

## Application of the Oeko-Institut/WWF-US/ EDF methodology for assessing the quality of carbon credits

This document presents results from the application of version 3.0 of a methodology, developed by Oeko-Institut, World Wildlife Fund (WWF-US) and Environmental Defense Fund (EDF), for assessing the quality of carbon credits. The methodology is applied by Oeko-Institut with support by Carbon Limits, Greenhouse Gas Management Institute (GHGMI), INFRAS, Stockholm Environment Institute, and individual carbon market experts. This document evaluates one specific criterion or sub-criterion with respect to a specific carbon crediting program, project type, quantification methodology and/or host country, as specified in the below table. Please note that the CCQI website [Site terms and Privacy Policy](#) apply with respect to any use of the information provided in this document. Further information on the project and the methodology can be found here: [www.carboncreditquality.org](http://www.carboncreditquality.org)

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|--|--|
| Criterion:   | 6.1 Robustness of the carbon crediting program's environmental and social safeguards |
| Carbon crediting program with complementary standard:  | CDM A/R + CCBS   |
| Project type:  | Establishment of natural forests   |
| Assessment based on carbon crediting program and complementary standard documents valid as of: | 15 May 2022  |
| Date of final assessment:  | 08 November 2022   |
| Score:   | 3.84   |

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## Assessment

This document presents the results of the assessment of sub-criterion 6.1 for the combination of the Clean Development Mechanism (CDM) and Verra's Climate, Community & Biodiversity Standards (CCBS).

### Approach to assessing combinations of carbon crediting programs with complementary standards

For assessing the combination of a carbon crediting program with a complementary standard, the following approach was taken:

1. The carbon crediting program and the complementary standard were assessed separately against all indicators of sub-criterion 6.1. The results of these two individual assessments are available in separate documents on the CCQI website.
2. When assessing the combination of the carbon crediting program with a complementary standard, there are three possible outcomes for each indicator:
  - a. Both the carbon crediting program and the complementary standard fulfill the indicator;
  - b. Either the carbon crediting program or the complementary standard fulfills the indicator;
  - c. Neither the carbon crediting program nor the complementary standard fulfills the indicator.
3. For assessment outcomes falling in categories a. and b., the indicator was deemed to be fulfilled for the combination of the carbon crediting program and the complementary standard and no further assessment was conducted.
4. For assessment outcomes falling into category c., an additional assessment was made whether the relevant provisions of the carbon crediting program and the complementary standard fulfill the indicator when looking at them in combination.

### Scope of this assessment

This document presents the results of the additional assessment conducted when neither the carbon crediting program nor the complementary standard individually fulfill an indicator (assessment outcomes falling into category c. as described above).

To facilitate the navigation through this document, the table on the following page provides an overview which of the three categories presented above applies for each of the indicators of sub-criterion 6.1.

In this document, assessments are only provided for indicators that fall into category c. For all other indicators, the individual assessments for CDM and CCBS apply for deriving the respective indicator score of the combination (see respective detailed evaluations for sub-criterion 6.1 for CDM and CCBS on the CCQI website).

| Indicator | Outcome category for the indicator (see explanation above) |
|-----------|--|
| 6.1.1     | a  |
| 6.1.2     | b  |
| 6.1.3     | b  |
| 6.1.4     | b  |
| 6.1.5     | b  |
| 6.1.6     | b  |
| 6.1.7     | b  |
| 6.1.8     | b  |
| 6.1.9     | b  |
| 6.1.10    | c  |
| 6.1.11    | c  |
| 6.1.12    | b  |
| 6.1.13    | c  |
| 6.1.14    | c  |
| 6.1.15    | a  |
| 6.1.16    | a  |
| 6.1.17    | a  |
| 6.1.18    | c  |
| 6.1.19    | a  |
| 6.1.20    | b  |
| 6.1.21    | b  |
| 6.1.22    | b  |
| 6.1.23    | b  |
| 6.1.24    | b  |
| 6.1.25    | b  |
| 6.1.26    | a  |
| 6.1.27    | a  |
| 6.1.28    | a  |
| 6.1.29    | a  |
| 6.1.30    | b  |
| 6.1.31    | c  |
| 6.1.32    | b  |
| 6.1.33    | b  |
| 6.1.34    | c  |
| 6.1.35    | b  |
| 6.1.36    | c  |
| 6.1.37    | b  |
| 6.1.38    | b  |
| 6.1.39    | c  |
| 6.1.40    | b  |
| 6.1.41    | c  |
| 6.1.42    | b  |
| 6.1.43    | c  |

## Indicator 6.1.10

### Relevant scoring methodology provisions

The program requires the project owners to establish an environmental and social management plan, at least for projects that the program classifies as having high environmental and social risks.

### Information sources considered

- 1 The Climate, Community & Biodiversity Standards. Version 3.1. Document issued on 21 June 2017. Online available at: [https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1\\_ENG.pdf](https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1_ENG.pdf)
- 2 CDM project standard for project activities. CDM-EB93-A04-STAN. Version 02.0. Online available at: [https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20181221092046526/Reg\\_stan04v02.pdf](https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20181221092046526/Reg_stan04v02.pdf).
- 3 CDM project standard for programmes of activities. CDM-EB93-A04-STAN. Version 02.0. Document issued on 29 November 2018. Online available at: [https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20181221092036152/Reg\\_stan03v02.pdf](https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20181221092036152/Reg_stan03v02.pdf).

### Relevant carbon crediting program provisions

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### Assessment outcome

No (0 Points).

### Justification of assessment

The provisions of the CDM and the CCBS do not include a requirement to explicitly set up an environmental and social management plan for projects with high risks. The indicator is therefore not fulfilled.

## Indicator 6.1.11

### Relevant scoring methodology provisions

“The program has a grievance mechanism in place that allows local stakeholders to submit grievances throughout the lifetime of the project without any barriers (e.g. liability for expenses associated with the investigation). Such grievances must be duly considered by the carbon crediting program.”

## Information sources considered

- 1 The Climate, Community & Biodiversity Program Rules. Version 3.1. Document issued on 21 June 2017. Online available at: <https://verra.org/wp-content/uploads/2018/04/CCB-Program-Rules-v3.1.pdf>

## Relevant carbon crediting program provisions

- Provision 1 Source 1, section 7, page 35: “Project proponents, validation/verification bodies and other stakeholders may submit enquiries to the VCS at any time. In addition, the CCB Program provides a complaints procedure and an appeals procedure.

All expenses, internal and external, incurred by VCS in handling complaints and appeals shall be paid by the entity filing the complaint or appeal. Prior to initiation of the handling process, the VCS will inform the entity filing the complaint or appeal of its estimated handling cost. Where the outcome of a complaint or appeal is to overturn an earlier decision made by the VCS, the entity filing the complaint or appeal will not be liable for covering such expenses.

### 7.1 Complaints.

7.1.1 A complaint is an objection to a decision taken by the VCS or an aspect of how it operates the CCB Program, or a claim that the CCB rules have had an unfair, inadvertent or unintentional adverse effect. Project proponents and other stakeholders are provided with the following complaints procedure:

1) The complaint shall include the following information:

- a) Name of the complainant.
- b) Name of organization, if relevant.
- c) Contact information for the complainant.
- d) Details of the complaint.
- e) Declaration of any conflict of interest in submitting the complaint.

2) The complaint shall be addressed to the CCB Program Manager and emailed to [CCBStandards@v-c-s.org](mailto:CCBStandards@v-c-s.org) with the word complaint in the subject line. An email response is provided to the complainant from the VCS acknowledging receipt of the complaint.

3) The VCS appoints an appropriate person to handle the complaint, who will organize an analysis (involving external experts, as required) and determine any appropriate action required.

4) The VCS prepares a written response and provides this to the complainant. The response to the complaint is brought to the attention of and approved by the VCS CEO.

5) All information submitted by the complainant with respect to the complaint is kept confidential by the VCS.”

Provision 2 Source 1, section 4.6, page 29-30: “4.6.1 Comments are information relevant to past, present or future validations or verifications about whether the project, especially as represented in documentation posted on the VCS project database, meets the rules and requirements of the CCB Program. Some comments may be categorized as complaints (e.g., those comments that are objections or dissatisfactions relating to the activities of projects that may lead to the suspension of a project’s CCB validated or verified status and/or to an approved validation/verification body status; see Section 7.1 Complaints).”

Provision 3 Source 1, section 4.6, page 31, “Public Comment Period”: “4.6.10 Comments received outside an audit period are sent to the validation/verification body that conducted the previous CCB validation or verification and to the project proponent. These comments are not published by the VCS but the commenter is informed by the VCS that comments resubmitted during the next public comment period will be published and shall be addressed in the validation or verification report.

Comments received outside an audit period are also compiled by the VCS and sent to the next validation/verification body that is engaged for a validation or verification for the project proponent, who may request information from the project proponent about how comments received outside the audit period have been addressed.”

### Assessment outcome

No (0 Points).

### Justification of assessment

The CCBS has a complaints and appeals policy that sets out the procedure and rules for submitting complaints to the program responsible for the standard (VCS/Verra). Upon receipt of a complaint, the program appoints an appropriate person to handle the complaint, and afterwards prepares a written response and provides this to the complainant. The response to the complaint is brought to the attention of and approved by the Verra CEO (Provision 1). Upon communication with the standard, it was made clear that the grievance procedure in Provision 1 can be used by any stakeholder to submit grievances throughout the lifetime of the project. This is also indicated by the reference to Provision 1 in Provision 2, where comments received within and outside the public comment or audit period (Provision 3) can be categorized as complaints and are then to be handled as complaints in the “complaints” section in Provision 1. It remains slightly unclear if the last sentence in Provision 2 actually means that all comments, which are categorized as complaints, are handled via the procedure in Provision 1. The standard provisions could though be clarified in this aspect. Complainants must bear the cost of the complaint if it does not result in overturning an earlier decision made by VCS (Provision 1). The latter is considered a considerable barrier (as per the

indicator) for accessing the grievance mechanism as for example the capacity of vulnerable local people bearing the cost of such a complaint procedure might be low. The CDM has no such provisions. The indicator is therefore not fulfilled by the combination of CDM with CCBS.

### Indicator 6.1.13

#### Relevant scoring methodology provisions

“The program requires that the grievance mechanism to be established by the project owners provide the possibility of providing anonymous grievances.”

#### Information sources considered

- 1 The Climate, Community & Biodiversity Standards. Version 3.1. Document issued on 21 June 2017. Online available at: [https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1\\_ENG.pdf](https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1_ENG.pdf)

#### Relevant carbon crediting program provisions

Provision 1 Source 1, section G3, page 18-19: “Feedback and Grievance Redress Procedure.

Demonstrate that a clear grievance redress procedure has been formalized to address disputes with communities and other stakeholders that may arise during project planning, implementation and evaluation with respect but not limited to, free, prior and informed consent, rights to lands, territories and resources, benefit sharing and participation.

The project shall include a process for receiving, hearing, responding to and attempting to resolve grievances within a reasonable time period. The feedback and grievance redress procedure shall take into account traditional methods that communities and other stakeholders use to resolve conflicts.

The feedback and grievance redress procedure shall have three stages with reasonable time limits for each of the following stages.

First, the project proponent shall attempt to amicably resolve all grievances and provide a written response to the grievances in a manner that is culturally appropriate.

Second, any grievances that are not resolved by amicable negotiations shall be referred to mediation by a neutral third party.

Third, any grievances that are not resolved through mediation shall be referred either to a) arbitration, to the extent allowed by the laws of the relevant jurisdiction or b) competent courts in the relevant jurisdiction, without prejudice to a party's ability to submit the grievance to a competent supranational adjudicatory body, if any.

The feedback and grievance redress procedure must be publicized and accessible to communities and other stakeholders. Grievances and project responses, including any redress, must be documented and made publicly available.”

### Assessment outcome

No (0 Points).

### Justification of assessment

The provisions of CCBS for grievance mechanisms of project owners does not include the possibility to submit anonymous grievances. The CDM has no such provision either. The indicator is therefore not fulfilled.

### Indicator 6.1.14

#### Relevant scoring methodology provisions

“The program requires that grievances received by the carbon crediting program and/or the project owners must be responded to within a specific response time.”

#### Information sources considered

- 1 The Climate, Community & Biodiversity Standards. Version 3.1. Document issued on 21 June 2017. Online available at: [https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1\\_ENG.pdf](https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1_ENG.pdf)
- 2 The Climate, Community & Biodiversity Program Rules. Version 3.1. Document issued on 21 June 2017. Online available at: <https://verra.org/wp-content/uploads/2018/04/CCB-Program-Rules-v3.1.pdf>

#### Relevant carbon crediting program provisions

Provision 1 Source 1, section G3, page 18-19: “Feedback and Grievance Redress Procedure.

Demonstrate that a clear grievance redress procedure has been formalized to address disputes with communities and other stakeholders that may arise during project planning, implementation and evaluation with respect but not limited to, free, prior and informed consent, rights to lands, territories and resources, benefit sharing and participation.

The project shall include a process for receiving, hearing, responding to and attempting to resolve grievances within a reasonable time period. The feedback and grievance redress procedure shall take into account traditional methods that communities and other stakeholders use to resolve conflicts.

The feedback and grievance redress procedure shall have three stages with reasonable time limits for each of the following stages.

First, the project proponent shall attempt to amicably resolve all grievances and provide a written response to the grievances in a manner that is culturally appropriate.

Second, any grievances that are not resolved by amicable negotiations shall be referred to mediation by a neutral third party.

Third, any grievances that are not resolved through mediation shall be referred either to a) arbitration, to the extent allowed by the laws of the relevant jurisdiction or b) competent courts in the relevant jurisdiction, without prejudice to a party's ability to submit the grievance to a competent supranational adjudicatory body, if any.

The feedback and grievance redress procedure must be publicized and accessible to communities and other stakeholders. Grievances and project responses, including any redress, must be documented and made publicly available.”

Provision 2 Source 2, section 7, page 35: “Project proponents, validation/verification bodies and other stakeholders may submit enquiries to the VCS at any time. In addition, the CCB Program provides a complaints procedure and an appeals procedure. [..]

#### 7.1 Complaints.

7.1.1 A complaint is an objection to a decision taken by the VCS or an aspect of how it operates the CCB Program, or a claim that the CCB rules have had an unfair, inadvertent or unintentional adverse effect. Project proponents and other stakeholders are provided with the following complaints procedure:

1) The complaint shall include the following information:

- a) Name of the complainant.
- b) Name of organization, if relevant.
- c) Contact information for the complainant.
- d) Details of the complaint.
- e) Declaration of any conflict of interest in submitting the complaint.

2) The complaint shall be addressed to the CCB Program Manager and emailed to [CCBStandards@v-c-s.org](mailto:CCBStandards@v-c-s.org) with the word complaint in the subject line. An email response is provided to the complainant from the VCS acknowledging receipt of the complaint.

3) The VCS appoints an appropriate person to handle the complaint, who will organize an analysis (involving external experts, as required) and determine any appropriate action required.

- 4) The VCS prepares a written response and provides this to the complainant. The response to the complaint is brought to the attention of and approved by the VCS CEO.

### Assessment outcome

No (0 Points).

### Justification of assessment

Under CCBS, Grievances received by the project owners must be “resolve[d] [...] within a reasonable time period” (Provision 1) but the provisions for project owners do not include specific response times. There is also no specific response time given for grievances submitted to the program (Verra) (Provision 2). The CDM has no provisions relevant for the indicator. The indicator is therefore not fulfilled by the combination of CDM with CCBS.

### Indicator 6.1.18

#### Relevant scoring methodology provisions

“The program requires that the local stakeholder consultation be conducted before the decision of the project owners to proceed with the project and before the validation of the project.”

#### Information sources considered

- 1 The Climate, Community & Biodiversity Standards. Version 3.1. Document issued on 21 June 2017. Online available at: [https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1\\_ENG.pdf](https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1_ENG.pdf)
- 2 CCB Validation Report Template. Version 3.0. Document issued on 21 June 2017. Online available at: <https://verra.org/project/ccb-program/rules-requirements-and-guidance/>
- 3 The Climate, Community & Biodiversity Program Rules. Version 3.1. Document issued on 21 June 2017. Online available at: <https://verra.org/wp-content/uploads/2018/04/CCB-Program-Rules-v3.1.pdf>
- 4 CDM project standard for project activities. CDM-EB93-A04-STAN. Version 02.0. Document issued on 29 November 2018. Online available at: [https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20181221092046526/Reg\\_stan04v02.pdf](https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20181221092046526/Reg_stan04v02.pdf).
- 5 CDM project standard for programmes of activities. CDM-EB93-A04-STAN. Version 02.0. Document issued on 29 November 2018. Online available at: [https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20181221092036152/Reg\\_stan03v02.pdf](https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20181221092036152/Reg_stan03v02.pdf).
- 6 CDM Glossary of Terms, CDM-EB07-A04-GLOS Version 10.0. Online available at: [https://cdm.unfccc.int/Reference/Guidclarif/glos\\_CDM.pdf](https://cdm.unfccc.int/Reference/Guidclarif/glos_CDM.pdf)

## Relevant carbon crediting program provisions

Provision 1 Source 1, section G3, page 17: “Consultation.

Describe how communities including all the community groups and other stakeholders have influenced project design and implementation through effective consultation,<sup>44</sup> particularly with a view to optimizing community and other stakeholder benefits, respecting local customs, values and institutions and maintaining high conservation values. Project proponents must document consultations and indicate if and how the project design and implementation has been revised based on such input.<sup>45</sup>

<sup>44</sup> Effective consultation requires project proponents to inform and engage broadly with the communities and other stakeholders using socially and culturally appropriate methods to enable meaningful influence on the subject of consultation. [...] Different approaches may be appropriate for different community groups or other stakeholders. communities and community groups potentially affected by the project must have an opportunity to evaluate impacts and raise concerns about potential negative impacts, express desired outcomes and provide input on the project design including the theory of change, both before the project design is finalized and during implementation. [...]

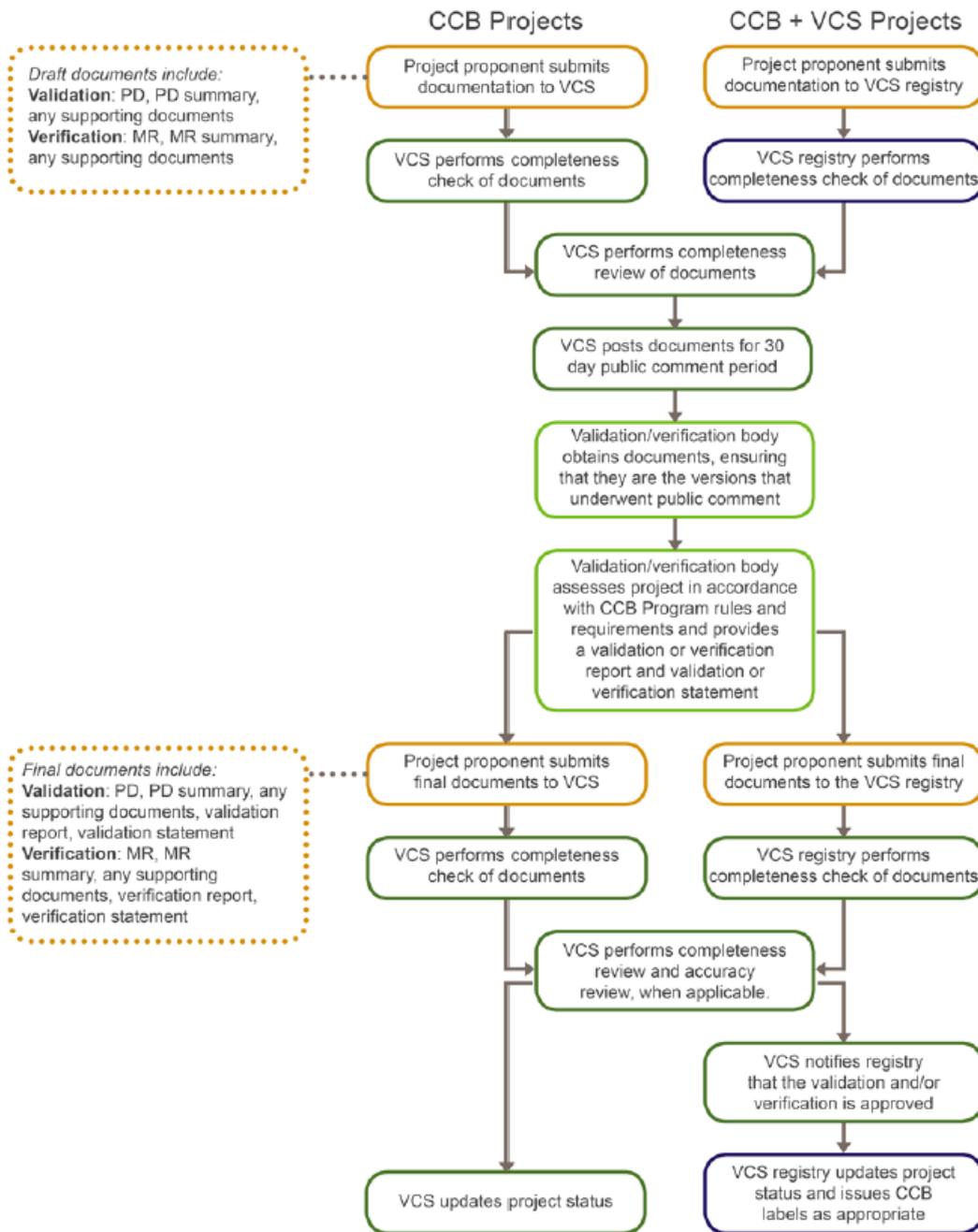
<sup>45</sup> In cases where it is unclear whether a project will be implemented or not, it is acceptable to start with preliminary consultations, provided there are plans for appropriate full consultations before the start of the project. Where conformance with the Climate, Community & Biodiversity Standards is being applied to a project already under implementation, project proponents must either provide documentation of appropriate consultations during the project design phase or demonstrate how more recent consultations have been effective in evaluating community benefits and adapting project design and implementation to optimize community and other stakeholder benefits and respect local customs.”

Provision 2 Source 2, section 3.3.5; page 9: “Stakeholder Consultations (G3.4).

Describe the steps taken to validate the project’s method(s) for conducting effective consultation to fulfil the requirements of G3.4. Provide and justify an overall conclusion regarding the project’s method(s) for conducting effective stakeholder consultations.”

Provision 3 Source 3, section 4.1, page 18: “Validation is the independent assessment of the project by a validation/verification body that determines whether the project design complies with the CCB rules. [...]”

**Diagram 2: Validation of Project Design and Verification of Successful Project Implementation**



Provision 4 Source 4, paragraph 107, page 24: “The project participants shall complete the local stakeholder consultation process at the timing required by the rules of the host Party on local stakeholder consultation, if such rules exist. If host Party rules do not exist, the project participants shall complete the process before, whichever the earlier of:

- (a) The start date of the project activity as defined in the “Glossary: CDM terms”; or

(b) The date of submitting the PDD of the proposed CDM project activity to a DOE for validation.”

Provision 5 Source 5, paragraph 64, page 15: “The coordinating/managing entity shall complete the local stakeholder consultation process at the timing required by the rules of the host Party on local stakeholder consultation, if such rules exist. If host Party rules do not exist, the coordinating/managing entity shall complete the process before, whichever the earlier of:

(a) The earliest of the start dates of the CPAs as defined in the “Glossary: CDM terms”; that will be included in the PoA; or

(b) The date of submitting the PoA-DD of the proposed CDM PoA to a DOE for validation.”

Provision 6 Source 6, paragraph “Definition for the term Start Date”, page 20: “For an A/R CDM project activity or A/R CPA, the date on which the site preparation begins.”

### **Assessment outcome**

No (0 Points).

### **Justification of assessment**

The CCBS requires that consultations are conducted before the project design document is submitted in order to provide input on the project design both before the project design is finalized and during implementation (Provision 1). This includes, for example, that the project owner would have to consult stakeholders if any further changes to the project design occur after the initial posting for validation public comment. As part of the validation process, the stakeholder consultations are reviewed and thus have to be conducted before validation (Provision 2 and 3). The requirement to conduct the stakeholder consultations before submission of the PDD does however not constitute a requirement to conduct the stakeholder consultations before the decision to proceed with the project as there are no time restrictions on when a PDD can be submitted. The CCBS can for example also be obtained by an already existing project (Provision 1).

The CDM provisions require the timing of local stakeholder consultations to be in accordance with the rules of the host Party. If no host Party rules exist, the CDM prescribes that the consultation should be conducted prior to the start date of the project or the date of submitting the PDD to the DOE for validation (Provision 1 and Provision 2). The start date of the project is defined as the date on which the site preparation begins (Provision 3). As it foremost depends on the rules of the host Party, the indicator is considered to be not sufficiently fulfilled.

## Indicator 6.1.31

### Relevant scoring methodology provisions

“The program provisions explicitly ban any violation of human rights by the project owner or any other entity involved in project design or implementation.”

### Information sources considered

- 1 The Climate, Community & Biodiversity Standards. Version 3.1. Document issued on 21 June 2017. Online available at: [https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1\\_ENG.pdf](https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1_ENG.pdf)

### Relevant carbon crediting program provisions

Provision 1 Source 1, section G3, page 18: “Describe the measures needed and taken to ensure that the project proponent and all other entities involved in project design and implementation are not involved in or complicit in any form of discrimination<sup>47</sup> or sexual harassment with respect to the project.

<sup>47</sup> Including discrimination based on gender, race, religion, sexual orientation or other habits.”

### Assessment outcome

No (0 Points).

### Justification of assessment

The CCBS bans any form of discrimination, but does not explicitly ban any violation of human rights (Provision 1). The CDM has no such provision either. Therefore, the indicator is considered not to be fulfilled.

## Indicator 6.1.34

### Relevant scoring methodology provisions

“The program provisions specifically require that projects avoid physical and economic displacement in its projects and that, in exceptional circumstances where avoidance is not possible, displacement occurs only with appropriate forms of legal protection and compensation as well as informed participation of those affected.”

### Information sources considered

- 1 The Climate, Community & Biodiversity Standards. Version 3.1. Document issued on 21 June 2017. Online available at: [https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1\\_ENG.pdf](https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1_ENG.pdf)

## Relevant carbon crediting program provisions

Provision 1 Source 1, section G5, page 21: “The project recognizes respects and supports rights to lands, territories and resources, including the statutory and customary rights of Indigenous Peoples and others within communities and other stakeholders.<sup>59</sup> The free, prior and informed consent (as described in G5.2) of relevant property rights holders has been obtained at every stage of the project.

Project activities do not lead to involuntary removal or relocation of property rights holders from their lands or territories and do not force them to relocate activities important to their culture or livelihood.<sup>60</sup> Any proposed removal or relocation occurs only after obtaining free, prior and informed consent from the relevant property rights holders.

<sup>59</sup> United Nations Human Rights Council, UN Guiding Principles on Business and Human Rights (2011) (available at: <https://business-humanrights.org/en/un-guiding-principles>).

<sup>60</sup> United Nations Human Rights Council, UN Declaration on the Rights of Indigenous Peoples, Article 10. ILO Convention 169, Article 16, 2008.”

Provision 2 Source 1, section G5, page 21: “Respect for Rights to Lands, Territories and Resources and Free, Prior and Informed Consent

1) Describe and map statutory and customary<sup>61</sup> tenure/use/access/management rights to lands, territories and resources in the project zone including individual and collective rights and including overlapping or conflicting rights. If applicable, describe measures needed and taken by the project to help to secure statutory rights. Demonstrate that all property rights are recognized, respected and supported.

2) Demonstrate with documented consultations and agreements that:

a) The project will not encroach uninvited on private property, community property,<sup>62</sup> or government property,

b) The free, prior and informed consent<sup>63</sup> has been obtained of those whose property rights are affected by the project through a transparent, agreed process. [..]

c) Appropriate restitution or compensation has been allocated to any parties whose lands have been or will be affected by the project.<sup>65</sup>

3) Demonstrate that project activities do not lead to involuntary removal or relocation of property rights holders from their lands or territories and does not force them to relocate activities important to their culture or livelihood. 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.<sup>66</sup>

<sup>61</sup> 'Customary rights' to lands, territories and resources refer to patterns of long-standing community lands, territories and resource usage in accordance with Indigenous Peoples' and local communities' customary laws, values, customs and traditions, including seasonal or cyclical use, rather than formal legal title to lands, territories and resources issued by the State. (See: World Bank Operational Manual, OP 4.10 – Indigenous Peoples, 200, available at: <https://policies.worldbank.org/sites/ppf3/PPFDocuments/090224b0822f89d5.pdf>)

<sup>62</sup> Including collective rights, both customary and statutory, to lands, territories and resources that communities have traditionally owned, occupied or otherwise used or acquired whether or not such ownership has been formally recorded. (Food and Agriculture Organization of the UN, Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security, Principle 3.1, 2012 (available at: <http://www.fao.org/docrep/016/i2801e/i2801e.pdf>)).

<sup>63</sup> In conformance with the United Nations Declaration on the Rights of Indigenous Peoples and International Labour Organization (ILO) Convention 169. The following manual can be used for guidance on Free, Prior and Informed Consent: Anderson, 2011, Free, Prior and Informed Consent in REDD+: Principles and Approaches for Policy and Project Development (available at <http://www.recoftc.org>). If non-contacted peoples are located or believed to be located in the project area, their right to remain in isolation should be respected in accordance with local, national and international laws and recommendations. Unless invited to make contact, implementing entities should not engage in any activities that may impact these populations, including project activities. There should be a buffer zone between the project area and the area in which indigenous populations living in voluntary isolation reside, or are believed to reside. Guidelines for the Protection of Indigenous Peoples in Voluntary Isolation and Initial Contact in the Amazon Region, the Gran Chaco and the Eastern Region of Paraguay, Office of the United Nations High Commissioner (OHCHR) and the Spanish Agency for International Cooperation and Development, May 2012.

<sup>64</sup> Definition of free prior and informed consent from United Nations Department of Economic and Social Affairs, 2005, International Workshop on Free, Prior and Informed Consent and Indigenous Peoples, UN Document PFII/2005/WS.2/4 (available at: [http://www.un.org/esa/socdev/unpfii/documents/workshop\\_FPIC\\_tamang.doc](http://www.un.org/esa/socdev/unpfii/documents/workshop_FPIC_tamang.doc)). It is important to note that consultation is not the same as consent. Free, prior and informed consent is the decision made by a community following a consultation. A project team must receive affirmative consent from relevant property rights holders prior to commencing with project activities. UN General Assembly, 2007, UN Declaration on the Rights of Indigenous Peoples, Resolution adopted by the General Assembly, A/RES/61/295, Articles 32 (2), (available at: [www.un.org/esa/socdev.unpfii/documents/DRIPS\\_en.pdf](http://www.un.org/esa/socdev/unpfii/documents/DRIPS_en.pdf)).

<sup>65</sup> Compensation should include both the financial and non-financial costs of the loss of lands, for example loss of culture or loss of business opportunity. See UN Declaration on the Rights of Indigenous Peoples, Article 10. Article 28

<sup>66</sup> In conformance with the United Nations Declaration on the Rights of Indigenous Peoples and ILO 169, Article 28 of the UN Declaration on the Rights of Indigenous Peoples indicates that unless otherwise agreed upon, compensation should be in the form of lands, territories or resources equivalent in quality,

size and legal status to those taken. When such compensation is not available, monetary compensation is appropriate.

### Assessment outcome

No (0 Points).

### Justification of assessment

The CDM has no such provision at all. The CCBS requires that no involuntary relocations shall occur (Provisions 1 and 2). If relocations or removals occur, free, prior and informed consent by affected people shall be ensured as well as appropriate compensation (Provisions 1 and 2). The standard does not have an explicit requirement that displacement shall be avoided, and only allowed in exceptional circumstances. The indicator is therefore not fulfilled.

### Indicator 6.1.36

#### Relevant scoring methodology provisions

“The program has safeguards in place in relation to environmental issues that at least address air pollution, water pollution, soil and land protection, waste management, and biodiversity.”

#### Information sources considered

- 1 The Climate, Community & Biodiversity Standards. Version 3.1. Document issued on 21 June 2017. Online available at: [https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1\\_ENG.pdf](https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1_ENG.pdf)
- 2 CDM project standard for project activities. CDM-EB93-A04-STAN. Version 02.0. Document issued on 29 November 2018. Online available at: [https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20181221092046526/Reg\\_stan04v02.pdf](https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20181221092046526/Reg_stan04v02.pdf).
- 3 CDM project standard for programmes of activities. CDM-EB93-A04-STAN. Version 02.0. Document issued on 29 November 2018. Online available at: [https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20181221092036152/Reg\\_stan03v02.pdf](https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20181221092036152/Reg_stan03v02.pdf).
- 4 Decision 5/CMP.1: Modalities and procedures for a clean development mechanism as defined in Article 12 of the Kyoto Protocol. APPENDIX B Project design document for afforestation and reforestation project activities under the clean development mechanism. Online available at: [https://cdm.unfccc.int/Reference/COPMOP/08a01\\_abbr.pdf](https://cdm.unfccc.int/Reference/COPMOP/08a01_abbr.pdf).

## Relevant carbon crediting program provisions

Provision 1 Source 1, section B1, page 41: “Indicators.

1) Describe biodiversity<sup>112</sup> within the project zone at the start of the project and threats to that biodiversity, using appropriate methodologies.

2) Evaluate whether the project zone includes any of the following high conservation values (HCVs) related to biodiversity and describe the qualifying attributes for any identified HCVs:<sup>113</sup>

a) Globally, regionally or nationally significant concentrations of biodiversity values:

i) Protected areas<sup>114</sup>

ii) Threatened species<sup>115</sup>

iii) Endemic species<sup>116</sup>

iv) Areas that support significant concentrations of a species during any time in their lifecycle.<sup>117</sup>

b) 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;

c) Threatened or rare ecosystems.<sup>118</sup>

3) Identify the areas that need to be managed to maintain or enhance the identified HCVs.

4) Describe how the without-project land use scenario would affect biodiversity conditions in the project zone.<sup>119</sup>

<sup>112</sup> Biodiversity’ is defined as the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems (Convention on Biological Diversity, 1992) “

Provision 2 Source 1, section B2, page 43-44: “Indicators.

1) Use appropriate methodologies to estimate changes in biodiversity, including assessment of predicted and actual, positive and negative, direct and indirect impacts, resulting from project activities under the with-project scenario in the project zone and over the project lifetime. This estimate must be based on clearly defined and defensible assumptions.

2) Demonstrate that the project's net impacts on biodiversity in the project zone are positive, compared with the biodiversity conditions under the without-project land use scenario (described in B1).

- 3) Describe measures needed and taken to mitigate negative impacts on biodiversity and any measures needed and taken for maintenance or enhancement of the high conservation value attributes (identified in B1.2) consistent with the precautionary principle.
- 4) Demonstrate that no high conservation values (identified in B1.2) are negatively affected by the project.

[..]

- 7) Guarantee that no GMOs are used to generate GHG emissions reductions or removals.
- 8) Describe the possible adverse effects of, and justify the use of, fertilizers, chemical pesticides, biological control agents and other inputs used for the project.
- 9) Describe the process for identifying, classifying and managing all waste products resulting from project activities.”

Provision 3 Source 1, section CM.2 “Net positive community impacts”, page 35: “Concept.

The project generates net positive impacts on the well-being of communities and the community groups within them over the project lifetime. The project maintains or enhances the high conservation values in the project zone that are of importance to the well-being of communities.

Indicators.

- 1) Use appropriate methodologies to assess the impacts<sup>100</sup>, including predicted and actual, direct and indirect benefits, costs and risks, on each of the identified community groups (identified in G1.5) resulting from project activities under the with-project scenario. The assessment of impacts must include changes in well-being due to project activities and an evaluation of the impacts by the affected community groups. This assessment must be based on clearly defined and defensible assumptions about changes in well-being of the community groups under the with-project scenario, including potential impacts of changes in all ecosystem services identified as important for the communities (including water and soil resources), over the project lifetime.
- 2) Describe measures needed and taken to mitigate any negative well-being impacts on community groups and for maintenance or enhancement of the high conservation value attributes (identified in CM1.2) consistent with the precautionary principle.

<sup>100</sup> Impacts’ includes benefits, costs and risks, including those that are direct and indirect and including those related to social, cultural, environmental and economic aspects and to human rights and rights to

lands territories and resources. Costs include those related to responsibilities and also opportunity costs. Note that the term 'benefits' refers to positive impacts and the phrase 'costs and risks' equates with negative impacts.

- Provision 4 Source 2, paragraph 165, page 34: "The project participants shall carry out an analysis of the environmental impacts of the proposed A/R CDM project activity, including impacts on biodiversity and natural ecosystems and impacts outside the project boundary. The project participants shall provide a summary of the analysis and references to all related documentation."
- Provision 5 Source 3, paragraph 44, page 13: "The analysis of the environmental impacts and, as applicable, the environmental impact assessment referred to in this section shall be carried out for the whole PoA or at the CPA level. The coordinating/managing entity shall describe the level applied."
- Provision 6 Source 3, paragraph 45, page 13: "If the coordinating/managing entity has chosen to carry out the analysis of the environmental impacts for the whole PoA, it shall carry out the analysis, including transboundary impacts (or, in the case of a proposed A/R CDM PoA, impacts on biodiversity and natural ecosystems and impacts outside the programme boundary), and provide a summary of the analysis and references to all related documentation."
- Provision 7 Source 4, appendix B, paragraph 2, page 76-77: "The purpose of this appendix is to outline the information required in the project design document. A project activity shall be described in detail in a project design document, taking into account the provisions for afforestation and reforestation project activities under the CDM as set out in the present annex, in particular, section G on validation and registration and section H on monitoring. The description shall include the following:

[...]

(j) Environmental impacts of the project activity:

(i) Documentation on the analysis of the environmental impacts, including impacts on biodiversity and natural ecosystems, and impacts outside the project boundary of the proposed afforestation or reforestation project activity under the CDM. This analysis should include, where applicable, information on, inter alia, hydrology, soils, risk of fires, pests and diseases

(ii) If any negative impact is considered significant by the project participants or the host Party, a statement that project participants have undertaken an environmental impact assessment, in accordance with the procedures required by the host Party, including conclusions and all references to support documentation"

### Assessment outcome

No (0 Points).

## Justification of assessment

The complementary standard approaches the subject by requiring an assessment of potential impacts of projects on ecosystem services and biodiversity (Provision 3). In principle, this conceptual approach does address aspects of the “environment” that both relate to humans (ecosystem services) and the flora and fauna (biodiversity and high conservation values) (Provision 1 and 2). The requirement to describe steps needed and taken to mitigate any negative impacts thus provides for an overall framework for projects to principally ensure that the environment is protected, and community well-being is not negatively affected. For some environmental assets the standard further includes specific safeguards. For example, it requires project owners to describe the process for identifying, classifying and managing all waste products resulting from project activities (Provision 2). Similar applies to the requirement to describe the possible adverse effects of, and justify the use of, fertilizers, chemical pesticides, biological control agents. There are however no specific safeguards formulated by the standard that are addressing air and water pollution as well as soil and land protection.

The CDM program provisions explicitly require the assessment of impacts on biodiversity (Provision 4). Provision 4 requires that also “information” on other aspects like soils should be included “where applicable” and thereby does not mandatorily request the analysis of the listed aspects. The indicator is therefore not sufficiently fulfilled.

## Indicator 6.1.39

### Relevant scoring methodology provisions

“The program requires experts to support processes dedicated to avoiding physical and economic displacement and to free, prior and informed consent from indigenous people.

OR

The program requires experts to support all safeguard processes which are included in the program’s provisions.”

### Information sources considered

- 1 The Climate, Community & Biodiversity Standards. Version 3.1. Document issued on 21 June 2017. Online available at: [https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1\\_ENG.pdf](https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1_ENG.pdf)

### Relevant carbon crediting program provisions

Provision 1 Source 1, section G4., page 20: “Management capacity. Concept.

The project has adequate human and financial resources for effective implementation.

Indicators.

5) Document key technical skills 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 and carbon projects at the scale of this project. If relevant experience is lacking, the proponents must either demonstrate how other organizations are partnered with to support the project or have a recruitment strategy to fill the gaps."

### Assessment outcome

No (0 Points).

### Justification of assessment

While the CCBS requires that the project team has the necessary skills and expertise to implement the project, the provisions do not include a specific requirement that necessitates experts to support processes dedicated to avoiding physical and economic displacement and to free, prior and informed consent from indigenous people. There is also no general requirement that all safeguard processes need to be supported by experts. The CDM has no relevant provisions. The indicator is therefore not fulfilled.

### Indicator 6.1.41

#### Relevant scoring methodology provisions

"The program has a dedicated gender policy, strategy or action plan that integrates gender considerations and women empowerment into all aspects of its operations."

#### Information sources considered

- 1 The Climate, Community & Biodiversity Standards. Version 3.1. Document issued on 21 June 2017. Online available at: [https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1\\_ENG.pdf](https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1_ENG.pdf)
- 2 The Climate, Community & Biodiversity Program Rules. Version 3.1. Document issued on 21 June 2017. Online available at: <https://verra.org/wp-content/uploads/2018/04/CCB-Program-Rules-v3.1.pdf>
- 3 Verra - Who We Are – Important Policies. Online available at: <https://verra.org/about/overview/#important-policies->

### Relevant carbon crediting program provisions

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### Assessment outcome

No (0 Points)

### Justification of assessment

The CCBS and the CDM have no dedicated gender policy, strategy or action plan in place that integrates gender considerations and women empowerment into all aspects of its operations.

### Indicator 6.1.43

#### Relevant scoring methodology provisions

“The program explicitly requires that project developers perform a gender safeguard assessment during project design.”

#### Information sources considered

- 1 The Climate, Community & Biodiversity Standards. Version 3.1. Document issued on 21 June 2017. Online available at: [https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1\\_ENG.pdf](https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1_ENG.pdf)

### Relevant carbon crediting program provisions

Provision 1 Source 1, section G3, page 18: “Anti-Discrimination.

Describe the measures needed and taken to ensure that the project proponent and all other entities involved in project design and implementation are not involved in or complicit in any form of discrimination<sup>47</sup> or sexual harassment with respect to the project.

<sup>47</sup> Including discrimination based on gender, race, religion, sexual orientation or other habits.”

### Assessment outcome

No (0 Points).

## Justification of assessment

Provision 1 of CCBS not only prescribes that any form of discrimination, including discrimination based on gender, shall be banned but that project owners describe the measures needed and taken to ensure this. However, this provision does not explicitly require a systematic assessment of where discrimination based on gender might occur. The CDM has no relevant provisions. The indicator is therefore not fulfilled.

## Scoring results

According to the above assessment, none of the indicators, for which neither the carbon crediting program nor the complementary standard received points in their individual assessment, are fulfilled when looking at their provisions in combination. The assessment of these indicators therefore yields no additional points. When combining these assessment results with the individual assessments from both the carbon crediting program and the complementary standards (for indicators in categories a and b), this results in a total point score of 34 for the combination of the carbon crediting program and complementary standard. Applying the scoring approach in the methodology, this results in a score of 3.84 for this criterion.