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# Verification Report

VERIFICATION OF THE REGISTERED  
CCBA-PROJECT:  
“THE PARAGUAY FOREST CONSERVATION PROJECT  
REDUCTION OF GHG EMISSIONS FROM DEFORESTA-  
TION AND FOREST DEGRADATION IN THE CHACO-  
PANTANAL ECOSYSTEM”

FIRST MONITORING PERIOD: 25 FEB 2011 TO 31 AUG 2015

REPORT NO. 10352SH

**6 September2016**

TÜV SÜD South Asia Pvt. Ltd.  
Environmental Technology, Carbon Management Service,  
Solitaire, I.T.I. Road, Aundh, Pune- 411007, INDIA

**FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:**

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 1 of 50

<b>Report No.</b>	<b>Date of first issue</b>	<b>Version No.:</b>	<b>Revision date</b>
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<b>Subject:</b>	First Periodic Verification		
<b>Executing Operational Unit:</b>			
TÜV SÜD South Asia Pvt. Ltd. Environmental Technology, Carbon Management Service, Solitaire, I.T.I. Road, Aundh, Pune- 411007, INDIA			
<b>Project Participant:</b>			
<ul style="list-style-type: none"><li>Swire Pacific Offshore Operations (Pte) Ltd.</li></ul>			
<b>Project Title:</b> The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem			
<b>Monitoring period:</b>		25 Feb 2011 to 31 Aug 2015	
<b>First Monitoring / Project Implementation Report (version/date)</b>		Version 01 / 16 Sep 2015	
<b>Final Monitoring / Project Implementation Report (version/date)</b>		Version 02 / 25 Jul 2016	

## FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 2 of 50

### Summary:

TÜV SÜD South Asia Pvt. Ltd. has performed the first periodic verification of the registered CCBA project: “The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem”.

The project goal is to conserve the natural and cultural qualities, including the stored carbon, of forest lands in the Chaco-Pantanal transition zone of Alto Paraguay; areas of high conservation value but threatened with transformation to cattle ranching. Private holdings that are legally available for ranching development, particularly those that help maintain ecological connectivity in the general context of on-going fragmentation and isolation at a landscape level are purchased in partnership (co-ownership and management) with local communities and put under protection. The project area consists of 4,745 ha managed in partnership with the Union de Comunidades de la Nación Yshir (UCINY) representing the Yshir indigenous community.

The verification was conducted based on the CCB Standards second edition and respective guidance documents. The verification was performed by means of a document review, follow-up interviews, site inspection including stakeholder interviews, and the resolution of outstanding issues.

The project applies the VCS-approved methodology VM0007 REDD Methodology Modules (REDD-MF) Version 1.4 to quantify GHG removals. The VCS Verification Report for the monitoring period 25 February 2012 to 24 February 2013 conducted by TÜV SÜD South Asia Pvt. Ltd. and publicly available on the VCS Project Database (<http://www.vcsprojectdatabase.org>) describes the findings of the VCS verification process and demonstrates the compliance of the same project with the VCS Methodology respectively the VCS requirements. The present report is intended to cover only those criteria, in which the CCBA differs and exceeds the requirements of VCS.

TÜV SÜD confirms that:

- the project is implemented as planned and described in the CCBA registered project design document (PDD);
- the actual monitoring of the project's climate, community and biodiversity benefits is appropriately carried out in line with the CCBA registered monitoring plan;
- the project's climate, biodiversity and community benefits are correctly described in the Monitoring Report.

In summary, TÜV SÜD is of the opinion that the registered CCBA project “The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem” fulfils all requirements of the CCB Standards.

#### Assessment Team Leader:

Sebastian Hetsch

#### Verification Team Members:

Martin Opitz, Sandra Perrens Bonavia

#### Technical Review:

Martin Seitz

#### Certification Body responsible:

Eswar Murty

## FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem

Page 3 of 50



## Abbreviations

<b>AR-AM</b>	Approved Methodology for Afforestation and Reforestation
<b>CAR</b>	Corrective Action Request
<b>CCBA</b>	Climate Community and Biodiversity Alliance
<b>CCBS</b>	Climate Community and Biodiversity Standards
<b>CDM</b>	Clean Development Mechanism
<b>CR</b>	Clarification Request
<b>DOE</b>	Designated Operational Entity
<b>FAR</b>	Forward Action Request
<b>GHG</b>	Greenhouse Gas(es)
<b>GIS</b>	Geographic Information System
<b>GPS</b>	Global Positioning System
<b>GSP</b>	Global Stakeholder Process
<b>IRL</b>	Information Reference List
<b>NGO</b>	Non-Governmental Organisation
<b>PDD</b>	Project Design Document
<b>PIR</b>	Project Implementation Report
<b>PP</b>	Project Participant
<b>SOP</b>	Standard Operational Procedure
<b>UNFCCC</b>	United Nations Framework Convention on Climate Change
<b>VCS</b>	Verified Carbon Standard



<b>Table of Contents</b>		<b>Page</b>
1	INTRODUCTION .....	5
1.1	Objective.....	5
1.2	Scope .....	5
2	METHODOLOGY .....	6
2.1	Verification Process.....	6
2.2	Appointment of the Assessment Team .....	6
2.3	Review of Documents.....	7
2.4	On-site Assessment and follow-up Interviews .....	7
2.5	Resolution of Clarification and Corrective and Forward Action Requests.....	8
2.6	Internal Quality Control .....	8
3	VERIFICATION FINDINGS AND RESULTS .....	9
3.1	General Section.....	9
3.1.1	G1. Original Conditions in the Project Area .....	9
3.1.2	G2. Baseline Projections .....	13
3.1.3	G3. Project Design and Goals .....	15
3.1.4	G4. Management Capacity and Best Practice .....	31
3.1.5	G5. Legal Status and Property Rights .....	37
3.2	Climate Section.....	42
3.2.1	CL.1. Net Positive Climate Impacts .....	42
3.2.2	CL.2. Offsite Climate Impacts ('Leakage') .....	44
3.2.3	CL.3. Climate Impact Monitoring .....	45
3.3	Community Section.....	46
3.3.1	CM1. Net Positive Community Impacts .....	46
3.3.2	CM.2. Offsite Community Impacts .....	50
3.3.3	CM.3. Community Impact Monitoring .....	51
3.4	Biodiversity Section .....	52
3.4.1	B.1. Net Positive Biodiversity Impacts .....	52
3.4.2	B.2. Offsite Biodiversity Impacts.....	54
3.4.3	B.3. Biodiversity Impact Monitoring .....	55
3.5	Gold Level Section.....	56
3.5.1	GL1. Climate Change Adaptation Benefits .....	56
3.5.2	GL2. Exceptional Community Benefits .....	57
3.5.3	GL3. Exceptional Biodiversity Benefits .....	58
3.6	Summary of CCBA requirements.....	60
4	COMMENTS BY PARTIES, STAKEHOLDERS AND NGOS.....	61
5	VERIFICATION STATEMENT .....	62
	ANNEX 2: INFORMATION REFERENCE LIST .....	63



## **1 INTRODUCTION**

### **1.1 Objective**

Swire Pacific Offshore Operations (Pte) Ltd has commissioned an independent verification by TÜV SÜD South Asia Pvt. Ltd. (TÜV SÜD) of its registered CCBA project: “The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem”.

The objective of the verification work is to comply with the requirements of the CCB Standards. According to this assessment, TÜV SÜD shall:

- ensure that the project activity has been implemented and operated as per the registered PDD “The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem”, and that all physical features of the project are in place,
- ensure that the published Monitoring and Project Implementation Report and other supporting documents provided are complete, verifiable and in accordance with applicable CCBS requirements,
- ensure that the actual monitoring systems and procedures comply with the monitoring systems and procedures described in the monitoring plan.

The project applies the VCS-approved methodology VM0007 REDD Methodology Modules (REDD-MF) Version 1.4 to quantify GHG removals. The VCS Verification Report for the monitoring period 25 February 2012 to 24 February 2013 conducted by TÜV SÜD South Asia Pvt. Ltd. and publicly available on the VCS Project Database (<http://www.vcsprojectdatabase.org>) describes the findings of the VCS verification process and demonstrates the compliance of the same project with the VCS Methodology respectively the VCS requirements. The present report is intended to cover only those criteria, in which the CCBA differs and exceeds the requirements of VCS.

### **1.2 Scope**

The verification scope encompasses an independent and objective review by a CCBA approved auditor. The verification is based on the submitted CCBA Project Implementation Report (PIR), the validated project design documents including its monitoring plan and validation report, the applied monitoring methodology, relevant decisions, clarifications and guidance from the CCBA and any other information and references relevant to the project activity’s resulting GHG removals. These documents are reviewed against the requirements of the CCBA.

TÜV SÜD has applied a rule-based approach for the verification of the project. The principles of accuracy, completeness, relevance, reliability and credibility were combined with a conservative approach to establish a traceable and transparent verification opinion.

The verification considers both quantitative and qualitative information on GHG removals and emission reductions.

## FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 6 of 50

The verification is not meant to provide any consultancy towards the client. However, stated requests for clarifications, corrective and/or forward actions may provide input for improvement of the monitoring activities.

## 2 METHODOLOGY

### 2.1 Verification Process

The verification process is based on the approach depicted in the CDM and VCS Validation and Verification Standard / Manual and the most recent Rules for the Use of the Climate, Community & Biodiversity Standard.

Standard auditing techniques have been adopted for the verification process. The verification team performs first a desk review, followed by an on-site visit, which results in the formation of a protocol that includes all the findings. The next step involves the evaluation of the findings through direct communication with the PPs and then finally the preparation of the verification report. This verification report and other supporting documents then undergo an internal quality control by the CB “climate and energy” before submission to the CCBA.

### 2.2 Appointment of the Assessment Team

According to the technical scopes and experiences in the sectorial or national business environment, TÜV SÜD has composed a project team in accordance with the appointment rules of the TÜV SÜD certification body “climate and energy”.

The composition of an assessment team has to be approved by the Certification Body (CB) to assure that the required skills are covered by the team. The CB TÜV SÜD operates the following qualification levels for team members that are assigned by formal appointment rules:

- Assessment Team Leader (ATL);
- Verifier (V);
- Verifier Trainee (T);
- Technical Experts (TE);
- Country Expert (CE).

It is required that the sectorial scope(s) and the technical area(s) linked to the methodology and project have to be covered by the assessment team. For this particular project, the assessment team members are presented in the table below.

#### Assessment Team:

Name	Qualification	Coverage of scope	Coverage of technical area	Coverage of financial aspect	Host country experience
Sebastian Hetsch	ATL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> (14.1)	<input checked="" type="checkbox"/>	
Martin Opitz (onsite)	V	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Sandra Perrens Bonavia (onsite)	CE				<input checked="" type="checkbox"/>

## FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem

Page 7 of 50



### Technical Reviewer:

- Martin Seitz (Technical Reviewer- 14.1 )

### Final Approval:

Eswar Murty – Certification Body

## 2.3 Review of Documents

The CCBA Project Implementation Report version 01 submitted by the PP was made publicly available on the CCBA website before the verification activities started. The published PIR was assessed based on all the relevant documents as listed above. The aim of the assessment in the desk review was to:

- verify the completeness of the data and the information presented in the MR,
- check the compliance of the MR with respect to the monitoring plan depicted in the registered PDD and verify that the applied methodology was carried out. Particular attention to the frequency of measurements, the quality of the sample design and plot layout for measuring the GHG removals, and the quality assurance and quality control procedures was paid,
- evaluate the data management and the quality assurance and quality control system in the context of their influence on the generation and reporting of GHG removals and emission reductions.

A complete list of all documents reviewed is available in annex 1 of this report.

## 2.4 On-site Assessment and follow-up Interviews

During 14 and 20 October 2015, TÜV SÜD performed a physical site inspection and on-site interviews with project stakeholders to:

- confirm the implementation and operation of the project,
- review the data flow for generating, aggregating and reporting the monitoring parameters,
- confirm the correct implementation of procedures for operations and data collection,
- cross-check the information provided in the MR documentation with other sources,
- check the monitoring equipment against the requirements of the PDD and the approved methodology,
- review the calculations and assumptions used to obtain the GHG data and ER,
- identify if the quality control and quality assurance procedures are in place to prevent or correct errors or omissions in the reported parameters.

The list of persons interviewed is included in Annex 1 at the end of the report.





## **2.5 Resolution of Clarification and Corrective and Forward Action Requests**

The objective of this phase of the verification process is to resolve any outstanding issues, which require clarification for TÜV SÜD's positive conclusion of the achieved GHG removals and emission reduction. The findings raised as Forward Action Requests (FARs) (if any) indicated in previous reports (validation/verification) were discussed during this phase and, issues raised in the FARs were resolved, during communications between the PP and TÜV SÜD.

Concerns raised in the desk review, the on-site audit assessments and the follow up interviews and the responses provided for the raised concerns are documented in Section 3 (Verification Findings and Results) to guarantee the transparency of the verification process.

A Corrective Action Request is raised where TÜV SÜD identifies:

- non-conformities in monitoring and/or reporting with the monitoring plan and/or methodology;
- that the evidence provided is not sufficient to prove conformity;
- mistakes in assumptions, data or calculations that impair the ER;
- FARs stated during validation that are not solved until the on-site visit.

A Clarification Request is raised where TÜV SÜD does not have enough information or the information is not clear in order to confirm a statement or data.

A Forward Action Request is raised where TÜV SÜD identifies that monitoring and/or reporting require special attention or adjustments for the next verification period.

Information or clarifications provided as a response to a CAR, CL or FAR could also lead to a new request.

The final CCBA Project Implementation Report submitted in July 2016 served as the basis for the final assessment presented. Changes are not considered significant with respect to the qualification of the project as a CCBA project.

## **2.6 Internal Quality Control**

As a final step of verification, the final documentation including the verification report and annexes have to undergo an internal quality control by the Certification Body (CB), i.e. each report has to be finally approved by the CB. If the documents have been satisfactorily approved, the Request for Issuance is submitted to the CCBA along with the relevant documents.



### 3 VERIFICATION FINDINGS AND RESULTS

Each CCBA criteria was assessed, as well as the correct implementation of the Monitoring Plan as per the registered PDD, and the results of the monitoring.

The main findings of the project audit in regards to the project implementation and the CCB Standards compliance are summarized in the following sections.

#### 3.1 General Section

##### 3.1.1 G1. Original Conditions in the Project Area

###### **G1. Original Conditions in the Project Area:**

###### **Standard Requirement:**

###### General Information

1. The location of the project and basic physical parameters (e.g., soil, geology, climate).
2. The types and condition of vegetation within the project area.
3. The boundaries of the project area and the project zone.

###### **Finding:**

1. No information is provided in the PIR. Respective information regarding location and basic physical parameters is provided in the validated PDD (validated 11 July 2012).
2. No information is provided in the PIR. Respective information regarding types and conditions of the vegetation within the project area is provided in the validated PDD
3. No information is provided in the PIR. Respective information regarding boundaries of the project area and the project zone is provided in the validated PDD

No changes of physical parameter, conditions of vegetation and boundaries of the project area and the project zone were detected during the onsite visit via site visit, overflight and interviews held. Thus, no changes since validation.

**References (IRL): 1, 2, 3, 4, 5**

###### **Requests:**

-

###### **Final Conclusion:**

Requirements are still satisfied.



**G1. Original Conditions in the Project Area:**

**Standard Requirement:**

Climate Information

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, default values) from the Intergovernmental Panel on Climate Change's 2006 Guidelines for National GHG Inventories for Agriculture, Forestry and Other Land Use5 (IPCC 2006 GL for AFOLU) or a more robust and detailed methodology.

Community Information

5. A description of 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.
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).

**Findings:**

4. The PIR refers to the inventories that took place in the course of validations and verifications. Respective information regarding current stock at time of project start is provided in the validated CCBA PDD (validated 11 July 2012), the validated VCS PDD (24 Nov 2012) and the 1<sup>st</sup> verified MR (verified 09 April 2013). Currently the project is undergoing 2<sup>nd</sup> verification.  
Carbon stock within the project is quantified applying the VCS Methodology VM0007 1.4 and corresponding modules ([http://www.vcsprojectdatabase.org/#/projects/st/\\_c\\_PY/ss\\_0/so\\_/di\\_/np\\_](http://www.vcsprojectdatabase.org/#/projects/st/_c_PY/ss_0/so_/di_/np_)).
5. No information is provided in the PIR. Respective information regarding communities located in the project zone are provided in the validated PDD.
6. No information is provided in the PIR. Respective information regarding current land use, conflicts or disputes are provided in the validated PDD.

No changes of the socio-economic and cultural background of the communities involved as well as no conflicts or disputes and changes in land use were detected during the onsite visit via site visit, overflight and interviews held. Thus, no changes since validation.

**References (IRL): 1, 2, 3, 4, 5**

**Requests:**

-

**Final Conclusion:**

Requirements are still satisfied.



**G1. Original Conditions in the Project Area:**

**Standard Requirement:**

Biodiversity Information

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.

**Findings:**

No information is provided in the PIR. Respective information regarding biodiversity within the project zone and threats are provided in the validated PDD. During onsite visit no changes of the biodiversity within the project zone in terms of species and ecosystems and threats were detected during the onsite visit via site visit, overflight and interviews held. The described threat of deforestation could be observed in an unchanged pace. Thus, no changes since validation.

**References (IRL): 1, 2, 3, 4, 5**

**Requests:**

-

**Final Conclusion:**

Requirements are still satisfied.



<p><b>G1. Original Conditions in the Project Area:</b></p> <p><b>Standard Requirement:</b></p> <p>8. An evaluation of whether the project zone includes any of the following High Conservation Values (HCVs) and a description of the qualifying attributes:</p> <p>8.1. Globally, regionally or nationally significant concentrations of biodiversity values;</p> <ul style="list-style-type: none"><li>a. protected areas</li><li>b. threatened species</li><li>c. endemic species</li><li>d. areas that support significant concentrations of a species during any time in their lifecycle (e.g. migrations, feeding grounds, breeding areas).</li></ul> <p>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;</p> <p>8.3. Threatened or rare ecosystems;</p> <p>8.4. Areas that provide critical ecosystem services (e.g., hydrological services, erosion control, fire control);</p> <p>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); and</p> <p>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).</p>
<p><b>Findings:</b></p> <p>No information is provided in the PIR. Respective information regarding HCVs within the project zone are provided in the validated PDD. No Changes of HCVs within the project zone were detected during the onsite visit via site visit, overflight and interviews held. Thus, no changes since validation.</p>
<p><b>References (IRL): 1, 2, 3, 4, 5</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirements are still satisfied.</p>



**3.1.2 G2. Baseline Projections**

<p><b>G2. Baseline Projections:</b></p> <p><b>Standard Requirement:</b></p> <ol style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.<sup>19</sup> The timeframe for this analysis can be either the project lifetime (see G3) 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.</li> </ol>
<p><b>Finding:</b></p> <ol style="list-style-type: none"> <li>1. No information is provided in the PIR. Respective information regarding the most likely land-use scenario in the absence of the project is provided in the validated PDD.</li> <li>2. No information is provided in the PIR. Respective information regarding project benefits that would not have occurred in the absence of the project and thus are truly additional are provided in the validated PDD.</li> <li>3. No information is provided in the PIR. Respective information regarding estimated carbon stock changes in the without project scenario is provided in the validated PDD</li> </ol> <p>No changes of the land-use scenario in the absence of the project, project benefits that would not have occurred in absence of the project as well as of carbon stock changes in the without project scenario were detected during the onsite visit via site visit, overflight and interviews held. Thus, no changes since validation.</p>
<p><b>References (IRL): 1, 2, 3, 4, 5</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirements are still satisfied.</p>
<p><b>G2. Baseline Projections:</b></p> <p><b>Standard Requirement:</b></p>

**FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:**

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 14 of 50

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.

5. Describe how the 'without project' reference scenario would affect biodiversity in the project zone (e.g., habitat availability, landscape connectivity and threatened species).

**Finding:**

4. No information is provided in the PIR. Respective information regarding the impact of the without project scenario on communities in the project zone is provided in the validated PDD.

5. No information is provided in the PIR. Respective information regarding the impact of the without project scenario on biodiversity in the project zone is provided in the validated PDD.

No changes were detected during the onsite visit. Although the project area appears rather small compared to the completely forested area of the Gran Chaco, the impacts described in the PDD for communities and biodiversity are very likely taking into account the rate of deforestation. A study was presented that by extrapolating the rate of deforestation only rd. 25% of forest will be left in 2040. Thus, no changes since validation.

**References (IRL): 1, 2, 3, 4, 5**

**Requests:**

-

**Final Conclusion:**

Requirements are still satisfied.



### 3.1.3 G3. Project Design and Goals

#### G3. Baseline Projections:

##### Standard Requirement:

1. Provide a summary of the project's major climate, community and biodiversity objectives.
2. Describe each project activity with expected climate, community and biodiversity impacts and its relevance to achieving the project's objectives.

##### Finding:

1. The PIR details the following objectives in compliance with the validated PDD.
  - Net emission reduction of 198,238 tCO<sub>2</sub>e verified under the VCS. Differences with the envisaged emission reductions and the actual ones are due deductions required by the methodology of quantification applied as well as the change of the land market that did not allow to purchase further properties due to a lack of finance.
  - Conservation of an underrepresented habitat type in terms of protection areas.
  - Regained influence over the management of traditional area by local communities. During onsite, visit documentation was provided proofing that the communities of the Yshir, represented by the Union of the Communities of the Yshir Nation (UCINY) are registered as 50% owner over the project area of Tobich. The remaining 50% is held by Guyra Paraguay.
2. The PIR details the following objectives in compliance with the validated PDD.
  - Secured management control of threatened forest
    - Land was purchased by Guyra Paraguay.
    - Collaboration management of the land with the Union of the Communities of the Yshir Nation (UCINY) according to the PFCP. A respective agreement between Guyra Paraguay and UCINY was presented. Transfer of carbon rights to Swire Pacific Offshore (PP).
    - Sharing of ownership (50%) with UCINY, Full ownership will be transferred after project lifetime (20 years). Respective evidence was provided (see comment above).
  - Land and conservation management
    - Monitoring plans are in place, publicly available, and applied
    - The project area is under 100% protection, which was sustained during the onsite visit via side visit as well as overflight. Due to the remoteness and the difficult access permanent guards are not needed within the project area.
    - In contrary to the PDD members of the communities of the Yshir mainly work as assistants of the monitoring teams contracted on daily basis in order to carry equipment, preparing the camp sides and opening the bushes with machete. Thus, the contribution of the communities consists at present of mere ancillary activity. A capacity building to develop and demonstrate management skills in scientific conservation management as described in the PIR could not be observed. At present this is because the project area is remote with difficult access as well as that the regularly monitoring on the ground just recently started. It needs to be clarified if capacity building of the communities involved in the field of scientific conservation management as well as long-term job opportunities are still realizable (CR1).



## FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 16 of 50

- The interviews held with community members onsite revealed, that the political leaders are still expecting that the project will lead to long-term job opportunities. Clarification is required if the community are properly informed about realizable job opportunities within the project activity (CR2).
- Optimization of biodiversity conservation and community gains beyond the project area; Leverage for two initiatives designed to promote landscape connectivity. In the course of the project at hand, two projects promoting and valorizing ecosystem services in form of carbon have been developed and promoted (GEF/Arcadia). Further information of the both projects is required (CR3).
- Joint Management by UCINY and Guyra Paraguay. A management plan, jointly elaborated by Guyra Paraguay and UCINY existed as rough draft version without further specification of the different management programs. According to the official advisor for the evaluation of the cultural and natural patrimony Mr. Bragayrac, the management plan will be developed based on round table discussions open for all community members within 2016. Clarification is required in terms of an elaboration time schedule defining and dating milestones of the development of the joined management plan (CR4).

**References (IRL): 1, 2, 3, 4, 5, 6, 13, 19, 21, 22, 23**

### **Requests:**

#### **Clarification Request 1.**

Clarify if capacity building of the communities involved in the field of scientific conservation management as well as long-term job opportunities are still realizable under the project circumstances.

#### **Clarification Request 2.**

Clarify if the community members are fully aware of potential changes in terms of opportunities for job and capacity building.

#### **Clarification Request 3.**

Provide further information about the projects GEF and Arcadia.

#### **Clarification Request 4.**

Specify the time schedule for the elaboration of the joined management plan for the project area Tobich. Define and date milestones to be accomplished along the elaboration process.



**Response by PP:**

**CR1:**

Yes, they are still realizable.

We are providing, and will provide, capacity building through monitoring and management activities. In terms of progressing the agenda one full time Yshir will be hired as a coordinator / responsible officer (see minute below). Capacity building in scientific conservation management is being rolled out under biodiversity monitoring at this point, with the initial on the ground monitoring having been completed in October 2015. During this monitoring the participation of the Yshir in effect contributed to building the Yshirs' capacity. However, it was not possible to formally undertake training as planned due to the project truck being involved in an accident, which reduced the time available during monitoring activities. However, formal training is to be rolled out during monitoring going forward. Also, the Yshir will have the opportunity to demonstrate their management skills during capacity building and within monitoring / management activities.

Additionally, by permanently employing an Yshir the project will further support the building of the capacities of the communities represented by UCINY (also noting that since the beginning of the project Guyra has employed Yshir for monitoring activities). The designated Yshir is Mr. Andrés Ozuna. He has the approval of the Leaders' Council and the members of the UCINY. He will support the basic management of Tobich, monitoring activities and field studies and the management of traditional/scientific knowledge and will pass on acquired scientific knowledge to his people. He will manage together with Guyra Paraguay the capacity building carried out through monitoring and management activities, ensuring that it is formalized and structured (capacity building will also be formalized under the process of finalizing the Joint Management Plan – see CR4). Guyra's administration team and project coordinator will annually elaborate the Terms of Reference and employment contract in accordance with its administrative procedures and the "Manual of Standards, Procedures and Policies". The Yshir's performance and progress will be annually evaluated by GP.

The relation between GP and UCINY still has many years ahead, which guarantees the development of experiences in the long-term. One of the objectives of capacity building is to prepare the Yshir for the future management of the TOBICH community heritage reserve.

It has been minuted below that: (3) the project will support capacity building; (4) "among the objectives that the project aims towards is the generation of employment for the Yshir community according to the necessities of the activities planned. Likewise, it aims to increase capacities and development, generate employment opportunities and training in the conservation and management of the natural resources of TOBICH at every opportunity."

Thus further employment will be generated at every opportunity according to the necessities of the project as it develops.

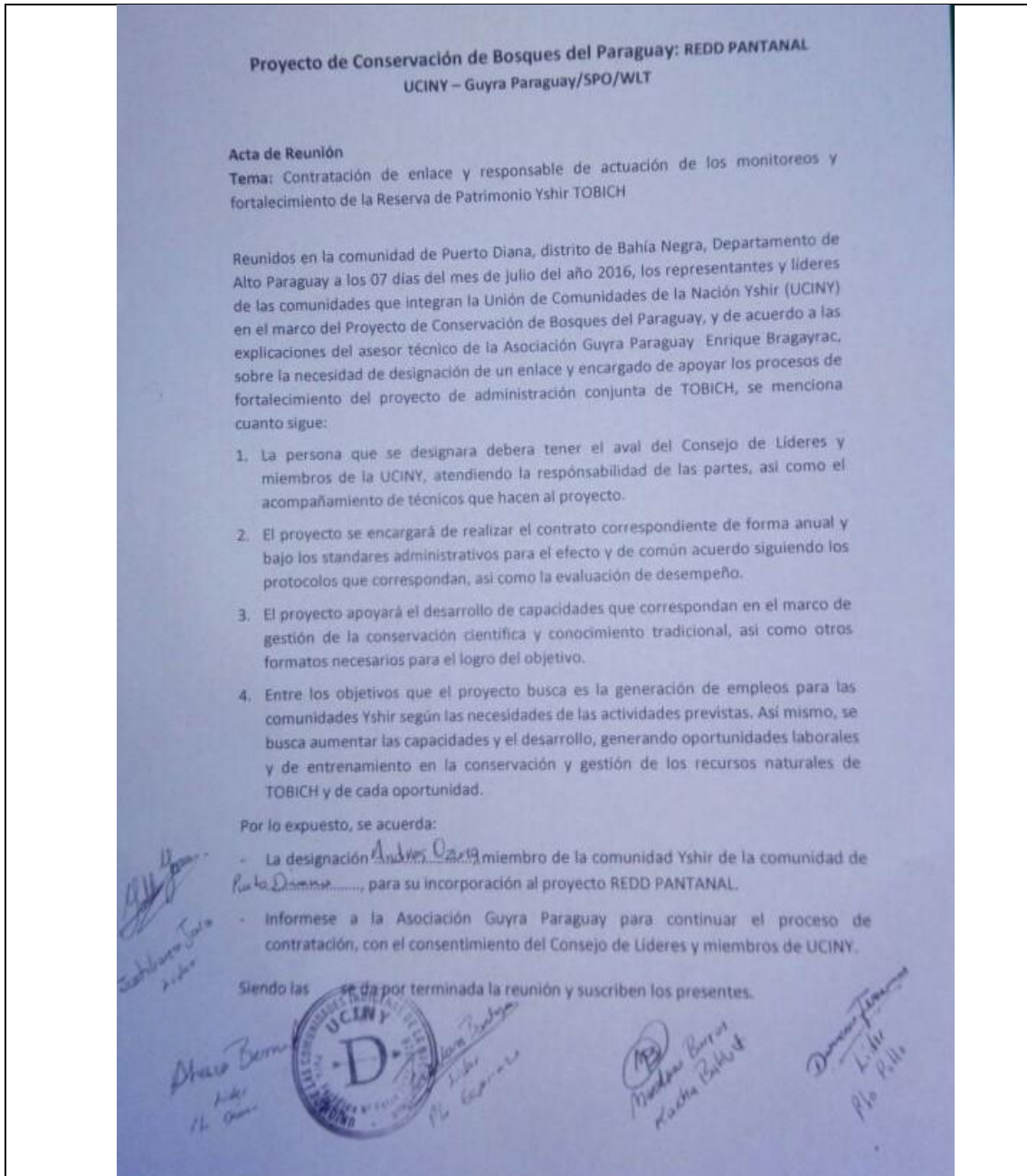


Fig. 1. Minute of meeting with UCINY

**CR2:**

As noted in the minutes above, we have re-communicated the opportunities for capacity building and employment with the Yshir, which are the still the same in content as previously. We are also now rolling these out in more detail, with an Yshir being employed on a permanent basis to, amongst other things, manage together with Guyra Paraguay the capacity building carried out through monitoring and management activities, ensuring that it is formalized and structured. Also, further employment will be generated according to



the necessities of the project as it develops as initially planned. More details being developed in this regard are:

The *Yshir* are an essential component for this project, not only because they are co-owners but because they take part in the management of the area. With the incorporation of Andrés Ozuna into the project, job creation possibilities will be enhanced and technical skills strengthened through:

- Protected areas management (with the *Yshir* having the opportunity to demonstrate their management skills).
- REDD+ knowledge
- Participation in carbon inventory work
- Collaboration in biodiversity and social monitoring activities
- Extension work with schools from the *Yshir* communities
- Participation in land use decisions and prioritization of actions
- Exchange of traditional and cultural knowledge with the involved technical staff of the project

Also, the *Yshir* coordinator / responsible officer will serve as a link between GP and UCINY.

**CR3:**

**GEF:**

The GEF project is called “Innovative use of a voluntary Payment for Environmental Services scheme to avoid and reduce GHG emissions and enhance carbon stocks in the highly threatened Dry Chaco Forest Complex in Western Paraguay”, known as PROMESA CHACO (its shortened version in Spanish). The project aims to prevent and reduce emissions of greenhouse gases (GHGs) from deforestation and forest degradation and enhance carbon stocks in the Dry Chaco Forest Complex in the western region of Paraguay through the creation of an incentive scheme for Payments for Environmental Services (PES) to stakeholders which plans to secure 300,000 hectares or at least 5 million tons of CO<sub>2</sub> in the next four years.

It is linked to the PFCP in that the PFCP allowed GP to develop their capacity to implement carbon financed projects and thus enabled the GEF project to be developed as a progression of the PFCP; the PFCP also provided co-financing for the GEF project, thus helping to secure the GEF funding. Both the PFCP and the GEF project have the objective of reducing emissions from deforestation and degradation and their project areas overlap; they both aim towards including carbon financing as method of conserving Environmental Services in Paraguay. The GEF project has been just approved and its implementation begun.

This GEF-funded project is CI-implemented and executed in Paraguay with the Secretary of the Environment and Guyra Paraguay, and is linked to another project called “PACHA (Pantanal – Chaco) “Shared Resources, Joint Solutions” – Partnerships and advocacy for climate resilience, water and food security”, with funding from the Dutch Government through an alliance with the IUCN National Committee of the Netherlands and WWF



which plans to reduce deforestation and create sustainable governance in the project area.

**Arcadia:**

The Arcadia funding’s purpose is to secure new areas of high biodiversity value under conservation management, in collaboration with local partners. The areas are selected for strategic value not only for their biodiversity but also for their potential to test and demonstrate sustainable management through an array of techniques, for replication more widely.

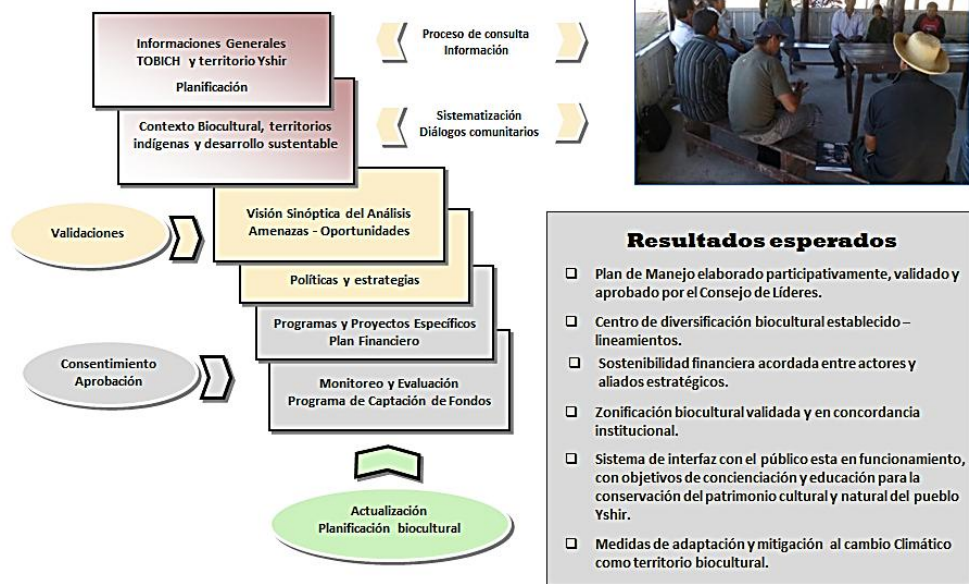
The project requires match funding of \$1.8 million and PFCP funding was proposed as a potential source of match funding and the project was thus used as leverage to secure Arcadia Funding. Also, the fact that the PFCP allowed GP to develop their capacity to implement carbon financed projects enabled the Arcadia project to be developed as a progression of the PFCP.

**CR4:**

The construction of the plan began again in earnest in July. Six months are estimated for its discussion and final approval, with the hopes of implementing it in 2017 (See Table 1 and Figure 2 which feeds into Table 1; also see minute below).

The plan will be developed together with UCINY through intercultural dialogues / conversations, workshops and all that is contemplated in the protocols of Free, Prior and Informed Consent (FPIC).

**Estructura de Proceso - Plan de Manejo Biocultural**





**Fig. 2.** Description of the processes involved in the development of the Joint Management Plan

The plan, jointly built, establishes a tool for planning and managing the biological and cultural values (ancestral knowledge and practices) of TOBICH. Also the plan provides a series of actions that aim to promote and strengthen the capacities of the UCINY.

As the planning comes to an end and in accordance to the project objectives we will have programs and actions available.

**Table 1.** Planned activities and estimated time.

Activities	Months					
	Jul	Aug	Sep	Oct	Nov	Dec
<b>First Stage – Planning and compiling information – meetings</b>						
Formation of technical team and organization	X					
Basic information gathering	X	X				
<b>Second Stage - Analysis of the information and Joint Management Plan.</b>						
Establishment of the vision, mission and objectives Evaluation		X	X			
Define Strategies and 1 <sup>st</sup> draft of the Plan		X	X	X		
Compiling of testimonies and field data			X	X		
<b>Third Stage – PLAN presentation to the community</b>						
Workshop 1: of Agreement/validation of the PLAN				X		
<b>Forth Stage – Final drafting</b>						
Writing of final draft				X	X	
Workshop 2: Evaluation of the process between GP/UCINY/SPO/WLT					X	X
Publication and local presentation						X



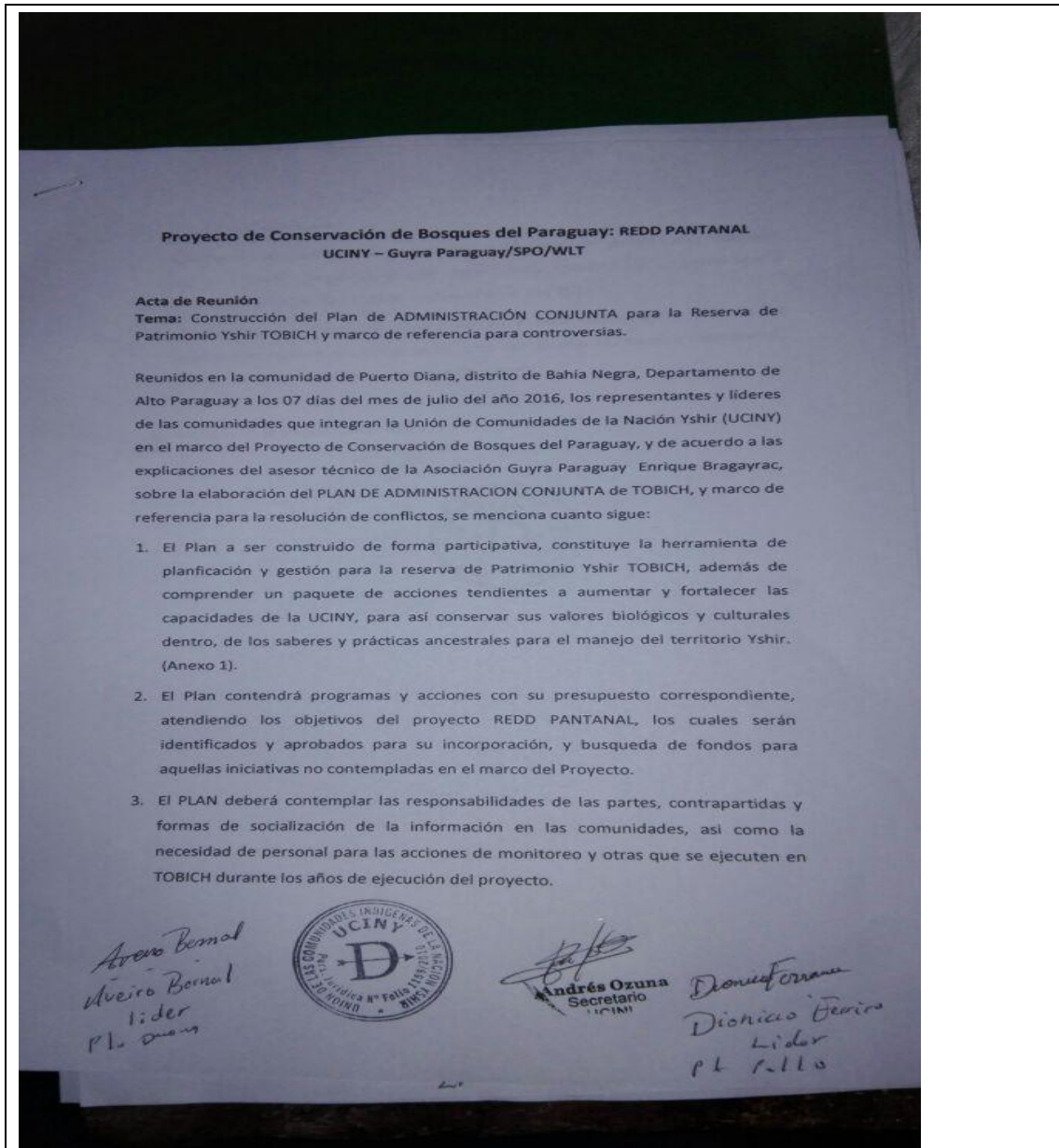


Fig 3. Minute of meeting with UCINY

**Final Conclusion:**

CR1:

Clarification was provided regarding capacity building of communities involved as well as regarding long-term job opportunities. One person will be contracted for onsite management as well as other members will temporarily be contracted for monitoring, etc. On the long term it is expected, that a solid capacity building will take place due to the project implementation. Meeting minutes have been provided to sustain the answers provided. Request closed.

CR2:

## FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 23 of 50

Opportunities for jobs and capacity building was re-communicated in the course of the verification according to the experience made so far during the project implementation. The re-communication is recorded in form of meeting minutes, etc. Thus, it is ensured, that the community members are fully aware of the status of the project implementation and any opportunities regarding jobs, etc. for them. Request closed.

CR3:

Clarification regarding the projects GEF and Arcadia respectively their linkage to the project at hand and Guyra Paraguay is provided as requested. Request closed.

CR4:

A clear time schedule for the elaboration of the joined management plan for the project area Tobich was provided as well as defined milestones. According to the evidence provided, time schedule and milestones are communicated with the communities in the project area. Future audits have to verify proper implementation. Request closed.



**FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:**

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 24 of 50

**G3. Baseline Projections:**

**Standard Requirement:**

3. Provide a map identifying the project location and boundaries of the project area(s), where the project activities will occur, of the project zone and of additional surrounding locations that are predicted to be impacted by project activities (e.g. through leakage).

No changes of the project location and boundaries of the project area were detected during the onsite visit via site visit, overflight and interviews held. Thus, no changes since validation.

**Finding:**

No information is provided in the PIR. A map identifying the project location and boundaries of the project area and project zone is provided in the validated PDD.

**References (IRL): 1, 2, 3, 4, 5**

**Requests:**

-

**Final Conclusion:**

Requirements are still satisfied.



<p><b>G3. Baseline Projections:</b></p> <p><b>Standard Requirement:</b></p> <p>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> <p>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.</p>
<p><b>Finding:</b></p> <p>4. No information is provided regarding the project lifetime and GHG accounting period in the PIR. Respective information is provided in the validated PDD. The PIR provides information about the achievement of milestones mainly consisting of a detailed carbon inventory on basis of the VCS, completion of the CCBS and VCS validation, donation of shared ownership to UCINY and annual verification for the first five years. The annual verification was cancelled out of reasonable reasons; the verification is taking place at present.</p> <p>5. The Risk is assessed by applying the VCS AFOLU non-permanence risk tool. The overall risk is below 10%, no changes could be observed since last VCS verification (<a href="http://www.vcsprojectdatabase.org/#/projects/st/_c_PY/ss_0/so_/di_/np_">http://www.vcsprojectdatabase.org/#/projects/st/_c_PY/ss_0/so_/di_/np_</a>).</p>
<p><b>References (IRL): 1, 2, 3, 4, 5, 6</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirements are still satisfied.</p>



<p><b>G3. Baseline Projections:</b></p> <p><b>Standard Requirement:</b></p> <p>6. Demonstrate that the project design includes specific measures to ensure the maintenance or enhancement of the high conservation value attributes identified in G1 consistent with the precautionary principle.</p> <p>7. Describe the measures that will be taken to maintain and enhance the climate, community and biodiversity benefits beyond the project lifetime.</p>
<p><b>Finding:</b></p> <p>6. The PIR is referring to CCBA PDD. Main aim of the project activity is to maintain the status quo on the project area and thus, maintain its HCV. According to the PIR, this was accomplished, as the area remained unaltered and intact. A small grassland fire affected the grass savannah within the project area but did not affect the HCV of the forests.</p> <p>Up to now, Tobich remains the only project in the grouped project boundary under the VCS. At present, no further instances are under active consideration. This will be actively initiated after final approval of the revised VCS Tobich PDD (ID 953).</p> <p>7. The PIR is referring to CCBA PDD. Permanence of Project Benefits is achieved by treating the area as a private reserve under shared management with the communities in the existing complex of Guyra Paraguay private protected areas and statutory national parks. No changes since validation</p>
<p><b>References (IRL): 1, 2, 3, 4, 5</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirements are still satisfied.</p>



**G3. Baseline Projections:**

**Standard Requirement:**

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 stakeholder dialogues and indicate if and how the project proposal was revised based on such 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.

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.

**Finding:**

8. No information is provided how communities and other stakeholders have been identified. This information is provided in the validated PDD. The PIR is referring to the social monitoring plan and the results gained by its implementation and presented in more details below. No new communities except those already identified during validation were detected during the onsite visit via site visit, overflight and interviews held. Thus, no changes since validation.

9. According the PIR, the affected communities and other stakeholders have been informed about the planned verification as well as have been provided with respective documentation. Further documents have been provided proofing, that they have been informed about the public stakeholder consultation under the CCBA as well as the opportunity to communicate directly with the audit team during onsite visit. During onsite visit and via interviews held with the communities affected the audit team sustained the information provided.

**References (IRL): 1, 2, 3, 4, 5, 6, 7, 16, 17**

**Requests:**

-

**Final Conclusion:**

Requirements are still satisfied.



**G3. Baseline Projections:**

**Standard Requirement:**

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 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.

**Finding:**

No information is provided in the PIR. Respective information regarding formalized processes for handling unresolved conflicts and grievances are provided in the validated PDD. The interviews held during onsite visit showed, that the community members are not aware of any official grievance procedures. Grievances are communicated orally; records are not held. Thus, any grievances in the past and their resolving could not be assessed during the onsite visit.

**References (IRL): 1, 2, 3, 21, 22, 23**

**Requests:**

**Corrective Action Request 1.**

Provide a formalized, clearly detailed grievance process in compliance with the requirements. Ensure that all institutions involved are properly informed.

**Response by PP:**

The grievance procedure set out in the PDD “G3.10 Conflict Resolution” was set out in full for the Yshir in recent meetings held in Puerto Diana, one of the Yshir settlements. The details of the procedure are:

*G3.10 Conflict Resolution*

*“Grievances and unresolved issues associated with the project may be notified at any time, via UCINY and the local Guyra Paraguay Project Officer representing community members and the project implementers respectively”.*

*In the first instance, resolution will be sought by negotiation at a formal consultation meeting, which may be called within 10 days by either the community representatives or the project implementer and, if requested, mediated by a mutually acceptable and independent third party. The grievance and result of the negotiation, including measures of redress for issues found to have substance, will be included in the records of the meeting. The written record must be disseminated to all interested parties within 20 days (i.e. 30 days of the original notification). Any remedial action must be initiated within 14 days, with results that must be reported (and recorded) in the subsequent consultation meeting”.*

## FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 29 of 50

The process will link with the project form for recording communications. Records of meetings will be recorded on the project communications record form and notifications / letters will be logged on an excel spreadsheet (and kept as a record for future audits).

The process will be reconfirmed with UCINY via letter once it is finalized with audit (see attached draft), additionally letters will be sent to stakeholders ARP and the Municipality of Bahía Negra (see attached drafts).

### **Final Conclusion:**

The grievance process as presented compiles good practice. A draft letter was presented that will be send to several institutions (UCINY, ARP, Municipality of Bahia Negra). In the course of CAR closure, the drafted letter was finalized and send to the mentioned institutions. Respective evidence was provided. Further the secretary of UCINY (Secretario de la Unión de Comunidades Indígenas de la Nación *Yshir*) Andres Ozuna confirmed that grievance process will be communicated to the communities. Thus, it can be assumed, that the community members and stakeholders involved are will properly be informed about the grievance mechanisms installed. Request closed.



**G3. Baseline Projections:**

**Standard Requirement:**

10. 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 bio-diversity benefits.

**Finding:**

No information is provided in the PIR. A contract of the PP including the finance of the project as well as the budget plan for its implementation was presented onsite. No changes since Validation.

**References (IRL): 1, 2, 3**

**Requests:**

-

**Final Conclusion:**

Requirements are still satisfied.

**FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:**

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 31 of 50

**3.1.4 G4. Management Capacity and Best Practice**

<p><b>G4. Management Capacity and Best Practices</b></p> <p><b>Standard Requirement:</b></p> <p>1. Identify a single project proponent, which 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>
<p><b>Finding:</b></p> <p>No information is provided in the PIR. Respective information regarding project proponent and other entities involved are provided in the validated PDD. The information provided was sustained during onsite visit by the audit team. No changes since Validation.</p>
<p><b>References (IRL): 1, 2, 3</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirements are still satisfied.</p>





**G4. Management Capacity and Best Practices**

**Standard Requirement:**

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.

**Finding:**

No information is provided in the PIR. Respective information regarding technical skills necessary for project implementation are provided in the validated PDD. The information provided was sustained during onsite visit by the audit team. No changes since Validation.

**References (IRL): 1, 2, 3**

**Requests:**

-

**Final Conclusion:**

Requirements are still satisfied.



**G4. Management Capacity and Best Practices**

**Standard Requirement:**

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 will be passed on to new workers when there is staff turnover, so that local capacity will not be lost.

**Finding:**

According to the PIR Yshir community, members have been/are trained in protected area management as well as in carbon inventory and monitoring skills. The information provided was sustained during onsite visit by the audit team. Nevertheless, it needs to be stressed that the service provided by the communities contracted consist of mere ancillary activity, see also CR 1.

**References (IRL): 1, 2, 3**

**Requests:**

-

**Final Conclusion:**

Requirements are still satisfied.



**G4. Management Capacity and Best Practices**

**Standard Requirement:**

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.

**Finding:**

No information is provided in the PIR. Respective information regarding recruitment procedures is provided in the validated PDD. The political leaders of the communities distribute Job opportunities by the project. Jobs are rotated to different members of the communities. The focus is on young community members. As the jobs offered at present are physically demanding and traditionally not done by women, only men are contracted (see also CR1). This was sustained during the onsite visit via interviews held with community members.

**References (IRL): 1, 2, 3**

**Requests:**

-

**Final Conclusion:**

Requirements are still satisfied.



**G4. Management Capacity and Best Practices**

**Standard Requirement:**

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.

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.

**Finding:**

5. No information is provided in the PIR. Respective information regarding workers' rights and its implementation is provided in the validated PDD. At present, the project did not lead to permanent employment among the communities of the Yshir out of reasons discussed above. Out of this reason, the handbook on employee's rights was not realized as announced in the PDD. Seasonal workers are paid above minimum wage in Paraguay. This was sustained during the onsite visit via interviews held.

6. No information is provided in the PIR. Respective information regarding workers health and safety and its implementation is provided in the validated PDD. Provision of PSE (Personal Safety Equipment) is ensured. IPS (Instituto Prevision Social) Health insurance is obligatory for permanent staff, not for persons working on daily basis. This was sustained during the onsite visit via interviews held and side visit.

**References (IRL): 1, 2, 5, 8, 9, 10,**

**Requests:**

-

**Final Conclusion:**

Requirements are still satisfied.

**FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:**

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 36 of 50

<p><b>G4. Management Capacity and Best Practices</b></p> <p><b>Standard Requirement:</b></p> <p>7. Document the financial health of the implementing organization(s) to demonstrate that financial resources budgeted will be adequate to implement the project.</p>
<p><b>Finding:</b></p> <p>No information is provided in the PIR. Respective information regarding project finance is provided in the validated PDD. No changes were detected during the onsite visit. Thus, no changes since validation.</p>
<p><b>References (IRL): 1, 2, 3</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirements are still satisfied.</p>

**FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:**

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 37 of 50

**3.1.5 G5. Legal Status and Property Rights**

<p><b>G5. Legal Status and Property Rights</b></p> <p><b>Standard Requirement:</b></p> <p>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 compliance is achieved.</p>
<p><b>Finding:</b></p> <p>No information is provided in the PIR. Respective information regarding relevant national and local laws and regulations are provided in the validated PDD. No changes were detected during the onsite visit. Thus, no changes since validation.</p>
<p><b>References (IRL): 1, 2, 3</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirements are still satisfied.</p>

**FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:**

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 38 of 50

**G5. Legal Status and Property Rights**

**Standard Requirement:**

2. Document that the project has approval from the appropriate authorities, including the established formal and/or traditional authorities customarily required by the communities.

**Finding:**

No information is provided in the PIR. Respective information regarding endorsement by SEAM (Secretariat del ambiente) and the UNICY is provided in the validated PDD. No changes were detected during the onsite visit. Thus, no changes since validation.

**References (IRL): 1, 2, 3**

**Requests:**

-

**Final Conclusion:**

Requirements are still satisfied.



**G5. Legal Status and Property Rights**

**Standard Requirement:**

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.

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.

**Finding:**

3. No information is provided in the PIR. Respective information regarding potential encroachment is provided in the validated PDD. No changes were detected during the onsite visit. Thus, no changes since validation.

4. No information is provided in the PIR. Respective information regarding involuntary relocation is provided in the validated PDD. No changes were detected during the onsite visit. Thus, no changes since validation.

**References (IRL): 1, 2, 3**

**Requests:**

-

**Final Conclusion:**

Requirements are still satisfied.



**FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:**

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 40 of 50

<p><b>G5. Legal Status and Property Rights</b></p> <p><b>Standard Requirement:</b></p> <p>5. Identify any illegal activities that could affect the project's 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><b>Finding:</b></p> <p>No information is provided in the PIR. Illegal activities did not occur. The project area is very remote and difficult to access. Thus, there is no real threat of illegal activities. This could be sustained during the onsite visit via side visit, overflight and interviews held.</p>
<p><b>References (IRL): 1, 2, 3</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirements are still satisfied.</p>



**G5. Legal Status and Property Rights**

**Standard Requirement:**

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.

**Finding:**

No information is provided in the PIR. Respective information regarding land title and carbon rights are provided in the validated PDD. No changes were detected during the onsite visit. Thus, no changes since validation.

**References (IRL): 1, 2, 3**

**Requests:**

-

**Final Conclusion:**

Requirements are still satisfied.



## 3.2 Climate Section

### 3.2.1 CL.1. Net Positive Climate Impacts

#### Standard Requirement:

1. Estimate the net change in carbon stocks due to the project 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.<sup>35</sup> The net change is equal to carbon stock changes with the project minus carbon stock changes without the project (the latter having been estimated in G2). 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.
2. Estimate the net change in the emissions of non-CO2 GHG emissions such as CH4 and N2O in the with and without 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.
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.
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).
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.

#### Finding:

The project is successfully registered under VCS; the methodology applied is VM 0007 REDD Methodology Framework (REDD-MF) (Avoided Deforestation Partners). See VCS Validation/Verification and respective VCS Validation/Verification Reports, which are made publicly available on the VCS webpage.

On basis of the mentioned VCS Validation/Verification Reports, the net benefit to the end of the period under review (25th Feb 2011 – 31st Aug 2015 → 4.5 years) was calculated to sum up to 50,113 tCO2-e.

The audit team assessed the calculations steps described and verified the sources of applied values and equations. The correctness of the calculations can be confirmed as they were replicated by the audit team using the information provided.

As no deforestation and degradation could be detected (see findings in 3.2.3) TÜV SÜD concludes that the estimated climate benefits described in the VCS PD and MR are still valid. Thus the net positive climate benefits described in the PIR are correct.

#### References (IRL): 1, 2, 3, 4, 5, 24

#### Requests:

-

**FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:**

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem

Page 43 of 50



**Final Conclusion:**

Requirement is still satisfied.



### 3.2.2 CL.2. Offsite Climate Impacts ('Leakage')

<p><b>Standard Requirement:</b></p> <ol style="list-style-type: none"><li>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.</li><li>2. Document how any leakage will be mitigated and estimate the extent to which such impacts will be reduced by these mitigation activities.</li><li>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 CL1.4).</li><li>4. Non-CO<sub>2</sub> gases must be included if they are likely to account for more than a 5% increase or decrease (in terms of CO<sub>2</sub>-equivalent) of the net change calculations (above) of the project's overall off-site GHG emissions reductions or removals over each monitoring period.</li></ol>
<p><b>Finding:</b></p> <p>The project is successfully registered under VCS; the methodology applied is VM 0007 REDD Methodology Framework (REDD-MF) (Avoided Deforestation Partners). See VCS Validation/Verification and respective VCS Validation/Verification Reports, which are made publicly available on the VCS webpage.</p> <p>On basis of the mentioned VCS Validation/Verification Reports, the audit team assessed potential changes in the presuppositions of the calculation of the leakage factor (0,4) which could not be detected. Thus the estimations described in the VCS Validation/Verification reports are still valid.</p> <p>No significant non-CO<sub>2</sub> (4) gases will be emitted as the project activity consists of avoiding of planned deforestation. See VCS Validation/Verification and respective VCS Validation/Verification Reports, which are made publicly available on the VCS webpage.</p>
<p><b>References (IRL): 1, 2, 3, 4, 5</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirement is still satisfied.</p>



### **3.2.3 CL.3. Climate Impact Monitoring**

<p><b>Standard Requirement:</b></p> <p>1. Develop an initial plan for selecting carbon pools and non-CO<sub>2</sub> GHGs to be monitored, and determine the frequency of monitoring.</p> <p>Potential pools include aboveground biomass, litter, dead wood, belowground biomass, wood products, soil carbon and peat. Pools to monitor 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 CL2. 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 together such omitted decreases in carbon pools and increases in GHG emissions amount to less than 5% of the total CO<sub>2</sub>-equivalent benefits generated by the project. Non-CO<sub>2</sub> gases must be included if they are likely to account for more than 5% (in terms of CO<sub>2</sub>-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> <p>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 communities and other stakeholders.</p>
<p><b>Finding:</b></p> <p>The audit team scrutinized the monitoring results provided by assessing satellite pictures as well as by conducting a thorough overflight of the entire project area and a physical visit of the project area. TÜV SÜD confirms, that no deforestation and degradation took place within the project area inline with the corresponding CCBA PD and VCS PD respectively.</p> <p>Monitoring for carbon is conducted in line with the applied VCS methodology. See VCS MR and respective VCS Verification Reports, which are made publicly available on the VCS webpage.</p>
<p><b>References (IRL): 1, 2, 3, 4, 5, 13</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirements are still satisfied.</p>



### 3.3 Community Section

#### 3.3.1 CM1. Net Positive Community Impacts

##### CM1. Net Positive Community Impacts

###### Standard Requirement:

1. Use appropriate methodologies to estimate the impacts on communities, including all constituent socio-economic or cultural groups such as indigenous peoples (defined in G1), 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 G2). The difference (i.e., the community benefit) must be positive for all community groups.

2. Demonstrate that no High Conservation Values identified in G1.8.4-6 will be negatively affected by the project.

###### Finding:

1. The PDD specifies a list of net positive benefits that are to be expected by implementing the project. These are:
  - Recognition of Yshir rights to continue traditional land use and ownership. The usage of the land for traditional land use has not yet started out of several reasons that are not under control of the PPs. The foundation for the future use of Tobich by the communities of the Yshir is laid by the shared ownership that includes the right for trespassing other properties on the way to Tobich. Nevertheless, it is unclear how the traditional use as "Tobich" (traditional place of initiation of young male members of the communities by the shamans) will be secured taking into account:
    - the distance between the communities and Tobich and the questions of proper means of transportation
    - as well as the lack of infrastructure, especially water (CR5).
  - Shared land-management. The shared land-management is not yet established but on the way to being elaborated. A management plan, jointly elaborated by Guyra Paraguay and UCINY existed as rough draft version without further specification of the different management programs. According to the official advisor for the evaluation of the cultural and natural patrimony Mr. Bragayrac, the management plan will be developed based on round table discussions open for all community members within 2016. See also CR 4
  - Immediate 50% shared ownership. The ownership is shared between Guyra Paraguay and the Yshir communities. Respective documentation was provided.
  - As discussed in section G3.2 the opportunity to demonstrate land-management capability does not exist at present because community members are contracted on daily basis for mere ancillary activities only (see also CR 1 and 2).

Further:



- Income stream 1USD/ha, which was sustained onsite.
- Paid work opportunities in the course of monitoring which was sustained onsite
- Capacity building and training in conservation management. See also comments above, CR 1, and 2.

Negative impact might be social divisiveness due to different Yshir communities that might receive different amount of benefits. This will be mitigated by working through UCINY, the umbrella organization of the Yshir.

The PIR lists achieved benefits tabulated according to different types of capital

Natural capital: UCINY holds a share of 50% of the project area of 4,745 ha

Financial capital: Payments have been made as promised and contracted. Single members of the community were contracted and thus were benefiting of an short term extra income.

Social capital: UCINY has received payments to strengthen its institutions as representation of the interests of the Yshir.

Human capital: As discussed above a capacity building as announced in the PDD did not take place due to the fact that community members are contracts for mere ancillary activities only (see also CR 1 and 2)

Physical capital: UCINY holds a share of 50% of the project area of 4,745 ha

2. According to the PDD no HCVs will be affected as no community actions are affected. According to the PIR the project activity helps to develop additional indicators of HCVs

**References (IRL): 1, 2, 3, 7, 8, 9, 21, 22, 23**

**Requests:**

**Clarification Request 5.**

Clarify how the traditional use as “Tobich” (traditional place for the initiation of young male members of the communities by the shamans) and thus as HCV 6 will be developed taking into account:

- a. the distance between the communities and Tobich and the questions of proper means of transportation
- b. as well as the lack of infrastructure, especially water, in the project area.

**Response by PP:**

Until the infrastructure is consolidated, the project will support these meetings with transportation, food and water supply.

The meeting of the Shamans in TOBICH is planned for October, for which a plan is being developed (See the minute in figure 4).

**A.**

Transport can be provided through, in the first instance, tractor with a trailer (cachapé). It is possible to also use trucks and motor cycles. A combination of these modes of transport will be used dependent on the numbers being transported.

Details effecting transport are as follows:

Participants must be identified and communally designated. The days required by the Shamans should be taken into account for logistics. To access TOBICH one has to pass through



## FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 48 of 50

several private farms, so authorization of the landowners is needed, otherwise the gates are closed and locked. The road from Line 2 to TOBICH passes through streams and Karanda'y forests (palm savannah) which remain flooded for six months during the rainy season. This makes access difficult and has already been taken into account for planning.

### **B.**

In a meeting with UCINY and community members it was agreed to initiate the process of locating an area for a bio-reservoir to be built in TOBICH. To this end UCINY will seek further financing through strategic partnerships with support from the project.

The project will support the visit of a group consisting of members of UCINY and invited community members during the dry season (which is between July and September) to enter Tobich and define a site for the proposed construction of the reservoir and also to evaluate access points to the site and camping areas.

This activity will be coordinated with other activities, such as a meeting of elders and annual monitoring activities including the identification and monitoring of plants important to the Yshir.

Further, the Yshir consider the building of a shed of 12 x 24 meters which will allow the harvesting of rainwater (in a water tank of 40,000 liters) for the six months of drought each year a priority. For this purpose, UCINY and Guyra Paraguay will seek additional funding through strategic partnerships with support from the project.

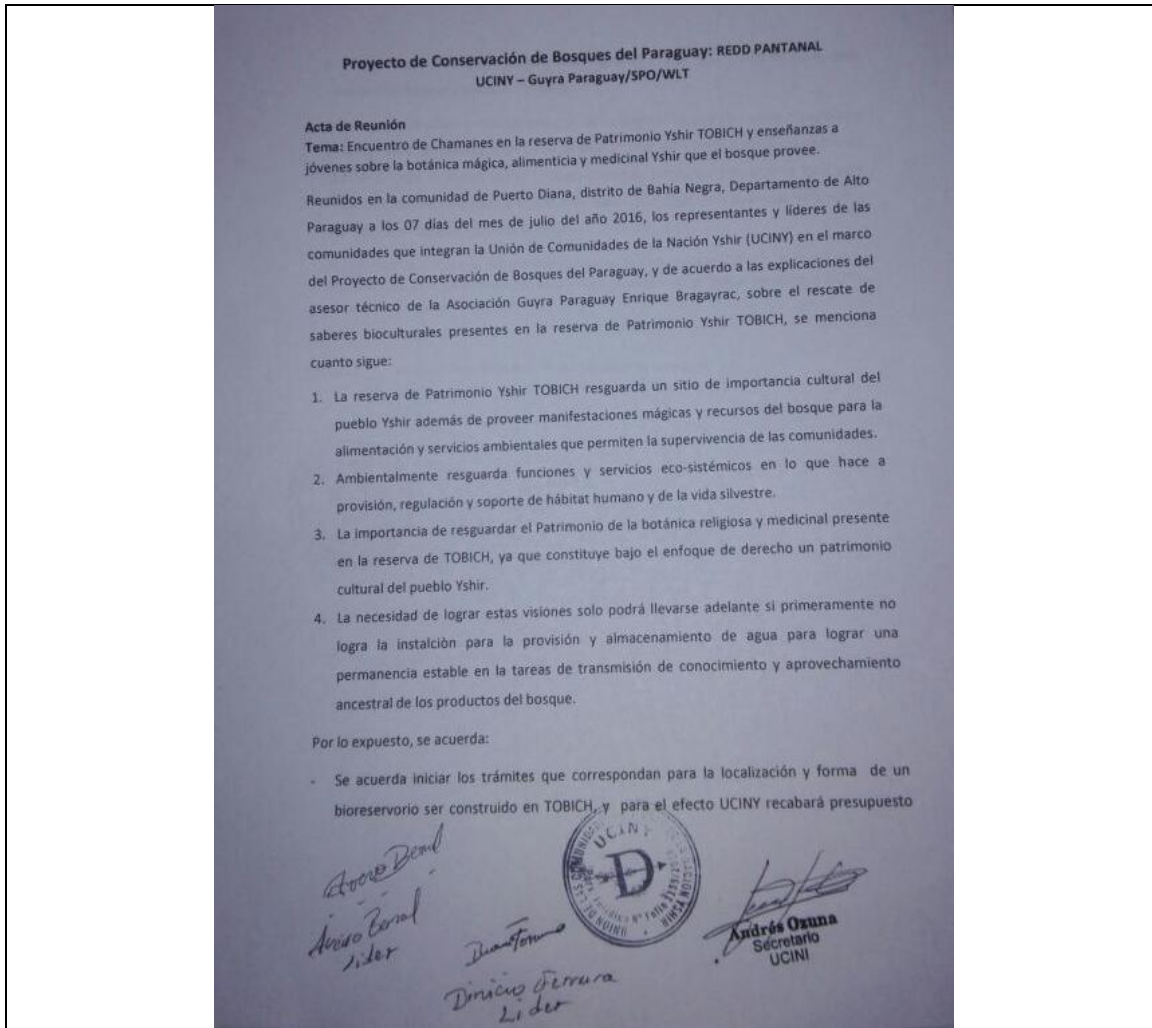


Fig. 4. Minute of meeting with UCINY

**Final Conclusion:**

The traditional use of the project area as “Tobich” was taken care off. Evidence was provided, that the communities as well as Guyra Paraguay is considering solutions as well as planning activities to a) ensure proper transportation as well as b) provide facilities that allow a longer stay of several individuals within the project area for traditional and shamanic purposes. Request closed.



### **3.3.2 CM.2. Offsite Community Impacts**

<p><b>CM2. Offsite Stakeholder Impacts</b></p> <p><b>Standard Requirement:</b></p> <ol style="list-style-type: none"><li>1. Identify any potential negative offsite stakeholder impacts that the project activities are likely to cause.</li><li>2. Describe how the project plans to mitigate these negative offsite social and economic impacts.</li><li>3. Demonstrate that the project is not likely to result in net negative impacts on the well-being of other stakeholder groups.</li></ol>
<p><b>Finding:</b></p> <ol style="list-style-type: none"><li>1. No potential negative offsite impacts have been identified except of a potential exclusion of more remote Yshir communities. In general, only positive impacts can be observed.</li><li>2. N.a. as no negative impacts are expected.</li><li>3. Negative impact is that the area of Tobich cannot be economically developed. This is compensated by conserving an intact area of high forest within a landscape that is likely to be fundamentally altered in the near future.</li></ol>
<p><b>References (IRL): 1, 2, 3, 7, 8, 9</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirement is still satisfied.</p>



### 3.3.3 CM.3. Community Impact Monitoring

#### CM3. Community Impact Monitoring

**Standard Requirement:**

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).
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.
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.

**Finding:**

1. Not applicable.
2. Not applicable.
3. A monitoring plan was provided and assessed by the audit team during the verification of the project against CCBA 2<sup>nd</sup> edition. The monitoring plan is publicly available on the CCBA webpage. The monitoring is based on payments made to UCINY as well as reports of UCINY how the money transferred was spend. The Payment agreement between Guyra Paraguay and UCINY provide guidance for what the money may/can be used. This was sustained onsite via interviews held with members of Guyra Paraguay as well as of UCINY

**References (IRL): 1, 2, 3, 7, 8, 9**

**Requests:**

-

**Final Conclusion:**

Requirement is still satisfied.



### 3.4 Biodiversity Section

#### 3.4.1 B.1. Net Positive Biodiversity Impacts

<p><b>B1. Net Positive Biodiversity Impacts</b></p> <p><b>Standard Requirement:</b></p> <p>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 G2. The difference (i.e., the net biodiversity benefit) must be positive.</p> <p>2. Demonstrate that no High Conservation Values identified in G1.8.1-3 will be negatively affected by the project.</p>
<p><b>Finding:</b></p> <p>1. At present, no fully comprehensive biological monitoring was carried out. This starts in October 2015. As of October the flora and vegetation will be monitored every 4 years and amphibians, reptiles, birds and mammals every year. Up to now, the monitoring consists of the assessment of areal pictures. No alteration of the area occurred since validation. This was sustained during onsite visit via overflight and site visit. Thus, it is unlikely that the biodiversity has changed meanwhile. The baseline has been established using previous field data based on surveys conducted since 2009 in adjacent areas and within the area of Tobich (birds and reptiles)</p> <p>2. As the project area was conserved/secured from alteration, HCVs were not affected by the project activity</p>
<p><b>References (IRL): 1, 2, 3, 10, 11</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirement is still satisfied.</p>



<p><b>B1. Net Positive Biodiversity Impacts</b></p> <p><b>Standard Requirement:</b></p> <p>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.</p> <p>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.</p> <p>5. Guarantee that no GMOs will be used to generate GHG emissions reductions or removals.</p>
<p><b>Finding:</b></p> <p>3. Not applicable, no species are planted.</p> <p>4. Not applicable, no species are planted.</p> <p>5. Not applicable, no species are planted.</p>
<p><b>References (IRL): 1, 2, 3</b></p>
<p><b>Request:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirements are still satisfied</p>



**3.4.2 B.2. Offsite Biodiversity Impacts**

**B2. Offsite Biodiversity Impacts**

**Standard Requirement:**

1. Identify potential negative offsite biodiversity impacts that the project is likely to cause.
2. Document how the project plans to mitigate these negative offsite biodiversity impacts.
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.

**Finding:**

1. No negative off-site biodiversity impacts are identified. The vegetation cover of the project area was conserved/secured from alteration.
2. Not applicable.
3. Not applicable

**References (IRL): 1, 2, 3**

**Request:**

-

**Final Conclusion:**

Requirements are still satisfied



**3.4.3 B.3. Biodiversity Impact Monitoring**

<p><b>Standard Requirement:</b></p> <ol style="list-style-type: none"><li>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).49</li><li>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 (G1.8.1-3) present in the project zone.</li><li>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.</li></ol>
<p><b>Finding:</b></p> <ol style="list-style-type: none"><li>1. Not applicable.</li><li>2. Not applicable.</li><li>3. A monitoring plan was provided and assessed by the audit team during the verification of the project against CCBA 2<sup>nd</sup> edition. The monitoring plan is publicly available on the CCBA webpage. The monitoring plan was discussed in depth during the onsite visit. Until 2015, regular monitoring of biodiversity was conducted via remote sensing which is meant to be sufficient to ensure maintained biodiversity in untouched forests such as on Tobich. From now on, the monitoring will take place on the ground. During onsite visit a site visit was conducted which allowed the active participation in the monitoring.</li></ol>
<p><b>References (IRL): 1, 2, 3</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirements are still satisfied</p>





### 3.5 Gold Level Section

#### 3.5.1 GL1. Climate Change Adaptation Benefits

<p><b>Standard Requirement:</b></p> <ol style="list-style-type: none"><li>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.</li><li>2. Identify any risks to the project's climate, community and biodiversity benefits resulting from likely climate change and climate variability impacts and explain how these risks will be mitigated.</li><li>3. Demonstrate that current or anticipated climate changes are having or are likely to have an impact on the well-being of communities and/or the conservation status of biodiversity in the project zone and surrounding regions.</li><li>4. Demonstrate that the project activities will assist communities and/or biodiversity to adapt to the probable impacts of climate change.</li></ol>
<p><b>Finding:</b></p> <ol style="list-style-type: none"><li>1. The PDD specifies likely regional climate change and climate variability scenarios and impacts. No changes since validation.</li><li>2. The PDD specifies risks to the project's climate, community and biodiversity benefits. No changes since validation.</li><li>3. According to the PDD and the PIR the project activity prevents an increase of vulnerability of the biodiversity to climate change as the project area, a significant area, is been protected and conserved and not converted to farmland. This could be sustained during the onsite visit via overflight for the background of the unbraked rate of deforestation within the Chaco.</li><li>4. According to the PDD and the PIR the project, activity helps to maintain ecosystem services by protecting and conserving the project area and not converting it into farmland. No changes since Validation.</li></ol>
<p><b>References (IRL): 1, 2, 3</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirements are still satisfied</p>



### 3.5.2 GL2. Exceptional Community Benefits

<p><b>Standard Requirement:</b></p> <ol style="list-style-type: none"><li>1. Demonstrate that the project zone is in a low human development country OR in an administrative area of a medium or high human development country in which at least 50% of the population of that area is below the national poverty line.</li><li>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.</li><li>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.</li><li>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.</li><li>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.</li></ol>
<p><b>Finding:</b></p> <ol style="list-style-type: none"><li>1. According to the PDD and the PIR Paraguay can be classified as a medium development country with marked inequalities of wealth in which the Yshire is toward the bottom end of the scale.</li><li>2. The whole communities are benefiting of the project due to payments made to UCINY the institution that represents the needs of the Yshir</li><li>3. Benefits are channeled through UCINY an umbrella organization of the Yshir ensuring, that all communities are benefiting equally from the payments. No risks of barriers that prevent benefits going to the poorer households could be detected during onsite visit via interviews held with community members.</li><li>4. See comments above.</li><li>5. See comments above.</li></ol>
<p><b>References (IRL): 1, 2, 3</b></p>
<p><b>Requests:</b></p> <p>-</p>
<p><b>Final Conclusion:</b></p> <p>Requirements are still satisfied</p>



### 3.5.3 GL3. Exceptional Biodiversity Benefits

<p><b>Standard Requirement:</b></p> <p>Project proponents must demonstrate that the project zone includes a site of high biodiversity conservation priority by meeting either the vulnerability or irreplaceability criteria defined below:</p> <p>1. Vulnerability</p> <p>Regular occurrence of a globally threatened species (according to the IUCN Red List) at the site:</p> <p>1.1. Critically Endangered (CR) and Endangered (EN) species - presence of at least a single individual; or</p> <p>1.2. Vulnerable species (VU) - presence of at least 30 individuals or 10 pairs.</p> <p>Or,</p> <p>2. 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:</p> <p>2.1. Restricted-range species - species with a global range less than 50,000 km<sup>2</sup> and 5% of global population at the site; or</p> <p>2.2. Species with large but clumped distributions - 5% of the global population at the site; or</p> <p>2.3. Globally significant congregations - 1% of the global population seasonally at the site; or</p> <p>2.4. Globally significant source populations - 1% of the global population at the site;</p>
<p><b>Finding:</b></p> <p>1. According to the PDD and PIR, vulnerable species are the Lowland Tapir and the Giant Armadillo that exist within the greater REDD area. Both species are on the IUCN Red List. No information is provided about the population level of the mentioned species within the project area.</p> <p>2. According to the PDD and PIR, the project area is part of the protection area Rio Negro National Park, an Important Bird Area. Nevertheless, the project area cannot be judged as irreplaceable.</p>
<p><b>References (IRL): 1, 2, 3, 18</b></p>
<p><b>Requests:</b></p> <p><b><u>Clarification Request 6.</u></b></p> <p>Clarify and sustain if 30 individuals or 10 pairs of the vulnerable species are present at the project area.</p>
<p><b>Response by PP:</b></p> <p>Using existing data on the Lowland Tapir from long-term ecological studies we can estimate the population in the project area. According to Medici per.comm. (In Naveda, A., de Thoisy, B., Richard-Hansen, C., Torres, D.A, L. Wallace, R. Chalukian, S. &amp; de Bustos, S. 2008.</p>

## FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 59 of 50

*Tapirus terrestris*.), tapir density varies from 0.20 to 3.7 individuals per km<sup>2</sup>. Therefore, taking into account the project area is approximately 47km<sup>2</sup> and using a conservative estimate of 1 individual per km<sup>2</sup>, we could expect 47 individuals. *Tapirus terrestris* footprints were seen in the high forest during the October 2015 monitoring.

The Giant Armadillo has not yet been observed in monitoring. However, data on both of these species and other species on the IUCN red list will be collected on the next 5 years and throughout the life of the project.

### **Final Conclusion:**

Based on scientific literature and existing data it was estimated, that a sufficient number of individuals are most likely in the project area, thus reasonable evidence was provided. Request closed. Future monitoring's will show a more detailed number of individuals.

## FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem

Page 60 of 50



### 3.6 Summary of CCBA requirements

A summary of findings is presented in the table below:

Section	required
<b>General Section</b>	
G1. Original Conditions in the Project Area	<input checked="" type="checkbox"/>
G2. Baseline Projections	<input checked="" type="checkbox"/>
G3. Project Design and Goals	<input checked="" type="checkbox"/>
G4. Management Capacity and Best Practices	<input checked="" type="checkbox"/>
G5. Legal Status and Property Rights	<input checked="" type="checkbox"/>
<b>Climate Section</b>	
CL1. Net Positive Climate Impacts	<input checked="" type="checkbox"/>
CL2. Offsite Climate Impacts ("Leakage")	<input checked="" type="checkbox"/>
CL3. Climate Impact Monitoring	<input checked="" type="checkbox"/>
<b>Community Section</b>	
CM1. Net Positive Community Impacts	<input checked="" type="checkbox"/>
CM2. Offsite Community Impacts	<input checked="" type="checkbox"/>
CM3. Community Impact Monitoring	<input checked="" type="checkbox"/>
<b>Biodiversity Section</b>	
B1. Net Positive Biodiversity Impacts	<input checked="" type="checkbox"/>
B2. Offsite Biodiversity Impacts	<input checked="" type="checkbox"/>
B3. Biodiversity Impact Monitoring	<input checked="" type="checkbox"/>
<b>Gold Level Section</b>	
GL1. Climate Change Adaptation Benefits	<input checked="" type="checkbox"/>
GL2. Exceptional Community Benefits	<input checked="" type="checkbox"/>
GL3. Exceptional Biodiversity Benefits	<input checked="" type="checkbox"/>
<b>Approved Status</b>	<input checked="" type="checkbox"/>
<b>Gold Status</b>	<input checked="" type="checkbox"/>

## FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 61 of 50

### 4 COMMENTS BY PARTIES, STAKEHOLDERS AND NGOS

The project documents have been published on the CCBA websites. Comments by stakeholders were invited (18 September – 17 October 2015). No comments were received for this project during the public comment period.

The following table presents all key information on this process:

<b>webpage:</b> <a href="http://www.climate-standards.org/projects/index.html">http://www.climate-standards.org/projects/index.html</a>	
<b>Comment submitted by:</b> No comments received.	<b>Issues raised:</b> None
<b>Response by TÜV SÜD:</b> -	

## FIRST PERIODIC VERIFICATION OF THE CCBA PROJECT:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem



Page 62 of 50

## 5 VERIFICATION STATEMENT

TÜV SÜD South Asia Pvt. Ltd. has performed the first periodic verification of the CCBA project: “The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem”. The verification is based on the currently valid CCB Standards and the rules and requirements of the CCBA.

The management of Swire Pacific Offshore Operations (Pte) Ltd. Respectively its consultants are responsible for the preparation of the project’s data on climate, community and biodiversity benefits on the basis of the project’s Monitoring Plan indicated in the registered CCBA PDD.

The verifier confirms that:

- they have assessed relevant satellite images, physically visited the project area as well as conducted a detailed overflight of the entire project area in order to ensure, that no deforestation and degradation took place within the project area
- the project is implemented as planned and described in the CCBA registered project design document (PDD);
- the actual monitoring of the project’s climate, community and biodiversity benefits is appropriately carried out in line with the CCBA registered monitoring plan;
- the project’s climate, biodiversity and community benefits are correctly described in the PIR and climate benefit calculations in the PIR were thoroughly checked.

In summary, TÜV SÜD is of the opinion that the registered CCBA project “The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem” fulfils all requirements of the CCB Standards.

Pune, 6 Sep 2016

A handwritten signature in black ink, appearing to read 'Eswar Murty', with a stylized flourish at the end.

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Eswar Murty

Certification Body “Environment and Energy”  
TÜV SÜD South Asia Pvt Ltd

Verification of the CCBA Project:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem

Page 63 of 50



## ANNEX 2: INFORMATION REFERENCE LIST

Ref. No.	Author/Editor/ Issuer	Title, Type of Document	Date																																																												
1.	Tüv Süd	<p>Interviewed Persons:</p> <table border="1"> <thead> <tr> <th></th> <th>Name</th> <th>Position, Organisation</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Marinela Velilla</td> <td>Biodiversity Program Manager, Guyra Paraguay</td> </tr> <tr> <td>2.</td> <td>Cecilia Pizzurno</td> <td>Coordinadora PCBPy</td> </tr> <tr> <td>3.</td> <td>Alberto Yanosky</td> <td>Director, Guyra Paraguay</td> </tr> <tr> <td>4.</td> <td>Marcelo Arévalos</td> <td>Economic Program Manager, Guyra Paraguay</td> </tr> <tr> <td>5.</td> <td>Cristina Penaya</td> <td>Administrative Program Manager</td> </tr> <tr> <td>6.</td> <td>Fabiano Arevalos</td> <td>GIS Program Manager</td> </tr> <tr> <td>7.</td> <td>Enrique Bragayrac</td> <td>Consultant, social and cultural monitoring</td> </tr> <tr> <td>8.</td> <td>Bruno Barroz</td> <td>Shaman of the Yshir, Village 14 de Mayo</td> </tr> <tr> <td>9.</td> <td>Dorotea Barroz</td> <td>Assistant, Shaman of the Yshir</td> </tr> <tr> <td>10.</td> <td>Cesar Barboza</td> <td>Yshir, village Diana</td> </tr> <tr> <td>11.</td> <td>Froilan Barbzoa</td> <td>Yshir, village Esperanza</td> </tr> <tr> <td>12.</td> <td>Serafin Escobar</td> <td>Yshir, village Pollo</td> </tr> <tr> <td>13.</td> <td>Mateo Zeballo</td> <td>Yshir, village Caballo</td> </tr> <tr> <td>14.</td> <td>Estanislao Baez</td> <td>Yshir, village Diana</td> </tr> <tr> <td>15.</td> <td>Pablo Barboza</td> <td>Yshir, village Diana</td> </tr> <tr> <td>16.</td> <td>Marciano Barboza</td> <td>Yshir, village Diana</td> </tr> <tr> <td>17.</td> <td>Nelson Gamarra</td> <td>Yshir, village Diana</td> </tr> <tr> <td>18.</td> <td>Anibal Roy</td> <td>Yshir, village Diana</td> </tr> <tr> <td>19.</td> <td>Gulman Frutos</td> <td>Yshir, village Diana</td> </tr> </tbody> </table>		Name	Position, Organisation	1.	Marinela Velilla	Biodiversity Program Manager, Guyra Paraguay	2.	Cecilia Pizzurno	Coordinadora PCBPy	3.	Alberto Yanosky	Director, Guyra Paraguay	4.	Marcelo Arévalos	Economic Program Manager, Guyra Paraguay	5.	Cristina Penaya	Administrative Program Manager	6.	Fabiano Arevalos	GIS Program Manager	7.	Enrique Bragayrac	Consultant, social and cultural monitoring	8.	Bruno Barroz	Shaman of the Yshir, Village 14 de Mayo	9.	Dorotea Barroz	Assistant, Shaman of the Yshir	10.	Cesar Barboza	Yshir, village Diana	11.	Froilan Barbzoa	Yshir, village Esperanza	12.	Serafin Escobar	Yshir, village Pollo	13.	Mateo Zeballo	Yshir, village Caballo	14.	Estanislao Baez	Yshir, village Diana	15.	Pablo Barboza	Yshir, village Diana	16.	Marciano Barboza	Yshir, village Diana	17.	Nelson Gamarra	Yshir, village Diana	18.	Anibal Roy	Yshir, village Diana	19.	Gulman Frutos	Yshir, village Diana	14 – 20 Oct 2015
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2.	World Land Trust (WLT)	Tobich CCB PIR v2 – 25.07.2016	25 Jul 2016																																																												
3.	WLT	The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem, PDD final version	12 May 2012																																																												



Verification of the CCBA Project:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem

Page 64 of 50



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4.	CCBS	<a href="http://www.climate-standards.org/2010/06/21/the-paraguay-forest-conservation-project-reduction-of-ghg-emissions-from-deforestation-and-forest-degradation-in-the-chaco-pantanal-ecosystem/">http://www.climate-standards.org/2010/06/21/the-paraguay-forest-conservation-project-reduction-of-ghg-emissions-from-deforestation-and-forest-degradation-in-the-chaco-pantanal-ecosystem/</a> <a href="http://www.vcsprojectdatabase.org/#/project_details/953">http://www.vcsprojectdatabase.org/#/project_details/953</a>	Accessed 08 Oct 2015
5.	VCS	<a href="http://www.vcsprojectdatabase.org/#/project_details/953">http://www.vcsprojectdatabase.org/#/project_details/953</a>	Accessed 08 Oct 2015
6.	WLT	NON-PERMANENCE RISK REPORT The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem Version 5	07 Aug 2015
7.	Guyra Paraguay	PLAN DE MONITOREO SOCIAL DEL CONDOMINIO SOCIO AMBIENTAL "TOBICH", BAHÍA NEGRA, ALTO PARAGUAY REDD+ PANTANAL <a href="http://www.guyra.org.py/index.php?option=com_k2&amp;view=item&amp;id=969:planes-de-monitoreo-info&amp;Itemid=294&amp;lang=es">http://www.guyra.org.py/index.php?option=com_k2&amp;view=item&amp;id=969:planes-de-monitoreo-info&amp;Itemid=294&amp;lang=es</a>	Accessed 09 Oct 2015
8.	Guyra Paraguay	Proyecto de Conservación de Bosques del Paraguay Monitoreo Social Condominio Socio-Ambiental Tobich	Aug 2015
9.	Guyra Paraguay	Proyecto de Conservación de Bosques del Paraguay Componente Social Campañas de monitoreo y seguimiento 2011 – 2015	Sep 2015
10.	Guyra Paraguay	PROYECTO "Conservación de Bosques del Paraguay-REDD+" Monitoreo Biológico <a href="http://www.guyra.org.py/index.php?option=com_k2&amp;view=item&amp;id=969:planes-de-monitoreo-info&amp;Itemid=294&amp;lang=es">http://www.guyra.org.py/index.php?option=com_k2&amp;view=item&amp;id=969:planes-de-monitoreo-info&amp;Itemid=294&amp;lang=es</a>	Accessed 09 Oct 2015
11.	Guyra Paraguay	Línea base Biodiversidad Tobich (Chaco-Pantanal) Proyecto Conservación de Bosques - REDD+ Programa de Conservación de Especies Guyra Paraguay (Velilla, M. & Cabral, H. compilación)	Aug 2015
12.	Guyra Paraguay	Proyecto de Conservación de Bosques del Paraguay Resumen 2013 – 2014. Análisis del Paisaje1 Finca Tobich - Gran REDD+	Aug 2015
13.	Guyra Paraguay	Proyecto de Conservación de Bosques del Paraguay Resumen 2013 – 2014. Análisis del Paisaje1 Finca Tobich - Gran REDD+ Metodología Sintetizada del Monitoreo de Cambio de Uso de la Tierra	Sep 2015
14.	Global Environmental Facility	GEF ID 5668 <a href="https://www.thegef.org/gef/project_detail?projID=5668">https://www.thegef.org/gef/project_detail?projID=5668</a>	Accessed 14 Oct 2015

Verification of the CCBA Project:

The Paraguay Forest Conservation Project Reduction of GHG emissions from deforestation and forest degradation in the Chaco-Pantanal ecosystem

Page 65 of 50



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15.	Arcadia	<a href="http://www.arcadiahfund.org.uk/about-arcadia/about-arcadia.aspx">http://www.arcadiahfund.org.uk/about-arcadia/about-arcadia.aspx</a>	Accessed 14 Oct 2015
16.	Guyra Paraguay	Correspondence to inform indigenes groups and institutions of the distrito de de Bahia Negra about the verification and the stakeholder process; checked and verified onsite	Aug 2015
17.	Guyra Paraguay / UCINY	Several Meeting minutes Guyra/UCINY 24.Aug.2015, 29.Sep.2015, 29.March.2015, 29.May2015; checked and verified onsite	Aug 2015
18.	ICUN	<a href="http://www.iucnredlist.org/search">http://www.iucnredlist.org/search</a>	Accessed 15 Oct 2015
19.	Eduardo Antonio Gustale Portillo	Sellado Notarial – Protocolo (Registration of 50% ownership of UCINY of the project area)	Oct 2015
20.	Guyra Paraguay / UCINY	Acuerdo de Amdinistartion Compartida Entre Guyra Paraguay y UCINY	22 Jul 2013
21.	Guyra Paraguay / UCINY	Meeting minutes Guyra/UCINY: <ul style="list-style-type: none"> <li>• 1) Actions of monitoring and strengthening Heritage Reserve Yshir Tobich</li> <li>• 2) Management plan for coadministration of the Heritage Reserve Yshir Tobich and grievance process</li> <li>• 3) Yshir Shaman meeting in Tobich to teach young people about the magic , food and medical botany of Tobich and the heritage of the Yshir</li> </ul>	Jul 2016
22.	Guyra Paraguay	Correspondence/Evidence of sending of Grievance Process to Yshir and third parties involved	Jul 2016
23.	UCINY/Andres Ozuna	Evidence of informing villagers of the Yshir about the grievance process	Jul 2016
24.	WLT	Annexe 6 “Net Emissions Calculations”	Oct 2015