

To	The Gold Standard Secretariat and relevant stakeholders
Date	03 February 2016
Subject	Project Grievance Investigation Plan

I. Background of Grievance

On the 5th of November 2015, Gold Standard employee Mr. Pieter van Midwoud attended a workshop titled “Landwirtschaft und Wälder in Kohlenstoffmärkten.”(English: Agriculture and Forests in Carbon Markets) from “Bread for the World” in Berlin. At that workshop, Jutta Kill, independent campaigner, spoke on the panel with Mr. van Midwoud. The purpose of her presentation was to present her report titled, “REDD: A Collection of Conflicts, Contradictions and Lies” (“Report”). The report alleges, among other things, that the Kikonda carbon tree plantation project in Uganda (“Kikonda Project”), a dual Gold Standard/FSC-certified project, has a high level of conflict with the local communities. Ms. Kill specifically noted in her presentation that the project has achieved Gold Standard certification despite the conflict between the project developer and the local communities. Mr. van Midwoud immediately reported the incident to The Gold Standard management team and he submitted this grievance.

On 9 December 2015, following the opening of this grievance, Spiegel, a German media publication, published an article (“Article”) similarly criticizing the Kikonda Project for alleged acts to oppress the local community. The Article further alleged a conflict of interest between Global Woods, the project developer, and The Gold Standard. Those allegations will be incorporated into this investigation.

II. Key Facts

A. Project

1. The Kikonda Project is a 12,000 Ha reserve of which 7,000-8,000 hectares is dedicated to reforesting pine species. Earlier in the project’s development there were trials with native species, but these species didn’t take and did not prove to be economically viable. Reforesting with non-native species is acceptable for both FSC and The Gold Standard as

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long as the species are non-invasive.

2. The remaining land area is dedicated to conservation. This is consistent with The Gold Standard's Land Use and Forestry rules, which require a minimum of a 10% set aside.

B. Project Developer

3. The project developer is Global Woods, a German private company.
4. The founder of Global Woods is Mr. Manfred Vohrer, who is the father of current Gold Standard employee, Mr. Moriz Vohrer.

C. Certification History

5. In 2009, the Kikonda Project was certified under The CarbonFix Standard for its emissions reductions and the Climate, Community, and Biodiversity Alliance ("CCBA") for its social safeguards. To achieve certification, the project was audited by TUV Sud.
6. The Kikonda Project transitioned from CCBA to FSC certification in 2012; thus, for a period in 2012, it was certified by all three standards (CarbonFix, CCBA and FSC). Global Woods let its CCBA certification lapse following the certification by FSC.
7. At the same time, The CarbonFix Standard was acquired by The Gold Standard Foundation in 2012.
8. The transition of the Kikonda Project from The CarbonFix Standard to The Gold Standard was coordinated by the Secretariat (specifically, Mr. Pieter van Midwoud), but the project review was conducted by The Gold Standard's Technical Advisory Committee ("TAC"). The TAC review was led by Jacqueline Gehrig-Fasel.
9. The TAC approved the Kikonda Project on 7 October 2013.
10. As part of The Gold Standard approval process, the Kikonda Project was submitted for a 4-week public consultation. No public comments were received on the Kikonda Project.
11. FSC certification (or the certification of the project's social safeguards) has been carried out by the independent auditor SGS on annual basis since 2012.
12. With regard to the emissions reductions, the Kikonda Project has undertaken two performance certifications under The Gold Standard and has issued a total of 880,000 validated Gold Standard

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credits. Approximately 15,000 of those credits were converted to verified credits after the emissions reductions occurred.

13. Performance certifications for Gold Standard Land Use and Forestry projects are not conducted by internal staff. Rather, they are conducted by independent external reviewers. In this case, the carbon consultancy UNIQUE performed both performance certifications.
14. The last independent audit of the project for The Gold Standard occurred from 2013-2014 and was conducted by TUV SUD.

III. Scope of Investigation

This internal investigation will cover two allegations: (i) the human rights violations documented in the Report and the Article; and (ii) the alleged conflict of interest between The Gold Standard and Global Woods.

A. Alleged Human Rights Violations

FSC certified the social safeguards of the Kikonda Project. In the event of a grievance, FSC refers cases to Accreditation Services International (“ASI”), an independent third party certifier. ASI has instructed the project’s auditor, SGS, to include the allegations of human rights violations in the scope of the project’s next audit in March 2016. At the same time, The Gold Standard will hire its own independent, third party expert to investigate these allegations.

B. Alleged Conflict of Interest

The conflict of interest investigation must answer the question of whether there is, or has there ever been, a conflict of interest between The Gold Standard and Global Woods. The scope of the investigation will review the 2009 certification of the Kikonda Project by The CarbonFix Standard, the disclosures to The Gold Standard during its acquisition of The CarbonFix Standard, the review and approval of the Kikonda Project by The Gold Standard, and the current relationship between The Gold Standard and Global Woods.

IV. Conflict of Interest Disclosures

This internal investigation is being led by Lisa Rosen, Chief Operating Officer and General Counsel of The Gold Standard Foundation. The tasks identified above will be carried out by Climate Focus, an independent, third party

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consultant paid for by Gold Standard. The consultant was chosen based on their expertise and recommendation by WWF Germany.

V. Communications Protocol

The communications related to this grievance and its investigation to Gold Standard team members, stakeholders, and media is being led by Sarah Leugers, Director of Marketing and Communications for The Gold Standard Foundation. We are committed to transparency by providing timely updates to relevant parties and by posting reports to our website (<http://www.goldstandard.org/our-work/grievances/kikonda-carbon-tree-plantation-project>).

VI. Timeline

Activity	Date
Climate Focus, the third party consultant, begins investigation; investigation plan documented on Gold Standard website	February 8, 2016
Site visit in Uganda completed	March 15, 2016
Conflict of interest investigation completed	March 31, 2016
Final report and recommendations completed with communications to stakeholders and publication of relevant findings to Gold Standard website	April 15, 2016