SECOND VERIFICATION REPORT OF PROJECT 2512

Document Prepared by TÜV SÜD America, Inc.

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Summary

Forest First Colombia S.A.S. contracted the Ruby Canyon Environmental (RCE) services group, part of TÜV SÜD America, Inc., to complete the second verification of project "Afforestation of degraded grasslands in Vichada, Colombia" (the Project) for the reporting period from 4 December 2020 to 8 November 2023. The Project is a commercial afforestation project that seeks to restore degraded grasslands with low fertility due to unmanaged grazing and frequent burning. Through the afforestation with *Eucalyptus pellita* and *Acacia mangium,* the project intends to achieve removals of up to 2,957,639 tCO_2e during its initial 30-year crediting period.

The goal of the verification is to ensure that the project's GHG assertion is materially correct, that the data provided to RCE can be documented and if errors or omissions are detected, they be corrected. The scope of the verification included the assessment of the Project Description (PD), the Monitoring Report and supporting data and documentation against the requirements of the VCS Standard, Version 4.5, the CCB Standards v.3.1, as well as the selected methodology, AR-ACM0003 A/R Large-scale Consolidated Methodology – Afforestation and reforestation of lands except wetlands. Version 2.014.

The verification audit was performed through a combination of document review, interviews with relevant personnel and stakeholders, and on-site inspections, which included inventory monitoring plot measurements, and review of activities implemented for community and biodiversity. During the verification process, RCE issued three rounds of findings including in total 18 Corrective Action Requests, 5 Non-material findings, 8 additional documentation requests and 17 clarification requests. The findings are included as Appendix B.

RCE confirms, to a reasonable level of assurance, that the Project's assertion for the second reporting period from 4 December 2020 to 8 November 2022 is **148,111** tCO_2e net emission reductions.

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1 INTRODUCTION

1.1 Objective

The purpose of the verification is to determine whether the Project complies with the verification criteria, as set out in the guidance documents listed in Section 1.2 of this report, and to ensure that the GHG statement made by the project for its second monitoring period is materially correct, that the data provided to RCE can be documented and if errors or omissions are detected, they be corrected by the proponent.

1.2 Scope and Criteria

This is the verification for the second reporting period going from 4 December 2020 - 8 November 2022. The verification scope includes the geographic boundaries of the Project and all associated processes. The relevant reservoirs are Above-ground biomass, Underground biomass, Deadwood and litter, and the emission sources included are burning biomass in site preparation. CO_2 is the only GHG included in the scope of the Project. RCE conducted the verification based on the following criteria:

- VCS Standard v4.5, 4 October 2023,
- VCS Program Guide, v4.4, 29 August 2023,
- CCB Standard v. 3.1, 21 June 2017
- CCB Program Rules v. 3.1, 21 June 2017.
- AR-ACM0003 A/R Large-scale Consolidated Methodology – Afforestation and reforestation of lands except wetlands. Version 2.014
- AFOLU Non-Permanence Risk Tool v.4.5
- Validated VCS PD v.4, 11 May 2022,
- Verified Monitoring Report (First monitoring period), 11 May 2022,
- ISO 14064-3:2006 “Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas statements”.

1.3 Level of Assurance

RCE conducted the verification to a reasonable level of assurance.

1.4 Summary Description of the Project

The *Afforestation of Degraded Grasslands in Vichada, Colombia* project falls into the agriculture, forestry and other land use sector (AFOLU), specifically into the field of forestation, reforestation and revegetation (ARR), that is, the greenhouse gas (GHG) removal activities lead to the increase in biomass by the photosynthetic activity of plants. The project has established the *Acacia mangium* and *Eucalyptus pellita* species with the initial purpose of producing wood chips for the generation of biomass energy, although in

recent years Forest First Colombia (FFC) has decided to expand its market offer by producing treated fence posts for construction and industrial lumber. Additionally, the project seeks to generate positive impacts on the communities and the environment, following sustainable models and standards, such as the Forest Stewardship Council (FSC). The project also has implemented activities for the benefit of local communities and biodiversity, including trainings, workshops, support for community health activities and fauna and flora monitoring.

2 VERIFICATION PROCESS

RCE used a risk-based approach to assess the Project against the VCS Program rules and CCB requirements including the criteria defined in Section 1.2 of this document. The verification process included the following independent and objective activities:

- Select a verification team,
- Perform an internal conflict of interest (COI) review,
- Conduct a kick-off meeting with the project proponent to introduce the verification team, review the verification objectives, process, VCS and CCB requirements, and to confirm the verification schedule.
- Review the Monitoring Report against the requirements of the VCS and CCB Standards, and other criteria as listed in section 1.2 of this Report,
- Perform a strategic and risk analysis and develop an evidence-gathering plan and a verification plan,
- Review the documents associated with the monitoring period for which emission reductions were issued and CCB benefits were reported,
- Conduct a site visit,
- Review the accuracy of the emission reductions for the reporting period, and the evidence associated with the CCB benefits reported,
- Review of the reported Project Description Deviations and the associated evidence and justifications,
- Assessment of compliance of the new activity instances incorporated during the monitoring period,
- Issue corrective action requests (CARs), additional documentation requests (ADRs), and clarification requests (CRs), as necessary,
- Conduct an independent review,
- Issue a Verification Report, and
- Conduct an exit meeting.

2.1 Audit Team Composition (*Rules* 4.3.1)

The validation team was selected according to RCE's GHG Verification Policies & Procedures to ensure team members are qualified to perform validation/verification activities pertaining to the Project. The team consisted of the following individuals:

Lead verifier: Zach Eyler

As director, Zach oversees RCE's work throughout the world utilizing more than a decade of experience in GHG programs and markets. Zach is a lead validator/verifier for multiple GHG programs, including California Air Resources Board (CARB), Climate Action Reserve (CAR), American Carbon Registry (ACR), The Climate Registry (TCR), Verified Carbon Standard (VCS), National Registry of Emissions (RENE), and British Columbia's Climate Investment Branch. Zach's offset project experience spans multiple sectors including coal mine methane, improved forest management, reforestation, landfill gas, livestock operations, oil/gas, fuel switching, transportation, ODS, and adipic/nitric acid production. Zach also serves as an approved Standard Methods Expert for Verra, providing expertise on carbon offset methodology development. Zach leads RCE's work in California for the Low Carbon Fuel Standard and Compliance Offset Program and represents RCE on a variety of working groups with the International Association for Commercial Emissions.

Independent reviewer: Phillip Cunningham

Phillip is an approved lead verifier for landfills, livestock, ozone depleting substances, coal mine methane, nitric acid production, organic waste digestion, organic waste composting, nitrogen management, and grasslands under the Climate Action Reserve; an Air Resources Board (ARB)-accredited lead verifier for Livestock, Ozone-depleting Substances, and coal mine methane project verifications, as well as a lead verifier under the ARB's mandatory reporting program. He has worked as a lead verifier under The Climate Registry verifying greenhouse gas (GHG) emission inventories for local governments, universities, a transportation company, utility companies, and a variety of other industry sectors. In Canada, it has acted as a lead verifier for carbon offset projects and emissions inventories under the Columbia Climate Investment Division and British Columbia Reporting Regulations, verified carbon offset projects under the Alberta carbon registry and verified several facilities under Ontario's mandatory reporting regulation. He has also verified power plants and a variety of manufacturing plants and industrial facilities reporting under the National Emissions Registry (RENE) in Mexico.

Verifier: José Miguel Amaro Estrada

José Miguel is an environmental scientist at Ruby Canyon Environmental with experience in technical research, report writing, and environmental compliance. After graduating as a Biologist from the National Autonomous University of Mexico (UNAM), he began working at Ruby Canyon in 2019, participating in the verification of GHG corporate inventories under SEMARNAT's RENE program, in the energy sector. Subsequently, he returned to university to obtain his Master in Biological Sciences, with focus on forest ecology and conifer evolution. He rejoined Ruby Canyon in 2021. Since then, he has participated in the validation and verification of mitigation projects in the forestry sector in México, Perú, Colombia and Brazil. His experience includes ARR, IFM and REDD+ projects under different programs (VCS, CAR, CERCARBONO) and using different methodologies. He has also worked on projects using the CCB standard. His activities have allowed him to develop expertise in the Colombian regulatory framework, as well as the socio-cultural environment of rural communities in Colombia. This experience includes the

validation and verification of GHG projects in Colombia, whose proponents and other stakeholders include private landowners, rural communities, and indigenous communities. José Miguel is a native Spanish speaker, which is the main language spoken in the project region, allowing him to maintain direct communication with all stakeholders during the interviews. This included the indigenous community of Morichalito, where, although some people do not speak Spanish, the majority do, ensuring adequate communication. José Miguel is also certified as a CAR verifier for the Mexico Forest Protocol.

Verifier/technical expert: José Pastor Parra Piedra

José Pastor is an experienced forester with wide experience in forest inventories, remote sensing, statistic applied to forestry and other land use, forest biometry, forest plantations, forest restoration and forest genetic. He has collaborated as advisor member committee for graduate students and as scientist associate in forest research. Throughout his experience at Ruby Canyon, José has participated in the verification of forestry projects under programs such as VCS, CAR and Cercarbono, and is accredited as a verifier under the Forestry Protocol for Mexico of the Climate Action Reserve. José Pastor earned a Forester Engineer degree from the Forestry Sciences Division of the University of Chapingo and a master's degree in forestry sciences from the Graduate School of Forestry of the Colegio de Postgraduados. Additionally, he is a member of the International Society of Forest Resource Economics, member of the North American Forest Ecology Group and Forester Certified by The National Forestry Registry of Mexico. José Pastor has previous experience verifying projects in Colombia, giving him adequate knowledge of the socio-cultural conditions of the region. He is also a native Spanish speaker, which allowed him to have fluent and direct communication with the stakeholders during the site visit, primarily including the staff and workers of the FFC plantation.

2.2 Method and Criteria

RCE performed a review of Monitoring Report for the current reporting period against the criteria listed in section 1.2 of this Verification Report. RCE also reviewed all the supporting information and documents. The review included the spreadsheet of the calculations of emission removals, the geographic information about project location and geographic boundaries, as well as different documents as evidence of the implementation of the project activities and reported CCB benefits. Two members of the verification team completed a site visit, where project implementation was verified. As part of the site visit, a random sample of monitoring plots of the forest inventory was selected for visiting, remeasurement and quantification. The sample size was selected to be statistically significant, and the plots were selected by randomizing the entire database of the project. Three rounds of findings were issued, and the project proponent provided adequate response to each of them. After all findings were resolved, RCE completed the verification report, which was submitted for independent review.

2.3 Document Review

The verification consisted of a review of the Monitoring Report for the second reporting period and all its supporting documents to demonstrate compliance with all relevant criteria and appliance of the methodology. All documents reviewed are listed in Appendix A.

2.4 Interviews

As part of the verification process, the following personnel was interviewed:

- Angélica Ochoa – Former project coordinator, South Pole
- Alejandra Monsalve – Current project coordinator, South Pole
- Jairo Vargas – ESG manager, FFC
- Lexia Rojas – Environmental lead, FFC
- Guillermo Toro – Environmental profesional, FFC

The above-mentioned personnel were in charge of providing information and accompanying the site visit, addressing general aspects of project management and monitoring, carrying out calculations, implementation of climate and biodiversity activities, NPR Report, general issues related to VCS and CCB.

Additionally, during the site visit, different stakeholder representatives were interviewed, who mainly provided information on the implementation and participation of different groups in the project activities, including community and biodiversity activities. Some of these people interviewed are:

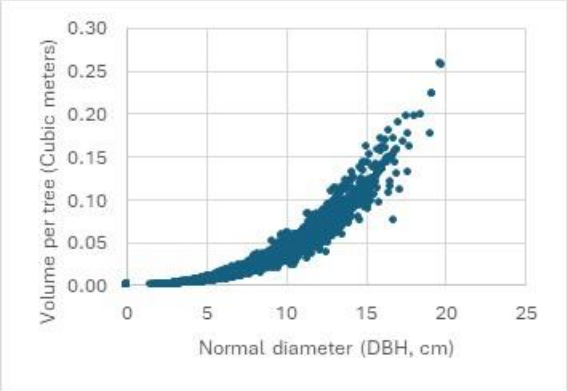
- Erica Gómez – Regional coordinator, OMACHA foundation.
- Lina Lozano – Head of health center in Aceitico settlement
- Mauricio Anzola – Police inspector, Aceitico settlement.
- T. Oropeza – School directo in Aceitico settlement
- Yuri Quintero – School teacher, Aceitico settlement
- Margot Fernández – School teacher, Aceitico settlement
- Gerson Mendonza - School teacher, Aceitico settlement
- Margarita Fernández – Agricultural Development Direction, Puerto Carreño mayor's office.
- William Flores, school teacher, La Venturosa settlement,
- Bersabet Solano, police inspector, La Venturosa settlement,
- Nurse at health center in La Venturosa (missing last name, first name, Leo).
- John Salazar, planning manager, FFC
- Jorge Paloma, professional inventory manager.

2.5 Site Inspections

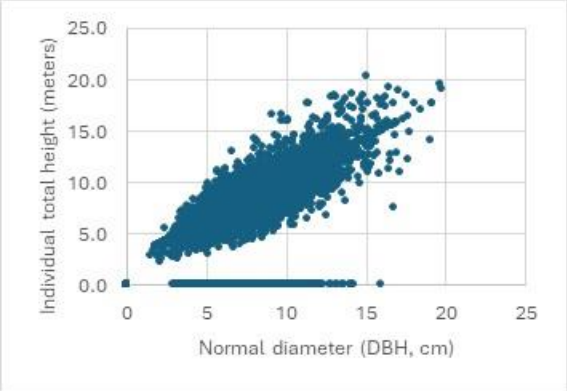
Desktop inspection prior site visit

One of the site visit goals was verify that the forest inventory and the permanent plots of the Afforestation of Degraded Grasslands project in Vichada, Colombia are adequately monitored; for this the verification team used the statistical method of simple random sampling.

Prior to the inspection visit, the dasometric information of 199 permanent measurement plots (PPM) that the developer had provided was evaluated. The graphical method was used to assess the diameter-volume relationship and the diameter-height relationship and the individual tree counting matrix method was used to verify the non-duplication of plots. The results showed consistency in the variables analyzed and in the database.



Graphic 1. Relationship diameter-volume



Graphic 2. Relationship diameter-Height

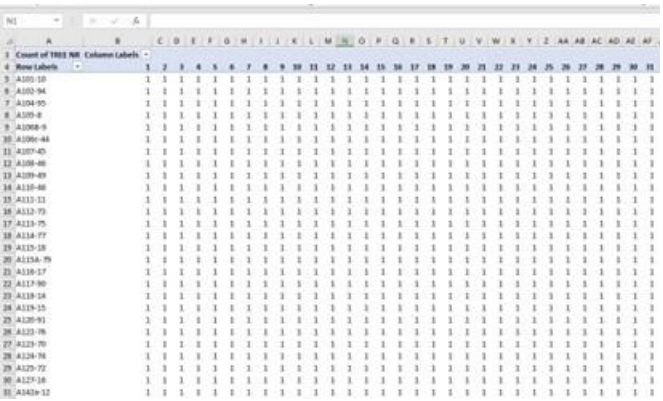


Image 1. individual tree counting matrix per plot.

The project database has the following information: the label “Compt Name” = perfectly identified plot number (1 to 199); Strata = Grouping by Species (*Eucalyptus pellita* and *Acacia mangium*) in year of planting (nine strata); Area = surface of the stratum spatially delimited in hectares (Table 1).

Table 1. Surface planted by strata and number of network plots.

No	Strata	Area (ha)	No Plots
1	2016Aman	162.58	9
2	2016Epel	109.27	3
3	2017Aman	855.69	41
4	2017Epel	2,307.56	39
5	2018Aman	672.50	48

6	2018Epel	1,325.85	41
7	2019Aman	188.83	3
8	2019Epel	910.48	10
9	2020Epel	380.68	5
	Suma	6,913.44	N=199

From the sampling frame of 199 plots, a sample size was obtained using the equation:

$$n = \frac{\frac{k^2 s^2}{B^2}}{1 + \frac{1}{N}\left(\frac{k^2 s^2}{B^2} - 1\right)}$$

Where N is the size of the population (199 plots), s is an estimator of the standard deviation of the characteristic of interest, B is the maximum permissible error and k corresponds to the $(1-\alpha/2)$ x100 percentile of the normal standard distribution, with (1-α) ×100 corresponding to the confidence (95%). In this case, the estimator of $s^2$was for dichotomous variables (0.1 or acceptable, unacceptable) this quantity is maximum when $s^2 = p(1-p) = 0.5x0.5 = 0.25$, with p the proportion of the population that has the attribute of interest. In this way, the minimum sample size was 22 plots.

The proportional allocation was used to distribute the sample in each stratum, where the proportion was determined based on the surface area of the stratum in relation to the total surface area under verification. The random function (>0 and < than 1) was used to assign a rank plot in each stratum, thus each sampling unit is considered with replacement.

Table 2. Proportional allocation per Planted area and number of plots per strata visited during site visit.

Strata	Plot	Latitude	Longitude	Elevation (m)
2016Aman	A227B-0	602.2079N	6809.8149W	91.8
2017Aman	A161-32	602.2672N	6809.0052W	79.3
2017Aman	A164B-28	601.7835N	6809.1473W	82.1
2017Aman	C135-23	600.9522N	6809.6915W	88.9
2017Epel	A102-94	600.0155N	6806.6155W	80.1
2017Aman	A115-18	559.4500N	6807.1245W	169.9
2017Epel	A148-103	558.9413N	6806.1980W	60.9
2017Epel	A159a-118	558.7686N	6806.7038W	57.4
2017Epel	A416-69	607.8078N	6848.4899W	104.6
2017Epel	A420-68	607.1281N	6847.2115W	114
2017Epel	B326-61	601.8454N	6851.1365W	102.1
2017Epel	C116-2	601.6323N	6851.9820W	92.9
2018Aman	C201B-202	603.9554N	6838.8722W	101.6
2018Aman	C201B-29	606.9378N	6801.3719W	78.2
2018Epel	A112-73	607.3905N	6759.9754W	80.2
2018Epel	A114-77	607.9147N	6818.5447W	0
2018Epel	A252-4	608.3815N	6818.4338W	0
2018Epel	C804-55	608.2327N	6818.3485W	88.8
2019Aman	C202A-19	606.9003N	6818.0799W	103.4

2019Epel	C407-11	606.4826N	6818.5180W	96.2
2019Epel	C807-17	603.3345N	6814.5415W	63.1
2019Epel	C902-18	605.0420N	6813.9856W	83.4
2020Epel	C503C-86	605.6190N	6813.6973W	38.7

The site visit was carried out from 17th to 21th July, 2023. In each plot, the following variables were identified and measured: year of planting, species, plot size, individual tree numbering, normal diameter, total height, and observations of site (fires, pests, etc.)

Picture 1. Plot of *Eucalyptus pellita*

Picture 2. Plot of *Acacia mangium*

Findings during site visit

During the site visit it was observed that plot A115-18 of stratum 2017Epel (*Eucalyptus pellita*) does not contain this species but rather *Acacia mangium* (CAR1); Also plot A228-8 of stratum 2016Aman does not correspond to the year 2016 but to the year 2017 (CAR2), consequently they were registered as corrective actions in the database. During the site visit, plot A115-18 was replaced by A420-68, and A228-8 by A227B-0.

To validate the inventory data, a paired T test was performed where sample 1 is the developer's initial inventory and sample 2 are the results of the verifier's inventory.

Table 3. T CO2 e Ha-1 in Sample 1 (Developer) and Sample 2 (Verifier) used in T-*test* paired.

Strata	Plot	Developer T CO_2 e ha^{-1}	Verifier T CO_2 e ha^{-1}	Developer – Verifier (d)	d^2
2016Aman	A227B-0	117.2294	118.9709	-1.741505	3.032841
2017Aman	A161-32	97.9618	105.1754	-7.213625	52.03639
2017Aman	A164B-28	102.9735	115.8002	-12.82677	164.526
2017Aman	C135-23	93.183	98.71165	-5.52865	30.56597
2017Epel	A102-94	115.5892	116.0763	-0.487056	0.237224
2017Aman	A115-18	111.9318	72.59159	39.340185	1547.65

2017Epel	A148-103	102.342	118.5886	-16.24665	263.9537
2017Epel	A159a-118	74.62652	91.06871	-16.44218	270.3453
2017Epel	A416-69	131.354	158.3895	-27.03556	730.9214
2017Epel	A420-68	129.0921	157.4997	-28.40765	806.9944
2017Epel	B326-61	130.6805	147.88	-17.19944	295.8207
2017Epel	C116-2	104.6836	118.1593	-13.47575	181.5959
2018Aman	C201B-202	82.00769	99.21271	-17.20502	296.0128
2018Aman	C201B-29	129.9548	117.3263	12.628524	159.4796
2018Epel	A112-73	78.77997	90.3567	-11.57673	134.0208
2018Epel	A114-77	85.11166	97.231	-12.11934	146.8785
2018Epel	A252-4	119.8083	132.1332	-12.32487	151.9024
2018Epel	C804-55	88.265	111.6253	-23.36026	545.7016
2019Aman	C202A-19	133.9239	161.7493	-27.82542	774.2541
2019Epel	C407-11	131.8161	143.2119	-11.39577	129.8635
2019Epel	C807-17	119.0003	84.56746	34.432836	1185.62
2019Epel	C902-18	114.7327	84.18102	30.551728	933.4081
2020Epel	C503C-86	105.4158	99.31443	6.1013701	37.22672
	sum	2500.464	2639.821	-139.3576	8842.048
	Mean	108.7158	114.7748	-6.059026	

Considering the statistical rule t-stat (Calculated) < t (0.1, DF; Theoretical) and substituting the result is 1.5240 < 1.7171 (Table 4); and then both samples can be considered “Statistically Equal”. The conclusion is that the data provided by the developer is consistent in the field and confident to estimate the removals in this monitoring report.

Table 4. ANOVA Resulted from the T-*test* paired.

ANOVA indicator	**Developer** **T CO_2 e ha^{-1}**	**Verifier** **T CO_2 e ha^{-1}**
Mean	108.715	114.775
Variance	346.817	642.193
Observations (plots)	23	23
Degrees of freedom (DF)	22	22
S^2	363.530	
t-stat (calculated)	1.5240	
t (0.1, DF) Theorical	1.7171	

On site CCB Review

The second objective of the site visit was to verify the implementation of activities related to benefits to the community and biodiversity. For this, the following activities were carried out:

1. Meetings with stakeholders in the three communities of interest of the project: Aceitico, La Venturosa and Morichalito. During these meetings, the verification team confirmed the holding of the project socialization meetings, as well as the implementation of workshops and information

meetings related to biodiversity, conservation, and sustainability. Representatives of stakeholder groups participated in the meetings, such as police inspectors, health center staff, teachers from local schools and other community members. Additionally, some plantation workers participated, some of whom also accompanied the forest inventory verification activities. Participation in training related to the performance of their work, the project and safety in the workplace was also reviewed with them.

Meetings were also held with other institutional stakeholders, including the secretary of social development and personnel from the coordination of indigenous affairs, with whom it was possible to confirm the collaboration of the project with the implementation of some of the activities related to social communications and health events. A representative of the OMACHA Foundation was also interviewed, with whom the implementation and development of some of the biodiversity monitoring activities and the development of some of the workshops on biodiversity and conservation that were held with the communities and workers were reviewed. Important to note that the verification team are native Spanish speakers and all interviews were performed in Spanish, since all stakeholders are fluent in the language, no translation or intermediation was needed.

2. Tours were carried out in different parts of the project area guided by the sustainability team. The objective of these tours was to review evidence of the implementation of several biodiversity monitoring activities. On these tours, sites were visited where camera traps were installed, where plots were established for monitoring flora biodiversity. These sites were visited both in planted areas and in areas of natural forest and morichales (type of gallery forest with presence of the *moriche* palm) in nearby areas. The water quality sampling points were reviewed and the method for collecting biodiversity inventories was reviewed. The establishment of buffer areas between the planted areas and the surrounding natural forests was also reviewed, as well as the implementation of measures for the removal and monitoring of seedlings of the species planted outside the plantation areas.

2.6 Resolution of Findings

RCE communicated findings to the project proponent in the List of Findings document. RCE delivered three rounds of findings and included 18 Corrective Action Requests, 5 Non-material findings, 8 additional documentation requests and 17 clarification requests. The project proponent sufficiently resolved all requests during the verification. The findings are listed in Appendix B.

2.6.1 Forward Action Requests

No forward action requests were issued by the verification team.

2.7 Eligibility for Validation Activities

During the current verification process, RCE performed validation activities regarding the following:

- The project reported several PD deviations. The verification team evaluated the impact and nature of such deviations as required by the VCS Standard v.4.5. See sections 3.3 and 3.4 of this verification report for details on each deviation and its assessment.

- The grouped project incorporated new instances during the current monitoring period. The verification team reviewed the compliance of the new instances with the approved criteria set out in the PD. See section 3.5 of this Verification Report for details.

RCE is accredited under ISO 14065:2020 (ISO/IEC 17029:2019) for the scope of validation of statements of GHG reductions and removals at the project level in the Forestry and Land Use sector (TUVSUD 0526). Therefore, RCE complies with the requirements to perform the mentioned validation activities.

3 VALIDATION FINDINGS

3.1 Participation under Other GHG Programs

Project is not registered under any other program, as reviewed by the verification team in the following registries: Cercarbono, COLCX, GoldStandard, CSA and Biocarbon Registry. No evidence was found of the project being registered. The search was done by word, looking for coincidences in locations, names, proponent, and sector. The verification team confirmed that none of the current activity instances are registered or seeking registration on any other GHG program.

3.2 Methodology Deviations

No methodology deviations reported by the proponent or identified by the verification team.

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

The project presents the following PD deviations:

1. Genetic material improvement. This is related to the intention to gradually replace the planted species with seeds and improved clones developed by the same plantation and that present better adaptation and development characteristics in the region.
2. Nursery. This is related to a modification in the age at which seedlings are taken from nurseries to be planted.
3. Site preparation. This deviation refers to modifications in site preparation, with the aim of providing better conditions for the seedlings when planted.
4. Fertilization. This refers to a change in the previously used fertilizer, which is replaced with one that works better given the soil conditions in the region.
5. Coordinate system. The coordinate system was updated from Magna Sirgas / Colombia Bogotá Zone (EPSG: 3116) to Magna Sirgas / Colombia East East Zone (EPSG:3118). This involves a change in the areas, as described in table 11 of the PD. The verification team reviewed this change to confirm the new areas using the GIS information of the project.
6. Height model. The verification team confirmed that this update refers to the use of a height model for the species *E. pellita*, with a better fit to the plantation data. The verification team reviewed the database and spreadsheet where the fit of the initial equation and the evaluation of 9 alternative models were evaluated. It was confirmed that the selected model has a better fit based on the inventory data and therefore, it is considered a technically adequate fit.
7. Default MAI. This deviation relates to an update of the used MAI, based on primary information of the project. The MAI calculations were reviewed as part of the reviewed of the spreadsheet of the GHG removals.
8. Rotation period. For 348.2 and 384 ha, the harvested age was modified from the original 7 years to 5.6 and 6.3, respectively.

After reviewing the deviations, the verification team concluded that they do not affect the applicability of the Methodology, nor the additionality of the project or the baseline scenario. Section 2.2.4 adequately describes each deviation and discusses the implications. The verification team reviewed the justifications and associated supplementary documentation, as described above. Overall, the verification team considers that these deviations have positive implications, since they will allow for a better implementation and development of the planted trees, and a more accurate estimations of the GHG benefits of the project. The MR for this second verification does not include any previous PD deviations since none existed. The verification team confirmed this by reviewing the previous Verification Report of the project.

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

The project reports one Minor Change to the Project Description. The verification team reviewed the change and confirmed that it relates to an update of the stakeholders. This basically implies a re-structuring of the stakeholder map, with the goal of focusing on those who have a more direct interaction with the project. The verification team confirmed that section 2.2.3 includes detailed explanation of the method and criteria used for the update and considers that these changes do not represent a significant deviation from the original PD.

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

Section 2.2.5 indicates that the following properties were incorporated as new activity instances during the current monitoring period: La Diamantina, Las Margaritas, Los Palmares, Los Yaguaros and San Cristobal. The verification team confirmed that the activity instances incorporated during the current monitoring period are within the validated geographic area. This corresponds to the total areas of the Puerto Carreño and La Primavera municipalities in the Vichada department, Colombia. All new instances are within these limits, as confirmed by the verification team using GIS information.

Table 18 of the MR indicates the eligibility criteria for the inclusion of new activity instances and how the new instances comply. The verification team confirmed:

- That all new instances are under control of the project proponent. This was mainly reviewed by the ownership documents of the new instances, which show that the proponent has control and rights over the land.
- The new instances are inside the validated Geographic Area, which includes the municipalities of Puerto Carreño and La Primavera, Vichada Department, Colombia. The verification team confirmed via GIS that the new instances are within these limits.
- The verification team confirmed that the activities implemented in the new instances are in accordance with the activities of the rest of the project: afforestation of degraded land with commercial species and following the same methodology.
- That the new instances comply with the same additionality and baseline scenario conditions. The verification team reviewed the analysis that the proponent performed before incorporating new land into the project activities. With this, the verification team confirmed the existence of the pre-project condition as land subject to grazing and periodic burning, as confirmed independently with GIS information.
- As mentioned before, the verification team confirmed that the ownership status of the land is clear and corresponds to the proponent. The verification team reviewed the ownership status of all the properties that make up the project area and confirmed that clear and secured rights to use the land exist. The main documents reviewed to confirm land ownership are the Certificates of Tradition and Liberty, where a complete history of the land ownership transactions is registered for each property.
- The verification team confirmed that the start date in the new instances is later than the initial project start date, and that it coincides with the dates in which plantings happened.
- The verification team reviewed the project against the VCS and CCB program requirements, as well as applicable laws to confirm compliance. It was also confirmed that

project activities apply a Verra approved methodology and that quantification and monitoring are in accordance with such methodology.

- The verification team confirmed that no native ecosystems were transformed, since the evaluation of pre-project conditions demonstrated that all planted land used to be unmanaged grazing land subject to periodic burning. It was also confirmed that no draining of wetlands occurred.

The verification team reviewed evidence of land ownership for all the instances, including the new ones. It was confirmed that the project proponent holds the ownership rights to all instances. The verification team also confirmed that the start dates of all the new instances incorporated during the current verification period have a start date later than the grouped project start date. Finally, the verification team confirmed that the inclusion of the new activity instances did not imply the addition of new project proponents.

4 VERIFICATION FINDINGS

4.1 Public Comments (*Rules* 4.6)

The verification team did not find evidence of comments received during the Public Comment Period, which was open from 29/06/2023 to 29/07/2023, as indicated in the Verra Registry (project ID 2512).

4.2 Summary of Project Benefits

The verification team reviewed the Summary of Project Benefits section of the Monitoring report and confirmed that it is completed appropriately. All monitored data is included and any non-applicable data is indicated. The verification team also confirmed that that all the information presented in this section is substantiated and correctly reported in detail in the corresponding sections of the Monitoring report.

4.3 General

4.3.1 Implementation Status (G1.9)

The implementation schedule is indicated in section 2.2.1. The verification team confirmed that it includes specific dates regarding the plantations, activities related to community and biodiversity (such as engagement and socialization meetings, job creation, biodiversity inventories and monitoring, implementation of the Social Engagement Plan, etc.). The verification team also confirmed that the project planted 2,886.58 ha with *E. pellita* during the monitoring period, however, they are not included in the current quantification since they have not reached an appropriate age for measurement and quantification. Section 2.2.1 also presents update in carbon stock changes due to harvest of 179 ha. The reason for the early harvest was crop failure, where growth rates were way below expectation. The verification team reviewed the quantification database and location and identification of the harvested areas. It was confirmed that harvest did represent a non-significant portion of the total removals, since carbon content in the harvested biomass represents less than 5% of the project benefits so far. The verification team also confirmed that section 2.1.1 adequately describes the project implementation. It indicates that the leaksge was not monitored, as it was considered insignificant when the project was validated, which was confirmed by the verification team in the validated PD. Additionally, the MR adequately describes the monitoring of the parameters associated with the NPR risk analysis. The verification team also confirmed that section 2.2.1 adequately indicates the start dates of activities and other key dates regarding the project implementation. It was also confirmed that the dates are indicated at least in the MM-YYYY format, as required.

The verification team reviewed the PD to confirm that project implementation has not presented any material deviation during the current monitoring period. No material deviations were detected regarding project design or monitoring plan. As stated in section 3.1 of this verification report, the verification team did not find evidence that the project GHG benefits are registered in any other GHG program or are participating in any other form of environmental credit.

Regarding SDG contributions, section 2.1.10 provides a general description of how the activities and strategies implemented by the project contribute to 4 SDGs. It also explains how the project activities have contributed to 4 SDGs:

- SDG5: Gender equality. The project has demonstrated to have strategies in place to ensure that women have equal job opportunities. The project has managed to maintain a representation of over 20% of female employees. This was verified during the site visit.

- SDG8: Decent work and economic growth. The project has demonstrated the creation of job positions, specifically 16 new positions. The verification team confirmed this by reviewing internal management databases for employee information of the plantations. The verification team also confirmed that job positions are created in an area with few economic and job opportunities and that workers constantly receive trainings and participate in workshops on different topics relevant to their positions and the project activities.

- SDG13. Climate Action. The main contribution described in the PD is the net estimated GHG removals achieved by the project during the monitoring period.

- SDG15: Life on land: The main contribution of the project to this goal is through the reforestation/afforestation of degraded land, as well as the protection of native forest ecosystem in the surroundings of the PA. This vas verified during the site visit and by the confirmation of the project's compliance with laws and regulations that protect these ecosystems in Colombia.

Table 2 indicates the specific national associated goals. The contributions are reported through quantitative indicators which allow for effective monitoring and reporting. The name of the SGD and their associated target number are according to the Global indicator framework for the Sustainable Development Goals and targets of the 2030 Agenda for Sustainable Development.

Finally, the verification team evaluated the appropriateness of the quantitative indicators used for reporting SDG contribution and concluded that they are adequate and aligned with both the SDG goals and the project activity implementation. The used values for each SDG contribution are:

- SDG5, target 5.5. This is reported using value of number of women hired in management positions.

- SDG8, target 8.5. This is reported using the total number of job positions hired during the Monitoring Period.

- SDG13, since there is no specific target associated with the GHG mitigation activities, the project is reporting the net estimated emissions removals achieved during the monitoring period.

- SDG15, target 15.2 is reported by the number of reforested/afforested hectares of land as well as the total hectares of native ecosystem protected by the project.

The verification team reviewed the last Verification Report and Monitoring Report and confirmed that no previous methodology deviations, PD deviations or minor changes to PD have been validated.

Overall, the verification team considers that the project has been implemented according to PD and that all deviations reported for this monitoring period do not materially impact its development.

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

Section 2.2.6 of the Monitoring Report indicates that a risk evaluation was performed following the NPR Tool. Additionally, the same section describes the potential impact on the project benefits and the implemented measures to mitigate them. The verification team reviewed the NPR Report and associated evidence to justify the risk scores assigned as well as the implementation of mitigation measures. See section 4.4.3 of this verification report for more details about the NPR review. In addition to the risk assessment using the NPR tool, the verification team confirmed that in section 2.2.6 of the MR, the project identifies a series of risks resulting from the development of an Environmental Management Plan. This plan identifies potential risks to the environment and communities related to the implementation of project activities. The verification team also confirmed that, in addition to identifying these risks, the project also presents mitigation measures, which consist of 17 action sheets specifying measures to prevent, mitigate, and correct or compensate for the potential effects of the identified risks.

4.3.3 Community and Biodiversity Benefit Permanence (G1.11)

Section 2.2.7 of the MR describes the measures implemented to maintain the project CCB benefits over the long term.

The main measures relate to the long-term longevity planned for the designated areas, and the verification team evaluated that measures such as enhanced planting materials and effective fire and pest control have contributed to this. Additionally, community-based activities include stable job creation and capacity building, as well as economic growth that can contribute to a long-term permanence of the benefits. Finally, biodiversity activities that include protection and constant monitoring of the natural forests and *morichales* will ensure that the biodiversity is well preserved over a longer period.

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

Section 2.3.1 of the MR describes how project documentation has been made available to stakeholders. Printed copies of the PD and MR have been made available, as could be verified during the site visit with local stakeholders, including workers and community members. The documents are also published on the FFC website.

Summary Project Documents have been disseminated by different means, including workshops and informative meetings with employees, regular communications with local authorities and representatives of communities, and meetings with local government institutions and NGOs. The verification team reviewed documentary evidence such as photographs and lists of attendance for this information meetings and workshops and confirmed in interviews during the site visit.

So far, the project has not identified any potential risks or costs to the communities. Several information meetings and socializations have been performed with local communities and there is constant communication with the proponent's personnel that allows for questions, comments, requests etc. to me addressed properly. During the site visit this could be confirmed by means of interviews with local stakeholders such as: community school teachers, personnel of local health centers, local authorities, community members, police inspector, etc. The verification team did not find evidence that there are risks or costs perceived by the stakeholders.

Information regarding the verification process was shared during the informational meetings and socializations. During the site visit the verification team could confirm that stakeholders were informed about the process and the visit. During the visit, the verification team held direct interaction with stakeholders, participating in conversations, interviews, and demonstration of project activity implementation. Spaces were open for interactions with the auditor and all conversations and interviews were held in Spanish. No intermediaries or intervention were observed.

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

Section 2.3.7 of the MR includes a list of all the consultation and socialization meetings held with stakeholders during the monitoring period. The verification team reviewed evidence like photographs and lists of attendances of such meetings. Since many of these meetings involved the recompilation of information and about relevant topics, surveys were also carried out. The verification team reviewed the materials used for communicating the relevant information and confirmed during the site visit that stakeholders effectively participated in the consultation meetings.

The verification team also confirmed during the site visit that a constant communication is established between the project personnel and the local stakeholders, by means of direct communication and periodic meetings with legitimate representatives or authorities (like police inspectors, health center and school personnel) as well as with direct meetings with institutional stakeholders and open meetings with workers.

Overall, the verification team considers that all groups of stakeholders identified by the project participated in an effective way during the monitoring period.

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

The verification team confirmed during the site visit that all stakeholders have access and opportunities for consultation and participation. All meetings and activities are publicly announced and communicated, and open information is presented. During the site visit the verification team confirmed the participation of stakeholders in the project activities and it could be observed that there are effective and open communication channels for stakeholders to issue any questions, requests, etc. It was observed, for example, that constant meetings are held with local schools for the design of social activities and direct requests can be made by the local health center personnel when they have needs that need addressing. The photographic material and lists of attendance also show that a wide range of stakeholders participate in consultations, meetings, and activities in general.

Overall, the verification team concludes that the project enabled community participation in project implementation.

4.3.7 Anti-discrimination (G3.7)

The project proponent has effectively shown that anti-discrimination policies are in place. This is mainly shown in the employee composition of the plantation, which actively enforces the maintenance of female representation in the workplace, including management positions. The employee composition also shows representation from local communities. Additionally, the V/V team reviewed the internal anti-discrimination policies developed by the project proponent. These primarily include a Code of Conduct, as well as an agreement signed by all parties with whom the proponent collaborates, ensuring their commitment to follow and comply with said code.

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

The verification team confirmed that open channels were available for the communication of any grievances, complaints, or requests. During the site visit the verification team confirmed that stakeholders have direct communication with project personnel and that mailboxes exist in the FFC office, the camps police inspection in communities. Section 2.3.12 of the MR presents a list of all the received requests and how they were addressed; specifically, table 30 adequately describes the received request/complaints and the specific response provided. During the site visit the verification did not find evidence of unaddressed grievances; workers and community representatives overall expressed that they perceive adequate attention to any request or complaint they make.

4.3.9 Worker Relations (G3.9 – G3.12)

Section 2.3.13 presents a list of all the trainings that were provided to the project workers during the monitoring period. The trainings relate to different topics relevant to the project and plantation management and operations. The verification team reviewed lists of attendance to these trainings and confirmed during the site visit that workers participated and properly received the necessary information.

Section 2.3.14 shows an analysis of the representation of local employees in the plantation and the project. The verification team reviewed the internal employee database to confirm the composition of the employees and confirmed that local people are hired with equal chances for the different positions. The verification team also confirmed the reported actions to ensure and promote employment among local communities, including the most vulnerable groups. Firstly, it was confirmed that the available positions are openly advertised through posters placed in public areas. Secondly, during the site visit, it was confirmed that a job fair was held, aiming to encourage the participation and application of community members. Thirdly, the workshops given to promote training spaces at SENA (National Learning Service) were confirmed. Additionally, it was confirmed that indeed, some graduates from this service hold some of the positions. Overall, the verification team concludes that these actions are adequate to promote employment among local communities and they address the potential vulnerabilities of marginalized groups. Section 2.3.15 of the MR lists all relevant and applicable laws and regulations that apply to the project in Colombia. Compliance with laws is demonstrated by aspects such as: decent payments for each activity, social security incorporation, evaluation of compliance for subcontractors, trainings, and provision of safety equipment. During the site visit the verification team confirmed all of this and interviews with workers showed that they are satisfied with the working conditions and have no complaints regarding rights in their workplace.

Section 2.3.16 of the MR indicates the measures taken to ensure worker safety. These include trainings related to safety issues as well as the provision of safety equipment. The verification team confirmed that

they reviewed evidence related to training on handling dangerous animals, chainsaw operation, and proper hydration. Additionally, evidence was reviewed regarding other mitigation measures, such as the installation of shaded areas and the provision of hydration equipment, as well as the implementation of the Road Safety and Pre-operation inspection of motorcycles plans. Overall, the verification team considers these measures adequate to address the identified risks.

The MR also indicates the number and type of incidents reported during the monitoring period and how they were addressed. The verification team reviewed evidence of the training received by the employees regarding safety and confirmed during the site visit the attendance to these trainings and the availability of safety equipment and implemented protocols in case of emergency. It was also confirmed that comments can be received from employees that perceive or detect risky situations in their workplace and that there are mechanisms to effectively address those situation

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

The verification team confirmed that FFC has personnel with the required technical skills and knowledge for the operation of commercial forest plantations. There is also dedicated personnel in charge of sustainability topics, including personnel with experience in social work, who are directly involved in the community and biodiversity aspects of the projects. During the site visit it could also be confirmed that the project has partnered with research institutions and NGOs for topics related to social workshops and biodiversity monitoring, like the OMACHA foundation and the National University of Colombia. Table 30 of the MR presents a complete list of all the collaborations established by the project to cover all its required technical and logistical needs, and section 2.4.3 describes in detailed the specific nature of each partnership.

For the carbon monitoring and quantification, and the general management of the carbon project registered under VCS, the proponent has partnered with South Pole, which is an experienced entity in the field of forestry carbon project management.

Section 2.4.2 of the MR adequately describes and demonstrates that the management team possesses the required expertise and knowledge for the management and implementation of the project activities at the scale of the project. The verification team confirmed that there is a clear organization structure and interviewed management personnel during the site visit. Management personnel were also in charge of guiding the site visit, where the verification team could observe an adequate knowledge of the plantation operation and activities. The FSC certification was also reviewed.

Finally, as mentioned previously, the project proponent has partnered with organizations with the required skills and expertise for different elements of the project operation and implementation. This includes technical forest operators, environmental, research and education institutions as well as NGOs who support the social and biodiversity activities of the project. During the site visit the verification team could confirm the participation of these partners and performed interviews with the partners in charge of developing the biodiversity activities of the project.

The verification team reviewed the financial analysis of the project as part of the NPR Report review. As described in section 2.4.4 of the MR, the project processes and adequate level of liquidity and solvency. The average profitability is negative because the commercialization of wood products began in 2022. However, it is expected that the payback period will be within the next four years.

As described in section 2.4.5 of the MR, FFC has an anti-corruption policy that applies to all staff members. The verification team reviewed the policy document and confirmed on site visit that employees are aware of such document, as well as a code of conduct that is also shared with the employees.

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

No sensitive information has been generated nor excluded from the public version of the project.

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

The verification team confirmed that there is a rigorous process to ensure land ownership status. The verification team reviewed the ownership status of all the properties that make up the project area and confirmed that clear and secured rights to use the land exist. The main documents reviewed to confirm land ownership are the Certificates of Tradition and Liberty, where a complete history of the land ownership transactions is registered for each property.

The verification team confirmed that the project is not promoting encroachment in the properties that make up the Project Area. All project activities are performed in private areas with clear ownership status. Therefore, no property rights are compromises or affected by the project.

The verification team confirmed that no removals or relocation of property right holders were caused by the project. All private properties that make up the project area have clear ownership status acquired legally. No indigenous or other collective territories are included in the project area, therefore, no activities or habitation by indigenous people were displaced or land or resource access or rights were compromised.

The project is not reporting any illegal activity identified that could affect the project's impacts. During the site visit, the verification team did not detect evidence of such illegal activities. Moreover, the verification team confirmed that constant surveillance and presence of project personnel in the different areas exists. Monitoring activities are constant, and protocols exist to address any unexpected activity or circumstance (like invasion, fire, etc.).

The verification team did not find evidence of any potential conflict or dispute over land ownership or resource access. All properties that make up the project area have a clear and undisputed ownership status, as reviewed by the verification team. During the site visit, the verification team did not find evidence of conflict, since no invasion, occupation or other form on illegal land use was detected.

Overall, the verification team concludes that no property rights have been compromised by the project and that no indigenous communities and other local stakeholders have been affected.

4.3.13 Legal Status (G5.6)

Section 2.5.6 presents a list of relevant and applicable laws and regulations for the project and describes the specific requirements and how the project complies. The verification team reviewed the explanations and justifications provided against the requirements of each law. Additional evidence was reviewed, like the forest plantation registration with the Ministry of Agriculture and Rural Development and the land requirements for establishment of forest plantations.

4.4 Climate

4.4.1 Accuracy of GHG Emission Reduction and Removal Calculations

The project proponent calculated the Project's emission reductions in accordance with the equations in the Methodology and applicable tools, validated PD and any approved deviations. The Verification team reviewed all data, parameters, inputs, and estimations provided by the developer for this monitoring period.

The Project data used to calculate the GHG emission reductions and removals includes project area and strata area (ha), planted year per strata, number of plots, plot location, and per-plot trees measurements as DBH (cm), and Height (m) (see section 3.0 from MR). The default factors and parameters include Biomass Expansion Factors (BEF), Root to shoot, Carbon Fraction, wood density, and factors for Deadwood and litter.

The verification team completed the removals calculation for the monitoring report using the following steps: 1) Assessing the dasometric information and verifying the accuracy of spreadsheets formulas, conversions and results; 2) Verifying the compliance with the methods and formulas outlined in the monitoring report, project emissions, and leakage and also equations related to AR-tool-12 and AR-tool 14; and 3) Reviewing and confirming the updated project GIS land use and stratification.

According to the uncertainty assessment of the monitoring data, following guidance from AR-tool-14, as indicated in AR-ACM-0003, the verification team, after recalculating, found the same 3.3% uncertainty value. The uncertainty value is below the threshold for the uncertainty discount and according to theAR-tool-14, it is assumed that all default factors have 0% uncertainty.

$$\%Difference = abs\left(\frac{Total\ removals\ declared - Total\ removals\ recalculated}{Total\ removals\ recalculated}\right) \times 100$$

$$\%Difference = abs\left(\frac{150{,}461.86\ tCO_2e - \ 150{,}461.86\ tCO_2e}{150{,}461.86\ tCO_2e}\right) \times 100 = 0.0$$

The verification team can conclude that the accuracy of GHG emission reduction and removal calculations has an acceptable confidence, the GHG statement has been quantified correctly.

4.4.2 Quality of Evidence to Determine GHG Emission Reductions and Removals

The verification team assessed the monitoring information quality and evaluated the quantity and quality of the information. In order to carry out this, the verifier forester expert took a set-sample of permanent plots and remeasured them during the site visit (detailed in section 2.5 of the present report). A T-test with 23 random sampling plots was compared to accept the quantity of dasometric information. The results show that there are no statistical differences between the two databases (see section 2.5 for details). During the site visit, the team visited and corroborated the correct installation of plots, the strict identification of the number of trees and compliance with measurement protocols established in the PD. Remeasurements were performed with appropriate and calibrated instruments such as electronic hypsometer and clinometer, and then in site visit, the verifier measured the same variables such as normal diameter and height using the same measurement instruments than the developer, this in order to reduce deviations and errors by measurement.

For quality control, the verifier assessed in the developer's spreadsheet, the correct relationship of cells, rows, and values of the database. Also, the team applied three quality tests to the database; first, the Normal diameter – Total height relationship using the graphic method; second, the Normal diameter – Total volume relationship using the graphic method as well; and third, the Number of trees per plot Matrix (see section 2.5 for details). Where mistakes were found, clarification requests or corrective actions requests were added to the List of Findings.

Data and parameters used by the developer comes from tools accepted in the PD, methodology and it is public information available in open source. Finally, and according to the evidence provided and previously described the processes for quality control, and accuracy evaluation, the verification team can conclude that monitoring information used for this project statement has enough quantity and quality to determine reductions and removals.

4.4.3 Non-Permanence Risk Analysis

The validation/verification team reviewed the NPR report, with the objective of evaluating the values assigned to each risk factor and its justification; the NPR tool was independently reviewed to confirm that it was used appropriately. In addition, supporting documentary evidence for the qualified risk factors was reviewed, and was complemented with information obtained during the activities carried out during the site visit. In general, the team considers that the evidence provided is of quality and comes from reliable sources and could be confirmed and evaluated independently by the validation/verification team. Among others, the documentation reviewed for the NPR report evaluation included: financial analysis of the project and alternative activities, project financial statements, land tenure documents, internal project operational documents, Worldwide Governance Indicators (WGI) database, Global Forest Watch platform.

In general, the validation/verification team considers that the total risk score assigned is appropriate for the project and that it reflects its actual risk conditions and mitigation measures.

Below is a summary of the analysis carried out by the validation/verification team and their comments on the final score assigned to each of the risk indicators.

Risk factor	Risk rating assigned	RCE final assessment or justification of the correct risk rating
Q1. Does the project have an adaptive management plan in place that includes a monitoring plan? If No, the project fails the risk assessment. If Yes, proceed to Q2.		The verification team reviewed the Management Plan of Forest First and confirmed that there is an adaptive management plan that includes monitoring plan and strategies over short, medium, and long term that will be adapted according to results obtained over time.
Internal risks		

<table>
<tr><td rowspan="9">Project Management</td><td>0</td><td>a) N/A. The verification team reviewed scientific evidence provided by the project proponent that the species E. pellita and A. mangium have a proven history of adaptation to the environmental conditions present in the project area. Additionally, the verification team observed that commercial plantations using the same species are commonly present in the region where the project is located.

<table>
<tr><th></th><th>A. mangium</th><th>E. pellita</th><th>Project</th></tr>
<tr><td>Elevation (masl)</td><td>0-800</td><td>0-800</td><td>80 – 130</td></tr>
<tr><td>Temperature (°C)</td><td>18-28</td><td>24-34</td><td>28,9</td></tr>
<tr><td>PP (mm year^{-1})</td><td>1500-3000</td><td>900-4000</td><td>2342</td></tr>
</table>
* http://old.worldagroforestry.org/treedb/AFTPDFS/Acacia_mangium.PDF
** http://old.worldagroforestry.org/treedb/AFTPDFS/Eucalyptus_pellita.PDF</td></tr>
<tr><td>2</td><td>b) The verification team reviewed land ownership documentation for all properties that make up the PA and confirmed that no current conflict or dispute exists. No evidence of invasion or encroachment was observed during the site visit. However, the project acknowledges that potential inconveniences could exist with some of the practices of the local communities. Mitigation activities exists, but the project is assuming the risk on the NPR.</td></tr>
<tr><td>0</td><td>c) N/A. The verification team confirmed that FFC possesses proven experience in managing commercial plantations, and that has collaboration with necessary partners for the development of its activities at the technical level, and social and biodiversity related activities. South Pole is also an experience company in the development and management of carbon projects.</td></tr>
<tr><td>0</td><td>d) N/A. Both FFC and its partners (including South Pole) maintain presence in the project area or within no more than one-day travel.</td></tr>
<tr><td>0</td><td>e) N/A. No loss reports have been required since no loss has occurred.</td></tr>
<tr><td></td><td>f) NA. This is not an ALM project.</td></tr>
<tr><td></td><td>g) NA. This is not an ALM project.</td></tr>
<tr><td>-2</td><td>h) Mitigation is applicable since the project developer, South Pole, boasts substantial expertise in AFOLU project design and implementation and proficiency in carbon accounting and reporting under the VCS program (information that can be confirmed on its website). Project proponent FFC also has a proven history of commercial plantation management and has partnered with relevant technical, community and biodiversity partners.</td></tr>
<tr><td></td><td>i) NA. Not an ALM project.</td></tr>
</table>

Total PM	0	
Financial viability	0	a) N/A
	0	b) N/A
	0	c) N/A
	0	d) N/A
	0	e) The verification team reviewed the financial analysis of the project and confirmed that breakeven point will happen in year 3 from the year of last assessment (2023). The verification team review all the cash in and cash out and reviewed the assumptions and default values used (exchange rate, inflation rate, reference pricing for carbon credits, etc.).
	0	f) N/A
	0	g) N/A
	0	h) N/A
	0	i) In the Cash Flow document, the project presents that the percentage of financing the project is greater than 80%. The verification team confirmed that the project secured up to 91% of the required investment, by reviewing audited Financial Statements from FFC, year 2022.
	0	j) N/A. Project did not apply for this mitigation factor.
Total FV	0	
	Q1	As described in the validated PD, baseline activity is cattle grazing (with commercial purposes). No subsistence-driven activities.
Opportunity cost	0	a) N/A
	0	b) N/A
	0	c) N/A
	0	d) N/A
	-2	e) The verification team reviewed a financial analysis that compares NPV of both the project and baseline activity. It was confirmed that project activities are between 20% and 50% more profitable than baseline activities. All assumption and reference values for costs, expenses, prices, inflation, taxes, were reviewed and confirmed.
	0	f) N/A
	0	g) N/A
	0	h) N/A
	0	i) N/A. Project did not apply for this mitigation factor.

	0	j) N/A. Project did not apply for this mitigation factor.
	0	k) N/A. Project did not apply for this mitigation factor.
Total OC	**0**	
Project longevity	**Q1**	Project requested registration before 1 January 2024
	Q2	No. Project does not have a legally binding agreement that covers at least a 100-year period from project start date.
	Q3	Project stated longevity is 100 years.
	Q4	No. The project has no legal agreement to continue the management practice. However, FFC has presented a Forest Management Plan reviewed by the verification team. In this plan the intention to continue management practices over a 100-year period is clearly stated and it is show that management and monitoring activities are planned for short, medium, and long term. The financial analysis of the project also includes a plan for 100 years, including expenses related to replanting up to year 100. A valid FSC certification is also included and reviewed by the verification team.
	Q5	Yes, the project is a commercial plantation with a rotation age of 7 years.
	Q6	Yes, as stated in Q4, the Forest Management Plan covers a 100-year period covering from project start date and the financial projections also include expenses 2for replating after cutting cycles and up to year 100th.
	Q7=5	No, the project does not have a legal agreement to continue management practices.
	Q8	Yes. The project proponent holds usufruct contract for several of the properties that make up the project area, and contract duration is less than the expected project lifetime.
Total PL	5	
Total Internal Risk	5	
External risks		
Land tenure (ownership) and resource access or impacts	Q1	The verification team confirmed that there is a dedicated Policy that determines the project for land acquisition that includes legal, technical, social, and environmental aspects. The verification team also confirmed that land ownership is in order for all project instances.
	Q2	The project proponent holds ownership rights of all the activity instances that make up the project area.
	Q3= 2	Land ownership corresponds to each property owner. FFC holds rights to use and access the resources by means of usufruct contracts.

	Q4= 0	The verification team confirmed ownership status history of the properties. None of them showed evidence of government intervention, appropriation, etc.
	Q5= 0	The verification team reviewed ownership documents and did not find evidence of conflict over access or use of rights, or land ownership. All access and use rights correspond to FFC.
	Q6= 0	The verification team reviewed ownership documents and did not find evidence of conflict over access or use of rights, or land ownership. All access and use rights correspond to FFC.
	Q7 = 0	Not applicable to the project since it is not a WRC project.
	Q8= 0	Project is not applying to any of the mitigation factors of this section.
Total LT	2	
Stakeholder engagement	Q1.	Yes, the project identified three local communities within its area of influence.
	Q2=0	This is not applicable since none of the identified communities live inside the project area.
	Q3=0	As stated in the Verification Report, the verification team reviewed several evidence and made observation during the site visit, that all communities haver participated in consultations, workshops and other project activities.
Total SE	0	
Political risk	2	The verification team independently confirmed that Mexico's governance score, calculated from the Mean Governance Scores across the six World Bank Institute's Worldwide Governance Indicators (WGI), is within the -0.31 and 0.19 range.
	-2	The verification team confirmed that Colombia is active in the UNFCCC REDD+ negotiations where it supports market-based mechanisms, that Colombia is a member of the advisory committee of the Jurisdictional and Nested Requirements (JNR) working group of the Voluntary Carbon Standard (VCS), that Colombia has ratified the UNFCCC (1995) and the Kyoto Protocol (2005) and has submitted three National Communications to the UNFCCC (in 2001, 2010 and 2017). Colombia is a member of the World Bank Forest Carbon Partnership Facility (FCPF) and became an UN-REDD+ partner country in 2013.
Total PC	0	
Total external risk	2	
Natural risks		
Fire	1.5	The verification team reviewed the provided information where it can be seen that on average, 16% of the total area in the eastern savannas burs each year in Colombia. However, it was shown that, for the case of the project, any potential loss will be recovered within 10 years. As for

		the likelihood, the highest value is selected as the area where the project is located is classified as high fire risk. The project demonstrated both the implementation of prevention measures and the history of effective contention of fire events.
Pest and disease outbreaks	2.0	The verification team performed a literature search looking for reports of pests and disease in commercial plantation in the project area or in general in Colombia. No reports of serious events were found, as reported by the project proponent. Also, no report of significant loss was found. Therefore, likelihood is set to the most conservative value and significance is set as insignificant. The verification team confirmed the existence of a Pest Control Management Plan and confirmed on sit its implementation.
Extreme weather	2.0	The verification team confirmed by reviewing in the cited reference (Geoportal at GFDRR) that the project is located in a high-risk area for flood and extreme heat events. Therefore, the likelihood was set to the highest value. Significance was set as insignificant as the project has planted adapted species and has been improving its genetic material to improve adaptability. Also, any potential loss can be recovered within the next 10 years of an event. As mitigation measures, the genetic material selection and the evaluation and planning of areas for planting are reviewed and accepted.
Geological risk	0	The validation/verification team confirmed the non-applicability due to the statistics provided by the project developer. According to the Geoportal at GFDRR, the project is located in low-risk area for geological risk or landslides.
Subtotal NR	5.5	
Future climate impact		
Heat and cold	2	Mean air temperature: Negative impact. No justification required.
	2	Extreme heat: Negative impact. No justification required.
	2	Cold spells: Negative impact. No justification required.
Wet and dry	0.75	Mean precipitation: Negative impact. The project developer provided peer-reviewed literature that specifies that when there are fewer precipitation events and higher temperatures, plants may experience hydraulic stress. In prolonged and intense periods, this can lead to reduced plant growth, loss of leaf turgor, and permanent wilting.
	0.5	River flood: Negative impact. Changes in river flood directions may cause floods. *Acacia mangium* and *Eucalyptus pellita* can tolerate seasonal flooding but not prolonged flooding, which may cause deformations in stems and roots.
	2	Landslide: N/A. The impact of landslides is not applicable in the Vichada Department. This is because the landform of this region is made up of vast plains that belong to the Eastern Plains of Colombia.

		Therefore, the likelihood of any negative impact resulting from a landslide is not feasible.
	3	Soil moisture: Positive impact. The growth of trees is heavily influenced by the condition of the soil they are planted in. In Vichada, where the soil has an acidic pH and low water retention, an increase in soil moisture can help alleviate water stress caused by low precipitation and high temperatures.
	3.75	Agricultural and ecological drought: Negative impact. Negative impact. According to the tool evaluation instructions, no justification is required for CID categories with negative impact and levels of two or greater.
	3	Fire weather: Negative impact. According to the tool evaluation instructions, no justification is required for CID categories with negative impact and levels of two or greater.
Wind	1.5	Mean wind speed: N/A. According to the tool, it does not apply to the project region; therefore, no justification is needed.
	3.75	Tropical cyclone: Negative impact. Negative impact. According to the tool evaluation instructions, no justification is required for CID categories with negative impact and levels of two or greater.
Coastal	5	Coastal flood: N/A. The developer specified that the project area is on inner land (not coastal). The validation/verification team corroborated it with the GIS information provided for the project.
	3	Coastal erosion: N/A. The developer specified that the project area is on inner land (not coastal). The validation/verification team corroborated it with the GIS information provided for the project.
Overall CID IS	2.75	
Amplifying Factor	1.20	
SLR Risk		
Ecosystem degradation	0	N/A. According to the Calculation tool guidance, it only applies if the project is in a coastal area. The verification team confirmed with the GIS information provided for the project that the plantations are not on the coast.
Coastal flooding	0	
Coastal erosion	0	
Degree of salinization	0	
Total natural risk	6.30	
Overall risk rating	**14**	

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

The verification team confirmed that, as indicated in section 5.3.2 of the MR, different events were held with stakeholders (workers, communities, investors, and local government institutions) to communicate the project activities and progress. The evidence includes photographs of the events, a list of attendees and the material used for presentations. For growth and yield timber the developer showed the systems and power point presentations used in dissemination activities. The verification team confirmed that section 3.1.3 of the MR adequately describes the required competencies and responsibilities of the personnel who carried out the monitoring. During the site visit, the verification team was able to confirm the presented information, as meetings were held with the team responsible for plantation planning, as well as with the GIS personnel. Similarly, the site visit activities were accompanied by the personnel responsible for monitoring and measuring the plots of the forest inventory.

The verification team confirmed that there is enough evidence to conclude that the monitoring plan and its results were adequately disseminated with stakeholders.

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

It is not applicable due to the project does not has the Gold Level.

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

It is not applicable due to the project does not has the Gold Level.

4.5 Community

4.5.1 Community Impacts (CM2.1)

The project identifies 3 main positive community impacts provided by the project during the current monitoring period:

- Job generation. The verification team reviewed internal employee databases from FFC to confirm the creation of job positions during the monitoring period. It could be confirmed that 16 new positions and the maintenance of representation for female and local employees. This is particularly important due to the fact that the region where the project is located presents few opportunities for decent and well-remunerated jobs.

- Increase perception of forest values. The project has carried out several workshops and trainings with both employees and local communities. These trainings include topics related to local biodiversity conservation and knowledge, as well as climate change and sustainability.

- Improved working conditions. The verification team confirmed during the site visit that not only has the project created job opportunities for the region, but that these job positions are of quality. Among the characteristics observed by the verification team during the site, it was observed that there are safe conditions for workers, decent wages, open spaces for participation and addressing questions, complaints, and requests, as well as constant trainings and workshops related to different topics related to workplace.

The verification team considers that overall, the assessment of project impacts for the community section is accurate and well supported by evidence.

4.5.2 Negative Community Impact Mitigation (CM2.2)

The project does not identify any negative impact for communities since all project activities are implemented on private property. However, the project identifies potential barriers for the relationship with some of the local communities that exist in the influence area of the project. In this sense, the verification team confirmed during the site visit that a continuous engagement strategy is in place with the objective of improving the relation and collaboration for mitigation of any negative impact. The verification team did not receive any comment or complaint during the interview and conversation with the indigenous community of Marialite.

Overall, the verification team considers that no negative impacts have been generated by the project so far and that there are adequate measures established to improve and prevent potential negative impacts.

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

The verification team reviewed evidence that allowed them to conclude that the net impacts of the project are positive. The reported benefits include:

- Job creation in an area with low job opportunity. This was confirmed by reviewing internal databases for employee management, where it can be seen how new job positions were created during the monitoring period. Additionally, during the site visit the verification team held conversation with some employees, confirming that local people and women are having equal opportunities to get job positions.

- Support to local health centers. The monitoring report shows evidence of economic support provided to local health centers in La Venturosa and Aceitico settlements. During the site visit the verification team participated in talks with the personnel in charge of these centers and confirmed that the support has been received for medicine and equipment suppliance, and that effective communication exist with the project personnel to address requests. It was also confirmed in a meeting with the municipal Mayor's office that the project has supported and collaborated on different health campaigns and health promotion events.

- Training and engagement. The verification team reviewed evidence of several trainings, workshops and other participatory events. Evidence included photographs, lists of attendance and presentations used for the trainings and workshops.

- Improved work conditions and safety for workers. The verification team reviewed evidence of trainings provided to employees related to different topics related to workplaces, safety included. It was also confirmed during the site visit that a committee exists for the monitoring and improvement of safety conditions in which workers can directly participate and communicate their needs and risk situations and where these issues can be resolved.

Overall, the verification team considers that the overall impact of the project has been positive.

4.5.4 Protection of High Conservation Values (CM2.4)

Section 4.1.4 of the MR identifies as a HCV the local cemetery of La Venturosa community. This cemetery is in the surroundings of the project area and has not been affected by its activities. Although it was not visited during the site visit, during the interviews with local people at La Venturosa, they confirmed that no harm has been suffered by the cemetery and that there are plans in coordination with the project to restore it. Overall, the verification team considers that no HCV has been negatively affected by the project.

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

The project does not identify any negative impacts on the surrounding communities during the monitoring period, nor did the verification team find any evidence of such. Section 4.2.1 identifies potential barriers for the relationship and integration of some stakeholders (e.g. the indigenous communities). However, the verification team confirmed that there are constant efforts and Plans to address these barriers and promote improvements in the relationship with these stakeholders. The verification team did not receive any negative input during the meetings and interviews carried out in the local communities.

As described above, the verification team reviewed and confirmed that a plan exists (Social and Engagement Management Plan) that includes strategies to improve the overall relationship with all local stakeholders and to facilitate the integration and engagement with all stakeholders. During the site visit, the verification team could observe that overall good communication and relations exist between the project personnel and the surrounding communities, therefore, no need for urgent or specific action was required.

The verification team did not find evidence of negative impacts on the well-being of the local communities and other stakeholders, as described above.

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

Section 4.3.1 of the MR presents the results achieved during the monitoring period. The verification team confirmed that the achieved results are aligned with the monitoring plan set out in the validated PD. As indicated in the plan, the benefits are measured with the appropriate indicators: percentage of local employees, percentage of workers who receive training,percentage of workers who are trained in risk management, percentage of field workers hired who are from local territory and annual accident rate. The verification team confirmed that the monitoring plan and results have been socialized as part of the trainings and workshops held with community members and workers.

4.5.7 Community Monitoring Plan Dissemination (CM4.3)

The verification team confirmed that the monitoring plan and results have been socialized as part of the trainings and workshops held with community members and workers. This could be verified by reviewing the lists of attendance to all the informative sessions and during the interviews with the stakeholders performed as part of the site visit activities.

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

Describe the steps taken to verify that the project generates short term and long term net positive well-being benefits for smallholders/community members. Identify documentation assessed (including the evaluation of the impacts by the affected smallholders/community members) and observations made on

the site visit. Provide and justify an overall conclusion as to whether the project generates or is on track to generate short term and long term net positive well-being benefits for smallholders/community members.

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

NA. The project is not applying for Gold Level.

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

NA. The project is not applying for Gold Level.

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

NA. The project is not applying for Gold Level.

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

NA. The project is not applying for Gold Level.

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

NA. The project is not applying for Gold Level.

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

NA. The project is not applying for Gold Level.

4.6 Biodiversity

4.6.1 Biodiversity Changes (B2.1)

The monitoring report identifies 3 main contributions of the project to local biodiversity:

- Connectivity. The verification team confirmed through document review the total hectares planted during the current monitoring period. It was confirmed during the site visit that monitoring of fauna is performed in the plantation area in order to evaluate how animal species benefit from these planted areas as corridors between the natural forest stands near the rivers, and the savanna regions.

- Maintenance or increase of flora and fauna diversity. The project has performed a monitoring of flora and fauna diversity inside the project area, including regions of natural ecosystems and planted area. This analysis is intended to function as a specific baseline for a better monitoring of the long-term effects of the project on local biodiversity. The verification team reviewed the technical report of the biodiversity monitoring. The report was elaborated with the assistance of an entity specialized in biodiversity monitoring and studies and provides an adequate documentation of the information sources, data collection procedures and data analysis approaches for the determination of diversity indicators. during the site visit, the verification team reviewed evidence of the implementation of this monitoring activities, such as visit to areas where sampling plots

were established for flora monitoring, and the establishment of camera traps in different parts of the project area. Biodiversity is being measured using adequate and scientifically accepted parameters and indexes.

- Identification of endangered and endemic species. As part of the biodiversity inventory, the project has identified a set of endangered and endemic species relevant to the biodiversity activities, using information sources such as he Appendices of the Convention on International Trade in Threatened Species of Wild Fauna and Flora (CITES, September 2012), the Resolution 1912 of September 15, 2017 of the Ministry of Environment and Sustainable Development (MADS), the IUCN Red Lists and the Red Books of Phanerogams Plants of Colombia of the Alexander von Humboldt Biological Resources Research Institute. Table 42 and 44 describe the results of the identification process.

Overall, the verification team considers that during the monitoring period, the project has made progress to achieve its intended biodiversity goals and has implemented an adequate basis for future monitoring of impacts and benefits.

4.6.2 Mitigation Actions (B2.3)

The project identifies two potential negative impacts of the project:

- Colonization of the non-native species used,
- Water and soil contamination from fertilizer and herbicide use.

The Monitoring report describes the mitigation measures as follows:

- For the risk of invasion of the non-native species the inclusion of fire belts and buffer zones between the plantation areas and the natural forest areas are established. These areas are monitored, and removal of saplings is carried out as measures to prevent the expansion and invasion of the planted species. During the site visit the verification could observe this buffer areas established along the limits of the plantation. No growth or presence of the planted species was observed outside of the planted zone. Additionally, reports of the implementation of control and removal activities were reviewed.
- For the potential contamination by pesticides and fertilizers, the verification team reviewed a series of documents that include a pesticide management plan, and trainings received by employees regarding the use of herbicides, pesticides and fertilizers. It was also confirmed that the project carries out monitoring of water quality in the surrounding water bodies, as indicated by water quality reports issued by external specialized laboratories. Sampling sites for water monitoring were also visited by the verification team as part of the site visit activities.

Overall, the verification team considers that the mitigation actions taken are appropriate and in accordance with the project's validated project description.

The project identifies in the Monitoring Report 3 HCV that are under its influence areas. For each one of them, specifics activities were carried out and no evidence of negative impacts was detected by the verification team.

- RAMSAR site of the Bita River basin. The verification team confirmed that the Bita River basin is a declared RAMSAR site. It was confirmed during the site visit that part of the monitoring activities for biodiversity were carried out within areas of the RAMSAR site. Additionally, it was confirmed that some of the trainings and workshops received by the plantation employees were related to HCV and the importance of wetland ecosystems and the RAMSAR sites.

- Jaguar conservation units. The verification team confirmed that, as reported by in the Monitoring Report, the Orinoquia region where the project is located, is considered one of Colombia's Jaguar Conservation Units. The verification team confirmed during the site visit that the monitoring activities of biodiversity include jaguar as a target. However, no records are reported by the project.

- Native Forests or morichales. The monitoring report indicates that biodiversity monitoring has been carried out inside morichales and riparian forest. The verification team confirmed during the site visit that monitoring activities are carried out inside these stands of natural forests. It was also confirmed that no plantations were established in areas corresponding to these natural forests and that buffer areas exist between the planted areas and the natural forest, in order to avoid the invasion of planted species and to buffer the potential impact of chemicals used.

Overall, the verification team did not find evidence of any negative impact on the identified HCV.

4.6.3 Net Positive Biodiversity Impacts (B2.2)

The project does not report any negative impacts detected during the monitoring period. The improvement of the total planted area and the establishment of biodiversity monitoring activities and a baseline are all positive impacts. The verification team confirmed that there are also community and participatory activities related to biodiversity, such as community monitoring activities and workshops related to protection of biodiversity. The verification team reviewed evidence of the participatory events and discussed during the site visit the participation of the plantation workers in monitoring activities. Overall, the positive impacts on biodiversity relate to the implementation of monitoring and protection activities, as well as conscientization that would not exist without the project.

Overall, the verification team considers that the net impact of the project's activities on biodiversity are positive.

4.6.4 High Conservation Values Protected (B2.4)

4.6.5 Invasive Species (B2.5)

The verification team confirmed that the species used during the current monitoring period for the planted areas is *E. pellita*. The verification team did not find a record that this species is identified as invasive species in the Global Invasive Species Database.

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

The verification team did not find evidence of negative impacts of the species *E. pellita*. During the site visit no evidence of invasion or growth of this species outside of the designated planted area, and no negative effects (such as mortality in surrounding areas) were observed in the surrounding areas of the savannas and morichales. Overall, the verification team observed that measures are implemented to prevent any negative impact of the non-native species used, such as buffer zones between the planted areas and the surrounding ecosystem, and control and elimination activities of saplings growing outside the planted area limits.

4.6.7 GMO Exclusion (B2.7)

The verification team confirmed that no GMOs were used. All seeds are obtained from Colombian certified companies, as reviewed in the ICA (Colombian Agriculture Institute) registration of the plantation.

4.6.8 Inputs Justification (B2.8)

Section 5.1.8 of the MR describes the used inputs for the planted areas and describes the potential negative effects. The MR presents adequate justification for the used inputs and evaluates potential negative effects, as well as mitigation measures implemented. During the site visit, the verification team reviewed and discussed the protocols for the use of such inputs. Also, as described in section 4.6.2 of this Verification Report, the verification team reviewed evidence of the implemented measures to monitor and mitigate other potential effects, like water quality monitoring and trainings provided to workers for the correct use of herbicides and fertilizers.

Overall, the verification team considers that the use of each input is justified, that monitoring, and prevention measures are implemented and that they will not pose harm to the region's environment or communities.

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

The Monitoring report describes the mitigation measures as follows:

- For the risk of invasion of the non-native species the inclusion of fire belts and buffer zones between the plantation areas and the natural forest areas are established. These areas are monitored, and removal of saplings is carried out as measures to prevent the expansion and invasion of the planted species. During the site visit the verification could observe this buffer areas established along the limits of the plantation. No growth or presence of the planted species was observed outside of the planted zone. Additionally, reports of the implementation of control and removal activities were reviewed.

- For the potential contamination by pesticides and fertilizers, the verification team reviewed a series of documents that include a pesticide management plan and trainings received by employees regarding the use of herbicides, pesticides, and fertilizers. It was also confirmed that the project carries out monitoring of water quality in the surrounding water bodies, as indicated by water quality reports issued by external specialized laboratories. Sampling sites for water monitoring were also visited by the verification team as part of the site visit activities.

Overall, the verification team considers that the project has adequately identified all negative offsite biodiversity impacts and has taken actions to mitigate the impacts.

4.6.10 Net Offsite Biodiversity Benefits (B3.3)

The verification team reviewed evidence related to the implementation of project activities related to biodiversity monitoring and conservation, and of social activities developed with workers and community stakeholders also related to this topic. All these activities would not have been carried on without the project and represent a positive impact. The verification team also reviewed evidence and confirmed on site that the project has implemented mitigation measures to account for potential negative impacts of its activities. No evidence of unmitigated negative impacts was observed.

Base on the evidence reviewed and the on-site observations, all described in sections 4.6.1 to 4.6.9 of this Verification Report, the verification team concludes that the net impacts of the project o local biodiversity are positive.

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

During this monitoring period, the project hast established a clear database for biodiversity indicators, based on biodiversity estimators like the Margalef, Mehnick, Shannon and Simpson indexes. Fauna monitoring was also carried out and endangered and endemic species were identified. This information will serve as a basis for future monitoring and evaluation of project impacts on biodiversity, and to update environmental monitoring plans. The verification team reviewed the technical report elaborated for the flora and fauna monitoring, and during the site visit, the verification team observed evidence of the implementation of this monitoring activities:

- Sampling plots for evaluation of flora monitoring

- Establishment of camera traps for fauna monitoring

- Evidence of the participatory dynamics established for community biodiversity monitoring that involved the plantation workers.

The verification team confirmed that in the validated PD, the main variables to be monitored ant its units are:

- Quality of gallery forests (species richness index)
- Quality of morichales (species richness index)
- Presence of endangered and threatened species (number of species detected).

According to this, the verification team concludes that the methods used for inventorying and characterization biodiversity during the current monitoring period are in accordance with the PD. The main result

4.6.12 Biodiversity Monitoring Plan Dissemination (B4.3)

The verification team confirmed that, as indicated in section 5.3.2 of the MR, different events were held with stakeholders, (workers, communities, and local government institutions) to socialize and communicates the project activities and progress. The evidence includes photographs of the events, lists of attendance and the material used for presentations. It was also confirmed that as part of the fauna monitoring activities, participatory events were held with workers so they could participate and support the monitoring by providing sighting reports and georeferenced photographic records.

Overall, the verification team confirmed that there is enough evidence to conclude that the monitoring plan and its results were adequately disseminated.

Describe the steps taken to verify the actions taken to disseminate the results of biodiversity monitoring in accordance with the monitoring plan. Include details of documentation assessed and observations made during the site visit. Provide and justify an overall conclusion as to whether the results of biodiversity monitoring were disseminated in accordance with the validated project description.

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

NA. Project is not applying to Gold Level.

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

NA. Project is not applying to Gold Level.

4.7 Additional Project Implementation Information

There is no additional information related to the implementation of the Project.

4.8 Additional Project Impact Information

There is no additional information related to the implementation of the Project.

5 VERIFICATION CONCLUSION

RCE performed the verification of the project “Afforestation of degraded grasslands in Vichada, Colombia”. RCE confirms that the project complies with the verification criteria for the project set out in CCB Version 3.1 and VCS Version 4.5 in addition to the Methodology and applicable tools with no qualifications or limitations. It also confirms that the Project has been implemented in accordance with its validated description, except for a Minor Change to Project Description and eight Project Description Deviations, validated as part of the current verification process. The verification team evaluated these modification and deviations as described in sections 3.4 and 3.5 of this Verification Report and confirmed that they comply with the validation criteria set out in the CCB Standards v.3.1 and VCS Standards v.4.5, and that they do not negatively impact the project’s additionality, baseline scenario or applicability of the Methodology. The verification team reviewed the reported contributions of the project to the local communities and biodiversity, and all the associated evidence provided, all of which was complemented by the observations and information collected during the site visit. Based on this, the verification team concludes that the benefits achieved by the project during the second monitoring period are real and evidence-supported, according

to its initial plan and design, and that the project is on track to achieve its intended community and biodiversity goals.

RCE conducted a risk-based analysis of the project "Afforestation of degraded grasslands in Vichada, Colombia", including a strategic review of the Project data, documentation, and emission reduction calculations. RCE concludes to a reasonable level of assurance that the GHG statement is free of material misstatement. The emission reductions for the reporting period 4 December 2020 - 8 November 2022 can be considered in conformance with the criteria listed in section 1.2 of this verification report. Verified GHG emission reductions and removals in the above verification period are presented below.

Monitoring period: From 4 December 2020 to 8 November 2022:

Verified GHG emission removals in the above verification period:

Year	**Baseline emissions or removals (tCO_2e)**	**Project emissions or removals (tCO_2e)**	**Leakage emissions (tCO_2e)**	**Net GHG emission reductions or removals (tCO_2e)**
4 Dec 2020 – 31 Dec 2020	2,350	15,196	0.0	12,845
1 Jan 2021 – 31 Dec 2021	0.0	74,105	0.0	74,105
1 Jan 2022 – 8 Nov 2022	0.0	61,161	0.0	61,161
Total	**2,350**	**150,462**	**0.0**	**148,111**

After discounting the 14% corresponding to the pooled buffer (20,736 tCO_2e), the total VCUs eligible for issuance of the current monitoring period is 127,375.

Zach Eyler
Lead Verifier
Vice president

Phil Cunningham
Independent reviewer

6 APPENDIX A. DOCUMENTS REVIWED

Document name	Description
20240205_CCB VCS_MR FFC_2nd verification_v3_clean	Final version of the Monitoring Report for the second reporting period (current verification).
220301_VCS_CCB_PD_ForestFirst_V5_clean	Validated PD
Antidiscrimination Assurance	Folder that contains employee database information
Criteria compliance	Folder that contains information regarding eligibility analysis of the project, including land eligibility analysis, as well as several documentations regarding regulatory compliance. This includes, plantation registrations, land ownership documents (CTyL) and worker rights related information.
Informational meetings	Contains evidence of the informational meetings held with different stakeholders
Stakeholder consultation	Contains different pieces of evidence (photos, lists of attendance, presentations, etc.) of the consultation meetings, surveys trainings and workshops carried on with stakeholders.
Worker training	Contains evidence of all the trainings provided to the plantation workers.
NPR v.4.2	NPR Report and all associated supporting information, including financial analysis, WGI database, Forest Management Plan, FSC certification, Fire and other events records, etc.
Monitoreo Biodiversidad	Folder contains several evidence about the flora and fauna monitoring, including the Monitoring Report of Flora and Fauna Baseline, monitoring databases, community monitoring database and results, geographic information of monitoring spots and sampling plots, etc.
Biodiversity	Contains documentation related to all the biodiversity activities. Includes evidence of biodiversity trainings and workshops with stakeholders, trainings and management plans for waste and pesticide management, reports of

	biodiversity and water quality monitoring, reports of non-native species management and control, etc.
Community	Contains documentation related to community activities and results, such as evidence of workshops and trainings, employee activities and measures for anti-discrimination and workers' rights and safety.
20231205_ExpostER_AR_ForestFirst_v2.xlsx	Contains 2022 dasometric information, reference values, estimations and results of forest inventory and removals for the present monitoring period.
20231017_Forest_First_VCS_CCB_PA_Eligible_First_Second_Insta (Shape file)	Integrated file call shape file that contains geographical information of the project eligibility area, name of municipality, name of lot, area of each lot and department name.
20231217_forest_first_VCS_CCB_Harvested_areas_V2 (Shape file)	Integrated file call shape file that contains geographical information of the crop failure and harvested area, the attribute table also shows the area, specie, strata and date of harvest.
Test_30_.xlsx **Train_70_.xlsx**	Test_70_.xlsx contains data to build and fix the linear model used to estimate total height for *Eucalyptus pellita*.

7 APPENDIX B: LIST OF FINDINGS

	Initial Finding	Proponent's Initial Response	Additional VVB response, additional proponent comment and closing.
CAR 1	19-sept-2023 During the site visit, it was observed that plot A115-18 of stratum 2017Epel has the species Acacia mangiun on site and not Eucalyptus pellita as it appears in the database. Please clarify this matter and, if necessary, correct it.	October 30 2023, The planting year and species information for each plot was reviewed according to the database provided by Microforest. During this review, it was observed that certain plots had stratum assignment errors (in this case was related to misassignment of the species) due to database manipulation. To address this issue, a stratification correction was performed as outlined below: ID Previous stratum Corrected stratum (Microforest) A115-18 2017Epel 2017Aman A228-8 2016Aman 2017Aman A230-7 2016Aman 2017Aman A231-9 2016Aman 2017Aman A234-10 2016Aman 2017Aman A237A-6 2016Aman 2017Aman A332-77 2017Aman 2017Epel A108-46 2018Aman 2018Epel These corrections were included in the database, cartography, estimates, and MR. It's worth mentioning that in order to prevent such errors in the future, the quality control mechanisms for the product will be enhanced. This will involve a thorough review of the processed information against the source data to identify and rectify any handling or typographical errors. **Support material:** Support documents_VVB\Clima\Database_Parcelas_Revisada	Nov 17th, The OVV team was verified the correction the ID plots and the correct label for each plot is the follows: A115-18 2017Aman A228-8 2017Aman A230-7 2017Aman A231-9 2017Aman A234-10 2017Aman A237A-6 2017Aman A332-77 2017Epel A108-46 2018Epel file reviewd: VCS_2022_Database.xlsx

CAR 2	19-sept-2023 During the site visit, it was observed that plot A228-8 of the species Acacia mangiun was identified that the year of planting does not correspond to the year registered in the database on the site since it appears in the 2016 Aman stratum, please clarify this matter and if necessary, correct it.	October 30 2023, The same answer to the CAR 1, It was identified that there was an error in the year assignment for the plot. Consequently, this error was rectified in the database, cartography, estimations, and monitoring reports (MR).	Nov 17th, The OVV team was verified the correction the ID plots and the correct label for each plot is the follows: A115-18 2017Aman **A228-8 2017Aman** A230-7 2017Aman A231-9 2017Aman A234-10 2017Aman A237A-6 2017Aman A332-77 2017Epel A108-46 2018Epel file reviewd: VCS_2022_Database.xlsx
CAR 3	19-sept-2023 En el monitoring report, sección 2.2.2 Methodology deviations, subsección Height model se debe especificar y describir detalladamente para qué especie fue utilizada la ecuación alométrica de estimación de altura total del árbol. / In the monitoring report, section 2.2.2 Methodology deviations, subsection Height model, the allometric equation for estimating the total height of the tree must be specified and described in detail for which species the allometric equation for estimating the total height of the tree was used.	October 30 2023, The volume model for E. pellita relies on both the diameter at breast height (DBH) and tree height (H). Consequently, the allometric equation for tree height was recalibrated to suit this specific species. To provide a deeper insight into this adjustment, additional information has been included in Section 2.2.2, under the subsection titled "Height Model." For a more comprehensive understanding, it is recommended that the "HeightCorrectionProcedure_EN" annex be reviewed, which offers further detailed insights. **Suport material:** Support documents_VVB\Clima\ER	**Nov 21th, 2023.** The developer included a detailed description about the allometric equation, however it is necessary close out the **ADR6** to close the **CAR3.** December 7th, 2023. As mentioned in ADR06, the following datasets used to develop the height model of E. pellita are provided: - Original database - Train 70% - Test 30% Support material: Support documents_VVB_R2\Climate\HeightModel\20221223_Carbon_Plots_Inventory_Report_2022_VCS Support documents_VVB_R2\Climate\HeightModel\Train_70% Support documents_VVB_R2\Climate\HeightModel\Test_30% Feb, 14th. 2024. The developer sent database used 70-30 to build the diameter-height allometric model, also the verifier did the linnear regression using the total height and normal diameter variable with the model H=b0+b1*DN, the results shown a no material difference betwen both results. The parameters value obtained by de OVV are

			b0=2.251933, b1=0.80461 (R2 adj= 0.679434)
CAR 4	19-sept-2023 In the monitoring report, section 2.2.2 Methodology deviations, subsection Height model, the allometric equation for estimating the total height of the tree must be specified and described in detail for which species the allometric equation for estimating the total height of the tree was used.	October 30 2023, The selected allometric equation for estimating the missing height of E. pellita is: H = 2.34 + 0.80DBH. This equation was carefully chosen for its ability to provide a satisfactory fit to the observed data while also aligning with the principle of parsimony. To ensure clarity on this critical aspect, adjustments were made within Section 2.2.2, specifically in the subsection titled "Height Model." **Support material:** Support documents_VVB\Clima\ ER\ HeighCorrectionProcedure_EN.doc	**Nov 21th, 2023.** The allometric equation for E pellita for estimating the total height of the tree were specified and described in the monitoring report.
CAR 5	19-sept-2023 In the monitoring report, section 3.1.3.3 Procedures for internal auditing and quality assurance (QA)/Quality check (QC), subsection 3.1.3.3.1 Field data collection, Table 23 DBH and height average error column Average H plot discrepancy (%) does not explicitly refer to which species, please describe in the MR which case and species the value of this variable was used.	October 30 2023, The Table DBH and height average error (updated to table 28) has been updated to include the corresponding stratum information. These strata are categorized based on the year of establishment and the tree species, with "Amam" denoting A. mangium and "Epel" representing E. pellita.	**Nov 21th, 2023.** The Table entitled **DBH and height average error** was updated puting the specie for each average DBH and H.

CAR 6	19-sept-2023 In the monitoring report, section 3.1.4 Dissemination of Monitoring Report, it is described that a summary of the MR was delivered in print to the different participants (Stakeholders): a) please include the description in the MR of what monitoring period was reported and b) provide evidence of the dissemination of said information such as attendance lists, printed reports with photographs, etc.	October 30 2023, The dissemination of information from the climate section was synchronized with the communication of the social and biodiversity components. This involved delivering presentations and written communication outlining the project's scope during the verification period (04 December 2020 – 08 November 2022), as was listed in section 2.3.7 of the MR. It should be noted that given internet limitations, information dissemination with community were conducted through in-person interactions within the local communities and employees, while authorities were engaged through physical or email communications, with an additional invitation extended to them to review the project on the VERRA website. To enhance clarity on this matter, Section 3.1.4 of the monitoring report was revised, and the associated references were duly cited. The support material for this dissemination includes the following documents: • Attendance lists for the socialization events conducted in the Venturosa, Aceitico, and Morichalito communities. • Attendance lists for the socialization events with workers. • Proof of receipt of the communications delivered to other interested parties. • Slides presented to the communities and worker in the socialization. **Support material:** Support documents_VVB\Community\Stakeholder consultation	**Nov 21th, 2023.** The developer included the period in the MR, also the verification team got folder set evidence who includes attendence list and photographic evidence for the follow community: Aceitico, Employees, Morichalito, and Venturosa.

CAR 7	22 sept 2023 In table 2 "Project contributions to sustainable development and monitoring", contribution to SDG 5 lists all women hired by the project from 2016 to 2022. Please indicate how many women have been hired specifically in the current Monitoring Period.	October 30 2023, To ensure that labor benefits are strictly attributed to the VCS+CCB project, it was decided to include only the information of the direct employees of FFC, as detailed records are available through the ADECCO human resources platform, see imagens in the support material. On the other hand, it should be noted that an estimation of the contracted labor within the VCS+CCB project area was conducted for each year. This evaluation involved determining the proportion of the VCS+CCB area in relation to the total area. During this verification period, the proportion of female workers hired within the framework of the VCS+CCB project has been as follows: **Women workforce** **2020 2021 2022** Percentage of FFC women workforce (staff) 32% 24% 25% Staff 20 12 16 FFC has consistently upheld a female labor representation exceeding 20% within the total workforce over the past three years. It is crucial to note that the fluctuations observed between 2020 and 2021 are primarily attributed to the pandemic's impact, resulting in a reduction of employees due to activity suspensions. Furthermore, the decline in the female percentage can be linked to educational constraints and prevailing cultural perceptions implying that the forestry sector may not be conducive for women. Nevertheless, FFC remains resolute in its endeavors to foster female labor participation and equal opportunities. **Support material:** Support documents_VVB\Community\ Lista de empleados annual v2.xlsx Support documents_VVB\Community\Addeco 1 Support documents_VVB\Community\Addeco 2	**16 November 2023** The verification team got a clarification on a call with South Pole, about how the proportion of employement for women are is estimated for the monitoring period. The verification team also reviewed the updated section of the PD where an adequate explanation for this contributions is provided.

CAR 8	22 sept 2023 In section 2.2.5, it is not clear what the eligibility criteria for the inlcusion of new activity instances defined in the PD are. Two different lists of criteria are presented: clarify which criteria were considered; List the instances that were added during the monitoring period (property, lot, or whatever applies) since only the total surface area added is detailed and describe their compliance with each of the eligibility criteria. Detail which are the new instances (that were added during the monitoring period being verified) and the start date of projecet activities in each one. If possible, distinguish which instances are on properties that were already owned by FFC and which ones were established on properties that were acquired during the monitoring period.	October 30 2023, Section 2.2.5 has been revised to enable the distinction between the criteria mentioned in the PDD and the additional criteria mandated by the VCS Standard, V4.4. Furthermore, Table 13 has been restructured to facilitate the assessment of compliance with all these criteria. Finally, the map depicted in Figure 4 has been reorganized to delineate the properties incorporated during this second verification, along with the newly planted areas. **Support material:** Support documents_VVB\General	**16 November 2023** The verification team confirmed that section 2.2.5 of the MR now clearly distinguishes between the validated eligibility criteria and the VCS general eligibility criteria. Table 13 provides and adequate explanation on how the new instances meet the criteria.
CAR 9	22 sept 2023 In section 2.2.7, specifically describe the measures taken to ensure permanence beyond the useful life of the project, as required by section G1.11 of the CCB standard.	October 30 2023, Section 2.2.7 was adjusted to enhance clarity regarding FFC strategies for ensuring the longevity of benefits generated by the project.	**16 November 2023** The verification team confirmed that section 2.2.7 of the MR provides details on how the project activities can ensure the permanence of the benefits.

CAR 10	22 sept 2023 In section 2.3.4, describe what information on costs, risks and benefits was presented to stakeholders and how it was provided.	October 30 2023, As part of its relationship plan with social actors, FFC has actively engaged in information meetings and socialization efforts, primarily focused on communities within the project's area of influence. These engagements cover the following topics: • Project details and explanation of the ARR projects • Activities developed by FFC in the project frames. • The efforts developed by FFC to address social and environmental impacts and benefits. The information on risks associated with FFC's activities was initially identified through the socioeconomic baseline study conducted in 2017, which included social and environmental impact studies. This risk information is continuously updated in response to stakeholder needs and feedback received through the grievance mechanism. Furthermore, the management of risks is reinforced by providing training to employees and contractors to mitigate occupational hazards. Finally, the project cost information has not been shared with local stakeholders due to its sensitive nature, in line with the company's strategic decision. The above was organized in Section 2.3.4 to provide clarity and ensure compliance with the standard's requirements. **Support material:** Support documents_VVB\Community\SOCIOECONOMIC BASELINE STUDY	**16 November 2023** The verification team confirmed that section 2.3.4 of the MR has been updated to provide more details about the information presented to stakeholders. Additional supporting documentation was reviewed regarding such communication and socialization activities.

CAR 11	25 sept 2023 In the Natural Risk section, Pests and Disease subsection, include a justification of the assigned risk score in terms of the historical occurrence of these events in the project area, since for now the justification only includes a brief justification of the resistance of the planted species.	October 30 2023, A significance level of less than 5% was assumed since no substantial loss of carbon due to mortality in these forest species has been reported in secondary sources or observed within FFC's plantations, as illustrated below: • For commercial A. mangium and Eucalyptus plantations in Colombia few pest and disease problems have been reported. Damages are mainly caused by generalist native insects whose attacks, excepting leafcutter ants, do not represent economic importance so far (Lores-Medina and Pinzón-Florián, 2011 ; Borralho and Nieto, 2015). • According to Forest First records, between 2015 and 2022 there has only been one major incident due to pests and diseases. This event corresponds to an ant attack that affected E. pellita plants in an area of 0.75 ha (0.003% of the eligible area). However, this did not have significant effects on plantation growth and carbon stock. On the other hand, no significant events related to plagues or diseases in A. mangium and E. pellita plantations in the Orinoquia region were discovered during the search conducted on the internet and on the official websites of competent entities such as ICA and Agrosavia, however, maintaining the conservativeness principle a likelihood less than every 10 years is assumed. **Support material:** Support documents_VVB\Clima\NPRT\2. Natural Risk	**21 November 2023** The verification team reviewed the bibliographic sources to confirm that they are applicable to the project. It could be confirmed that reports so far indicate that plagues in this type of plantations have been uncommon and have not involved significant losses. As for the likelihood, it was accepted since the most conservative value is being used.

CAR 12	25 sept 2023 In the Natural Risk due to Extreme Weather section, better detail the containment history of these events to justify the assignment of the assigned 0.5 mitigation factor. Likewise, justify the significance of the events in terms of the effect that the reported historical events have had, since for now it is justified in terms of the selection of species and their resistance.	October 30 2023, Mitigation factor of 0.5 was assumed considering that prevention measures applicable to the risk factor are implemented. No historical records of the effectiveness of these measures are required since a risk factor of 0.25 was not assumed. On the other hand, the significance level was increased from 0% to 5% to consider the potential impact of extreme weather events, such as intense rainfall, flood and heat waves. Intense rainfall, floods, and heatwaves can primarily reduce carbon stocks by affecting productivity. Prolonged, unmanaged exposure to these events could potentially harm tree health and lead to carbon losses through mortality. However, the extent of this damage remains uncertain due to limited research. As a result, a conservative estimate of less than 5% impact was applied, considering that the severity of these impacts depends on the adaptability of selected species. It's worth noting that this has no bearing on the project since FFC has addressed this by carefully selecting species well-suited to the region's climatic conditions and implementing a genetic improvement program to enhance their resilience, including against extreme climatic events. **Support material:** Support documents_VVB\Clima\NPRT\2. Natural Risk	**21 November 2023** Please clarify: in the response it is mentioned that the significance level was increased to 5%, but also mentions that a less than 5% risk was assigned. Moreover, in the calculation tool, the verification team found that a score of 0 is assigned. Please confirm what the assigned risk rating is for this factor in both reports (Morichalito and Non-Morichalito) and provide the updated NPR reports for both areas. **15 Feb 2024** The VV team confirmed and agreed with the final risk factors applied in the latest version of the NPR Report.

CAR 13	25 sepet 23 Section 3.2.3 of the MR mentions that leaks are considered negligible according to the tool "Estimation of the increase in GHG emissions attributable to displacement of pre-project agricultural activities in A/R CDM project activity". However, It is necessary to include a justification and demonstration that the potentially displaced activity was moved to sites with pre-existing livestock use and that this does not exceed the carrying capacity of the land to which it was displaced.	October 30 2023, Section 3.2.3 of the MR has been revised to provide a more detailed analysis supporting a zero-leakage justification: According to AR-TOOL15, "Estimation of the increase in GHG emissions attributable to the displacement of pre-project agricultural activities in A/R CDM project activity," Version 2.0, leakage emissions resulting from the displacement of grazing activities are deemed insignificant and thus treated as zero under the following conditions: (a) Animals are relocated to existing grazing lands, and the total number of animals in the receiving grazing land (displaced and existing) remains within the carrying capacity of the land. (b) Animals are moved to existing non-grazing grassland, and the total number of displaced animals doesn't surpass the carrying capacity of the receiving grassland. (c) Animals are transferred to cropland that has been abandoned within the last five years. (d) Animals are shifted to forested lands, with no tree clearance or decrease in tree and shrub crown cover due to the displaced animals. (e) Animals are moved to a zero-grazing system. In the project scenario, condition (a) applies, as animals were relocated to existing grazing lands. Moreover, it's demonstrated that the actual load of the municipalities within the project area significantly falls below the load capacity. Consequently, the combined number of animals displaced and animals in the receiving grazing land remains within the carrying capacity, resulting in negligible leakage.	**16 November 2023** The verification team review the updated section 3.2.3 of the MR and considers that the explanation is appropriate. The verification team also independentely reviewed the sources of information used for the justification. These sources include: national cattle census, estimated capacity per ha of land and national land classification for land cover (grasslands).

CAR 14	**23 Nov 2023** The deviations reported in section 2.2.2 do not qualify as Methodology deviations, since they do not pertain to any deviation of the procedures set out in the Methodology. Please evaluate and document such changes as Project Description Deviations, according to the requirements of section 3.21 of the VCS Standard v.4.5. Include the justification of whether or not these changes impact the applicabiloty of the Methodology, the additionality of the project and the appropriateness of the baseline scenario.	December 7th, 2023. The deviations reported in section 2.2.2 were documented as Project Description Deviations in section 2.2.4, the jsutification of not impacts in the applicabiloty of the Methodology, the additionality of the project and the appropriateness of the baseline scenario was included. Support material: 20231205_CCB VCS_MR FFC_2nd verification_v3	**15 Feb 2024** The verification team confirmed that the deviations were reported as PD deviations and that a justification regarding the additionality, baseline scenario and applicability conditions of the Methodology was included.
CAR 15	**23 November 2023** Regarding CAR14, the verification team considers that the reported deviation related to the baseline biomass values of trees/shrubs can only be applied to the area where the data were obtained, since there is no guarantee that the conditions on the property Diamantina are representative of the conditions in the rest of the new instances or properties. Please update the baseline emissions estimates with applicable and conservative values (e.g. the default values already validated) for instances that were not sampled or censused.	December 7th, 2023. The baseline emissions estimates were asjusted with the default value already validated Support material: Support documents_VVB_R2\Climate\ER	19 Feb 2024 The verification team confirmed that the claculation were updated with the validated baseline.

CAR 16	**Nov 23th, 2023.** The parameter bTree,i,2 (t d.m ha-1) in the table "Harvesting or failure compartments" for those areas where there was harvesting or replacement, should be estimated considering the total time between establishment and the last measurement for average-growth per day estimation, and subsequently, multiply the average by the total age of the compartment/plot until the date it was harvested. Please correct the calculation.	January 5th, 2024. Harvesting dates were reviewed in detail (in the Microforest's system) and adjusted according to the data in the system. The harvesting date of the lots harvested in 2022 are: Comparment Type Harvesting date B405 Crop failure 29/09/2022 B406 Crop failure 29/09/2022 B412 Crop failure 29/09/2022 B420 Crop failure 29/09/2022 B423 Crop failure 29/09/2022 C306 Harvested 24/12/2022 C307 Harvested 24/11/2022 C308 Harvested 24/12/2022 C313 Harvested 24/11/2022 For crop failure lots, bTree,i,2 (t d.m ha-1) = 0, considering that the crop failure lots were cut because the trees growth was well below the stratum average. According to the table above, harvesting of harvested areas began (24Nov/2022) after the forest inventory period (11Sep/2022-08Nov/2022). Therefore, for this monitoring period, harvested lots bTree,i,2 (t d.m ha-1) = non-harvested lots bTree,i,2 (t d.m ha-1). Harvested lots later planted will be included and monitored as a different stratum in the following monitoring report. Support material: - ER estimation: Support documents_VVB_R2\Climate\ER\Expost\20231205_ExpostER_AR_ForestFirst_v2 - Tickets report - harvesting date: Support	Feb. 14, 2023. The developer used the harvesting date in estaimations instead the measurement date, and it is valid this approach because the difference in days is a short term.

		documents_VVB_R2\Climate\Planting_Managament_Records\HarvestDateTickets\2022 (data of interest highlighted in yellow)	

CAR 17	**14 feb 2024** In section 1.4 Project Logevity of the NPR Report, a longevity of 100 years for the project is stated. This represents a change with respect to the previous version of the report for the current verification and with previous verifications of the project. The supporting evidence for this newly stated longevity is: a) A Forest Management plan that covers 2016-2116. b) A Financial Plan that covers 100 years from project start date c) FSC certification However, it is not clear how this documentation ensures the 100 year longevity: - The referred summary of the Management and Monitoring Plan does not state that tere is an intention to continue the management practices of the project for 100 years. It is also not shown that there is a plan for the continued implementation of activities that mantain the the carbon stocks (either through the continuation of the project activity or replanting or re-growth of trees after the last harvest or cutting cycle in the project crediting period). The summary does not show if the Management and Monitorin plan includes details of activities planned to be implemented over the	February 26th, 2024: -At project start, Forest First Colombia planned to continue project activities for at least 50 years (stated in the PD - section 2.1.18, page 39). After 8 years of successful project activities implementation and considering that the project will reach its breakeven point in two years (2026), in the 2024 annual planning meeting, the company defined to extend the presence in the territroy and the project activities implementation for at least 100 years. -The planning and technical plan (Reference: 0800-000-01E) states the general guidance to achieve the project permanence commitment of 100 years (chapter executive summary, page 4). To be able to adapat to internal and external changes, the planning and technical plan is supported by detailed 15 years, 3 years and 1 year plans (chapter Forest and management cycle, page 6). - The planning and technical plan is supported by the financial plan. iThe financial plan presents the projected annual planting area (row 73), the planted area and its respective costs are projected until the last year (2116), stating the replanting plan after the last harvest. -As stated in the planning and technical plan (section Introduction, page 6), FFC is comitted to mantain FSC certification. Currently, the project has the certification for the maximum time allowed by FSC (five years) and will be updated whenever FSC requires it. Aditionally, section 2.2.4 of NPRT version 4.2 indicates: "Evidence (of project commitmment to continue the management practice) may include certification of sustainable forest management under Forest Stewardship Council (FSC)..." Support document: NPRT_supports/Table4_Q4	**28 Feb 2024** The verification team reviewed the documentation provided: - The planing and technical plan adequately states the intention to continue management practices for over 100 years and includes forestry plans that cover different activities over defined periods (short, mid and long term). It was also confirmed that a financial plan exists, coverin 100 years and including expenses related to re-planting after the last harvest cycle is finished. Finally, the verification team confirmed that FFC is currently FSC certified and that the management plan includes previsions to remain eligible for this certification and to mantain it.

	long term (100 years) to mantain or increase carbon stocks. See section 2.2.3 of the NPR tool for more details on the requirements of the management and monitoring plans. - It is not clear under which circumstances, assumptions and justifications has the previous financial analysis been extended from 30 to 100 years. - It is not specified or detailed which specific requirements of FSC certification guarantee or support the permanence of activities over a period of 100 years. Please provide these details and provide relevant evidence. - It is necessary to specify and detail which specific FSC certification requirements guarantee or support the permanence of activities over a period of 100 years. Please provide these details and provide relevant evidence. Considering the above, it is required to provide evidence and support that complies with the aforementioned and with section 2.2.3 of the NPR tool to justify the 100-year longevity. Otherwise, adjust longevity according to what can be justified by the available evidence.		

CAR 18	**13 March 2024** In accordance with the CTyL that they provided, as well as with the clarifications that were attended to regarding land ownership, the verification team understands that what FFC has are the usufruct rights over some of the properties, given by contracts with the respective owners. If so, consider the following for the NPR Report: * the value for Q8. Table 4 should indicate whether the contracts with the owners have a validity equal to the longevity of the project in order to select the "No" option. Otherwise, the value will need to be updated to "Yes". *Similarly, Q3 in Table 6 asks whether the ownership and use or access rights to resources are held by the same entity. Again, given the usufruct situation, it is understood that the applicable option is that there are different entities: the owners of the land, and the entity that has the rights of use and enjoyment (in this case, FFC). Please update the value.	**15 March 2024** The updated NPR, calculations and MR are provided.	**15 March 2024** The verification team reviewed the updated documentation and confirmed that the corrections were adequately made as requested.
NMF 1	22 sept 23 In section 2.2.3, identify which stakeholders were already included and which were added during the monitoring period, with the aim of facilitating the identification of the changes made.	October 30 2023, To ensure traceability of changes made in the actor mapping, Section 2.2.3 was restructured to include a comparative table of key actors and provide insights into the selection process employed.	**16 November 2023** The verification team confirmed that theupdated actor mapping is adequate.

NMF 2	22 sept 23 In figure 3, evaluate the possibility to more clearly distinguish the initial instances from the second instances.	October 30 2023, The figure (now Figure 4) has been updated to differentiate between the acquired areas and the areas planted during the first and second verifications. It's important to note that these areas vary due to the need for thorough evaluation and planning for potential establishment. This involves considering site conditions, legal restrictions, and adherence to standards.	**16 November 2023** The verification team confirmed that the map showing the first and second instances has been updated
NMF 3	22 sept 2023 In section 5.1.1, specify what is the specific change or contribution in the Flora and Fauna section? Is it maintenance of diversity? What is it being compared against? or is it an initial characterization to use in future monitoring?	October 30 2023, At this stage of the project, FFC has collated and supplemented the biodiversity data to establish a robust baseline. This initiative enables the identification of future changes brought about by the project and streamlines biodiversity monitoring during subsequent verifications. To enhance clarity on this matter, an introductory paragraph specifying the purpose of this verification has been included.	**16 November 2023** The verification team confirmed that a clarification was included in section 5.1.1 to state that the monitoring carried out served as a baseline for the project.
NMF 4	25 sept 2023 The mitigation factor in part g of the Land Tenure and Resource Access/Impacts section of the NPR report is not applicable if there have been no conflicts to resolve. However, this change does not impact the total section score.	October 30 2023, Currently, FFC remains free from property disputes or the need to clarify overlapping claims, thanks to the implementation of a rigorous land acquisition evaluation system. This system enables comprehensive information about land rights to be obtained by FFC before acquiring any rights to the property, allowing for the proactive identification and addressing of potential conflicts. Consequently, the effectiveness of this mitigation measure is highly relevant, as FFC has encountered such challenges in the past. Nevertheless, due to the efficacy of our proposed land evaluation system, FFC have successfully avoided any current conflicts during this verification period.	**21 November 2023** The verification team confirmed that there has not been any land tenure conflict and that no changes in the risk score is involved on this issue.
NMF 5	**15 Feb 2024** In section 3.3 Future Climate Imapct of the NPR Report, for items Landslide, Coastal flood and Coastal erosion, the Non-applicable option was selected. Please include a brief explanation of why, as requiered by the tool.	February 26th, 2024: Currently, VERRA platform does not allow to include justification for non-applicabe options. An excel version of the NPRT with justification to each option selected was sent. Support document: NPRT_excel	28 Feb 2024 The verification team confirmed that the Verra Project Hub does not allow Project Porponents to include a justification of the non-applicable risks. Howver, the Verification team reviewed the provided excel file with the NPR analysis and the justification included and agrees with the explanations provided.

	Same request for soil mositure, as the Positive option has been selected.		
ADR 1	22 sept 23 The properties for which there is ownership documentation are listed below: La Fortaleza La Josa La Pista La Victoria Las Malvinas Las Margaritas Llano Lindo LLANO LINDO PORT LOS CUATRO AMIGOS Los Palmares Los Yaguaros La Orqueta El Paraíso I El Paraíso II Tierra Adentro 5 El Toro 2-1 El Toro 2-2 El Toro 2-7 El Toro 3 Please provide the missing ownership certificates or clarify ownership status of the remaining properties.	October 30 2023, All certificates of tradition and freedom for the properties referenced in the MR have been reuploaded to the shared folder. **Support material:** Support documents_VVB\General\CTYL	**16 November 2023** The verification team received and reviewed all CTyL ("Certificados de Tradición y Libertad") as land ownership evidence.

ADR 2	22 sept 2023 Provide evidence that new instances were actually established in areas with baseline activity, particularly for those that were established on new properties, in order to ensure compliance with eligibility criteria. These may include photos, records of previous activity, statements from the original owner, etc.	October 30 2023, The baseline for this can be verified in the technical studies conducted by Forest First for each of the properties. The studies for the San Cristobal and Los Palmares properties, which are older, involved the creation of a multi-temporal analysis of land cover. This analysis shows that the plantations in these areas were established on degraded grasslands. It also helps identify any areas with changes or losses in forest cover and whether such changes exist within the boundaries of FFC properties. Additionally, a fire analysis was conducted to demonstrate the high incidence of fires, especially due to human activities (fires for grassland renewal). On the other hand, for the more recent properties such as Las Margaritas, Yaguaros, and Diamantina, a property planning study was conducted. This study involved activities such as evaluating property boundaries, land cover assessment, and identifying areas of significance for conservation. This approach allows for the identification of areas suitable for planting while respecting natural spaces that are important for the region, ensuring the proper development of plantations. Furthermore, an analysis of fires was conducted using satellite images from the MODIS dataset, developed by the Department of Geography at the University of Maryland. The purpose of this analysis was to confirm the degradation by fire in the areas where the plantations were established. This analysis revealed the frequent use of fires in the area, which contributed to the degradation caused by extensive livestock grazing and the limited management of these areas. As a conclusion, it can be ensured that the baseline of the new areas remains under the same parameters evaluated during the validation of the project: Landcover with degraded grasslands and land usage with cattle ranching. **Support material:**	**24 November 2023** The verirification team reviewed the supporting information provided and confirmed that the analysis performed on the new instances adequately evalaute the pre-project conditions existing in the properties befores the implementation of project activities. Therefore, the new instances comply with this eligibility criteria.

		Support documents_VVB\General\Baseline	
ADR 3	25 sept 2023 Please provide the documents for the papers cited in the Natural Hazard section of the NPR report, as they are not found in the folders provided: *Romero, 2011 * Lores-Medina & Pinzón-Florian, 2011 * Borralho & Nieto, 2015	October 30 2023, The requested articles have been uploaded to the shared folder. **Support material:** Support documents_VVB\Clima\NPRT\2. Natural Risk	**21 November 2023** The verification team received and reviewed the provided documents.
ADR 4	26 sept 23 Reagarding CR12, please provide the GIS inputs used to update the land eligibility analysis for the instances incorporated during the monitoring period (IDEAM images of the corresponding years)	October 30 2023, The processed raster used for the area eligibility analysis included in this verification has been updated in the shared folder for your reference. Please check that the forest/non-forest information for each of the years is available within the raster's attribute table. **Support material:** Support	**16 November 2023** The verification team received and reviewed the requested information.

		documents_VVB\General\Elegibility\Raster\IDEAM	
ADR 5	26 sept 2023 Regarding CR8, please provide any supporting information to demonstrate that the 80% of requiered financing exists or clarify in which evidence already provided this can be verified (indicating document, section, table, page or whatever applies).	October 30 2023, FFC has secured roughly 91.4% of the funding required prior to reaching the break-even point, through agreements with Shell Trading International Limited and the United States International Development Finance Corporation. You can verify this in the following documents: • The adjusted financial model of the project, excluding this funding from the cash flow. • Annual Financial Statements of Forest First Colombia S.A.S for the year 2022. • Subscription Agreement between Forest First Colombia S.A.S and Shell Trading International Limited. • Finance Agreement between Forest First Colombia S.A.S and the United States International Development Finance Corporation. **Support material:** Support documents_VVB\Clima\NPRT\1. Internal RIsk\Financial_Viability\Funding	**22 November 2023** The verification team received and reviewed the provided documentation, and considers it adequate as support for the needed financing for the risk rat assigned.
ADR 6	**Nov 8th, 2023. Please, provide the two dataset, one designated for model training, which incorporated 70% of the data, and the other reserved for model testing 30% of the dataset, both used to develop the height model fo E. pellita.**	December 7th, 2023. The following datasets used to develop the height model of E. pellita are provided: - Original database - Train 70% - Test 30% Support material: Support documents_VVB_R2\Climate\HeightModel\20221223_Carbon_Plots_Inventory_Report_2022_VCS Support documents_VVB_R2\Climate\HeightModel\Train_70% Support documents_VVB_R2\Climate\HeightModel\Test_30%	Feb, 14th, 2024. The developer sent Eucalyptus pellita dataset, sheets 70% and 30% cointains 1,667 and 720 trees respectively with DBH, Height and volume variables.

ADR 7	**Nov 23th, 2023. Please, provide the Harvesting or failure compartments Shapefile in which it was obtained the area Harvested and Crop failure.**	December 7th, 2023. The following shapefile includes the delimitation and area of the crop failure and harvested lots in 2022 and 2023, and those expected to be harvested in 2024. Support material: Support documents_VVB_R2\Climate\Harvest_crop failure areas\20231217_forest_first_VCS_CCB_Harvested_areas_V2	Feb, 14th, 2024. The developer sent the shapefile that contains the harvested and plantation failure areas, integrated by 39 individual polygons.
ADR 8	**Nov 24th, 2023** Provide the database and spreadsheet with estimates of the baseline biomass content obtained at the La Diamantina property.	December 15th, 2023. The Diamantina baseline estimations and report are provided. Support material: Support documents_VVB_R2\Climate\Baseline\BD_LA DIAMANTINA_Calculos Support documents_VVB_R2\Climate\Baseline\INFORME CENSO Check	Feb. 14th, 2024. The developer sent three files: • BD_LA DIAMANTINA_Calculos.xls; • Coordinates_Census_Diamantina_Database.xls and • INFORME CENSO Check.pdf However, the baseline value for “La Diamantina” area was not used. Was confirmed that the developer used the initial value for baseline.
CR 1	22 sept 23 The last annotation in the "Certificado de tradición y libertad" of La Victoria property, indicates an acquisition in favor of Fiduciaria de Occidente S.A. via constitution of commercial trust. Please clarify the ownership of this property.	October 30 2023, It is evident that there are annotations in the CTL subsequent to the FFC usufruct annotation. However, it's essential to clarify that these annotations do not pertain to the permission for property use. Rather, they serve the purpose of confirming tenancy by the trust, releasing mortgages, or providing clarifications. Importantly, these annotations do not undermine the validity of the usufruct annotation in favor of FFC. Taking the case of the Victoria property, the usufruct constitution was officially registered on 05-09-2012 through annotation No. 7. Annotation No. 8 is considered invalid, while annotation No. 9, also dated 05-09-2012, pertains to the registration of the commercial trust constitution. It is crucial to emphasize that these annotations do not in any way impact FFC's right to use the property. Please be advised that as long as there is no annotation registered in the	**16 November 2023** The verification team confirmed that the CTyL does not contain any annotation that deems invalid the usufruct rights corresponding to FFC.

		property certificates of tradition and freedom that cancels the usufruct constitutions, the rights of use remain with FFC. **Support material:** Support documents_VVB\General\CTYL	
CR 2	22 sept 23 The last annotation in the "Certificado de tradición y libertad" of Llano Lindo Port property, indicates an acquisition in favor of Credicorp Capital Fiduciaria S.A. via constitution of commercial trust. Please clarify the ownership of this property.	October 30 2023, The land ownership rights granted to FFC are established through usufruct. Under this arrangement, the landowners grant Forest First the privilege of using and enjoying their properties, enabling Forest First to leverage them for economic purposes, such as its carbon project. Within the annotations of the certificates of tradition and freedom, trust entities like CREDICORP CAPITAL FIDUCIARIA S.A can be identified. These entities have established the right of usufruct for the respective lands in favor of Forest First. This is made possible through a trust contract that the landowners previously established in favor of the trustee. Through this contract, they empower the trustee to manage their properties, with the objective of optimizing their economic exploitation. Consequently, the landowner entrusts their property to the trust entity, allowing it to explore various avenues for economic utilization. Subsequently, the trust entity engages with Forest First, which acquires a usufruct right in exchange for compensation, as part of its commitment to advance its forestry project. To illustrate this, consider the case of the Llano Lindo Port property. The usufruct constitution was officially recorded on 04-05-2019 through annotation No. 3. Annotation No. 4 is	**17 November 2023** The verification team confirmed that the CTyL does not contain any annotation that deems invalid the usufruct rights corresponding to FFC.

		deemed invalid, as it transfers authority to CREDICORP CAPITAL FIDUCIARIA S.A but does not revoke FFC's usufruct right. Kindly take note that unless there is an annotation in the certificates of tradition and freedom for the properties that explicitly annuls the usufruct constitutions, the utilization rights will continue to be held by FFC. **Support material:** Support documents_VVB\General\CTYL	
CR 3	22 sept 23 In the Certificado de Tradición y Libertad of the Toro 2-1, Toro 2-2, Toro 2-7 and Toro 3 properties, no indication or reference to any form of ownership by Forest First was found. Please clarify the ownership of these properties.	October 30 2023, The Toro properties were obtained through trust rights, and such rights do not necessitate registration with the public registry office. Consequently, this transaction was not recorded in the CTL, as it involved the transfer of fiduciary rights through a private document, which is not subject to registration in the public registry. The relevant documents, signed by the parties to confirm the assignment of these rights, are enclosed and provided for your reference. **Support material:** Support documents_VVB\General\CTYL\ Other certificates	**16 November 2023** The verification team reviewed the signed contracts that show that usufruct rights have been assigned to FFC by the owners.

CR 4	22 sept 2023 Please clarify how the 16 new job positions created by the project during the monitoring period are determined. It is not clear from the evidence provided (Lista de empleados anual; Listado_Personal_Contratista) which specific positions are referred to in the MR as a contribution of the project.	October 30 2023, The benefit generated by FFC during this period corresponds to the increase in vacancies in some positions, which means an increase in employment. To estimate the benefits generated by the increase in employment, FFC's employee records supported by the human resources registration platform (ADECCO) were used for each of the years of interest. Subsequently, the information was processed to characterize the staff by gender and residence. With this information for each of the years, a weighting of personnel was performed according to the project area established in the VCS project for each year. To calculate the number of positions generated during this verification period, the difference between the number of employees registered in 2022 and 2020 was determined, which amounted to 15 employees. This value was updated in the monitoring report to maintain consistency. Please, be advised that in this update, only the information on FFC employees will be included, and the data on contractors will be removed. This change is made to accurately reflect the project's benefits and to ensure data quality, as FFC maintains detailed records of its direct employees. The employment information per year is presented below: **2020 2021 2022** Total FFC Staff 61 49 76 **Support material:** Support documents_VVB\Community\ Lista de empleados anual v2.xlsx	**15 November 2023** Tghe verification team reviewed during a call the procedure to estimate the total number of employees of FFC and how they are allocated to the project for the corresponding monitoring period. The team accepts the provided explanation after reviewing the additional documentation provided.

CR 5	22 sept 2023 Please clarify whether the percentages of local employees presented in section 2.3.14 of the MR include contractors and permanent staff. Also, clarify how numbers and proportions are estimated from the evidence provided. It is understood that the "annual employee list" includes the people who were hired that year. But how do you estimate the total number of current employees for that year? For example, for employees hired in 2018, how do you know which of them are still currently working at FFC?	October 30 2023, The data presented in Section 2.3.14 pertains exclusively to employees of FFC. Originally, this information was sourced from the November 2021 Environmental and Social Annual Report of the U.S. International Development Finance Corporation. To ensure data consistency, an update was conducted by incorporating information obtained from the ADECCO human resources platform, as well as their internal registers, capturing employee information as of December 31, 2021 and 2022. Furthermore, a weighting mechanism for each year, based on the total area associated with this project, was applied to specifically allocate benefits to the VCS+CCB project. This weighting ensures that the reported results are accurately attributed to the project. **Support material:** Support documents_VVB\Community\ Lista de empleados anual v2.xlsx	**17 November 2023** The verification team confirmed during a call, the procedure to monitor the total number and proportion of local employees during the monitoring period. The supporting information was also reviewed and the verification team confirmed the percentages of local employees of the project.
CR 6	22 sept 2023 Clarify what the asterisks indicate in table 20 of the MR where the properties that are part of the project are listed.	October 30 2023, The properties marked with * correspond to the areas included in this second verification. The corresponding explanatory note has been included in the table (updated to Table 25).	**22 November 2023** The verification team accepted the clarification.

CR 7	25 sept 2023 Please clarify why in the Financial Viability section of the NPR report for both the Morichalito and non-Morichalito areas, the breakeven point is considered to be in the range of 7 to 10 years from the current evaluation (that is, that of this period) while the NPR report mentions that the breakeven corresponds to year 12 from the present evaluation. In the financial analysis provided (20230530_Cash flow_FFC) two analyzes are included: one considering the income from the sale of VCUs and another without considering them. In the first case, the accumulated cash flow becomes positive from the first year. However, in this case income is considered under the concept of "other revenues" that are not considered in the scenario without VCUs. Please clarify this difference. On the other hand, in the scenario without VCUs, the accumulated cash flow becomes positive in year 12 from the project start year (2016). This corresponds to the year 2027, which is year 5 from the present evaluation. Please clarify when the breakeven point is estimated and under what scenario (with or without VCUs), and adjust the explanation accordingly.	October 30 2023, An error in the financial analysis was identified during the review of the project's cash flow, and it was addressed and corrected as follows: The first correction pertains to the project's cash flow model. An error was identified in which the funds disbursed by investors (located in row 45 of the Cash Flow with VCU sheet) were initially categorized as "additional income." However, these funds were actually contributions intended to cover project costs and should have been treated as investments rather than income. Consequently, the same amount of money was inadvertently presented in two different sections with opposing signs, resulting in a distortion of the analysis. This issue has been rectified, first in the cash flow model (the updated version is attached), and subsequently in the NPR report. Following the data update, the break-even point is now projected to occur in the fifth year from the evaluation year, specifically in 2026. As a result, the justification has been appropriately relocated to item d) in accordance with AFOLU-Non-Permanence-Risk-Tool-V4.1. This revised result can be confirmed in cell C131 of the Cash Flow with VCU sheet in the discounted cash flow model of the project. It's important to note that all other assumptions and inputs considered in the cash flow model have remained unchanged. **Support material:** Support documents_VVB\Clima\NPRT\1. Internal RIsk\Financial_Viability	**22 November 2023** The verification team reviewed the updated financial analysis of the project and confimed the breakeven pount. The verification team also confirmed that the NPR Report correcly assigns the risk factor in the Financial Viability section (item c, minor error in the response).

CR 8	25 sepet 2023 In the Financial Viability section of the NPR report, it is indicated that the project has secured 80% or more of the financing necessary to cover outward cash flow before reaching the breakeven point. The calculation is made considering cash in and cash out from 2016 to 2023. However, the NPRT tool indicates that the analysis should be done up to and including the year in which breakeven will be achieved. Please clarify this inconsistency and if applicable, correct.	October 30 2023, As detailed in CR7, an error was detected in the project's cash flow, and the necessary corrections have been applied. Consequently, the financial viability score associated with the funds raised now falls under category g. The specific adjustments made are outlined below: In the cash flow model, the formula that calculates the investment required before break-even was corrected (cell C132 of the Cash Flow with VCU sheet). This allows adding the assumed and forecasted costs between 2016 and 2026, resulting in a required investment of US$60.4 million. Of this, to date approximately US$55.2 million has been contributed by the partners or committed, indicating that 91.4% of the investment is secured. This information can be easily consulted in Table 9 of the Annual Financial Statements Forest First Colombia S.A.S 2022. Note that the issued capital exceeds 187 billion Colombian pesos, which at an average exchange rate for the period COP to USD 3,402 Colombian pesos is equal to USD 55.2 million. **Support material:** Support documents_VVB\Clima\NPRT\1. Internal RIsk\Financial_Viability	**22 November 2023** The verification team reviewed the updated financial analysis of the project and confirmed the total investment required before breakeven point. The verification team also reviewed the financial statements of FFC corresponding to the year 2022 and confirmed the total amount of secured invesment. Finally, the verification team confirmed that the NPR was adequately updated considering the total amount of secured investment (80% or more, item h).
CR 9	25 sept 2023 In the Financial Viability section of the NPR report, it is indicated that the project has available financial resources of at least 50% of outward cash flow before the breakevent point. The justification presented is the previously secured financing mentioned in section b of the same section of the report. However, according to the NPR tool (item 5 of section 2.2.2) these resources are those that are not included in the secured financing, but	October 30 2023, Despite the fact that the project has open lines of credit for approximately USD 22 million, after recalculating the required investment before breakeven, it does not exceed 50%, so, the score has been adjusted to exclude this mitigation measure. **Support material:** Support documents_VVB\Clima\NPRT\1. Internal RIsk\Financial_Viability	**22 November 2023** The verification team confirmed that the mitigation factor has been defined as not applicable to the project in the NPR report.

	are but that are readily available to the project. Review the appropriate section of the tool for details on the type of support that must be provided to justify the applicability of this mitigation factor or adjust the assigned score, as appropriate.		
CR10	25 sept 2023 Please clarify whether the evidence used to determine the probability of occurrence of natural risks (e.g. risk from fire, pests and disease, etc.) meets the requirements of section 2.4.1, paragraph 1 of the NPR tool.	October 30 2023, -The consulted information meets the necessary criteria for assessing the probability of fires and extreme weather events, as it relies on data drawn from 20-year historical records and 100-year projections. This information is sourced from ThinkHazard! provided by the Global Facility for Disaster Reduction and Recovery and the World Bank Group, which is supported by Report 2: Deforestation and Climate Vulnerability of the Orinoquia Region (Rozo-Lopez, 2021) -While there are no recorded instances of significant pest or disease events impacting A. mangium and E. pellita plantations in the Orinoquia region, in adherence to the principle of conservatism, a likelihood of occurrence less frequent than every 10 years is considered. **Support material:** https://thinkhazard.org/es/report/966-colombia-vichada Support documents_VVB\Clima\NPRT\2. Natural Risk	**22 November 2023** The verification team confirmed that the sources of information are reliable and adequate for the risk determination. It was also confirmed that in those cases wher enot enough information was available, the most conservative values were chosen.

CR 11	26 sept 23 Please clarify whether the estimated NPV for the project activity and the alternative activity are per unit area or per total project area and how they are comparable to each other. Also clarify the use of the following financial analysis assumptions: * 3% inflation rate (it appears that the target rate is being used and not the actual rate, according to the documentation provided).	October 30 2023, The NPV for both forestry and livestock are expressed in thousands of dollars, at 2021 values, and includes the total project area. For both alternatives, the same area was utilized, therefore, if the division is made to obtain the NPV per hectare, the proportion between the NPV of both alternatives would remain unchanged. The NPV shows that forestry activity exceeds livestock farming in value. Overall, livestock farming is 40% less profitable than forestry. *Indeed, as this is a long-term financial analysis (30 years), The inflation target rate of the Colombian BanRep in 2021 was used in this financial analysis, which was around 3%.	**22 november 2023** The verification team accepted the clarifications and does not consider additional findings.
CR 12	25 sept 23 Please clarify if the land eligibility analysis for the instances that were added during the monitoring period was carried out from the date of inclusion in the project and up to 10 years ago. This is because in the support document "20230213_ARR_Eligibility_Forest_First_VCS_CCB_First_Second_Insta" it is mentioned that eligibility was determined from the areas identified as forest in the period 2005-2016, while the new instances were incorporated between 2021 and 2022.	October 30 2023, The eligibility analysis for the areas included in this second verification (La Diamantina, Las Margaritas, Los Palmares, Los Yaguaros, and San Cristobal) has been updated to incorporate the years suggested by Rubycanion. Therefore, the baseline is established from 2010 to 2022 using the country's base data provided by IDEAM. **Support material:** Support documents_VVB\General\Elegibility	**16 November 2023** The verification team confirmed that land eligibility analysis was performed with at least 10 years prior to the start of the project activity in the newly incoportated instances.
CR 13	**Nov 9th, 2023. Please, explain what means the column "year" sheet "Organizado_2022" in the 20230727_ExpostER_AR_ForestFirst_3118.xlsx file and why some "Establishment_date" rows has different date related to column "year", for example: row 10319 and others**	December 7th, 2023. The column "year" was a mistake from a previous version of the database. It was not linked to any equation or estimation and was delete. Support material: - Support documents_VVB_R2\Climate\ER\Expost\20231205_ExpostER_AR_ForestFirst_v2	Feb. 14th, 2024. Clarification received. The column named "Year" was deleted in sheet "Organizado_2022" in the 20230727_ExpostER_AR_Forest First_3118.xlsx file

CR 14	**Nov 23th, 2023.** Please explain how the "Stablish date" and the "Measured Date" were estimated for the following compartments, as shown in table "Harvesting or failure compartments" (sheet ΔC_Art), 20230727_ExpostER_AR_ForestFirst_3118.xls file): B405 B406 B412 B420 B423 C306 C307 C308 C313	December 7th, 2023. The date of establishment is recorded in Microforest's system, and refers to the date on which the selected compartment was established after the completion of the site preparation activities, and recorded through a ticket that in turn functions as evidence of billing and closure for the contractor who executes the work. For failure crop lots (B405, B406, B412, B420, B423), no measurement date was defined as bTree,i,2 (t d.m ha-1) was assumed zero. Considering that the harvesting start date (24Nov/2022) was after the forest inventory period (11Sep/2022-08Nov/2022), the measurement date for harvested lots in 2022 (C306, C307, C308, C313) was assumed as the same as for non-harvested lots. Support material: - Guide of Planting Management Record in Microforest: Support documents_VVB_R2\Climate\Planting_Managament_Records\MF_Guide_Stablishment_and_Harvesting_Date.pdf - tickets report: Support documents_VVB_R2\Climate\Planting_Managament_Records\StablishDateTickets (data of interest highlighted in green)	Feb. 14th, 2024. Clarification received. The developer offered exaplanation about how were estimated the "Stablish date" and the "Measured Date" in compartments: B405 B406 B412 B420 B423 C306 C307 C308 C313
CR 15	**Nov 24th, 2023** Please clarify if there have been more areas with harvesting, in addition to those indicated in the table "Harvesting or failure compartments". Please indicate of there are additional sources of information where this can be confirmed and provide the information to the team. Consider that a Future Action Request will be issued for the harvested areas to guarantee that their measurements are	January 5th, 2024. No more areas were harvested during the current monitoring period. Section 2.2.1 details all crop failure (Table 4), this do not represent a loss event, as it does not account for more than five per cent of the previously verified emission removals. Section 2.2.4 of the MR details all compartments that have been harvested or are planned to be harvested under the 7-years period (Tables 16 and 17), they were reported as a Project Description Deviation considering that the age of harvesting is below the seven years cycle reported in the Project Description. As the date of establishment, the maintenance activities and the	Feb. 14th, 2024. Clarification received.- There are no more areas afected by timber harvest or failure crop.

	updated in the next Monitoring Report.	harvesting data are recorded in Microforest's system through a ticket. Ticket reports for 2022 are presented, in which the compartments harvested can be confirmed. Support material: - Monitoring report: 20231205_CCB VCS_MR FFC_2nd verification_v3 - Guide of harvesting record: Support documents_VVB_R2\Climate\Planting_Managament_Records\Procedimiento Reporte de registro Cosecha en MF.pdf - Tickets report: Support documents_VVB_R2\Climate\Planting_Managament_Records\HarvestDateTickets (data of interest highlighted in yellow)	
CR16	**15 Feb 2024** In section 2.2 Stakeholder engagement of the NPR Report, option b for Q2 is selected. Since the question is not applicable to the project, please confirm if this question can be left with no response. **This is to avoid confusion regarding whether or not there are communities inside the PA.**	February 26th, 2024: Currently, VERRA platform does not allow to include justification for non-applicabe options. An excel version of the NPRT with justification to each option selected was sent. Support document: NPRT_excel	28 feb 2024 The verification team confirmed that it is impossible to the PP to add edit the NPR Report. Therefore, this item is closed since it does not represent a material change.
CR17	**16 Feb 2024** In section 3.1 Natural risk of the NPR Report, the justificatin provided is the corresponding to the mitigation factor. It is uderstood by the Verification team that the online tool only provides space for justification in the mitigation section. However, it is requested to explore the possiblity to include the explanation of the selected risk factors in that same section. If it is possible, please include.	February 26th, 2024: Currently, VERRA platform does not allow to include justification for the risk factors. An excel version of the NPRT with justification to each option selected was sent. Support document: NPRT_excel	28 Feb 2024 the verification team confirmed that it is not possible for the PP to edit the Report and to include an explanation for the selected risk score. However, the justification had already been reviewed in a previous version of the NPR Report and findings related to these risks were correctly addressed. A complementary NPR Report was provided and reviewed with the adequate justifications as required.