Climate, Community, and Biodiversity Alliance
Project Validation / Verification Report v2

The International Small Group & Tree Planting Program
TIST Program in Kenya
CCB-002

21 December 2011

Project No. VO11041.01

Validation and Verification Conducted by:

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ANSI ACCREDITED PROGRAM
GREENHOUSE GAS
VALIDATION AND VERIFICATION
0800

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Climate, Community, and Biodiversity Alliance
TIST Program in Kenya CCB-002 Validation/Verification Report

Introduction

This report presents the findings of an audit conducted by Environmental Services, Inc. (ESI), to validate and verify the claims made by the TIST program in Kenya that the CCB-002 project conforms to the Climate, Community, and Biodiversity Project Design Standards (Second Edition- December 2008). ESI is accredited by the American National Standards Institute (ANSI) under ISO 14065:2007 for greenhouse gas validation and verification bodies and is an approved auditor for the Climate, Community, and Biodiversity Alliance (CCBA) to perform such validations and verifications.

Contact Information

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3rd Party Auditors	Environmental Services, Inc.
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Validation /Verification Details

Validation/Verification Standard	Climate Community and Biodiversity Standard (Second Edition – December 2008)
Validation/Verification Criteria	ESI followed the criteria and validation/verification guidance documents provided by CCBA located at www.climate-standards.org. These documents included the following: a) *Project Design Standards (Second Edition, December 2008)* b) *Rules for the use of the Climate, Community, & Biodiversity Standards, Version June 21, 2010.*
Level of Assurance	The level of assurance was used to determine the depth of detail that the validator/verifier placed in the validation/verification plan to determine if there were any errors, omissions, or misrepresentations (ISO 14064-3:2006). ESI selected samples of data and information to be validated and verified, to provide *reasonable assurance*.
Validation/Verification Scope	The scope of the validation included the review of all project documentation provided by the project developer and the appropriate level of fact finding by the validator during the on-site visit. The validator used evidence such as, but not limited to, interviews with stakeholders and project proponents, review of supporting records and reports. The scope of the verification, included the GHG project and baseline scenarios; physical infrastructure, activities, technologies and processes of the GHG project; GHG sources, sinks and/or reservoirs; types of GHG's; periods covered; and the evaluation of the project's net climate, community, and biodiversity benefits. Period of evaluation: 1 January 2004 to 8 June 2011.
Validation/Verification Date(s)	9 July 2011 – 15 December 2011
Materiality	Materiality is a concept that errors, omissions and misrepresentations could affect the project design assertions and influence the intended users. CCB does not specifically outline a materiality threshold; however, ESI used a 5% threshold for evidence. If a non-conformance was discovered, the project developer was given the opportunity to correct the non-conformity to the project design document within a reasonable timeframe (within 30 days).
Site Visits	9-19 July 2011

Validation/Verification Team	• Shawn McMahon – Lead Validator/Verifier (330-833-9941/ smcmahon@esinc.cc) • Caitlin Sellers – Validator/Verifier Trainee (csellers@esinc.cc/ 904-361-8227) • Rich Scharf – Validation/Verification Team Member (rscharf@esinc.cc / 252-402-7354) • Janice McMahon – QA/QC (jmcmahon@esinc.cc / 330.833.9941)
Final Documents from Client	• TIST KE PD-CCB-002a PD Text 111102.doc • TIST KE PD-CCB-002b App01 LSat1990 Map.jpg • TIST KE PD-CCB-002c App02 LSat2000 Map.jpg • TIST KE PD-CCB-002d App03 PA Plots 111102.kml • TIST KE PD-CCB-002e App04 Data 111102.xls • TIST KE PD-CCB-002f App05 Implementation Rpt 111102.doc • TIST KE PD-CCB-002g App06 Monitoring Plan 111102.doc • TIST KE PD-CCB-002h.App07 Monitoring Report 111102.doc
Timeline	• 5 July 2011 - ESI Internal Conflict of Interest (COI) process completed and approved (no issues). CAAC notification. • 9 July 2011 – Opening meeting • 9 July 2011 – Signed validation /verification plan received from CAAC • 8 Aug-8 Sept 2011 – Project listing on CCB for public comment • 9-19 July 2011 – Site visits and stakeholder meetings • 4 Aug 2011 – 1st Round NCRs issued to TIST • 18 Aug-18 Sept 2011 – Posting of Project Implementation Plan and Monitoring Report • 16 Dec 2011 - Closing Meeting

Public Comment Period
 	
Number of Comments Received
	• 8 Aug-8 Sept 2011 – Project listing on CCBA website for public comment
	  • One comment in support of project listed (7 Sept 2011)
	• 18 Aug-18 Sept 2011 – Posting of Project Implementation Plan and Monitoring Report
	  • No comments
	• 2 Sept 2011 – Stakeholder Meeting, Gitoro Conference Center, Meru, Kenya
	  • Nine comments in strong support of TIST

Project Description

The International Small Group and Tree Planting Program (TIST) empower Small Groups of subsistence farmers in India, Kenya, Tanzania, Uganda, Nicaragua, and Honduras to combat the devastating effects of deforestation, poverty and drought. Combining sustainable development with carbon sequestration, TIST already supports the reforestation and biodiversity efforts of over 63,000 subsistence farmers. Carbon credit sales generate participant income and provide project funding to address agricultural, HIV/AIDS, nutritional and fuel challenges. As TIST expands to more groups and more areas, it ensures more trees, more biodiversity, more climate change benefit and more income for more people.

Since its inception in 1999, TIST participants organized into over 8,900 TIST Small Groups have planted over 10 million trees on their own and community lands. GHG sequestration is creating a potential long-term income

stream and developing sustainable environments and livelihoods. TIST in Kenya began in 2004 and has grown to nearly 50,000 TIST participants in over 6,700 Small Groups.

As a grassroots initiative, Small Groups are provided a structural network of training and communications that allows them to build on their own internal strengths and develop best practices. Small Groups benefit from a new income source; the sale of carbon credits that result from the sequestration of carbon from the atmosphere in the biomass of the trees and soil. These credits are expected to be approved under the Voluntary Carbon Standard and/or CDM and, because they are tied to tree growth, will be sustainable. The carbon credits create a new 'virtual' cash crop for the participants who gain all the direct benefits of growing trees and also receive quarterly cash stipends based on the GHG benefits created by their efforts. The maturing trees and conservation farming will provide additional sustainable benefits that far exceed the carbon payments. These include improved crop yield, improved environment, and marketable commodities such as fruits, nuts, and honey. TIST utilizes a high-tech approach to quantify the benefits and report the results in a method transparent to the whole world, which includes palm computers, GPS, and a dynamic "real time" internet based database.

This project description is for a subset of the TIST Kenya program and corresponds to TIST VCS project descriptions VCS-005. It applies to 1,179 Small Groups 8,692 members, 6,710 project areas and 2,556.1 ha.

Executive Summary of Validation/Verification Results

	Criterion	Required/ Optional	Corrective Action Request (CAR)
G1	Original Conditions in the Project Area	Required	Addressed
G2	Baseline Projections	Required	Addressed
G3	Project Design and Goals	Required	Addressed
G4	Management Capacity and Best Practices	Required	Addressed
G5	Legal Status and Property Rights	Required	Addressed
CL1	Net Positive Climate Impacts	Required	Addressed
CL2	Offsite Climate Impacts ("Leakage")	Required	Addressed
CL3	Climate Impact Monitoring	Required	Addressed
CM1	Net Positive Community Impacts	Required	Addressed
CM2	Offsite Stakeholder Impacts	Required	Addressed
CM3	Community Impact Monitoring	Required	Addressed
B1	Net Positive Biodiversity Impacts	Required	Addressed
B2	Offsite Biodiversity Impacts	Required	Addressed
B3	Biodiversity Impact Monitoring	Required	Addressed
GL1	Climate Change Adaptation Benefits	Optional	N/A
GL2	Exceptional Community Benefits	Optional	Addressed
GL3	Exceptional Biodiversity Benefits	Optional	N/A

Validation/Verification Findings

G1 Original Conditions in the Project Area

Indicator 1 – The location of the project and basic physical parameters (e.g. soil,	The PDD provides an adequate description of the basic location and physical parameters, including climate, soils, watersheds, and

geology, climate).	ecosystems.
Evidence Used to Assess Conformance:	Pages 4 & 5 of PDD and site visit
Findings:	The PDD and site visit confirms compliance with CCB indicator G1.1.

Indicator 2 – The types and condition of vegetation within the project area.	The PDD very generally describes the types and condition of vegetation within the project and provides detailed tree species information in the supporting documents.
Evidence Used to Assess Conformance:	*TIST KE PD-CCB-002e App04 Data 110608.xls* spreadsheet, Page 5 of PDD, Page 6 of PIR, and site visit.
Findings:	The PDD and supporting documents confirm compliance with G1.2. The PIR states "The individual project areas were generally cropland and grassland with a few scattered trees." Now that the project has been initiated and many trees have been planted and verified, the sentence should read "Before the project activities, the individual project areas were generally cropland and grassland with a few scattered trees."
Corrective Actions Requests (CAR) to address non-conformance:	Please revise Section G1.2 to indicate current general information, types and condition of vegetation within the project area, such as including the suggested sentence above.
Date issued	09 August 2011
Project proponent response/actions and date	Though no change has been made to address this issue, it is considered minor and does not substantially impact the nature of the indicator.
Evidence used to close CAR	Reasonable judgment.
Date closed	2 November 2011

Indicator 3 – The boundaries of the project area and the project zone.	The PDD/PIR provides a general overview of the boundaries of the project area and zone. The supporting documents provide detailed project boundaries.
Evidence Used to Assess Conformance:	Page 5 of PDD, Page 6 of PIR, site visit, Appendices 1-3, and the TIST website.
Findings:	The documents provided and site visit confirm compliance with G1.3.

Indicator 4 - Current carbon stocks within the project area(s), using stratification by land-use or vegetation type and methods of carbon calculation (such as biomass plots, formulae, default values) from the Intergovernmental Panel on Climate Change's 2006 Guidelines for National GHG Inventories for Agriculture, Forestry and Other Land Use5 (IPCC 2006 GL for AFOLU) or a more robust and detailed methodology.	The PDD/PIR provide a description of how the average non-woody and tree carbon stocks per hectare are being calculated based on the Clean Development Mechanism methodology AR-AMS0001, Version 06

Evidence Used to Assess Conformance:	Page 6 of PDD, Page 7 of PIR, CDM methodology AR-AMS0001 Version 6, & http://www.fao.org/docrep/W4095E/W4095E00.htm
Findings:	The documentation and methodology / calculations used confirm compliance with G.1.4.

Indicator 5 - A description of communities located in the project zone, including basic socio-economic and cultural information that describes the social, economic and cultural diversity within communities (wealth, gender, age, ethnicity etc.), identifies specific groups such as Indigenous Peoples and describes any community characteristics.	The PDD/PIR provide a thorough description of the communities located in the project areas, including information from a survey of respondents by gender, age, marital status, education, and occupational status, as well as annual income brackets developed by the Kenya Ministry of Agriculture. Indigenous peoples are discussed for the project area.
Evidence Used to Assess Conformance:	Pages 6-9 of PDD, Pages 7-10 of PIR, interviews with project stakeholders, and site visit
Findings:	The documentation and survey results used confirm compliance with G.1.5.

Indicator 6 - A description of current land use and customary and legal property rights including community property in the project zone, identifying any ongoing or unresolved conflicts or disputes and identifying and describing any disputes over land tenure that were resolved during the last ten years (see also G5).	The PDD/PIR adequately addresses current land use and customary and legal property rights for the project areas.
Evidence Used to Assess Conformance:	Page 9 of PDD, Page 10 of PIR, stakeholder interviews, and site visit.
Findings:	The PDD/PIR addresses the requirements of G.1.6 for the project areas.

Indicator 7 - A description of current biodiversity within the project zone (diversity of species and ecosystems) and threats to that biodiversity, using appropriate methodologies, substantiated where possible with appropriate reference material.	The PDD/PIR provides a general description of wildlife occurrences and issues within the project zone. However, the CCBA requirement is for a biodiversity description (habitat types, biotic communities, ecoregions, etc.), which should include floral, faunal, and habitat descriptions.
Evidence Used to Assess Conformance:	Pages 9 & 10 of PDD; Pages 10 & 11 of PIR
Findings:	The PDD/PIR provides a general discussion of wildlife issues, but overall biodiversity of the project zone and threats to that biodiversity were not discussed.
Corrective Actions Requests (CAR) to address non-conformance:	Please provide a description of biodiversity (habitat types, biotic communities, ecoregions, etc.) for flora, fauna, and habitats within the project zone. In addition, threats to the biodiversity, using appropriate methodologies, should be described and substantiated

	where possible with appropriate reference material.
Date issued	09 August 2011
Project proponent response/actions and date	Information has been added to the PDD that discusses habitats, ecoregions, and biotic communities, threats to specific animals and animal groups. No methodologies have been discussed; however several appropriate references have been added. 15 Nov 2011
Evidence used to close CAR	Addition to PDD
Date closed	15 Nov 2011

Indicator 8 - An evaluation of whether the project zone includes any of the following High Conservation Values (HCVs) and a description of the qualifying attributes. **Indicator 8.1** - Globally, regionally or nationally significant concentrations of biodiversity values: a. protected areas b. threatened species c. endemic species d. areas that support significant concentrations of a species during any time in their lifecycle (e.g. migrations, feeding grounds, breeding areas). **Indicator 8.2** - Globally, regionally or nationally significant large landscape-level areas where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance. I**ndicator 8.3** Threatened or rare ecosystems. Indicator 8.4 - Areas that provide critical ecosystem services (e.g., hydrological services, erosion control, fire control). **Indicator 8.5** - Areas that are fundamental for meeting the basic needs of local communities (e.g., for essential food, fuel, fodder, medicines or building materials without readily available alternatives). **Indicator 8.6** - Areas that are critical for the traditional cultural identity of	The PDD/PIR state that Mt. Kenya national park, designated as a UNESCO biosphere reserve in 1978 and made a UNESCO World Heritage Site in 1997, and the surrounding national parks are considered HCV's. The guidance on the HCV website suggests HCV's are internally determined based on a few guidelines. However, it is unclear if HCV guidance was followed, specifically for Indicators 8.1 – 8.6.

communities (e.g., areas of cultural, ecological, economic or religious significance identified in collaboration with the communities).	
Evidence Used to Assess Conformance:	Pages 10-13 of PDD, Pages 11-14 of PIR, http://hcvnetwork.org, and site visit
Findings:	Section G.1.8 generally address HCV's for the project, but the PDD/PIR do not appear to adhere to the guidelines set forth in the HCV Network.
Corrective Actions Requests (CAR) to address non-conformance:	Please address each HCV indicator specifically in the PDD/PIR.
Date issued	09 August 2011
Project proponent response/actions and date	The project developer pointed out that the information on specific HCV's is included in the footnotes under section G1.8 in the PDD.
Evidence used to close CAR	Comments from project developer
Date closed	15 November 2011

G2 Baseline Projections

Indicator 1 - Describe the most likely land-use scenario in the absence of the project following IPCC 2006 GL for AFOLU or a more robust and detailed methodology, describing the range of potential land use scenarios and the associated drivers of GHG emissions and justifying why the land-use scenario selected is most likely.	The G2.1 guideline requires "*IPCC 2006 Guideline for AFOLU* or a more robust and detailed methodology." The text refers to literature, but no references were located.
Evidence Used to Assess Conformance:	Page 14 of PDD, Pages 14 & 15 of PIR, and site visit
Findings:	It is unclear what methodology was used to determine the baseline. No references were used for the literature.
Corrective Actions Requests (CAR) to address non-conformance:	Please clarify how the methodology used to determine the baseline meets this requirement. Please provide references for the literature mentioned in the text.
Date issued	09 August 2011
Project proponent response/actions and date	PDD adds that the CDM small scale afforestation reforestation methodology AR-AMS0001 Version 06: Simplified baseline and monitoring methodologies for small-scale A/R CDM project activities implemented on grasslands or croplands with limited displacement of pre-project activities has been used to determine most likely land use scenario in absence of the project. Also literature reference was made, referring to another section in document, which suggests that area will continue to undergo deforestation and loss of habitat due to lack of opportunity by project participants to secure credit or assistance that would change these underlying activities. 15

	Nov 2011
Evidence used to close CAR	Addition to PDD
Date closed	11 Nov 2011

Indicator 2 - Document that project benefits would not have occurred in the absence of the project, explaining how existing laws or regulations would likely affect land use and justifying that the benefits being claimed by the project are truly 'additional' and would be unlikely to occur without the project.	PDD/PIR used the "Assessment of Additionality" contained in Appendix B of Clean Development Mechanism Methodology AR-AMS0001, to demonstrate the project activity would not have occurred in the absence of the proposed project. PDD/PIR contains a strong argument of additionality, but they do not mention which CDM barrier used to determine additionality. PDD/PIR briefly discussed forest policies that began in 1957 but do not explain how these policies have affected land use.
Evidence Used to Assess Conformance:	Pages 14 &15 of PDD, Pages 15 & 16 of PIR, and site visit.
Findings:	PDD/PIR describes the methodology to prove the project benefits are truly additional, but they do not explain how the forest policies have affected land use.
Corrective Actions Requests (CAR) to address non-conformance:	Please clarify which CDM barrier the project meets, and please discuss the forest policies referenced and the impact (or lack thereof) on the project areas.
Date issued	09 August 2011
Project proponent response/actions and date	PDD selects investment barrier and lack of organization, social barrier. Reference was made to supporting document that describes decentralization of Kenyan forest department and resulting issues.
Evidence used to close CAR	Addition to PDD, and supporting references.
Date closed	15 Nov 2011

Indicator 3 - Calculate the estimated carbon stock changes associated with the 'without project' reference scenario described above. This requires estimation of carbon stocks for each of the land-use classes of concern and a definition of the carbon pools included, among the classes defined in the IPCC 2006 GL for AFOLU. The timeframe for this analysis can be either the project lifetime (see G3) or the project GHG accounting period, whichever is more appropriate. Estimate the net change in the emissions of non-CO2 GHG emissions such as CH4 and N2O in the 'without project' scenario. Non-CO2 gases must be included if they are likely to account for more than 5% (in terms of CO2-equivalent) of the project's overall GHG impact over each monitoring period.	PDD/PIR used CDM small-scale afforestation reforestation methodology AR-AMS0001 Version 06 to calculate the changes in carbon stock. PDD stated no non-CO2 GHG emissions will result from project.

Projects whose activities are designed to avoid GHG emissions (such as those reducing emissions from deforestation and forest degradation (REDD), avoiding conversion of non-forest land, or 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 analysis. 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 and/or degradation using an appropriately robust and detailed carbon accounting methodology before the start of the project.	
Evidence Used to Assess Conformance:	Page 15 of PDD, Page 16 of PIR, "Baseline Growth" tab in the *TIST KE PD-CCB-002e App04 Data 110608* spreadsheet
Findings:	PDD/PIR and supporting documents confirm compliance with G.2.3

Indicator 4 - Describe how the 'without project' reference scenario would affect communities in the project zone, including the impact of likely changes in water, soil and other locally important ecosystem services.	PDD provides a broad discussion of project benefits, which if removed, would negatively affect the communities in the project zone.
Evidence Used to Assess Conformance:	Pages 15 & 16 of PDD and site visit
Findings:	PDD and site visit confirm compliance with G.2.4.

Indicator 5 - Describe how the 'without project' reference scenario would affect biodiversity in the project zone (e.g., habitat availability, landscape connectivity and threatened species).	PDD/PIR addresses how the "without project" scenario would affect biodiversity in the project zone, and more specifically, the project areas.
Evidence Used to Assess Conformance:	Page 16 of PDD, Pages 16 & 17 of PIR, and site visit
Findings:	PDD/PIR and site visit confirm compliance with G.2.5.

G3 Project Design and Goals

Indicator 1 - Provide a summary of the project's major climate, community and biodiversity objectives.	PDD/PIR states the objectives of the project.
Evidence Used to Assess Conformance:	Page 16 of PDD; Page 17 of PIR

Findings:	PDD/PIR confirms compliance with G.3.1.

Indicator 2 - Describe each project activity with expected climate, community and biodiversity impacts and its relevance to achieving the project's objectives.	PDD/PIR adequately discusses each project activity and their expected impact on climate, community and biodiversity; and their relevance to achieving the project's objectives.
Evidence Used to Assess Conformance:	Pages 16 & 17 of PDD, Pages 17 & 18 of PIR, and site visit
Findings:	PDD/PIR confirms compliance with G.3.2.

Indicator 3 - Provide a map identifying the project location and boundaries of the project area(s), where the project activities will occur, of the project zone and of additional surrounding locations that are predicted to be impacted by project activities (e.g. through leakage).	PDD/PIR provides a map of the project zone and maps of the individual project areas.
Evidence Used to Assess Conformance:	Pages 17 of PDD, Page 18 of PIR, and Appendices 01-03
Findings:	PDD/PIR and supporting documents confirm compliance with G.3.3.

Indicator 4 - Define the project lifetime and GHG accounting period and explain and justify any differences between them. Define an implementation schedule, indicating key dates and milestones in the project's development.	PDD/PIR provides the project lifetime and GHG accounting period of a minimum of 60 years based on CDM. It is unclear if this will be revised based on VCS verification. It is also unclear what the project start and end dates. No implementation schedule was defined.
Evidence Used to Assess Conformance:	Page 17 of PDD, Page 18 of PIR, and http://www.tist.org/tist/kenyagrowth.php
Findings:	Although PDD/PIR define the project lifetime and GHG accounting period, it is unclear if this will be revised based on VCS. Also, the PDD/PIR is unclear of the TIST Kenya start and end date. Finally, no implementation schedule was found in the PDD/PIR.
Corrective Actions Requests (CAR) to address non-conformance:	Please clarify the project lifetime and GHG accounting period (CDM or VCS; if VCS, how long?). Please confirm the Jan. 2004 start date and provide an end date for TIST Kenya. Please provide a detailed project implementation schedule, indicating key dates and milestones (planned verification, credit issuance, etc.) in the project's development.
Date issued	09 August 2011
Project proponent response/actions and date	Project lifetime and GHG accounting period are both identified as being 60 years. Jan 2004 start date is confirmed along with end date of Dec 31, 2063. Detailed implementation schedule along with Gantt charts were provided.
Evidence used to close CAR	Additions to PDD
Date closed	15 Nov 2011

Indicator 5 - Identify likely natural and human-induced risks to the expected climate, community and biodiversity benefits during the project lifetime and outline measures adopted to mitigate these risks.	PDD/PIR sufficiently describes natural and human-induced risks. Natural risks provided include drought, fire and pestilence, which are mitigated by the number and dispersion of individual project areas. Human-induced risks include the risk that VCS would in the future propose rules excluding smaller ownerships from participating, removing the financial incentive to participate in the program. TIST has mitigated this by keeping development costs low, using local in-country experts, relying on capacity building within the small group members, and the fact that the project provides benefits additional to the financial incentives from carbon. Another risk is that farmers will drop out of the program, which is mitigated by the substantial number of farmers in the program. First paragraph states "As of the date of this PD,…" Please revise to either say "As of the date of *the* PD" or "As of the date of this *PIR*." Please make similar change in second paragraph.
Evidence Used to Assess Conformance:	Pages 17 & 18 of PDD, Pages 18 & 19 of PIR, and site visit
Findings:	PDD/PIR and supporting documents confirm compliance with G.3.5.

Indicator 6 - Demonstrate that the project design includes specific measures to ensure the maintenance or enhancement of the high conservation value attributes identified in G1 consistent with the precautionary principle.	PDD/PIR sufficiently demonstrates that the project design includes specific measure to ensure maintenance/enhancement of HCV's. This is accomplished through planting of deforested areas, creating wildlife corridors and improving habitat.
Evidence Used to Assess Conformance:	Page 18 of PDD, Page 19 of PIR, and site visit
Findings:	PDD/PIR and supporting documents confirm compliance with G.3.6. (*Pending additional response to G1.8 above*)

Indicator 7 - Describe the measures that will be taken to maintain and enhance the climate, community and biodiversity benefits beyond the project lifetime.	PDD/PIR sufficiently describes the measures implemented to ensure benefits continue beyond the project lifetime. This is primarily accomplished through training in the benefits of planting specific tree species, maintenance of sustainable woodlots, and the benefits of biodiversity. In the first and third bullets, please change "will result" to "has resulted in" and "will help" to "has helped," respectively. An optional change would be the second bullet – "will ensure" to "has ensured."
Evidence Used to Assess Conformance:	Pages 18 & 19 of PDD, Pages 19 & 20 of PIR, site visit, discussions with field staff and stakeholders.
Findings:	PDD/PIR and supporting documents confirm compliance with G.3.7.

Indicator 8 - Document and defend how communities and other stakeholders potentially affected by the project activities have been identified and have	TIST is a completely voluntary program for farmer membership. The result of the program has been so positive that many of the members join by word-of-mouth. Effective stakeholder consultation has occurred on many levels (community-wide, government, newsletters,

been involved in project design through effective consultation, particularly with a view to optimizing community and stakeholder benefits, respecting local customs and values and maintaining high conservation values. Project developers must document stakeholder dialogues and indicate if and how the project proposal was revised based on such input. A plan must be developed to continue communication and consultation between project managers and all community groups about the project and its impacts to facilitate adaptive management throughout the life of the project.	meetings, trainings, seminars). Communication continues through on-going meetings, trainings, seminars, and the "Mazingira Bora" multi-lingual newsletter.
Evidence Used to Assess Conformance:	Pages 19-23 of PDD, Pages 20-24 of PIR, site visit, and stakeholder meetings
Findings:	TIST's effective stakeholder communication plan/process more than adequately complies with G.3.8.

Indicator 9 - Describe what specific steps have been taken, and communications methods used, to publicize the CCBA public comment period to communities and other stakeholders and to facilitate their submission of comments to CCBA. Project proponents must play an active role in distributing key project documents to affected communities and stakeholders and hold widely publicized information meetings in relevant local or regional languages.	TIST will announce the intent to apply for a CCBA validation in Nairobi papers, announcing a public meeting and a public meeting will be held. In addition, emails will be sent to stakeholders announcing the public meeting, announcing the intent to apply and providing a link to the CCBA website where the project description is posted.
Evidence Used to Assess Conformance:	Page 23 of PDD, Page 24 of PIR, "TIST KE PD-CCB-Spt 14 Public Comments.doc"
Findings:	PDD/PIR and supporting documents confirm compliance with G.3.9.

Indicator 10 - Formalize a clear process for handling unresolved conflicts and grievances that arise during project planning and implementation. The project design must include a process for hearing, responding to and resolving	All grievances are first brought to the attention of the Kenya Staff where the issues are compared to standard TIST policy, TIST values[1] and/or the Greenhouse Gas agreement among the Small Group members and CAAC. The policies and values are the subject of training at seminar, cluster meetings, Small Group meetings and are published in the newsletter. Unresolved issues are presented to TIST

[1] TIST Values: We are Honest. We are Accurate. We are Mutually Accountable. We are Transparent. We are Servants to each other.

community and other stakeholder grievances within a reasonable time period. This grievance process must be publicized to communities and other stakeholders and must be managed by a third party or mediator to prevent any conflict of interest. Project management must attempt to resolve all reasonable grievances raised, and provide a written response to grievances within 30 days. Grievances and project responses must be documented.	Management. Where precedence or policy exists, they are used in final decision making. Where new issues arise that are outside the existing precedence, or policy, the issue is brought to the next seminar or Leadership Council meeting, where decisions are made by representatives of the Small Groups, Kenya Staff and TIST Management.
Evidence Used to Assess Conformance:	Page 24 of PDD, Pages 24 & 25 of PIR, stakeholder meetings, and site visit
Findings:	PDD/PIR, and supporting documents confirm compliance with G.3.10.

Indicator 11 - 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.	TIST's initial financial projections showed the project would be self-funding between 6-10 years after implementation. Although there have been some cash shortfalls, the project has several sources of funding and is in its 10th year of implementation.
Evidence Used to Assess Conformance:	Page 24 of PDD; Page 25 of PIR
Findings:	PDD/PIR sufficiently addresses the requirement of G.3.11.

G4 Management Capacity and Best Practices

Indicator 1 - Identify a single project proponent which is responsible for the project's design and implementation. If multiple organizations or individuals are involved in the project's development and implementation the governance structure, roles and responsibilities of each of the organizations or individuals involved must also be described.	CAAC is the single project proponent. Other parties are I4EI, USAID, and thousands of TIST farmers. Their roles are described in the documentation.
Evidence Used to Assess Conformance:	Page 24 of PDD, Page 25 of PIR, and site visit
Findings:	Project documentation adequately addresses the requirement of G.4.1.

Indicator 2 - Document key technical skills that will be required to implement the project successfully, including community engagement, biodiversity assessment and carbon measurement and monitoring skills. Document the	CAAC has sufficiently demonstrated its expertise as the project proponent.

management team's expertise and prior experience implementing land management projects at the scale of this project. If relevant experience is lacking, the proponents must either demonstrate how other organizations will be partnered with to support the project or have a recruitment strategy to fill the gaps.	
Evidence Used to Assess Conformance:	Pages 25 & 26 of PDD, Pages 25-27 of PIR, and site visit
Findings:	Documentation addresses requirement of G4.2.

Indicator 3 - Include a plan to provide orientation and training for the project's employees and relevant people from the communities with an objective of building locally useful skills and knowledge to increase local participation in project implementation. These capacity building efforts should target a wide range of people in the communities, including minority and underrepresented groups. Identify how training will be passed on to new workers when there is staff turnover, so that local capacity will not be lost.	TIST contains an effective orientation and training program.
Evidence Used to Assess Conformance:	Pages 26 & 27 of PDD, Page 28 of PIR, and site visit
Findings:	Project documentation and site visit adequately address the requirements of G.4.3.

Indicator 4 - Show that people from the communities will be given an equal opportunity to fill all employment positions (including management) if the job requirements are met. Project proponents must explain how employees will be selected for positions and where relevant, must indicate how local community members, including women and other potentially underrepresented groups, will be given a fair chance to fill positions for which they can be trained.	TIST has demonstrated that it has a very inclusive hiring practice for the project and does not discriminate based on gender, education, or social status.
Evidence Used to Assess Conformance:	Page 27 of PDD, Page 28 of PIR, site visit, and stakeholder meetings
Findings:	TIST's hiring policy is non-discriminatory.

Indicator 5 - Submit a list of all relevant laws and regulations covering worker's rights in the host country. Describe how the project will inform workers about their rights. Provide assurance that the project meets or exceeds all applicable laws and/or regulations covering worker rights and, where relevant, demonstrate how compliance is achieved.	The relevant laws are the Employment Act, 2007; Regulation of Wages and Conditions of Employment Act; and National Hospital Insurance Fund Act, 1998. Workers are informed of their rights in the employment contract, which is provided well in advance of their signing.
Evidence Used to Assess Conformance:	Page 27 of PDD; Page 28 of PIR
Findings:	PDD adequately addresses requirement of G.4.5.

Indicator 6 - Comprehensively assess situations and occupations that pose a substantial risk to worker safety. A plan must be in place to inform workers of risks and to explain how to minimize such risks. Where worker safety cannot be guaranteed, project proponents must show how the risks will be minimized using best work practices.	TIST has a Standard Operating Procedure to address safety.
Evidence Used to Assess Conformance:	Pages 27 & 28 of PDD, Page 28 of PIR, TIST Standard Operating Procedure
Findings:	PDD/PIR and SOP adequately address requirement of G.4.6.

Indicator 7 - Document the financial health of the implementing organization(s) to demonstrate that financial resources budgeted will be adequate to implement the project.	The PDD/PIR discusses the financial health of TIST; adequate supporting documentation cannot be located.
Evidence Used to Assess Conformance:	Page 28 of PDD, Page 29 of PIR, and discussion with project proponent.
Findings:	Validation findings supported the information provided in the PDD and financial plan. Results from review of the PIR in the verification process supported validation findings.
Corrective Actions Requests (CAR) to address non-conformance:	Please provide an updated Financial plan for CCB 002 (VCS-005). Similar to what was provided for VCS 001.
Date issued	09 August 2011
Project proponent response/actions and date	PDD states that a financial plan has been made available to the verifier.
Evidence used to close CAR	Supporting doc made available to ESI and confirmed.
Date closed	15 Nov 2011

G5 Legal Status and Property Rights

Indicator 1 - Submit a list of all relevant national and local laws and regulations in the host country and all applicable international treaties and agreements. Provide assurance that the project will comply with these and, where relevant, demonstrate how compliance is achieved.	The PDD/PIR provides sufficient detail to demonstrate that all relevant national/ local laws and regulations in the host country and all applicable international treaties and agreements have been considered and that the project is compliant. During the site visit, a Kenyan environmental directive about cutting all eucalyptus species within 30 meters of water was discussed.
Evidence Used to Assess Conformance:	Pages 28 & 29 of PDD, Pages 29 & 30 of PIR, and discussion with project proponent.
Findings:	Validation findings supported the information provided in the PDD. However, it is unclear how the directive by Environment Minister, John Michuki, issued in 2009, will affect the outcome of the TIST project.
Corrective Actions Requests (CAR) to address non-conformance:	Please discuss the eucalyptus removal initiative by Kenyan government agencies (ESI was unable to locate a specific law) in this section of the PDD.
Date issued	09 August 2011
Project proponent response/actions and date	PDD described directive as being relevant to wetland plantings of euc. And that no TIST areas have been designated as wetland, and no TIST farmers have been told to remove euc's.
Evidence used to close CAR	Addition to PDD
Date closed	15 Nov 2011

Indicator 2 - Document that the project has approval from the appropriate authorities, including the established formal and/or traditional authorities customarily required by the communities.	There are no approvals necessary for a farmer to plant trees on his/her lands. However, TIST has engaged the Kenya Forest Service to seek their approval. TIST has received the following approvals: • A letter from the Chief Conservator of the Forest to the Director General of the National Environment Management Authority dated 08 January 2007 requesting that TIST be allowed to operate. • A letter from the National Environment Management Authority dated 19 March 2007 confirming they have no objection to the further development of the TIST project.
Evidence Used to Assess Conformance:	Page 29 of PDD; Page 30 of PIR
Findings:	THE PDD/PIR and supporting documents confirm compliance with G5.2.

Indicator 3 - Demonstrate with documented consultations and agreements that the project will not encroach uninvited on private property, community property, or government property and has obtained the free, prior, and informed consent of those whose	The PDD/PIR sufficiently discuss that the TIST project, by nature, cannot encroach uninvited on private property, as CAAC and TIST do not own or lease any of the project lands. TIST takes place on the existing land of farmers and their families. CAAC enters into contracts with the Small Group members. In the contract, the members attest in that they have the rights to plant on these lands.

rights will be affected by the project.	
Evidence Used to Assess Conformance:	Page 29 of PDD; Page 30 of PIR; site visit; and discussion with project proponent, field staff and stakeholders.
Findings:	Project documentation and site visit confirm compliance with G5.3.

Indicator 4 - Demonstrate that the project does not require the involuntary relocation of people or of the activities important for the livelihoods and culture of the communities. If any relocation of habitation or activities is undertaken within the terms of an agreement, the project proponents must demonstrate that the agreement was made with the free, prior, and informed consent of those concerned and includes provisions for just and fair compensation.	The PDD/PIR sufficiently discuss that the TIST project does not require the involuntary relocation of people or of the activities important for the livelihoods and culture of the communities. CAAC and TIST do not own or lease any of the project lands. TIST takes place on the existing land of farmers and their families. Participation is strictly voluntary. CAAC has no authority to relocate any of the members or land owners.
Evidence Used to Assess Conformance:	Page 29 of PDD, Page 30 of PIR, field visit, discussion with project proponent, field staff and stakeholders
Findings:	Project documentation and the site visit confirm compliance with G5.4.

Indicator 5 - Identify any illegal activities that could affect the project's climate, community or biodiversity impacts (e.g., logging) taking place in the project zone and describe how the project will help to reduce these activities so that project benefits are not derived from illegal activities.	The PDD/PIR sufficiently demonstrates the illegal activities that could affect the projects efficacy and how the project will reduce these activities. Illegal harvesting of trees and charcoal making exist in the protected forests of the project zone. This is an ongoing problem for the Kenya Forest Service and is not related to TIST or caused by TIST. TIST, through its development of on-farm, sustainable wood lots, will have a positive impact on these activities by providing an alternate, sustainable source of fuel to some of the population.
Evidence Used to Assess Conformance:	Page 29 of PDD, Page 30 of PIR, field visit, discussion with project proponent, field staff and stakeholders
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 6 - Demonstrate that the project proponents have clear, uncontested title to the carbon rights, or provide legal documentation demonstrating that the project is undertaken on behalf of the carbon owners with their full consent. Where local or national conditions preclude clear title to the carbon rights at the time of validation against the Standards, the	Through the PDD/PIR and other supporting documentation, TIST has demonstrated that they have clear, uncontested title to the carbon rights. Greenhouse Gas Agreements between CAAC and all the Small Groups exist, with each member as a signatory. Under the terms of the contract, all rights and title to the carbon is transferred to CAAC. The members retain the land and trees. There is not a national law that governs carbon, per se. However, the ownership of tree and tree products can be subject to contract and transferred to others.

project proponents must provide evidence that their ownership of carbon rights is likely to be established before they enter into any transactions concerning the project's carbon assets.	
Evidence Used to Assess Conformance:	Page 29 of PDD, Page 30 of PIR, supporting documentation (contracts), field visit, discussion with project proponent, field staff and stakeholders
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

CL1 Net Positive Climate Impacts

Indicator 1 - Estimate the net change in carbon stocks due to the project activities using the methods of calculation, formulae and default values of the IPCC 2006 GL for AFOLU or using a more robust and detailed methodology. The net change is equal to carbon stock changes *with* the project minus carbon stock changes *without* the project (the latter having been estimated in G2). This estimate must be based on clearly defined and defendable assumptions about how project activities will alter GHG emissions of carbon stocks over the duration of the project or the project GHG accounting period.	The PDD demonstrates that the methodology (AR-AMS0001 V06) was applied accurately and appropriately to estimate the net change in carbon stocks due to the project activities. The process is clearly defined and well-defended, with a net change in carbon stocks of 2,600,818 MtCO2e.
Evidence Used to Assess Conformance:	PDD, PIR, Strata, Ex-Ante Carbon Est, Ex-Ante Strata Est, and Table CL1.1.worksheets, and discussions with project proponent.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.
Corrective Actions Requests (CAR) to address non-conformance:	Calculations currently being reviewed
Date issued	9 August 2011
Project proponent response/actions and date	Calculations provided and reviewed.
Evidence used to close CAR	Calculations spreadsheets
Date closed	15 Nov 2011

Indicator 2 - Estimate the net change in the emissions of non-CO2 GHG emissions such as CH4 and N2O in the *with* and *without* project scenarios if those gases are likely to account for	The PDD/PIR sufficiently demonstrate that, as permitted by the methodology (AR-AMS0001 V06), the change in emissions of non-CO2 carbon stocks are expected to be below 5% and can be ignored. The potential source of methane is burning of biomass. Because the farmers planting the trees are subsistence farmers that rely on wood

more than a 5% increase or decrease (in terms of CO2-equivalent) of the project's overall GHG emissions reductions or removals over each monitoring period.	for cooking food, they are not expected to engage in widespread burning; available wood will be used for domestic fuel and would just offset fuel wood gathered from outside the project area. In addition, the burning of biomass is neither necessary for the project, nor promoted. Any methane emission will be de minimis and well below the 5% threshold. N2O is a potential source from chemical fertilizers. The policy of TIST is for the farmers to refrain from using chemical fertilizers, and instead, to rely on dung and plant material. Neither of these is the result of project activity and need not be considered.
Evidence Used to Assess Conformance:	Pages 31 & 32 of PDD, Pages 32 & 33 of PIR, and discussions with project proponent.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 3 - Estimate any other GHG emissions resulting from project activities. Emissions sources include, but are not limited to, emissions from biomass burning during site preparation, emissions from fossil fuel combustion, direct emissions from the use of synthetic fertilizers, and emissions from the decomposition of N-fixing species.	The PDD and PIR sufficiently demonstrate that, in accordance with the methodology, ex ante leakage is assumed to be zero. TIST does not own any vehicles or fossil fuel equipment. Planting and site preparation is done manually. TIST promotes the use of natural fertilizers and does not supply any chemical fertilizers. N-fixing species will not be left to degrade. Any dead wood will be used by the farmers for fuel wood.
Evidence Used to Assess Conformance:	Page 32 of PDD, Page 33 of PIR, and discussions with project proponent.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 4 - Demonstrate that the net climate impact of the project is positive. The net climate impact of the project is the net change in carbon stocks plus net change in non-CO2 GHGs where appropriate minus any other GHG emissions resulting from project activities minus any likely project-related unmitigated negative offsite climate impacts (see CL2.3).	The PDD/PIR sufficiently demonstrate that in the ex-ante estimate TIST trees will sequester over 2.6 million net tonnes of CO2e and will, therefore, have a net positive impact on the climate. In addition, planting the trees will benefit the overall ecosystem and, through the use of deadwood from the project, result in reduced deforestation outside the project boundaries.
Evidence Used to Assess Conformance:	Page 32 of PDD, Page 33 of PIR, and discussions with project proponent.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported

	validation findings.
Corrective Actions Requests (CAR) to address non-conformance:	Please confirm net tonnes of CO2e.
Date issued	09 August 2011
Project proponent response/actions and date	PDD states that ex-ante estimate is that TIST will sequester 2,600,818 tonnes of CO2e over the 30 years of the project.
Evidence used to close CAR	Addition to PDD
Date closed	15 Nov 2011

Indicator 5 - Specify how double counting of GHG emissions reductions or removals will be avoided, particularly for offsets sold on the voluntary market and generated in a country with an emissions cap.	The PDD/PIR generally demonstrate that appropriate measures have been taken to prevent double counting of GHG removals; however, based on the site visits sites were double counted. Also may need to change the verb usage here to once revised text is provided.
Evidence Used to Assess Conformance:	Page 32 of PDD, Page 33 of PIR, site visits, and discussions with project proponent.
Findings:	Some project locations visited were part of a previous CCB/VCS PDD. According to TIST, the duplication of sites was due to a spreadsheet error. TIST is conducting an analysis of the entire project to identify any sites which are duplicates and demonstrate that they are being removed from the project.
Corrective Actions Requests (CAR) to address non-conformance:	Please discuss how the duplicates are being identified and removed, and describe the additional measures being added to your program to prevent this mistake from occurring in the future.
Date issued	09 August 2011
Project proponent response/actions and date	PDD describes that once project is VCS validated and verified, then registry rules will prevent VER's from being double counted. Does not suggest any additional measures that have been implemented internally nor results of analysis of entire project. Please describe the additional measures being added to your program to prevent this mistake from occurring in the future. A revised PDD has since been provided which includes the details of the duplicate assessment process to identify issues in the future.
Evidence used to close CAR	Addition to PDD.
Date closed	15 Nov 2011

CL2 Offsite Climate Impacts ("Leakage")

Indicator 1 - Determine the types of leakage that are expected and estimate potential offsite increases in GHGs (increases in emissions or decreases in sequestration) due to project activities. Where relevant, define and justify where leakage is most likely to take place.	The PDD/PIR uses the selected CDM methodology to demonstrate additionality and sufficiently outlines the types of potential leakage sources and demonstrates why no leakage is anticipated from these sources. These include activity shifting displacement and market effects.

Evidence Used to Assess Conformance:	Pages 32 & 33 of PDD, Pages 33 & 34 of PIR, and discussions with project proponent.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 2 - Document how any leakage will be mitigated and estimate the extent to which such impacts will be reduced by these mitigation activities.	As the PDD/PIR illustrate, leakage is demonstrated to be zero, so no mitigation for leakage is necessary.
Evidence Used to Assess Conformance:	Page 33 of PDD, Page 34 of PIR, and discussions with project proponent.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 3 - Subtract any likely project-related unmitigated negative offsite climate impacts from the climate benefits being claimed by the project and demonstrate that this has been included in the evaluation of net climate impact of the project (as calculated in CL1.4).	As the PDD/PIR illustrate, leakage is demonstrated to be zero, so the amount to be subtracted from the net climate impact of the project is zero.
Evidence Used to Assess Conformance:	Page 33 of PDD, Page 34 of PIR, and discussions with project proponent.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 4 - Non-CO2 gases must be included if they are likely to account for more than a 5% increase or decrease (in terms of CO2-equivalent) of the net change calculations (above) of the project's overall off-site GHG emissions reductions or removals over each monitoring period.	As the PDD/PIR illustrate, there is no anticipated leakage of non-CO2 gasses in excess of 5%.
Evidence Used to Assess Conformance:	Page 33 of PDD, Page 34 of PIR, and discussions with project proponent.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

CL3 Climate Impact Monitoring

Indicator 1 - Develop an initial plan for selecting carbon pools and non-CO2	The PDD/PIR outline a detailed monitoring plan sufficient to address the appropriate carbon pools as allowed within the methodology. The

GHGs to be monitored, and determine the frequency of monitoring. Potential pools include aboveground biomass, litter, dead wood, belowground biomass, wood products, soil carbon and peat. Pools to monitor must include any pools expected to decrease as a result of project activities, including those in the region outside the project boundaries resulting from all types of leakage identified in CL2. A plan must be in place to continue leakage monitoring for at least five years after all activity displacement or other leakage causing activity has taken place. Individual GHG sources may be considered 'insignificant' and do not have to be accounted for if together such omitted decreases in carbon pools and increases in GHG emissions amount to less than 5% of the total CO2-equivalent benefits generated by the project. Non-CO2 gases must be included if they are likely to account for more than 5% (in terms of CO2-equivalent) of the project's overall GHG impact over each monitoring period. Direct field measurements using scientifically robust sampling must be used to measure more significant elements of the project's carbon stocks. Other data must be suitable to the project site and specific forest type.	methods utilized include direct field measurements using scientifically robust sampling, and utilizes data suitable to the project and forest type.
Evidence Used to Assess Conformance:	Pages 33-39 of PDD, Pages 34-40 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 2 - Commit to developing a full monitoring plan within six months of the project start date or within twelve months of validation against the Standards and to disseminate this plan and the results of monitoring, ensuring that they are made publicly available on the internet and are communicated to the communities and other stakeholders.	The PDD/PIR outline a detailed monitoring plan sufficient to address the appropriate carbon pools as allowed within the methodology.
Evidence Used to Assess Conformance:	Page 39 of PDD, Page 40 of PIR, and discussions with project

	proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

CM1 Net Positive Community Impacts

Indicator 1 - Use appropriate methodologies to estimate the impacts on communities, including all constituent socio-economic or cultural groups such as indigenous peoples (defined in G1), resulting from planned project activities. A credible estimate of impacts must include changes in community well-being due to project activities and an evaluation of the impacts by the affected groups. This estimate must be based on clearly defined and defendable assumptions about how project activities will alter social and economic well-being, including potential impacts of changes in natural resources and ecosystem services identified as important by the communities (including water and soil resources), over the duration of the project. The 'with project' scenario must then be compared with the 'without project' scenario of social and economic well-being in the absence of the project (completed in G2). The difference (i.e., the community benefit) must be positive for all community groups.	The PDD/PIR sufficiently estimates the impacts on communities, resulting from the planned project activities. The estimate is based on clearly defined and defendable assumptions about how project activities will alter social and economic well-being, including potential impacts of changes in natural resources and ecosystem services identified as important by the communities. Some of the community benefits resulting from the project activities include new job opportunities; direct effects to small groups; empowerment through small group structure; fruits and nuts from tree plantings; sustainable wood supply; wood products and (limited) timber from trees; natural medicines, insecticides, and other benefits from trees; capacity building on agricultural improvements, business skills, nursery development, and reforestation; organization of small groups to address other social and economic issues; and improved beauty of the landscape. While negative impacts were considered, none were identified as appropriate.
Evidence Used to Assess Conformance:	Pages 40-42 of PDD, Pages 41-43 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 2 - Demonstrate that no High Conservation Values identified in G1.8.4-6 will be negatively affected by the project.	The PDD/PIR sufficiently demonstrates that the project will have no negative impact on HCV areas. This is primarily because the project takes place on private lands that have been under human habitation for generations. Project activities (planting of trees) do not cause displacement or move activities to the HCV areas; instead they help to reduce pressure from fuelwood and other wood product demand on HCV areas in the project zone. The planting of woodlots on farms, especially where indigenous trees are planted, improves biodiversity

	and helps connect dispersed HCV areas with canopy.
Evidence Used to Assess Conformance:	Page 42 of PDD, Page 43 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

CM2 Offsite Stakeholder Impacts

Indicator 1 - Identify any potential negative offsite stakeholder impacts that the project activities are likely to cause.	The PDD/PIR sufficiently considers potential negative impacts on stakeholders. Because the project takes place on private lands and the tree planting is by the landowners, and because the planting of trees is akin to the farming that has taken place on the lands for generations, there are few negative potential impacts to offsite stakeholders. One that has been identified is the effect of eucalyptus trees on ground water and water courses. As stated, the farmers get to choose the type of trees they plant on their own lands. During training, TIST has been clear about some of the negative effects of eucalyptus trees. However, the Kenya Forest Department (now Kenya Forest Service) has historically encouraged the planting of eucalyptus, for years, to meet local needs for timber and utility poles. Kenya Power and Lighting Company have been very vocal about their need for poles. Because of this, there are many eucalyptus trees in the project.
Evidence Used to Assess Conformance:	Page 43 of PDD, Page 44 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 2 - Describe how the project plans to mitigate these negative offsite social and economic impacts.	The PDD/PIR proposes an appropriate plan to mitigate the negative impact identified (eucalyptus trees). In order to reduce the number of eucalyptus trees, TIST has been requiring all Small Groups to reduce their percentage of eucalyptus to fewer than 30% of their total trees and file forest plans that show how they are going to achieve this reduction. In addition, TIST is now offering a higher per tree incentive to encourage the planting of indigenous trees in riparian areas.
Evidence Used to Assess Conformance:	Page 43 of PDD, Page 44 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 3 - Demonstrate that the project is not likely to result in net negative impacts on the well-being of other stakeholder groups.	The PDD/PIR sufficiently demonstrates that the project is not likely to result in net negative impacts on the well-being of other stakeholder groups. The multitude of listed benefits to the community members and benefits to the environment are much

	greater than the potential negative impact from the eucalyptus. Quantified, there are 483 ha of eucalyptus, out of 2,736 total project areas. This can be compared to the thousands of square kilometers that make up the project zone.
Evidence Used to Assess Conformance:	Page 43 of PDD, Page 44 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.
Corrective Actions Requests (CAR) to address non-conformance:	Please confirm the total hectares covered by eucalyptus for this PDD.
Date issued	N/A
Project proponent response/actions and date	Total ha covered by euc's is confirmed at 449.1 out of 2,556.1 total ha for project.
Evidence used to close CAR	Addition to PDD
Date closed	15 Nov 2011

CM3 Community Impact Monitoring

Indicator 1 - Develop an initial plan for selecting community variables to be monitored and the frequency of monitoring and reporting to ensure that monitoring variables are directly linked to the project's community development objectives and to anticipated impacts (positive and negative).	The PDD/PIR proposes an initial plan sufficient for selecting community variables to be monitored and the frequency of monitoring and reporting. The tense of the main paragraph in the PIR is current. Consider changing the tense.
Evidence Used to Assess Conformance:	Pages 43 & 44 of PDD, Pages 44 & 45 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 2 - Develop an initial plan for how they will assess the effectiveness of measures used to maintain or enhance High Conservation Values related to community well-being (G1.8.4-6) present in the project zone.	The PDD/PIR sufficiently describes how effectiveness is assessed. Because the project takes place on private lands that have been under human habitation and agriculture for generations, there is no direct monitoring of the Mt Kenya HCV. Instead the impact is addressed by the number of indigenous trees planted by the project and the numbers of hectares that contain indigenous trees.
Evidence Used to Assess Conformance:	Page 44 of PDD, Page 45 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 3 - Commit to developing a full monitoring plan within six months of the project start date or within twelve	The PDD commits to developing a full plan within the required 12-month timeframe of validation against the standards.

months of validation against the Standards and to disseminate this plan and the results of monitoring, ensuring that they are made publicly available on the internet and are communicated to the communities and other stakeholders.	The PIR states that a full monitoring plan was developed and is available as Appendix A.
Evidence Used to Assess Conformance:	Page 44 of PDD, Page 45 of PIR, Appendix A, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

B1 Net Positive Biodiversity Impacts

Indicator 1 - Use appropriate methodologies to estimate changes in biodiversity as a result of the project in the project zone and in the project lifetime. This estimate must be based on clearly defined and defendable assumptions. The 'with project' scenario should then be compared with the baseline 'without project' biodiversity scenario completed in G2. The difference (i.e., the net biodiversity benefit) must be positive.	The PDD/PIR sufficiently demonstrates that appropriate methodologies were utilized to estimate changes in biodiversity. The project areas are grasslands or croplands on private lands owned by subsistence farmers. They have a history of farming and as such, the baseline biodiversity is extremely low. Natural wildlife populations were eliminated or driven off long ago and are currently restricted to transient animals. As such, the approach to improving biodiversity in the project areas must start with the basics and, in this case, means to planting indigenous trees. Isolated woodlots with indigenous trees will improve the connectivity of wildlife between natural forests. The PDD/PIR appropriately compares the project scenario to the baseline without project scenario, demonstrating a positive change. The tree planting would not occur without the project. In the case of the indigenous trees, the biodiversity benefit is clearly positive.
Evidence Used to Assess Conformance:	Pages 45-48 of PDD, Pages 46-49 of PIR, discussions with project proponent and field staff, and "TIST KE PD-CCB-Spt 04 EIA Report NAREDAR 100506.doc"
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 2 - Demonstrate that no High Conservation Values identified in G1.8.1-3 will be negatively affected by the project.	The PDD/PIR sufficiently demonstrates that no HCV's will be negatively affected by the project. The project areas are on individual farms with an extensive history of farming and land use, other than natural forest or long-term forestry. As such, any negative effect caused by human activity at the project sites has already happened. Project activity will have a positive effect on HCVs. Please change "will not" to "has not" in the first paragraph; please change "will have" to "has had" in the second paragraph; please change "will prevent…, and help" to "has prevented and helped."

Evidence Used to Assess Conformance:	Page 48 of PDD, Page 49 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 3 - Identify all species to be used by the project and show that no known invasive species will be introduced into any area affected by the project and that the population of any invasive species will not increase as a result of the project.	The PDD/PIR sufficiently identify all species to be used by the project and show that no known invasive species will be introduced into any area affected by the project and that the population of any invasive species will not increase as a result of the project. All listed species have been screened against the global database of invasive species. While two on the list are included for Kenya, they are high value trees in Kenya, and, according to the Kenya Forest Service, are not invasive.
Evidence Used to Assess Conformance:	Pages 48-51 of PDD, Pages 49-52 of PIR, discussions with project proponent and field staff, and "TIST KE PD-CCB-Spt 05 KFS Invasive Species 101028.jpg"
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 4 - Describe possible adverse effects of non-native species used by the project on the region's environment, including impacts on native species and disease introduction or facilitation. Project proponents must justify any use of non-native species over native species	The PDD/PIR sufficiently describes possible adverse effects of non-native species used by the project on the region's environment, including impacts on native species and disease introduction or facilitation. TIST has developed specific protocols to discourage use of non-native trees and reduce the impacts these species when utilized. Further, they sufficiently justify use of non-native species.
Evidence Used to Assess Conformance:	Pages 51 & 52 of PDD, Pages 52 & 53 of PIR, discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 5 - Guarantee that no GMOs will be used to generate GHG emissions reductions or removals.	The PDD/PIR sufficiently guarantees that no GMO's will be used to generate GHG emission removals.
Evidence Used to Assess Conformance:	Page 52 of PDD, Page 53 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

B2 Offsite Biodiversity Impacts

Indicator 1 - Identify potential negative offsite biodiversity impacts that the	The PDD/PIR sufficiently demonstrates that no potential for offsite impacts to biodiversity exist. Evidence that there has not been any

project is likely to cause.	displacement of members has been provided in the form of a survey of the land owners and project participants during baseline monitoring. They owned the land before the project and own the land during the project. In addition, the program is designed to allow sustainable harvest within the project boundary by the members, which will reduce the need for fuel wood from external sources. The trees are owned by the Small Group members and as the trees die, either naturally or through selective harvest, they can be used as fuel wood by the members. The project activity will have a beneficial effect on area deforestation; instead of causing it, it will ameliorate it.
Evidence Used to Assess Conformance:	Pages 52 & 53 of PDD, Pages 53 & 54 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 2 - Document how the project plans to mitigate these negative offsite biodiversity impacts.	The PDD/PIR sufficiently demonstrates that mitigation is not applicable, since no negative offsite biodiversity impacts are expected.
Evidence Used to Assess Conformance:	Page 53 of PDD, Page 54 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 3 - Evaluate likely unmitigated negative offsite biodiversity impacts against the biodiversity benefits of the project within the project boundaries. Justify and demonstrate that the net effect of the project on biodiversity is positive.	The PDD/PIR sufficiently demonstrates no negative offsite biodiversity impacts are anticipated. Therefore net effect of the project on biodiversity is positive.
Evidence Used to Assess Conformance:	PDD, Page 54 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

B3 Biodiversity Impact Monitoring

Indicator 1 - Develop an initial plan for selecting biodiversity variables to be monitored and the frequency of monitoring and reporting to ensure that monitoring variables are directly linked	The PDD/PIR sufficiently presents the initial plan for selecting biodiversity variables to be monitored. Trees will be the main focus of biodiversity impact monitoring since they provide important habitat diversity and structural features for biodiversity.

to the project's biodiversity objectives and to anticipated impacts (positive and negative).	Trends in landscape connectivity and forest fragmentation have been addressed, using the track data collected by the quantifiers.
Evidence Used to Assess Conformance:	Pages 53 & 54 of PDD, Page 54 of PIR, and discussions with project proponent.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 2 - Develop an initial plan for assessing the effectiveness of measures used to maintain or enhance High Conservation Values related to globally, regionally or nationally significant biodiversity (G1.8.1-3) present in the project zone.	The PDD/PIR sufficiently demonstrates that appropriate monitoring (indirect) is in place for maintaining HCV. Because there is no direct interaction with the HCV, the monitoring is indirect and based on monitoring direct project achievements per B3.1 and B3.3.
Evidence Used to Assess Conformance:	Page 54 of PDD, Page 55 of PIR, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 3 - Commit to developing a full monitoring plan within six months of the project start date or within twelve months of validation against the Standards and to disseminate this plan and the results of monitoring, ensuring that they are made publicly available on the internet and are communicated to the communities and other stakeholders.	The PDD provides a full commitment to develop a full monitoring plan. The PIR states that a full monitoring plan was developed and is available as Appendix A.
Evidence Used to Assess Conformance:	Page 54 of PDD, Page 55 of PIR, Appendix A, and discussions with project proponent and field staff.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Gold Level Section

GL1 Climate Change Adaptation Benefit - N/A

GL2 Exceptional Community Benefits

Indicator 1 - Demonstrate that the project zone is in a low human development country OR in an administrative area of a medium or high human development	TIST sufficiently demonstrated that the project zone is in a HDI with greater than 50% of the population below the national poverty line.

country in which at least 50% of the population of that area is below the national poverty line.	
Evidence Used to Assess Conformance:	Page 55 of PDD, Page 56 of PIR, and "TIST KE CCB Spt 06 UN Human Dev Rpt 2009.pdf", discussions with project proponent, project stakeholders, and site visits.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 2 - Demonstrate that at least 50% of households within the lowest category of well-being (e.g., poorest quartile) of the community are likely to benefit substantially from the project.	TIST sufficiently demonstrated that greater than 50% of the households within the lowest category of well-being of the community are likely to benefit substantially from the project.
Evidence Used to Assess Conformance:	Pages 55-58 of PDD, Pages 56-59 of PIR, discussions with project proponent and stakeholders, and site visit.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 3 - Demonstrate that any barriers or risks that might prevent benefits going to poorer households have been identified and addressed in order to increase the probable flow of benefits to poorer households.	TIST sufficiently demonstrated that any barriers or risks that might prevent benefits going to poorer households have been identified and addressed.
Evidence Used to Assess Conformance:	Page 58 of PDD, Page 59 of PIR, and discussions with project proponent.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported validation findings.

Indicator 4 - Demonstrate that measures have been taken to identify any poorer and more vulnerable households and individuals whose well-being or poverty may be negatively affected by the project, and that the project design includes measures to avoid any such impacts. Where negative impacts are unavoidable, demonstrate that they will be effectively mitigated.	TIST sufficiently demonstrated that measures have been taken to identify any poorer and more vulnerable households and individuals whose well-being or poverty may be negatively affected by the project, and that the project design includes measures to avoid any such impacts.
Evidence Used to Assess Conformance:	Page 58 of PDD, Page 59 of PIR, field visit, discussions with project proponent, field staff and stakeholders.
Findings:	Validation findings supported the information provided in the PDD. Results from review of the PIR in the verification process supported

	validation findings.

Indicator 5 - Demonstrate that community impact monitoring will be able to identify positive and negative impacts on poorer and more vulnerable groups. The social impact monitoring must take a differentiated approach that can identify positive and negative impacts on poorer households and individuals and other disadvantaged groups, including women.	TIST is in the process of developing a differentiated monitoring plan to identify positive and negative impacts of poorer and more vulnerable groups. The social impact monitoring will take a differentiated approach that can identify positive and negative impacts on poorer households and individuals and other disadvantaged groups, including women.
Evidence Used to Assess Conformance:	Page 58 of PDD, Page 59 of PIR, and discussions with project proponent
Findings:	Because TIST is in the process of developing the plan, GL2.5 cannot be demonstrated at this time.
Corrective Actions Requests (CAR) to address non-conformance:	Please provide the mentioned differentiated monitoring plan.
Date issued:	09 August 2011
Project proponent response/actions	PDD states that it will develop an additional monitoring plan to demonstrate that it meets the requirements of Gold Level Exceptional Community benefits. Monitoring plan dated 5 Nov 2011 has been made available to verifier.
Evidence used to close CAR	Monitoring plan, monitoring report, TIST KE PD-CCB-Spt 17 GL2 Survey Overview.doc, and TIST KE PD-CCB-Spt 18 GL2 Community Benefits Survey.doc provided to verifier.
Date closed	15 Nov 2011

GL3 Exceptional Biodiversity Benefits **Conformance: N/A**

Public Shareholder Comments

Comments were solicited/received for the project in three ways. The first was through the CCB public comment period for the posting of the PDD and PIR. One comment was received which was in strong support of the project. The second was through comments received through the stakeholder meeting held on 2 Sept 2011 at the Gitoro Conference Center, in Meru, Kenya. There were eleven persons in attendance and nine comments were received, all of which were in support of the TIST project. The final way comments were solicited was through the verifiers field meetings with TIST grove owners. Approximately 77 interviews were conducted. The vast majority of comments were in support of the TIST program, through there were several requests to increase the price paid for trees and to improve the process and timing for distribution of payments. Additional comments included requests for more seedlings, inclusion of a broader range of tree species, and to reduce the minimum spacing between trees. Below are the names of those who provided comments. For the verifier interviews with landowners, the grove name is provided.

Validation/Verification Conclusion

ESI confirms all validation and verification activities including objectives, scope and criteria, level of assurance and the PDD adherence to the CCB Standard, Second Edition as documented in this report are complete and concludes

without any qualifications or limiting conditions that the CCB Project Design Documentation *TIST Program in Kenya, CCB-002* (2 November 2011), CCB Project Implementation Report *TIST Program in Kenya, CCB-002* (2 November 2011), CCB Monitoring Plan *TIST Program in Kenya, CCB-002* (2 November 2011) and the CCB Monitoring Report *TIST Program in Kenya, CCB-002* (2 November 2011) meets the requirements of the CCB Standards (Second Edition – December 2008) and achieves Gold Level for Community Benefits.

Submittal Information

Report Submitted to:	Charlie Williams Clean Air Action Corporation 7134 South Yale Avenue, Suite 310 Tulsa, OK 74136 Climate, Community, and Biodiversity Alliance
Report Submitted (CCBA-Approved Verifier) by:	Environmental Services Inc. 7220 Financial Way, Suite 100 Jacksonville, Florida 32256
Lead Validator/Verifier and Regional Technical Manager (QA/QC) Names and Signatures:	 Shawn McMahon- Lead Validator/Verifier  Janice McMahon – Vice President and Regional Technical Manager Forestry, Carbon, and GHG Services Division
Date:	21 December 2011

SMM/JPM/rmb/VO11041.01 CCBA Valid/Verif Reportv2.doc
K: pf 12/21/11f