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Plan Vivo Standard Validation/Verification Audit Report for:

Trees for Global Benefit Project The Environmental Conservation Trust of Uganda (ECOTRUST) in Kampala, Uganda

Date Final Report:	November 25, 2009
Date Draft Report Issued:	December 3, 2008
Audit dates:	October 20-24, 2008
Audit team:	Jeff Hayward, Joseph Osei, Robert Esimu
Approved by:	Mateo Cariño Fraisse
Audit standard:	*The Plan Vivo Standards, 2008 June 2008 Draft Version*
Verification code(s):	RA-VAL-PV-011598
Verification statement issued:	November 25, 2009
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1 INTRODUCTION

1.1 Objective

The purpose of this report is to document conformance with the requirements of the Plan Vivo Standards (PVS) by Environmental Conservation Trust of Uganda (ECOTRUST), hereafter referred to as "Project Proponent". The report presents the findings of qualified Rainforest Alliance program auditors who have evaluated Project Proponent systems and performance against the applicable standard(s). Section 2 below provides the audit conclusions. Rainforest Alliance carbon evaluation reports are made available to the public via the Plan Vivo or Rainforest Alliance websites. However, particular material in the report identified as confidential by the project proponent will be excluded from any publicly available reports.

The Rainforest Alliance's SmartWood program was founded in 1989 to certify forestry practices conforming to Forest Stewardship Council (FSC) standards and now focuses on providing a variety of forest auditing services. The Rainforest Alliance SmartWood program is a member of the Climate, Community, and Biodiversity Alliance (CCBA) and approved verifier to CCB standards, an accredited verifier with the Chicago Climate Change (CCX), a verifier with the Plan Vivo (PV) standards, and a pending accredited verifier with the Voluntary Carbon Standard (VCS).

Dispute resolution: If Rainforest Alliance clients encounter organizations or individuals having concerns or comments about Rainforest Alliance / SmartWood and our services, these parties are strongly encouraged to contact the SmartWood program headquarters directly. Formal complaints or concerns should be sent in writing and may simultaneously been sent to Plan Vivo Foundation.

1.2 Scope and Criteria

Standard criteria: Plan Vivo Standards June 2008 Draft

Scope: Conformance with Plan Vivo 2008 Draft standards requirements and approved project methodologies, validation of Project Design Document, and verification of project implementation and performance, since project start in 2003 until December 31, 2007.

1.3 Plan Vivo Project Description

Project name: Trees for Global Benefit

Greenhouse gases: CO_2, CH_4, N_2O

Baseline:
Since the project inception in 2003, various studies have been conducted that describe the average baseline for the sub-counties and parishes within which the project is carried out. Most notably, the National Biomass Study from 2002. The ECOTRUST Trees for Global Benefit project documents, particularly the Technical Specifications, but also the START study from 2007, refer to the baseline as it may be calculated for individual farms or as it may refer to average without - project scenario for the overall project. The technical specifications developed by the World

Agroforestry Center and others talk of the baseline for one (single-species Maepsosis) but not for the other (mixed-species). The value for the baseline from the single species woodlot is mentioned as 2.8 tC/ha, although this is not clear. It is not evident what value would be used on all Plan Vivos. It was stated by project personnel that averages are being used for all Plan Vivos and Technical Specifications.

Current conditions (i.e., without-project, analogous baseline scenarios) are a subsistence agriculture mosaic landscape where farmers plant banana, corn, coffee, sugar cane, sweet potatoes and other crops. There are some small Eucalyptus woodlots and grasslands for grazing.

Future projections are described in the technical specifications for single-species and mixed species woodlots. These plot the biomass growth, and potential future carbon, over the life of the project and the length of the contracts with the farmers, which is 50 years.

2 AUDIT CONCLUSIONS

2.1 Validation/Verification Statement

The Rainforest Alliance has performed a validation and verification audit for the ECOTRUST Trees for Global Benefit afforestation project on 258 hectares of agricultural lands within the boundaries of the Bushenyi District in Southwestern Uganda. The review of the project description, supporting documentation and interviews has provided Rainforest Alliance with most of the evidence to determine fulfillment to the stated criteria. At the date of the completion of the draft audit report, December 3, 2008, there were non-conformances indicating some material discrepancies, which must be addressed by the project proponent in order for Rainforest Alliance to grant an unqualified validation and verification conclusion. Upon completion of the Corrective Action Requests raised in this audit, then Rainforest Alliance will revise this validation conclusion and include a statement about the likelihood of the project to achieve estimated emission reductions.

Scope of Verification: 138 farmlands with enrolled Plan Vivos covering 258 hectares of privately owned farmland with planted native and naturalized trees from 1 to 5 years of age.

Reporting period: The project has been active from 2003 until the present. The audit scope was to report from the start until December 31, 2007.

Verified emission in the above reporting period:

a. Project emissions Not available* t CO_2 equivalents
   * These are possibly less than 5%, but the project had not calculated its own emissions. (See CAR 08/08 below).

   Amended findings: The updated ECOTRUST PDD calculated the project's leakage from vehicular emission at 0.467t$C0_2$/annum. Though negligible, ECOTRUST indicates to have included this in the project risk buffer. CAR 08/08 was therefore closed (see evidence to close CAR in CAR 08/08)

b. Baseline emissions Not available* t CO_2 equivalents
   * The baseline has not been stated for the project area or for the average enrolled farm. (See CAR 04/08 below)

Amended findings: ECOTRUST provided a PDD and a revised Technical Specification to outline and revised the project Operational Manual to clearly explain how the baseline carbon stock for each Plan Vivo is to be determined (See evidence to close CAR 04/08)

c. Emission reductions This has not been measured yet. Some farms are now five years old and are starting to be measured. The project reports sales of ex-ante emissions reductions credits. The projection based on reported planting achievements to date and the number of Plan Vivos established puts the 138 enrolled farms on track for achieving emissions removals over 20 years of 53,514 t CO2 equivalents

Conclusion:

To the Plan Vivo Foundation:

Based on an evaluation of the project proponent's management systems and performance in the field across the defined audit scope, the Rainforest Alliance validation/verification audit team concludes that project proponent has:

☒ Demonstrated unqualified compliance/conformance with the standard

☐ Not demonstrated unqualified compliance/conformance with the standard.

2.2 Corrective Action Requests

This section lists the non-conformances with the Plan Vivo Standards that affect the conditionality or qualification of the validation/verification statement for the TGB project. Corrective action requests (CARs) are issued to address the non-conformities.

Note: A non-conformance is defined in this report as a deficiency, discrepancy or misrepresentation that in all probability would materially affect carbon credit claims. CAR language uses "shall" to suggest its necessity but is not prescriptive in terms of mechanisms to mitigate the CAR. Each CAR is brief and refers to a more detailed finding in the appendices.

Corrective action requests (CARs) identified in draft validation/verification reports should be successfully closed by the project proponents before Rainforest Alliance submits the final report and verification statement to Plan Vivo.

Any open CARs will result in a qualified verification statement which lists: (a) all qualifications, (b) rationale for each qualification, and (c) impact of each qualification on GHG assertion.

CAR#: 01/08	Reference requirement: 1.1.2, 2.1.8
Findings:	For most farms, the design of the Plan Vivo on paper and on the ground (in terms of the species mix, tree layout, planting spacing, etc., varied from the original design.

CAR description:	ECOTRUST shall revise the operational manual to provide procedures to supervise, monitor, and correct errors in the document control system, which includes farmers' files and records.
Timeline for conformance:	Prior to verification
Evidence to close CAR:	ECOTRUST has produced a revised Operational Manual which provides among other things procedures for supervising, monitoring and correction of the project document control system.
CAR status:	CLOSED

CAR#: 02/08	Reference requirement: 1.1.4, 2.1.8
Findings:	There were not systematic procedures to measure growth of trees or establish more reliable measures of farm land area.
CAR description:	ECOTRUST shall develop procedures for five and ten-year measurement and develop standardized methods for defining project boundaries of individual farms. Such procedures shall include plans for training and supervision.
Timeline for conformance:	Prior to verification
Evidence to close CAR:	ECOTRUST has developed procedures for measuring tree diameter and height at 5 and 10 years as well as methods for mapping project boundaries and estimation of project area. These are also integrated into the training plans of the programme
CAR status:	CLOSED

CAR#: 03/08	Reference requirement: 1.1.6
Findings:	Some of the participant applications sampled had inconsistencies with the manner in which the land use right endorsement was documented.
CAR description:	ECOTRUST shall review and correct records on all land use right endorsement inconsistencies (those identified in this report and any potential ones likely to be identified in the records through ECOTRUST's review).
Timeline for conformance:	Prior to verification
Evidence to close CAR:	ECOTRUST indicated to have reviewed producer s/farmers records to correct inconsistencies associated with land use rights endorsement. It has also indicated that the process is on-going to cover all other file records
CAR status:	CLOSED

CAR#: 04/08	Reference requirement: 2.1.1
Findings:	The Technical Specifications, Operational Manual, and other reports of ECOTRUST (i.e., Annual Reports) do not clearly state or explain the means of establishing project baselines (for farmer plots or average for the project).
CAR description	ECOTRUST shall provide written and tabular explanation of the baseline established for the project in the technical specifications and the PDD.

Timeline for conformance:	Prior to verification
Evidence to close CAR:	ECOTRUST has provided a PDD and a revised Technical Specification to outline and revised the project Operational Manual to clearly explain how the baseline carbon stock for each Plan Vivo is going to be determined.
CAR status:	CLOSED and observation raised, see OBS 01/09

CAR#: 05/08	Reference requirement: 2.1.2, section 3.3
Findings:	The project has not prepared a PDD. Important elements for a Plan Vivo project, which should be explained in a PDD, were not explicitly stated in existing project documents.
CAR description:	ECOTRUST shall complete a Project Design Document (PDD) that addresses Plan Vivo requirements for a PDD (section 3.3 Plan Vivo Standards).
Timeline for conformance:	Prior to verification
Evidence to close CAR:	ECOTRUST has completed a PDD as required under the Plan Vivo Standard and made available a copy to the validation/verification team.
CAR status:	CLOSED

CAR#: 06/08	Reference requirement: 2.1.2
Findings:	There were reports that some eucalyptus trees were cut and replaced with trees for the project by some participants. This may not be additional carbon.
CAR description:	ECOTRUST shall develop a procedure to report on the full extent (area, number of trees, potential carbon) of the current planted woodlots that came about through clearing pre-existing eucalyptus woodlots and measures ECOTRUST will take to account for the carbon and prevent this in the future.
Timeline for conformance:	Prior to verification
Evidence to close CAR:	ECOTRUST has given further explanation to this finding to indicate that some of the farmers who cut their pre-project trees to plant 'carbon trees' did so because the affected trees had reached maturity. Though this explanation and the action still do not justify additionality, ECOTRUST has however revised the project Operational Manual to clearly indicate that any farmer found to be cutting trees for the purpose of planting 'carbon trees' will be disqualified from the project. It further indicated that the project is making a list of such individual farms available. ECOTRUST further provided a report on the extent and amount of trees which were cut to plant 'carbon trees'. The report indicated that a total of 40 trees were cut and very little emission might have resulted as the trees were used as building materials with their carbon content still locked up in the building structures.
CAR status:	CLOSED

CAR#: 07/08	Reference requirement: 2.1.5
Findings:	A level of buffer is not in the technical specifications according to the level of risk identified.
CAR description:	ECOTRUST shall update technical specifications to explain how permanence and leakage are factored.
Timeline for conformance:	Prior to verification
Evidence to close CAR:	ECOTRUST made available to the validation/verification team an updated technical specification for the sole and dominant species planted among project farmers - Maesopsis emini This technical report identifies project leakage and permanence risks as well as measure to deal with them. It further specifies 10% risk buffer of 22.6 tCO_2/ha on all project carbon produced against unforeseen future events that might affect the amount of carbon already sold.
CAR status:	CLOSED

CAR#: 08/08	Reference requirement: 2.1.6, 4.1.2
Findings:	The project has not accounted for leakage in terms of its own project emissions.
CAR description:	ECOTRUST shall account for the project emissions sources.
Timeline for conformance:	Prior to verification
Evidence to close CAR:	The ECOTRUST PDD mentions displacement of agricultural activities and project monitoring as the two main potential sources of leakage envisaged for the project. ECOTRUST indicated to have factored in vehicular emission resulting from monitoring activities into the calculation of the project risk buffer, while the project's recruitment procedure of ensuring that farmers set adequate land aside for food production is expected to reduce the risk of agricultural displacement.
CAR status:	CLOSED

CAR#: 09/08	Reference requirement: 4.1.2
Findings:	ECOTRUST did not demonstrate a training strategy, plan, or program to deliver continued training and participation by farmers in project development.
CAR description:	ECOTRUST shall have a mechanism in place to ensure continued training and participation by farmers in project development.
Timeline for conformance:	Prior to verification
Evidence to close CAR:	ECOTRUST has updated its project Operational Manual to provide a training strategy which includes clear training objectives, methods, trainers and training planning.
CAR status:	CLOSED

2.2.1 Observations

Note: Observations are issued for areas that the auditor sees the potential for improvement in implementing standard requirements or in the quality system; observations may lead to direct non-conformances if not addressed.

OBS 01/08	Reference Standard & Requirement: 1.1.2
[Description of findings leading to observation] Some farmers told the team of drying and dying back of branches in some of the Maesopsis. Project coordinators were responding by taking samples to laboratories, although questions remain on causes.	
Observation: ECOTRUST should improve resourcing for an extension program to address and treat tree pests and diseases.	

OBS 02/08	Reference Standard & Requirement: 1.1.3
[Description of findings leading to observation] A standard sale agreement for the provision of carbon services exists, but it is not in the local languages. This would be a mechanism to enable participants to discuss issues associated with the project.	
Observation: The sales agreement should be translated into the local languages. A regular time frame for revision and update of sales agreement templates should be defined in the project design document.	

OBS 03/08	Reference Standard & Requirement: 1.1.4
[Description of findings leading to observation] Estimating farm area does not use a very accurate method.	
Observation: ECOTRUST should involve the use of GPS to map Plan Vivo boundaries and measurement plots, so as to accurately estimate the number of trees to be planted on any particular farm and to enable improved monitoring.	

OBS 04/08	Reference Standard & Requirement: 1.1.4
[Description of findings leading to observation] The organization and control of file management and documents in terms of individual farmer's files needs improvement. For example, records of changes made to Plan Vivos for some farmers were not reported or in the files. There were some files where changes had occurred, but which could not be clearly followed from reading the record. In other cases, monitoring records may not have had a date or the name of the officer who carried out the job.	
Observation: ECOTRUST should improve quality control systems to check the completeness and keeping of all relevant records on the programme, including: farmers' applications, their Plan Vivos (and modifications to these), monitoring and measurement records, and payment records.	

OBS 05/08	Reference Standard & Requirement: 1.1.4
[Description of findings leading to observation] Systematic measurement methods are in process of development, thus farmers have not been trained or involved in a well-developed measurement programme.	
Observation:	

ECOTRUST should find means of supporting farmers to measure tree parameters accurately and consistently as part of the monitoring process.

OBS 06/08	Reference Standard & Requirement: 1.1.6
[Description of findings leading to observation] Anomalies in the LC signatures on a few Plan Vivos were found.	
Observation: ECOTRUST should have a reliable means of authenticating the signatures of LC chairpersons who are eligible to endorse individual farmer's lands submitted as part of their application.	

OBS 07/08	Reference Standard & Requirement: 1.1.8
[Description of findings leading to observation] The figures provided in the annual reports can be difficult to follow, because there is not consistent reporting for TC and TCO2e.	
Observation: The transparency of reporting should be enhanced by ECOTRUST by using clear, explicit statistics apparent as to why or how TCO2e and TC are being used and any conversion factors that were applied.	

OBS 08/08	Reference Standard & Requirement: 4.1.2
[Description of findings leading to observation] Past trainings were not well documented.	
Observation: ECOTRUST should be keeping training records within any project verification period.	

OBS 09/08	Reference Standard & Requirement: 4.1.3
[Description of findings leading to observation] The existing MOU between BR&D and ECOTRUST was dated 2004 and may not reflect current arrangements for allocating carbon payments.	
Observation: ECOTRUST should update the MOU with BR&D to reflect current arrangements for allocating carbon payments.	

OBS 10/08	Reference Standard & Requirement:
[Description of findings leading to observation] A PDD had not been prepared for the audit.	
Observation: ECOTRUST should update the PDD to include the following: ▪ Map of the project area at an appropriate scale. Individual farms should be added as GPS points and then fully plotted GPS polygons over time. ▪ Explanation of why the project is additional. ▪ Address policy for the buffer reserve and community carbon fund. ▪ Identification of permanence risks and mitigation measures.	

OBS 01/09	Reference Standard & Requirement: 2.1.1
[Description of findings leading to observation] The PDD does not clearly indicate how baseline carbon stock will be factored into the calculation of net project carbon while those Plan Vivos already approved do not take into accounts pre-project carbon stocks.	
Observation: ECOTRUST should update the PDD to clearly indicate how baseline carbon stocks for new Plan Vivos are going to be factored into the calculation of net carbon and also to review approved Plan Vivos to take into account pre-project carbon stocks for each farm.	

2.3 Actions Taken by Company Prior to Report Finalization

Upon receipt of the draft from Rainforest Alliance, ECOTRUST, developed a Project Design Document (PDD), revised the project Operational Manual (POM) and the project Technical Specification (TS). ECOTRUST made copies of these documents available to the audit team and also indicated to have sent a copy of the PDD and the TS to Plan Vivo Foundation as required under this standard.

These were done with the aim of addressing the Corrective Action Requests raised in the draft report. For example the revised POM provides procedures for supervision, monitoring, addition of disqualification clause for farmers who violation additionality requirements, training and correction of errors in the project document control system among others. Besides, the project produced a report to give details as to how they have addressed each CAR, and intends to address observations. Other actions taken to address CARs in the draft report included: assigning a project staff to be responsible for documentation for audit and project records and to correct inconsistencies in producers' files and other documents. ECOTRUST also indicated to have made request to Plan Vivo Foundation to update the MoU with the organization.

3 AUDIT METHODOLOGY

3.1 Audit Team

Auditor(s)	Qualifications
Jeffrey Hayward	Manager, Climate Initiative, Rainforest Alliance; Lead Auditor
Joseph Osei	Ghana Representative, SmartWood, Sustainable Forestry Division, Rainforest Alliance; Auditor
Robert A. Esimu	B. Sc. Forestry (Hons), Independent Forestry Consultant; Team Member

3.2 Project document review methodology description

The validation and verification audit required substantial review of documents prepared by the project proponents or documents from other research bodies, institutions, or professionals collaborating over the years with the project proponents. Documents were requested by Rainforest Alliance prior to the on-site validation audit.

The primary evidence presented were the Annual Reports, Technical Specifications, and other Project Reports. These were provided to the auditors one week before the on-site field visit.

ECOTRUST was the responsible party for the project who provided the auditors with those documents prepared by the project proponents. Additional documents were collected during the audit, such as research papers, measurement sheets, sales agreements, Plan Vivo registration files, etc.

Project documents and data were checked for completeness, consistency, accuracy, transparency, relevance, and conservativeness. Much of the documentation was reviewed to assess these attributes as they pertained to the implementation of the project.

A Project Design Document was not prepared and ready for review.

Document Date	Title, Author(s), Version
March 2007	Assessment of Land Use / Land Cover Changes, Socio-Economic Drivers and Associated Carbon Fluxes in South-western Uganda (Draft Version); ECOTRUST
17 Oct. 2008	Carbon calculation for farmers by end of 2007 ECOTRUST
17 Oct. 2008	Carbon farmer projection payment period ECOTRUST
Undated	Cooperative Carbon Offset With Smallholder Farmers: An operational manual ECOTRUST
17 Oct. 2008	List of stakeholders identified in the carbon programme ECOTRUST
21 September 2002	National Biomass Study: Technical report Forest Department, Ministry of Water, Lands and Environment (Draft)

Undated	Sales Agreement Template
Undated	Technical specification for smallholder carbon management project, Bushenyi Uganda (Maesopsis)
Undated	Technical specification System: Mixed native species woodlots
December 2007	Trees for Global Benefit Program Annual Report ECOTRUST
13 June 2003	Certificate of registration No.S-5914/2834as a Non – Governmental Organization under the Non –Governmental Organizations Registration Statute, 1989 signed by Joyce Mpanga (Mrs),Chairman ,National Board of Non – Governmental Organizations.
December 1998	Application for a certificate of registration signed by Byenkya Kihika &Co. Advocates.
5 August 1999	Certificate of registration as a corporate body under the Trustees Incorporation Act, CAP 147, signed by H.M.Kajura, Minister of Water, Lands and Environment.
2 July 1998	The Land Act 1998
2003	The National Forestry and Tree Planting Act
2 July 2007	Audited Financial statements for the eighteen months period ended 31/12/2006, Carr Stanyer Sims & Co. Certified Public Accountants P.O Box 6293 Kampala
2 July 2008	Audited Financial statements for the year ended 31/12/2007
Undated	Various staff curriculum vitae current to present year.

3.3 Field audit methodology description

The audit team conducted three main activities in the field: on-farm inspections, interviews with land owners and ECOTRUST staff, including community coordinators, and interviews with stakeholders. Field evaluation was then followed up on review of documents, databases, and management issues at the ECOTRUST office in Kampala.

<u>On-farm inspection and interviews with landowners</u>
Prior to the audit, the Rainforest Alliance randomly selected 10% of the enrolled participants (14 farmers) whose files and farms would be audited. Files were brought to the field for review. Of the randomly selected participants, 8 farms were inspected by the audit team. The other farms were not chosen to visit in the field, being too difficult to reach within the limited timeframe of the audit. ECOTRUST nominated other farms to visit that were closer and the audit team and ECOTRUST agreed on 6 to visit.

Trees planted on farms in the project are on subsistence agricultural lands that range in area from one to six hectares. They are located throughout four sub-counties, some at great distance. It was possible for the audit team to visit 14 farms over the course of three days.

The farm inspections typically began with the community coordinator and/or farmer explaining the history of land use on the site and the tree planting associated with the project. The audit team checked this oral history with the files and asked ECOTRUST for explanations. The audit

team walked each plot to determine how well elements such as tree spacing, growth, survival, species, and planted area matched the records.

When possible, the farmer was interviewed to grasp his or her understanding of the project. The audit team also tried to ascertain how satisfied the farmer was with his or her engagement with the project and if there had been any disputes. The farmer was asked about the amount and frequency of payments, the benefits they intend to receive besides carbon payments, expenses they had incurred in project establishment, etc. Figures and statements were checked with ECOTRUST' farmer records.

Project coordinators were asked to demonstrate their monitoring and measuring methodologies and techniques with the audit team observing. Audit team members checked recorded data and made some measurements of their own to compare with ECOTRUST results.

Interviews with ECOTRUST staff

ECOTRUST staff, including the programme officer, project officer, community coordinators, and drivers accompanied the audit team on the entire field visit. The staff's presence was necessary in order to provide translation when a farmer was present and explanation when he or she was not. Throughout the field visit, ECOTRUST staff was informally interviewed by the audit team to ascertain management practices, monitoring methodologies, training practices and needs, and information about the carbon sequestration resulting from the project's implementation.

Interviews with stakeholders

The audit team discussed the Trees for Global Benefit project with local council leaders. The meetings were held in semi-formal settings near or at the sub-county headquarters. Rainforest Alliance staff and other members of the visiting group were introduced and welcomed by local council leaders. The leaders were invited to give their general impressions of the project, including its benefits to the community, and to explain how the community viewed the project. The leaders were asked to explain their roles with respect to the project, specifically, their responsibilities for and experiences with substantiating tenure claims and conflict resolution. The local council-people were also asked to identify risks they associated with the project.

The interview with the manager of Bitereko Peoples' Savings and Credit Cooperative Society, Ltd. was intended to help the audit team to understand the role and efficacy of financial institutions in the project as well as the efficacy of payments to farmers. The manager was asked to explain his responsibilities. Records were checked at the Cooperative and verified against ECOTRUST's records. The manager was asked to identify benefits for farmers and any farmer complaints.

Non-forest sites evaluated:

Date	Location & site description	Audit activities
20 Oct. 2008	Bitereko Peoples' Savings and Credit Cooperative Society, Ltd., Bitereko village, Bitereko sub-county	Met with Peter Byaruhanga, manager, to discuss how the cooperative disburses payments from ECOTRUST to farmers participating in program.

20 Oct. 2008	Bitereko sub-county offices	Meeting with local authorities. Met Stefano Ngabirano, local council representative (LC1) from Kambali 1 parish, Emmanuel Byamongisha from Kambali 2, Emmanuel Tibujeka from Omukibate parish, Rose Tumwesigye, from Bitereko parish, and Anthony Tumuhibise, secretary for women from one of the villages. Discussed their impressions of the project, their views of their roles with respect to the project, inquired about risks and conflicts associated with the tree planting.
20 Oct. 2008	Bitereko sub-county	Interview with Beatrice Ahimbisibwe, community coordinator. Discussed history of her involvement with ECOTRUST, training needs, compensation for community coordinators, monitoring practices.
21 Oct. 2008	Kiyanga sub-county office	Meeting with local authorities. Met Leniegio Kyanimbu, chairman, LC1, Leo Tukwasibwe, chairman, LC3 and Silver Tumuilurate, LC5. Discussed their impressions of the project, their views of their roles with respect to the project, inquired about risks and conflicts associated with the tree planting.
22 Oct. 2008	Ryeru sub-country office	Meeting with local council chairman. Met John Magezi, LC3 for Ryeru. Discussed his opinion of the project, inquired about risks and conflicts associated with the tree planting, other forest-related programs in the sub-county.
22 Oct. 2008	Ryeru and Kichwamba sub-counties	Interview with Brenda Atuhaire of Nature Uganda. Discussed Nature Uganda's work, collaboration with Trees for Global Benefit, observations of the project, potential for further synergy.
22 Oct. 2008	Ryeru and Kichwamba sub-counties	Interview with Wilson Turyahikoayo, community coordinator. Discussed history of his involvement with ECOTRUST, training needs and compensation for community coordinators.
23 - 24 Oct. 2008	ECOTRUST office, Kampala	Discussions with ECOTRUST staff responsible for program implementation. Including Gerald Kairu, Programme Officer for Trees for Global Benefit; Marcellinus Bbale; Project Officer for related Plan Vivo project in Hoima & Masindi sub-counties; ECOTRUST board members and Pauline Nantongo, Executive Director
24 Oct. 2008	Interviewed Mr.Kakumu Perez, District Forest Officer, Bushenyi	Discussed whether there are any current tree planting incentives in the project areas (sub counties) that might influence natural (indigenous) tree species planting
24 Oct. 2008	Interviewed Mr. Cyril Mugyenyi, District Natural Resources Officer, Bushenyi	Discussed whether there was any removal or clearing of other trees to pave way for the carbon planting
24 Oct. 2008	Interviewed Mr. Bukuwa Richard, National Forestry Authority Forest Supervisor i/c Bitereko Station –North Maramagambo Forest Reserve	Discussed whether there might be any negative effects caused by the planting of naturalized species to the biodiversity of the nearby protected areas, i.e. forest reserves and national parks.

Reforestation sites evaluated:

Date	Location & stand name	Area (ha)	Forest type/Age	Audit activities
20 Oct. 2008	Farm of Christopher Tugumisirize	1	Plated in 2005, mixed	Discuss history of tree planting and nature of the farmer's participation in the project, compare progress with ECOTRUST files.
20 Oct. 2008	Farm of Emmanuel Tibaijuka	1.2	Planted in 2003, boundary	Discuss history of tree planting and nature of the farmer's participation in the project, compare progress with ECOTRUST files. Walked the boundary line.
20 Oct. 2008	Farm of Reverend Eliasaph Kato	3	Planted in 2003, mixed	Discuss history of tree planting and nature of the farmer's participation in the project with ECOTRUST staff (farmer not present); observe DBH measuring methodology.
20 Oct. 2008	Farm of Clementsia Basigha	2	Planted in 2003, mixed	Discuss history of tree planting and nature of the farmer's participation in the project. Evaluate potential risks to trees planted as part of project.
20 Oct. 2008	Farm of Ruth Masisa		Planted in 2003, mixed	Discuss history of tree planting and nature of the farmer's participation in the project, compare progress with ECOTRUST files.
20 Oct. 2008	Farm of Margret Mutabazi	4	Planted in 2005, mixed	Discuss history of tree planting and nature of participation in the project with the farmer's husband.
21 Oct. 2008	Farm of Charles Medar	Unclear	Planted in 2004, mixed	Discuss history of tree planting and nature of the farmer's participation in the project, compare with ECOTRUST files.
21 Oct. 2008	Farm of Medar Turyomugendo	Unclear	Planted in 2003, boundary	Discuss history of tree planting and nature of the farmer's participation in the project with ECOTRUST staff (farmer not present); take DBH from PSP.
21 Oct. 2008	Farm of Benon Bushoborozi (community coordinator)	3.5	Planted in 2003, mixed	Discuss history of tree planting; take DBH from test plot.
21 Oct. 2008	Farm of George Bangirana	1		Discuss history of tree planting and nature of participation in the project.
22 Oct. 2008	Farm of Eric Kateba	1.5	Mixed	Discuss history of tree planting; take DBH from test plot.
22 Oct. 2008	Turyomurugyendo Medard	2.5	Planted in 2003, mixed	Discuss history of tree planting and nature of participation in the project.
22 Oct. 2008	Church of Uganda Ndekye Parish	4	Mixed	Walk through the plantations
22 Oct. 2008	Rugazi Parish Catholic Church	6	Planted in 2005, mixed	Walk through plot; discuss history of tree planting and nature of participation in the project.

Appendix A: PROJECT PROPONENT CONTACT AND SCOPE DETAILS

1 Contacts

Project name:	Trees for Global Benefit
Project proponent:	The Environmental Conservation Trust of Uganda (ECOTRUST)
Type of organization:	Not for profit
Contact person, Title:	Pauline Nantongo, Executive Director
Address:	Plot 49 Kanjonkya Street Kamwokya, P. O. Box 8986 Kampala, Uganda
Tel/Fax/Email:	T: +256-41-4343129 F: +256-41-4341821 E: pnantongo@ecotrust.or.ug
Billing contact (if applicable):	As above.
Project carbon owner (if applicable):	ECOTRUST
Type of organization:	
Contact person, Title:	
Address:	
Tel/Fax/Email:	
Project aggregator (if applicable):	N/A
Contact person, Title:	
Address:	
Tel/Fax/Email:	
Project subaggregator, (if applicable):	N/A
Project estimated amount of metric tons of CO2e/yr.	2,676 TCO2e/year 53,514 TCO2e over 20 years

2 Verification Scope

2.1 Change in scope:

Has the project changed since the previous evaluation in scope of activities, spatial area, and/or temporal period that, in all probability, will materially impact GHG credits?

Note: If the project has materially changed, the scope of the audit will need to be adjusted appropriately and the GHG standard organization will need to be contacted.

Yes ☐ No ☒

If yes, briefly review the changes:

2.2 Spatial scope details:

Spatial scope	Description	Change in Scope (Yes if checked)
Narrative justification of project spatial area in words of proponent:	Bushenyi district is characterized by a wide range of physical, agricultural and ecological land cover types, as well as a range of socio-economic conditions. The geography of the study area includes highly populated highlands with nutrient-depleted soils, and elevation high-intensity mixed farming systems. – ECOTRUST draft report *Assessment of Land Use / Land Cover Changes, Socio-Economic Drivers and Associated Carbon Fluxes in South-western Uganda*	
Project location:	This project is located on private lands in Bushenyi district, western Uganda. The evaluated activities are concentrated in four sub-counties (Bitereko, Kiyanga, Ryeru and Kichwamba).	☐
Project geographic boundaries:	There are 138 participant landholdings enrolled in the project as of December 31, 2007. Each individual parcel is enrolled as one Plan Vivo with a defined area and owner. The area of the project was 258 hectares at that time.	☐
Project size:	This is a micro scale project. The estimated production in terms TC over the 20 year period for these 138 farms would be 16215 TC. In terms TCO2e, this would be 59,460. Applying a 10% buffer the total would be 53,514 TCO2e. Annualized, the emissions removals would be approximately 2,676 TCO2/year.	☐
Project dominant tree species:	*Maesopsis spp.*, Omuremankobe *(Fagaropsis spp/ Xanthophylum spp), Grevillea robusta,* Mvule *(Chlorophora spp.), Podocarpus latifolia* (Podo), *Funtumia elastica, Cordia Africana, Prunus Africana*	☐
Project dominant tree age:	The oldest trees in the project are five years.	☐

Site map (insert below)

The ECOTRUST TGB project has not produced a project map indicating the locations of the planting sites within the Parishes and Sub-Counties where the project has been operational to date.

2.3 Temporal scope details:

Temporal scope	Description	Change in Scope (Yes if checked)
Narrative justification of project length starting with financial closure in words of proponent:	The Environmental Conservation of Uganda (ECOTRUST) started the Trees for Global Benefits Program in 2002 as part of its long-term goal of biodiversity and environmental conservation. Under this programme is the small-scale pilot carbon project, a tree planting project with small landholders for carbon sequestration. Besides, the project is an initiative for sustainable development through restoration, promotion of sustainable land use and poverty reduction. The project has a chain of benefits to the communities like access to markets for timber and other tree products, carbon payments, job creation in tree nursery establishments, reduced conflicts and pressure on forest resources nearby protected lands, and soil conservation through agroforestry practices. The project length is based upon the rotation length sufficient for the planted species to develop for timber, and then for harvest, replanting, and a second rotation. – ECOTRUST draft report *Assessment of Land Use / Land Cover Changes, Socio-Economic Drivers and Associated Carbon Fluxes in South-western Uganda*	
Narrative justification of baseline (including discussion of conditions prior to project inception) in words of proponent:	The baseline is subsistence agriculture with a low carbon density and continued cultivation, grazing, and/or fallows. Introduction of trees of different species through the project occur in pasturelands, with some are found in crop mixtures and others are planted/retained as boundary markers. Most trees available on-farm are reported to regenerate naturally although farmers always retain them where necessary. The planting pattern observed were mainly boundary, irregular and woodlot type at specified intervals. – ECOTRUST draft report *Assessment of Land Use / Land Cover Changes, Socio-Economic Drivers and Associated Carbon Fluxes in South-western Uganda*	

Project length:	The project was initiated in 2003, with farmers joining consistently to date, each signing a 50-year contract. For single species planting, there are thinning interventions and final harvest at 20 years. For mixed species planting, there are harvesting and thinning interventions at 15, 25, and then from 40 to 50 years, depending upon the species.	☐
Carbon credit length:	The ECOTRUST TGB project sells Plan Vivo credits ex-ante. 10% are withheld from sale in a buffer reserve. The original sale structure permitted farmers to be paid for their tree-planting in full by year 10 if a 20cm DBH target was achieved. The new carbon sale structure (90% saleable, 10% in a buffer reserve, and 10% of the 90% as a contribution to a carbon fund) was introduced with producers since late 2007. The contract length is for 50 years. The payment period is for 10 years. The planting systems involve planting, thinning, harvesting, and re-planting, over 20 to 50 years.	☐

Appendix B: VALIDATION/VERIFICATION AUDIT FINDINGS TO STANDARD

Principle: **Effective and Transparent Project Governance**

Criteria: Project has established an effective governance structure. Roles and lines of accountability are clear. The project coordinator has necessary core capabilities.

Indicator 1.1.1	**Producers** Must be small-scale farmers and land-users in developing countries with recognised land tenure or user rights.		
Findings	Uganda is classified as a developing country by the World Bank. The ECOTRUST Trees for Global Benefit project under the scope of this evaluation is located in the Bushenyi District of Uganda with participating farms located in Bitereko, Kiyanga, Ryeru, and Buyanguru sub-counties. These are predominantly small scale farming communities with few relatively medium scale tea plantations. The team visited a sample of these carbon farms and estimated average farm sizes to be around 3-4 acres and average total available land size for a family of around 9-10 acres. Farming activities were observed to be small-scale involving the cultivation of food crops - mostly banana inter-cropped with cowpea, groundnuts, sweet potatoes and other vegetables. Farm agroforestry systems include coffee, banana, and other vegetables. The team evaluated a sample of farmers' applications to be participants and found these to be endorsed by Chairmen of the Local Council (LCs). The endorsement indicated that an applicant is the true owner or has use rights to the land being used as described within the Plan Vivo application. The team met with a couple of members of the LCs, including Chairmen, who confirmed that they were endorsing the applications of prospective farmers. The LC chairmen indicated that, though they do not have copies of all land transactions which take place in their jurisdictions, they witness all such transactions and as a small community they know each others property and can attest to this at anytime.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS			

Indicator 1.1.2	**Producers** Must have a registered Plan Vivo for their own piece of land or be part of a group with a Plan Vivo for a piece of community-owned or managed land. Producers should not be structurally dependent on permanent hired labour, and should manage their land mainly with their own and their family's labour force.
Findings	All farmers that were evaluated in the audit sample, and whose files were also evaluated, had current Plan Vivos registered by the TGB project. During the audit, the majority of the farmers were present on their farms and often with their families, who were listed on the Plan Vivo application. The farmers interviewed stated that they work on their own farms with their families. <u>On the quality of Plan Vivos:</u>

	Some of the Plan Vivos as observed by the team were quite good in terms of design and implementation, meaning that there was clear and consistent information, both on paper and on the ground. For example, the sketch maps of the Plan Vivo for the farms of Rev. Kato, B. Benon, or the Catholic Church were well done. For the majority of farms however, the design of the Plan Vivo on paper and on the ground in terms of the species mix and the layout differed, particularly in terms of planting spacing. According to ECOTRUST, farmers are responsible for designing their own Plan Vivo and ECOTRUST only advises them where and when there are deficiencies. <u>On the quality of performance of planted areas:</u> The performance of trees and general quality of planting as implemented on the ground was found by the team, overall, to be satisfactory. In terms of species growth performance, the team did some check measurements of diameter at breast height (DBH) of mixed species woodlots and single species (Maesopsis) woodlots and boundary planting from a sample of farms. For some mixed species woodlots planted in 2003, the average DBH ranged between 12.86 cm and 14.86 cm while the average for a Maesopsis species boundary planting was 15.77 cm. These are higher than the 10 cm average DBH minimum threshold as agreed with farmers in their contracts. A review of a sample of measurements made by ECOTRUST also indicated that five year growth was better than the minimum. In some of the farms where plant survival for the initial planting was poor, the team observed difference in the sizes of trees as most of the plants used in replacing dead ones ('beating ups') seemed to have been overshadowed. For example, the farms of Turyasingora Medard, Basiga Veranio, Emmanuel Tibaijuka, Rugazi Catholic Church and few others. There were also instances where grazing seems to be a problem and may be a contributing factor where there was stunted plant growth. For example the farms of Basiga Veranio, Christopher Tugumisirize and few others. Some farmers told the team (as they had the project coordinators) of drying and dying back of branches in some of the Maesopsis. Affected trees were observed by the team on-site. According to ECOTRUST, they have taken already some samples of the affected trees to Laboratory for analysis and are awaiting the results to help them take the next line of action. Amended Findings: ECOTRUST has produced a revised project Operational Manual. The revised manual as reviewed by the team provides procedures for supervising, monitoring and correction of errors in the project document control system		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	CAR 01/08: ECOTRUST shall revise the operational manual to provide procedures to supervise, monitor, and correct errors in the document control system, which includes farmers' files and records. OBS 01/08: ECOTRUST should improve resourcing for an extension program to address and treat tree pests and diseases		

	CAR 01/08 was closed following the action taken by ECOTRUST as evidenced in the Operational Manual and as described in the amended findings in section 1.1.2 above.

Indicator 1.1.3	**Administrative:** Legal and organisational framework with the ability and capacity to aggregate carbon from multiple land-owners and transact to purchasers, and monitor progress across all project operations. This must include: • A legal entity (project coordinator) able to enter into sale agreements with multiple producers or producer groups for carbon services; • Standard sale agreement templates for the provision of carbon services; • Transparent and audited financial accounts able to the secure receipt, holding and disbursement of payments to producers; • All necessary legal permissions to carry out the intended activities; • Mechanisms for participants to discuss issues associated with the design and running of the project.		
Findings	ECOTRUST is a registered organization under the Trustees Incorporation Act Cap 148 of the laws of Uganda and the Non Governmental Organizations Registration Statute 1989. Registration certificate No.S-5914/2834 sited by auditors. The ECOTRUST TGB project uses a standard sales agreement. The team was presented with the template that is being used between ECOTRUST and the participant farmers. The sales agreement was checked and present in files reviewed. The sales agreement is in English rather than the local languages. The template has not been revised recently and was not in the process of revision. ECOTRUST has audited financial statements for the eighteen months period ended 31 December 2006 and for year the ended 31 December 2007. These were reviewed by the team. These audits were signed by the Executive Director, Pauline Nantongo and the Treasurer Board of Trustees, David Abura. These were approved by the Board of Trustees on 2/07/2008 and signed by the above on behalf of the Board. The Financial Auditors were appointed by the Board of Trustees. The carbon sales were reported upon in the financial audit on a separate page. Files were reviewed that provided evidence of the regular disbursement of payments to the carbon farmers. Interviews with the farmers indicated that they were getting payments as per the terms of their contracts. The certificate of Registration for ECOTRUST allows the organization to carry out activities in the field of biodiversity conservation and environment management, pollution control, and private land management. These activities are consistent with a carbon forestry project. Regular meetings between ECOTRUST and the project participants are held. These may be meetings at the level of groups of farmers, which can include training, or they may be periodic site visits with individual farmers, such as during the monitoring visits..		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	OBS 02/08: The sales agreement should be translated into the local languages. A regular time frame for revision and update of sales agreement templates should be defined in the project design document.		

Indicator 1.1.4	**Technical:**

	Able to assist producers in planning and implementing productive, sustainable and economically viable forestry and agroforestry systems, and provide support for silvicultural and other management operations.
Findings	To evaluate this indicator, the audit team reviewed the ECOTRUST Operational Manual, Annual Reports, Staff CVs, and interviewed a sample of farmers and ECOTRUST officers while visiting a sample of farms. ECOTRUST has the resources, planning, systems, and staffing necessary to implement a carbon forestry project. The TGB project has been developed, piloted, and made operational over a five-year period with the support and involvement of national and international experts and institutions. The ECOTRUST staff interviewed by the auditors demonstrated adequate forestry, agroforestry, and carbon project knowledge necessary to support farmers. A review of ECOTRUST CVs demonstrated a strong base of expertise in natural resource management and conservation. The team observed that ECOTRUST staff is very familiar with the TGB project. There is awareness raising and training programmes to prepare farmers for starting their Plan Vivos on their farms. Each sub-county and some parishes have field coordinators who are readily available to assist farmers in the technical requirements of the project, such as the application process, review of the Plan Vivo, planting distances and seedling tending, etc. The ECOTRUST operational manual specifies the seedling quality requirements and the organisation has three assisted and certified nurseries that produce seedlings for sale to farmers. Project Coordinators at the sub-county and parish level have assisted some farmers in pruning or to carry out other silvicultural operations. The necessary monitoring visits to farms have been happening regularly. However, the audit team observed some weaknesses in project implementation. The organization and control of file management and documents in terms of individual farmer's files needs improvement. For example, records of changes made to Plan Vivos for some farmers were not reported or in the files. There were some files where changes had occurred, but which could not be clearly followed from reading the record. In other cases, monitoring records may not have had a date or the name of the officer who carried out the job. There were some technical procedures that had not yet been properly organized or formalized by ECOTRUST in a way that adequately supports the field activities of farmers. For example, some measurement procedures, particularly for planting area boundaries and also tree growth are not developed in a systematic and standardized procedure or manual. The area of planted farms was estimated either by ocular estimation or based on number of trees and spacing estimation. Both of these methods may result in farm (Plan Vivo) areas being improperly estimated. Likewise, the monitoring and measurement of tree parameters generally did not follow standard or best forest mensuration principles. There was some variation in the measurement techniques being followed by different ECOTRUST or sub-county coordinators. For example, the measuring point for taking tree diameters was quite variable as were the application of measuring tapes. The monitoring procedures - to calculate seedling survival - are not standardized in a way that allows comments from the previous monitoring to be checked or compared to successive monitoring information.

	Fortunately, the project is early on in the implementation of project measurement, as few planted areas have reached five years of age. However, without standardized procedures and training, with appropriate methods that can easily be used by farmers, the project will not be able to ensure consistent measurements. Amended Findings ECOTRUST has developed a monitoring guide which provides procedures for counting trees from year zero to three, establishment of sample plots, and for measuring tree diameter and height for year 5 and 10. In addition, ECOTRUST has stated in the revised project Operational Manual to use the Geographic Positioning System (GPS) technology to map out farmers farm boundaries and has provided procedures for doing so. It has also declared to use the Arc View Geographic Information System to estimate farm areas based on the boundary data captured with the GPS.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	CAR 02/08: ECOTRUST shall develop procedures for five and ten-year measurement, and develop standardized methods for defining project boundaries of individual farms. Such procedures shall include plans for training and supervision. OBS 03/08: ECOTRUST should involve the use of GPS to map Plan Vivo boundaries and measurement plots. OBS 04/08: ECOTRUST should improve quality control systems to check the completeness and keeping of all relevant records on the programme, including: farmers' applications, their Plan Vivos (and modifications to these), monitoring and measurement records, and payment records. OBS 05/08: ECOTRUST should find means of supporting farmers to measure tree parameters accurately and consistently as part of the monitoring process. CAR 02/08 was closed by the action taken by ECOTRUST as evidenced under the Monitoring Guide of the revised Operational Manual .		

Indicator 1.1.5	**Social:** Able to select appropriate target groups, inform groups about the Plan Vivo System and the nature of carbon and ecosystem services and establish effective participatory relationships with producers.
Findings	The team reviewed the ECOTRUST Operational Manual for facilitators that sets out how the coordinators should select farmers. The procedures include an initial feasibility study to cover all farmers who express interest in tree planting. During this study ECOTRUST facilitators are required to collect data on prospective farmers. The aim is to screen farmers for: a) farmers possessing enough land in order to ensure that each prospective participant has enough land for all his/her household food needs (in addition to the tree planting areas); b) farmers with secured land tenure; and, c) farmers with economic reason for participating in the project. According to the manual, ECOTRUST then calls all farmers considered in the feasibility study and other interested farmers to induction training. ECOTRUST uses such training to introduce farmers to concepts such as global warming, greenhouse effect, carbon

	sequestration, carbon trade, and the Plan Vivo system. The audit team interviewed ECOTRUST coordinators and a sample of farmers, inspected farmers' records, and visited their farms. The team found that ECOTRUST did carry out feasibility work to cover applicants and to collect initial relevant data as described. Most farmers that the team interviewed stated they had gone through training conducted by ECOTRUST. Most of them showed good understanding and ability to articulate the basics behind global warming, carbon sequestration, the Plan Vivo system, and other concepts. Farmers indicated that, though ECOTRUST has rules such as the range of eligible tree species (indigenous or naturalized species) for the project among others requirements, farmers have the latitude to decide which tree species they want to plant, and they can choose their own planting spacing, and type of planting (boundary or woodlot etc). The team found that farmers are organised into groups under the leadership of the various sub-county and Parish co-ordinators. For example in the Bitereko Sub-County, the team found out that, all tree growers are members of the Bushenyi Women in Development Association in Bitereko Sub-county which is under the support of another ECOTRUST project. The Bitereko Sub-County tree farmers Field Coordinator Beatrice Ahimbisibwe is an executive member of this group. According to Beatrice, the group meets monthly where issues including their carbon farms are discussed. She also organises meeting of carbon farmers. Complaints and urgent issues were being communicated to ECOTRUST TGB project officers.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS			

Indicator 1.1.6	**Social:** Able to establish land-tenure rights through engaging with producers and other relevant organizations.
Findings	ECOTRUST has procedures for selecting farmers that includes the requirement for farmers to complete an application form. Among the information required to be provided by applicants are: details of plot location (Parish), personal data, and an attestation to proof of land ownership or tenure rights to the land indicated on the application. The latter is confirmed by the signature and stamp of the LC Chairman where the land is located. The team met with the various LCs in each Sub-County that were visited and also inspected the farmers' applications forms. The various chairmen or their representatives confirmed to the team that ECOTRUST works closely with them to authenticate the land tenure of applicants. Though the chairmen indicated that they do not have copies of individual land ownership of members within their Parishes and Sub-Counties, they stated that they are able to ascertain the land ownership of members in the community because as LC they are required to 'witness' (by stamping) all Land Purchase Agreements that are entered within the community. Also it is required that for one to qualify as a chairman of the LC that person should have stayed within the community for a period of more than 5 years. Thus, within a community where each knows the other, this is a reasonable process for knowing who owns which land. The team's inspection of application forms for sampled farmers did indicate endorsement by LC chairmen or their representatives. Consequently, an application

	with a signature and stamp claiming to coming from the LC are taken as the truth. The team observed ECOTRUST had not resolved some anomalies of land ownership of applicants. For example, Rev. Katto Eliasph's land had been confirmed as belonging to V. Batsiga by the LC of Kashogwa. However, ECOTRUST staff could not tell the team the meaning of this arrangement or the relationship between Rev. Katto and V. Batsiga and were not even aware of such difference in the files. Also V. Batsiga (the LC of Kashogwa) endorsed the land ownership for Vereriano Batsiga (possibly himself) and indicated that the land is leased. While no evidence on the leasing of land is on the file of Vereriano Batsiga. Amended Finding ECOTRUST has indicated to the team to have reviewed producers/farmers files to correct inconsistencies associated with land use right endorsement records. It has also indicated that the process is on-going to cover other file records.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	See CAR 01/08 (related to revision of operational manual and procedures. CAR 03/08: ECOTRUST shall review and correct records on all land use right endorsement inconsistencies (those identified in this report and any potential ones likely to be identified in the records through ECOTRUST's review). OBS 06/08: ECOTRUST should have a reliable means of authenticating the signatures of LC chairpersons who are eligible to endorse individual farmer's lands submitted as part of their application. CAR 03/08 was closed following the action taken by ECOTRUST as evidenced in the Response to the Plan Vivo Validation/Verification report submitted to the validation/verification team.		

Indicator 1.1.7	**Social:** Able to consult producers effectively on a sustained basis
Findings	ECOTRUST has an overall coordinator for the TGB project, Mr. Gerald Kairu and a project coordinator for the Bushenyi District, Mr. Marcellinus Bbale. There are three Sub-County coordinators (now called field coordinators). Some Parishes also have coordinators. Sub-County and Parish Coordinators live within the communities and thus interact with farmers on a regular, even daily basis. Sub-County and Parish Coordinators are trained on the job by ECOTRUST to advise farmers and to forward their concerns to the project coordinators. The team met with these coordinators and travelled with them to visit individual farmers within their Sub-County and Parishes. According to the Sub-County and Parish Coordinators, they meet regularly with farmers (for example, through the Bitereko Womens Group) to discuss issues of interest to carbon farmers. They visit them regularly on their farms to give technical advice and conduct monitoring. The team found through our meetings with farmers that the ECOTRUST coordinators were well-known by the farmers and interacted freely with them. Those farmers interviewed indicated that they have not had problems communicating concerns on a regular basis to the Sub-county and Parish coordinators. In cases where an issue required the attention of the ECOTRUST carbon project or the Bushenyi District coordinator, they said that messages were sent to them and responde to promptly.

Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS			

Indicator 1.1.8	**Reporting:** Projects must on an annual basis, according to the reporting schedule agreed with the Plan Vivo Foundation: • Accurately report progress, achievements and problems experienced; • Transparently report sales figures and demonstrate resource allocation in the interest of target groups.		
Findings	ECOTRUST TGB project has prepared Annual Reports since 2004. These address project progress, achievements, challenges, carbon sales, etc. Sales figures are regularly reported. The Annual Reports are posted on the Plan Vivo website at http://www.planvivo.org/fx.planvivo/scheme/ugandadocuments.aspx. Having publicly available annual reports is a very transparent mechanism, especially because information is given on prices paid, volumes traded, and needs for project improvement. The figures provided in the annual reports can be difficult to follow, because there is not consistent reporting for TC and TCO2e. Often the reports are for Tonnes Carbon, which is of relevance to the producers. Yet sales take place in terms of Tonnes CO2e, which is important to purchasers. The reported tables or statistics vary between these units and thus make understanding of information unclear and requires explanation.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	OBS 07/08: The transparency of reporting should be enhanced by using clear, explicit statistics apparent as to why or how TCO2e and TC are being used and any conversion factors that were applied.		

Principle: Carbon Benefits

Criteria: Carbon benefits are calculated using recognised carbon accounting methodologies and conservative estimates of carbon uptake/storage that take into account risks of leakage and reversibility.

Indicator 2.1.1	Carbon benefits are measured against a clear and credible **carbon baseline**.
Findings	There are two Technical Specifications (Mixed Species Woodlots and Single Species Woodlots). Both were prepared with expertise from the World Agroforestry Centre (ICRAF), ECOTRUST, the Edinburgh Centre for Carbon Management, and others, beginning in 2003. These do not state a clear carbon baseline. The Technical Specifications were developed through the efforts of the START project in 2004 (SysTems Analysis, Research and Training). In 2007, a START survey helped to collect baseline socioeconomic and carbon data for the Bushenyi District. It is not evident how this information factored into the technical specifications. The Single Species Woodlot technical specification does state explicitly, and apparently very conservatively, the carbon storage that can be expected over 20 years, which is estimated at 125 TC/ha. The specification states that carbon is 58% of biomass volume, which is an over the more commonly-accepted figure of 50%. The amount of the carbon offset (i.e., net carbon removals) which is stated in the specification is 61

	TC/ha. It is not clear how this amount is derived, though it is about 50% of the total accumulation. This amount is also different than the value the project is using to calculate carbon payments, which is 62.8 TC/ha. It is also different than the value on the Plan Vivo website of 70 TC/ha. The graph in the specification would apparently start at zero and accumulate biomass carbon storage over the 20 years, but if the baseline is zero it should be stated. And if it is something other than zero, that should be stated. The Mixed Species Woodlots specification does not state the amount of carbon to be accumulated in the written explanation of the technical specification. There is a graph of the total carbon storage over a period of fifty years. But the graph is not sufficiently explained in the text. The ECOTRUST Operational Manual does not describe its clear process for establishing the baseline. There is mention of some estimates of wood species' volumes to be taken on a farmer's plot at the application phase, but the manual does not provide a procedure to follow. The pre-project carbon may have been calculated for some specific farms and for an average of farms (as the START paper mentions). Yet the calculated amount or methods to assign a carbon baseline is not stated in the technical specifications. It would not be evident, for example, how these specifications would treat two farms with different starting conditions: one with remnant vegetation, including some tree cover, and the other beginning with grassy pasture. Taken together, the Technical Specifications, TGB Operational Manual, and other reports of ECOTRUST (i.e., Annual Reports) the means of establishing project baselines (for farmer plots or average for Bushenyi) are not clearly stated or explained. The explicit rationale that will be applied for selecting the baseline for pre-project carbon for the Plan Vivos in the TGB project is not stated. Amended Findings The ECOTRUST PDD includes an outline stating how the project is going to calculate the ‘initial’ or pre-project carbon stock for each future Plan Vivo. Though it is known that these are small holder farm projects, the document did not explain how this ‘initial’ or pre-project carbon stock is going to be handled when calculating the net carbon generated as a result of the project Also the PDD quotes from the results of the STARTS project in the Bushenyi District using an average pre-project carbon stock of 2.5 tons/ha to justify that the tree cover density in the Bushenyi District is generally low. However, there is no explanation as to how this was factored into the calculation of the net carbon for those Plan Vivos already approved by the project.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	CAR 04/08: ECOTRUST shall provide written and tabular explanation of the baseline established for the project in the technical specifications and the PDD. CAR 04/08 was closed and an observation raised (see OBS 01/09 below) as a result of the action taken by ECOTRUST as evidenced in the findings and the fact that these are bundled small holder farms project located in a generally low average pre-project carbon stock district of about 2.5 tcarbon/ha whereby baseline carbon are to be treated		

	as constant throughout the project crediting period. OBS 01/09 ECOTRUST should update the PDD to clearly indicate how the baseline carbon stocks in each new Plan Vivo will be treated in the calculation of net project carbon and also to review approved Plan Vivos to account for pre-project carbon stocks as required for bundled small holder carbon projects.

Indicator 2.1.2	Carbon benefits are **additional**, i.e. the project and activities supported by the project could not have happened were it not for the availability of carbon finance. Specifically this means demonstrating, as a minimum: ▪ The project does not owe its existence to legislative decrees or to commercial land-use initiatives likely to have been economically viable in their own right without payments for ecosystem services; and ▪ In the absence of project development funding and carbon finance, financial, social, cultural, technical, ecological or institutional barriers would have prevented the project activity.
Findings	The District Forest Officer in Bushenyi confirmed that there is no government program supporting the growing of indigenous tree species. The only government program supporting tree-growing in the district was for pines, eucalyptus and caliandra. During the audit, there was no evidence of farmers in the TGB project planting those species for their Plan Vivo. The technical specifications and other reports indicate that costs incurred from tree planting would be outside the means of participating farmers, which would indicate a financial additionality test passed. The START report and other progress reports of the project, as well as auditors' observations, indicate that there are technical barriers to planting indigenous species, which would be a barrier the project is overcoming. The without-project scenario would not likely include planting of indigenous trees species. Trees were observed to have been planted only on agricultural lands and those where land had been degraded. There were some possible instances where some participants had previously cut down some trees of their Eucalyptus woodlots to make way for planting other trees for the project. The auditors had this confirmed verbally in one interview with a farmer (but not witnessed firsthand). The Project Coordinator stated that this practice is not permitted and emphasized that the stated rules of the project are to plant only bare areas to trees, although admitted that some eucalyptus woodlots that were poorly performing were thinned and planted with new trees. The START Draft report mentioned clearing Eucalyptus and planting indigenous as a problem, but this report seems to overstate the prevalence of what appeared to be a limited occurrence. With the possible exception of a few Eucalyptus woodlots that were replaced with Maesopsis, the auditors view this project as additional. The project documents do not explicitly state why this project is additional, which should be within a PDD. Amended Findings ECOTRUST has made a copy of a draft PDD available to the team and indicated to have sent a copy to Plan Vivo Foundation as required (section 3.3 Plan Vivo Standards)

	ECOTRUST has also given further explanation to this finding to indicate that, some of the farmers reported to have cut pre-project trees (eg Eucalyptus) to make way for planting carbon project trees did so because the affected trees had reached maturity. This explanation and the action still do not justify additionality to the project. However, ECOTRUST has revised the project Operational Manual (a copy of which was reviewed by the audit team) to clearly indicate that farmers who cut trees for the purpose of planting 'carbon trees' will be disqualified from the project, It further indicated that the project is making a list of such individual farms available. Second Amended findings Furtherance to the first amended findings, ECOTRUST again made available to the team a report on this issue. The report indicated a list of individual farms which were involved in the cutting of the Eucalyptus for planting 'carbon trees'. It indicated that only three farms were involved and that a total of 45 Eucalyptus trees were cut over total area of 7.22ha or 7 trees/ha. The report further indicated that the trees in question were planted with the objective of using them as building poles and were cut at maturity for this purpose. The report argued that, for this reason, greater amount of the carbon are not emitted but locked up as materials within building structures. The report further detailed measures aimed at preventing future re-occurrence These measures include the development of guidelines that are already part of the recruitment and monitoring criteria as follows: • Land with any evidence of cutting trees in the past five years will not be recruited into the programme. • Any farmer who is found cutting trees in order to plant carbon trees will be automatically disqualified from the programme • The short term (fuel, building poles) woodlots will be kept separate and distinct from the carbon woodlots • The farmers that have the fuel and/or building poles trees scattered within the carbon woodlots will be guided to only harvest trees in accordance with the thinning practice as indicated in the plan vivos According to the report, these rules are being implemented as follows: Part of information communicated to farmers during the following activities: • *Awareness raising meetings*: During these meetings, the rules and guidelines of the programme are explained to the farmers • *Farmer baseline information collection and plan vivo ground truthing visits*. During these visits, the project staff gives advice on the species: Site matching, makes a record of whether there is any evidence of cutting of trees in the past five years, records the current land use etc. • *Monitoring of the carbon activities*. Here the project staffs verify whether the activities are according to the information in the plan.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	CAR 05/08: ECOTRUST shall complete a Project Design Document (PDD) that addresses Plan Vivo requirements for a PDD (section 3.3 Plan Vivo Standards). CAR 05/08 was closed following the action taken by ECOTRUST as evidenced by the development of a PDD and as explained in the first and second amended findings in section 2.1.2 above		

	CAR 06/08: ECOTRUST shall develop a procedure to report on the full extent (area, number of trees, potential carbon) of the current planted woodlots that came about through clearing pre-existing eucalyptus woodlots and measures ECOTRUST will take to account for the carbon and prevent this in the future. CAR 06/08 was closed as a result of the action taken by ECOTRUST as evidenced in the revised project Operational Manual and the Response to the Plan Vivo Validation/Verification report submitted to the team

Indicator 2.1.3	**Permanence:** Potential risks to permanence of carbon stocks are identified in project technical specifications and effective mitigation measures implemented into project design, management and reporting procedures.		
Findings	There are elements of project management that would enhance the permanence of planted trees, but these have not been defined clearly. Thus risks are not clearly identified with management measures to address them. For example, risks like fire damage, or pest and disease, which ECOTRUST staff acknowledges in discussions, may not be readily managed through the existing protocols. There is an absence of a PDD that identifies risks and these within the project design. Amended Findings ECOTRUST has completed a PDD which identifies project risks which are critical to the permanence and leakage of project carbon stock to include fire, natural disasters, grazing, pest and diseases among others and has outlined measures as to how the project is going to mitigate such risks.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	See CAR 05/08, concerning completion of a PDD. CAR 05/08 closed as a result of the action taken by ECOTRUST as explained in sections 2.1.2 and 2.1.3 above.		

Indicator 2.1.4	**Permanence:** Producers enter into legal sale agreements with the project coordinator agreeing to maintain activities, comply with the monitoring, implement management requirements and re-plant trees felled or lost.		
Findings	The farmers enter into legal sale agreements, which have fifty-year duration. These are stored in the ECOTRUST files. The farmer payments are completed in a ten-year period. The project has been conducting monitoring of the Plan Vivos prior to determine that conditions permit payment prior to transactions being concluded.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS			

Indicator 2.1.5	**Permanence:** As a minimum, a 10% risk buffer is deducted from the saleable carbon of each producer, where the level of buffer is recommended in the technical specifications according to the level of risk identified, and subsequently reviewed annually following annual reporting.
Findings	The TGB project has a 10% risk buffer. There has not been any case where the 10%

	risk buffer has been used as yet. The level of buffer is not stated in the technical specifications. Up until recently, farmers' sales agreements entitled them to payment in full (100%) of carbon at year ten. Amended findings ECOTRUST made available later to the validation/verification team a technical specification document for the sole and dominant species among farmers in the project- Maesopsis emini. The document detailed how the project intends to deal with carbon leakage and permanence within the project boundaries. Potential permanence risk factors were identified and measure to deal with them specified. These include: 1) Fire and natural disasters such as drought and floods 2) Pests and diseases 3) Destruction from grazing 4) Raising land opportunity cost Leakage risk factors identified include 1) Displacement of agricultural activities 2) Carbon emission as a result project management and monitoring travel. According to the technical specification, risk analysis conducted indicated that the overall risk is very low. Consequently, a 10% risk buffer equivalent to 22.6 tCO_2/ha on all project carbon produced is set aside as insurance against any future unforeseen event that might affect the amount of carbon already sold.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	CAR 07/08: ECOTRUST shall update technical specifications to explain how permanence and leakage are factored. CAR 07/08. Closed following the submission of an updated technical specification by ECOTRUST to and review by the validation/verification team.		

Indicator 2.1.6	Potential sources of **leakage** have been identified and effective mitigation measures implemented.
Findings	The ECOTRUST Operational Manual indicates that the primary safeguard taken by the project to confront activity shifting leakage is to establish that the farmer has sufficient land for their activities and will not clear other landholdings with tree cover to make up for land/cropping needs. From the Operational Manual: "The farmer to participate should have enough land for all his/her household food demands. Otherwise the farmer will be tempted to cut down the trees in future, before maturity to plant food crops; which cause a carbon leakage." There is a great distance between the ECOTRUST head office to the project sites. The project would have vehicle emissions for travel for monitoring and other visits. The team's visit to the carbon farms revealed the presence of cowpea and grazing cattle in most farms. These are all potential sources of emission of GHG. ECOTRUST has not calculated their project emissions from fossil fuel combustion to implement the project (primarily vehicle use) and other sources. There may be some positive leakage, which should be accounted for.

	Amended findings The ECOTRUST PDD mentions displacement of agricultural activities and project monitoring activities as the two main potential sources of leakage envisaged for the project. For displacement of agricultural activities, the project's recruitment procedure for ensuring that a carbon farmer sets enough land aside for food production is expect to reduce this risk. ECOTRUST has also estimated the potential vehicular emissions that can results from monitoring activities of the project by project coordinators at 0.467tCo_2.per annum and indicated to have factored this into the calculation of the project risk buffer. Though it failed to factor in vehicular emissions that may results from other visits such as those by national or international officials and field verification visits, the estimated emission is far low as a percentage of the overall project sequestration.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	CAR 08/08: ECOTRUST shall account for the project emissions sources. CAR 08/08 was closed as a result of the action taken by ECOTRUST as evidenced in the draft PDD and as explained in the amended findings in section 2.1.6 above		

Indicator 2.1.7	Carbon sales are **traceable** and recorded in the database.		
Findings	There are forms on each farmer's file where carbon quantities and associated transactions are recorded. Interviews with farmers and project coordinators indicated that carbon sales were taking place as recorded. A sample taken of the payment records between ECOTRUST and the local community banks demonstrated clear traceability of payments to farmers. A review of available contracts and correspondence between ECOTRUST and the purchasers also demonstrated traceability of purchases. The project has a database where carbon sales and other data are to be stored. At the time of the audit, ECOTRUST had recently begun using a new database platform to replace an older database. Both databases were reviewed during the audit and the new programme would appear to be an improvement. (Not all of the data had been imported from the old to the new one.) The team inspected the new database with the view to tracking a sample of carbon sale transactions to see how the programme is capable of handling carbon sale data. These were not possible because data had not been entered. The project did produce from the old database an excel spreadsheet that demonstrated how all of the carbon payments were allocated since project inception. The sales figures provided tracing transactions with buyers, as mentioned, are difficult to follow, because there is not consistent reporting for TC and TCO2e. The reported sales statistics vary between units (as contracts with purchasers and producers use different terms), which lessen transparency of the transactions for outside parties.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	See OBS 07/08, regarding use of units and conversion factors.		

Indicator 2.1.8	Project has an effective process for **monitoring** the continued delivery of the ecosystem services, where: • Monitoring is carried out against **targets** specified in technical specifications; • Monitoring is carried out accurately using **indicators** specified in technical specifications;

	• Monitoring is accurately documented and **reported** to the entity responsible for disbursing payments to producers; • **Corrective actions** are prescribed and recorded where targets are not met, and followed up in subsequent monitoring.		
Findings	The monitoring is taking place prior to payments as specified in ECOTRUST documents. The following monitoring targets had been met so far, as applicable: Year 0, 50% Plot planted as described in plan Vivo; 30% payment of total agreed carbon value Year 1 , 100% Plot planted as described in plan Vivo, 20% payment of total agreed carbon value Year 3 , Survival not less than 85% , 20% payment of agreed carbon value Year 5, Average DBH not less than 10 cm; 10% payment of agreed carbon value. The team inspected a sample of farmers records and saw that they all contained carbon sale agreements and monitoring forms. Reconciliation of monitoring records with payments confirmed that in all cases monitoring occurred before payment and payments were based monitoring reports. The monitoring targets and indicators are stated in the technical specifications. Corrective Actions were being indicated within monitoring reports. Though these were not consistently prescribed or clearly recorded in terms of actions taken and how closed out.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	See CAR 01/08, CAR 02/08		

Indicator 2.1.9	Producers **draw up Plan Vivos** as part of a voluntary and participatory process that ensures proposed land-use activities: • Are clear, appropriate and consistent with approved technical specifications for the project; • Will not cause producers' overall agricultural production or revenue potential to become unsustainable or unviable.
Findings	The audit team inspected Plan Vivos in a sample of farmers' files. These all had been approved by the ECOTRUST project officers. The team inspected a sample of farms to verify that the Plan Vivo was being implemented as planned. As mentioned earlier (indicator 1.1.4), in some cases, there were modifications from the original Plan Vivo, i.e., in terms of the number of species or spacing planned versus the amount planted and actual planting density. Auditors questioned all of the farmers about the amount of total land they held and how much was allocated to the Plan Vivo. This is also an element of the registration process ECOTRUST uses for approval of a property before acceptance into the program. The ECOTRUST protocol was verified to have been implemented. The most significant information from a Plan Vivo is spelled out in the sales agreement. It is this which both the farmer and ECOTRUST refer to. The Plan Vivo sketch map appeared to auditors to be an underutilized and possibly marginally effective management planning tool. The Plan Vivo does not have reliable area information or project maps, which could be of great interest to investors if the project was spatially explicit, so that maps from an actual GPS delineated boundary could be prepared.

Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	See OBS 03, 04/08 regarding gaps and inconsistencies with Plan Vivos.		

Principle: **Ecosystem benefits**

Indicator 3.1.1	Planting activities are restricted to **native and naturalised species**.		
Findings	The planting activities were found to only be done with natural or naturalized species. A fair amount of exotic species were permitted into the program as "naturalized". The basis for classification of these species as naturalized was not evident, but was premised on accepting exotics - as naturalized - provided that were not eucalyptus or pine. The only pine or eucalyptus encountered were remnant trees that were left in boundary plantings or in small pockets in planting areas with native or naturalized trees.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS			

Indicator 3.1.2	Naturalised (i.e. non-invasive) species are eligible only where they can be shown to have compelling livelihood benefits and: ▪ Producers have clearly expressed a wish to use this species; ▪ The areas involve are not in immediate proximity to conservation areas or likely to have any significant negative effect on biodiversity; ▪ The activity is still additional i.e. the producers in the area are not doing this activity or able to do this activity without the intervention and support of the project; ▪ The activity will have no harmful effects on the water-table.		
Findings	The areas involved are near North Maramagambo, Kalinzu and Kasyoha Kitomi Forest Reserves and Queen Elizabeth National Park. The species of trees planted are not invasive and as a result they should have no negative effect on biodiversity in these protected areas. Instead, the planting of these trees should gradually reduce pressure on the natural forests for some forest products, and enhance restoration of the ecosystems at a landscape level, according to the District Natural Resources Officer Bushenyi. Without the intervention and support of the project the producers would not be able (economically and possibly technically) to plant these trees, according to the District Forest Officer interviewed. Richard Bukuwa of National Forestry Authority said that ICRAF had done sufficient research over the years on some of the agroforestry species that are grown in the area, such as Grevillea robusta and Maesopsis eminii, and these have no harmful effects on the water table.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS			

Indicator 3.1.3	Wider **ecological impacts** have been identified and considered expressly including impacts on local and regional biodiversity and impacts on watersheds.
Findings	The strategic location of the planting project was undertaken based on an identification of the positive ecological benefits that restoration may have for the nearby parks, primarily as a buffer zone. There is limited emphasis in the ECOTRUST documents on

	the creation of wildlife habitat vis a vis the restoration, albeit a mixed species and indigenous species planting scenario should have positive impacts on local biodiversity.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS			

Principle: **Livelihood Benefits**

Indicator 4.1.1	Project has undergone a **producer/community-led planning process** aimed at identifying and defining sustainable land-use activities that serve the community's needs and priorities.		
Findings	Farmers began working with the ECOTRUST TGB project as a pilot. ECOTRUST indicated to the team that it had begun defining priorities based upon need as assessed - such as the generally degraded nature of the area; its closeness to the neighboring conservation park; the general fuel wood scarcity in the area; and the potential for integrating farmers' traditional food cropping system with trees. These were all factors considered for initiating the tree planting programme. A study coordinated by ECOTRUST in 2007 which covered greater percentage of participating farmers in the carbon project area of Bushenyi District, also confirmed tree growing as second to growing crops as means of improving farmers income. ECOTRUST further explained that extensive awareness raising and education were carried out to introduce the carbon project to the communities. As part of the farmer-led process, the farmers were to choose their desired species, choose type of planting system (i.e., woodlot, boundary planting), and final objectives of their farm. In effect, ECOTRUST advise farmers and make sure that their practices are in-line with the Plan Vivo requirements, while farmers have flexibility to choose how their plan is developed. ECOTRUST do make sure that farmers have enough land to continue to grow food crops (i.e., manage leakage). The team met and talked with sample of farmers and visited their farms. Farmers confirmed to have gone through sensitization and education on the project from ECOTRUST and that they have identified and accepted that committing part of their lands to planting trees is a better option to serve their present and future needs as well as the environment. The team reviewed an 'awareness meeting for Hoima and Masindi Potential Carbon Farmers' conducted by Gerald Kairu of ECOTRUST from 12-15 November 2007. According to the available records, the objectives were to 1) sensitize the communities as a first step in initiating a carbon off-set project in the area 2) assess whether the communities have land to implement project and 3) explain the climate change, the Plan Vivo concept among others. Though Hoima and Masindi are not part of the project that the team visited, no records on similar meetings for the four sub-counties that the team visited were available, It is believed that, sensitization and education in Bitereko and other sub-counties that the team visited had the same content.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	See CAR 02/08, 09/08, regarding training.		

Indicator 4.1.2	Mechanisms are in place for continued training of producers and participation by producers in project development.
Findings	As indicated in section 1.1.7, ECOTRUST has coordinators at the project, district, sub-county and parish levels responsible for interacting with farmers. These coordinators are also to guide and advise farmers. The team reviewed training records made

	available by ECOTRUST and also interviewed farmers and ECOTRUST coordinator about training. While farmers in Bitereko, Kiyanga, Ryeru and Bunyarguru confirmed to have had training conducted by ECOTRUST, no records on these trainings were readily available to the team. The only training record made available to the team was an 'awareness meeting for Hoima and Masindi Potential Carbon Farmers' conducted by Gerald Kairu of ECOTRUST from 12-15 November 2007. This training had specified objectives and appropriate training content. However, the participants signed list that came with this training was dated 27 July 2007. This implies that the participants list might be for a different training. ECOTRUST sub-county and parish coordinators have not gone through any other formal training apart from what they have gone through with the farmers as presented by the programme and the project coordinators. According to ECOTRUST the coordinators are trained on the job. While some level of training has been carried for farmers, ECOTRUST currently does not have a well-defined mechanism to ensure continued training and participation by farmers in project development. Amended findings ECOTRUST has updated project Operational Manual to provide a training strategy which aims at adding to the initial project awareness and induction workshops currently being undertaken by the project. The strategy includes clear training objectives, training methods, trainers and training planning.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	CAR 09/08: ECOTRUST shall have a mechanism in place to ensure continued training and participation by farmers in project development. CAR 09/08 was closed as a result of the action taken by ECOTRUST as evidenced in the revised project Operational Manual and as explained in the amended findings in section 4.1.3 above OBS 08/08: ECOTRUST should be keeping training records within any project verification period.		

Indicator 4.1.3	Project has procedures for entering into **sale agreements** with producers based on saleable carbon from Plan Vivos, where: • Producers have recognised carbon ownership via tenure or land-use rights; • Agreements specify quantity, price, buyer, payment conditions, risk buffer, and monitoring milestones; • An equitable system is in place to determine the share of the total price which is allocated to the producer; • Producers enter into sale agreements voluntarily.
Findings	The team reviewed the ECOTRUST Operational Manual which gives detailed procedures through which one enters into the carbon project. One key requirement is for the interested individual to voluntarily complete an application form which attests to the applicant's ownership or tenure rights to the intended land for the project. Farmers also indicate the species that they would like to plant and the farming system to be used together with a sketched Plan Vivo. A successful applicant may then enter into sale agreement with ECOTRUST voluntarily.

	In effect, 90% of the total carbon is saleable with the remaining 10% going into a risk buffer. The manual recognizes a provision in the agreement that the 10% risk buffer will be paid to farmers at the end of Year 10 if all conditions have been met; a situation which defeats the intent and spirit of the risk buffer for an agreement which spans 25 years. It has therefore proposed for all new agreement to indicate that farmers cannot access the 10% buffer at the end of Year 10. Nevertheless, the first agreements with the provision for accessing the 10% risk buffer at the end Year 10 holds. The farmers that the team interviewed indicated that they have no serious disagreements with the conditions of the sale agreement and voluntarily signed them. The system for allocating the share price began from an equitable starting point. BR&D would receive 14.5%, ECOTRUST 28.5%, and producers would receive 57%. The terms of this arrangement were put in place in an MOU between BRD and ECOTRUST in 2004. ECOTRUST discussed that the system is changing, whereby the BRD component will be based on a sliding scale relative to the volume of credits transacted (a higher share will go to BRD when the lots traded are small, while a lower share when lots are large). The goal is for producers and ECOTRUST to get more than currently, with a target of 60% to the producers being sought. This has not been formalized in a new MOU.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	OBS 09/08		

Indicator 4.1.4	Project has an effective and transparent process for the timely administration and recording of **payments to producers**, where: • Payments are delivered in full when monitoring is successfully completed against milestones in sale agreements; • Payments are recorded in the project database to ensure traceability of sales.
Findings	As part of the ECOTRUST farmers recruitment and payment systems, each farmer that is admitted in the project is required to open a bank accounts with an ECOTRUST approved local bank and be issued with a bank passbook into which carbon payment can be recorded. According to ECOTRUST procedure, the expected total amount of carbon, the unit price and the total expected carbon money in US dollars are determined in the farmers Carbon sale agreement. Payments are made to farmers after assessment of farms against assessment milestones as stated in section 4.1.3. Farmers' carbon monies are transferred in US dollar through Standbic bank into farmers accounts at the local bank. Payments are however made in Ugandan Shillings at an exchange rate which is determined by the Standbic bank. Farmers are then informed of the value date of their money for which they can go and withdraw. The team visited the Bitereko Co-operative Savings Credit (the approved local bank where farmers in the Bitereko sub-county have their accounts) and had interview with the Manager and also interviewed a sample of farmers on their carbon payments. The bank manager at the Bitereko local bank confirmed that about 30 members of the ECOTRUST carbon project members have their accounts with the bank and do receive their carbon monies through it. The manager said since 2003 and twice every year, the bank received a list of names with monies from ECOTRUST to the bank for payment into the accounts of the listed people. The team inspected a Telegraphic transfer of funds for payment to farmers under the 'Trees for Global Benefit (TGB) programme for 17 farmers dated 01-05-08 and also tracked the payment of sampled farmers. All the farmers the team interviewed

	confirmed that they are familiar with the monitoring and payment process and have been receiving their monies after every monitoring of their farms without problems. Farm monitoring which precedes each payment was also seen to be transparent For most of the monitoring, ECOTRUST has instituted a participatory kind of monitoring where a group of farmers from one parish assess the farms of the other parish farms and vice-versa. An ECOTRUST coordinator then carries out a check-monitoring by 30% sampling. The team gathered that there were initial complaints from farmers regarding the differences in monies received due to the differences in the exchange rates with time. However, farmers did indicate that they are now satisfied with the explanation given by the bank and ECOTRUST officials. ECOTRUST indicated to the team that payments are recorded in the project database while the paper-based records are kept in their accounting and farmers files. The team inspected sample of farmers' files and the ECOTRUST carbon project database. While the team had evidence of farmers receiving their monies as verified from the bank and interview with farmers, payment records in farmers file at the ECOTRUST head office in Kampala for a number of farmers were not up-to-date with records on payments.		
Conformance	Yes ☒	No ☐	N/A ☐
CAR/OBS	See OBS 04/08		

Appendix C: CARBON ACCOUNTS – ECOTRUST TGB ENROLLED PLAN VIVOS (2003 – DEC 31, 2007)

	Name	I.D	S/c & rcd	Buyer	Trees	Area-Ha	C/deposit	90%-sale
1	Ntabirweki Eva	402/02/001	Bitereko	TPK 01	322	0.8	50.6	45.5
2	Ntsigaireho Betty	402/02/002	Bitereko	TPK 01	1000	2.5	157.0	141.3
3	Kato Eliasaph	402/02/003	Bitereko	TPK 01	1200	3.0	188.4	169.6
4	Ahimbisibwe Beatrice	402/02/005	Bitereko	TPK 01	400	1.0	62.8	56.5
5	Kantereine Fabius	402/02/004	Bitereko	TPK 01	500	1.3	78.5	70.7
6	Tusasirwe Martia	402/19/001	Kiyanga	TPK 01	240	0.6	37.7	33.9
7	Bushoborozi Benon	402/19/002a	Kiyanga	TPK 01	1300	3.3	204.1	183.7
8	Buherero Milton	402/19/003	Kiyanga	TPK 01	800	2.0	125.6	113.0
9	Kapaasi Garvase	402/19/004	Kiyanga	TPK 01	175	0.4	27.5	24.7
10	Turyasingura medard	402/19/005	Kiyanga	TPK 01	400	1.0	62.8	56.5
11	Bagambe Francis	402/16/004	Kichwamba	TPK 01	399	1.0	62.6	56.4
12	Bikanshobera Patrick	402/16/005	Kichwamba	TPK 01	300	0.8	47.1	42.4
13	Byarufu Francis	402/16/008	Kichwamba	TPK 01	110	0.3	17.3	15.5
14	Matuga Joseph	402/16/010	Kichwamba	TPK 01	100	0.3	15.7	14.1
15	Besekya Hillary	402/16/012	Kichwamba	TPK 01	1700	4.3	266.9	240.2
16	Mugisha Akleo	402/16/013	Kichwamba	TPK 01	113	0.3	17.7	16.0
17	Muhoozi Zabron	402/16/015	Kichwamba	TPK 01	150	0.4	23.6	21.2
18	Bahigana Violet	402/16/016	Kichwamba	TPK 01	200	0.5	31.4	28.3
19	Byabagambi David	402/16/017	Kichwamba	TPK 01	150	0.4	23.6	21.2
20	Turyahikayo Wilson	402/28/002	Ryeru	TPK 01	1600	4.0	251.2	226.1
21	Batecereza Salongo	402/28/003	Ryeru	TPK 01	200	0.5	31.4	28.3
22	Tibanyendera Jolly	402/28/004	Ryeru	TPK 01	300	0.8	47.1	42.4
23	Kateba Eric	402/28/006	Ryeru	TPK 01	400	1.0	62.8	56.5
24	Birungi Evaristo	402/28/008	Ryeru	TPK 01	100	0.3	15.7	14.1
25	Turyomugendo medar	402/28/009	Ryeru	TPK 01	300	0.8	47.1	42.4
26	Tweteise charles	402/19/009	Kiyanga	TPK 01	1600	4.0	251.2	226.1
27	Tukamuhabwa Paturi	402/19/019	Kiyanga	TPK 01	610	1.5	95.8	86.2
28	Besigayo Molly	402/02/015	Bitereko	TPK 01	400	1.0	62.8	56.5

29	Bandi Lilian	402/02/025	Bitereko	TPK 01	400	1.0	62.8	56.5
30	Byaruhanga Annet	402/02/026	Bitereko	TPK 01	400	1.0	62.8	56.5
31	Barisimaki Charles	402/02/032	Bitereko	TPK 01	400	1.0	62.8	56.5
32	Nshekanterirwe Peterenia	402/02/019	Bitereko	TPK 01	400	1.0	62.8	56.5
33	Bushoborozi benon	402/19/002b	Bitereko	TPK 01	2100	5.3	329.7	296.7
34	Kashagama Godfrey	402/19/023	Bitereko	TPK 01	400	1.0	62.8	56.5
					19169	**47.9**	**3009.5**	**2708.6**
35	COU Ndekye Parish	402/28/013	Bunyarguru	TPK 02	2000	5.0	314.0	282.6
36	Apporonali Bakanyihi	402/28/017	Bunyarguru	TPK 02	500	1.3	78.5	70.7
37	Tumwesigye Anatoli	402/28/020	Bunyarguru	TPK 02	500	1.3	78.5	70.7
38	Byamugisha Florence	402/28/021	Bunyarguru	TPK 02	600	1.5	94.2	84.8
39	Rugazi Parish Priest	402/28/025	Bunyarguru	TPK 02	3000	7.5	471.0	423.9
40	Kabiite Siragi	402/28/026	Bunyarguru	TPK 02	4000	10.0	628.0	565.2
41	Tibenderana Gilazio	402/28/033	Bunyarguru	TPK 02	400	1.0	62.8	56.5
42	Baryeha Harriet	402/19/007	Kiyanga	TPK 02	2777	6.9	436.0	392.4
43	Bigumire Urbano	402/19/020	Kiyanga	TPK 02	666	1.7	104.6	94.1
44	Ndyanabo Justus	402/19/017	Kiyanga	TPK 02	1111	2.8	174.4	157.0
45	Turyahikayo Stanley	402/19/011	Kiyanga	TPK 02	444	1.1	69.7	62.7
					15998	**40.0**	**2511.7**	**2260.5**
46	Mugerwa Paul	402/16/020	Bunyarguru	TPK 03	1078	2.7	169.2	152.3
47	Tibatunga Horistus	402/16/014	Bunyarguru	TPK 03	100	0.3	15.7	14.1
48	Bangirana George	402/19/010	Kiyanga	TPK 03	800	2.0	125.6	113.0
49	Tumwebaze G.	402/19/021	Kiyanga	TPK 03	600	1.5	94.2	84.8
50	Nshemereirwe Simple	402/19/022	Kiyanga	TPK 03	600	1.5	94.2	84.8
51	Kyabera Christine	402/19/024	Kiyanga	TPK 03	400	1.0	62.8	56.5
52	Bandiniiza Jackson	402/19/028	Kiyanga	TPK 03	600	1.5	94.2	84.8
53	Bagira Steven	402/19/041	Kiyanga	TPK 03	400	1.0	62.8	56.5
54	Kisegyesi Yovanis	402/02/017	Bitereko	TPK 03	555	1.4	87.1	78.4
55	Rukundo scolar	402/02/027	Bitereko	TPK 03	1111	2.8	174.4	157.0
56	Tumugabiirwe Donoz	402/02/029	Bitereko	TPK 03	1111	2.8	174.4	157.0
57	Beth Waide	402/02/014	Bitereko	TPK 03	888	2.2	139.4	125.5

58	Rwamuriro Teddy	402/02/016	Bitereko	TPK 03	1111	2.8	174.4	157.0
59	Rwabayambire Resty	402/02/036	Bitereko	TPK 03	1111	2.8	174.4	157.0
60	Sinta Silver	402/02/056	Bitereko	TPK 03	400	1.0	62.8	56.5
61	Kakyanira Fred	402/02/050	Bitereko	TPK 03	555	1.4	87.1	78.4
62	Barindwa Fausta	402/02/051	Bitereko	TPK 03	555	1.4	87.1	78.4
63	Bainomugisha Lawren	402/02/059	Bitereko	TPK 03	1111	2.8	174.4	157.0
64	Byashushaki Dezi	402/02/060	Bitereko	TPK 03	555	1.4	87.1	78.4
65	Kamugisha Lilian	402/02/062	Bitereko	TPK 03	555	1.4	87.1	78.4
66	Rwakinene Rose	402/02/064	Bitereko	TPK 03	555	1.4	87.1	78.4
67	Ampaire Samuel	402/02/065	Bitereko	TPK 03	694	1.7	109.0	98.1
68	Ngabirano Paura	402/02/021	Bitereko	TPK 03	972	2.4	152.6	137.3
69	Mukiga Bonny	402/02/008	Bitereko	TPK 03	1388	3.5	217.9	196.1
70	Nabaasa Velly	402/02/070	Bitereko	TPK 03	700	1.8	109.9	98.9
71	Bagira Milka	402/19/012	Kiyanga	TPK 03	401	1.0	63.0	56.7
					18906	**47.3**	**2968.2**	**2671.4**
72	Karisa Yoana	402/16/018	Bunyarguru	FF 01	540	1.4	84.8	76.3
73	Begumisa Moses	402/16/020	Bunyarguru	FF 01	1027	2.6	161.2	145.1
74	Tukamuhabwa	402/19/043	Kiyanga	FF 01	400	1.0	62.8	56.5
75	Mugaba Amos	402/19/044	Kiyanga	FF 01	400	1.0	62.8	56.5
76	Kanyarufu	402/19/045	Kiyanga	FF 01	460	1.2	72.2	65.0
77	Kahadiki Juliet	402/19/046	Kiyanga	FF 01	660	1.7	103.6	93.3
78	Mihanda Potiano	402/19/047	Kiyanga	FF 01	530	1.3	83.2	74.9
79	Muhereza Topista	402/19/048	Kiyanga	FF 01	600	1.5	94.2	84.8
80	Saba Mujuni	402/19/049	Kiyanga	FF 01	400	1.0	62.8	56.5
81	Baryeha Geoffrey	402/19/050	Kiyanga	FF 01	530	1.3	83.2	74.9
82	Bwida Group	402/19/051	Kiyanga	FF 01	600	1.5	94.2	84.8
83	Byarugaba Francis	402/19/052	Kiyanga	FF 01	330	0.8	51.8	46.6
84	Muhumuza Jennifer	402/02/009	Bitereko	FF 01	1111	2.8	174.4	157.0
85	Rutebemberwa Joverin	402/02/010	Bitereko	FF 01	1111	2.8	174.4	157.0
86	Mpungirehi Imerida	402/02/086	Bitereko	FF 01	1000	2.5	157.0	141.3
87	Basiga Vereriano	402/02/012	Bitereko	FF 01	1111	2.8	174.4	157.0

88	Mutabazi Margret	402/02/013	Bitereko	FF 01	1388	3.5	217.9	196.1
89	Musinguzi Harriet	402/02/023	Bitereko	FF 01	694	1.7	109.0	98.1
90	Mugisha Beatrice	402/02/024	Bitereko	FF 01	174	0.4	27.3	24.6
91	Natukunda Ann	402/19/042	Bitereko	FF 01	1800	4.5	282.6	254.3
92	Kajurubu Alfred	402/19006	Bitereko	FF 01	1190	3.0	186.8	168.1
93	Turyasingura Polikalipo	402/28/022	Bunyarguru	FF 01	1205	3.0	189.2	170.3
					17261	**43.2**	**2710.0**	**2439.0**
94	Byarugaba Yeremia	402/02/035	Bitereko	U&W	400	1.0	62.8	56.5
95	Turyatemba Flugyensia	402/02/068	Bitereko	U&W	400	1.0	62.8	56.5
96	Twesigye Denis	402/02/075	Bitereko	U&W	600	1.5	94.2	84.8
97	Mirenzo Charles	402/02/019	Bitereko	U&W	600	1.5	94.2	84.8
98	Basera Tereza	402/02/079	Bitereko	U&W	400	1.0	62.8	56.5
99	Tugumisirize Christopher	402/02/031	Bitereko	U&W	400	1.0	62.8	56.5
100	Mbanoha Benon	402/02/028	Bitereko	U&W	400	1.0	62.8	56.5
101	Tibaijuka Emmauel	402/02/034	Bitereko	U&W	700	1.8	109.9	98.9
102	Ruth Musisa	402/02/007	Bitereko	U&W	400	1.0	62.8	56.5
					4300	**10.8**	**675.1**	**607.6**
103	Tikwendera Appolinari	402/21/001	Kyamhunga	BalTPK 1,2,3	400	1.0	62.8	56.5
104	Torimpena Fulugensia	402/19/008	Kiyanga	cb	500	1.3	78.5	70.7
105	Akambikiira Nazarius	402/28/027	Bunyarguru	U&W	600	1.5	94.2	84.8
106	Bagyenzire Syril	402/02/011	Bitereko	U&W	555	1.4	87.1	78.4
107	Sande Augustance	402/02/049	Bitereko	U&W	700	1.8	109.9	98.9
108	Tirwakunda Franco	402/02/057	Bitereko	U&W	400	1.0	62.8	56.5
109	Turyahikoayo Wilson	402/28/002b	Bunyarguru	U&W	2000	5.0	314.0	282.6
110	Ainake Didas	402/16/011	Bunyarguru	U&W	372	0.9	58.4	52.6
112	Bushoborozi Benon	402/19/002	Kiyanga	U&W	2200	5.5	345.4	310.9
113	Alleluya Winfred	402/02/038	Bitereko	U&W	600	1.5	94.2	84.8
114	Karikuratako zabron	402/02/092	Bitereko	U&W	500	1.3	78.5	70.7
					8827	**22.1**	**1385.8**	**1247.3**
115	Natukunda Ann	402/19/042b	Kiyanga	TPK06	776	1.9	121.9	109.7
116	Kyomukama Mary	402/19/053	Kiyanga	TPK06	1700	4.3	266.9	240.2

117	Agaba ann	402/19/051	Kiyanga	TPK06	1220	3.1	191.6	172.4
118	Bananura elsam	402/19/047	Kiyanga	TPK06	1322	3.3	207.7	186.9
119	Byamugisha deo	402/02/073	Bitereko	TPK06	1000	2.5	157.0	141.3
120	Rwampororo Furtunate	402/02/086	Bitereko	TPK06	1000	2.5	157.0	141.3
121	Ahimbisibwe Beatrice	402/02/005b	Bitereko	TPK06	1000	2.5	157.0	141.3
122	Twesigye Emmanuel	402/02/087	Bitereko	TPK06	400	1.0	62.8	56.5
123	Kwehuma K. Silyvia	402/02/093	Bitereko	TPK06	400	1.0	62.8	56.5
124	Banturaki George	402/19/057	Kiyanga	TPK06	400	1.0	62.8	56.5
125	Tukwasibwe Deo	402/19/059	Kiyanga	TPK06	600	1.5	94.2	84.8
					9818	**24.5**	**1541.6**	**1387.5**
126	Mbeta africana	402/02/091	Bitereko	HB	400	1.0	62.8	56.5
127	Tumuhimbise Justin	402/02/089	Bitereko	HB	400	1.0	62.8	56.5
128	Karwemera Africano	402/02/088	Bitereko	HB	600	1.5	94.2	84.8
129	Byamugisha Leo	402/02/092	Bitereko	HB	600	1.5	94.2	84.8
					2000	**5.0**	**314.0**	**282.6**
130	Baine Simon	402/02/085	Bitereko	U$W3	1500	3.8	235.5	212.0
131	Kihirita Prutazia	402/02/072	Bitereko	U$W3	400	1.0	62.8	56.5
132	Tweshengereze Mary	402/02/022	Bitereko	U&W3	400	1.0	62.8	56.5
133	Buhweire Leonalda	402/02/077	Bitereko	U$W3	1000	2.5	157.0	141.3
134	Mahungye Sec. School	402/02/090	Bitereko	U$W3	1000	2.5	157.0	141.3
135	Bikanso James	402/19/058	Kiyanga	U$W3	1100	2.8	172.7	155.4
136	Atusimirwe Kakoko Phoebe	402/28/034	Bunyaruguru	U$W3	800	2.0	125.6	113.0
137	Mpora ludovick	402/28/035	Bunyaruguru	U$W3	400	1.0	62.8	56.5
138	Kalema Masamba Betty	402/28/037	Bunyaruguru	U$W3	400	1.0	62.8	56.5
					7000	**17.5**	**1,099**	**989**

	Area-Ha	**C/deposit**	**90%-sale**
Total:	**258**	**16,215**	**14,594**
	Total TCO2e:	**59,460**	**53,514**