

PROJECT REVIEW REPORT

Project ID	2386
Project Name	Rotunda Forest Carbon Project
Program(s)	VCS
Project Proponent	SC Rotunda SRL
Methodology	VM0012: <i>Improved Forest Management in Temperate and Boreal Forests (LtPF) v1.2</i>
Sectoral Scope(s)	Sectoral Scope 14. Agriculture, Forestry and Other Land Use (AFOLU)
Validation/Verification Body (VVB)	SCS Global Services
Assessment Criteria	VCS Standard, v4.1
Date of First Issue	04 August 2021
Date of Final Issue	09 September 2021

Summary:

An accuracy review of the Rotunda Forest Carbon Project registration and first verification approval request has been conducted by Verra in accordance with Section 4.3 of the *VCS Registration and Issuance Process*.

The accuracy review has raised eight assessment findings and no minor findings, 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 eight assessment findings must be addressed to the satisfaction of Verra.

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

1. ASSESSMENT FINDINGS

Finding 1

Instructions page of the *VCS Project Description, v4.0* template requires to "Where a section is not applicable, explain why the section is not applicable (i.e., do not delete the section from the final document and do not only write "not applicable")"

The project proponent deleted Sections 1.15.1, 1.15.2, 1.16.1, 1.16.2, 3.6 and sub-sections 'Commercially sensitive information', 'Sustainable development' and 'further information' under Section 1.17 of the project description. The project proponent is required to include Sections 1.15.1, 1.15.2, 1.16.1, 1.16.2, 3.6 and sub-sections 'Commercially sensitive information', 'Sustainable development' and 'further information' under Section 1.17 of the project description.

VVB Response:

The sections and subsections listed above have been added to the project description document. The sections were added to their appropriate locations, as shown in the *VCS Project Description, v4.0* template. Refer to Project Description (v3) document.

Verra Response:

The project proponent added the omitted Sections stated above to the project description document. Therefore, this finding is closed and no further action is required.

Finding 2

Section 1.12 of the *VCS Project Description, v4.0* template requires to "Indicate the project location and geographic boundaries (if applicable) including a set of geodetic coordinates." The project proponent does not include a set of geodetic coordinates and the geodetic coordinates are necessary along with the kml file that was provided. The project proponent is required to include a set of geodetic coordinates under Section 1.12 of the project description.

VVB Response:

Table 5: Geodetic Coordinates for the Project Area has been added to the project description document under Section 1.12 of the project description. The geodetic coordinates mark the north, south, east, and west boundaries of the project area using the WGS 1984 UTM Zone 34N coordinate system. Refer to Project Description (v3) document.

Verra Response:

The geodetic coordinates of the project locate were added under Section 1.12 of the project description document. Therefore, this finding is closed and no further action is required.

Finding 3

Section 1.13 of the *VCS Project Description*, v4.0 template requires that "For AFOLU projects, include the present and prior environmental conditions of the project area, including as appropriate information on the climate, hydrology, topography, relevant historic conditions, soils, vegetation and ecosystems." The project proponent does not include the present and prior environmental conditions of the project area, including as appropriate information on the climate, hydrology, topography, relevant historic conditions, soils, vegetation and ecosystems. The project proponent is required to include the present and prior environmental conditions of the project area, including as appropriate information on the climate, hydrology, topography, relevant historic conditions, soils, vegetation and ecosystems under Section 1.13 of the project description.

VVB Response:

Section 1.13 of the Project Document has been updated to provide additional information on prior environmental conditions within the project area. The description includes relevant information regarding climatic conditions, topography, soils, ecological zones, and land use. Refer to Project Description (v3) document.

Verra Response:

Information on the climate, hydrology, topography, relevant historic conditions, soils, vegetation and ecosystems is included to Section 1.14 of the project description document. Therefore, this finding is closed and no further action is required.

Finding 4

Section 3.4 of the *VCS Project Description*, v4.0 template requires to "Provide all relevant references." The project proponent does not include any references providing justification for the hypothetical scenarios identified under Step 1 under Section 3.4. The project proponent is required to include the references used under Step 1 in Section 3.4 of the project description.

VVB Response:

Section 3.4 of the Project Description document has been updated to include relevant reference information for the justification of baseline scenarios. In text citations have been added where appropriate, and full references have been added to Section 6. Refer to Project Description (v3) document.

Verra Response:

References were added under Section 3.4 of the project description document and full references included under Section 6 of the same document. Therefore, this finding is closed and no further action is required.

Finding 5

Section 3.5 of the *VCS Project Description, v4.0* template requires to "Provide sufficient information (including all relevant data and parameters, with sources) so that a reader can reproduce the additionality analysis and obtain the same results." The project proponent does not include any sources. The project proponent is required to include the sources used under Section 3.5 of the project description.

VVB Response:

Section 3.5, subsection Step 2 – Investment Analysis of the Project Description document has been updated in the project document. Specific financial information for additionality testing cannot be publicised as it is privileged business information. All relevant information was provided and validated/verified to the VVB during project submission. Refer to Project Description (v3) document.

Verra Response:

The project proponent included the sources used under Section 3.5 of the project description document.

However, Section 1.17 of the project description document, sub-section 'Commercially sensitive information' states that the sub-section is 'non applicable'. The project proponent is required to include the commercially sensitive information under Section 1.17, sub-section 'Commercially sensitive information' instead of stating 'not applicable'.

VVB Response:

Section 1.17 (Commercially Sensitive Information) of the Project Description (v4) has been updated with the following wording: *"None of the contents this PDD are considered confidential. However, elements of the reference materials and supplement evidence materials, including financial modelling, information and business plans provided to validators and verifiers outside this PDD document are confidential, unless otherwise indicated. Other confidential information may be identified during the validation or verification"*

Verra Response:

The required information was provided under Section 1.17 of the project description document. Therefore, this finding is closed and no further action is required.

Finding 6

Section 1.1 of the *VCS Standard v4.1* document requires that "This document will be updated from time-to-time and readers shall ensure that they are using the most current version of the document" The VVB states under Section 1.2 of the Joint Validation and Verification Report that the document VCS Standard v4.0 was used. The VVB shall use VCS Standard v4.1 instead. The VVB is required to update Section 1.2 of the validation report to use the most current version of the VCS Standard document.

VVB Response: The VCS Standard version is section 1.2 has been updated.

Verra Response:

Section 1.2 of the validation report was updated to reflect the most current version of the document. Therefore, this finding is closed and no further action is required.

Finding 7

The project description document reports 12% for the non-permanence risk while the monitoring report reports 16%. The validation and verification report reports 12% as the non-permanence risk. The VVB is required to revisit Section 3.4 of the joint validation and verification report to reflect the risk reported under the most updated project document - the monitoring report.

VVB Response:

The project non-permanence calculation was checked and confirmed to be 12%. The monitoring document has been updated with the 12% result and a new copy has been submitted for review. Refer to Monitoring Report (v2).

Verra Response:

The risk was updated in the monitoring report to be consistent with the figures reported under the joint validation and verification report and project description document. Therefore, this finding is closed and no further action is required.

Finding 8

Section 5 of the *VCS Joint Validation & Verification Report, v4.0* template requires to "provide a conclusion on the quantity of GHG emission reductions or removals in tCO₂ equivalents achieved by the project during the verification period." The VVB does not provide a conclusion on the quantity of GHG emission reductions or removals in tCO₂ equivalents achieved by the project during the verification period. The VVB is required to provide a conclusion on the quantity of GHG emission reductions or removals in tCO₂ equivalents achieved by the project during the verification period under Section 5 of the Joint validation and verification report.

VVB Response: A breakdown of the emission reductions has been added to the updated report.

Verra Response:

The information was provided under Section 5 of the joint validation and verification report. Therefore, this finding is closed and no further action is required.

2. MINOR FINDINGS

No minor findings were raised.

3. ASSESSMENT CONCLUSION

On 04 August 2021, Verra sent a project review report with eight assessment findings and no minor findings to SCS Global Services.

On 16 August 2021, SCS Global Services sent the answers to the first round of findings to VERRA with updated PD, monitoring report and joint validation and verification report. The updates were sufficient to close findings several findings. However, Finding 5 remain open.

On 08 September 2021, SCS Global Services sent the answers to the second round of findings to VERRA with updated PD. On 09 September 2021, Verra closed the review and no further action is required.