

PROJECT REVIEW REPORT

Project ID	1463
Project Name	India Sundarbans Mangrove Restoration
Program(s)	VCS
Verification Period	01 April 2018 – 30 April 2021
Project Proponent	Livelihoods Funds
Methodology	AR-AM0014 Afforestation and reforestation of degraded mangrove habitats, v3.0
Sectoral Scope(s)	14. AFOLU (Agriculture, Forestry, and Other Land Use)
Validation/Verification Body (VVB)	TÜV NORD

Assessment Criteria	VCS Standard, v4.1
Date of First Issue	29 March 2022
Date of Second Issue	8 August 2022
Date of Final Issue	14 February 2023

Summary:

An accuracy review of the India Sundarbans Mangrove Restoration project verification approval request been conducted by Verra in accordance with Section 4.3 of the *Registration and Issuance Process*

The review has raised nine assessment findings and one minor finding, detailed below. The VVB, in coordination with the project proponent, is hereby required to provide a response to the assessment findings presented in Section 1. The nine assessment findings must be addressed to the satisfaction of Verra. The VVB need not address the minor findings during this review. Please note, however, that where Verra finds consistent minor findings by the VVB in future reviews, minor findings shall be escalated to assessment findings.

This project review report will be made publicly available. Confidential information may be provided as separate attachments.

1. ASSESSMENT FINDINGS

Finding 1

Section 3.4.3 of the *VCS Standard, v4.1* states that projects shall use the *VCS Monitoring Report Template* and adhere to all instructional text within the template.

Section 2.2 of the *VCS Monitoring Report Template* requires the project to describe the process for, and the outcomes from, ongoing communication with local stakeholders conducted prior to verification.

Section 2.2 of the monitoring report does not include information on “how due account of all and any input received during ongoing communication has been taken. Include details on any updates to the project design or justify why updates are not appropriate.”

The project proponent is requested to update Section 2.2 of the monitoring report to include information on how due account of all and any input received during ongoing communication has been taken. Include details on any updates to the project design or justify why updates are not appropriate, if relevant. The VVB is requested to update Section 4.2 of the verification report accordingly.

VVB Response:

MR section 2.2. has been updated with:

Inputs received during ongoing communication and details on any updates to the project design

This project represents a community-led mangrove restoration program where NEWS is involving and handing over mangrove management, protection and monitoring to community members through the **Community Stewardship Approach** (see description here: <http://naturewildlife.org/wp-content/uploads/2016/08/Success-story-Community-Stewardship-Approach-1-1-1.pdf>). As communities implement the project, inputs have been taken into consideration to further strengthen the long-term conservation effort of the project. One of the most relevant inputs leading to an additional project component was the fact that communities are sensible about the long-term benefit of mangrove restoration, however, given the livelihoods conditions in the Sundarbans, also more short-term benefits are in dire need. This led to the design of the **Badabon Harvest brand** program supporting also income generating activities on the islands focusing on agricultural production and value chain creation.

The stated could be fully confirmed during the onsite visit and discussions held.

An assessment has been included in section 4.2 of the FVR.

Verra Response:

Section 2.2 of the monitoring report has ben updated accordingly. The verification report has been updated to include the relevant assessment. This finding is closed.

Finding 2

Section 3.4.3 of the *VCS Standard, v4.1* states that projects shall use the *VCS Monitoring Report Template* and adhere to all instructional text within the template.

Section 2.3 of the *VCS Monitoring Report Template* requires details on the following:

- *Activities implemented to mitigate risks local stakeholders due to project implementation.*
- *Any updates, where relevant, to the property and land use rights of the local stakeholders and a demonstration that the project has not negatively impacted such rights without first obtaining the free, prior and informed consent of the affected parties, and provided just and fair compensation if done so.*
- *The processes used to communicate and consult with local stakeholders during the monitoring period, including any information about any conflicts that arose between the project proponent and local stakeholders and whether any such conflicts were resolved via the established grievance redress procedure.*

For AFOLU projects with no impacts on local stakeholders, provide evidence of such.

Section 2.3 of the monitoring report does not include the information required by the template.

The project proponent is requested to update Section 2.3 of the monitoring report to include all information required by the template. The VVB is requested to update Section 4.3 of the verification report accordingly.

VVB Response: section 2.3 of the MR completely revised by the PP now systematically commenting on the requirements of the MR template.

The stated could be fully confirmed during the onsite visit and discussions held.

An assessment has been included in section 4.3 of the FVR.

Verra Response:

Section 2.3 of the monitoring report has been updated accordingly. The verification report has been updated to include a corresponding assessment.

Finding 3

Section 3.5.16 of the *VCS Standard v4.1* lists the process for the inclusion of new project activity instances including they must “be included in the monitoring report with sufficient technical, financial, geographic and other relevant information to demonstrate compliance with the applicable set of eligibility criteria and enable sampling by the validation/verification body.”

The information related to the grouped project is unclear in the monitoring report and verification report.

Section 3.1 and Section 3.2.2 of the monitoring report states that the project has re-divided the plots and therefore the project has increased in size.

Section 3.3 of the monitoring report states a new activity instance has been added.

The project proponent is requested to update Section 3.1 and 3.2.2 of the monitoring report to indicate whether this new land has been added as a result of the grouped project activities or whether the re-delineation of the project accounting area has resulted in an increase in project area.

The relevant sections of the verification report are also unclear and ambiguous.

The VVB is required to assess the above information and update the relevant sections of the verification report.

VVB Response:

Complete revised sections 3.1 and 3.3 in the MR.

A re-delineation took place due to stabilising effects of the project activity which have led to an increase of the restored area. Although the “new” area was not actively restored and thus not seen as a “new instance” it has undoubtedly arisen due to the project activity.

This proves the concept of the project activity that by the reestablishment of the mangrove habitat positive side effects such as land stabilisation and thus enlargement of the Mangrove habitat will occur.

The new areas have not actively been established but are the consequence (positive effect) of the project activity of the first instance. In previous verifications, this indirect gain in project area was attributed to the project and it was accepted by VERRA and not considered a new instance.

Verra Response:

The project proponent is requested to provide the excel calculation sheet, and required to update the monitoring report to clarify if this expanded area has been included in the calculation of removals. The VVB is requested to update the verification report to provide an assessment of the same.

The current explanation in the monitoring report indicates that positive ecological leakage has occurred and the project proponent has expanded the project area to include positive ecological leakage in the calculation of VCUs. Under the VCS Program, positive leakage is not accounted for.

VVB Response:

The expanded area has been removed, thus the area remains as per registered PDD. It is planned to added in total 271.1 ha as new instance during the upcoming verification audit (4th). MR and excel calculation sheet were updated, the same applies for the VR.

Verra Response:

The documents have been updated appropriately and it is clear that no instances have been added this verification period.

Finding 4

Section 3.5.16 of the *VCS Standard v4.1* lists the process for the inclusion of new project activity instances including they must “be included in the monitoring report with sufficient technical, financial, geographic and other relevant information to demonstrate compliance with the applicable set of eligibility criteria and enable sampling by the validation/verification body.”

Section 3.3 of the monitoring report states a new instance has been added and that it meets the eligibility criteria as described in the project description but does not justify how the new activity instance meets the eligibility criteria, and does not address each criteria separately.

The project proponent is requested to update Section 3.3 of the monitoring report to demonstrate and justify how each new instance of the project activity(s) meets the eligibility criteria set out in the project description and address each eligibility criteria separately.

VVB Response:

No new instances have been added to the project during this MR period. See revised section 3.1 of the MR.

The new areas have not actively been established but are the consequence of the project activity of

the first instance. In previous verifications, this indirect gain in project area was attributed to the project and it was accepted by VERRA.

Further explanation has been provided under section 3.4 of the FVR.

Verra Response:

Finding pending the closure of finding 3.

Verra Response:

Finding 3 has been addressed sufficiently. This finding is closed.

Finding 5

Section 4.1.3 of the *VCS Standard, v4.1* states that VVBs shall use the *VCS Verification Report Template* and adhere to all instructional text within the template.

Section 2.3 of the *VCS Verification Report Template* requires the VVB to “Describe the interview process and identify personnel, including their roles, who were interviewed and/or provided information additional to that provided in the project description, monitoring report and any supporting documents.”

Section 2.3 of the verification report includes a table with a list of types of people interviewed and an overall list of what was discussed.

The VVB is requested to update Section 2.3 of the verification report to include the number of people interviewed, who each entity was, and what each entity was asked about specifically.

VVB Response:

The information about number of people interviewed and entity they belong to is already provided in Appendix I References, table 2 “List of interviewed persons”. This was indicated in the text of section 2.3.

Further information about the questions asked was included in the verification report section 2.3 as requested. The questions have been kept open in order not to bias and influence on the responds, e.g. by closed questions.

Verra Response:

Section 2.3 of the verification report has been updated accordingly. This finding is closed.

Finding 6

Section 4.1.3 of the *VCS Standard, v4.1* states that VVBs shall use the *VCS Verification Report Template* and adhere to all instructional text within the template.

Section 2.5 of the *VCS Verification Report Template* requires the VVB to state the total number of corrective action requests, clarification requests, and forward action requests and other findings raised during the verification and provide a summary of each finding in an appendix.

Section 2.5 of the verification report does not state the number of findings raised.

The findings tables are scattered throughout the verification report. Unless they fit on one page in Section 2.5 they must be in an annex.

The VVB is requested to update Section 2.5 of the verification report to state the total number of findings and to put all the findings in their own annex.

VVB Response:

The total number of findings identified is stated in the Summary and has been now also added to section 2.5 as requested.

The findings have been deleted of the sections they refer to and gathered in an annex as requested.

Verra Response:

Section 2.5 of the verification report has been updated accordingly. This finding is closed.

Finding 7

Section 4.1.22 of the *VCS Standard, v4.1* states that “new project activity instances shall be validated, based on the information reported in the monitoring report, against the applicable set of eligibility criteria. The validation/verification body shall specify which instances meet the eligibility criteria for inclusion in the project. Such validation may be reported in the verification report or a separate validation report.”

Section 3 of the verification report states no validation activities took place.

Section 3.4 of the verification report does not describe the steps taken to validate the inclusion of new project activity instances, does not specify that the instance meets the eligibility criteria for the inclusion in the project, and does not provide all the information required by the VCS Monitoring Report Template.

The VVB is requested to update Section 3.4 of the verification report to describe the steps taken to validate the inclusion of new project activity instances, does not specify that the instance meets the eligibility criteria for the inclusion in the project, and does not provide all the information required by the VCS Monitoring Report Template.

VVB Response:

No new instances have been added to the project during this MR period. See revised section 3.1 of the MR-

The new areas have not actively been established but are the consequence of the project activity of the first instance. In previous verifications, this indirect gain in project area was attributed to the project and it was accepted by VERRA.

Verra Response:

This finding is pending the closure of finding 3.

Verra Response:

Finding 3 has been addressed sufficiently. This finding is closed.

Finding 8

Section 4.1.13 VCS Standard, v4.1 states that the VVB shall use the VCS Verification Report Template and adhere to all instructional text within the template.

Section 4.5 of the verification report template requires the VVB to *“Identify the evidence used to determine the GHG emission reductions and removals and describe the steps taken to assess the sufficiency of quantity, and appropriateness of quality, of the evidence. Include details of any cross-checks performed on the reported data and how the following were assessed:*

The reliability of the evidence, and the source and nature of the evidence (external or internal, oral or documented) for the determination of GHG emission reductions or removals.”

Section 4.5 of the verification report does not describe the steps taken to assess the quantity and quality of evidence, and does not include details of cross-checks performed or how the information was assessed.

The VVB is requested to update Section 4.5 of the verification report to include a description of the steps taken to assess the sufficiency of quantity, and appropriateness of quality, of the evidence. Include details of any cross-checks performed on the reported data and how the reliability of the evidence, and the source and nature of the evidence (external or internal, oral or documented) for the determination of GHG emission reductions or removals was assessed.

VVB Response: Section 4.5 has been updated in the FVR.

Verra Response:

Section 4.5 of the verification report to has been updated to nclude a description of the steps taken to assess the sufficiency of quantity, and appropriateness of quality, of the evidence. This finding is closed.

Finding 9

Section 4.1.21 of the *VCS Standard, v4.1* states that “validation and verification of grouped projects shall assess conformance of the project with the requirements for grouped projects set out in the VCS Program rules.”

Section 5 of the verification report does not state whether the audit has included the validation activities required to validate a new activity instance, and does not state whether the instance complies with the validation criteria.

The VVB is requested to update Section 5 of the verification report to state whether the audit has included the validation activities required to validate a new activity instance, and whether the instance complies with the validation criteria.

VVB Response:

No new instances were added to project, see more clear section 3.1 in the revised MR

The new areas have not actively been established but are the consequence of the project activity of the first instance. In previous verifications, this indirect gain in project area was attributed to the project and it was accepted by VERRA.

Verra Response:

This finding is pending the response in finding 3.

Verra Response:

Finding 3 has been addressed sufficiently. This finding is closed.

Finding 10
Issue

The monitoring report fails to identify the project category as ARR and WRC, despite the project activity occurring in a wetland and accounting for SOC.

The registered project description and validation report identify the project as both ARR and WRC.

The project must adhere to both ARR and WRC project category requirements (Section 3.2.8 of the *VCS Standard v4.3*).

Action Required

At the subsequent verification, the project proponent must reassess their project baseline.

The VVB must raise a FAR that requires subsequent VVBs to ensure that the project reassesses its baseline every ten years, in line with the Section 3.2.7 *VCS Standard v4.3* requirements. At baseline reassessment, the project must demonstrate how it adheres to ARR and WRC project category requirements.

Program Rule(s)

VCS Standard, v4.3, Sections A1.13, A1.17, 3.2.4, 3.2.7, 3.2.8, 3.2.11, 3.10.3 and 3.10.4.

Background

Any project accounting for SOC on wetlands is considered a WRC type project. Section A1.13 in the *VCS Standard, v4.3* states, “Eligible WRC activities are those that increase net GHG removals by restoring wetland ecosystems or that reduce GHG emissions by rewetting or avoiding the degradation of wetlands.”

RWE and restoration include planting activities on wetland soil. Mangrove ARR is included in the definition of RWE and WRC.

Text in Section 1.2 of the MR provides conflicting information that is not aligned with the VCS rules and requirements. Currently, the project is categorized under the AFOLU sectoral scope as only ARR. Conflicting text in Section 1.2 of the MR states:

- “For this project, SOC is an important part of the total amount of the carbon sequestered, hence the project will comply with both the ARR and WRC requirements.”
- “The situation of the hydrology (i.e., rewetting) and sediment supply were not necessary to restore in the project area and hence does not fall under the description of a WRC project explained in Section 4 of the Eligible AFOLU Project Categories (Version 4.2).”

VVB Response:

A respective FAR was raised demanding the PP to reassess the baseline for the project during the

upcoming/4th verification.

Verra Response:

The FAR has been added an exemption from Section 3.2.7 of the VCS Standard, v4.4 was requested by the project proponent and approved by Verra. This finding is closed.

2. MINOR FINDINGS

Finding 1

Section 3.4.3 of the *VCS Standard, v4.1* states that projects shall use the VCS Monitoring Report Template and adhere to all instructional text within the template.

Section 1.1 of the *VCS Monitoring Report Template* requires a summary description of the implementation status of the project, the relevant implementation dates, and the total removals generated in the monitoring period.

Section 1.1 of the monitoring report states this monitoring period is the second, when it is the third.

The project proponent is requested to update Section 1.1 of the project description to reference the correct monitoring period.

3. ASSESSMENT CONCLUSION

On 29 March 2022 Verra concluded a review of the verification approval request for project India Sundarbans Mangrove Restoration Project and raised the x assessment findings detailed above.

On 29 March 2022 Verra submitted the review report to the VVB Tuv Nord and the project proponent Livelihoods Fund.

On May 18 2022 the VVB Tuv Nord submitted the responses in the project review report.

On 08 August 2022 Verra determined that the responses were insufficient for finding three and other related findings. Verra submitted the review report to the VVB Tuv Nord and the project proponent Livelihoods Fund.

On 21 October 2022 the VVB Tuv Nord submitted the responses in the project review report.

On 01 December 2022 Verra determined the project needed a further round of findings.

On 16 January 2023 he VVB Tuv Nord submitted the responses in the project review report.

On 25 January 2023 Verra determined the project proponent and VVB sufficiently responded to the findings in the review report. Verra concluded the review and approved the verification request.