VERIFICATION REPORT FOR TAHUAMANU AMAZON REDD PROJECT

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Summary

AENOR INTERNATIONAL S.A.U (AENOR) has performed the first verification of the project "TAHUAMANU AMAZON REDD PROJECT" in Perú on the basis of Voluntary Carbon Standard (VCS) and Climate, Community & Biodiversity standard (CCB), as well as the host country criteria. The period covered by this verification reports is from 19 April 2017 – 31 December 2019.

AENOR conducted the verification under VCS Standard version 4.2 and the CCB Standard Third Edition, by reviewing the monitoring report and supporting evidences submitted by the project proponent.

The project is located in Madre de Dios, a region in the south-east of the Peruvian Amazon with the most accelerated deforestation rate of Peru. The REDD+ project, with 171,584.07 hectares is located within the Tahuamanu Province, covering the districts of Iñapari, Iberia, Tahuamanu and Las Piedras in the department of Madre de Dios. The area faces increasing threats from unsustainable agrarian practices from neighbouring local communities.

The purpose of verification is to have an independent, third party assess the project design. In particular, the project's emission reduction calculation; the monitoring plan implementing, and the project's compliance with relevant VCS and CCB requirements.

In order to confirm that the monitoring report as documented meets the stated requirements and identified criteria, the verification consisted of the following three phases: i) a desk review of the project monitoring report and monitoring plan implementation; ii) follow-up interviews with project stakeholders; iii) the resolution of outstanding issues and internal technical review followed by the issuance of the final verification report and opinion. In the course of the verification process 5 corrective actions and 5 clarifications were raised, all have been successfully closed.

The purpose of the visit assessment was to determine the conformance of the project with respect to the VCS Version 4 Standard; the Third Edition of the CCB Standard; the joint project description and the information provided in the monitoring report. The field visit took place from 23 to 26 November 2021 in which the lead auditor visited the project area, interviewed key stakeholders, staff and other related experts, and also reviewed the CCB-VCS-MR and supporting documents. Additional to site visit, meetings via teleconferences were carried during December 1 and 2, 2021; in order to review the emission reductions calculation and verify the processing data from satellite images. The scope of the verification was to assess the conformance of information in the project design document with the VCS and CCB standards.

This verification report has been submitted to the PP in which 5 CARs and 5 CLs were reported (see verification protocol in appendix II) for VCS and CCB. However, all these issues raised during the verification process where appropriately closed by means of corrections, more clear explanations and other supported documents.

Hence, once all issued detected were appropriately solved, AENOR carried out a final verification report and deems with reasonable level of assurance that the project complies with all of the verification criteria for VCS and CCB. The assessment team has no restrictions or uncertainties with respect to the compliance of the project with the verification criteria, hence, the audit team concludes that the net GHG emissions reductions or removals, for the lands included in the project boundary at verification stage has been quantified in accordance with VCS rules.

AENOR verification team assessed the calculations and can confirm the GHG emission reductions, during this monitoring period amounts 3,850,755 tCO2e (without discounting buffer emissions) for the whole crediting period. AENOR´s verification team is able to confirm that the project is well managed, and results are well supported. Monitoring plans are effective, and MADERACRE has developed enough procedures and tools to manage data.

Table of Contents

1 INTRODUCTION

1.1 Objective

The objective of the verification audit was to conduct an independent assessment of the project to determine:

- ✓ The extent to which methods and procedures, including monitoring procedures, have been implemented in accordance with the validated project description, including the monitoring plan.
- ✓ The extent to which GHG emission reductions and removals reported in the monitoring report are materially accurate.

1.2 Scope and Criteria

Verification Scope: The scope of the verification audit is to verify the emissions reductions and/or removals of the project, against the Verified Carbon Standard, the identified methodology and the validated CCB-VCS-PD throughout the monitoring period from 19 April 2017 – 31 December 2019.

The objectives of this audit included a verification of the projects calculated removals with the Verified Carbon Standard requirements and any additional requirements of VCS AFOLU projects. In addition, the audit assessed the project with respect to the validated baseline scenarios presented in the CCB-VCS-PD and the fulfilment of the Climate, community and biodiversity criteria against the CCB Standard.

The scope was defined as follows:

- The project and its baseline scenarios;
- The physical infrastructure, activities, technologies and processes of the project;
- The GHG sources, sinks and/or reservoirs those are applicable to the project;
- The types of GHGs that are applicable to the project; and
- The project monitoring period

Standard Criteria: Even though, the version in force is version 4.2 of VCS standard; project developer is applying templates form from version 3, since they are the ones that are available jointly for VCS and CCB programs. The verification assessment was performed in accordance the reequipments detailed in section 4 of the VCS standard; including the following documents:

- VCS Program Guide, v4.1 /1/
- VCS Standard, v4.2 /2/
- Program Definitions, v4.1 /3/
- AFOLU Non-Permanence Risk Tool, v4.0 /4/
- Climate, Community & Biodiversity Standards, v3.1 /5/
- CCB Program Rules, v3.1 /6/

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

1.3 Level of Assurance

The assessment was conducted to provide a reasonable level of assurance of conformance against the defined audit criteria and materiality thresholds within the audit scope. Based on the audit findings, a positive evaluation statement reasonably assures that the project GHG assertion is materially correct and is a fair representation of the GHG data and information.

All the revisions of the verification report before being submitted to the client were subjected to an independent internal technical review to confirm that all verification activities had been completed according to the pertinent AENOR instructions required. The technical review was performed by a technical reviewer(s) qualified in accordance with AENOR´s qualification scheme for CDM/VCS validation and verification.

1.4 Summary Description of the Project

The project is located in Madre de Dios, a region in the south-east of the Peruvian Amazon with the most accelerated deforestation rate of Peru. The REDD+ project, with 171,584.08 hectares is located within the Tahuamanu Province, covering the districts of Iñapari, Iberia, Tahuamanu and Las Piedras in the department of Madre de Dios. The area faces increasing threats from unsustainable agrarian practices from neighbouring local communities.

The project plans to combine an increase in protection measures (patrolling, working together with other forest concessions and the forest and political authorities) with the promotion of productive activities for neighbouring communities, as a strategy to offer alternative sources of income that do not imply the clearing of forest areas. Based on this approach, the project expects to reduce projected deforestation.

Project activity has already implemented different actions with neighboring communities in topics as health, employment and education. In addition, the project has implemented actions regarding biodiversity and borders protection. Also, project proponent participates actively in inter institutional task force to consolidate forestry sector in Tahuamanu province.

The verification period, comprising from 19 April 2017 to 31 December 2019, amounts 3,850,755 tCO_2e of emission reductions (without discounting buffer emissions).

Therefore, the project is contributing to the mitigation of climate change, conserving biodiversity and generating benefits for the population of the community. The project goals include the conservation and reduction of deforestation; contribute to improve the quality of life of neighbourhood and local stakeholders; and the conservation of biodiversity.

2 VERIFICATION PROCESS

2.1 Audit Team Composition (*Rules* 4.3.1)

Name	Position in the team
Richard Daniel Gonzáles Toledo	Lead auditor

Name	Position in the team
Javier Cócera Cañas	Technical reviewer

The auditors have the Spanish as mother language which is the official language in Peru where the project is located. The auditors have experience in social and cultural issues. They have been auditing CDM, VCS, CCB and GS projects in AENOR for more than 10 years all around the world.

Richard Gonzales is an auditor located in host country. He has many experiences as validator and verifier of VCS&CCB projects in Perú and Colombia. He is an engineer specialized in Mechanical and Electrical with a post grade in Energy with experience in LULUCF activities in VCS, CDM and GS schemes from more than 10 years.

Javier Cócera is a forest engineer with a master in forest management. He has developed his career focused to the forest management. Mainly he has been working through sustainability in two ways: in forestry consultancy, developing forest management plans, working with GIS and LiDAR both in the field and the office and getting experience of the forest resources; and in developing environmental footprint projects and sustainability reports. Currently, Javier is working in AENOR as auditor focused in AFOLU projects.

2.2 Method and Criteria

The verification was performed through a combination of document review, interviews and communications with relevant personnel and on-site inspections. The project was assessed for conformance to the criteria described in Section 1.2 of this report. As discussed in this report, findings were issued to ensure that the project was in full conformance to all requirements.

AENOR carried out this verification report and deems with reasonable level of assurance that the project complies with all of the verification criteria.

The verification has been performed through a deep desk review, site visit to the project, interviews whit local stakeholders, and interviews with relevant personnel responsibly for monitoring. The verification activities in which risks were assessed were the evaluations of the monitoring system (data flow, data control procedures, etc.) but mainly the quality of raw data as well as sources and the spreadsheet calculations.

AENOR reproduced and verified 100% of sheets in the spreadsheet of emission reduction calculations /61/ and the data/calculations carried out in those sheets for the monitoring period 19 April 2017 to 31 December 2019 for the project area and leakage belt. The project boundary and deforested areas in the project area and leakage belt for the monitoring period were 100% checked using the GIS database and shape files. The carbon stock changes, forest classes in the project area and leakage belt were also 100% verified and crosschecked with validated values.

AENOR decided to carry out a deep and meticulous review of the sheets due to the following reasons:

- ✓ To verify the correct application of the methodology (formulae, equations.) and checked that data required to calculate the GHG removals are appropriately provided.

Based on the assessment carried out, AENOR confirms with a reasonable level of assurance that the claimed emission reductions are free from material errors, omissions or misstatements.

In addition, AENOR confirms that sufficient evidence was presented for the reported net anthropogenic GHG emission reductions and that there is a clear audit trail that contains the evidence and records that validate the stated figure in this verification report since:

- ✓ Sufficient evidence available: The project participant has provided the 100% of data used in the calculations to achieve the final amount of GHG emission reductions reported.
- ✓ Nature of evidence: The raw data were collected from reliable sources. They are detailed in the project documents and have been provided to the verification team and the most relevant are appropriately detailed in the appendix I.
- ✓ Cross-checked evidence: AENOR cross-checked the collected information through an on-site inspection to the project area and reproducing calculations.

Hence, AENOR confirms that the stated figures in the monitoring report are correct and confirms that is able to certify net anthropogenic GHG removals based on verifiable and reliable evidence.

2.3 Document Review

The monitoring report /7/ /8/, project description /9/, and supporting documentation were carefully reviewed for conformance to the verification criteria and consistency with the Project Description. The audit team examined the baseline data gathered from the baseline determined for this Region, spreadsheets used to enter, and compile information required by the methodology and reproduced the GHG emissions reductions calculations presented in the spreadsheet models to obtain same results than those appearing in the Monitoring report. The Non-Permanence Risks Reports /10/ for this monitoring period were assessed, as well.

Appendix I to this report details the list of documents provided by PP and reviewed by AENOR during the process

2.4 Interviews

The AENOR's verification team composed of Richard Gonzáles conducted interviews with project developers; local stakeholders; and key personnel involved in the project activity, in order to confirm selected information and to resolve issues identified in the document review.

The field visit took place from 23 to 26 November 2021 in which the lead auditor visited the project area, interviewed key stakeholders, staff and other related experts, and also reviewed the monitoring report and supporting documents. The people interviewed were those directly affected or involved in the project activity and in some cases were just indirectly affected.

Audit Date	Name	Title	Activities
23/11/2021	Nelson Kroll	General Manager/ MADERACRE	Status of the project activity (Operation and implementation) Property and land use rights Stakeholder identification and analysis used to identify communities Project Communication & Grievance Mechanism Characteristics of the project
	Mirian Chupan	Social Responsibility/MADERACRE	
	Luis Ñaña	Forestry management chief/MADERACRE	
	Karen Parra	Administration chief/MADERACRE	
	Cesar Carcheri	E&M chief/MADERACRE	
24/11/2021	Abraham Cardozo	Mayor of Tahuamanu province	Comments and opinions about the project Benefits of project activities Sanctions
	Rosa Valdez	Lieutenant mayor of Flor de Acre	
	Willy Neyra	Park ranger - SERNAMP	Patrolling activities Illegal activities within the project
	Sonia Chipana	Principal of I.E. Iñapari School	Comments and opinions about the project Benefits of project activities Project dissemination of monitoring results Agreements
	Marina Jurado	Principal of Primavera School	
	Ricardo Ramos	Representative of San Francisco	
	Teofilo Huaman	Representative of Nueva Esperanza	
	Karla Sumalave	Representative of Noaya	
	Irene Cardozo	President of Nuevo Iñapari Association	
	Milagro Lopez	President of Iñapari Mothers club	
25/11/2021	Griseldo Pereyra	Belgica Native Community member	Comments and opinions about the project Benefits of project activities Project dissemination of monitoring results Agreements
	Ricardo Lopez	Belgica Native Community member	
	Manuela Serrano	Teacher of Belgica Native Community School	
	Erica Suares	Belgica Native Community member	
	Leda Batista	Belgica Native Community member	

Audit Date	Name	Title	Activities
	Nazareno Aspajo	Belgica Native Community member	
	Esau Marcelo	Keeper/MADERACRE	Working conditions Health and safety at work Project dissemination Patrolling activities
	David Flores	Keeper/MADERACRE	
	Cesar Carcheri	Valorisation and monitoring chief/MADERACRE	Forest harvesting Woking conditions Health and safety at work

Additional to site visit, meetings via teleconferences were carried during December 1 and 2, 2021; in order to validate the baseline calculation and verify the processing data from satellite images. The scope of the verification was to assess the conformance of information in the monitoring report with the VCS and CCB requirements.

Audit Date	*Name*	*Title*	*Activities*
01/12/2021 (Microsoft teams)	Jorge Torres	Consultant	Monitoring report results CCB-VCS-MR content Supporting evidences of monitoring report
	Jeanpierre Adriano	Consultant	Emission reduction calculation Project area, leakage belt area and project zone area results Beta regression results Project emissions, baselines emission and leakage emission calculation
02/12/2021 (Microsoft teams)	Pedro Ruiz	Consultant	GIS processing data

The complete signed list of interviewees is found in appendix III

2.5 Site Inspections

The objectives of the on-site inspections performed were mainly to cross check the description provided in the monitoring report, related to the VCS and CCB requirement implemented by the proponent, including

- Ensure that the geographic area of the project, as reported in the CCB-VCS-PD and the accompanying KML file, is in conformance with Section 3.10.2 of the VCS Standard;

- Perform a risk-based review of the project area to ensure that the project conforms to all other requirements of the VCS rules and the methodology.
- Observe the Project Proponent's evidence and collect and record data in order to assess whether data collection techniques conform to the monitoring plan and related documentation and to evaluate data quality control systems.
- Select samples of data and information for verification in order to meet a reasonable level of assurance and to meet the materiality requirements of the project, as required by Section 4.1.8 of the VCS Standard;
- Perform a risk-based review of the project area to ensure that the project is in conformance the eligibility requirements of the VCS rules and the applicability conditions of the methodology; and
- Interview local authorities to confirm that the project operates in accordance with current permits and authorizations and its relationship with local actors and communities.
- Interview the key personnel involved in the mentoring and observe monitoring practices.
- Verify patrolling and security access in the project zone

Additional to the site inspection, meetings via teleconferences were carried with project representants and personnel in charge of carrying out the calculations, image processing, monitoring, beta regression, additionality and unique metrics report.

2.6 Resolution of Findings

All documentation provided by the Project Proponent was assessed against the most recent version of the relevant VCS guidance document. Several clarification requests (CL) and corrective action requests (CAR) were raised and submitted to the Project Proponent, which addressed them either by providing to the audit team the requested information or by making the appropriate corrections. Updated versions of the documentation were submitted by the Project Proponent and the audit team reassessed them against the guidance documentation. This process was repeated iteratively until all CLs and CARs were fully resolved. Specifically, 5 CARs and 5 CLs were reported.

All findings issued by the AENOR audit team during the verification process have been closed for both VCS and CCB Standards. All findings issued during the verification process, and the inputs for their closure, are described in Appendix II of this report.

2.6.1 Forward Action Requests

No Forward Action Requests were raised to the PP during this process.

2.7 Eligibility for Validation Activities

AENOR has conducted the validation and verification at the same time considering the paragraph 4.1.20 VCS standard. AENOR holds accreditation for validation and verification for the sectoral scope 14. Agriculture, Forestry, Land Use.

3 VALIDATION FINDINGS

3.1 Participation under Other GHG Programs

The project is not included in an emissions trading program. The project has not been registered, and is not seeking, registration under any other GHG programs.

3.2 Methodology Deviations

No methodology deviations were requested during the verification. However, during the validation proponent requested three deviations, relating to measurement criteria set out in the methodology. During the validation, the audit team reviewed proposed methodology deviations and the applicability in the emission reduction calculation and confirmed that these three deviations do not negatively impacts the conservativeness of the quantification of GHG emission reductions. Verification team reviewed that validated deviation were applied in accordance to the AENOR´s validation report /8/

3.3 Project Description Deviations (*Rules* 3.5.7 – 3.5.10)

No project description deviations are applied for this verification period.

3.4 Minor Changes to Project Description (*Rules* 3.5.6)

No minor changes for project description have been applied for this period.

3.5 Grouped Project (G1.13 – G1.15, G4.1)

This is not a grouped Project.

4 VERIFICATION FINDINGS

4.1 Public Comments (*Rules* 4.6)

The project description and monitoring report were submitted to the VCS website for a 30-day public comment period from 04/08/2021 to 03/09/2021. No public comments were received during the validation/verification process. The audit team confirmed this issue against public information in VERRA database platform.

4.2 Summary of Project Benefits

Section 1 of the monitoring report provides information about the project benefits. Achievements for the current monitoring period and for the project lifetime are detailed with specific data per categories.

Data are supported with evidence and records checked during the interview with stakeholders and desk review. The section has been completed appropriately with data from the sources provided such as GIS package, records of trainings activities, employees etc.

As specific and remarkable achievements for the current monitoring period the MR in its section 1.1 states:

- 114 beneficiaries in health of indigenous peoples as a result of project activities.
- 41 beneficiaries in education of indigenous peoples as a result of project activities.
- 45 women of indigenous peoples benefiting through project activities.
- 7 promotional activities for the protection of indigenous peoples in isolation, PIACI.

Verification team reviewed the life plan of Belgica community /104/ in order to confirm the number of beneficiaries in education of indigenous peoples and the number of women of indigenous peoples benefiting through project activities. The number of beneficiaries in education of indigenous people was verified against the agreements with the native community of Belgica /18/. Finally, the number of promotional activities for the protection of indigenous peoples in isolation (PIACI) was verified against Contingency Plan for PIACI /26/.

As specific and remarkable achievements for the current monitoring period the monitoring report in its section 1.2 states:

Metric	Achievements during Monitoring Period	VVB Assessment
Net estimated emission reductions in the project area, measured against the without-project scenario	3,850,755	Verification team reviewed the emission reduction calculation spreadsheet /51/ in order to confirm reported value.
For REDD projects: Number of hectares of reduced forest loss in the project area measured against the without-project scenario	8,718.58	Verification team reviewed Project Area Map /54/, Leakage Belt Map /56/, GIS data /57/, Deforestation rates /60/ and Official deforestation rate from GEOBOSQUES webpage /60/.
Number of hectares of existing production forest land in which IFM practices have occurred as a result of the project's activities, measured against the without-project scenario	171,584.08	
Total number of community members who have improved skills and/or knowledge resulting from training provided as part of project activities	98 on average over the whole period	Verification team reviewed the Annual training activity programme /40/ and, Training records 2017 – 2019 /42/43/44/ in order to confirm reports values.
Number of female community members who have improved skills and/or knowledge resulting from training provided as part of project activities of project activities	9 on average over the whole period	
Total number of people employed in of project activities, expressed as number of full time employees	122 on average over the whole period	Verification team reviewed the list of persons hired from 2017 to 2019 /105/ in

Metric	Achievements during Monitoring Period	VVB Assessment
Number of women employed in project activities, expressed as number of full time employees	5 on average over the whole period	order to confirm people employed in the project
Total number of people with improved livelihoods or income generated as a result of project activities	253	
Number of women with improved livelihoods or income generated as a result of project activities	59	
Total number of people for whom health services were improved as a result of project activities, measured against the without-project scenario	2,046 on average	It corresponds to the population of the Native Community Belgica, as registered in the Life Plan /105/. Verification team also confirmed this issue during the on-site in the native community.
Number of women for whom health services were improved as a result of project activities, measured against the without-project scenario	881 on average	
Total number of people for whom access to, or quality of, education was improved as a result of project activities, measured against the without-project scenario	285 during the three years of the current monitoring period	it corresponds to the students from Belgica community, Villa Primavera district, Noaya District and Iñapari district, where the organization has agreements with the initial and primary schools /18/19/
Total number of people who experienced increased water quality and/or improved access to drinking water as a result of project activities, measured against the without-project scenario	3,256 per year	According to the official report included in the nation census 2017.
Number of women who experienced increased water quality and/or improved access to drinking water as a result of project activities, measured against the without-project scenario	1,388 per year	

Metric	Achievements during Monitoring Period	VVB Assessment
Total number of community members whose well-being was improved as a result of project activities	208	It corresponds to the population of the Native Community Belgica, as registered in the Life Plan /105/. Verification team also confirmed this issue during the on-site in the native community.
Number of women whose well-being was improved as a result of project activities	62	

The standardized benefit metrics, including: GHG emission reductions or removals; Forest cover; Improved land management; Training; Employment; Livelihoods; Health; Education; Water; Well-being and Biodiversity conservation. The audit team reviewed information reported in this section against supporting evidences listed in appendix I; also, the audit team has verified that all achievements reported are substantiated with information provided in the body of the CCB-VCS-PD.

In opinion of AENOR, the project benefits are credible based on the supporting documents provided by PPs and evidence received during the AENOR's stakeholders interviewed, records checked and field records.

4.3 General

4.3.1 Implementation Status (G1.9)

Section 2.2 of the monitoring report provides the relevant milestones occurred during the last years in the project area related to the management and development of the project to understand its implementation status. These milestones are directly linked with the success to implement and achieve the goals established by the project in the community and biodiversity areas.

Tables in section 2.2.1 of the monitoring report provide complete information of activities carried out and impacts of these activities for the goals of the project. Project objectives and activities to reach them are analysed with their outputs and outcomes for the present monitoring period.

The most important milestones are described in the in section 2.2.1 of the monitoring report. The following table summarizes the assessment carried out by the audit team

Date	Milestone(s) in the project's development and implementation	VVB Assessment
2002	Issuing of forest concession contract	Verification team reviewed the concession contracts /12/ and its approval /13/ of the project proponent and nothing irregular was found
2007	FSC Certification	Project proponent account with a Forest management certification (FSC certification). Audit team reviewed the

		validity of FSC certification against original version of the certificates /15/ and confirm this issue
2016	New concessions added to the joint management area and covered by Maderacre FSC certificate	Verification team reviewed the concession contracts /12/ /13/ of the project proponent and nothing irregular was found
2017	FSC re-certification	Project proponent account with a Forest management certification (FSC certification). Audit team reviewed the validity of FSC certification against original version of the certificates /15/ and confirm this issue
2017	Starting Date of GHG accounting period	Project start date was validated against Forest Directorate Resolution (Resolution N° 186-2017), signed on April 19, 2017 /29/ and Concession contract approval: (Resolution N° 131-2017) issued on March 20, 2017 /14/

After reviewing listed documents AENOR´s Verification team confirm the most important dates of the project

A Forest Directorate Resolution, signed on April 19, 2017 /29/, approving the operational plan of the consolidated forest concession is considered as start date of project activity, which is the date of surveillance activities for forest conservation began.

During this monitoring period, several activities took place, including law enforcement, community engagement, infrastructure development and biodiversity conservation, one on the action was increase the number of sentinel sites, this fact was confirmed during the on-site visit in the project zone. Also, the PP is carrying out forest protection programs in schools and local actors, this issue was confirmed by interviewing the principals of Iñaparii and Iberia districts.

For avoiding the risk of human, the access to project zone are controlled by keepers; also, PP are given support to the local park ranger in order to control the livestock and agricultural areas, reducing the dependence on land for income, which reduces the leakage and increasing the permanence of the project.

Regarding communities' issues, AENOR verified during the site visit, by interviews, that the technical teams of the PP in the project zone included local people speaking the local languages and they are used to translate the project information to them in a form they understand. AENOR´s audit team verified their knowledge about the risks and benefits of the project and how their opinions are collected to be considered in the project decisions and planning. Section 2.3 of the MR provides further information about the measures for the participation of stakeholders in the decision making and the procedures for the grievances and conflicts.

Project does not negatively affect biodiversity, which is why no actions were taken to mitigate negative impacts, conversely, the project implemented several activities concerning law enforcement, habitat conservation and the promotion of sustainable use of natural resources with the local communities, which are orientated to preserve the HCVs in the project area. The development of REDD activities mentioned, increased the protection of the ecosystem by reducing the human pressure for natural resources while generating additional incomes for ensuring the long-term funding of the park and employment opportunities for local communities.

Section 2.1.10 of the MR describes the contribution of the project to sustainable development goals. The project intends to contribute to maintaining the following SDGs: 6, 8, 12, 13 and 15.

The validation and first verification process were conducted jointly. During de validation project proponent requested three methodology deviations, which do not negatively impact the conservativeness of the quantification of GHG emission. During this monitoring, PP has applied validated deviation as per validated CCB-VCS-PD. Furthermore, during the verification PP has not request additional project description deviations, nor minor changes to the project description.

The implementation plan for the project activities has been also provided to the AENOR team along with the budget and implementation schedule. The project has achieved its objectives in Climate, Community and Biodiversity by implementing project activities in every program area as results confirm.

During this verification process, AENOR has not detected project changes in regards of the project title, its purposes and objectives. As such, the project activity accurately reflects the proposed project which mainly consists in alleviating deforestation and degradation pressures on the forests, improving the quality of life of population in the area and strengthening relationships with government agencies to insure the proper long-term management of the Project Proponent. Through interviews with key staff and evidence provided, the auditor team ratified the main objectives of the project activity.

Besides, the project has not participated nor been rejected under any other GHG programs. GHG emission reductions or removals generated by the project are not included in an emission trading program or any other mechanism that includes GHG allowance trading. The project has not received or sought any other form of environmental credit.

Hence, after a complete review of the different documents provided and the on-site visit, AENOR is able to confirm that the project implementation is in accordance with the project description contained in the validated CCB-VCS-PD /9/ and final version of the monitoring report /8/. There are not material discrepancies between project implementation and the monitoring report.

4.3.2 Risks to the Community and Biodiversity Benefits (G1.10)

Section 2.2.6 of the monitoring report addresses the natural and human induced risks and how the project considered several initiatives to diminish these risks to the project benefits. The main risk identified by project proponent are:

- Productive activities are not enough attractive to change the pattern of land use of agrarian neighbours
- New migrants that are not part of the original beneficiaries of the REDD+ project will become new deforestation drivers as they do not participate in the project activities
- Internal conflicts within local settlements
- Fires cannot be controlled because of dry seasons

For those risks, the Project Proponent has established different mitigation activities, including:

- Design feasibility study and provide continuous technical assistance including accompanying commercial activities in order to access to improved and specialized markets with premium prices

- Work jointly with authorities to a planning process of settlements of new migrants
- Work jointly with local leaders and social specialists in order to understand the expectations, interests and power groups and networks inside local communities
- Incorporate scientific and research information in the forest fires patrolling strategy

In addition, for conducting the mitigation activities the project proponent account with a forest management plan /16/ and Procedures for handling and resolving conflicts /17/. Moreover, during the on-site assessment verification team confirmed the steps taken to minimize or reduce natural and human-induced risks.

AENOR deems that the Project Proponent identified correctly the risks to the project and it is implementing actions to reduce or diminish the negative impacts of these risks in the benefits on the Climate, community and biodiversity.

4.3.3 Community and Biodiversity Benefit Permanence (G1.11)

The project is currently taking active measures to enhance the climate, community, and biodiversity benefits of the project beyond the project crediting period. The measures proposed to guarantee the permanence of climate, community and biodiversity benefits are:

- Develop feasibility studies of products that will be produced with the support of REDD+ project in order to analyse previously if the activity is profitable enough to convince producers to dedicate to these activities instead of looking for new areas to produce conventional crops
- Provide a permanent technical assistance to producers including marketing aspects as part of a strategy to access to premium markets
- Support local and regional authorities urban planning process in order to reduce the risk of uncontrolled migration
- Implement a diagnosis of local relationships inside each community as part of the strategy of sharing benefits and activities at an equitable way to minimize the risk of internal conflicts that affect the project development
- Identify scientific sources of information related with intensity and location of forest fires and incorporate that information in patrolling strategy

AENOR has verified those activities though the desk review and during the on-site visit. Verification team assessed the agreements with the native community of Belgica /18/; agreements with the educational institution “Dos de Mayo” Iberia /19/; agreements with technological institute Iberia – Tahuamanu /20/; agreements whit National Park Alto Purus /21/; and agreements with Health post “Iñapari CLAs Tres Fronteras” /22/. In addition, during de on-site assessment, the principal from Iñapari School and a teacher from Villa Primavera School were interviewed in order to confirm the agreements with project developer; furthermore, a park ranger from SERNAMP was interviewed in order to confirm the supports provided by the project proponent. Interviewed persons respond with positive comments to the project activity.

4.3.4 Stakeholder Access to Information (G3.1- G3.3)

According to the section 2.3.1. of the monitoring report, the information is public available in the company webpage (www.maderacre.com). Also, the information had been shared with stakeholders through letters, radio advertisements and through citizen participation workshops and the Consultation Committee.

During the project document design, the project was communicated to local stakeholders since 2018 to 2020, detailing the main components of the project. As the process was gaining definition, more details were shared and, since 2020, information regarding the stages of the process (including validation and verification audit and field visits) were included as well as the costs, risks and benefits.

Verification team reviewed the public information, regarding project activities, in the stated webpage and confirm that information regarding project activity is accessible. Furthermore, during the on-site visit, Verification team confirmed by interviews with various local actors (complete list of interview person is listed in appendix III) that the information generated for the design of the project has been explained to the community.

The result obtained for the preparation of the documents has been exposed to the communities. Moreover, the documentation developed by the project proponent, including previous studies as well as the project description document and monitoring report, were delivered to local stakeholders. In addition, any persons from the communities can directly communicate with the project representatives in their office located in Iñapari. These facts were corroborated during the visit assessment

AENOR assessed this during the on-site visit and through the review of the participatory workshops /31/ and conclude that the stakeholders have access to information regarding project activity.

4.3.5 Stakeholder Consultation (G3.4 – G3.5)

Project proponent developed many procedures in order to establish community relations; including: Community Development Plan /23/; communication plan /24/; social monitoring plan /25/; anthropological contingency plan for dealing with risk situation during the contact with an isolated population (PIACI) /26/.

Project proponent implement an Advisory Committee for Community Relationships in order to provide support to local communities. Twice per year and in parallel with the Citizen Participation Workshops, the advisory committee meetings are organized to review the improvements and discuss future actions to support the improvement of the communities.

The interaction with the communities has allowed to identify the main stakeholders in the influence zone, learning about their needs and proposing action mechanisms for the project. For example, health and education have been identified as relevant for local development but usually not prioritized by the Peruvian State. Also, to guarantee the project area conservation, it was identified that a focused strategy is to promote productive activities that are environmentally friendly, accessible for local communities and families, that may become alternatives to bring them development.

Verification team reviewed the plans developed and their implementation; also, it was reviewed the diffusion support of the project activity to the local stakeholder, including: Tahuamanu REDD Project Public Consultation Report 2021 /27/; Dissemination of REDD Component report 2019 /28/, Dissemination of REDD Component report 2020 /29/; Dissemination of REDD Component report 2021 /30/; Citizen

participation workshop report /31/; Agreements of the meetings minutes /32/; Flyers of project diffusion /33/; among other (complete list of evidences are included in appendix I).

During the on-site visit, project proponent provided photographs, surveys results and workshop reports; also, the advisory committee for community relationships were intervened. Even the extraordinary situation, that is being experienced, as a result of the COVID-19 pandemic, during the present monitoring period project proponent has provided support to communities and local stakeholders.

Then, AENOR´s Verification team is able to confirm that the consultation process is effective and fulfil the requirement of VCS and CCB requirements.

4.3.6 Stakeholder Participation in Decision-making and Implementation (G3.6)

The stakeholder involvement in project design as well as the stakeholder communication system is described in the CCB-VCS-PD. During the site visit, the audit team audit team was able to verify the stakeholder's involvement through the different interviews and meetings conducted and through records of different meetings and workshops.

In opinion of AENOR, the communication and consultation plan are being implemented as described in the project design document and COVID situation, also, has been taken into account. The project design document, monitoring report and other documents related to REDD+ project activities are public available and were disseminated as per VCS and CCB requirements. These documents have been made accessible to communities through socialization events, workshops, and community participation spaces, and have been delivered via printed, digital, and audiovisual materials created specifically for communities and other interested stakeholders.

The communities present in the project's area of influence correspond to groups of settlers who have migrated to these territories from different towns or cities in the country, with the exception of Belgica Native Community, mainly Yine ethnic group, which is fully integrated into the social and economic dynamics of the area. The interaction with all the actors has been designed through the same mechanism, which corresponds to the citizen participation workshops and the community relations advisory committees. Regarding gender, in the community relationships advisory committee, a representative of the women has a permanent seat and brings the approach of local communities' women to be part of the main discussion and prioritization.

AENOR's verification team checked the above information, during the on-site visit, by interviewing various local actors, including the native community, local authorities and project relations advisory committee. The summary and detail of the topics and actives cared out during the on-site visit are in section 2.4.

4.3.7 Anti-discrimination (G3.7)

Project proponent has implemented an anti-discrimination and labor equity policy (updated in 2021) for MADERACRE operations /34/. Moreover, PP has provided its anti-discrimination sworn statement /35/.

Project proponent forbidden any kind of physical or verbal violence or discrimination based on disability, language, gender, age, social, legal or economic condition, culture or ethnicity, civil status, religion, opinions, sexual preferences, migratory situation or others. This policy is published in the web page of

MADERACRE and is accessible for anyone. AENOR´s Verification team reviewed the policy and the web page access, confirming information provided in the CCB-VCS-PD and in the CCB-VCS-MR.

4.3.8 Stakeholder Feedback and Grievance Redress Procedure (G3.8)

Project proponent has established a flowchart for receiving, hearing, responding and resolve grievances, taking into account traditional conflict resolution methods, described in the validated CCB-VCS-PD. Verification team reviewed and confirmed the process, during the on-site visit. Also, the project proponent has developed a procedure for complaints and consultations /36/.

During the monitoring period a claim generated, in 2016, was attended. The Provincial Municipality of Tahuamanu on behalf of the Nuevo Iñapari Housing Association filed a complaint do to dust generation on the Santa Martha highway. The complaint was received and addressed in accordance whit its procedure /36/

The company, since 2018, assumed the irrigation of the road to mitigate the generation of dust during the dry season. This fact was confirmed against Maintenance report and closure of complaint to the Nuevo Iñapari Human Settlement for generation of dust on the road /37/; also, a representatives of housing association were interviewed in order to confirm whether the claim was addressed; the confirmed that the claim was attended.

Therefore, AENOR´s verification team is able to confirm the grievances producers was applied as per validated CCB-VCS-PD and in accordance with VCS and CCB (G.3.8) requirements.

4.3.9 Worker Relations (G3.9 – G3.12)

Several activities were developed during this monitoring period, despite the pandemic situation. All training activities are detailed in section 2.3.13. of the monitoring report. Evidence was provided to the audit team, including: Annual training activity programme /40/; Procedures for personnel hiring /41/; Training records /42/43/44/45/.

Also, during the onsite visits some workers and local actors in the project were interviewed in order to confirm whether they have received the necessary training to perform their activities, all of them confirmed this fact. Therefore, AENOR´s Verification team is able to confirm that project proponent provides orientation and training for those employed through project activities and relevant people from the communities and meet the VCS an CCB (G.3.9) requirements.

Project developer has analyzed the main legal framework related to occupational safety and also has done a specific analysis of the main risks associated to its operations. Based on that, the company provides periodically training to its workers on a module called IPERC (Identification of Dangers, Risk Assessment and Measures of Control).

Verification team reviewed IPERC matrix /46/ in order to verify the measures to reduce and mitigate identified risks. Also, the main safety regulation was assessed, including: law N° 29783 health and safety law /47/; DS N° 009-2005-TR health and safety regulation /48/; Decree 148-2007-TR regulation of committee for supervision of security and health at work /49/; Law N° 26842 General Health Law /50/. Therefore, AENOR is able to confirm that the project developer is taking the necessary measures regarding occupational safety of workers.

Verification team is able to confirm that all activities are carried out within the framework of the project are in accordance with current regulations. AENOR did not detect incompliances with them checking the documents provided and interviewing to the workers. They have been informed about risks of the works and they received training about safety matters. Then, the project fulfils with CCB requirements related to worker relations.

4.3.10 Management Capacity (G4.2 – G4.3)

The monitoring report states in its section 2.4.2 skills and capacities of the key personnel for implementing and monitoring the project.

The technical team in charge of the implementation of the project combines different profiles with more than 20 years of experience managing tropical natural forests and is responsible to manage one of the largest forest management units in Peru. The area is managed under FSC standards since January 2007. As part of the integrated forest management, the team is implementing a REDD project since 2009, who has achieved the CCB Gold and VCS certification.

AENOR´s verification team reviewed the resume of responsible for the project /100/ Nelson Kroll, who is a Forest Engineer with more than 20 years of experience in the management of Tropical Natural Forests, is responsible for the management of one of the largest forest management units in Peru with more than 220 thousand hectares located in the south eastern Amazon, MF/CoC FSC certified operation since January 2007. As part of the integral management of the forest it has been implementing a REDD+ project since 2009, a project that holds the CCB Gold and VCS accreditations. In 2019, it has obtained the accreditation of FSC Ecosystem Services for conservation of diversity and carbon sequestration. These efforts have also contributed to positioning MADERACRESAC, a company in which it serves as Regional Manager, in the 9th position of the SPOTT ranking of sustainability transparency at the global level.

Verification team also reviewed the resume of consultant responsible: Jorge Torres /101/, who is an Economist with extensive experience in implementing REDD projects, he was Technical Adviser in the National Programme UN-REDD DGCCD of environment ministry; he was UNEP Project Leader *"Private Sector Involvement in Forest Conservation and REDD"* based on MINAM's Directorate-General for Climate Change, Desertification and Water Resources, also, he was Adviser of National REDD+ Fund, PNCB.

Therefore, Verification team concludes that the management team has the expertise and prior experience implementing land management and carbon projects at the scale of this project.

4.3.11 Commercially Sensitive Information (*Rules* 3.5.13 – 3.5.14)

Commercial information as prices, contracts and costs are considered commercially sensitive. Therefore, they were excluded from VCS-CCB monitoring report. However, they were shared whit verification team in order to validate the incomes an expensed included in the cashflow.

4.3.12 Rights Protection and Free, Prior and Informed Consent (G5.1-G5.5)

Project activity is developing in a concession and there are no indigenous groups or traditional uses of forest resources that have been limited with the assignment of the forest concession. Therefore, there will not be any restitution or compensation.

The property right is demonstrated with the concession contract with the Peruvian Government, issued by Regional Directorate Resolution N° 131-2017-GOREMAD-GRRNYAG-DRFFS/DFFS-TAH issued on March 20, 2017 /13/, which includes the concession contracts N° /12/: 17-TAH/C-J-035-02; 17-TAH/C-J-033-02; 17-TAH/C-J-054-02; 17-TAH/C-J-024-02; 17-TAH/C-J-025-02; 17-TAH/C-J-026-02; 17-TAH/C-J-036-02, for an area[1] of 171,120 ha.

In addition, a Forest Directorate Resolution, signed on April 19, 2017 /29/, approving the operational plan of the consolidated forest concession is considered as start date of project activity, which is the date of surveillance activities for forest conservation began. During this monitoring period, several activities took place, including law enforcement, community engagement, infrastructure development and biodiversity conservation.

According to information provided in the monitoring report and gathered from authorities and the project proponent. AENOR can confirm that the project protects the rights of the communities and other stakeholders in accordance to the Climate, Community & Biodiversity Standards and the validated project design.

4.3.13 Legal Status (G5.6)

The property right is demonstrated with the concession contract with the Peruvian Government, issued by Regional Directorate Resolution N° 131-2017-GOREMAD-GRRNYAG-DRFFS/DFFS-TAH issued on March 20, 2017 /13/, which includes the concession contracts N° /12/: 17-TAH/C-J-035-02; 17-TAH/C-J-033-02; 17-TAH/C-J-054-02; 17-TAH/C-J-024-02; 17-TAH/C-J-025-02; 17-TAH/C-J-026-02; 17-TAH/C-J-036-02, for an area of 171,120 ha.

No ongoing disputes are pending to be solved within the project area. The borders of the concession are clearly signaled with physical milestones, settled at approximate equivalent distances, that cover the 100% of the project boundaries. This fact was verified, during the on-site visit by interviewing local authorities (Mayor of Iñapari and park ranges).

AENOR did not detect during the interview whit local authorities or desk review incompliances related to laws and regulations.

[1] *The considered project area is 171,584.07 ha. The difference between the authorized area and the project area is due to the initial method of measurement. When the forest concessions were granted, it had been delimited using cartographic base method, in force according to the regulation. Currently, the area is determined using satellite images and GIS data. Even this difference, which represent 0.27%, all the project area (171,584.07 ha) it is managed by project proponent (MADERACRE SAC) in accordance with concession contract /12/13/14/.*

4.4 Climate

4.4.1 Accuracy of GHG Emission Reduction and Removal Calculations

Procedures for quantifying the baseline emissions were conducted in accordance with the methodology. The verification team performed an intensive review of all input data, parameters, formulas, calculations, conversions, statistics and resulting uncertainties and output data to ensure consistency with the VCS documentation, methodology and associated tools, and the CCB-VCS-PD. Further, the verification team reproduced calculations for selected samples to ensure accuracy of the results. Conversion factors, formulas, and calculations were provided by project proponents in spreadsheet format to ensure all formulas were accessible for review. The verification team recalculated subsets of the analysis to confirm correctness. Project proponent also provided a step-by-step overview of select calculations to ensure the verification team understood the approach and could confirm its consistency with the methodologies and CCB-VCS-PD. Where applicable, references for analysis methods or default values were checked against relevant scientific literature for best practice.

Verification team assessed the parameters listed in section 3.1 of the final version of the monitoring report, including fixed and monitored parameters and considered that they are complete and in accordance to the applied methodology and validated CCB-VCS-PD. Verification team confirms that the emission reductions, including accuracy of spreadsheet formulae, conversions and aggregations are consistent in the using of the data and parameters. Also, the methods and formulae set out in the project description for calculating baseline emissions, project emissions and leakage have been followed.

To quantify current carbon stocks in the project area, was used the procedure defined in the methodology to prevent unplanned deforestation, VM0006, version 2.2 /52/. Complete steps to calculate emission reduction are detailed in section 3.2 of the CCB-VCS-PD /9/ and the results derived from validate project design document are listed in section 3.2 of the CCB-VCS-MR. Verification team assessed the emission reduction calculation spreadsheet /51/; Reference Region Map /53/; Project Area Map /54/; Leakage Belt Map /55/; KML files /56/; GIS data /57/; Beta regression model /58/; Deforestation rates /59/; Spatial modelling report /113/; and /official deforestation rates /60/. Result are summarized following:

Final emission reduction is calculated as per equation 105 of the applied methodology:

Net Emission Reductions (NERs)	**=**
ΔGHG from avoided deforestation excluding ANR and harvest areas	1
+ ΔGHG from deforestation due to leakage	2
+ ΔGHG from avoided degradation	3
+ ΔGHG from degradation due to leakage	4
+ΔGHG from leakage by unconstrained geographic drivers	5
+ ΔGHG from assisted natural regeneration	6
+ ΔGHG from changes in long-lived wood products	7
+ ΔGHG from improved cook stoves	8
+ ΔGHG from other and secondary sources	9
+ΔGHG from avoided deforestation from areas under harvest	10

The following table shows the summary of the results for baseline, leakage and project emissions in tCO_2e:

Year	NERs (tCO_2e)	1	2	3	4	5	6	7	8	9	10
2017	1,130,205	1,041,457.71	-32,905.35	0	0	0	0	0	0	0	121,653.37
2018	1,264,593	1,087,126.85	0.00	0	0	0	0	0	0	0	177,466.49
2019	1,455,957	1,312,319.37	0.00	0	0	0	0	0	0	0	143,637.76

The calculation Voluntary Carbon Units (VCUs) amounts were made by subtracting 10% of the net annual emission reductions, as per equation 106 of the applied methodology, calculated according to the AFOLU non-permanence risk report /10/.

$$\boldsymbol{Verified\ Carbon\ units} = \boldsymbol{NERs - buffer}.(\mathbf{1+3+6+7+10})$$

Year	VCU	NERs	buffer	1	3	6	7	10
2017	1,013,893	1,130,205	10%	1,041,457.71	0	0	0	121,653.37
2018	1,138,133	1,264,593	10%	1,087,126.85	0	0	0	177,466.49
2019	1,310,361	1,455,957	10%	1,312,319.37	0	0	0	143,637.76

Therefore, net emission reductions buffer credits and VCUs are summarized following:

Year	Net Emission Reductions (NERs)	Buffer credits (tCO_2e)	Verified Carbon Units (tCO_2e)
2017	1,130,205	116,312	1,130,205
2018	1,264,593	126,460	1,264,593
2019	1,455,957	145,596	1,455,957
Total	**3,462,387**	**388,368**	**3,850,755**

AENOR reproduced the calculations to achieve the same results and deems they are clearly and correctly in the provided sheets. The AENOR verification team was able to trace calculations directly from the data sources of inventory´s field measurements. Formulae used are in compliance with monitoring plan, project design document and methodology. Monitored parameters and fixed parameters are appropriate. Thus, the net amount of VCUs to be issued is accurate and realistic.

In order to calculate the above terms, the monitoring report details the data and parameters used during the verification process in section 3. Data and parameters available at validation are the ones stated in section 3.1.1. of the MR.

AENOR verified for the parameters available at validation the values reported or the references to the documents where they are used or explained by reviewing, reproducing and crosschecking the evidence provided by the Project Proponent. AENOR checked the values of these parameters to be appropriate and correctly used in equations

On the other hand, the data and parameters monitored to calculate the VCUs to be issued are the ones stated in section 3.1.2. of the MR.

AENOR checked that the list of parameters to be monitored was complete and consistent with information in the monitoring plan of the validated CCB-VCS-PD.

Regarding the accuracy of spreadsheet, formulae, conversions and aggregations and consistent use of data and parameters, the Project Proponent elaborated a complete procedure to assure the accuracy and appropriateness of data. During the verification process, AENOR not only verified the spreadsheet calculation, data and parameters but also the AENOR team could verify that the Project Proponent conducted a rigorous QC/QA procedure of its field measurements and an assessment of uncertainty. Thus, AENOR deems the Project Proponent performed good practices in this assessment and concludes that GHG removals were quantified correctly in accordance with the project description and applied methodology.

For all these parameters reported in the monitoring report, AENOR cross-checked with the CCB-VCS-PD and the spreadsheet calculations that values/calculations/methods match and are free of mistakes and errors. AENOR did not find inconsistencies between the project design document, technical annex, monitoring report and spreadsheet calculation.

In order to verify the accuracy and consistency of parameters monitored and used to calculate the removals achieved for the monitoring period, the AENOR verification team reproduced the calculations checking the correctness of the formulae applied and assumptions used, when applicable and that values used matched with data sources.

4.4.2 Quality of Evidence to Determine GHG Emission Reductions and Removals

The data and parameters used to determine greenhouse gas emission reductions and removals are listed in section 3 of the monitoring report.

In accordance with the validated CCB-VCS-PD and applied methodology, baseline parameters are fixed and monitored the leakage belt area. PP has implemented standard operative procedures: monitoring deforestation and data and information storage.

PPs were responsible for analysing the existence of forest and non-forest in the project area and leakage belt during project verification. They used a GIS information package. Section 3.1.3 of the monitoring report describes the steps followed to analyse the information. This information is deeper treated in a report where monitoring deforestation steps are described. Images of Landsat were used.

AENOR has verified that the monitoring crews implemented the monitoring plan as it is established in the validated CCB-VCS-PD. AENOR also found evidence during the on-site visit that key workers are fully involved in monitoring events (training, measuring, archiving, reporting, quality control, etc.).

Quality assurance and control is an essential part of company procedures in order to assure the accuracy of inventory data, modeling results, and carbon accounting. Quality assurance procedures are done in order to minimize and correct any potential data transcription, calculation, or formatting errors that may result in inaccurate carbon accounting results.

AENOR´s verification team paid close attention to the knowledge of field teams about procedures for measuring, the frequency of measurements and the quality of metering equipment including maintenance/calibration requirements.

After field QA/QC assessments had been completed, the data was then entered into a database. This data was diligently reviewed by field supervisors and compared to information from the digital archives, ensuring field data accuracy.

Interviews with project proponents and inspection of data and results demonstrated that the project proponents possess all of the competencies required for reporting of GHG emissions reductions in an accurate way.

Data presented to the audit team was clear and coherent and processing steps could be traced to the corresponding sections of the methodology and monitoring plan with transparency.

The monitoring plan provides means for internal data review and quality control, and the data presented by the project proponent included the results of these internal assessments. AENOR considers that information provided is sufficient and the quality of that information is appropriate to determine the GHG removals.

AENOR deems they are reliable and appropriate. AENOR deems that evidence is enough to reproduce calculations in quantity and quality.

4.4.3 Non-Permanence Risk Analysis

Verification team has assessed the final version of Non-permanence Risk Report /10/ for the validation and verification process according to the AFOLU Non-Permanence Risk Tool, v4.0 /4/.

Below, it is explained the assessment of the non-permanence risk rating determined by the project participant in the report version 3, dated 27th September 2022, and issues raised to them in this regard.

Internal Risk	Risk Factor and/or Mitigation Description	Risk Rating	DOE Assessment
Project Management	a) Species planted (where applicable) associated with more than 25% of the stocks on which GHG credits have previously been issued are not native or proven to be adapted to the same or similar agro-ecological zone(s) in which the project is located.	0	The project does not include the planting of tree species
	b) Ongoing enforcement to prevent encroachment by outside actors is required to protect more than 50% of stocks on which GHG credits have previously been issued.	0	The project has not issued any carbon credit.
	c) Management team does not include individuals with significant experience in all skills necessary to successfully undertake all project activities (ie, any area of required experience is not covered by at least one individual with at least 5-year experience in the area).	0	The project proponent has a multidisciplinary team with experience in the development and

Internal Risk	Risk Factor and/or Mitigation Description	Risk Rating	DOE Assessment
			implementation of REDD projects. Verification team reviewed the Curriculum vitae of project manager from MADERACRE /100/ in order to confirm the management experience.
	d) Management team does not maintain a presence in the country or is located more than a day of travel from the project site, considering all parcels or polygons in the project area.	0	The project team has offices in Madre de Dios, region where the project is developed, 5 hours (approximately) from the project site.
	e) Mitigation: Management team includes individuals with significant experience Management team includes individuals with significant experience in AFOLU project design and implementation, carbon accounting and reporting (eg, individuals who have successfully managed projects through validation, verification and issuance of GHG credits) under the VCS Program or other approved GHG programs.	-2	The project proponent has a multidisciplinary team with experience in the development and implementation of REDD projects. Verification team reviewed the Curriculum vitae of project manager from MADERACRE /100/ in order to confirm the management experience.
	f) Mitigation: Adaptive management plan in place	-2	Adaptative mitigation is not considered in the project activities.
	Total Project Management (PM): (a + b + c + d + e + f): -4 Total may be less than zero.		

In accordance with provided evidence, MADERACRE is an organization that has been working with conservation concessions in the Peruvian Amazon, by implementing alternative programs for the community's economy and simultaneously protect existing forests and recovering degraded lands. Management team maintain a strong presence in the zone and within the project area, including local office, near to the project area.

Management team engaged carbon project developer team has extensive technical expertise in developing AFOLU projects, as well as in-depth knowledge of national and international carbon market.

In AENOR´s opinion, total project management risk rating (-4) is properly justified and in accordance with the AFOLU Non-Permanence Risk Tool: VCS V4.0.

Internal Risk	Risk Factor and/or Mitigation Description	Risk Rating	DOE Assessment
Financial Viability	a) Project cash flow breakeven point is greater than 10 years from the current risk assessment	0	No applicable. The project has a 10 years cashflow.
	b) Project cash flow breakeven point is between 7 and up to less than 10 years from the current risk assessment	0	No applicable. The project has a 10 years cashflow.
	c) Project cash flow breakeven point between 4 and up to less than 7 years from the current risk assessment	0	No applicable. The project has a 10 years cashflow.
	d) Project cash flow breakeven point is less than 4 years from the current risk assessment	0	No applicable. The project has a 10 years cashflow.
	e) Project has secured less than 15% of funding needed to cover the total cash out before the project reaches breakeven	0	Not applicable. Project has secured more than 15% of the funding.
	f) Project has secured 15% to less than 40% of funding needed to cover the total cash out required before the project reaches breakeven	0	Not applicable. Project has secured more than 15% of the funding.
	g) Project has secured 40% to less than 80% of funding needed to cover the total cash out required before the project reaches breakeven	0	Not applicable

Internal Risk	Risk Factor and/or Mitigation Description	Risk Rating	DOE Assessment
	h) Project has secured 80% or more of funding needed to cover the total cash out before the project reaches breakeven	0	Not applicable.
	i) Mitigation: Project has available as callable financial resources at least 50% of total cash out before project reaches breakeven	-2	The project cash flow shows that that it has financial resources for more than 50%. Verification team reviewed the project cash flow 10 years /61/ and sensitive analysis in order to confirm the financial resources.
	Total Financial Viability (FV): (a + b + c + d + e + f): -2 Total may not be less than zero.		

In accordance with provided evidence, the project has secured the funding needed to cover the total cash out required before the project reaches breakeven. It was verified against cash flow 10 years /61/ and supporting evidences of incomes and outcomes. Then, in AENOR´s opinion, total financial viability risk rating (-2) is properly justified and in accordance with the AFOLU Non-Permanence Risk Tool: VCS v4.0.

Internal Risk	Risk Factor and/or Mitigation Description	Risk Rating	DOE Assessment
Opportunity Cost	a) NPV from the most profitable alternative land use activity is expected to be at least 100% more than that associated with project activities; or where baseline activities are subsistence-driven, net positive community impacts are not demonstrated	0	The REDD Project has a Net Present Value of US$ 61.18 per hectare, whereas the NPV of corn crop is US$ 60 per hectare. It implies that the most profitable alternative land use is less than 100% profitable than the REDD+ Project.
	b) NPV from the most profitable alternative land use activity is expected to be between 50% and up to100% more than from project activities	6	NPV is not under this range.
	c) NPV from the most profitable alternative land use activity is expected to be between 20% and up to 50% more than from project activities	0	No applicable.

Internal Risk	Risk Factor and/or Mitigation Description	Risk Rating	DOE Assessment
	d) NPV from the most profitable alternative land use activity is expected to be between 20% more than and up to 20% less than from project activities; or where baseline activities are subsistence-driven, net positive community impacts are demonstrated	0	No applicable.
	e) NPV from project activities is expected to be between 20% and up to 50% more profitable than the most profitable alternative land use activity	0	Not applicable.
	f) NPV from project activities is expected to be at least 50% more profitable than the most profitable alternative land use activity	0	Not applicable.
	g) Mitigation: Project proponent is a non-profit organization	0	Tahuamanu Project Proponent is a for-profit organization
	h) Mitigation: Project is protected by legally binding commitment to continue management practices that protect the credited carbon stocks over the length of the project crediting period	0	The project is developed in an area that is determined by law as a permanent productive forest. The project proponents signed a concession with Peruvian government for 40 years renewable, so it covers the lifetime of the project. This fact was confirmed against concession contracts /12/ and its approvals /13/
	i) Mitigation: Project is protected by legally binding commitment to continue management practices that protect the credited carbon stocks over at least 100 years.	-8	Local regulation establishes that the project cannot be changed in the future for non-forest uses so even if the project proponent does not renew it, the area would still be considered a permanent productive forest. Verification team reviwed most relevant local regulation, including: Law N° 26821 "Law for the Sustainable Use of Natural

Internal Risk	Risk Factor and/or Mitigation Description	Risk Rating	DOE Assessment
			Resources /106/; DS No. 030-2005-AG "Approve regulations for the Implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in Peru /107/; DS No. 009-2013-MINAGRI "National Forest and Wildlife Policy /108/; Law No. 29763 "Forestry and Wildlife Law" and its four Regulations" /109/; DS No. 018-2015-MINAGRI "Regulation for Forest Management" /110/; Law No. 29263 "Law on Ecological Crimes" /111/; and concession contracts /12/ and its approvals /13/ and confirms that the project is legally binding commitment.
	Total Opportunity Cost (OC) (a, b, c, d, e or f) + (g + h or i): -2 Total may be less than 0.		

Tahuamanu Project is developed in an area that is determined by law as a permanent productive forest. The project proponents signed a concession with Peruvian government for 40 years renewable /66/, so it covers the lifetime of the project. Furthermore, local regulation establishes the project are cannot be changed in the future for non-forest uses so even if the project proponent does not renew it, the area would still be considered a permanent productive forest. Then, in AENOR´s opinion, total opportunity cost risk rating (-2) is properly justified and in accordance with the AFOLU Non-Permanence Risk Tool, v4.0.

Internal Risk	Risk Factor and/or Mitigation Description	Risk Rating	DOE Assessment
Project Longevity	a) Without legal agreement or requirement to continue the management practice	0	No applicable
	b) With legal agreement or requirement to continue the management practice	0	= 30 - (project longevity/2)
	Total Project Longevity (PL): 0		

The Tahuamanu REDD+ project area is implemented in a forest concession, granted by the Peruvian state through a concession contract signed /27/ /29/ /66/ for a period of 40-years renewable every 5 years. Then, it is a legal requirement to continue maintaining the forest, even if the contract is not renewed, in that case, the responsibility is transferred to the government as "permanent production forests".

The legal figure of "Concessions for Conservation" is a tool for the sustainable management of forests under the Peruvian Forest and Wildlife Law /26/ that allows civil society to manage forest areas. Then, in AENOR´s opinion, Total Project Longevity (0) is properly justified and in accordance with the AFOLU Non-Permanence Risk Tool, v4.0.

Therefore, **total internal rick** is calculated as the sum of (PM + FV + OC + PL), totalling 0 (according the NPR tool the total may not be less than zero).

External Risk	Risk Factor and/or Mitigation Description	Risk Rating	DOE Assessment
Land and Resource tenure	a) Ownership and resource access/use rights are held by same entity(s).	0	Not applicable. The use right has been given by the concession contract.
	b) Ownership and resource access/use rights are held by different entity(s) (eg, land is government owned and the project proponent holds a lease or concession).	2	The ownership and resources access are given by the concession contract. While, the use rights are government owned. It is confirmed with concession contracts /12/ and its approvals /13/
	c) In more than 5% of the project area, there exist disputes over land tenure or ownership.	0	There are no disputes over land ownership between the state and the concessionaire and/or any other third party. This issue was confirmed during the on-site assessment.
	d) There exist disputes over access/use rights (or overlapping rights).	0	There are no disputes over land ownership between the state and the concessionaire and/or any other third party. This issue was confirmed during the on-site assessment.
	e) WRC projects unable to demonstrate that potential upstream and sea impacts that could undermine issued credits in the next 10 years are irrelevant or expected to be insignificant, or that there is a plan in place for effectively mitigating such impacts.	0	Not applicable. This is not a WRC project.
	f) Mitigation: Project area is protected by legally binding commitment (eg, a conservation easement or protected area) to continue management practices that protect carbon stocks over	-2	The project is developed in an area that is determined by law as a permanent productive forest. Local regulation establishes that the project cannot be changed in the future for non-forest uses so even if

External Risk	Risk Factor and/or Mitigation Description	Risk Rating	DOE Assessment
	the length of the project crediting period.		the project proponent does not renew it, the area would still be considered a permanent productive forest.
	g) Mitigation: Where disputes over land tenure, ownership or access/use rights exist, documented evidence is provided that projects have implemented activities to resolve the disputes or clarify overlapping claims.	0	There are no disputes over land ownership between the state and the concessionaire and/or any other third party. This issue was confirmed during the on-site assessment.
	Total Land Tenure (LT) ((a or b) + c + d + e + f +g): 0 Total may not be less than zero.		

The ownership and resources access are given by the concession contract /12/ /13/ /14/. While, the use rights are government owned. The project is developed in an area that is determined by law as a permanent productive forest. Local regulation establishes that the project cannot be changed in the future for non-forest uses so even if the project proponent does not renew it, the area would still be considered a permanent productive forest. No disputes or conflicts were identified during the on-site visit. Then, in AENOR´s opinion, total land tenure (0) is properly justified and in accordance with the AFOLU Non-Permanence Risk Tool, v4.0.

External Risk	Risk Factor and/or Mitigation Description	Risk Rating	DOE Assessment
Community Engagement	a) Less than 50 percent of households living within the project area who are reliant on the project area, have been consulted.	0	Not applicable: As the project area is a forest concession granted to a private company, no families live inside them
	b) Less than 20 percent of households living within 20 km of the project boundary outside the project area, and who are reliant on the project area, have been consulted.	0	During the on-site visit, Verification team confirms that consultations were carried out outside the project area. However, it cannot be determined if the consultations were made to more than 20% of the population outside the project area.
	c) Mitigation: The project generates net positive impacts on the social and economic well- being of the local communities who derive livelihoods from the project area.	-5	The project is generating net positive impacts on the social and economic well- being of the local communities. Verification team reviewed many agreements between project

External Risk	Risk Factor and/or Mitigation Description	Risk Rating	DOE Assessment
			developer and stakeholders. This issue was validated during the on-site visit.
	Total Community Engagement (CE), (a + b + c): 0 Total may not be less than zero.		

During the on-site visit, Verification team confirms that local stakeholders participated in the different workshops carried out by project proponent; also, it was confirmed that consultations were carried out outside the project area. Then, in AENOR´s opinion, total community engagement (0) is properly justified and in accordance with the AFOLU Non-Permanence Risk Tool, v4.0.

External Risk	Risk Factor and/or Mitigation Description	Risk Rating	DOE Assessment
Political Risk	a) Governance score of less than -0.79	0	Not applicable.
	b) Governance score of -0.79 to less than -0.32	0	Not applicable.
	c) Governance score of -0.32 to less than 0.19.	2	The score was obtained from the "Governance score", calculated by "World Bank Institute´s Worldwide Governance Indicators (WGI). The average value is 0.174 for the period of 2016-2020.
	d) Governance score of 0.19 to less than 0.82.	0	Not applicable.
	e) Governance score of 0.82 or higher.	0	Not applicable.
	f) Mitigation: Country is implementing REDD+ Readiness or other activities, as set out in this Section 2.3.3.	-2	Perú is in the REDD+ Readiness process, financed by the World Bank
	Total Political (PC) ((a, b, c, d or e) + f): 0 Total may not be less than zero.		

Verification team confirms the governance score against the world bank platform: http://info.worldbank.org/governance/wgi/Home/Reports; the average indicator was calculated for the last 5 year. Then, in AENOR´s opinion, total political risk (0) is properly justified and in accordance with the AFOLU Non-Permanence Risk Tool, v4.0.

Therefore, **total external rick** is calculated as the sum of (LT + CE + PC), totalling 0.

Natural Risk	Score (LS)	Mitigation	DOE Assessment
Fire	1	1	Despite being a common practice to burn farming areas to open or maintenance, it does not represent an immediate major danger to the Project Areas. This is evidenced in the official data of Madre de Dios, which only reports 1 considerable fire in 20 years. This fact was confirmed against the statistical compendium 2021 of the Civil Defence National Institute (INDECI) /112/
Pest and Disease Outbreaks	0	-	In the Amazon forest there are no reports on plagues and endemic diseases in natural forests of Madre de Dios
Extreme weather	0	-	The official information confirms that there are many weather events considered natural emergencies. However, the region of Madre de Dios only has records of floods as recurrent and severe emergency for the population, affecting agricultural areas, pastures and urban areas mostly. For the forests, periodic flooding of the floodplain is part of its natural dynamics and does not represent a risk of change in carbon stocks. This fact was confirmed against the statistical compendium 2021 of the Civil Defence National Institute (INDECI) /112/
Geological Risk	0	-	Madre de Dios is a geologically stable department. According to the National Centre of Geophysical Data is a region with no seismic activity. This fact was confirmed against the statistical compendium 2021 of the Civil Defence National Institute (INDECI) /112/
Total Natural Risk (as applicable, F + PD + W + G + ON): 1 Determined by LS × M.			

During the on-site visit, Verification team confirmed that project proponent has an environmental contingency plan /86/ in order to mitigate an reduce natural risk Then, in AENOR´s opinion, total natural risk (1) is properly justified and in accordance with AFOLU Non-Permanence Risk Tool, v4.0 and was assessed using table 10.

Therefore; overall non-permanence risk rating and buffer determination are calculated as follow:

Risk Category	Rating
a) Internal Risk	0
b) External Risk	0
c) Natural Risk	1
Overall Risk Rating (a + b + c)	**1**

AENOR has checked that information provided in the Non-Permanence Risk Report is consistent with documents of support provided. AENOR deems that information provided is reliable and appropriate, thus, the overall risk rating is credible and realistic. Then, non-permanence risk deduction to be applied for the project is 10%.

4.4.4 Dissemination of Monitoring Plan and Results (CL4.2)

AENOR confirmed during the on-site visit by interviewing local stakeholders the awareness about the results of the projects, its implementation, monitoring. Results of the climate benefits were provided in a spreadsheet calculation. AENOR reproduced the calculation to achieve the same results, checked baseline and project emissions and leakage. Further information on the process and data checks is provided in sections above. In opinion of AENOR the monitoring plan and the results were disseminated in accordance with the validated monitoring plan.

In order to verify the dissemination of monitoring plan and results; the audit team, during the on-site visit, interviewed local authorities and identified stakeholders to confirm the awareness about the results of the projects, its implementation and monitoring results. Section 2.4 (interviews) of this report includes the names of stakeholders and authorities interviewed during the on-site assessment. Also, main topics covered are described in this section.

Verification team also reviewed the diffusion reports /28/29/30/ of Tahuamanu REDD project for year 2019, 2020 and 2021, including: Citizen participation workshop report /31/; Agreements of the meetings minutes /32/ and Flyers of project diffusion /33/. Information regarding monitoring results are publicly available on Maderacre's website: www.maderacre.com.

4.4.5 Optional Gold Level: Climate Change Adaptation Measures (GL1.3)

Not applicable

4.4.6 Optional Gold Level: Climate Change Adaptation Benefits (GL1.4)

Not applicable

4.5 Community

4.5.1 Community Impacts (CM2.1)

Project proponent has identified four expected impacts:

- Crop productivity: The effectiveness of technical assistance supplied by the project activity contributes with the necessary incomes to sustain their families without the necessity to clear new forest areas or, under a scenario of global economic decline, a barrier to the vulnerability.
- Agrarian frontier stabilization: The project plans to stabilize the expansion of agrarian frontier in the project area and also in the leakage belt. According to the baseline survey, the average area per family dedicated to pastures is 14.09 hectares while the average area per family dedicated to agriculture is 6.42 hectares.
- Support to education, health and other resources (water): The project has provided extensive support to neighboring communities in education, health, which was confirmed during the on-site visit, by interviewing local stakeholders.
- Enhanced livelihood conditions of indigenous groups: The project proponent has committed to invest 1% of carbon incomes for indigenous protection, during the current monitoring period, the project has collaborated with many identifiable benefits for Native Community of Belgica in different education and health issues.

Therefore, the Increase in crops productivity; the improvement of productive practices; support to education and the increase of financial resources will directly impact in the communities its neighbours. The project generates net positive impacts on the well-being of communities and the community groups over the project lifetime. This fact was verified against agreements signed /18/ /19/ /20/ /21/ /22/ by PP and differentness local actors of the project activity

In addition to reviewing provided evidence, community well-being was confirmed during the on-site visit through interviews with local stakeholders. Then, AENOR´s Verification team confirms that the information reported in the CCB-VCS-MR are properly addressed.

4.5.2 Negative Community Impact Mitigation (CM2.2)

The main impact on communities is the increasing difficulty of access to forest resources, traditionally used for rural families as firewood and charcoal. According to the baseline survey /62/, 88% of local families still use firewood for cooking; 55% still use charcoal; and 68% use timber for different purposes (mainly construction or furniture).

According to the validated CCB-VCS-PD the project proponent will monitor indicators in the localities close to the project, based on the monitoring results, the project will design appropriate mitigation measures to avoid any negative impact regarding this issue. In this regard, the project proponent has conducted the potential degradation diagnosis of the project area (PRA study) /63/ to identify any potential degradation risk within the project area caused by the deforestation agents from nearby areas such as extraction of firewood, carbon production or illegal logging. The objectives of the PRA study are:

- Identify the degradation potential in the REDD Project area, due to factors associated with the agricultural and forestry activity of families living in within a radius of 20 km.
- Identify the agricultural and forestry activity of the families living in the area adjacent to the forest concessions of the project, at a distance of 20 km.
- Describe the projection in livestock, agriculture and forestry extraction
- Identify the uses that the families of the surrounding localities give to the wood.
- Identify the means and routes of timber sourcing used by families in the surrounding area for their various purposes

PRA study concludes that the agricultural and forestry activities carried out by the families do not represent a risk of degradation in the short term for the project area and the project doesn't result in net negative impacts on the wellbeing of the community. Assessment by the audit team concluded that the likelihood of net negative impacts on the well-being of the community is adequately addressed in the monitoring report and in accordance with the validated project description.

4.5.3 Net Positive Community Well-being (CM2.3)

The project plans to invest 1% of incomes in the promotion of sustainable activities (subject to incomes from the carbon credits sales). Although, such income is not available, project proponent has provided training; invest in health and education conditions; and ensure the permanent access to water quality and availability. In addition, the monitoring report, include an analysis of impacts regarding crop productivity; agrarian frontier stabilization; support to health, education & other; and enhanced indigenous livelihood and concludes that the net impact is positive due to the activities implemented by project proponent.

The interviews with different stakeholder (complete list is included in appendix III and topics discussed are detailed in section 2.4 of this report) demonstrated that the participating communities are receiving benefits they would not otherwise have received in the absence of the project. The communities expressed that they had been informed of the project, were aware of the activities and in general there was consensus on the social and environmental benefits. Jobs have been created, and direct income opportunities have been made available and have included the poorest people and women. All evidence indicates that net impact of project activities on community groups is positive.

AENOR´s verification team confirms that net well-being impacts of the project are positive for all identified community groups compared with their anticipated well-being conditions under the without-project.

4.5.4 Protection of High Conservation Values (CM2.4)

The PIACI territory (National Program for Indigenous Peoples in Situation of Isolation and Situation of Initial Contact) is located at the west of the forest concession. Without the REDD+ project, the expansion of agrarian frontier and illegal logging could endanger the territories of these uncontacted groups. The Belgica native community would lose the technical and financial support from MADERACRE, including the FSC certification of their forest areas.

As per confirmed during the on-site visit, project proponent is providing support for employment; livelihoods; health; education and cultural values focused on indigenous people. Therefore, verification team is able to confirm high conservation values have not been negatively affected by the project.

4.5.5 Other Stakeholder Impacts (CM3.2-CM3.3)

AENOR has assessed that the project doesn't result in net negative impacts on the wellbeing of other stakeholder groups. During the on-site assessment, verification team consulted whether the project would impact negatively; however, the response of the interviewees were only positive impacts on the local population, for example job creation for local stakeholders and the increase of taxes for government agencies (section 2.4 summarize the interviewed persons and main topics discussed during the visit).

In addition, verification team assessed the result of baseline survey conducted in 2021, which confirm that the main activities carried by families established near the project are not affected by the development of the project and will continue with their usual activities

Therefore, the audit team concluded that the likelihood of net negative impacts on the well-being of other stakeholder groups is adequately addressed in the monitoring report and the net impacts of project activities on the well-being are positive.

4.5.6 Community Monitoring Plan (CM4.1, CM4.2, GL2.2, GL2.3, GL2.5)

Community monitoring plan are detailed in section 4.3.1. of the monitoring report. The specific variables measured are: Trend of future land use; average size of agricultural area; average size of pasture area; average density of cattle per hectare; level of consumption of firewood; level of consumption of charcoal; level of consumption of timber for non-commercial purposes; average distance to collect firewood / charcoal / timber; and origin of firewood / charcoal / timber.

Verification team assessed the baseline survey /62/ and confirms dates, frequency and sampling methods used are in accordance with the validated project design and with the procedures and systematics used in the verification event. AENOR confirms that community monitoring plan is implemented as per validated CCB-VCS-PD.

4.5.7 Community Monitoring Plan Dissemination (CM4.3)

AENOR confirmed during the on-site visit by interviewing local stakeholders the awareness about the results of the projects, its implementation and monitoring. Verification team reviewed the diffusion reports /28/29/30/ of Tahuamanu REDD project for year 2019, 2020 and 2021, including: Citizen participation workshop report /31/; Agreements of the meetings minutes /32/ and Flyers of project diffusion /33/. Information regarding monitoring results are publicly available on MADERACRE's website: www.maderacre.com.

In opinion of AENOR the results of community monitoring were disseminated in accordance with the validated CCB-VCS-PD.

4.5.8 Optional Gold Level: Short-term and Long-term Community Benefits (GL2.2)

Not applicable.

4.5.9 Optional Gold Level: Smallholder/community member Risks (GL2.3)

Not applicable.

4.5.10 Optional Gold Level: Marginalized and/or Vulnerable Community Groups (GL2.4)

Not applicable.

4.5.11 Optional Gold Level: Net Impacts on Women (GL2.5)

Not applicable.

4.5.12 Optional Gold Level: Benefit Sharing Mechanisms (GL2.6)

Not applicable.

4.5.13 Optional Gold Level: Governance and Implementation Structures (GL2.8)

Not applicable.

4.5.14 Optional Gold Level: Smallholders/Community Members Capacity Development (GL2.9)

Not applicable.

4.6 Biodiversity

4.6.1 Biodiversity Changes (B2.1)

Section 5.1.1 describes the biodiversity monitored changes; which includes the evaluation of wild fauna carried out in 2020 in the 15-felling plot, it was possible to register 15 species of the 23 species established as indicators for the MADERACRE SAC wildlife monitoring system. Also, there were 21 species of wild fauna protected by national and international legislation, in mammals: 13 species belong to CITES, 11 IUCN species and 7 species DS-004-2014-MINAGRI, in birds 7 species belong to CITES, 16 IUCN species and 03 species in DS-004-2014-MINAGRI and in reptiles: 1 species belongs to CITES and DS-004-2014-MINAGRI.

Verification team reviewed the five-year monitoring of wildlife in MADERACRE concession /64/; the assessment of wildlife report in MADERACRE´s parcels 14 and 15 /65/66/. Also, it was reviewed the key assumptions, rationale and methodological choices used, including: The lists of flora and fauna of the project zone /67/ /68/; forest management plans /16/; the annual operational plan /69/; environmental contingency plan /70/; / and scientific articles /71/ /72/ /73/ /74/ /75/ /76/. Then, verification team is able to confirm that the project's assessment of changes in biodiversity resulting from project activities in the project zone during the monitoring period are accurate.

4.6.2 Mitigation Actions (B2.3)

Section 5.2.1 of the monitoring report detail se measures taken in order to mitigated and and conserve the HCV, including the measures to maintain the flora and fauna species; measures to maintain conservation areas; measures to maintain the integrity of the landscape; and the measures to to maintain water quality.

Verification team reviewed the comprehensive custodian plan 2017, 2018 and 2019 /82/83/84/, patrolling report 2017 2018 and 2019 /85/86/87/; forest operation monitoring report 2017, 2018 and 2019 /88/89/90/; high conservation values monitoring report 2018 and 2019 /91/92/; report of watercourses affected by operations 2018 and 2019 /93/94/; and high conservation values maps /95/. Therefore, verification team concludes that the mitigation actions taken are appropriate and in accordance with validated project description.

4.6.3 Net Positive Biodiversity Impacts (B2.2)

Despite the fact that hunting pressure is very low or almost non-existent thanks to the control mechanisms carried out by the concession, the roads and trails used for timber extraction within the concession area and the proximity to the interoceanic road will facilitate access by illegal hunters. Periodic patrols in the sectors defined as most critical due to their easy accessibility are needed to ensure that no illegal hunting activity takes place.

Project proponent has conducted the monitoring of the fauna to control and evaluate the populations of indicator species, including: species of the order primates (*Alouatta seniculus, Ateles chamek*); species of the family felidae (*Panthera onca*), Tapiridae (*Tapirus terrestris*) and Accipitridae (*Harpia harpyja*); species of the Cracidae family (*Pipile cumanensis, Penelope Jacquacu and Mitu tuberosa*); species of the families Psittacidae (*Ara ararauna and Ara chloropterus),* Ramphastidae (*Ramphastos cuvieri*); Piscidae (*Celeus sp*); and *Geochelone denticulate.*

Verification team reviewed indicators of listed species against wildlife assessment in the MADERACRE and MADERYJA concessions /76/ and five-year monitoring of wildlife in the MADERACRE concession /64/. Also, it was reviewed scientific articles and publication conducted in project zone /77/78/79/80/81/. Therefore, verification team considers that the net impact of the project's activities on biodiversity are positive.

4.6.4 High Conservation Values Protected (B2.4)

Targeted and low-impact logging does not adversely affect any HCV, but sustainable harvesting favours the conservation of almost intact forest cover, while ensuring the conservation of countless species of associated flora and fauna as well as of jaguar and other endangered species. Therefore, verification team considers that activities proposed in the framework of the project do not affect the High Conservation Values since they are implemented taking into account approved management plans /16/69/ and in compliance with the regulations /96/.

In addition, verification team reviewed the publication conducted in the project zone, including: Study on the health of forest ecosystems under management from the composition of birds in forest concessions of Tahuamanu - Madre de Dios /77/; Mammal diversity in forest concessions: MADERACRE /78/; High jaguar densities and large population sizes in the core habitat of the southwestern Amazon /79/; and Preliminary report of the study of jaguars and pumas in the certified forest concessions "maderas cocama" and "aserradero Espinoza". (AREAS-Amazonia of WWF-Perú, 2012) /80/, which concludes that certified concessions allow connectivity between protected areas and the natural forest.

The study conducted by Toddler, et al. (2018) within the concessions certified by the FSC to evaluate the population of jaguars in Guatemala and Peru /73/ concluded that the population density of Jaguars is 4.5 individuals per 100 km^2 and highlights that this data is comparable only with protected natural areas. Moreover, according to the preliminary report of the study of jaguars and pumas in the certified forest concessions/80/, there is a higher frequency of large carnivores and small land birds such as the paujil (*Mitu tuberosa*), primates such as the spider monkey (*Ateles chamek*), the box monkey (*Alouatta sara*) and the white machin monkey (*Cebus macrocephalus*), and also a high frequency of large ungulates such as tapirs (*TapirusTterrestris*), sajinos (*Pecari Tajacu*) and red deer (*Mazama Americana*). In this sense, the high conservation values identified for the project zone are not affected by the harvesting activities.

4.6.5 Invasive Species (B2.5)

Harvestable specie and maximum cutting diameters are detailed in the general forest management plan /16/ granted by the government approval /96/. In addition, during the on-site visit, forest harvesting activities were observed in order to confirm whether the activities are in line whit approved forest management plan; also, operations manual and rules of MADERACRE /98/ /99/ were assessed. The forestry management favors the growth of commercial species without eliminating undesirable species. Therefore, there would be no possibility of the area being affected by invasive species.

4.6.6 Impacts of Non-native Species (B2.6)

Not applicable. The project activity is not using non-native species.

4.6.7 GMO Exclusion (B2.7)

Not applicable. AENOR has checked that no GMOs are used to generate GHG emission reductions or removals

4.6.8 Inputs Justification (B2.8)

Not applicable. No fertilizers or biological control agents are used in the project activity.

4.6.9 Negative Offsite Biodiversity Impacts (B3.1) and Mitigation Actions (B3.2)

Project proponent has identified 3 potential negative impacts on biodiversity outside of the project zone and proposed mitigation measures. Detailed mitigation measures are described in section 5.3.1 of the CCB-VCS-PD. These measures are outlined below, in summary form:

Negative Offsite Impact	Mitigation Measures
Increased deforestation pressure due to the expansion of the agricultural and livestock frontier in the areas adjacent to the concession	• Identify and finance every two years a pilot productive initiative. For this purpose, 2% of the annual income of the project will be used. • Promote initiatives that contribute to the sustainable development. 1% of the annual income of the project will be used for this purpose. • Development and implementation of a mechanisms to disseminate environmental education among children, adolescents and communities involved in the project.
Increase in illegal logging of high commercial value forest species in the areas adjacent to the concession.	• Implementation of a comprehensive custody plan in the forest management unit: • Participate in the spaces of dialogue and management of the protected natural areas. • Promote activities with institutions whose objectives are oriented to the protection of Protected Natural Areas. 1% of the annual income of the Project will be used for this.

Negative Offsite Impact	Mitigation Measures
Loss of biodiversity due to increased illegal hunting of wildlife in areas adjacent to the concession	• Implementation of a comprehensive custody plan in the forest management unit: • Promote activities with institutions whose objectives are oriented to the protection of emblematic fauna and flora species. 1% of the annual income of the project will be used for this purpose.

Verification team assessed the mitigation measures by reviewing the agreements with local stakeholders /18/19/20/21/22/ and interviewing the local authority and local actors during the on-site visit, confirms that included measures designed to mitigate negative impacts on biodiversity outside of the project zone are implementing.

4.6.10 Net Offsite Biodiversity Benefits (B3.3)

Project proponent adopted resorbable and likely measures, focused on continuously training to local population. It includes continuously training to the local population on the benefits and appropriate use of the forest resources through informative and educational talks.

In addition, deforestation pressure has increased in order to expand the agricultural and livestock frontier in the areas adjacent to the concession; then, the unsustainable agricultural practices of the local communities living in the frontier of concession area are likely to increase a without project scenario; therefore the deforestation and degradation resulting from them would increase having a negative impact not only on the biodiversity but also in the resilience of the ecosystems to face extreme weather conditions.

Management activities reduce the negative impacts over the natural ecosystems and fauna, favouring the protection of vulnerable and endangered species. As a result, the net impact on biodiversity of the project is positive.

AENOR deems the project is having and going to have a positive net gain for biodiversity in the project area. Thus, it is the opinion of AENOR that the project has net positive biodiversity impact. The audit team deems that the PP has demonstrated that project activities will assist the biodiversity to adapt to the probable impacts of climate change, as per GL1.4 of the CCB Standard v3.1.

4.6.11 Biodiversity Monitoring Plan (B4.1, B4.2, GL3.4)

The project proponent has developed a comprehensive monitoring plan, which includes environmental, social and economic aspects of the REDD+ project. According to the CCB-VCS-PD the biodiversity monitoring system will after obtaining the incomes forma VCUs sales. However, project proponent has conducted monitoring activities, including:

a. Census
   - Commercial census area
   - Amount of censed species
   - Abundance of harvestable censed individuals

b. Forestry monitoring
   - Abundance of species
   - Abundance of natural regeneration

- Abundance of natural regeneration of 23 forest species

c. Custody and surveillance

d. Environmental monitoring
- Water courses.
- Forest Degradation
- Impacts on indicator fauna
- Impact prevention and correction.
- Surveillance and monitoring

The activities of the custody and surveillances were verified against patrolling reports /82/83/84/ in order to verify reported activities in the MR and confirms the results. Also, verification team assessed diametric growth rate of timber species in MADERACRE forestry concession reports 2018 /102/ and 2020 /103/ and confirms reports values in the monitoring report (section 5.3.1). Therefore; the monitoring plan is in compliance with the validated CCB-VCS-PD. In opinion of AENOR the monitoring plan is effective to have a real idea of the situation. Measures scheduled and designed by the project proponent to maintain or enhance the biodiversity are correct and results confirm their effectiveness.

4.6.12 Biodiversity Monitoring Plan Dissemination (B4.3)

AENOR confirmed during the on-site visit by interviewing local stakeholders the awareness about the results of the projects, its implementation and monitoring. Verification team reviewed the diffusion reports /28/29/30/ of Tahuamanu REDD project for year 2019, 2020 and 2021, including: Citizen participation workshop report /31/; Agreements of the meetings minutes /32/ and Flyers of project diffusion /33/. Information regarding monitoring results are publicly available on Maderacre's website: www.maderacre.com.

4.6.13 Optional Gold Level: Trigger Species Population Trends (GL3.3)

The project area host threatened species from the IUCN Red List: *Panthera onca* (in the near threatened category).

Regarding, flora and fauna, the study conducted to obtain FSC certification, concludes that the only exploitable commercial species classified as endangered by the IUCN red list (2019) is the Ishpingo (*Amburana cearensis*). Then, for its sustainable management it was defined a minimum cutting diameter of 70 cm, which is 14 cm higher than that defined in national regulations, minimizing the impact and preserving the ecosystem. This issue was confirmed during the on-site visit.

Verification team reviewed biodiversity reports, conducted by the project proponent, including, inter alia: Five-year monitoring of wildlife in the MADERACRE concession /64/; study on the health of forest ecosystems under management from the composition of birds in forest concessions of Tahuamanu - Madre de Dios /77/; mammal diversity in forest concessions /78/; high jaguar densities and large population sizes in the core habitat of the southwestern Amazon /79/. The verification team is able to confirm that the project activity has positive and exceptional impacts on biodiversity.

4.6.14 Optional Gold Level: Effectiveness of Threat Reduction Actions (GL3.4)

Not applicable.

4.7 Additional Project Implementation Information

There is no more additional information; all was discussed in the above sections.

4.8 Additional Project Impact Information

There is no more additional information; all was discussed in the above sections.

5 VERIFICATION CONCLUSION

AENOR has verified that the project is in compliance with the verification criteria of Verified Carbon Standard version 4.2 and the CCB Standards Third Edition without qualifications or limitations.

The project has been implemented in accordance with the validated project description

The validation and the verification were carried out together; however, validation process had finished first in order to continue whit verification process.

AENOR is able to issue a positive verification opinion for the 3,462,387 tones CO_2e of verified emissions reductions (VCUs), as reported in the Monitoring Report version 05, dated on 26 July 2023.

The verification assessment covered the monitoring period from 19 April 2017 – 31 December 2019 and verified that calculated emission reductions and/or removals were achieved during the monitoring period with a reasonable level of assurance. The overall risk rating was 10 %. Therefore, the total number of credits to be deposited in the buffer account is 388,368 VCUs and the total VCUs to be issued are 3,462,387.

It is not applicable any conclusion about adaptive activities and resilience for this project. Likewise, AENOR confirms the project benefits on community and biodiversity for the current monitoring period as described in the Monitoring Report version 05, dated on 26 July 2023. In opinion of the AENOR verification team the project is achieving their community and biodiversity objectives.

Verification/monitoring period: 19 April 2017 – 31 December 2019

Verified GHG emission reductions and removals in the above verification period:

Year	Baseline emissions or removals (tCO_2e)	Project emissions or removals (tCO_2e)	Leakage emissions (tCO_2e)	Net GHG emission reductions or removals (tCO_2e)
2017	-1,110,397.2	52,713.9	-32,905.3	1,130,205
2018	-1,254,811.8	9,781.5	0.0	1,264,593
2019	-1,405,825.1	50,132.0	0.0	1,455,957
Total	**-3,771,034.1**	**112,627.4**	**-32,905.3**	**3,850,755**

Year	Net Emissions Reductions (tCO_2e)	Buffer credits (tCO_2e)	Total VCUs to be issued (tCO_2e)
2017-2019	**3,850,755**	**388,368**	**3,462,387**

Overall non-permanence risk rating: 10%

VCUs buffer to be deposited: 388,368 tCO_2e.

Total VCUs to be issued: 3,462,387 tCO_2e.

Date: 31 July 2023

Lead Auditor
Richard Gonzales

APPENDIX I: LIST OF EVIDENCES

N°	Documents reviewed or referenced
1	VCS Program Guide, v4.1
2	VCS Standard, v4.2
3	Program Definitions, v4.1
4	AFOLU Non-Permanence Risk Tool, v4.0
5	Climate, Community & Biodiversity Standards, v3.1
6	CCB Program Rules, v3.1
7	CCB-VCS-MR, monitoring report, initial version
8	CCB-VCS-MR, monitoring report, final version
9	CCB-VCS-PD, validated project description
10	Non-Permanence Risk Report, version 3, dated on September 27, 2022 (final version)
11	Verification protocol (Findings)
12	Forest connection contracts (Contract N°: 17-TAH/C-J-024-02; 17-TAH/C-J-025-02; 17-TAH/C-J-026-02; 17-TAH/C-J-033-02; 17-TAH/C-J-035-02; 17-TAH/C-J-036-02; 17-TAH/C-J-054-02)
13	Concession contract approval: Directorate Resolution N° 131-2017-GOREMAD-GRRNYAG-DRFFS/DFFS-TAH issued on March 20, 2017
14	Forest directorate resolution (Resolution N° 186-2017)
15	FSC certificate (registration code: NC-FM/COC-002176)
16	General forest management plans
17	Procedures for handling and resolving conflicts
18	Agreements with the native community of Belgica
19	Agreements with the educational institution “Dos de Mayo” Iberia
20	Agreements with technological institute Iberia – Tahuamanu
21	Agreements whit National Park Alto Purus
22	Agreements with Health post “Iñapari CLAs Tres Fronteras”
23	Community development plan 2020
24	Communication plan
25	Social monitoring plan
26	Anthropological contingency plan for dealing with risk situation during the contact with an isolated population (PIACI)
27	Tahuamanu REDD Project Public Consultation Report 2021
28	Dissemination of REDD Component report 2019
29	Dissemination of REDD Component report 2020
30	Dissemination of REDD Component report 2021
31	Citizen participation workshop report

N°	Documents reviewed or referenced
32	Agreements of the meetings minutes
33	Flyers of project diffusion
34	Anti-discrimination and labour equity policy (updated in 2021) for MADERACRE operations
35	Anti-discrimination sworn statement
36	Complaints and consultations procedure
37	Maintenance report and closure of complaint to the Nuevo Iñapari Human Settlement for generation of dust on the road
38	Protocol for the resolution of conflicts and damage
39	Flowchart for conflict resolution
40	Annual training activity programme
41	Procedures for personnel hiring
42	Training records 2017
43	Training records 2018
44	Training records 2019
45	Training records 2021
46	IPERC Matrix for Identification of Dangers, Risk Assessment and Measures of Control
47	law N° 29783 health and safety law
48	law N° 29783 health and safety law
49	Decree 148-2007-TR regulation of committee for supervision of security and health at work
50	Law N° 26842 General Health Law
51	Spreadsheets of emission reduction calculations: "*Net carbon y VCU´s MADERACRE*"
52	VM0006: Methodology for Carbon Accounting for Mosaic and Landscape-scale REDD Projects. Version 2.2 - 17 March 2017 - Sectoral Scope 14.
53	Reference Region Map
54	Project Area Map
55	Leakage Belt Map
56	KML files
57	GIS data
58	Beta regression model
59	Deforestation rates
60	Official deforestation rate: GEOBOSQUES - http://geobosques.minam.gob.pe/geobosque/view/perdida.php
61	The project cash flow 10 years and sensitive analysis spreadsheet
62	Baseline survey
63	Potential degradation diagnosis of the project area (PRA study), March 2021.
64	Five-year monitoring of wildlife in the MADERACRE concession (Juan F. Loja Alemán, 2017)

N°	Documents reviewed or referenced
65	Assessment of wildlife report in MADERACRE´s parcel 14, 2019
66	Assessment of wildlife report in MADERACRE´s parcel 15, 2020
67	Ministerial Resolution No 034-2004-AG. Categorization approval for endangered species of wildlife and prohibit their hunting, capture, possession, transport or export for commercial purposes
68	Supreme Decree N° 043-2006-AG - Approval of categorization of endangered species of wild flora
69	The annual operational plan
70	Environmental contingency plan
71	Primates of Peru (Aquino and Encarnación, 1994).
72	Peruvian mammals (Pacheco, 2002)
73	Do responsibly managed logging concessions adequately protect jaguars and other large and medium-sized mammals? Two case studies from Guatemala and Peru (Tobler et al. 2018))
74	Land use monitoring between Puerto Maldonado and Iñapari, corresponding to Section 3 of the interoceanic road (CDC-SZF-INRENA, 2007)
75	Interoceanic Highway Case Study in the Southern Amazon of Peru by Marc J. Dourojeanni June 2006
76	Wildlife Assessment in the MADERACRE and MADERYJA Concessions (Javier Barrio WWF-Oficina Programa Perú, 2005)
77	Study on the health of forest ecosystems under management from the composition of birds in forest concessions of Tahuamanu - Madre de Dios (CORBIDI, 2021)
78	Mammal diversity in forest concessions: MADERACRE
79	High jaguar densities and large population sizes in the core habitat of the southwestern Amazon (2012)
80	Preliminary report of the study of jaguars and pumas in the certified forest concessions “maderas cocama” and “aserradero Espinoza”. (AREAS-Amazonia of WWF-Perú, 2012).
81	Motors, agents and causes of deforestation in the Peruvian Amazon.
82	Comprehensive custodian plan 2017
83	Comprehensive custodian plan 2018
84	Comprehensive custodian plan 2019
85	Patrolling reports 2017
86	Patrolling reports 2018
87	Patrolling reports 2019
88	Forest operation monitoring report 2017 (ZAFRA 2017-2018)
89	Forest operation monitoring report 2018 (ZAFRA 2018-2019)
90	Forest operation monitoring report 2019 (ZAFRA 2019-2020)
91	High conservation values monitoring report 2018
92	High conservation values monitoring report 2019
93	Report of watercourses affected by operations 2018

N°	Documents reviewed or referenced
94	Report of watercourses affected by operations 2019
95	High conservation values maps
96	Resolution N° 144-2020-GOREMAD-GRFFS/SOFFS-TAH for approval the management plan
97	National Forest and Wildlife Inventory of Peru, 2019
98	Forest Operations Manual - MADERACRE
99	Regulation of forest management practices in the operations of workers, clients and/or contractors within the forest concession of the MADERACRE SAC company
100	Curriculum vitae of project manager from MADERACRE
101	Curriculum vitae of consulting team responsible - PASCAY
102	Growth rate of timber species in MADERACRE forestry concession reports 2018
103	Growth rate of timber species in MADERACRE forestry concession reports 2020
104	Life plan of Belgica native community
105	List of persons hired from 2017 to 2019
106	Law N° 26821 "Law for the Sustainable Use of Natural Resources
107	DS No. 030-2005-AG “Approve regulations for the Implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in Peru
108	DS No. 009-2013-MINAGRI "National Forest and Wildlife Policy
109	Law No. 29763 “Forestry and Wildlife Law” and its four Regulations”
110	DS No. 018-2015-MINAGRI “Regulation for Forest Management
111	Law No. 29263 "Law on Ecological Crimes"
112	Statistical compendium 2021 of the Civil Defence National Institute (INDECI).
113	Spatial modelling report

APPENDIX II: VERIFICATION PROTOCOL (FINDINGS)

Corrective action requests (CARs)

CAR ID	**01**	**Date: 23/12/2021**
Description		
Due to the validation and verification of this process is being done jointly, the crediting period is affected by the start date. In the validation process was identified that the start date of the project start date is not in accordance to the VCS standard requirement. Therefore, the monitoring period must be affected by the changes.		
Project proponent response		**Date: 24/04/2022**
Start date of the project has been updated to reconcile with the information provided in the PD		
Documentation provided by Project proponent		
-		
VVB Assessment		**Date: 29/04/2021**
Project proponent has updated the start date in accordance to validated CCB-VCS-PD. Then, **CAR 1 is closed.**		

CAR ID	**02**	**Date: 23/12/2021**
Description		
Some section of the monitoring report form has not been filled following the instructions of the VCS-CCB-MR template. i.e.: • Do not modify the subtitles of the template. i.e.: Section 1.1., 1.2; also, not include sections (1.3) • Many tables of the monitoring report are empty, and it is not explicitly indicated that there is no value to report • Many Spanish information does not include English translation (section 1.2 of the VCS standard states that the operating language of the VCS Program is English) • Section 2.1.1. has not included: how leakage and non-permanence risk factors are being monitored and managed • Section 2.1.8. has not included the title and version number of tools applied by the project. • Section 2.2.6. has not included requested information by the MR template • Section 2.2.7. has not included requested information by the MR template • Section 2.3.1. has not included the description of how full project documentation bad been made accessible to the communities (e.g. exact link to the webpage) • Section 2.3.2. has not included how summary project documentation and summary information on monitoring results, has been actively disseminated to communities • Section 2.3.4. has not included information requested by the MR template • Section 2.3.9. has not included information requested by the MR template • Section 3.1.2. many tables have not included complete information in provided tables. Also, some values are not included nor referenced • Section 4.1.3. has not included information requested by the MR template • Section 4.2.1. has not included information requested by the MR template • Section 4.2.2. has not included information requested by the MR template		
Project proponent response		**Date: 24/04/2022**

Monitoring tables have been completed and where is not applicable, it has been stated.

The name and version number of each tool have been added.

Tables and references have been added and, with pending information, they have been updated in the different sections of the MR.

All the texts in Spanish have been translated to English except the names of the files referred and the brochures and the web page screen capture.

Leakage and non-permanence are monitored with a combination of satellite images and field work

Section 2.2.6 (risks of the project) has been updated to described what actions have been implemented during the current verification period.

Section 2.2.7 has been updated to describe what actions have been implemented as part of the strategy to mitigate the risks identified in Section 2.2.6.

In Section 2.3.1, there has been described the four channels used to communicate the project documents and, in Section 2.3.2, there is a list of how these channels were used during the current monitoring period.

In Section 2.3.4, it is mentioned that information about the costs, benefits and risks of the project is starting to be shared with surrounding communities. A brief summary of the workshop has been added.

Regarding Section 2.3.9. a table with all the meetings developed may be found.

In Section 4.1.3, an analysis of the impacts on well-being of stakeholders has been included.

Section 4.2.1 has been completed

Documentation provided by Project proponent

https://maderacre.com/es/sostenibilidad/

https://maderacre.com/es/wp-content/uploads/sites/2/2022/02/Informe-044-2021-CCRC_fin.pdf

Meetings reports in the following Route: MEGA / Nube / Anexos RM / 2.3.2

VVB Assessment	**Date: 29/04/2022**

Even most of the requested information was included in the monitoring report, some section has not been filled following the instructions of the VCS-CCB-MR template. i.e.:

Sections 2.3.1., 2.3.2. and 2.3.4. has not been completed as per requirement of the CCB standard (section G3. STAKEHOLDER ENGAGEMENT), that states:

1. *Describe how full project documentation has been made accessible to communities and other stakeholders, how summary project documentation (including how to access full documentation) has been actively disseminated to communities in relevant local or regional languages and how widely publicized information meetings have been held with communities and other stakeholders.*
2. *Explain how relevant and adequate information about potential costs, risks and benefits to communities has been provided to them in a form they understand and in a timely manner prior to any decision they may be asked to make with respect to participation in the project.*
3. *Describe the measures taken, and communications methods used, to explain to communities and other stakeholders the process for CCB validation and/or verification by an independent validation/verification body, providing them with timely information about the validation/verification body's site visit before the site visit occurs and facilitating direct and independent communication between them or their representatives and the validation/verification body.*

Section 2.3.9. has not included information requested by the MR template and is not in line with the requirements of CCB standard, which states:

> *Demonstrate that all consultations and participatory processes have been undertaken directly with communities and other stakeholders or through their legitimate representatives, ensuring adequate levels of information sharing with the members of the groups.*

Section 3.1.2. many tables values have updated; however, many values reported in the MR are different from the validated CCB-VCS-PD.

Section 4.1.3. has not included information requested by CCB-VCS standard (section CM3. OTHER STAKEHOLDER IMPACTS), which states

1. *Identify any potential positive and negative impacts that the project activities are likely to cause on the well-being of other stakeholders.*
2. *Describe the measures needed and taken to mitigate the negative well-being impacts on other stakeholders.*
3. *Demonstrate that the project activities do not result in net negative impacts on the well-being of other stakeholders.*

Section 4.2.1. has not included information requested by the MR template, with states:

> *Describe the activities and/or processes implemented to mitigate the negative well-being impacts on other stakeholders.*

Section 4.2.2 was no completed.

CAR 2 remains open

Project proponent response	**Date: 31/05/2022**

The whole documentation of the project as requested by the standard and the template is accessible through the web page (www.maderacre.com/sostenibilidad) and has been shared through different workshops and meetings, as may be seen in MEGA.

Information shared includes considerations about costs, risks and benefits associated with the project as may be seen in screen captures added in Section 2.3.4.

In Section 2.3.9, a list of all the stakeholders who have been invited to the different workshops and meetings have been added, which is a consolidation of list of attendants and letters submitted as a demonstration that the communities and stakeholders are participating through their legitimate representatives.

Evidence (PPT, letters, brochure) of socialization process through appropriate channels and with reasonable anticipation time were added to annexes to confirm the accomplishment of these issues.

Section 3.1.2 has also been completed and reconciled.

Section 4.2.2 has also been completed.

Documentation provided by Project proponent
-

VVB Assessment	**Date: 03/06/2021**

Monitoring report has been updated and was completed following the instruction of the MR template. **Then CAR 2 is closed.**

CAR ID	03	Date: 23/12/2021

Description

Project proponent has not described how **full project documentation** has been actively disseminated to communities in relevant local or regional languages and how widely publicized information meetings have been held with communities and another stakeholder in accordance to the Climate, Community & Biodiversity Standards: v3, section *G3. STAKEHOLDER ENGAGEMENT.* In addition, is requested to provide all supporting evidences of monitoring results and monitoring plan dissemination (climate, community and biodiversity) as per CCB requirements (sections 2.3.2, 3.1.4, 4.3.2 and 5.3.2. of the MR).

Project proponent response	Date: 24/04/2022

We have included in the updated monitoring report, information regarding the dissemination process of the project (2.3.2), the monitoring plan (3.1.4) and the main results of the monitoring plan (4.3.2 and 5.3.2).

As described in the items of criterion G.3, the project's dissemination mechanisms consider various communication spaces such as participatory workshops with the population, consultative committees, delivery of informative documents (brochures and Public Summaries), and complementary media such as e-mails, use of the radio and the web page, which are implemented with greater emphasis due to the COVID 19 situation:

- *Participatory Workshops with all stakeholders, twice a year.*
- *Consultative Committee with main stakeholders, twice a year.*
- *Dissemination of Social and Environmental Monitoring (Biodiversity) once after the end of the operational year or harvest through Public Summaries.*
- *Dissemination of Maderacre's website: www.maderacre.com*
- *Talks to workers about REDD.*
- *Delivery of information materials such as brochures.*

These activities have a description and focus developed in the "Internal Communication Plan", found in folder 14. Plans and Procedures or in Complementary Information, point 1.

A sample of these activities can be found in the information folder (Folder 12. Communication with stakeholders / Folder 5. Training / Folder 15. Dissemination of Tahuamanu REDD Social Information and folder "Complementary Information Point 1 A, folder 19") which are reported in most cases from 2017 to 2021.

However, it has been indicated in item 2.3.2. that once the project has been validated, the results of the Tahuamanu REDD project will be disseminated in the spaces already indicated. In this sense, the project summary can be disseminated in these spaces after validation.

Regarding 3.1.4. it has been indicated that the results of the project will be disseminated at least twice a year through participatory workshops (at the beginning and end of logging operations) to disseminate the main results and conclusions of its multidimensional monitoring system. From 2019 onwards, the Tahuamanu Project is reported within the workshops, considering that the last events provided more specific information, all of which is mentioned in the reports provided in the aforementioned folders. (Folder 12. Communication with stakeholders or Item 1 of Supplementary Information A, Folder 19).

Then, in item 4.3.2., it is reiterated what was previously mentioned regarding the dissemination, the results of the community monitoring, once the project is validated, public summaries of the monitoring results will be prepared, as well as complementary dissemination material such as brochures to be distributed to the main actors of the project, as well as in the workshops. In the folder (Folder 12. Communication with interest groups or Point 1 of Complementary Information A, Folder 19) shows the referential activities implemented and that after the validation of the project will include the dissemination of the results of the Tahuamanu Redd project. Some of the activities are:

- *Talks to collaborators about the REDD 2019-2021 component.*
- *Delivery of informative materials (leaflets) 2019 - 2021*
- *Dissemination of monitoring summaries 2018 - 2021.*

Finally, in item 5.3.2, on the dissemination of biodiversity monitoring (follow-up evaluations of fauna and High Conservation Values - HCV), it has been shared that this information is disseminated in information spaces already indicated such as the official Maderacre website http://maderacre.com/sostenibilidad/ . In addition, in the case of FSC certification, as part of its public announcements on its official website for Peru, which is https://pe.fsc.org/es-pe .

For dissemination with neighboring communities, this is done through the social coordinator, following a social dissemination plan, through the activities already mentioned at the beginning of the response, workshops and dissemination of public summaries. Among the activities reported we have:

- *Dissemination of environmental monitoring summary, social monitoring 2018 - 2019.*
- *Citizen participation workshops 2017 – 2019*
- *BACV dissemination letter 2021 (in complementary information A.1, folder 19).*

Documentation provided by Project proponent

-

VVB Assessment	**Date: 29/04/2022**

Acceding to the CCB standard, section CM 4. COMMUNITY IMPACT MONITORING:

> *Disseminate the monitoring plan, and any results of monitoring undertaken in accordance with the monitoring plan, ensuring that they are made publicly available on the internet and summaries are communicated to the communities and other stakeholders through appropriate means.*

In addition, according to the VCS standard, version 4.2, section 3.17.17.

> *The project proponent shall take all appropriate measures to communicate and consult with local stakeholders in an ongoing process for the life of the project. The project proponent shall* communicate:
>
> 1. *The project design and implementation, including the results of monitoring.*
> 2. *The risks, costs and benefits the project may bring to local stakeholders.*
> 3. *All relevant laws and regulations covering workers' rights in the host country.*
> 4. *The process of VCS Program validation and verification and the validation/verification body's site visit.*

Therefore, sections of the monitoring report that indicate the statement: *"once the project has been validated, the results of the Tahuamanu REDD project will be disseminated in the spaces already indicated"* do not complies with CBB neither VCS requirements

CAR 3 remains open

Project proponent response	**Date: 31/05/2022**

The language has been adjusted to reflect that all the socialization has been done already, including internal socialization of labour rights, in sections 2.3.2, 2.3.1 and 2.3.13, among others**.**

Documentation provided by Project proponent

Welcome documents for new workers and employees

Internal trainings evidence

VVB Assessment	**Date: 03/06/2021**

The monitoring report was updated considering the CCB standard. **Then, CAR 3 is closed**

CAR ID	04	Date: 23/12/2021
Description		
The quantification of GHG Emission Reductions must consider the start date of the project (see CAR 1). Moreover, buffer credits have not been discounted as per VCS standard, section 3.14.15. In addition, project proponent is requested to provide updated emission reduction spreadsheets, including all supporting evidences; such as, shapefiles, exported areas from GIS software to PDF and excel format; beta regression results (CSV format) from R-Studio; monitoring parameters results, etc.		
Project proponent response		**Date: 24/04/2022**
Start date has been updated to be in conformance with VCS Standard (not more than 5 years since the completion of the validation process) but it has not any impact on baseline emissions as the deforestation maps in Peru are built with satellite images from May to September every year. *Non-permanence risk report discount factor has been included in the Section 3.2.4, as requested by the template.* *The updated Excel and CSV files are available on the MEGA link.*		
Documentation provided by Project proponent		
Excel Spreadsheet Calculations and Beta Regression files in the following route, respectively: Mega / Nube / Anexos / 10 Beta Regresión Mega / Nube / Anexos RM / Spreadsheets VCUS		
VVB Assessment		**Date: 29/04/2022**
Section 3.2 (project, baseline and leakage emission) are not in accordance with section 3.2 of validated CCB-VCS-PD; also, the results are different from validated spreadsheet of emission reduction calculation. Furthermore, Section 3.2.4 of the monitoring report hat not included the key results of buffer discount equation, neither the total number of buffer credits that need to be deposited into the AFOLU pooled buffer account. **CAR 4 remains open.**		
Project proponent response		**Date: 31/05/2022**
The spreadsheet results differ because leaks were found to be lower in verification compared to projected leaks in validation. The key results of the reserve discount equation have been added, along with the total number of reserve credits that must be deposited into the AFOLU reserve account.		
Documentation provided by Project proponent		
-		
VVB Assessment		**Date: 03/06/2022**
The emission reduction spreadsheet was updated, and monitoring values considered are in accordance to provided evidences. **Then, CAR 4 is closed.**		

CAR	**05**	**Date: 23/12/2021**
Description		
Many sections of the VCS-CCB-MR refers to “annexes” and annex 7, however they have not been included at the end of the document neither been provided.		
Project proponent response		**Date: 24/04/2022**
Annexes have been numbered in the RM and have been included in the MEGA file and a list of the annexes have been listed at the end of the monitoring report.		
Documentation provided by Project proponent		
Route: MEGA / Nube / Anexos RM		
VVB Assessment		**Date: 29/04/2022**
Project proponent corrected the MR properly. **Then, CAR 5 is closed**		

Clarification requests (CLs)

CL	**01**	**Date: 23/12/2021**
Description		
Project proponent is requested to provide specific reference and evidence of how the values for the unique project benefits (*Outcome or Impact Estimated by the End of Project Lifetime and Standardized benefit metrics),* achieved during the monitoring periods, have been obtained		
Project proponent response		**Date: 24/04/2022**
To address the above, it is necessary to specify that there is a document in XLS format called Tahuamanu Report Backup V0.2, which describes the origin of the metrics of each indicator. There are even notes or references (*) that clarify this. *Each metric measured has a DESCRIPTION column and the reference address where the supporting information is located with the FILE number. However, the calculation of each indicator has been detailed, informing whether the value corresponds to the average of the values, the sum of the values or the minimum value recorded in the reporting period. Additionally, the "DETAIL OF SOURCE" specifying the documents cited in the aforementioned folder as shown in the image below.*		

REPORT "TAHUAMANU REDD"

Social Component

Responsible: Social Especialist

Empleo generado	N°	Descripcion	File	2017	2018	2019	Source in Detail
Total	122	Valor promedio, Planilla de Maderacre (Se manejado el cuadro resumen que aparece en la carpeta 06)	06, documento 1.	101	142	124	Planilla resumida en la carpeta
Mujeres	4	Valor promedio, Planilla de Maderacre (Se manejado el cuadro resumen que aparece en la carpeta 06)	06, documento 1.	4	8	1	Planilla resumida en la carpeta

Details can be found in the above-mentioned XLS.

Documentation provided by Project proponent	
Route: Mega / Nube / Anexos RM / 1. Metricas Estándar	
VVB Assessment	**Date: 29/04/2022**
Project proponent has provided supporting evidences of unique benefits. However, the stated xls file has not been submitted. Then, CL remains open.	
Project proponent response	**Date: 31/05/2022**
The Excel file has been added to the MEGA	
Documentation provided by Project proponent	
“Respaldo Reporte Monitoreo.xls”	
VVB Assessment	**Date: 03/06/2022**
Requested evidence was provided. **Then CL 1 is closed.**	

CL	02	Date: 23/12/2021
Description		
Project proponent is requested to provide more information about community impact monitoring, during this monitoring period (refer to the section *CM. 4 COMMUNITY IMPACT MONITORING* of the Climate, Community & Biodiversity Standards: v3.1), including all stakeholders and results of monitoring, including evaluations by the affected communities (section 4.3.1. of the MR).		
Project proponent response		**Date: 24/04/2022**
A survey, statistically robust, was applied to measure the impacts on surrounding communities. The Excel file with the systematization of the survey and the interviews scanned may be found in Annex.		
Documentation provided by Project proponent		
Excel file and interviews scanned in the following route: Mega / Nube / Anexos RM / 6. Community Impact Monitoring		
VVB Assessment		**Date: 29/04/2021**
Project proponent provided requests information. **Then, CL 2 is closed**		

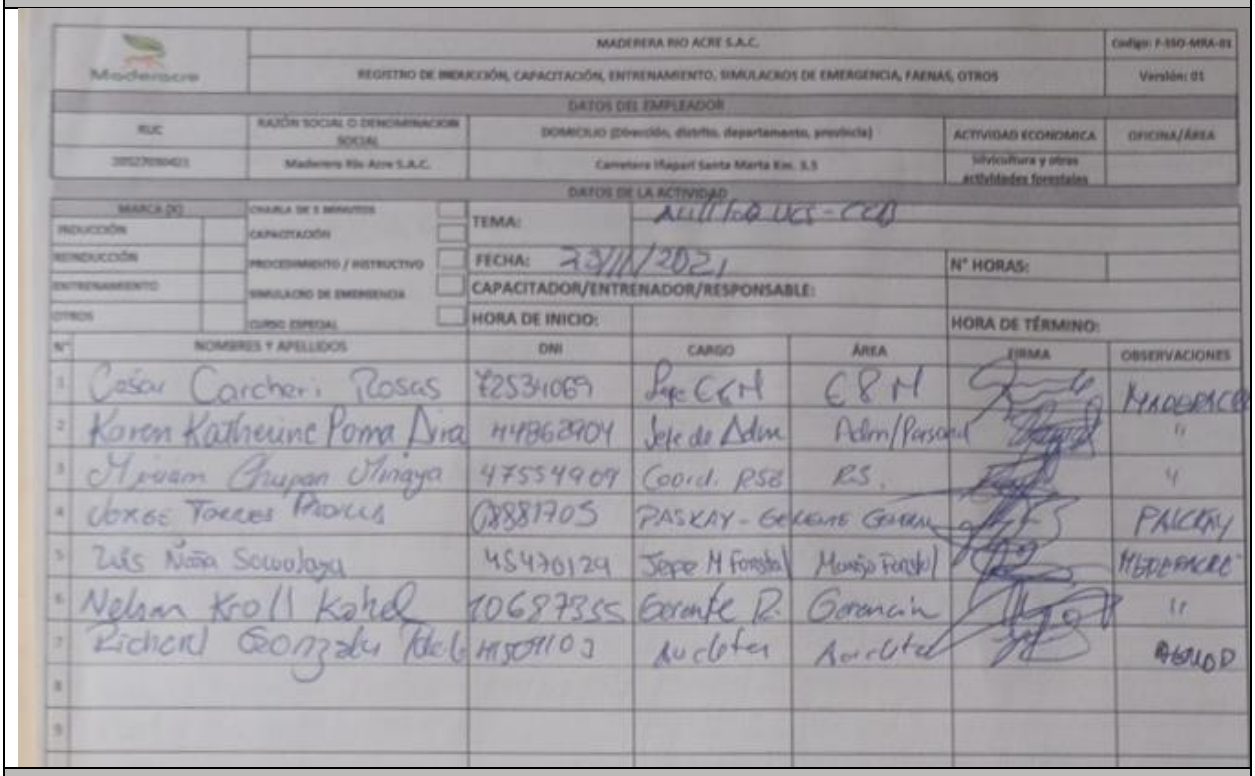
CL	03	Date: 23/12/2021
Description		
Project proponent is requested to provide evidences of mitigation action (taken during this monitoring) described in section 5.1.2.; including the measures to maintain flora species; fauna species; conservation areas; integrity of the landscape and water quality.		
Project proponent response		**Date: 24/04/2022**
Evidences have been added in the Mega		
Documentation provided by Project proponent		
Route: MEGA / Anexos / b. Evidence		
VVB Assessment		**Date: 03/06/2022**
Project proponent provided requests information. **Then, CL 3 is closed**		

CL	04	Date: 23/12/2021
Description		
Project proponent is requested to provide the monitoring results of biodiversity monitoring, during this monitoring period (section 5.3.1 of the MR).		
Project proponent response		**Date: 24/04/2022**
Monitoring results on biodiversity have been added to section 5.3.1.		
Documentation provided by Project proponent		
-		
VVB Assessment		**Date: 29/04/2022**
Project proponent has included requested information. **Then CL 4 is closed.**		

CL	**05**	**Date: 23/12/2021**
Description		
Project proponent is requested to provide publication referred in section in section 5.4.1 i.e.: Panthera Inc, 2014; Tony Davis, 2013; AREAS-Amazonia of WWF-Peru (2012).		
Project proponent response		**Date: 24/04/2022**
All the literature cited in the RM has been included in MEGA.		
Documentation provided by Project proponent		
Route: MEGA / Anexos / b. Evidence		
VVB Assessment		**Date: 29/04/2022**
PP has provided requested evidences. **Then, CL 5 is closed.**		

APPENDIX III: LIST OF PERSONS INTERVIEWED DURING THE ON-SITE VISIT

Persons interviewed on 23 November 2021



MADERERA RIO ACRE S.A.C.

REGISTRO DE INDUCCIÓN, CAPACITACIÓN, ENTRENAMIENTO, SIMULACROS DE EMERGENCIA, FAENAS, OTROS

Código: F-SSO-MRA-01 | Versión: 01

DATOS DEL EMPLEADOR

RUC	RAZÓN SOCIAL O DENOMINACIÓN SOCIAL	DOMICILIO (Dirección, distrito, departamento, provincia)	ACTIVIDAD ECONÓMICA	OFICINA/ÁREA
20527030421	Maderera Río Acre S.A.C.	Carretera Iñapari Santa Marta Km. 3.5	Silvicultura y otras actividades forestales	

DATOS DE LA ACTIVIDAD

MARCA (X): INDUCCIÓN | REINDUCCIÓN | ENTRENAMIENTO | OTROS

CHARLA DE 5 MINUTOS | CAPACITACIÓN | PROCEDIMIENTO / INSTRUCTIVO | SIMULACRO DE EMERGENCIA | CURSO ESPECIAL

TEMA: Auditoria VCS - CCB

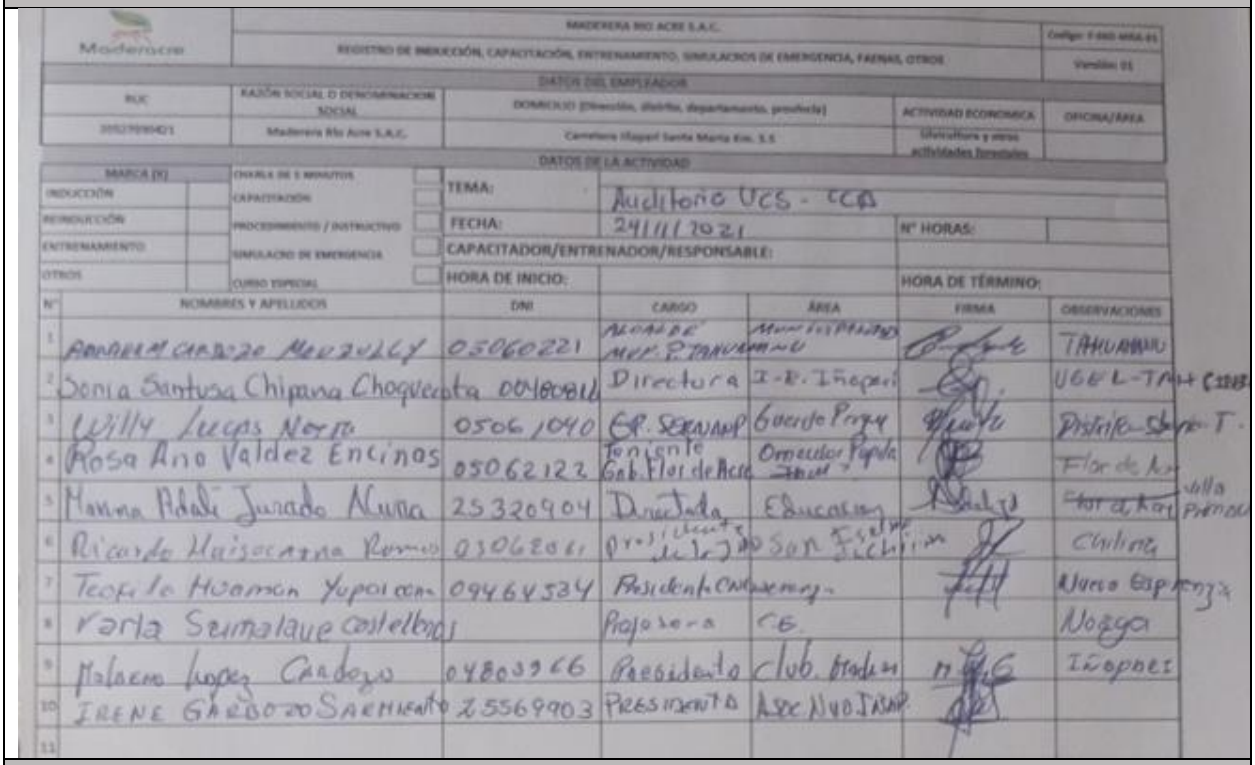
FECHA: 23/11/2021 | N° HORAS:

CAPACITADOR/ENTRENADOR/RESPONSABLE:

HORA DE INICIO: | HORA DE TÉRMINO:

N°	NOMBRES Y APELLIDOS	DNI	CARGO	ÁREA	FIRMA	OBSERVACIONES
1	César Carchen Rosas	42531069	Supe C&M	C&M		MADERACRE
2	Karen Katherine Poma Diaz	41486904	Jefe de Adm	Adm/Parsel		"
3	Miriam Chupan Vinaya	47554907	Coord. RSE	RS.		"
4	Jorge Torres Flores	08881705	PASKAY - Gerente General	Gerencia		PASKAY
5	Luis Nima Sowolaya	45470129	Jefe M Forestal	Manejo Forestal		MADERACRE
6	Nelson Kroll Kahel	10687355	Gerente R.	Gerencia		"
7	Richard Gonzales Ale	41501103	Auditor	Auditor		RGALOD
8						
9						

Persons interviewed on 24 November 2021



MADERERA RIO ACRE S.A.C.

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20527030421	Maderera Río Acre S.A.C.	Carretera Iñapari Santa Marta Km. 3.5	Silvicultura y otras actividades forestales	

DATOS DE LA ACTIVIDAD

MARCA (X): INDUCCIÓN | REINDUCCIÓN | ENTRENAMIENTO | OTROS

CHARLA DE 5 MINUTOS | CAPACITACIÓN | PROCEDIMIENTO / INSTRUCTIVO | SIMULACRO DE EMERGENCIA | CURSO ESPECIAL

TEMA: Auditoria VCS - CCB

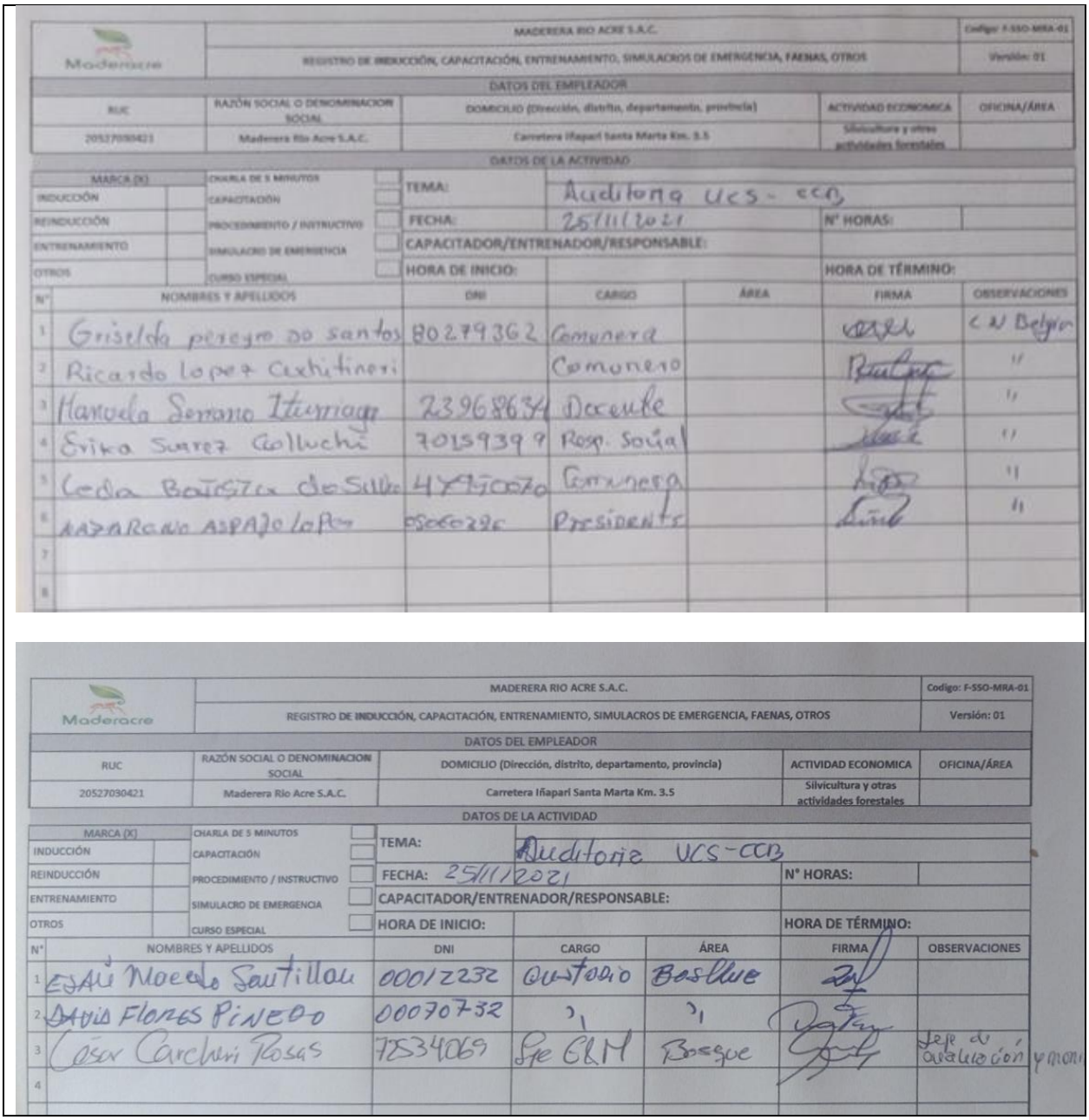
FECHA: 24/11/2021 | N° HORAS:

CAPACITADOR/ENTRENADOR/RESPONSABLE:

HORA DE INICIO: | HORA DE TÉRMINO:

N°	NOMBRES Y APELLIDOS	DNI	CARGO	ÁREA	FIRMA	OBSERVACIONES
1	Ronaldo Cardozo Mendez	05060221	Alcalde Mun. Iñapari	Municipalidad		TAHUAMANU
2	Sonia Santusa Chipana Choquecota	00480811	Directora	I.E. Iñapari		UGEL-TAH
3	Willy Lucas Nota	0506 1040	Cap. SERNANP	Gerente Parque		Distrito
4	Rosa Ana Valdez Encinas	05062122	Teniente Gob. Flor de Acre	Comedor Popular		Flor de Acre
5	Hanna Abadi Jurado Nuna	25320904	Directora	Educacion		Flor de Acre Villa Primavera
6	Ricardo Huisacayna Ramos	03062061	Presidente Comunal	San Francisco		Civiliza
7	Teofilo Huaman Yupanqui	09464534	Presidente Comunal			Nueva Esperanza
8	Karla Sumalave Castellon		Profesora	C.S.		Nazaya
9	Mariano Lopez Cardozo	04803966	Presidente	Club. Madera		Iñapari
10	IRENE GRADOZO SARMIENTO	25569903	PRESIDENTA	ASC NUEVO IÑAPARI		
11						

Persons interviewed on 25 November 2021



Maderacre

MADERERA RIO ACRE S.A.C. — Codigo: F-SSO-MRA-01

REGISTRO DE INDUCCIÓN, CAPACITACIÓN, ENTRENAMIENTO, SIMULACROS DE EMERGENCIA, FAENAS, OTROS — Versión: 01

DATOS DEL EMPLEADOR

RUC	RAZÓN SOCIAL O DENOMINACION SOCIAL	DOMICILIO (Dirección, distrito, departamento, provincia)	ACTIVIDAD ECONOMICA	OFICINA/ÁREA
20527030421	Maderera Rio Acre S.A.C.	Carretera Iñapari Santa Marta Km. 3.5	Silvicultura y otras actividades forestales	

DATOS DE LA ACTIVIDAD

MARCA (X)					
INDUCCIÓN		CHARLA DE 5 MINUTOS		TEMA:	Auditoria UCS - CCB
REINDUCCIÓN		CAPACITACIÓN		FECHA:	25/11/2021 — N° HORAS:
ENTRENAMIENTO		PROCEDIMIENTO / INSTRUCTIVO		CAPACITADOR/ENTRENADOR/RESPONSABLE:	
OTROS		SIMULACRO DE EMERGENCIA		HORA DE INICIO:	HORA DE TÉRMINO:
		CURSO ESPECIAL			

N°	NOMBRES Y APELLIDOS	DNI	CARGO	ÁREA	FIRMA	OBSERVACIONES
1	Griselda pereyra do santos	80279362	Comunera			C N Belgica
2	Ricardo lopez Castitinari		Comunero			"
3	Harvida Serrano Iturriaga	23968634	Docente			"
4	Erika Suarez Gallichi	70159399	Resp. Salud			"
5	Leda Batista de Silva	47470070	Comunera			"
6	NAZARENO ASPAZO LOPEZ	05660226	PRESIDENTE			"
7						
8						

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REGISTRO DE INDUCCIÓN, CAPACITACIÓN, ENTRENAMIENTO, SIMULACROS DE EMERGENCIA, FAENAS, OTROS — Versión: 01

DATOS DEL EMPLEADOR

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20527030421	Maderera Rio Acre S.A.C.	Carretera Iñapari Santa Marta Km. 3.5	Silvicultura y otras actividades forestales	

DATOS DE LA ACTIVIDAD

MARCA (X)					
INDUCCIÓN		CHARLA DE 5 MINUTOS		TEMA:	Auditoria UCS-CCB
REINDUCCIÓN		CAPACITACIÓN		FECHA:	25/11/2021 — N° HORAS:
ENTRENAMIENTO		PROCEDIMIENTO / INSTRUCTIVO		CAPACITADOR/ENTRENADOR/RESPONSABLE:	
OTROS		SIMULACRO DE EMERGENCIA		HORA DE INICIO:	HORA DE TÉRMINO:
		CURSO ESPECIAL			

N°	NOMBRES Y APELLIDOS	DNI	CARGO	ÁREA	FIRMA	OBSERVACIONES
1	ESAU Maeda Sautillan	00012232	Custodio	Bosque		
2	~~DAVID~~ FLORES PINEDO	00070732	"	"		
3	Cesar Carchuri Rosas	72534069	Jefe CLM	Bosque		Jefe de evaluación y moni
4						