

Global Conservation Standard

Version 1.2

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Abbreviations

CA	Conservation Area
CBZ	Commercial Buffer Zone
CAR	Corrective Action Request
CCU	Conservation Credit Unit
СМР	Conservation Management Plan
CO ₂	Carbon Dioxide
HCV	High Conservation Values
NGO	Non-Governmental Organization
PIN	Project Identification Note
ТР	Technical Panel



Definitions

* Definition adopted from ISO 14064-2

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Additionality*	Whether a GHG project has resulted in emission reductions or removal enhancements in addition to what would have happened in the absence of that project
Baseline Scenario*	Hypothetical reference case describing general conditions for what would have occurred in the absence of the project
Carbon Dioxide Equivalent*	Unit for comparing the radiative forcing of a GHG to the one of carbon dioxide
Commercial Buffer Zone	Area where supporting activities to the Conservation Area are implemented. Commercial buffer zones are external to the Conservation Area. This area shall be used for observing direct local influence on land use
Conservation Agreement	Legally binding agreement for landscape conservation under the global conservation standard
Conservation Area	The area that will be protected by the project
Conservation Credit Unit	Unit used to describe the volume of credits originating from the Global Conservation Standard
Crediting Period	Period of time during which the project generates Conserva- tion Credit Units
GHG Program*	International, national, sub-national governmental or non- governmental authority that registers, accounts or manages GHG emissions, removals, emission reduction or removal enhancements
Monitoring	Continuous measurement and recording of benefits from GCS project activities
PIN Assessment Report	Physical verification of PIN statements and quantification of year-one benefits to the project proponent(s)
Project Duration	The duration of time for which the licensee / land holder has a valid Conservation Agreement with the GCS
Project Start Date	Date of signature of the Conservation Agreement
Project Validation Report	Official findings of the validation study carried out by an accredited third party to the Standard
Major CAR	The absence or complete breakdown of an element of the management system. Major CARs shall be closed out within 1-month of notice. No action on Major CARs shall result in suspension from activities
Minor CAR	A single observed non-conformance that can be restored. Minor CARs shall be closed out within the agreed schedule of work within 3-months of notice. Minor CARs can become Major CARs if no action is taken to address the CAR within the specified schedule



Stakeholder*	Persons or organizations that have an interest in, or are af-
	fected by, a project being developed



1 Standard Concept

The Global Conservation Standard provides a simplified approach to monetize protected areas through a structured program designed to identify, quantify, verify, protect and monitor Conservation Areas based on a landscape approach considering the land use of neighboring areas. The Standard offers an economic incentive through the issuance and sale of Conservation Credit Units (CCUs). The Standard is third-party verified complements a multitude of ecosystem services. Conservation Areas will receive a reliable long-term incentive. independently from any additionality criterion or baseline scenario.

The Conservation Agreement is legally binding, signed between the project proponent(s) and the GCS Administrator. Minimum agreement duration is 30-years. An in-country Stakeholder Foundation is established to manage a percentage of the revenues derived from the sale of CCUs to focus financing toward reforestation, agroforestry, agriculture, energy crop and other feasible agro-industry development in the Commercial Buffer Zone.

1.1 Standard Components

The GCS consists of the following components:

GCS Standard **Global Conservation Standard**

The core document that includes definitions, modalities specifics, registration and the principles and criteria

Tool Number 1 Project Identification Note (PIN)

Generic template used to identify project specific elements

Tool Number 2 PIN Assessment Report

A report developed by the TP to assess the accuracy of the information provided within the PIN

Tool Number 3 Work Plan

Plan of action used to close out all CARs to comply with the GCS principles and criteria

Tool Number 4 Conservation Management Plan

A 10-year plan on how the licensee intends to meet the GCS principles and criteria which is reviewed every 5-years

Methodologies Used for the quantification of the applicable environmental services deliv-

ered under the project. They may be found on the GCS website



1.2 GCS Technical Panel

The GCS Technical Panel (TP) decides on the rules and procedures to GCS institutions and is responsible for the public communication of the Standard. It will host the Project Registry. The TP is the decision making body of the GCS responsible for all technical elements and decisions related to projects, methodologies, PIN assessments and action plans. The TP will also issue certificates after verification.

1.3 Stakeholder Foundation

A not-for-profit foundation established in each host country where there is a registered GCS project. The Stakeholder Foundation is comprised of international, national and local NGOs, civil and governmental agencies to manage a designated percentage of the funds received from the sale of the CCUs in a transparent and responsible way to deliver development services and technology for the increase of the socio-economic development of the surrounding communities.

Each Stakeholder Foundation has a mandate to aid the mitigation of poverty and / or the increase of sustainable livelihoods of rural communities through the following potential activities:

- Sustainable forest management
- Sustainable timber plantations
- · Sustainable agro-forestry practices
- Sustainable agro-fishery practices
- Establishment of ethical and sustainable cash crops
- Secondary processing of agricultural / forestry products
- Ecotourism activities
- Providing training and capacity building opportunities to local and rural communities
- Improvement of public health
- Increasing awareness of global climate change and mitigation activities

The TP has the right to veto single decisions of the Stakeholder Foundation and initiate a clearance process together.

1.4 Land Owner / License Holder

As signatories to the Conservation Agreement, the land-owner / license holder has the responsibility to implement the CMP and monitoring activities as required to ensure conservation under the GCS.

1.5 3rd-Party Auditors

The project design will be validated and monitoring results verified by an accredited body to the GCS with the responsibility of providing independent validation and verification of compliance to the principles and criteria of the GCS. The TP will determine procedures for the accreditation of 3rd-Party Auditors.



2 Standard Specifics

2.1 Standard Scope and Objective

To provide clear and concise guidance to quantify, verify and provide finance towards the protection of environmental services provided by Conservation Area. The Standard is designed to be comprehensive by including all critical elements in current leading standards, while focusing on a credible system to directly measure and account for carbon in conservation forests.

The GCS provides a structured process for evaluating environmental services retained in Conservation Areas and concomitantly generating social and environmental co-benefits. The Standard is designed to be comprehensive and credible by including all critical elements of internationally recognized certification and accounting standards. It is applicable only to Conservation Areas that are legally bound to conservation activities along with public and/or private law.

2.2 Conservation Activity Eligibility

The proponent organization proposing the conservation project shall clearly define the ownership of land management rights. The proponent organization must demonstrate legality of land use for conservation in conjunction with any valid land claims by local communities or native rights that overlap with the proposed Conservation Area as well as ensuring long-term environmental and social benefits. The GCS ensures conservation projects are based on integrated landscape management that benefits local communities and reduces land pressure by providing alternative sources of income.

The following activities are eligible under the GCS:

- Natural areas that <u>have</u> existing conservation objectives including elements for environmental services such as water, carbon, soil, nutrient, biodiversity, etc.;
- Natural areas which <u>do not have</u> existing conservation objectives but wish to adopt them voluntarily;
- Areas which physically protect and enhance the environmental services within the Conservation Area
- Areas with legal land tenure and management rights which are clearly defined, including those of customary rights of indigenous peoples and local communities;
- Areas can demonstrate compliance to the principles and criteria of the GCS.

2.3 Conservation Agreement

The Conservation Agreement ensures the project area is legally bound to the GCS principles and criteria. The Conservation Agreement is applicable to the laws of the host country and the GCS requires all projects to agree and sign the Agreement. The agreement signatories are the land owner(s) and the GCS Foundation.

The Conservation Agreement has a structured conflict resolution mechanism and contractual damage claims for non-compliance by any of the involved parties.



2.4 Project Start Date

The date of signature of the Conservation Agreement.

2.5 Conservation Crediting Period

Participants agree and sign the Conservation Agreement for a minimum duration of 30-years. The agreement is eligible for renewal.

2.6 Project Suspension / Termination

In case a project is found non-compliant upon annual verification, the Technical Panel will suspend the project until the CARs have been completed. If the project does not complete the CARs within 6-months of reporting, the TP reserves the right to suspend the issuance of CCUs or withdraw the project under the GCS.

The project will terminate at the end of the Conservation Agreement.

2.7 Additionality

The GCS does not issue or generate carbon offsets that would compensate emissions in other places; thus additionality as defined under ISO 14064-2, the Kyoto Protocol and other emerging standards is not applicable to the Global Conservation Standard.

Conservation Areas are monetized based on the accounting for the existing ecosystem services and reinvested in sustainable socio-economic activities and capacity building programs within the Commercial Buffer Zone. This feature makes each GCS project additional because it will fortify the resilience of the Conservation Area against economic pressures.

2.8 Ecosystem Service Accounting

Ecosystem service accounting practices are limited to methodologies that have been approved methodologies by the TP. Approved methodologies are listed on the GCS website.



2.9 Conservation Credit Units

Ecosystem services are validated and verified according to approved methodologies by the TP. Please refer to the relevant methodology for CCU accounting practices for the various ecosystem services quantified.

CCUs are quantified, credited and monitored on an annual basis and verified by an accredited independent third party.

CCUs are issued in year one after the successful issuance of the Certificate of Compliance. As from year two, CCUs shall only issued after successful verification from an accredited 3rd-party auditor and formal acceptance of the validation report.

CCUs verified in the Third-Party Verification Report and approved by the TP are deposited into the project proponent(s) Registry Account. All CCUs are retired immediately after their sale by the GCS.

2.10 Project Registry Accounts

The Standard hosts a Registry for all projects registered under the GCS. Project Registry Accounts are established for all projects that have signed the Conservation Agreement. Registry accounts are held in permanence.

2.11 Operating Language

The operating language of the GCS is English. All documentation and correspondence shall be conducted in English. Project documentation in a language other than English is accepted; however documentation shall be accompanied by an English translation. In all cases, the English translation shall prevail.

2.12 Other Greenhouse Gas Programs

The Standard welcomes and encourages the provision of ecosystem services by the projects, including greenhouse gas emission offsets. While carbon offset credits are issued for net stock variations, the GCS offers an incentive for their perpetual protection.



3 Principles and Criteria

The following principles are underlying the Global Conservation Standard:

- 1. Legal Compliance
- 2. Long-Term Management
- 3. Environmental Responsibility
- 4. Social Responsibility
- 5. Environmental Services Quantification
- 6. Independent Auditing

3.1 Principle 1: Legal Compliance

Project proponent(s) shall comply with all applicable laws, regulations and nationally ratified international treaties, conventions and agreements regarding tenure and use rights.

Criterion: 1.1

The legal status of the Conservation Area shall be clearly defined and its boundaries delineated so that they can be verified independently on the ground.

Criterion 1.2

Project proponent(s) shall demonstrate clear evidence of tenure and/or use rights to the land and/or resources, with definition of the duration of the tenure and/or use rights.

Criterion 1.3

Project proponent(s) shall demonstrate compliance with all applicable national and local laws, international conventions and administrative requirements concerning the use and management of the Conservation Area such as management plans, environmental impact assessments as required by law.

Criterion 1.4

Project proponent(s) shall define a mechanism to agree on use rights (legal or customary) of environmental services (carbon, biodiversity, water) with affected communities within the Conservation Area, including the legally recognized rights of indigenous peoples.



3.2 Principle 2: Long-Term Management

Project proponent(s) shall have a long-term CMP consistent with the principles and criteria of the GCS and proportionate to scale, intensity and risks of operations in the Conservation Area. The CMP shall be implemented and kept up-to-date based on monitoring information in order to promote adaptive management.

Criterion 2.1

Project proponent(s) shall have and implement a conservation management plan for the Project area which is fully consistent with the GCS principles and criteria. The CMP shall describe the natural resources that exist in the Conservation Area and the activities to maintain and preserve them.

Criterion 2.2

The CMP and supporting documents shall provide:

- Description of the Conservation Area and boundaries including mapping of project area including villages within and bordering the boundaries of the area;
- Conservation objectives, including scope and permanence for management and rights to CCUs;
- Description of resources to be managed, environmental limitations, land use and ownership status, socio-economic conditions including communities with legal tenure and use rights, and a profile of adjacent lands, areas for protection as conservation and areas for restoration:
- Environmental safeguards based on environmental assessments according to scale of the project;
- Plans for the identification and protection of rare, threatened and endangered species;
- Measures for the identification and implementation of socio-economic development activities;
- Maps at an appropriate scale describing the resource base including protected areas, planned management activities and land ownership;
- Formalized procedures and guidelines for all key management and operational activities that detail the system used to control and supervise field operations;
- Training activities to develop and enhance workers and local stakeholders capacity to support project management and monitoring activities.

Criterion 2.3

The management plan shall include measurable targets/goals, by which progress towards each of the prescribed conservation objectives can be assessed.

Criterion 2.4

Project proponent(s) shall evaluate and document in the CMP the current resource conditions in through the use of imagery or inventories to obtain credible data within the project Conservation Area.



Criterion 2.5

Project proponent(s), with support of the Stakeholder Foundation, shall proactively engage affected and interested stakeholders in the planning and monitoring processes and appropriately document this involvement.

Criterion 2.6

Project proponent(s) shall update and revise periodically the CMP and procedural documentation to incorporate the results of monitoring, stakeholder engagement or new scientific and technical information, as well as to respond to changing environmental, social and economic circumstances.

Criterion 2.7

Project proponent(s) shall assess risks and develop and implement strategies to reduce potential negative impacts from human activities.

Criterion 2.8

Project proponent(s) shall implement a mechanism to prevent and control any illegal activity in the project area, such as hunting, fishing, collecting and trade in wildlife, logging, settlement, encroachment and fires.

3.3 Principle 3: Environmental Responsibility

Project proponent(s) shall evaluate the current environmental conditions of the Conservation Area and critical ecosystem services and define the conservation values and mitigation measures to protect and maintain those values and services.

Criterion 3.1

Project proponent(s) shall conduct an environmental resource assessment (including HCVs) according to the scale and risk of the activities defined in the CMP.

Criterion 3.2

Project proponent(s) shall identify actions to prevent, mitigate, and remedy negative impacts of management activities proportionate to the scale, intensity and risk of these management activities and their negative impacts. Special focus shall be taken on measures to protect rare, threatened and endangered species.

Criterion 3.3

Project proponent(s), through engagement with stakeholders, shall develop strategies for the maintenance and/or enhancement of identified HCVs.

3.4 Principle 4: Social Responsibility

Project proponent(s), in conjunction with the Stakeholder Foundation, shall identify critical social elements and define potential negative impacts, and mitigation measures to minimize these impacts and provide additional social benefits.



Criterion 4.1

Project proponent(s) shall conduct an assessment to identify critical social elements and potential negative and positive impacts to local communities within and adjacent to the project area and define mitigation measures to minimize such negative impacts and enhance the positive ones.

Criterion 4.2

Project proponent(s) process shall include a mechanism for consultation and dispute resolution with local communities or affected stakeholders in order to obtain stakeholder input and identify measures to minimize negative impacts, specifically in the case of overlap between the

Conservation Area and areas where local communities have legal or customary rights.

Project proponent(s) shall develop a social plan that outlines preferences for local employment, capacity building and other social development programs according to the identification of needs through the initial assessment.

Criterion 4.3

Project proponent(s) shall recognize and uphold the legal and customary rights of indigenous peoples to maintain control over management activities within or related to project, including the provisions from the United Nations Declaration on the Rights of Indigenous Peoples (2007) and ILO convention 169 (1989). Indigenous peoples may delegate control to third parties with free, prior and informed consent.

Criterion 4.4

Project proponent(s) shall identify and protect any sites within the project area, which are of special cultural, ecological, economic, religious or spiritual significance to indigenous peoples.

Criterion 4.5

Project proponent(s) shall not convert areas or sites considered necessary to maintain or enhance environmental values unless this has been defined as necessary within the CMP.

3.5 Principle 5: Environmental Services Quantification

Project proponent(s) shall have written procedures for monitoring the following aspects:

- Compliance with the GCS principles and criteria
- Environmental services registered under the GCS

Criterion 5.1

Project proponent(s) shall implement a system to quantify environmental services registered under the GCS. This system is defined through methodologies approved by the Technical Panel, with the objective to achieve conservation objectives. The monitoring methodology is defined in the respective approved methodology to be applied. Monitoring results shall constitute changes to management practices if appropriate.

Criterion 5.2

Project proponent(s) who wish to register Conservation Areas which host multiple ecosystem services are required to register each environmental service separately using the applicable approved methodologies and tools.



Criterion 5.3

Project proponent(s) shall incorporate the findings from the monitoring program in an annual monitoring report.

Criterion 5.4

Project proponent(s) shall incorporate monitoring results into the revised CMP as required every 10-years.

3.6 Principle 6: Independent Auditing

Criterion 6.1

While internal monitoring shall be carried out continuously third-party verification shall be carried out once annually.

Criterion 6.2

Independent auditing shall be carried out by a third party auditor recognized as Designated Operational Entity for the respective scope under the UNFCCC Clean Development Mechanism or any other institution accredited by the GCS Technical Panel.

Criterion 6.2

All environmental services claimed under the GCS annually verified on the basis of monitoring methodologies approved by the Technical panel.

Criterion 6.3

The project shall be validated for ongoing compliance with the principles and criteria of the GCS on the date of first verification and every five years hereafter.



4 Conservation Area Procedures

Procedural requirements of GCS are outlined below including application, assessment, approval and third party verification. Steps 1-9 are carried out in Year One and are legally required (Conservation Agreement) to be completed within 12-months of the project start date. Step 10 shall be carried out annually from Year 2 onwards until the termination of the Conservation Agreement through the assistance of an accredited Third Party auditor.

4.1 Step 1: Project Identification Note Submission

The PIN is the inception document used to assess the ability of the project to reach fundamental requirements of the GCS. Each applicant shall submit a completed PIN along with supporting documentation to the GCS for consideration by the TP.

Reference Document: Tool Number 1: Project Identification Note

4.2 Step 2: PIN Review by the Technical Panel

Within one-week of receipt, the TP shall check the documents for completeness and assess its potential to receive CCUs. Provided documentation is complete, the TP shall meet to discuss the project within one-week of receiving required documentation. The review will evaluate the potential of the project and assess the potential positive and / or negative environmental and social impacts against the GCS principles and criteria.

If the PIN is not successful, the TP shall explain in writing the reasons why it has been rejected.

4.3 Step 3: PIN Assessment by Technical Panel

Two-weeks after successful PIN review, the members of the TP shall carry out a field assessment to verify the information in the PIN is accurate. This is achieved through a mixture of documentation and aerial and / or ground assessment(s).

4.4 Step 4: PIN Assessment Report by Technical Panel & Approval

Within one-week of the PIN Assessment, TP assessment members shall complete the PIN Assessment Report and submit the document to the TP for review at the next TP meeting. The PIN Assessment Report outlines if any Major or Minor CARs were raised and conservatively estimates the project benefits for year-one only. Year-two benefits shall use primary data collected from field samples (established during the CMP development).

In case the PIN is not approved, the TP shall explain in writing the reasons why it has been rejected and the recommended course of action (if any) to mitigate the CARs. No PIN shall be approved while there are outstanding Major CARs. Minor CARs can be addressed in the Work Plan.

Reference Document: Tool Number 2: PIN Assessment Report



4.5 Step 5: Signing the Conservation Agreement

Two-weeks after approval of the PIN Assessment Report by the TP, the project proponent(s) shall enter into the Conservation Agreement with the GCS to legally commit the project to conservation activities. A percentage of year-one CCUs shall be transferred into the project proponent(s) registry account.

4.6 Step 6: Establishment of Registry Account

Simultaneous to the signing of the Conservation Agreement, a project specific registry account shall be created for the project proponent(s) in the GCS registry. The registry is an online resource that provides access to documentation relevant to the approved project. Immediately after establishment, a percentage of the year-one CCUs shall be automatically deposited into the project proponent(s) registry account (as outlined in the Conservation Agreement). The residual CCUs shall be deposited after issuance of the Certificate of Compliance by the TP. CCUs from year two onwards shall only be credited to the account expost, after the TP has approved the annual Third-Party Verification Report.

4.7 Step 7: Work Plan by the Project Proponent(s)

One-week after signature of the Conservation Agreement, project proponent(s) shall develop the project Work Plan. The Work Plan outlines critical areas which are required to be fulfilled to comply with the GCS principles and criteria. The PIN Assessment Report and the Work Plan serve as the main documents for implementing the project in compliance to the GCS principles and criteria.

Reference Document: Tool Number 3: Work Plan

4.8 Step 8: Conservation Management Plan Development

The GCS requires all projects to develop a CMP and corresponding systems for conservation activities. These plan and systems have unique characteristics, which focus on managing the Conservation Area in a holistic manner towards the GCS principles and criteria. The CMP details conservation specific elements of the area with focus on biodiversity and conservation elements. The CMP is updated every 10 years and reviewed by the TP. The landowner / resource manager is responsible for developing and implementing the CMP.

Reference Document: Tool Number 4: Conservation Management Plan



4.9 Step 9: Third-Party Validation & Verification

Completed 12-months after signing the Conservation Agreement, project proponent(s) shall request an accredited Third-Party auditor to conduct an independent assessment on their compliance to the GCS principles and criteria. The first assessment shall consist of a combined validation and verification assessment. From year-two onwards, the Third-Party accredited auditor shall conduct annual verification of the ecosystem services provided by the resource area. Every five years after the initial project validation, the Third-Party auditor will have to re-validate the project for continued compliance with the CMP and the GCS principles and criteria.

The initial and subsequent validation / verification audit includes field visits, factual observations and stakeholder consultations. The accredited agency shall submit the Validation and Verification Reports to the TP for final approval.

4.10 Step 10: TP Project Acceptance & Certificate of Compliance

The Third-Party Validation / Verification report shall be considered for adoption during the next scheduled TP meeting. If the decision is negative, the TP shall seek clarification from either the project proponent(s) or the Third-Party auditor as appropriate. If the decision is positive, the TP will issue a Certificate of Compliance and the project shall be formally registered with the GCS and the GCS registry. The Certificate of Compliance shall be valid for duration of the Conservation Agreement with monitoring carried out annually and revalidation carried out every 5-years thereafter.

Upon issuance of the Certificate of Compliance, the GCS shall release the residual year-one CCUs into the project proponent(s) registry account.

4.11 Step 11: Annual Third-Party Verification

An accredited Third-Party to the GCS shall annually audit the Conservation Area and CMP against the GCS principles and criteria in order to verify continuous compliance. The audit includes documentation review, on site observations and compilation of evidence through stakeholder consultation and interviews with staff.

The Third-Party validation and verification reports shall be sent to the GCS Technical Panel for approval and filing purposes. A copy of the report shall be made available for public review. Any objection raised in this public review phase will have to be taken into consideration by the TP before issuing the CCU certificates.



Appendix 1

Global Conservation Standard Procedures Flow Chart



Global Conservation Standard Flow Chart

Project Identification Note Submission 1 week

PIN Review by Technical Panel 1 week

PIN Assessment by Technical Panel 2-4 week

PIN Assessment Report by Technical Panel & Approval 2 weeks

Signature of the Conservation Agreement in parallel

Establishment of Registry Account 1 week

Work Plan by the Project Proponent(s)

1 week

Conservation Management Plan Development 24 weeks

Annual 3rd Party Monitoring 2 weeks

Public Review Phase of Validation and Verification Reports 30 days

TP Project Acceptance & Certificate of Compliance 30 days





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