Validation Statement

VALIDATION OF THE CCBA-PROJECT:
BIKIN TIGER CARBON PROJECT - PERMANENT PROTECTION OF OTHERWISE LOGGED BIKIN FOREST IN PRIMORYE, RUSSIA

REPORT NO. 600500624 - 20

11 January 2013

TÜV SÜD Industrie Service GmbH
Carbon Management Service
Westendstr. 199 - 80686 Munich – GERMANY
Validation of the CCBA Project:
Bikin Tiger Carbon Project - Permanent protection of otherwise logged Bikin Forest in Primorye, Russia

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Subject: Validation of the CCBA Project “Bikin Tiger Carbon Project - Permanent protection of otherwise logged Bikin Forest in Primorye, Russia”

Accredited TÜV SÜD Unit:
TÜV SÜD Industrie Service GmbH
Certification Body “climate and energy”
Westendstr. 199
80686 Munich, Germany

TÜV SÜD Contract Partner:
TÜV SÜD Industrie Service GmbH
Carbon Management Service
Westendstr. 199
80686 Munich, Germany

Project Participants:
- Tribal Commune Tiger (TCT)
- CF Partners (UK) LLP

Other entities involved:
- WWF Germany
- WWF Russia (Amur Branch)

Project Site(s):
The project area covers 450,374 hectares of forest in Primorsky Krai, south-eastern Russia. The PDD includes information on geographic boundary. Digital boundary files are provided.

Applied Methodology / Version: CCBS / Version No. 2

First PDD Version:
Date of issuance: 10 Jan 2012
Version No.: 01

Final PDD version:
Date of issuance: 09 Jan 2013
Version No.: 1.3

Assessment Team Leader:
Sebastian Hetsch

Technical Reviewer
Robert Mitterwallner, Martin Seitz

Assessment Team Member:
Igor Kachan

Certification Body responsible:
Thomas Kleiser

Summary of the Validation Opinion:
☑ The review of the project design documentation and the subsequent follow-up interviews have provided TÜV SÜD with sufficient evidence to determine the fulfillment of all stated criteria. In our opinion, the project meets all relevant requirements for the CCB Standards. Hence, TÜV SÜD is recommending the project for registration by CCBA.

☐ The review of the project design documentation and the subsequent follow-up interviews did not provide TÜV SÜD with sufficient evidence to determine the fulfillment of all stated criteria. Hence, TÜV SÜD will not recommend the project for registration by CCBA and will inform the project participants and CCBA on this decision.
**Summary of CCBA requirements:**
The following table resumes the compliance of the different sections of the CCBA standards. Detailed findings are presented in the Validation Report # 600500624 - 20:

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<th>Section</th>
<th>Status</th>
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<tr>
<td><strong>General Section</strong></td>
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<tr>
<td>G1. Original Conditions in the Project Area</td>
<td>✔️</td>
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<tr>
<td>G2. Baseline Projections</td>
<td>✔️</td>
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<td>G3. Project Design and Goals</td>
<td>✔️</td>
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<td>G4. Management Capacity and Best Practices</td>
<td>✔️</td>
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<td>G5. Legal Status and Property Rights</td>
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<td><strong>Climate Section</strong></td>
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<td>CL1. Net Positive Climate Impacts</td>
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<tr>
<td>CL2. Offsite Climate Impacts (“Leakage”)</td>
<td>✔️</td>
</tr>
<tr>
<td>CL3. Climate Impact Monitoring</td>
<td>✔️</td>
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<tr>
<td><strong>Community Section</strong></td>
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<tr>
<td>CM1. Net Positive Community Impacts</td>
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<td>CM2. Offsite Community Impacts</td>
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<tr>
<td>CM3. Community Impact Monitoring</td>
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</tr>
<tr>
<td><strong>Biodiversity Section</strong></td>
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<td>B3. Biodiversity Impact Monitoring</td>
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<tr>
<td><strong>Gold Level Section</strong></td>
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<tr>
<td>GL1. Climate Change Adaptation Benefits</td>
<td>NA</td>
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<tr>
<td>GL2. Exceptional Community Benefits</td>
<td>NA</td>
</tr>
<tr>
<td>GL3. Exceptional Biodiversity Benefits</td>
<td>✔️</td>
</tr>
</tbody>
</table>

| Approved Status | ✔️ |
| Gold Status     | ✔️ |
VALIDATION OPINION

TÜV SÜD performed a validation of the proposed CCBA project activity “Bikin Tiger Carbon Project - Permanent protection of otherwise logged Bikin Forest in Primorye, Russia”.

Standard auditing techniques have been used for the validation of the project. A methodology-specific protocol for the project has been prepared to conduct the audit in a transparent and comprehensive manner.

The review of the project design documentation, subsequent follow-up interviews and further verification of references provided TÜV SÜD with sufficient evidence to determine the fulfilment of stated criteria in the protocol. In our opinion, the project meets all relevant requirements of the CCBS second edition. Therefore, TÜV SÜD recommends the project for registration by CCBA. According to the scorecard approach introduced by CCBA (second edition), TÜV SÜD considers the project to comply with Gold Level requirements of CCBS.

An analysis as provided by the applied methodology demonstrates that the proposed project activity is not a likely baseline scenario. GHG removals attributable to the project are additional to any that would occur in the absence of the project activity. Given that the project is implemented as designed, the project is likely to achieve the estimated amount of GHG removals as specified within the final PDD version.

In this context it is underlined that from the auditor’s perspective a combined audit of CCB Standards and VCS is feasible as CCBA does not foresee the actual issuance of carbon credits. Thus, no immediate risk of double counting is considered to exist. However, TÜV SÜD refrains from liabilities related to ownership of carbon rights and credit issuance.

The validation is based on the information made available to us, as well as the engagement conditions detailed in this report. The validation was performed following the VVM requirements. The single purpose of this report is its use during the registration process as part of the CCBA project cycle.

Munich, 11 January 2013

Thomas Kleiser
Certification Body “climate and energy”
TÜV SÜD Industrie Service GmbH

Munich, 11 January 2013

Sebastian Hetsch
Assessment Team Leader
TÜV SÜD Industrie Service GmbH