

Gold Standard Technical Governance Committee: Decision + rationale for grievance against Global Woods' Kikonda Forest Reserve Project

DECISION:

- 1) That the project is required to:
 - a) Provide immediate evidence for Gold Standard review on the response to the incidence of violence (notably how management, recruitment and training practices have been updated and how monitoring has improved. Likewise details on the approach to dispute resolution and stakeholder feedback mechanisms). Further, provide immediate evidence that the reduced project area (i.e. Management Units 02-31 only) includes the required conservation area and buffer zones as appears to be the case from the previously issued information.
 - i) Note above isn't for approval (as that would come with certification, below) but for clarity and reassurance that robust steps have been/are being taken. Unsatisfactory responses may however lead us to consider other actions.
 - b) Undertake Gold Standard Certification at the soonest possible opportunity, i.e. February 2017. The auditor should in particular focus on:
 - i) Any matters raised in review of above info.
 - ii) That the Project Area definition and requirements are properly mapped and recorded in Monitoring Report/Certification Report and are re-checked in detail for any disputes. This would imply that future area expansion into the KFR would follow that pathway as opposed to being deemed included in the existing Project Area.
 - iii) Likewise, that the above includes the conservation area and buffer zones.
 - iv) Gold Standard to hold option to join audit as witness.
 - v) Auditor shall provide details of team and work plan to Gold Standard for comment before attending site.
- 2) The project is not suspended but is rather considered to be under 'special monitoring' by Gold Standard in light of the above.

RATIONALE:

- 1) The Project Area (per Gold Standard definition and noting that Carbon Fix Standard definition was similar) is the full KFR, circa 12,000 Ha.
- 2) The proponent does not hold uncontested title for all land in the project area, as per requirement 3.5 of Gold Standard A/R and would therefore be considered non-compliant in this regard.
- 3) There are however some mitigating circumstances surrounding this non-compliance as follows:
 - a) When initially registering the project under CFS 2.1 this requirement for uncontested title did not exist – all project documentation and external communication held that the project area was the full KFR and no non-compliance existed to this effect (2008/9). The area planted and for which carbon accounting took place was MU 02-16, a part of the overall KFR.
 - b) When Certified by TUV SUD in 2013 the scope of certification clearly states for MU 02-16 plus 17-31 (all within the KFR but not the whole). TUV SUD found no contested areas in their review. Though it is clear that they applied this to MU 02-31 (the carbon accounting areas) it is less clear that they applied it to the whole KFR as they clearly state that the scope of certification is those MUs only.
 - c) At this point that Global Woods (GW) must have known of the contested land elsewhere in KFR (the incidence of violence took place in 2011, 2 years prior to certification by TUV SUD) and so it appears that the interpretation of the rule at this stage was that non-contest applied to the carbon accounted areas. This is found for the following reasons:
 - i) The fact that the project was registered before this new rule.
 - ii) That the purpose and spirit of this rule is to ensure that carbon credits themselves are uncontested.
 - iii) That planting and carbon accounting was restricted to such areas accordingly.
 - iv) That both GW and TUV SUD appear to have held the same interpretation of the rule.

- v) It is also clear that this interpretation was carried forward to GS transition as the TUV SUD report was submitted for this purpose.
- 4) Typically, the discovery of a non-compliance under the A/R Requirements leads to suspension and ultimately cancellation if it cannot be rectified. In this instance however it is decided that the project be offered the chance to clarify and update its project area in line with Gold Standard definitions at a Gold Standard Performance Certification at the earliest opportunity (seemingly February 2017). This is based on:
 - a) The carbon accounting of the project was conducted in detail and is clearly related to MU 02-31 for which TUV SUD have explicitly certified non-contested title (it is only less clear whether they checked this for wider KFR). There is therefore no residual concern around the efficacy of the carbon accounting itself.
 - b) The historical context of the project and the requirements applied to rule interpretations under Carbon Fix Standard (and carried through Gold Standard transition) appear to have been somewhat different to what we would expect today.
 - c) It is clear that GW acted within the spirit of this requirement, restricting planting and carbon accounting to only areas known to be uncontested.
- 5) The other potential non-compliance (forced eviction/displacement) the non-compliance pathway is somewhat clearer in that this requirement under Gold Standard is superceded by dual certification with FSC and would not therefore trigger the non-compliance process.