

# VERIFICATION REPORT FOR THE KARIBA REDD+ PROJECT

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## Summary:

This report describes the verification audit of the Kariba REDD+ Project (“the project”), a Reduced Emissions from Deforestation and Degradation (REDD+) project located southern boundaries of Zambia and Mozambique in Zimbabwe that was conducted by SCS. The purpose of the

verification audit was to conduct an independent assessment of the project to determine whether the project complies with the VCS rules. The criteria for the verification audit was the VCS Version 3. The verification audit was performed through a combination of document review, interviews with relevant personnel and on-site inspections. A total of 20 findings were issued during the verification process. The project complies with all of the verification criteria, and the assessment team has no restrictions or uncertainties with respect to the compliance of the project with the verification criteria.

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## 1 INTRODUCTION

### 1.1 Objective

In accordance with Section 5.1.1, SCS carried out an ex-post independent assessment of the GHG Emission Reductions or Removals that have occurred as a result of the project during the monitoring period, conducted in accordance with the VCS rules. In accordance with Section 2.1.2 of the VCS Validation & Verification Manual, V3.1, the objectives of the verification engagement were to evaluate the monitoring report and assess the following:

- The extent to which methods and procedures, including monitoring procedures, have been implemented in accordance with the validated project description. This includes ensuring conformance with the monitoring plan.
- The extent to which GHG Emission Reductions or Removals reported in the monitoring report are materially accurate.

The other objective of the verification engagement was to assess the non-permanence risk analysis.

### 1.2 Scope and Criteria

In accordance with Section 4.3.4 of ISO 14064-3:2006, the scope was defined as follows:

- The project;
- The physical infrastructure, activities, technologies and processes of the project;
- The GHG sources, sinks and/or reservoirs that are applicable to the project;
- The types of GHGs that are applicable to the project; and
- The monitoring period, as discussed in Section 5 of this report.

In accordance with Section 5.3.1 of the VCS Standard, the criteria for verification was the VCS Version 3, including the following documents:

- VCS Program Guide
- VCS Standard
- VCS AFOLU Requirements
- VCS Non-Permanence Risk Tool

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

In addition, the assessment was performed against the requirements of the validated project description.

### 1.3 Level of Assurance

In accordance with Section 5.3.1 of the VCS Standard, the level of assurance of this report is reasonable.

### 1.4 Summary Description of the Project

The Project is located along the southern boundaries of Zambia and Mozambique in Zimbabwe and is aimed at reducing emissions from unplanned deforestation.

## 2 VERIFICATION PROCESS

### 2.1 Method and Criteria

The verification was performed through a combination of document review, interviews with relevant personnel and on-site inspections, as discussed in Sections 2.2 through 2.4 of this report. At all times, the monitoring report and non-permanence risk analysis were assessed for conformance to the criteria described in Section 1.2 of this report. As discussed in Section 2.5, findings were issued to ensure conformance to all requirements.

The audit team created a sampling plan following a proprietary sampling plan workbook developed by SCS. Per Section 4.4.3 of ISO 14064-3:2006, the audit team identified possible risks of errors, omissions and misrepresentations with respect to the verification criteria. For each identified risk, the audit team assessed the likelihood of the material discrepancy occurring, the likelihood of the material discrepancy not being prevented or detected by the controls of the project the material discrepancy and the likelihood of the material discrepancy not being detected by the audit team. Sampling and data testing activities were planned to address any risk where the likelihood of a material discrepancy not being detected by the audit team was judged to be unacceptably high. The audit team then created a verification plan that took the sampling plan into account.

### 2.2 Document Review

The monitoring report v6 was carefully reviewed for conformance to the verification criteria. The following additional documentation, provided by Project Personnel in support of the aforementioned documents, was also reviewed by the audit team:

Document	File Name
Forward Action Request Project Response	140215_Kariba FAR implementation.pdf
Kariba Project Description	PROJ_DESC_902_16AUG2013.pdf
Project Area Shapefiles	(various files)
Biomass workbooks	(various workbooks)
CCB PDD	120208_REDD++CBA
Latest CCB PIR	140707_Kariba+REDD++PIR_V3
GHG Calculations	150331_KARIBA ER MP 2_V04.xlsx

Leakage emissions	(various workbooks)
Project Database “Movers”	(various workbooks and documents)
KML showing the boundaries of the Project Area	KML_902.kml
Non-Permanence Risk Report	150331_Kariba_AFOLU_Risk Report_V2
Project Restratification Area	(Various Files)
Kariba Field SOP's	(Various Files)
Project Leakage Model	130731_CDM and Leakage Model_V5
Implementation documentation of the associated forward action request (FAR)	(various documents and workbooks)

## 2.3 Interviews

### 2.3.1 Interviews with Project Personnel

The process used in interviewing Project Personnel was a process wherein the audit team elicited information from Project Personnel regarding the project and its compliance with the verification criteria. Some meetings were held concurrently with site inspections (see Section 2.4 below). Other meetings were held remotely via telephone or Skype connection.

The following personnel associated with the project proponent and/or other entities involved in the project were interviewed.

Individual	Affiliation	Role	Date(s) Interviewed
Abel Alan Marcarini	South Pole Carbon	Technical Advisor	Throughout Audit
Florian Reimer	South Pole Carbon	Main Contact	Throughout Audit
Charles Ndong	Carbon Green Africa	Managing Director	21-31 October 2014
Pieter Bezuidenhout	Carbon Green Africa	Project Development Manager	21-31 October 2014
Christian Dannecker	Southpole Carbon	Director Forestry	21-31 October 2014
Robert Lee	Carbon Green Africa	Inventory Manager	21-31 October 2014
Steve Wentzel	Carbon Green Africa	Owner	21-31 October 2014

Heather Zieman	Carbon Green Africa	Office Manager	21-31 October 2014
Rori Muil	Carbon Green Africa	Project Area Manager	21-31 October 2014
Chris Moore	Carbon Green Africa	Co-Liason Officer	21-31 October 2014

**2.3.2 Interviews of Other Individuals**

Residents of villages located near the project boundary were also interviewed. Local residents of the following villages were interviewed during the dates listed.

- Residents of Mushumbi Pools (21-31 October 2014)
- Residents of Nyame Nyame (21-31 October 2014)
- Residents of Kalangiizi (21-31 October 2014)
- Beneficiaries of Community Gardens (21-31 October 2014)
- Mafios Charumwanu – Acting Chief Executive Officer (CEO) District of Nyami Nyami (21-31 October 2015)

**2.4 Site Inspections**

The objectives of the on-site inspections performed were to:

- Select samples of data from on-the-ground measurements for verification in order to meet a reasonable level of assurance and to meet the materiality requirements of the project, as required by Section 5.1.3 of the VCS Standard;
- Perform a risk-based review of the project area and project activities to ensure that the project conformed to the requirements of the VCS rules and the methodology throughout the monitoring period; and
- Ensure that monitoring was conducted in accordance with the requirements of the validated monitoring plan, the methodology employed and the VCS rules

In fulfilment of the above objectives, the audit team performed an on-site inspection of the project area on the dates 21-31 October 2014. The main activities undertaken by the audit team were as follows:

- Interviewed Project Personnel (see Section 2.3 of this report) to gather information regarding the monitoring of the project;
- Interviewed Project Personnel (see Section 2.3 of this report) for the purpose of seeking evidence of conformance with respect to the specific requirements of the methodology and the VCS rules;



- Interviewed residents of communities near the project boundary to confirm the claims of the project proponents with respect to the extent of community engagement with the project implementation.
- Viewed Project Personnel conducting re-measurements on inventory plots. The representatives were asked to replicate the measurement protocol that was applied, for the purpose of providing the audit team with reasonable assurance that the measurements were collected to appropriate quality standards.

## 2.5 Resolution of Findings

Any potential or actual material discrepancies identified during the assessment process were resolved through the issuance of findings. The types of findings issued by SCS were characterized as follows:

**Non-Conformity Report (NCR):** An NCR signified a material discrepancy with respect to a specific requirement. This type of finding could only be closed upon receipt by SCS of evidence indicating that the identified discrepancy had been corrected. Resolution of all open NCRs was a prerequisite for issuance of a verification statement. A total of 16 NCRs were issued during the verification engagement.

**New Information Request (NIR):** An NIR signified a need for supplementary information in order to determine whether a material discrepancy existed with respect to a specific requirement. Receipt of an NIR did not necessarily indicate that the project was not in compliance with a specific requirement. However, resolution of all open NIRs was a prerequisite for issuance of a validation statement. A total of 4 NIRs were issued during the validation engagement.

**Opportunity for Improvement (OFI):** An OFI indicated an area that should be monitored or ideally, improved upon. OFI's were considered to be an indication of something that could become a non-conformity if not given proper attention, and were sometimes issued in the case that a non-material discrepancy was identified. OFIs were considered to be closed upon issuance. No OFIs were issued during the validation engagement.

All findings issued by the audit team during the verification process have been closed. In accordance with Section 5.3.6 of the VCS Standard, all findings issued during the validation process, and the impetus for their closure, are described in Appendix A of this report.

### 2.5.1 Forward Action Requests (FAR)

Prior to the verification described in this report, a FAR was issued regarding the ability of the previous plot allocation to adequately capture derasation within the Project Area as documented in the document titled "140215\_Kariba FAR implementation.pdf" (see Section 2.2 above). The audit team reviewed the descriptions, workbooks, and GIS data, including the determination of the sample size and the Project Area coverage provided by the additional plots approved by the previous VB and the VCSA and found them to be both appropriate and free from calculation error.

## 2.6 Eligibility for Validation Activities

SCS Global Services is an accredited verification body for Sectoral Scope 14 Agriculture, Forestry, and Land Use.

## 3 VALIDATION FINDINGS

The audit team noted two project description deviations during the verification which are described further below (Section 3.3).

### 3.1 Participation under Other GHG Programs

This section is not applicable as the project is only seeking registration under the VCS.

### 3.2 Methodology Deviations

Whereas no methodology deviations were assessed during this verification event, a complete list of methodology deviations implemented previously is discussed in Section 4.1 of this report.

### 3.3 Project Description Deviations

During this verification two project description deviations were included in the project monitoring report. In addition, one previous deviation was included in the previous monitoring report. The impact of each deviation is discussed below.

- The information regarding project management was updated
  - Changes to the management team or the roles of implementing partners does not impact the applicability of the methodology, as the VM0009 methodology does place any restrictions on the management team
  - Changes to the management team or the roles of implementing partners does not impact the appropriateness of the baseline scenario, as the management team is not required to determine the baseline scenario
  - Changes to the management team do not affect the additionality of the project, as management teams are not included in the additionality assessment
- The field SOP's were updated. It is the professional opinion of the audit team that the changes to the SOP's did not affect the current or previous GHG Emission Reductions or Removals. SOP's are constantly being improved in forest inventory work as new situations arise in the field.
  - Additions to the filed SOP's do not impact the applicability of the methodology, as the VM0009 methodology does place any restrictions on the field SOP's
  - Additions to the filed SOP's do not impact the baseline scenario, as no changes were made to the carbon pools being measured, nor were any changes made to the baseline carbon stocks
  - The additions to the field SOP's in this case have no effect on additionality, as the updates only affect the consistency of the measurements and not the resulting stocking levels
- Soil carbon is not included in the first or second verifications

- The decision to not monitor soil carbon does not affect the applicability of the methodology, as the VM0009 methodology does not require the inclusion of soil carbon stocks
- The decision to not monitor soil carbon does not affect the baseline scenario, as the monitoring of soil carbon stocks is not required in the baseline scenario
- As soil carbon has not been included in the project to date, there is technically no baseline scenario and therefore has no effect on additionality

### 3.4 Grouped Project

NA – This is not a grouped project.

## 4 VERIFICATION FINDINGS

### 4.1 Project Implementation Status

The audit team assessed the implementation of the project activities against section 4.3 of the Project Description. The audit team confirmed that section 2.1 of the monitoring report provided an accurate description of the implementation of the project. For a complete description of the steps taken to assess the project implementation see below:

Item	Verification Findings
Material discrepancies between project implementation and the project description	The audit team performed a series of visits to the communities included in the project and observed the project activities taking place. The audit team held interviews with members of 4 communities involved in the project and were informed that the project had thus far met all commitments with regard to the project activities. No material discrepancies were found
Implementation status of monitoring plan and completeness of monitoring	<p>Audit team confirmed that all monitoring activities documented in Section 3.3 of monitoring report were correctly carried out accordingly with the requirements and frequency of the monitoring plan described in section 4.2 and 4.3 of the PD, through the following:</p> <ul style="list-style-type: none"> <li>• Reviewed stratification process for the creation of the non-forest strata and confirmed the process followed the description provided in the document titled “140210_Kariba REDD+ - Annex Map training &amp; validation” (Section 2.2). In addition, the audit team confirmed that accuracy assessment was performed using</li> </ul>

Item	Verification Findings
	<p>best practices for analyzing remote sensing imagery</p> <ul style="list-style-type: none"> <li>• Observed the set up and re-measurement of 14 plots across the project area and confirmed to the sampling design as described in section 3.3.3 of the monitoring report, as well as best practices in forest mensuration. In addition, the audit team performed spot measurements during the field verification and consistently produced the same results as the project team. Finally, the audit team independently re-measured one of the field verification plots which produced consistent results with those of the project</li> <li>• Spent one week in the field with the project team, both re-measuring plots and confirming the implementation of project activities within communities and confirmed that the organizational structure and operation is as described in section 3.3.4 of the monitoring report</li> <li>• Reviewed the process for data management and storage and confirmed that the description provided in section 3.3.5 of the monitoring report was followed completely and is sufficient for providing quality data management and storage</li> <li>• Interviewed biomass team while on site and confirmed that the personnel were highly skilled and educated as to the processes described in section 3.3.6 of the monitoring report. In addition, the audit team spent over a week in both the office and the field with the team and confirmed that the description provided in the monitoring report was be followed completely</li> <li>• Reviewed the allometric equations provided by Project Personnel and</li> </ul>

Item	Verification Findings
	<p>confirmed that the equations were correctly calculated in the project’s software (MOVERS). In addition the audit team reviewed the outputs from previous verifications and confirmed that the values were consistent with what is currently reported in MOVERS. Finally, the audit team re-calculated the plot level biomass for a random plot selected for the field verification and produced consistent results with those reported in the project calculations (see Section 3.3.7 of the Project monitoring report)</p> <ul style="list-style-type: none"> <li>• The audit team reviewed the calculation of baseline emissions as prescribed by the methodology. The audit team confirmed the simple addition of the value from the previously validated baseline emissions model was calculated correctly</li> <li>• Re-calculated the uncertainty deduction, as prescribed by the methodology and confirmed that the value provided in the Project calculations has resulted in a conservative estimate of uncertainty. Whereas, the audit team could not view the calculation string built in to the MOVERS software, the slightly lower (less conservative) uncertainty produced by the audit team is likely due to rounding differences between the different programs employed for the calculations</li> <li>• Reviewed the process for the detection of forest fires across the project area. The audit team confirmed that no fires other than what has been accounted for in the deforestation class occurred during the monitoring period</li> <li>• Observed the re-measurement of two leakage plots in the Project Area. In both cases the audit team produced a qualitative assessment of degradation</li> </ul>

Item	Verification Findings
	<p>lower than that of the project. In addition, the audit agrees that the leakage monitoring employed by the Project is very likely to result in a conservative estimate of GHG Emission Reductions or Removals</p> <ul style="list-style-type: none"> <li>• Re-calculated the GHG Emission Reductions or Removals using a stepwise approach for each carbon pool included in the Project Area. Whereas, slight differences were present between the Project and verification calculations, the audit team is confident that these are all caused by a 1 hectare difference in the project area (rounding error) and other rounding differences between the calculation softwares. The audit team has a reasonable level of assurance that the area reported in the project calculations is accurate</li> </ul>
<p>Existence of material discrepancies between monitoring system and monitoring plan (as described in 4.3 of project description) and applied methodology</p>	<ul style="list-style-type: none"> <li>• All tasks described in section 3.3 of the monitoring report were in agreement with the monitoring plan as described above. No material discrepancies were found</li> </ul>
<p>Whether GHG Emission Reductions or Removals generated by the project have become included in emissions trading program or other mechanism that includes GHG allowance trading</p>	<ul style="list-style-type: none"> <li>• Audit team confirmed that REDD+ projects are not within scope of Clean Development Mechanism</li> <li>• Audit team confirmed, through personal knowledge of all projects currently approved under California’s Air Resources Board Cap-and-Trade Program, that GHG Emission Reductions or Removals generated by project have not become included in that program</li> <li>• Audit team applied professional judgment to determine there is very low risk of GHG Emission Reductions or Removals having been included in any other program</li> </ul>
<p>Whether project has received or sought any other form of environmental credit, or has become</p>	<ul style="list-style-type: none"> <li>• Audit team is unaware of any other environmental crediting program that</li> </ul>

Item	Verification Findings
eligible to do so since validation or previous verification	project would be eligible to participate in
Whether project has participated or been rejected under any other GHG programs since validation or previous verification	<ul style="list-style-type: none"> <li>• Audit team applied intimate knowledge of all other GHG programs prevalent in North America (American Carbon Registry, Climate Action Reserve and Air Resources Board) to confirm that project has not participated in or been rejected from any other GHG programs (any instance of rejection under these programs would be highly unlikely to escape attention of audit team)</li> </ul>

As required by section 3.5.2 of the VCS Standard v3.4, a complete list of previously validated methodology deviations is provided below:

- Deviation from a using systematic point locations with a random origin
  - The audit team agrees with the claims in the PDD and the initial verification report. The intent of using a random origin with a systematic grid design is to eliminate possible bias that may be introduced by choosing a starting point in a manner other than random. The protocol employed by the project merely ensures adequate plot coverage and the independence of plot. The random origin has been employed within all grids, therefore eliminating any possibility of bias in the design and having no consequence.
  
- Deviation from using covariate to select the best fit model
  - The audit team reviewed the rationale provided in the PD and the findings presented in the original verification report and agrees that the removal of the population variable from the regression analysis provided in equation 7. Given the high insignificance of the variable removed in the project calculations, the audit team agrees with the assessment of the original verification body that no consequence results from this deviation, other than a more accurate result.

In conclusion, the audit team can affirm that the project has been implemented as described in the project description.

#### 4.2 Accuracy of GHG Emission Reduction and Removal Calculations

The GHG Emission Reductions or Removals have been quantified correctly in accordance with the project description and the applied methodology.

For all instances in which values were transcribed between datasets (e.g., transcription from the project description to reporting workbooks, or between reporting workbooks), the audit team carefully traced values to ensure the absence of manual transposition errors.

An identification of the data and parameters used to calculate the GHG Emission Reductions or Removals and a description of the steps taken to assess each of them, follows.

#### 4.2.1 Data and Parameters Available at Validation

	<b>Steps taken by audit team to assess...</b>		
<b>Data/Parameter</b>	<b>accuracy of GHG Emission Reductions or Removals</b>	<b>whether methods/formulae set out in project description have been followed</b>	<b>appropriateness of default values</b>
BLGT	N/A (confirmed at validation)	The audit team reviewed the outputs from the Project software (MOVERS), as well as re-calculated a randomly selected field plot and confirmed that the methods set out in the project description were followed.	N/A
BGNT	N/A (confirmed at validation)	See BLGT	N/A

#### 4.2.2 Data and Parameters Monitored

	<b>Steps taken by audit team to assess...</b>		
<b>Data/Parameter</b>	<b>accuracy of GHG Emission Reductions or Removals</b>	<b>whether methods/formulae set out in project description have been followed</b>	<b>appropriateness of default values</b>
AGLT	Reviewed allometric equations provided by the Project Personnel. Confirmed the allometric equations produced the same results confirmed at validation. Re-calculated a randomly selected plot and confirmed the correctness of the project calculations.	Confirmed that all methods used by the Project Personnel were consistent with the procedures described in Section 3.3.7 of the monitoring report and 4.3.7 of the Project Description.	The default density factor confirmed at validation of .47 continues to be used in the project calculations and is conservative with respect to what is allowed by the methodology and therefore appropriate.
AGNT	See AGLT	See AGLT	See AGLT
Leakage	Observed the re-measurement of two	Confirmed that all methods used by the	N/A



	<b>Steps taken by audit team to assess...</b>		
<b>Data/Parameter</b>	<b>accuracy of GHG Emission Reductions or Removals</b>	<b>whether methods/formulae set out in project description have been followed</b>	<b>appropriateness of default values</b>
	leakage plots and confirmed that the methodology was consistent with the previously validated SOP's. In addition the audit team confirmed the measurements collected in the field were consistent with the current assessment and entered correctly into the leakage calculation workbook. Finally, the audit team was able to trace the value from the leakage workbook to the ER calcs work book and confirm it was applied correctly.	Project Personnel were consistent with the procedures described in Section 4.4 of the monitoring report and Section 3.3 of the Project Description. In addition, the audit team was able to confirm that the data collection followed the procedures defined in the previously validated field SOP's	
SDW	See AGLT	See AGLT	See AGLT. In addition, the inclusion of all SDW as class two is conservative and allowed by the methodology
ak	Reviewed the process for re-stratification of the Project Area. Confirmed that all areas of deforestation were moved into a non-forest class and given a carbon value of 0. Whereas, these areas were not likely completely deforested and therefore a carbon value of 0 is not accurate, the resulting values ensure a conservative estimate of GHG Emission Reductions or Removals	Whereas, the validated Project Description does not elaborate on the stratification process, the training employed to identify forest strata is consistent with the methods provided in the supplementary documentation provided to the verifiers for the original stratification.	N/A

In addition to the parameters set out above the audit team reviewed the Kariba ER MR2 v04 workbook in order to assess the flow of data and calculations required to produce the GHG Emission Reductions or Removals for this reporting period. In addition, the audit team reviewed all pertinent imagery against on the ground observations to test a sample of accuracy assessment ground truthing points.

The audit team confirmed the values assessed at validation had been correctly pasted into the workbook. The audit team then re-calculated the GHG Emission Reductions or Removals using the biomass values, as well as the area for each stratum and confirmed that the project calculations were consistent with the verifier values. In conclusion, the GHG Emission Reductions or Removals have been quantified correctly in accordance with the project description and the applied methodology.

### 4.3 Quality of Evidence to Determine GHG Emission Reductions or Removals

The evidence used to determine the GHG reductions and removals was of sufficient quantity and appropriate quality. An identification of the categories of evidence used to determine the GHG Emission Reductions or Removals, and a description of the steps taken to assess the sufficiency of quantity, and appropriateness of quality, of each category of evidence, follows.

	<b>Steps taken by audit team to assess...</b>		
<b>Category</b>	<b>reliability, source, nature of evidence</b>	<b>information flow from data generation and aggregation, to recording, calculation and final transposition into the monitoring report</b>	<b>appropriateness of implemented calibration frequency of monitoring equipment</b>
Reporting workbooks	Workbooks originated from Project Personnel and were determined, after thorough testing, to be of high quality and highly reliable; quantity of workbooks provided to audit team was sufficient	In all cases, audit team traced data contained in the monitoring report from the emission reduction workbooks back to their respective sources, which were:  150331_KARIBA ER MP 2_V04  141030_Kariba_Plot_overview  141218_Kariba_MOVERS statistics export_FR	N/A
MOVERS Database	The project database has been successfully validated and verified prior to this verification event. All biomass and uncertainty is calculated here	The audit team requested samples of data outputs from the MOVERS database to ensure consistency between project values reported in the monitoring report and verifier calculations.  141030_Kariba_Plot_overview  141218_Kariba_MOVERS	N/A

		<p>statistics export_FR</p> <p>Plot level calculations for all 14 plots re-measured during the field verification.</p>	
GIS Data	<p>All stratification and other demographic data was provided to the audit team, who confirmed that the data contained all the necessary information to recreate of the processes employed by the project and found the calculations consistent with values stated in the Project Description, Monitoring Report and applied calculations.</p>	<p>The audit team re-calculated the total project area, as well as the area of each land class in the project area. In addition, the audit team collected GPS data at each plot point visited in order to ensure consistency with strata level reporting in the monitoring report.</p>	N/A

#### 4.4 Non-Permanence Risk Analysis

The audit team assessed and evaluated the claims provided by Project Personnel regarding the risk scores and the evidence supporting such claims. A complete description of project non-permanence risk report follows.

##### 4.4.1 Internal Risk – Project Management

Risk	Assessment of rationale, assumptions and justification	Assessment of quality of documentation and data provided	Conclusion regarding appropriateness of the risk rating
(a)	<p>The project is a REDD/AUD AFOLU project and therefore does not rely on tree planting to generate GHG credits.</p>	N/A	Risk rating is appropriate

Risk	Assessment of rationale, assumptions and justification	Assessment of quality of documentation and data provided	Conclusion regarding appropriateness of the risk rating
(b)	The Project has previously undergone validation and verification and therefore will require protection of carbon stocks for which credits have already been issued.	N/A	Risk rating is appropriate
(c)	The audit team reviewed the work history and training of the Project Personnel and implementing partners. The audit team confirmed that the management team includes individuals with significant experience necessary undertake all project activities (i.e., any area of required experience is not covered by at least one individual with at least 5 years' experience in the area).	NA	Risk rating is appropriate
(d)	Audit team worked and assessed the project in the country and in the project area and confirmed that the project management team meets this criterion.	N/A	Risk rating is appropriate
(e)	The audit team reviewed the history of the technical advisors for the project and confirmed that SouthPole Carbon has a long successful history of managing carbon projects from development through certification	The source is the VCS website, which more than meets the requirement for quality data	Risk rating is appropriate
(f)	The audit team assessed the adaptive management processes described throughout the CCB documentation and confirmed that the processes previously validated and verified, constitute an adaptive management plan. In addition, the audit team interviewed local residents near the project area who had a firm understanding of how consultation is used to enhance the project.	The verified CCB PDD and PIR are well written and clearly define the adaptive management process.	Risk rating is appropriate

**4.4.2 Internal Risk – Financial Viability**

Risk	Assessment of rationale, assumptions and justification	Assessment of quality of documentation and data provided	Conclusion regarding appropriateness of the risk rating
(a)	-	-	N/A
(b)	-	-	N/A
(c)	-	-	N/A
(d)	The audit team reviewed the financial budget of the project including grant funding documentation. The audit team also sampled inputs driving the model and confirmed that the future sale of credits is based on conservative estimates.	The audit team found the project cash flow budget and associated documentation neat, organized and user friendly. The project team were able to provide a clear description of the inner workings of the budget as well as record keeping.	Risk rating is appropriate
(e)	-	-	N/A
(f)	-	-	N/A
(g)	-	-	N/A
(h)	See above for assessment of rationale  As breakeven has already occurred, no cash out is required before project reaches breakeven; therefore, audit team agrees that project has inherently secured 100% of funding needed to cover total cash out before project reaches breakeven	N/A	Risk rating is appropriate
(i)	See above for assessment rationale  As breakeven has already occurred, no cash out is required before project reaches breakeven; therefore, audit team agrees that project inherently has as callable resources 100% of funding needed to cover total cash out before project reaches breakeven	N/A	Risk rating is appropriate

**4.4.3 Opportunity Cost**

<b>Risk</b>	<b>Assessment of rationale, assumptions and justification</b>	<b>Assessment of quality of documentation and data provided</b>	<b>Conclusion regarding appropriateness of the risk rating</b>
(a)	-	-	N/A
(b)	-	-	N/A
(c)	-.	-	N/A
(d)	The audit team reviewed evidence supporting the table provided in the Project risk report and confirmed that the baseline scenario is subsistence driven. In addition while on site, the audit team visited communities in every district in the project area further confirming this claim	The audit team was provided with the participatory rural appraisal for the project and was able to confirm that the data was consistent with the surveys comprising the appraisal	Risk rating is appropriate
(e)	-	-	N/A
(f)	-	-	N/A
(g)	-	-	N/A
(h)	The audit team reviewed the deed of trust forming the Kariba Trust and the revenue addendum which explicitly states the requirement to continue the project activities over the project crediting period. In addition, the audit team interviewed Mafios Charumwanu – (CEO) District of Nyame Nyame, who confirmed that the creation of the trust is legally binding	The audit team was provided with the Kariba Trust Fund Deed and the revenue sharing addendum, both of which can be considered of high quality	Risk rating is appropriate
(i)	NA	NA	Risk rating is appropriate

**4.4.4 Internal Risk – Project Longevity**

Risk	Assessment of rationale, assumptions and justification	Assessment of quality of documentation and data provided	Conclusion regarding appropriateness of the risk rating
	<p>The audit team reviewed the calculation of project longevity score provided in the risk report and confirmed that it was calculated correctly. In addition, the audit team reviewed the CCB PDD and initial PIR confirming that the management plan is described throughout the document and covers the life of the project. The audit team also reviewed the financial plan submitted to Carbon Green Investments and confirmed that it covers the project crediting period.</p>	<p>The audit team was provided with the validated and verified Kariba CCB PDD and initial PIR, the Kariba Trust Fund Deed and, the revenue sharing addendum, all of which can be considered of high quality</p>	<p>Risk rating is appropriate</p>

**4.4.5 External Risk – Land Tenure and Resource Access/Impacts**

Risk	Assessment of rationale, assumptions and justification	Assessment of quality of documentation and data provided	Conclusion regarding appropriateness of the risk rating
(a)	N/A	N/A	N/A
(b)	<p>While on site, the audit team visited local districts and reviewed rights of use agreement for one district confirming that the ownership and rights of use are held by different entities</p>	<p>The rights of use contract, sampled by the audit team, were clearly defined and confirmed by the local district of Hurungwe, who confirmed there has been no change in the rights of use since the previous verification</p>	<p>Risk rating is appropriate</p>

<b>Risk</b>	<b>Assessment of rationale, assumptions and justification</b>	<b>Assessment of quality of documentation and data provided</b>	<b>Conclusion regarding appropriateness of the risk rating</b>
(c)	While on site, the audit team visited local districts and confirmed that the project management team has consistently and is currently working with communities to determine and mitigate any disputes that may arise over land tenure or ownership. Based on the interviews performed by the audit team no disputes exist at this time	N/A	N/A
(d)	While on site, the audit team visited local districts and confirmed that the project management team has consistently and is currently working with communities to determine and mitigate any disputes that may arise access/use rights. Based on the interviews performed by the audit team no disputes exist at this time	N/A	N/A
(e)	N/A – the project is not a WRC project	N/A	N/A
(f)	As the rights of use contracts have not changed, the legally binding commitment to continue the management practices confirmed at validation are still in place	See item (b) above	Risk rating is appropriate
(g)	N/A	N/A	N/A

**4.4.6 External Risk – Community Engagement**

<b>Risk</b>	<b>Assessment of rationale, assumptions and justification</b>	<b>Assessment of quality of documentation and data provided</b>	<b>Conclusion regarding appropriateness of the risk rating</b>
(a)	N/A	N/A	N/A



<b>Risk</b>	<b>Assessment of rationale, assumptions and justification</b>	<b>Assessment of quality of documentation and data provided</b>	<b>Conclusion regarding appropriateness of the risk rating</b>
(b)	While on site, the audit team visited all four districts comprising the project area. Interviews with local communities and the CEO of the District of Nyami Nyami confirmed claims in the initial risk report that people living outside the project boundary are not reliant on the project area. In addition, it was obvious to the audit team that given the remote nature of the project area, that the risk of villages outside of the project area to be reliant on the project area at this time does not exist. Moreover, the adjacent forested areas in general are bordered by uninhabited protected areas further confirming these claims	N/A	N/A
(c)	The project has been successfully certified under the CCB Standards and generates net positive impacts on the social and economic well-being of the local communities who derive livelihoods from the project area.	The certified CCB documentation can be considered high quality	Risk rating is appropriate

#### 4.4.7 External Risk – Political Risk

<b>Risk</b>	<b>Assessment of rationale, assumptions and justification</b>	<b>Assessment of quality of documentation and data provided</b>	<b>Conclusion regarding appropriateness of the risk rating</b>
(a)	-	-	N/A
(b)	The audit team downloaded dataset from World Bank Institute's Worldwide Governance Indicators (for the most recent five years, 2009-2014, as of November 2014) and confirmed the WGI score of -1.46	The dataset used is required by the AFOLU Non-Permanence Risk Tool, and can be considered high quality	Risk rating is appropriate

Risk	Assessment of rationale, assumptions and justification	Assessment of quality of documentation and data provided	Conclusion regarding appropriateness of the risk rating
(c)	-	-	N/A
(d)	-	-	N/A
(e)	-	-	N/A
(f)	N/A	N/A	N/A

**4.4.8 External Risk – Natural Risk**

Risk	Assessment of rationale, assumptions and justification	Assessment of quality of documentation and data provided	Conclusion regarding appropriateness of the risk rating
Fire	<p>Given the forest types comprising the project area and the expertise of the audit team with such, miombo and mopane woodlands are highly fire adapted and are susceptible to loss of carbon stocks from natural fire due to human created conditions. The success of the project in reducing these activities is sufficient for keeping the likelihood and significance of natural fire static.</p> <p>While on site, the audit team observed areas in which the “cold burning” described in the PD and monitoring reports have been implemented, therefore justifying the mitigation score.</p>	N/A	Risk rating is appropriate

Risk	Assessment of rationale, assumptions and justification	Assessment of quality of documentation and data provided	Conclusion regarding appropriateness of the risk rating
Pest and Disease Outbreaks	Given the forest types comprising the project area and the expertise of the audit team with such, miombo and mopane woodlands are highly resistant to pest and disease outbreaks. The audit team visited inventory plots across each district in the project area and confirmed that the species composition is consistent with the forest types listed above and therefore the risk of any changes to the ability of the forest areas to resist pest and disease outbreaks is insignificant	N/A	Risk rating is appropriate
Extreme Weather	No changes have occurred to the likelihood and significance of extreme weather since validation and the previous verification. The audit team is experienced working in the region and agrees that extreme weather does not pose a risk to the carbon stocks in the project area	N/A	Risk rating is appropriate
Geological Risk	No changes have occurred to the likelihood and significance of geological events since validation and the previous verification. The audit team is experienced working in the region and agrees that geological events do not pose a risk to the carbon stocks in the project area	N/A.	Risk rating is appropriate

In conclusion, the audit team found the risk analysis provided by the client to be accurate and well documented. The audit team agrees with the overall risk rating to be 16% as calculated according to the requirements of the AFOLU Non-Permanence Risk Tool. The total VCU's that should be deposited into the buffer account are as follows:

2012 – 230,974.5 tCO<sub>2</sub>e

2013 – 461,949 tCO<sub>2</sub>e

2014 – 230,974.5 tCO<sub>2</sub>e

## 5 VERIFICATION CONCLUSION

The audit team asserts, with no qualifications or limitations, that:

- The project complies with the verification criteria for projects and their GHG Emission Reductions or Removals set out in VCS Version 3
- The project complies with the validation criteria for projects set out in VCS Version 3

The audit team has been able to confirm that the project has been implemented in accordance with the project description and subsequently validated variations.

The audit team has been able to confirm, with a reasonable level of assurance, that the quantity of GHG Emission Reductions or Removals set out below has been quantified in accordance with the VCS rules. As documented in Section 4.4 above, the audit team can also confirm that the non-permanence risk score of 16% has been quantified in accordance with the VCS rules.

Monitoring Period: From 1 July 2012 – 30 June 2014

Verified GHG Emission Reductions or Removals in the above verification period:

Year	Baseline emissions or removals (tCO <sub>2</sub> e)	Project emissions or removals (tCO <sub>2</sub> e)	Leakage emissions (tCO <sub>2</sub> e)	Net GHG Emission Reductions or Removals (tCO <sub>2</sub> e)
2012	1,470,034	0	26,443	1,443,590
2013	2,940,067	0	52,887	2,887,181
2014	1,470,034	0	26,443	1,443,590
<b>Total</b>	5,880,135	0	105,773	5,774,362

## APPENDIX A: LIST OF FINDINGS

The findings below are a record of issues raised throughout the verification process. All responses from Project Personnel are titled “Client Response” and are a verbatim transcription of their responses.

### **NCR 2014.1 dated 12/01/2014**

**Standard Reference:** VCS Standard Version 3.4, Section 3.16.6; VCS Monitoring Report Template V3.3

**Document Reference:** MR\_Kariba\_MP2

**Finding:** The VCS Standard Requires that “The VCS Standard requires that “The project proponent shall use the VCS Monitoring Report Template and adhere to all instructional text within the template.” The VCS Monitoring Report Template requires the project proponent to follow the sections laid out in the template.

The MR\_Kariba\_MP2 does not follow the section headings as defined in the VCS Monitoring Template and therefore is not in conformance with the VCS Rules.

**Client Response:**

**Auditor Response:** The audit team was provided with a version of the Project Monitoring Report that was corrupted during download. The audit team re-downloaded the report prior to the site visit, therefore this finding is no longer applicable to the Project.

**Closing Remarks:** The Client’s response adequately addresses the finding.

### **NCR 2014.2 dated 12/01/2014**

**Standard Reference:** VCS Standard Version 3.4, Section 3.16.6; VCS Monitoring Report Template V3.3, Section 1.1

**Document Reference:** MR\_Kariba\_MP2 Section 1.1

**Finding:** The VCS Standard Requires that “The project proponent shall use the VCS Monitoring Report Template and adhere to all instructional text within the template.” The VCS Monitoring Report Template requires the project proponent to:

“Provide a summary description of the implementation status of the project, including the following (no more than one page):

- A summary description of the implementation status of the technologies/ measures (e.g., plant, equipment, process, or management or conservation measure) included in the project.
- The relevant implementation dates (e.g., dates of construction, commissioning, and continued operation periods).
- The total GHG Emission Reductions or Removals generated in this monitoring period.”

The MR\_Kariba\_MP2 does not include a section 1.1, nor the information required by such section and therefore is not in conformance with the VCS Rules.

**Client Response:** Already present in 1st submission.

**Auditor Response:** The audit team was provided with a version of the Project Monitoring Report that was corrupted during download. The audit team re-downloaded the report prior to the site visit, therefore this finding is no longer applicable to the Project.

**Closing Remarks:** The Client’s response adequately addresses the finding.

**NCR 2014.3 dated 12/01/2014**

**Standard Reference:** VCS Standard Version 3.4, Section 3.16.6; VCS Monitoring Report Template V3.3, Section 1.3

**Document Reference:** MR\_Kariba\_MP2 Section 1.3

**Finding:** The VCS Standard Requires that "The VCS Standard requires that "The project proponent shall use the VCS Monitoring Report Template and adhere to all instructional text within the template." The VCS Monitoring Report Template requires the project proponent to:

"Provide contact information for the project proponent(s). Copy and paste the table as needed."

The MR\_Kariba\_MP2 does not include all of the information required for the Project Proponent, specifically a telephone number and email address. In addition the information provided is not included in a tabular format as required and is therefore not in conformance to the VCS Rules.

**Client Response:** Updated.

**Auditor Response:** The Audit team was provided with an amended version of the Project Monitoring Report which contains the information required by the VCS Monitoring Report Template. The issues supporting this finding have been resolved.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NCR 2014.4 dated 12/01/2014**

**Standard Reference:** VCS Standard Version 3.4, Section 3.16.6; VCS Monitoring Report Template V3.3, Section 1.4

**Document Reference:** MR\_Kariba\_MP2

**Finding:** The VCS Standard Requires that "The VCS Standard requires that "The project proponent shall use the VCS Monitoring Report Template and adhere to all instructional text within the template." The VCS Monitoring Report Template requires the project proponent to:

"Provide contact information and roles/responsibilities for any other project participant(s). Copy and paste the table as needed."

The MR\_Kariba\_MP2 does not provide the contact person for the other entities involved in the Project and therefore is not in conformance to the VCS Rules.

**Client Response:** Contact person added for South Pole Carbon. Added Carbon Green Africa. Deleted Black Crystal & Environmental Africa as their past role in the project is ceased and all their functions are now operated by Carbon Green Investments and its Zimbabwean subsidiary Carbon Green Africa.

**Auditor Response:** As stated in the client response, the Project Monitoring Report has been amended to include the contact information, as required by the VCS Monitoring Report Template, therefore resolving this finding. The information provided in response to this finding, however, have led to the issuance of NCR 2014.6.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NCR 2014.5 dated 12/01/2014**

**Standard Reference:** VCS Standard Version 3.4, Section 3.16.6; VCS Monitoring Report Template V3.3, Section 1.9

**Document Reference:** MR\_Kariba\_MP2 Section 1.5

**Finding:** The VCS Standard Requires that "The VCS Standard requires that "The project proponent shall use the VCS Monitoring Report Template and adhere to all instructional text within the template." The VCS Monitoring Report Template requires that:

"All sections must be completed using Arial 10pt, black, regular (non-italic) font. Where a section is not applicable, same must be stated under the section (the section must not be deleted from the final document)."

Given that the Kariba monitoring report does not include section 1.9, the Project is not in conformance with the VCS Rules.

**Client Response:** As MR was based on last year's MR and the VCS template changed, there was a lack of update. Added and updated.

**Auditor Response:** As stated in the client response, the Project Monitoring Report has been amended to include the contact information, as required by the VCS Monitoring Report Template, therefore resolving this finding. The information provided in response to this finding,

**Closing Remarks:** The Client's response adequately addresses the finding.

**NCR 2014.6 dated 12/01/2014**

**Standard Reference:** VCS Standard Version 3.4, Section 3.16.6; VCS Monitoring Report Template V3.3, Section 2.2.1

**Document Reference:** MR\_Kariba\_MP2

**Finding:** The VCS Standard Requires that "The VCS Standard requires that "The project proponent shall use the VCS Monitoring Report Template and adhere to all instructional text within the template." The VCS Monitoring Report Template requires that:

"All sections must be completed using Arial 10pt, black, regular (non-italic) font. Where a section is not applicable, same must be stated under the section (the section must not be deleted from the final document)."

Given that section 2.2.1 (Methodology Deviations) is not included in the Kariba monitoring report the Project is not in conformance with the VCS Rules.

**Client Response:** Added and updated.

**Auditor Response:** As stated in the client response, the Project Monitoring Report has been amended to include the contact information, as required by the VCS Monitoring Report Template, therefore resolving this finding. The information provided in response to this finding,

**Closing Remarks:** The Client's response adequately addresses the finding.

**NIR 2014.7 dated 12/01/2014**

**Standard Reference:** NA

**Document Reference:** NA

**Finding:** The information on project size provided in the MOVERS database is consistent with what is presented in the monitoring report (784,987 ha), however, this value is not consistent with the shapefiles provided to the audit team (784,026 ha).

Please provide evidence that the value used to extrapolate carbon data is not resulting in an overestimation of GHG reductions or removals.

**Client Response:** We traced back the GIS process of the 2013 stratification layer bottom up and reproduced the file anew. The file provided in submission 1 was in total 999 hectare smaller than validated project area. We added 999 hectare of Non-Forest (carbon stock = 0) in order to conservatively achieve same area extent. We also merged 3 strata in 1 shapefile and dissolved all polygons per stratum in order to calculate a single, easily readable area extent per stratum for the whole project area in a single file.

**Auditor Response:** The audit team re-calculated the total project area confirming the difference of 999 hectares that was moved into the new deforested land-use class. The values are now consistent with the original project area and the emission reduction calculations, therefore resolving this issue.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NCR 2014.8 dated 01/19/2015**

**Standard Reference:** VCS Standard Version 3.4, Section 3.6.1; VCS Monitoring Report Template V3.3, Section 2.2.2

**Document Reference:** MR\_Kariba\_MP2, Section 2.2.2

**Finding:** The VCS Standard states that "Deviations from the project description are permitted at verification. The procedures for documenting the deviation depend on whether the deviation impacts the applicability of the methodology, additionality or the appropriateness of the baseline scenario. Interpretation of whether the deviation impacts any of these shall be determined consistent with the CDM Guidelines on assessment of different types of changes from the project activity as described in the registered PDD, mutatis mutandis. The procedures are as follows:

2) Where the deviation does not impact the applicability of the methodology, additionality or the appropriateness of the baseline scenario, and the project remains in compliance with the applied methodology, the deviation shall be described and justified in the monitoring report. This shall include a description of when the changes occurred and the reasons for the changes. The deviation shall also be described in all subsequent monitoring reports. Examples of such deviations include changes in the procedures for measurement and monitoring, or project design changes that do not have an impact on the applicability of the methodology, additionality or the appropriateness of the baseline scenario."

As a result of the closure of finding NCR 2014.4, specifically the addition of new contact information, the Project Monitoring Report now includes new information that constitutes a Project Description Deviation. Whereas, it is obvious that this information does not impact the applicability of the methodology, additionality or the appropriateness of the baseline scenario, and the project remains in compliance with the applied methodology, the deviation shall be described and justified in the monitoring report and therefore is not in conformance with the VCS Rules.

**Client Response:** Information provided outside the cover of this workbook.

**Auditor Response:** The client has updated the project monitoring report to include the project description deviation as a result of finding NCR 2014.4

**Closing Remarks:** The Client's response adequately addresses the finding.



**NCR 2014.9 dated 03/23/2015**

**Standard Reference:** VCS Standard Version 3.4, Section 3.16.6; VCS Monitoring Report Template V3.3, cover page

**Document Reference:** MR\_Kariba\_MP2, cover page

**Finding:** The VCS Standard Requires that "The VCS Standard requires that "The project proponent shall use the VCS Monitoring Report Template and adhere to all instructional text within the template." The VCS Monitoring Report Template requires the project proponent to:

The monitoring period date format should be DD-Month-YYYY to DD-Month-YYYY.

The date format for the monitoring period in the Kariba monitoring report does not follow this format and therefore is not in conformance with the VCS standard.

**Client Response:** Adapted in the MR.

**Auditor Response:** The monitoring report has been amended and the dating convention provided is now in conformance with the VCS monitoring report template.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NCR 2014.10 dated 03/23/2015**

**Standard Reference:** VCS Standard Version 3.4, Section 3.16.6; VCS Monitoring Report Template V3.3, Section 1.1

**Document Reference:** MR\_Kariba\_MP2, Section 1.1

**Finding:** The VCS Standard Requires that "The VCS Standard requires that "The project proponent shall use the VCS Monitoring Report Template and adhere to all instructional text within the template." The VCS Monitoring Report Template requires the project proponent to:

Provide a summary description of the implementation status of the project, including the following (no more than one page):

- The total GHG Emission Reductions or Removals generated in this monitoring period.

The Kariba monitoring report does not include the total GHG Emission Reductions or Removals generated in this monitoring period and therefore is not in conformance with the VCS Standard.

**Client Response:** Adapted in the MR.

**Auditor Response:** The monitoring report has been amended to include the GHG Emission Reductions or Removals for this monitoring period and is now in conformance with the VCS monitoring report template.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NCR 2014.11 dated 03/23/2015**

**Standard Reference:** VCS Standard Version 3.4, Section 3.16.6; VCS Monitoring Report Template V3.3, Section 1.4

**Document Reference:** MR\_Kariba\_MP2, Section 1.4

**Finding:** The VCS Standard Requires that "The VCS Standard requires that "The project proponent shall use the VCS Monitoring Report Template and adhere to all instructional text within the template." The VCS Monitoring Report Template requires the project proponent to:

Provide contact information and roles/responsibilities for any other project participant(s). Copy and paste the table as needed.

The Kariba monitoring report does not use the table included in the VCS monitoring report template to report the contact information for other entities involved in the project and therefore is not in conformance with the VCS Standard.

**Client Response:** Adapted in the MR.

**Auditor Response:** The monitoring report has been amended to include the tables required by the template and is now in conformance with the VCS monitoring report template.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NCR 2014.12 dated 03/23/2015**

**Standard Reference:** VCS Standard Version 3.4, Section 3.16.6; VCS Monitoring Report Template V3.3, Section 3.1

**Document Reference:** MR\_Kariba\_MP2, Section 3.1

**Finding:** The VCS Standard Requires that "The VCS Standard requires that "The project proponent shall use the VCS Monitoring Report Template and adhere to all instructional text within the template." The VCS Monitoring Report Template requires the project proponent to:

Provide the data and parameters available at validation.

The Kariba monitoring report does not use the table included in the VCS monitoring report template to report the data and parameters available at validation (specifically, the monitoring report excludes the row for "Purpose of the data") and therefore is not in conformance with the VCS Standard.

**Client Response:** Adapted in the MR.

**Auditor Response:** The monitoring report has been amended to include all of the information required by the data and parameters template tables and is now in conformance with the VCS monitoring report template.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NCR 2014.13 dated 03/23/2015**

**Standard Reference:** VCS Standard Version 3.4, Section 3.16.6; VCS Monitoring Report Template V3.3, Section 4.2-4.4

**Document Reference:** MR\_Kariba\_MP2, Section 4.2-4.5

**Finding:** The VCS Standard Requires that "The VCS Standard requires that "The project proponent shall use the VCS Monitoring Report Template and adhere to all instructional text within the template." Section 4.2 of the Kariba monitoring report lists the confidence deduction for the project. Confidence deduction is not included in the section headings of the monitoring report template. In addition, the inclusion of this section has caused a disagreement between the Kariba monitoring report and the VCS monitoring report template for section 4 and therefore is not in conformance with the VCS Standard.

**Client Response:** Adapted in the MR.

**Auditor Response:** The monitoring report has been amended to include only the main sections required by the VCS monitoring report template.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NCR 2014.14 dated 03/23/2015**

**Standard Reference:** VCS Standard Version 3.4, Section 3.16.6; VCS Monitoring Report Template V3.3, Section 4.1-4.3

**Document Reference:** MR\_Kariba\_MP2, Section 4.1-4.4

**Finding:** The VCS Standard Requires that "The VCS Standard requires that "The project proponent shall use the VCS Monitoring Report Template and adhere to all instructional text within the template." The VCS Monitoring Report Template requires the project proponent to:

"Quantify baseline emissions and/or removals providing sufficient information to allow the reader to reproduce the calculation. Attach electronic spreadsheets as an appendix or separate file to facilitate the verification of the results" (this is also the case for project emissions and leakage emissions).

Whereas, the audit team has been provided with the necessary workbooks, thus allowing the facilitation of verification of the results, the formulae necessary for the reader to reproduce the calculations have not been provided in the monitoring report and therefore is not in conformance with the VCS Standard.

**Client Response:** Neither VCS MR template v3.3 nor VCS v3.4 section 3.6.16 state the requirement to list formulae. We solve the final equation 34 that calculates ERs in the MR and give a reference to the provided "150331\_KARIBA ER MP 2\_V04.xlsx" ER calculation sheet.

**Auditor Response:** Whereas, there was some confusion created by the wording of the finding (specifically the use of the word formulae), the monitoring report has been amended to include sufficient information to allow the reproduction of the calculations leading to the baseline, project, and leakage emissions.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NCR 2014.15 dated 03/23/2015**

**Standard Reference:** VCS Standard Version 3.4, Section 3.16.6; VCS Monitoring Report Template V3.3, Section 4.4

**Document Reference:** MR\_Kariba\_MP2, Section 4.5

**Finding:** The VCS Standard Requires that "The VCS Standard requires that "The project proponent shall use the VCS Monitoring Report Template and adhere to all instructional text within the template." The VCS Monitoring Report Template requires the project proponent to:

"Quantify the net GHG Emission Reductions or Removals, summarizing the key results using the table below."

In addition, the VCS Monitoring Report Template requires the project proponent to:

"For AFOLU projects, include quantification of the net change in carbon stocks. Also, state the non-permanence risk rating (as determined in the AFOLU non-permanence risk report)."

The Kariba monitoring report does not use the table provided in the VCS Monitoring Report Template, nor does it include quantification of the net change in carbon stocks, or state the non-permanence risk rating (as determined in the AFOLU non-permanence risk report) and therefore is not in conformance with the VCS Standard.

**Client Response:** Adapted in the MR.

**Auditor Response:** The monitoring report has been amended to include the tables required by the template and is now in conformance with the VCS monitoring report template.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NIR 2014.16 dated 03/23/2015**

**Standard Reference:** AFOLU Requirements Section 3.7.3

**Document Reference:** Kariba\_AFOLU\_Risk\_Report; Section 1.1

**Finding:** The non-permanence risk report shall be prepared using the VCS Non-Permanence Risk Report Template, which may be included as an annex to the project description or monitoring report, as applicable, or provided as a stand-alone document."

The VCS Non-Permanence Risk Report Template Short requires that "All instructions, including this introductory text, should be deleted from the final document."

The Kariba Risk report includes instruction text under section 1.1. Please delete this text.

**Client Response:** Adapted in the report.

**Auditor Response:** The instructional text in the non-permanence risk report has been removed and is now in conformance with the template.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NIR 2014.17 dated 03/23/2015**

**Standard Reference:** AFOLU Non-Permanence Risk Tool v3.2; Section 2.2.3

**Document Reference:** Kariba\_AFOLU\_Risk\_Report; Section 1.3

**Finding:** In order to claim the mitigation score for item (h), the risk tool requires that the project be protected by legally binding commitment to continue management practices that protect the credited carbon stocks over the length of the project crediting period."

Whereas, the audit team agrees that the project meets this requirement, the Kariba risk report states that the project generates net positive impacts on the social and economic well-being of the local communities who derive livelihoods from the project area." There appears to be some confusion as to the requirements for this indicator and the mitigation indicator for community engagement. Please correct this error in the Kariba risk report.

**Client Response:** Adapted in the report.

**Auditor Response:** The risk report has been amended to include language referencing the legally binding commitment that was confirmed during the site visit and is now in conformance with the risk tool.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NCR 2014.18 dated 03/23/2015**

**Standard Reference:** AFOLU Non-Permanence Risk Tool v3.2; Section 2.3.3

**Document Reference:** Kariba\_AFOLU\_Risk\_Report; Section 2.3

**Finding:** The risk tool require that the political risk score should "be calculated from the mean of Governance Scores across the six indicators of the World Bank Institute's Worldwide Governance Indicators (WGI) 1, averaged over the most recent five years of available data."

The Kariba risk report claims item (a) for the political risk score as averaged over the most recent 5 years of data (2007-2011). The audit team performed a recalculation according to the current WGI governance scores and found that the most recent 5 years of data is (2009-2014) -1.46. Whereas, this does not affect the resulting risk score, the project did not use the most recent 5 years of data and therefore is not in conformance with the tool.

**Client Response:** Adapted in the calculation tool.

**Auditor Response:** The risk report has been amended to include the appropriate date range for the political risk score and is now in conformance with the risk tool.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NIR 2014.19 dated 03/23/2015**

**Standard Reference:** AFOLU Non-Permanence Risk Tool v3.2; Section 2.2.4

**Document Reference:** Kariba\_AFOLU\_Risk\_Report; Section 1.4

**Finding:** In order to meet the requirements of the project longevity section of the risk tool requires "For all AFOLU project types, the entire project longevity shall be covered by management and financial plans as submitted to local government or financial institutions, or otherwise made public, in which the intention to continue management practices is stated and planned for, and may include external evidence such as municipal land-use plans, institutional structures, or tools such as ecological-economic zoning."

Please provide evidence that the entire project longevity is covered by management and financial plans as submitted to local government or financial institutions, or otherwise made public.

**Client Response:** We submit the word document "150401\_Kariba\_Explanations to Longevity.docx" where we give background and make references to other supporting documents to clarify how the project has addressed Longevity through the Kariba REDD+ Project Trust Fund.

**Auditor Response:** The additional documentation provided to the audit team that the entire project longevity is covered by management and financial plans as submitted to local government or financial institutions, or otherwise made public provides sufficient evidence for resolving this issue.

**Closing Remarks:** The Client's response adequately addresses the finding.

**NCR 2014.20 dated 03/23/2015**

**Standard Reference:** VM0009 v1.1 (equation 36)

**Document Reference:** Kariba\_ER\_M2\_v02 (equation 36)

**Finding:** The VM0009 methodology requires that for equation 36 the user use the current monitoring period be used for [m] when calculating average uncertainty.

Cell C88 of the Kariba\_ER\_M2\_V02 references a combination of this year's monitoring values and the previous year's monitoring values and therefore is not in conformance with the methodology.

**Client Response:** Corrected in the ER calculation sheet.

**Auditor Response:** As stated in the client response, the ER calcs workbook has been updated to include the correct equation for average uncertainty. This issue is therefore resolved.

**Closing Remarks:** The Client's response adequately addresses the finding.