

Response to public comments received on the Draft Second Edition Version 1.0,

9 October 2008

Version 1.0 of the Second Edition of the Climate, Community & Biodiversity (CCB) Standards was posted for public comment on www.climate-standards.org for 60 days from June 14 to August 12, 2008. This response has been prepared by the Climate, Community & Biodiversity Alliance to comments received on Version 1.0, including the 28 comments submitted via the public comment submission forms.

General criteria and general comments

***Comment:** Provide clarification on the level of stakeholder involvement required for projects with activities that were implemented prior to applying for CBB certification.*

Response: Project proponents should be able to demonstrate that local communities and other stakeholders were involved in project development as required by the CCB Standards. Where projects are applying for CCB validation retrospectively, they should be able to demonstrate that the communities and other stakeholders agree that the project has been designed in such a way that respected their interests and rights and provides them with benefits that they agree are fair and equitable.

Action: New footnote added to G3.8. “Where conformance with CCB Standards is being applied to a project already under implementation, project proponents must either provide documentation of appropriate consultation during the project design phase or demonstrate how more recent consultations have been effective in adapting project design and implementation to optimize community and stakeholder benefits and respect local customs.”

***Comment:** The requirement for ‘knowledge dissemination’ can potentially conflict with the interests of project developers to keep information and acquired knowledge confidential.*

Response: We agree that it is not appropriate to require that lessons learned are disseminated more widely beyond the project staff and partners. Adaptive management, while in principle a good thing, is hard to define, demonstrate and audit. This has led to a decision to delete G8 Adaptive Management and Knowledge Dissemination criterion to streamline the requirements to for good multiple benefit projects. This criterion also does not seem to fit well in the Gold Level criterion that focuses on the identification of pro-poor projects so should probably be dropped entirely.

Action: G8 Adaptive Management and Knowledge Dissemination deleted from Version 2.0.

***Comment:** Require project proponents to implement plans as well produce them.*

Response: CCB Standards are formulated as a project design standard that evaluates whether project design is likely to achieve significant climate, community and biodiversity benefits. It is therefore sufficient for CCB Validation to demonstrate that an adequate plan is in place to achieve CCB criteria. CCB Verification, required within five years of validation or of each subsequent verification, will verify that project plans have been implemented.

Action: CCBA plans to improve guidance on CCB Validation and Verification.

***Comment:** Establish a mechanism whereby third parties can report breaches of the standard before the required 5-year verification.*

Response: This is an important issue. The rules for issuance and revocation of CCB Validation or Verification Certificates and for use of CCB logos are under review and will include a mechanism to receive, evaluate and act on third-party reports about projects during their implementation.

Action: CCBA plans to include a complaints and evaluation procedure in rules and procedures for issuance of CCB certificates currently under development.

Comment: *Keep the Silver Level to provide greater motivation and market appeal for good quality projects that do not achieve the exceptional requirements for Gold Level, or give Silver Level to those that achieve one Gold criterion, Gold to those that achieve two and Platinum to those that achieve three.*

Response: We have received several comments from the buyer side that too many levels are confusing and even start to raise concerns about the value of the basic ‘approved’ level. The Second Edition aims to ensure that all ‘approved’ level CCB projects are understood to be of very high quality. The Gold level is reserved for projects of exceptional benefit (conserving sites of high global biodiversity priority, helping the world’s poorest people and making a significant contribution to help adaptation to climate change) to help channel carbon investment and even premiums to these projects. The achievement of higher levels is no longer linked to improved process as in the First Edition but to higher value impact. It is expected that only a limited group of all potential CCB projects could achieve Gold level.

Action: The approved and gold level have been maintained in Version 2.0.

Comment: *Revenues generated through the sale of environmental commodities should be included in the resources considered in demonstrating adequate budgeting for project implementation.*

Response: Proposal accepted.

Action: G3.11 has been changed to “Demonstrate that financial mechanisms adopted, including projected revenues from emissions reductions and other sources, are likely to provide an adequate flow of funds for project implementation and to achieve the anticipated climate, community and biodiversity benefits.”

Comment: *Requirements for documentation and plans are onerous and may be beyond the capacity of smaller scale community-led projects. Could requirements for documentation be less stringent for smaller scale projects?*

Response: CCB Standards wants to foster small-scale land-based carbon projects, since these have great potential to support small land-holders and provide tangible local benefits. However, it will always be important for all projects, small-scale or otherwise, to provide sufficient evidence of their multiple benefits. Although a worthwhile issue to address, we have decided to focus on improvement of the full standard for all project scales, and to consider less stringent rules for small-scale projects once there is greater feedback from the application of the Second Edition.

Action: Consider potential development of CCB Standards for small-scale projects in the future.

Comment: *Include a requirement to define an implementation schedule, indicating key dates and milestones in the project’s development such as feasibility studies, signature of financing deals, local and national approvals, EIAs, establishment of management entity etc.*

Response: Accepted.

Action: G3.4 has been changed to “Define the project timeframe and crediting period and explain and justify any differences between them. Define an implementation schedule, indicating key dates and milestones in the project’s development.”

Comment: *Require identification and status of the project proponents and the management entity eg NGO, Private, consortium and their mandate from the carbon (land) owner.*

Response: It is important to be able to identify the project proponents and the management entity and the roles and responsibilities of different partners. Note that the mandate from the carbon owner is already required in G5.6.

Action: G4.1 has been changed to “Identify the project proponent and the composition and governance of the management entity describing the roles and responsibilities of the participating organizations or individuals where appropriate.”

Comment: *References to workers should explicitly state that ‘workers’ include anyone working on or with respect to the project, including employees, contracted labor, and all sub-contracted labor.*

Response: Accepted.

Action: The definition of ‘workers’ has been changed in Appendix B. Glossary and added as a footnote in G4.5 as follows “For the purposes of the CCB Standards, ‘workers’ are defined as people directly working on project activities in return for compensation (financial or otherwise), including employees, contracted workers, sub-contracted workers and community members that are paid to carry out project-related work.

Comment: *The public comment requirements should facilitate local input to the CCBA public comments to the auditor rather than a process managed by the proponent*

Response: Accepted.

Action: G3.9 becomes “Describe what specific steps have been taken, and communications vehicles used, to publicize the CCBA public comment¹ period to the communities and to other stakeholders and facilitate their submission of comments to CCBA. Project proponents must play an active role in distributing key project documents to affected communities and stakeholders and hold widely publicized information meetings in relevant local or regional languages.

Climate Criteria

Comment: *Without specifying methodologies which are to be applied, the assessment of carbon benefits remains vague. Make the list of approved carbon stock estimation methodologies more visible on the web site.*

Response: The CCB Standards are not a full carbon accounting standard so can not enable a full audit of the quantified emissions reductions claims. The CCB Standards could just require projects to use a carbon accounting standard and remove all criteria related to climate benefits. This would make it clear that CCB Standards are entirely concerned with community and biodiversity impacts of land-based carbon projects. However this would also reduce the potential flexibility of using the CCB Standards for project types and sizes for which carbon accounting standards do not exist or are too costly. It also limits the utility of CCB Standards as a means of building support for a project early in project design, potentially before a relatively costly carbon accounting standard is justified or necessary. Removal of climate criteria would also be a very big change from the existing standard. For these reasons we have decided to maintain the climate criteria but to use all opportunities to clarify that CCB Standards do not provide assurances on quantification of carbon, only on net climate benefit.

Action: The requirements for carbon accounting methodologies in G1, G2, CL1 have been changes as follows: “*using IPCC 2006 GL for AFOLU or a more robust and detailed*

¹The CCBA public comment period is the process whereby CCBA posts project documents that are under evaluation by an auditor for conformance with CCB Standards on www.climate-standards.org for at least 30 days with an invitation and link for public comments to which the auditor must respond in the audit report.

*methodology*². This removes the responsibility from CCBA to define acceptable carbon accounting methodologies and puts the responsibility on the project proponent to justify that the methodology used is at least as rigorous and detailed as IPCC 2006 GL and on the auditor to evaluate whether the methodology is appropriate and has been correctly applied. This enables innovation but also reduces the work involved as it does not require projects to use IPCC 2006 GL when they are using another robust methodology for their chosen accounting standard. We will also require that the carbon accounting methodology used should be stated on the audit report and included on the CCBA project database.

Comment: *The threshold for the requirement to estimate the net change in the emissions of CH4 and N2O in the with and without project if those gases should be if they account for more than 10% (in terms of CO2 equivalents) of the project's overall GHG impact and not 5% as in v1.0.*

Response: The 5% threshold in Version 1.0 is in line with VCS and CDM requirements. See http://cdm.unfccc.int/EB/031/eb31_repan16.pdf

Action: No change in Version 2.0.

Comments: *Require a proportion of credits generated to go into a buffer to reduce risks to permanence of the climate benefits*

Response: Mechanisms to reduce risks to permanence such as the proposed buffer system are usually integrated into the chosen carbon accounting standard. The CCB Standards should not require one particular mechanism, since CCB Standards can be combined with different accounting standards that can employ different approaches.

Action: G3.7 of Version 2.0 requires that project proponents “Demonstrate that measures will be taken to enhance the permanence of climate, community and biodiversity benefits through and beyond the project lifetime.”

Comments: *Why create special requirements for REDD projects? Why not include the avoided conversion/degradation of non-forest systems that store carbon in addition to REDD?*

Response: Special requirements are maintained for projects reducing amount of emissions (not exclusively REDD but also covering avoided conversion/degradation of non-forest and some improved forest management projects) to add more stringent requirements than IPCC 2006 GL but these have been simplified by moving the issues related to leakage to CL2 and moving the description of drivers to another general section in G2.

Action: G2. has been changed to “Projects generating carbon credits from activities that reduce GHG emissions going into the atmosphere (such as those reducing emissions from deforestation and forest degradation REDD, or avoiding conversion of non-forest land and certain improved forest management projects), must include an analysis of the relevant drivers and rates of deforestation and/or degradation and a description and justification of the approaches, assumptions and data used to perform this analysis³. Regional-level estimates can be used at the project’s planning stage as long as there is a commitment to evaluate locally-specific carbon stocks and to develop a project-specific spatial analysis of deforestation/degradation using an appropriately robust and detailed carbon accounting methodology before the start of the project⁴.”

Comments: *Enhance the permanence does not make sense since permanence is not a variable.*

² In cases where a published methodology is used, the full reference must be given and any deviations from the published methodology must be explained.

³ The analysis may use a model based on historical rates and patterns of deforestation and degradation or alternatively, the analysis may include predicting the expected increases or decreases in deforestation and degradation.

⁴ For the purposes of the CCB Standards the ‘start of the project’ is defined as the start of implementation of activities that will directly cause the project’s expected GHG emissions reductions or removals.

Response: Accepted

Action: Wording of G3.7 has been changed to “Describe the measures that will be taken to maintain and enhance the climate, community and biodiversity benefits through and beyond the project lifetime.”

Community Criteria

Comment: Introduce the concept of ‘beneficiaries’ as well as communities.

Response: Beneficiaries are already included among the terms ‘communities’ and ‘other stakeholders’ as defined in Version 1.0 so it does not seem helpful to add another term.

Action: No change in Version 2.0.

Comment: The requirement CM2.3 that project proponents demonstrate that the project is not likely to result in net negative impacts on the wellbeing of any offsite stakeholder groups is too ambitious.

Response: It is generally understood that identification of ‘other stakeholders’ does not require analysis to an extreme degree of all groups that could be affected by the project.

Action: A qualifier has been added to limit ‘other stakeholders’ to the ‘main’ groups living off site that are potentially affected. See footnote to G3.8 “For the purposes of the CCB Standards ‘other stakeholders’ are defined as the main groups potentially affected by the project activities that are not living on or adjacent to the project site.”

Comment: Make it a requirement for Gold Level only to: (i) describe socio-cultural details like a description of shared history, shared culture, shared livelihood systems, shared relationships with one or more natural resources and shared customary institutions and rules governing the use of resources; (ii) include a significant capacity-building (training, skill building, etc.) and follow best practices in local stakeholder employment, worker rights, worker safety and a clear process for handling any grievances; (iii) maintain or enhance the high ecosystem service conservation value in the project zone because of their importance to the communities’ wellbeing.

Response: Criterion GL2 Exceptional Community Benefits for Gold Level is reserved for projects that make a significant contribution to reducing the poverty of poorer and more vulnerable groups in a global context. It does not make sense to give a Gold Level to projects with a more detailed description. In addition, the requirement to maintain and enhance high conservation values of critical or fundamental importance to local people and also best practices on worker rights, grievance procedures should be mandatory for a CCB project that wants to demonstrate their high social and environmental benefits.

Action: The wording has been changed in Version 2.0 so that shared characteristics are examples of relevant socio-cultural information rather than required.

Comment: It is astonishing that the requirements presented in this section only earn additional points for the ‘Gold Level Section’ and are not already included as mandatory in the ‘Community section’.

Response: Projects aspiring to achieve the Gold Level for exceptional community benefits must target benefits to poorer communities **on a global scale**, and poorer individuals within those communities. Version 1.0 ensures that all groups within communities affected by the project, including the poorer ones, receive net benefits for projects anywhere in the world. The Gold Level can only be achieved if ‘the project is in a low human development country OR in an

administrative area of a medium or high human development⁵ country that is relatively poor such that at least 50% of the population of that area is below the national poverty line.’

Action: The qualifier “globally poorer communities’ has been added to the concept of GL2 Exceptional Community benefits.

Comment: *Shifting land tenure from local to external ownership should be prohibited. Shifting land tenure from community/public ownership or dispersed private ownership to concentrated ownership in the hands of one owner or “group ownership” (such as investment group) should be prohibited. The majority of payments for ecosystem services must remain in the community where land is located.*

Response: Version 1.0 G5.1 requires that the project does not encroach on property rights, including lands that communities have traditionally owned, occupied or otherwise acquired without the free, prior, informed consent of those whose rights will be affected. There should be no unresolved disputes over tenure or use rights to land or resources in the project zone by the start of the project. This formulation follows that of the UN Declaration on the Rights of Indigenous Peoples and respects the decisions of rights holders rather than prohibiting certain kinds of agreements about changes in land ownership. Following the same argument, it is not appropriate for the standard to dictate the proportions of revenues that should flow to each rights holder, local or otherwise, since this will necessarily vary according to the circumstances of each agreement. The important issue is that a transparent process must be adopted to reach agreement on sharing of revenues and other costs and benefits that enables a fair and equitable agreement.

Action: Legal Status and Property Rights have been merged into one criterion to and the relevant indicator is now G5.4.

Biodiversity Criteria

Comment: *The definition of ‘biodiversity’ should include an appreciation of the importance of the site as a contribution to global biodiversity, recognizing that conserving endemic species has value over species richness which could be greater in disturbed areas*

Response: The concern raised in these comments is that biodiversity could be interpreted narrowly as just being measured as species richness. Considering that some degraded systems can contain a greater diversity of species, there is concern that the current definitions of biodiversity in the CCB Standards do not give sufficient explicit weight to the importance of native, undisturbed and endemic elements of biodiversity. The definition of biodiversity in the CCB Standards are covered in G1 where it is referred to as diversity of species and ecosystems (with a footnote ‘equating to habitat types, biotic communities, ecoregions, etc.) and in the Glossary Appendix B where the standard CBD definition is given ‘the variability among living organisms from all sources including, inter alia, terrestrial, marine & other aquatic ecosystems and the ecological complexes of which they are part; this include diversity within species, between species and of ecosystems’. Recognition of the relative contribution of species and ecosystems in the project zone to conserving global biodiversity is included in the requirement to enhance or maintain the high conservation values. “Projects should maintain or enhance any high conservation values (identified in G1) present in the project zone that are of importance in conserving globally, regionally or nationally significant biodiversity.”

Action: No change to Version 2.0.

⁵ Low, Medium, and High Human Development Countries defined in the latest UNDP Human Development Report http://hdr.undp.org/en/media/hdr_20072008_en_complete.pdf

Comment: *Enabling projects to achieve Gold Level by justifying that the site is important for bioregionally restricted assemblages (GL2, 2.5) without a clearer definition or threshold makes this criterion weak and difficult to audit.*

Response: Valid comment.

Action: GL3.2.5 has been changed to “Bioregionally restricted assemblages - 5% or more of the population of a species endemic to a given bioregion at the site AND 25% of all species known to be endemic to that bioregion at the site⁶.”

Comment: *Any use or introduction of GMOs should be prohibited.*

Response: **Given the serious** ethical, scientific and socio-economic issues surrounding GMOs, and particularly the concern that some GMO attributes may result in invasive genes or species we have decided that projects cannot use GMOs to generate GHG emissions reductions or removals.

Action: Version 2.0 returns to the language of the First Edition of CCB Standards that required project proponents to ‘Guarantee that no GMOs will be used to generate GHG emissions reductions or removals’.

Comment: *‘Ecosystem’ should be more thoroughly defined in reference to size and scope of the classification.*

Response: The definition of ecosystems used in Version 1.0 (Glossary Appendix B) is that of the CBD ‘a dynamic complex of plant, animal and micro-organism communities and their non-living environment interacting as a functional unit’. It is true that this does not give guidance on ‘size and scope’. This is also a problem for the application of with the HCVF 3 (G1.8.3) which requires evaluation of the presence of any ‘Threatened or rare ecosystems⁷’. Ideally, it would be possible to refer to a clear definition of ecosystems and identification of those that are ‘rare or threatened’.

Action: Users are referred to country and regional guidance available through the HCV Resource Network.

Comment: *In light of the shortcomings of the IUCN Red List, the standard should require consultation with locally developed lists of threatened species when available.*

Response: The footnote explaining the term ‘threatened species’ (G1) does require reference to locally developed lists as follows: “Additional national or regional listings should also be used where these may differ from the IUCN Red List”.

Action: No change to Version 2.0.

Comment: *Ensure that monitoring variables are directly linked to biodiversity objectives and anticipated impacts (negative and positive).*

Response: Proposal accepted.

Action: Wording for biodiversity monitoring B3.1 and also for community aspects CL3.1 has been changed to “ensuring that monitoring variables are directly linked to the project’s biodiversity objectives and to anticipated impacts (positive and negative).”

⁶ For the purposes of indicator GL3.2.5., bioregions should be defined at a minimum following the ecoregional classifications used by Olson et al. (2001) for terrestrial, Abell et al. (2008) for freshwater or Spalding et al. (2007) for marine biomes and species should be restricted to those groups for which good data exist (e.g. most vertebrates, some invertebrates and plants).

⁷ Includes ecosystems or associations of species (intact or not) that have always been rare and those which are now rare or greatly reduced and where intact examples are very rare even if heavily disturbed or degraded.

Comment: Exclude projects that use non- native species.

Response: Non-native species can generate strong climate and community benefits while not being harmful to biodiversity and potentially even being beneficial, for example by providing improved habitats (eg nesting/shelter/protection from predators to encourage movement between fragmented native habitats etc) compared with a baseline. Projects should not be excluded from using non-native species but should justify the benefits of their use over native alternatives while also complying with the CCB requirements to demonstrate that overall biodiversity benefits from the project are positive and also that no high conservation values, such as threatened species, are negatively impacted so no changes should be made.

Action: No change to Version 2.0.

Comment: Clarify the definition of invasive species.

Response: Suggestion accepted.

Action: Invasive species definition has been changed to “Those non-native species which threaten ecosystems, habitats or species, including (but not limited to) any species listed on the Global Invasive Species Database (<http://www.issg.org/database/>.” in a footnote and in tools and glossary appendices.

Comment: Ensure no offsite high biodiversity conservation values will be negatively impacted by the project.

Response: CCB Standards require that any high conservation values identified within the project zone (includes project site and boundaries of surrounding communities) are enhanced or maintained and also require that any negative impacts on biodiversity offsite are identified and mitigated such that the overall biodiversity impact of the project is positive. Although desirable, we recognize that it is beyond reasonable expectation to require that project proponents identify high conservation values beyond the project zone and then require them to ensure no negative impact.

Action: No change to Version 2.0.

Comment: Projects with large non-native plantations and much smaller components supporting conservation of sites of global significance as high biodiversity conservation priorities should not merit Gold Level.

Response: All projects (including any non-native plantation components) must demonstrate overall biodiversity benefit and no negative impact on high biodiversity conservation values in the project zone. If the overall project achieves these requirements and results in a positive contribution to biodiversity conservation in a sites of global significance as high biodiversity conservation priorities then it should merit the Gold Level, regardless of the relative proportions of their activities using native and non-native species.

Action: No change to Version 2.0.

Comment: Add a footnote explaining ‘the precautionary approach’ G3.6

Response: Accepted

Action: A footnote has been added to G3.6 and a definition added to Appendix B Glossary as follows “Recognizing that lack of certainty regarding the threat of environmental harm should not be used as an excuse for not taking action to avert that threat, see <http://www.pprinciple.net.>”