

Draft report corrective action requests and requests for clarifications	Mov	Summary of project participants’ response	Final conclusion
<p>CAR 1</p> <p>Section G.3.2 - Please include a description of how the Kasigau Conservation Trust and Marungu Hill Conservation Association will be central to the disbursement and prioritization of community projects. As this is a central and material piece to the project’s activities, DNV requests the project proponent to include this within their PD.</p>		<p>ACCEPTED: We agree that this information is important to the project and have included the following language in the PD.</p> <p>“Wildlife Works has employed a hands-on approach since the very beginning of its presence in Kenya. The company employs over 150 local people in a range of activities that we will continue, and in some cases significantly expand, with carbon financing. Wildlife Works’ approach to disbursing REDD funds into the community in the future is as follows;</p> <ol style="list-style-type: none"> 1. We are establishing a trust fund, called the Wildlife Works REDD Project Trust Fund (WWRPTF), through which the REDD funds will be disbursed transparently to community projects. 2. WWRPTF will make disbursement decisions through five committees, one in each of five administrative Locations that border the REDD project; Kasigau, Marungu, Mwatate, Sagalla and Mwachabo. 3. Each committee will be chaired by Wildlife Works, and will have 7 	<p>The revised PD has been reviewed and the response is acceptable.</p> <p>CAR 1 is closed.</p>

Draft report corrective action requests and requests for clarifications	Mov	Summary of project participants' response	Final conclusion
		<p>members nominated by their respective communities, as representatives of the cultural breadth within the community (e.g. women's groups, educational groups, youth groups, government agencies, etc).</p> <p>4. Each committee will have its own bank account established by the Wildlife Works REDD Project Trust Fund and Wildlife Works will retain check writing authority over those accounts, but full annual accounts will be provided to the Committee and through the Committee to the communities they represent.</p> <p>5. In the case of the two Locations immediately adjacent to Phase I of the Kasigau Corridor REDD project, <i>Kasigau</i> and <i>Marungu</i> Locations, those committees are already in formation, and will include respectively representation from the Kasigau Development Trust (KDT) which is the successor Community Based Organization (CBO) to the Kasigau Conservation Trust, and the Marungu Hill Conservancy Association (MHCA) which are two independent local conservation CBOs that WWC helped establish within the aforementioned</p>	

Draft report corrective action requests and requests for clarifications	Mov	Summary of project participants' response	Final conclusion
		<p>two main communities adjacent to Phase I of the REDD project. WWC is working closely with these CBOs to develop the strategy for disbursement of the community project portion of the carbon revenues. The involvement of the CBOs is taking three main forms;</p> <ol style="list-style-type: none"> I. They are represented on their respective locational committee of the Wildlife Works REDD Project Trust Fund (WWRPTF) II. They are a funding recipient for community forest wardens and other direct project funding approved by the WWRPTF as described in more detail below. III. They act as a catalyst to stimulate other members and CBOs within the community to develop proposed projects for funding under the WWRPTF. IV. <p>“</p>	
<p>CAR 2 Section G.3.7 - Please identify long-term job creation and long-term financial health and changing behavioral norms within the community as measures the REDD project will complete to enhance the</p>		<p>ACCEPTED: Job creation is of primary concern to Wildlife Works and all leakage mitigation activities (major project activities) are designed with this as a goal. All positions created from</p>	<p>The revised PD has been reviewed and the response is acceptable. CAR 2 is closed.</p>

Draft report corrective action requests and requests for clarifications	Mov	Summary of project participants' response	Final conclusion
<p>climate, community and biodiversity benefits beyond the project lifetime. As this is material to the project, DNV requests that this be included within section G.3.7.</p>		<p>the project activities are designed to be permanent and lasting. To exemplify this, the following verbiage has been added to the PD:</p> <p>“It is Wildlife Works’ intention to create a lasting culture of job creation and financial health in the project’s sphere of influence. To that end, every job created thus far, and every job slated for creation in the future upon receipt of carbon funding is designed to last not only throughout the project crediting period, but in fact well beyond. Carbon revenues will change the face of these communities, and Wildlife Works has worked to raise awareness about the link between forest / wildlife protection and the availability of sustainable employment. This document outlines a clear project work plan, which is in turn described in more detail in the Project Implementation Report (PIR), where we have made detailed job creation information available to the public. For virtually each and every project activity, as one of the measures of success, we will be tracking the number of jobs created as a direct result of that activity. Employment information will be reported in each PIR and Project Monitoring Plan (PMP) throughout the lifetime of the project. The types of job created by the Kasigau Corridor</p>	

Draft report corrective action requests and requests for clarifications	Mov	Summary of project participants' response	Final conclusion
		REDD project activities, whenever possible, are full-time, permanent positions, designed to last well beyond the crediting period."	
<p>CAR 3 Section 3.9 - Please provide further details on how the public comment period was publicized within the affected communities. Please also describe how non-electronic comments were transcribed and submitted to the CCBA.</p>		<p>ACCEPTED: A paragraph describing the public comment transcription/translation procedure was placed in section G3.9. Additionally, the verbiage has been changed from "will be posting" to "was posted", as the public comment period is now complete and the transcribed letters have been posted to the CCBA website. The dates of the public comment period were also added.</p>	<p>The revised PD has been reviewed and the response is acceptable.</p> <p>CAR 3 is closed.</p>
<p>CAR 4 Section CL.3.2 - A monitoring plan is already in place to demonstrate the climate benefits of the project activities in accordance with VCS MED VM0009. Please adjust section CL.3.2. to state this fact.</p>		<p>ACCEPTED: Section CL 3.2 was adjusted to indicate that Wildlife Works currently has a project monitoring plan in place.</p>	<p>The revised PD has been reviewed and the response is acceptable.</p> <p>CAR 4 is closed.</p>
<p>CL 1 Please include the date and version on the title page of the PD.</p>		<p>ACCEPTED: The revision date and document version has been added to the title page.</p>	<p>The revised PD has been reviewed and the response is acceptable.</p> <p>CL 1 is closed.</p>
<p>CL 2 Section G.3.2. DNV requests the project proponent to include the communities that would be impacted through the project activities.</p>		<p>ACCEPTED: A Community list added to section G3.2 including those communities that would be impacted by the project.</p>	<p>The revised PD has been reviewed and the response is acceptable.</p> <p>CL 2 is closed.</p>

Draft report corrective action requests and requests for clarifications	Mov	Summary of project participants' response	Final conclusion
<p>CL 3 Section GL.1.3. - Please fix the statement 'project area and project area' in section GL.1.3.</p>		<p>ACCEPTED: The duplicate text has been deleted.</p>	<p>The revised PD has been reviewed and the response is acceptable.</p> <p>CL 3 is closed.</p>