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Validation Report

**Ministry of Environment, Forests and Water Administration,
of the Government of Albania**

**VALIDATION OF THE CDM-PROJECT:
ASSISTED NATURAL REGENERATION OF DEGRADED
LANDS IN ALBANIA**

REPORT No. 1252921

02 October 2009

TÜV SÜD Industrie Service GmbH
Carbon Management Service
Westendstr. 199 - 80686 Munich – GERMANY

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1252921	10-06-2009	4	02-10-2009	-

Subject: Validation of a CDM Project			
Accredited TÜV SÜD Unit: TÜV SÜD Industrie Service GmbH Certification Body "climate and energy" Westendstr. 199 80686 Munich Germany		TÜV SÜD Contract Partner: Ministry of Environment, Forests and Water Administration, Government of Albania Rr. Duresit, nr. 27, Tirane, Albania	
Project Participant: Ministry of Environment, Forests and Water Administration, Government of Albania Rr. Duresit, nr. 27, Tirane, Albania Italian Ministry for the Environment and Territory Via Cristoforo Colombo 44, 00147 Rome, Italy International Bank for Reconstruction and Development as Trustee of the BioCarbon Fund 1818H St, Washington, DC, 20433 USA		Project Site(s): Project sites are spread over five regions of Albania (Geographic coordinates and maps outlining the boundary are included to PDD)	
Project Title: Assisted Natural Regeneration of Degraded Lands in Albania			
Applied Methodology / Version: AR-AM0003 / Version 04		Scope: 14 Technical Area(s): 14.2 and 14.3	
First PDD Version: Date of issuance: 21-07-2008 Version No.: 01 Starting Date of GSP 23-10-2008		Final PDD version: Date of issuance: 22-06-2009 Version No.: 06	
Estimated Annual Emission Reduction:		22 964 tCO ₂ e	
Assessment Team Leader: Martin Schröder		Further Assessment Team Members: Sebastian Hetsch Martin Seitz	
Summary of the Validation Opinion: <input checked="" type="checkbox"/> The review of the project design documentation and the subsequent follow-up interviews have provided TÜV SÜD with sufficient evidence to determine the fulfilment of all stated criteria. In our opinion, the project meets all relevant UNFCCC requirements for the CDM. Hence TÜV SÜD is recommending the project for registration by the CDM Executive Board if letters of approval of all Parties involved will be available before the expiring date of the applied methodology(ies) or the applied methodology version respectively. <input type="checkbox"/> The review of the project design documentation and the subsequent follow-up interviews have not provided TÜV SÜD with sufficient evidence to determine the fulfilment of all stated criteria. Hence TÜV SÜD will not recommend the project for registration by the CDM Executive Board and will inform the project participants and the CDM Executive Board on this decision.			

Abbreviations

AR-ACM	Approved Consolidated Methodology for Afforestation / Reforestation
AR-AM	Approved Methodology for Afforestation / Reforestation
AR-AMS	Approved Methodology Small scale for Afforestation / Reforestation
CAR	Corrective Action Request
CDM	Clean Development Mechanism
CDM EB	CDM Executive Board
tCER	temporary Certified Emission Reduction
CMP	Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol
CR	Clarification Request
DNA	Designated National Authority
DOE	Designated Operational Entity
EF	Emission Factor
EIA / EA	Environmental Impact Assessment / Environmental Assessment
ER	Emission Reduction
FAR	Forward Action Request
GHG	GreenHouse Gas(es)
GPG	Good Practice Guidance
IPCC	Intergovernmental Panel on Climate Change
IRL	Information Reference List
IRR	Internal Rate of Return
KP	Kyoto Protocol
LULUCF	Land-Use, Land-Use Change and Forestry
MP	Monitoring Plan
NGO	Non Governmental Organisation
PDD	Project Design Document
PP	Project Participant
TÜV SÜD	TÜV SÜD Industrie Service GmbH
UNFCCC	United Nations Framework Convention on Climate Change
VVM	Validation and Verification Manual

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INTRODUCTION

1.1 Objective

The validation objective is an independent assessment by a Third Party (Designated Operational Entity = DOE) of a proposed project activity against all defined criteria set forth by the registration under the Clean Development Mechanism (CDM). Validation is part of the CDM project cycle and results in a conclusion by the executing DOE whether a project activity is valid and should be submitted for registration to the CDM Executive Board (CDM-EB). The ultimate decision on the registration of a proposed project activity rests with the CDM-EB and the Parties involved.

The project activity covered by this validation report has been submitted under the project title: "Assisted Natural Regeneration of Degraded Lands in Albania".

1.2 Scope

The scope of any assessment is defined by the underlying legislation, regulation and guidance given by relevant entities or authorities. In the case of CDM project activities the scope is set by:

- The Kyoto Protocol, in particular § 12 and modalities and procedures for the CDM
- Decision 2/CMP1 and Decision 3/CMP.1 (Marrakech Accords)
- Further COP/MOP decisions with reference to the CDM (e.g. decisions 4 – 8/CMP.1)
- Decisions and specific guidance by the EB published under <http://cdm.unfccc.int>
- Guidelines for Completing the Project Design Document (CDM-AR-PDD), and the Proposed New Baseline and Monitoring Methodology (CDM-AR-NM)
- Baselines and monitoring methodologies (including GHG inventories)
- Management systems and auditing methods
- Environmental issues relevant to the sectoral scope applied for
- Applicable environmental, social impacts, and aspects of CDM project activity
- Sector specific technologies and their applications
- Current technical and operational knowledge of the specific sectoral scope and information on best practice

The validation is not meant to provide any consulting towards the project participant (PP). However, stated requests for clarifications, corrective actions, and/or forward actions may provide input for improvement of the project design.

Once TÜV SÜD receives a first PDD version, it is made publicly available at the UNFCCC webpage and at TÜV SÜD's webpage to start a 45 day global stakeholder consultation process (GSP). In special circumstances, e.g. certain conditions allow the GSP to be repeated, a request to revise the PDD will be processed. The original PDD and the modified PDD will form the basis for the final evaluation. Information on both PDD's is presented on page 1.

The purpose of a validation is its use during the registration process as part of the CDM project cycle. Therefore, TÜV SÜD cannot be held liable by any party for decisions made, or not made, based on the validation opinion, which will go beyond that purpose.

2 METHODOLOGY

The project assessment applies standard auditing techniques to assess the correctness of the information provided by the project participants. The assessment is based on the “Clean Development Mechanism Validation and Verification Manual” version 01. The work starts with the appointment of the team covering the technical scope(s), sectoral scope(s) and relevant host country experience for evaluating the CDM project activity. Once the project is made available for the stakeholder consultation process, members of the team carry out the desk review, follow-up actions, resolution of issues identified, and finally preparation of the validation report. The prepared validation report and other supporting documents then undergo an internal quality control by the CB “climate and energy” before submission to the CDM-EB.

In order to ensure transparency, assumptions are clear and explicitly stated; the background material is clearly referenced. TÜV SÜD developed methodology-specific checklists and protocol customised for the project. The protocol shows, in a transparent manner, criteria (requirements), the discussion of each criterion by the assessment team, and the results from validating the identified criteria.

The validation protocol serves the following purposes:

- It organizes details and clarifies the requirements a CDM project is expected to meet;
- It ensures a transparent validation process where the validator has to document how a particular requirement has been validated, as well as the results of the validation and any adjustments, if any, made to the project design.

The validation protocol consists of three tables. The different columns in these tables are described in the figure below.

Validation Protocol Table 1: Conformity of Project activity and PDD				
Checklist Topic / Question	Reference	Comments	PDD in GSP	Final PDD
<i>The checklist is organised in sections following the arrangement of the applied PDD version. Each section is then further sub-divided. The lowest level constitutes a checklist question / criterion.</i>	<i>Gives reference to documents where the answer to the checklist question or item is found in case the comment refers to documents other than the PDD.</i>	<i>The section is used to elaborate and discuss the checklist question and/or the conformance to the question. It is further used to explain the conclusions reached. In some cases sub-checklist are applied indicating yes/no decisions on the compliance with the stated criterion. Any Request has to be substantiated within this column</i>	<i>Conclusions are presented based on the assessment of the first PDD version. This is either acceptable based on evidence provided (✓), or a Corrective Action Request (CAR) due to non-compliance with the checklist question (See below). Clarification Request (CR) is used when the validation team has identified a need for further clarification. Forward Action Request to highlight issues related to project implementation that require review during the first verification.</i>	<i>Conclusions are presented in the same manner based on the assessment of the final PDD version and further documents including assumptions presented in the documentation.</i>

Validation Protocol Table 2: Resolution of Corrective Action and Clarification Requests			
Clarifications and corrective action re-	Ref. to table 1	Summary of project owner response	Validation team conclusion

quests			
<i>If the conclusions from table 1 are a Corrective Action, a Clarification or a Forward action Request, these should be listed in this section.</i>	<i>Reference to the checklist question number in Table 1 where the issue is explained.</i>	<i>The responses given by the client or other project participants during the communications with the validation team should be summarised in this section.</i>	<i>This section should summarise the discussion on and revision to project documentation together with the validation team's responses and final conclusions. The conclusions should be reflected in Table 1, under "Final PDD".</i>

In case of a denial of the project activity more detailed information on this decision will be presented in Table 3. Table 3 is also used for listing of any Forward Action Request.

Validation Protocol Table 3: Unresolved Corrective Action, Clarification Requests, Forward Action Requests		
Clarifications Request, Corrective Action Request, Forward Action Request	Id. of CAR / CR / FAR	Explanation of the Conclusion for Denial, or Background of Forward Action Request
<i>If the final conclusions from table 2 result in a denial or a Forward Action Request the referenced request should be listed in this section.</i>	<i>Identifier of the Request.</i>	<i>This section should present a detail explanation, why the project is finally considered not to be in compliance with a criterion with a clear reference to the requirement which is not complied with or the details of the FAR.</i>

The completed validation protocol is enclosed in Annex 1 to this report.

2.1 Appointment of the Assessment Team

According to the technical scopes and experiences in the sectoral or national business environment TÜV SÜD has composed a project team in accordance with the appointment rules of the TÜV SÜD certification body "climate and energy". The composition of an assessment team has to be approved by the Certification Body (CB) to assure that the required skills are covered by the team. The CB TÜV SÜD operates four qualification levels for team members that are assigned by formal appointment rules:

- Assessment Team Leader (ATL)
- Greenhouse Gas Auditor (GHG-A)
- Greenhouse Gas Auditor Trainee (T)
- Experts (E)

It is required that the sectoral scope linked to the methodology has to be covered by the assessment team.

Name	Qualification	Coverage of scope	Coverage of technical area	Host country experience
Martin Schröder	ATL	☑	☑	☑
Robert Scharpenberg	A	☑	☑	
Sebastian Hetsch	GHG-T	☑		

Martin Seitz	GHG-T	<input checked="" type="checkbox"/>		
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Martin Schröder is appointed as Assessment Team Leader and GHG-Auditor by the certification body "climate and energy". He holds a Masters Degree in forestry and passed successfully internal training schemes in the field of auditing as well as the technical features of landfill and energy related projects. Before entering the company, he worked in the field of development projects in the Amazon Region and managed forestry based carbon offset projects.

Robert Scharpenberg is a GHG auditor for CDM / JI validations and verifications at TÜV SÜD Industrie Service GmbH in Munich. He has received initial training as auditor and in diverse aspects of the flexible mechanisms. Before he joined TÜV SÜD he worked as consultant to the forest industry, as auditor in the Forest Stewardship Council certification system and as project developer in several JI projects, contributing to his background knowledge of the Kyoto requirements and procedures.

Sebastian Hetsch is a forestry expert and GHG auditor trainee. He holds a Masters degree in forest science. He passed extensive training on auditing of GHG projects. Before joining TÜV SÜD he worked for several years in the field of international forest policy.

Martin Seitz is an expert in forestry and wood-processing industries, holding a Master degree in forestry. He has more than 10 years of work experience in the forest sector in Germany, Ghana and The Netherlands. Mr Seitz is GHG auditor trainee with TÜV SÜD and passed extensive training on auditing of GHG projects.

2.2 Review of Documents

The first version of the PDD was submitted to the DOE in October 2008. The first PDD version submitted by the PP and additional background documents related to the project design and baseline have been reviewed to verify the correctness, credibility, and interpretation of the presented information. Furthermore, a cross-check between information provided and information from other sources (if available) has been done as initial step of the validation process. A complete list of all documents and proofs reviewed is attached as annex 2 to this report.

2.3 Follow-up Interviews

On 26-30 January 2009 and 19-22 May 2009, TÜV SÜD performed interviews with project stakeholders and physical site inspection to confirm relevant information, and to resolve issues identified in the first document review. The table below provides a list of all persons interviewed in this context.

Name	Organisation
Nahat Collaku	Director of Directorate of Forests and Pasture of the Ministry of Environment, Forests and Water Administration
Ramiz Metaliaj	Project Management Team, CS expert
Haki Kola	Project Management Team, CFPM Advisor
Lucia Perugini	World Bank Consultant
André Asrud	Deal Manager, World Bank
Rama Reddy	Team Leader, Methodology Carbon Finance, World Bank
Zarina Azizova	Deal Manager, World Bank
Ellysar Baroudy	BioCF Fund Manager, World Bank

Fabjola Bega	Project Managment Team
Further 28 representatives of the forest service, communes and user associations of the following communes: Elbasan, Ulez, Paper, Klos, Slove, Tomin, Melan, Qelez, Labinot, Poliz, Pishaj (IRL 45)	

2.4 Further cross-check

During the validation process the team makes reference to available information related to similar projects or technologies as the CDM project activity. The documentation has also been reviewed against the approved methodology applied to confirm the appropriateness of formulae and correctness of calculations.

2.5 Resolution of Clarification and Corrective Action Requests

The objective of this phase of the validation is to resolve the requests for corrective actions, clarifications, and any other outstanding issues which needed to be clarified for TÜV SÜD's conclusion on the project design. The CARs and CRs raised by TÜV SÜD were resolved during communication between the client and TÜV SÜD. To guarantee the transparency of the validation process the concerns raised and responses that have been given are documented in more detail in the validation protocol in annex 1.

The final PDD version submitted in June 2009 serves as the basis for the final assessment presented. Changes are not considered to be significant with respect to the qualification of the project as a CDM project based on the two main objectives of the CDM. These are an achievement of reduction of anthropogenic GHG emissions and to contribute to a sustainable development.

2.6 Internal Quality Control

As final step of a validation activity the final documentation, which includes the validation report and the validation protocol, has to undergo an internal quality control by the CB "climate and energy". That means that each report has to be approved either by the head of the CB or the deputy. In projects where either the Head of the CB or his/her Deputy is part of the assessment team, approval can only be given by the one not serving on the project. In the review of this particular project, the CB furthermore used Mr. Juan Chang in order to cover the sectoral scope in the review process.

After confirmation of the PP the validation opinion and relevant documents are submitted to the EB through the UNFCCC web-platform.

3 SUMMARY

The assessment work and the main results are described below in accordance with the VVM reporting requirements. The reference documents indicated in this section and Annex 1 are listed in the Information Reference List (IRL) in Annex 2.

3.1 Approval

The project participants are (i) the Ministry of Environment, Forests and Water Administration of the Government of Albania, (ii) the International Bank for Reconstruction and Development as Trustee of the BioCarbon Fund, and (iii) Italy as Party to the Kyoto Protocol. The host Party Albania and further participant party Italy meet the requirements to participate in the CDM.

The DNA of Albania has issued a LoA (IRL 43) on 15 June 2009 authorizing the Ministry of Environment, Forests and Water Administration as a project participant. The DNA of the Italy has also issued a LoA (IRL 44) on 15 June 2009, authorizing the International Bank for Reconstruction and Development as Trustee of the BioCarbon Fund as a project participant. TÜV SÜD received these letters from the project participants directly and considers the provided letters as authentic.

TÜV SÜD confirms that both letters refer to the precise proposed CDM project activity title in line with the title in the PDD “Assisted Natural Regeneration of Degraded Lands in Albania”.

Both letters also indicate that each participating Party is a Party to the Kyoto Protocol, and that the participation in the “Assisted Natural Regeneration of Degraded Lands in Albania” project is voluntary. The Albanian LoA also confirms that the proposed CDM project activity contributes to the sustainable development of Albania (host country). Based on the information given in these letters, TÜV SÜD considers the approval as unconditional with respect to these items.

Both letters have been issued by the respective Party’s DNA: the “Climate Change Unit, Ministry of Environment” of Albania, and the “Ministry for the Environment and Territory, Department for Global Environment, International and Regional Conventions” of Italy. The corresponding references included to LoA, PDD and validation report are consistent.

TÜV SÜD considers that the requirements of VVM (§§ 45-48) have been met.

3.2 Participation

The participants of the project activity have been approved by the corresponding Parties, which is confirmed by the issued LoAs. The means of validation used are the same as described in section 3.1, specifically in regard to the approval process of the project activity.

3.3 Project design document

The PDD complies with the relevant form and guidance provided by UNFCCC. The most recent version of the PDD template was used. TÜV SÜD considers that the guidelines for the completion of the PDD in their most recent version have been followed. Relevant information was provided by the participants in the applicable PDD sections. Completeness was assessed through the checklist included in Annex 1 of this report.

3.4 Project description

The following description of the project as per PDD was verified during the on-site audit:

The project activity is reforestation of 6272.36 ha of degraded shrub and grazing land through assisted natural regeneration. The total project area consists of 261 parcels, distributed in 117 villages in ten districts of Albania. The project is carried out in cooperation between the project (hosted by the Ministry of Environment, Forests and Water Administration of the Government of Albania), the communes and the forest user associations of the communes. Natural regeneration will be enabled by excluding grazing from the project area; bare lands will be afforested through complementary planting. The baseline scenario is continuous degradation through unsustainable grazing.

In order to address the non-permanence of AR-CDM projects, the PPs have opted for tCERs over a 20 year, renewable crediting period.

The information presented in the PDD on the technical design is consistent with the actual planning and implementation of the project activity as confirmed by:

- Review of data and information (see Annex 2), which was verified with other sources if available.
- An on-site visit has been performed and relevant stakeholder and personnel with knowledge of the project were interviewed. If doubts arose, further investigations and additional interviews were conducted
- Finally, information related to similar projects or technologies as the CDM project activity have been used (if available) to confirm the accuracy and completeness of the project description.

In conclusion, TÜV SÜD confirms that the project description, as included to the PDD, is sufficiently accurate and complete in order to comply with the requirements of the CDM.

3.5 Baseline and monitoring methodology

3.5.1 Applicability of the selected methodology

Compliance has been demonstrated with each applicability criteria as listed in the chosen baseline and monitoring methodology AR-AM0003 (version 04). The assessment was carried out for each applicability criteria and included, among others, the compliance check of the local project setting with the applicability conditions in regard to baseline setting and eligible project measures. This assessment also included the review of secondary sources, which sustain that applicability conditions are complied with (IRL 10, 11, 16, 20, 21, 41).

The methodology specific protocol, included to Annex 1, documents the assessment process and the steps taken. The results on the compliance check and the relevant evidence are listed in Annex 1 in details. TÜV SÜD confirms that the chosen baseline and monitoring methodology is applicable to the project activity.

Emission sources, which are not addressed by the applied methodology, and are expected to contribute more than 1% of the overall expected average annual emission reductions, have not been identified.

3.5.2 Project boundary, pools and eligibility

The **project boundary** was assessed in the context of physical site inspection, interviews, and on the secondary evidence received on the design of the project.

The project area covers 6272.36 ha; it consists of 261 parcels, distributed in 24 different communes in ten districts of Albania (Puke, Kukes, Dibër, Mat, Elbasan, Gramsh, Librazhd, and Ko-

lonje, Has, Bulqize). The boundary as defined in the field was found to be consistent with the indications in the PDD (IRL 19). In the field, the boundary delineation was cross-checked by the audit team with GPS.

The most relevant documents assessed in order to confirm the project boundary are the following:

- Maps (hard copy and scanned) of the Forest Management Units of the Directorate for Forest and Pasture of the Ministry of Environment, Forests and Water Administration (IRL 22)
- Digital boundary files in a Geographic Information System (GIS) (IRL 23)
- Field sheets including coordinates obtained from GPS point documenting the assessment of the audit team during the onsite visits (IRL 19)
- Overview maps of the location of the project area and boundaries are also included to the final PDD (IRL 2).

The boundaries have been validated during the validation process using standard audit techniques, further details of any observation are presented in the Annex 1. TÜV SÜD confirms that the identified boundaries as documented in the PDD and attached documents are adequately defined for the project activity.

While all CDM requirements concerning project boundary are met, the audit team notes that physical demarcation of the boundary in the field (besides the digital information) would ease future project related work, in particular in regards to future verification.

Regarding **control over the project area**, agreements were signed between Ministry of Environment, Forests and Water Administration of the Government of Albania (PP) and the participating Communes (IRL 13). Further, contracts are signed between the communes and the Forest Users Associations (FUA) (IRL 30), who are representing the actual users of the project area. In this contract the FUA agrees to include defined areas in the project. These contracts govern the land use and the transfer and sale of the carbon credits generated by the project.

Further contracts are signed with persons from the communes to protect a specific parcel of the project area from grazing (IRL 31). The relevant documentation was reviewed and found in compliance with legal system of the host country. Thus, control over the project area by the PP is considered to be fully established.

As the PP is not the owner of the lands it is necessary to monitor the aspect of maintained contractual relations with the communes and forest users associations (on project implementation and carbon rights). Therefore, the following FAR is considered necessary to cover this aspect of access to the carbon rights also in future:

Forward Action Request 1:

Monitoring of contracts with land owners on control over land and carbon rights necessary during monitoring period (prior to each verification).

The **carbon pools** and the relevant emissions sources and gases (compare sections on removals and emissions below) have been selected and considered in line with the applicable methodology and this information is included accordingly in the PDD (IRL 2).

In regard to **eligibility of lands**, the project area fully complies with the requirements of the most recent Eligibility Procedure as defined by the EB. Vegetation at the time of the project start was concluded to have been below the forest threshold (according to the DNA definition) and it was assessed that the vegetation prior to project start would not have surpassed this threshold at maturity without the project (IRL 19). The assessment of the area by the project team was conducted as part of the baseline study (IRL 10, 11). This assessment was reviewed by the audit team through a number of randomly selected parcels of land, which were visited. A represen-

tative sample of 34 parcels out of 261 total were visited, including a review of the contractual relations and legal and actual control over the project area by the PPs (IRL 19). Based on these samples it was confirmed that no forest was on the project area before project start.

No forest had been on the project area on 31 December 1989, as documented in the Albanian National Forest Inventory (ANFI) (IRL 5, 10). The document was reviewed by the audit team. Eligibility was also verified during interviews with local stakeholders on site, who confirmed that no forest had been on the project area since 1989 (IRL 1).

3.5.3 Baseline identification

The PDD defines the following baseline scenario:

- Continuation of the existing and historical land use leading to further land degradation

The information presented in the PDD has been validated by a document review, further confirmation based on the on-site visit (IRL 1, 19) and a final step by cross checking the information with similar relevant projects and/or technologies. The sources referenced in the PDD have been quoted correctly. The information was verified against credible sources, such as:

- Papanastasis, Vasillios (2007): Report on Analysis of Displacement activities due to the Community-based Carbon Sequestration Project in Albania. (IRL item 21)
- Agrotech Consortium (2005): Report on Pasture Survey and Range Management Plan. Assessment & Design of Community –based Carbon Sequestration in Albania. (IRL item 22)

Field visits and interviews sustained the chosen baseline approach as per CDM Modalities and Procedures: *Existing or historical, as applicable, changes in carbon stock in the carbon pools within the project boundary*. In the case of this project, the historic land use applicable to the project area prior to project start would also be the likely future land use in absence of the project.

TÜV SÜD confirms that no reasonable alternative scenario has been excluded. Based on the validated assumptions on calculations TÜV SÜD considers that the identified baseline scenario is reasonable. Taking the definition of the baseline scenario into account, TÜV SÜD confirms that all relevant CDM requirements, including relevant and/or sectoral policies and circumstances, have been identified correctly. A verifiable description of the baseline scenario has been included in the PDD.

In regard to item 86 of VVM, TÜV SÜD confirms that:

1. All the assumptions and data used by the project participants are listed in the PDD, including their references and sources;
2. All documentation used is relevant for establishing the baseline scenario and correctly quoted and interpreted in the PDD;
3. Assumptions and data used in the identification of the baseline scenario are justified appropriately, supported by evidence, and can be deemed reasonable;
4. Relevant national and/or sectoral policies and circumstances are considered and listed in the PDD;
5. The approved baseline methodology has been correctly applied to identify the most reasonable baseline scenario, and the identified baseline scenario reasonably represents what would occur in the absence of the proposed CDM project activity.

3.5.4 Algorithm and/or formulae used to determine emission reductions

TÜV SÜD has assessed the calculations of baseline stocks and removals, project emissions, leakage and the expected net anthropogenic GHG removals by sinks. Corresponding calculations were carried out based on calculation spreadsheets (IRL 3). Correctness of calculations can be confirmed as the same have been replicated by the audit team using the information provided. Calculations of ex-ante net anthropogenic removals and baseline removals start with the year 2005 (year 1), which represents the first year of project implementation.

The following chapters of section 3.5.6 - 3.5.9 of the Validation Report sustain this conclusion further

The values and estimates presented in the PDD are considered reasonable based on the documentation reviewed, further references and the result of the interviews.

Based on the information reviewed it can also be confirmed that the sources used are correctly quoted and interpreted in the PDD. All assumptions and data indicated in the PDD and all relevant sources have been checked and confirmed. Detailed information on the verification of parameters used in the equations can be found in Annex 1.

In essence, the methodology has been correctly applied following the requirements. All values in the PDD are considered reasonable in the context of the proposed CDM project activity. Sources of data is correctly quoted. Hence, the calculation of baseline stocks and removals, project emissions, leakage and the expected net anthropogenic GHG removals by sinks can be considered correct.

3.5.5 Baseline stocks and greenhouse gas removals by sinks

The parameters and equations presented in the PDD and further documentation have been cross-checked and compared with the requirements and guidelines of the applied methodology and respective tools. All the formulae presented in the calculation files have been reviewed explicitly.

One baseline strata was defined, which is considered adequate for the homogeneous project setting. The baseline carbon stocks and removals assessed for the above and belowground carbon pools are based on the Albanian National Forest Inventory (IRL 5), as well as the baseline study carried out by Agrotec (IRL 10, 11). 3% of the strata is covered with growing trees. Increment data as well as Biomass Expansion Factors are taken from the Albanian National Forest Inventory (IRL 5). Wood density and carbon fraction are taken from the IPCC GPG LU-LUCF (IRL 4). The choice of data sources is considered adequate.

The ex-ante estimation of baseline GHG emission reduction is 6250 t CO₂-e accumulated over the 20-year crediting period.

3.5.6 Project emissions

No significant GHG emissions as defined in the methodology are expected to occur in this project activity.

In line with the design of this project, no biomass burning for site preparation will occur, which is considered credible. It is also credible that emissions from burning of fossil fuels are not significant in the project areas as harvesting is foreseen to be manual and mostly after crediting end. Furthermore project emissions from fossil fuels have been considered insignificant by recent EB decisions (EB 44). Therefore, project emissions can be set as zero according to the methodology.

In light of the non-relevance the corresponding parameters are not monitored. It is however underlined that the potential impact of unintended fires will be monitored via monitoring of potential natural impacts as covered by the section of boundary monitoring.

Pre-existing vegetation is expected to be outgrown by the newly established forests. Therefore its carbon stock has been conservatively discounted (de facto as emissions) as described above in section 3.5.5.

3.5.7 Leakage

The leakage sources according to the chosen methodology are GHGs emissions from displacement of pre-project grazing and fuelwood collection activities, and carbon stock decreases caused by the increased use of wood posts for fencing from non-renewable sources.

In regard to leakage from displaced grazing, the PP analyzed in detail following the steps suggested by the methodology (based on a livestock census) the amount of livestock in the communes in the project area as well as the available land for potential displacement under control of the associated communes (IRL 11). This analysis describes biomass consumption by livestock on the project area of 4,622 t.dm per year. The existing grazing land under control of the participating communes can sustain an additional utilization of 53,503 t.dm biomass per year. Thus, no additional grazing land is needed and no leakage will occur through the project (IRL item 2, 11, 20, 21).

Leakage from fuelwood collection is expected to be zero, since wood will be available from thinning and maintenance. Furthermore it was confirmed during onsite interviews that fuel wood was collected only at marginal level (IRL 1).

Also no leakage is expected from fencing. Only in some parcels fencing is foreseen and if so the material for fencing is taken from coppicing or maintenance inside the project area, which is considered a sustainable source. The coppicing and maintenance in part of the project activity and also considered in the growth model used to estimate ex-ante GHG removals (IRL 9, 32).

3.5.8 Net anthropogenic greenhouse gas removals by sinks

The estimates on the expected anthropogenic removals which are likely to be achieved by the envisioned reforestations under the project scenario are based on stand models from the Albanian National Forest Inventory, which reports already expanded volume including above- and belowground biomass (IRL 5). Therefore, Biomass Expansion Factors and Root-to-Shoot ratios are not needed. For Wood Density the value for oak is taken from IPCC GPG LULUCF (IRL 4); for Carbon Fraction the default value of 0.5 was applied (IRL 4). The sources have been reviewed and confirmed during the onsite visit and are consistent with data from international database such as IPCC GPG LULUCF (IRL 4) and FAO Forest Resource Assessment (IRL 28).

Over the crediting period of 20 years, total net anthropogenic removals of 459,287 t CO₂-e are expected. The calculations of the net anthropogenic GHG removals were carried out with an Excel based tool provided by World Bank (TARAM) (IRL 3). All calculations are in compliance with the applied AR-CDM methodology. The steps of the calculations are fully traceable and adequate for the project conditions (IRL 3).

3.6 Additionality

The additionality of the project has been presented in the PDD using following approach: Additionality tool for AR-CDM (version 02) using the barrier analysis.

The approach used in the PDD has been assessed based on a document review, where following relevant documents have been reviewed:

- Forest statistics of Albania from the Forest Resource Assessment (IRL 28)
- Report on Pasture Survey and Range Management Plan. Assessment & Design of Community –based Carbon Sequestration in Albania (IRL 20, 21)

Furthermore, the additionality analysis was discussed onsite with the project team of the Ministry of Environment, Forests and Water Administration as project participant, as well as the consultants involved in PDD development (IRL 1). Interviews on this topic were also carried out with stakeholders during the onsite visit (IRL 1, 19). The data, rationale, assumptions, justifications and documentation provided were checked using local knowledge and sectoral and financial expertise. The information provided by the PP was further cross-checked by:

- State of Europe's Forest (UNECE/FAO/MCPFE 2007), stating an overuse of forest area in Albania (IRL item 42)

Based on these validation steps TÜV SÜD can confirm that the information presented in and is authentic.

In essence, the project is considered additional as degraded lands are reforested which otherwise would have remained degraded grazing lands - among others due to unavailability of funding for such reforestation activities.

3.6.1 Start date and prior consideration of the CDM

The project started on 20 December 2004 (IRL 34). The starting date of the project activity is determined by the agreement between the General Directorate of forests and Pasture of the Ministry of Environment, Forests and Water Administration and the first commune agreeing on the implementation of the carbon sequestration project (IRL 34). In order to confirm the starting date the assessment team has reviewed the document. The audit team visited furthermore activities (protection of regeneration and complementary planting) during the onsite visit (IRL 19). The age and condition of the regeneration was consistent with the records.

The minor difference of 11 days between starting date of the activity and the ex-ante estimates on the net anthropogenic removals (beginning with the start of 2005) was accepted since no growth of vegetation occurs in December (winter month) in Albania.

The CDM consideration prior to project start has been documented through a letter of the Albanian Minister of Environment to the World Bank, dated 27 July 2004. The document states that the Ministry agrees to the development of the AR-CDM project activity. The project therefore complies with the requirement of prior CDM consideration.

3.6.2 Identifications of alternatives

The output of the project is: long-term managed reforestations, contributing to soil conservation and improvement of water quality, generation of income in rural communities, production of wood and other non-timber forest products (nuts, fruits, medicinal products).

Relevant alternatives (baseline scenario) identified in the context of the additionality test apart of the project activity without the CDM component are: (i) reintroduction of degraded lands into the agricultural production cycle, (ii) Continuation of the existing and historical land use leading to further degradation and (iii) implementation of project as an assisted natural regeneration without being registered as an A/R CDM project activity.

The list of alternatives to the project is presented in the PDD includes the project activity undertaken without being registered as CDM project. The rest of the alternatives presented do include

all plausible scenarios taking into account the local and sectoral situations for the outputs mentioned. Hence the list of alternatives is considered to be complete.

3.6.3 Barrier analysis

The project participants have used the barrier analysis in order to demonstrate the additionality of the project. The presented barriers are

- Investment barriers
- Ecological barrier
- Barrier related to local tradition and prevailing practices

The assessment team checked first if any barrier has a clear direct impact on the financial returns of the project activity which can be expressed with reasonable certainty in monetary terms. The final PDD does include only barriers without such impact on the financial returns.

The **investment barrier** has been assessed against official documents such as the confirmation from the Ministry of Environment, Forests and Water Administration of Albania on non-availability of funds for reforestation projects (IRL 29). Further cross-checks were made to statistics on afforestation in Albania (IRL 43).

It was confirmed that there was no alternative financing available from the PPs for the project activity and that it has become recently available through the project and its carbon component. Thus, the investment barrier prohibits alternative (iii), implementation of project as an assisted natural regeneration without being registered as an A/R CDM project activity.

The **ecological barrier** has been assessed against documents such as:

- Report on Pasture Survey and Range Management Plan. Assessment & Design of Community –based Carbon Sequestration in Albania (IRL item 20);
- Baseline assessment of the project area (IRL 10, 15).

Further details are discussed in Annex 1. It was confirmed that the ecological conditions would have hindered the reintroduction of the land into the agricultural production cycle (alternative i)).

The **barrier related to local tradition and prevailing practices** was assessed. It was documented that the project activity of assisted natural regeneration is the first of its kind in Albania. This was assessed against official documents such as the confirmation from the Ministry of Environment, Forests and Water Administration of Albania (IRL 36). Therefore this evidence further sustains that the barrier is prohibitive to alternative iii); implementation of project as an assisted natural regeneration without being registered as an A/R CDM project activity

The result of this assessment shows clearly that the barriers presented in the PDD can be considered real. These barriers prevent the project activity from being implemented while it would not prevent at least the baseline of the project. This was confirmed based on the documentation review, interviews and local and sectoral expertise of the assessment team. The latter has been i.e. confirmed by the interviewed stakeholders.

3.6.4 Common practice analysis

The region for the common practice analysis is the country of Albania. The assessment team reviewed the approach presented in the PDD and confirmed that relevant parameters such as location, infrastructure, economical situation, and development have been taken into account in order to define the region. The chosen region has unique characteristics in regard to forest structure, population structure and ethnic minorities. Therefore, the presented approach can be considered appropriate for the common practice analysis.

The assessment team has discussed reforestation activities in Albania with the forest administration based on interviews and it is confirmed that this project is the first of its kind in Albania (IRL 38). Further plantations established in recent years in the region are negligible in area (IRL

43) and of different nature, since these are plantation of conifers, as confirmed in interviews (IRL 1) and during onsite visit.

It can be confirmed that the proposed CDM activity is not a common practice in the defined region, while considering the specific project design.

3.7 Monitoring plan

The monitoring plan presented in the PDD complies with the requirement of the methodology and the CDM Modalities and Procedures.

The assessment team has checked all parameters presented in the monitoring plan against the requirements of the methodology. For the monitoring of carbon stock changes the requirements and parameter list as per methodology were followed. Monitoring of GHG emissions and leakage is excluded due to non-relevance (see section 3.5.6).

The monitoring plan was included to the project documentation. The boundary and management monitoring was defined specifically for the project context. The sampling design was reviewed onsite and found to be in compliance with methodological requirements, and good practice as defined e.g. in the IPCC GPG LULUCF (IRL 4).

The procedures have been revised by the assessment team through document review and interviews with the relevant personnel; this information together with a physical inspection allows the assessment team to confirm that the proposed monitoring plan is feasible within the project design.

The major parameters to be monitored have been discussed with the PPs inventory processes, the data management and in general the quality assurance and quality control procedures to be implemented in the context of the project.

The chosen monitoring frequency of the parameters is in line with the methodology (frequency in years). It is considered that there is no systematic coincidence of verifications with peaks in carbon stocks since no harvesting operations are foreseen within the crediting period.

3.8 Sustainable development

The LoA of the Host country Albania clearly presents a statement that the project contributes to the sustainable development of the host Party.

3.9 Local stakeholder consultation

The project participants conducted meetings and interviews with the relevant local stakeholders, in particular in the communities adjacent to the project area. The stakeholder process was carried out in line with PDD guidance and was found to be documented through evidence on the consultation process (IRL 27)

The assessment team has reviewed the documentation in order to validate the inclusion of relevant stakeholders and using the local expertise it is confirmed that the communication method used to invite the stakeholders can be considered appropriate.

The summary of comments presented in the PDD has been cross checked with the documentation of the stakeholder consultation and it is found to be complete.

The relevant comments presented by the local stakeholders have been taken into due account by the PP, the same has been cross checked with the information obtained during the interviews.

Hence the local stakeholder consultation has been adequately performed according to the CDM requirements.

3.10 Environmental and socio-economic impacts

The PP has undertaken an analysis of environmental and socio-economic impacts according to the requirements of the guidelines for PDD completion. The assessment team carried out a document review of the information presented.

No Environmental Impact Assessment is required for afforestation activities in Albania, as confirmed by the Ministry of Environment, Forests and Water Administration (IRL 36). However, the PP carried out an Environmental Assessment according to the requirements of the World Bank. Thus the PP has followed the requirements of the host country regarding the environmental impact assessment. The environmental impacts of the project were analyzed in detail in this study (IRL 7). Also a social assessment was carried out in accordance to the requirement of the World Bank (IRL 8).

The audit team concluded that no negative environmental and social impacts are expected. The conclusion was also sustained by the results of the field visit of the audit team as well as positive comments on the project by the stakeholders consulted.

4 COMMENTS BY PARTIES, STAKEHOLDERS AND NGOS

TÜV SÜD published the project documents on the UNFCCC website by installing a link to TÜV SÜD's own website, and invited comments by affected Parties, stakeholders, and non-governmental organisations during a 45 day period.

The following table presents all gathered key information:

webpage: http://cdm.unfccc.int/Projects/Validation/DB/SWBM2GAKQZOD0XGI0N4CH2DSNLA469/view.html	
Starting date of the global stakeholder consultation process: 23 Oct 2008	
Comment submitted by: None	Issues raised: -
Response by TÜV SÜD: -	

5 VALIDATION OPINION

TÜV SÜD has performed a validation of the following proposed CDM project activity "Assisted Natural Regeneration of Degraded Lands in Albania".

Standard auditing techniques have been used for the validation of the project. Methodology-specific customized checklists and protocol for the project have been prepared to carry out the audit in order to present the outcome in a transparent and comprehensive manner.

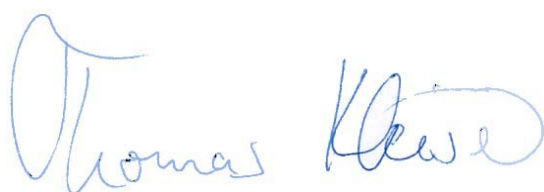
The review of the project design documentation, subsequent follow-up interviews and further verification of references have provided TÜV SÜD with sufficient evidence to determine the fulfilment of stated criteria in the protocol. In our opinion, the project meets all relevant UNFCCC requirements for the CDM. Therefore, TÜV SÜD recommends the project for registration by the CDM Executive Board.

An analysis as provided by the applied methodology demonstrates that the proposed project activity is not a likely baseline scenario. Emission reductions attributable to the project are additional to any that would occur in the absence of the project activity. Given that the project is implemented as designed, the project is likely to achieve the estimated amount of emission reductions as specified within the final PDD version.

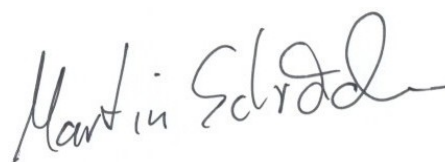
The validation is based on the information made available to us, as well as the engagement conditions detailed in this report. The validation has been performed following the VVM requirements. The single purpose of this report is its use during the registration process as part of the CDM project cycle. TÜV SÜD can therefore not be held liable by any party for decisions made, or not made, based on the validation opinion beyond that purpose.

Munich, 02-10-2009

Munich, 02-10-2009



Certification Body "climate and energy"
TÜV SÜD Industrie Service GmbH



Martin Schröder
Assessment Team Leader



Industrie Service

Annex 1: Validation Protocol

Table 1 Requirement Checklist

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
A. General Description of the Project Activity					
A.1 Title of the project activity					
Does the used project title clearly enable to identify the unique CDM activity?	2	DR	The project title “Assisted Natural Regeneration of Degraded Lands in Albania” allows clear identification.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Are there any indication concerning the revision number and the date of the revision?	2	DR	Version No. 01, Date is 21/07/2008 <u>Corrective Action Request No 1.</u> Assure that indicated annexes on front page are included to one single PDD document in pdf format.	CAR 1	<input checked="" type="checkbox"/>
Is this consistent with the time line of the project's history?	2	DR, FV	PDD version 01 was used for the GSP process. The project has undergone longer design phase prior to GSP start.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.2 Description of the project activity					
Has the project been described in terms of purpose, how the project is undertaken, and the project proponent's view of the project's contribution to sustainable development?	2	DR	A project description has been included to the PDD. The project foresees reforestation of 6'316 ha on degraded lands in Albania in the first version of the PDD. <u>See CAR on eligibility in A7</u> The contribution to sustainability is covered. Among others, main sustainability impacts are the reduction of erosion and generation of additional employment	CAR	<input checked="" type="checkbox"/>
A.3 Project participants					
Have the Parties and project participants participating in the	2	DR	The table has been included to the PDD as required.		

Ref. = Reference as included to Information Reference List; MoV = Means of verification (Document Review: DR; Interview: IV; Field visit: FV)



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CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl						
project been listed in the table as required?			Project participants are: <ul style="list-style-type: none">Albanian Ministry of Environment, Forestry and Water Protection.Italian Ministry for the Environment and TerritoryInternational Bank for Reconstruction and Development as Trustee of the BioCarbon Fund The participants from Table A.3 are consistent with Annex 1.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
Have all involved Parties provided a valid and complete letter of approval and have all private/public project participants been authorized by an involved Party?	2, 39, 40	DR	Letter of Approval from Albanian and Italian DNA was provided in the final stage of the validation process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
Do all participating Parties fulfil the participation requirements as follows: - Ratification of the Kyoto Protocol - Designated a National Authority - Host Party DNA communicated minimum values for forest definition	2	DR	Yes, all criteria a complied with. For forest definition see: http://cdm.unfccc.int/DNA/allCountriesARInfos.html <table><tr><td>single minimum tree crown cover value between 10 and 30 per cent</td><td>A single minimum land area value between 0,05 and 1 hectare</td><td>A single minimum tree height value between 2 and 5 metres</td></tr><tr><td>30</td><td>0.1</td><td>3</td></tr></table>	single minimum tree crown cover value between 10 and 30 per cent	A single minimum land area value between 0,05 and 1 hectare	A single minimum tree height value between 2 and 5 metres	30	0.1	3	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
single minimum tree crown cover value between 10 and 30 per cent	A single minimum land area value between 0,05 and 1 hectare	A single minimum tree height value between 2 and 5 metres									
30	0.1	3									
A.4 Description of physical location and boundaries of the A/R CDM project activity:											
Has the location of the project including Host Party, Region/State/Province and City/town/community been defined?	2, 10, 19, 22, 23	DR, FV, IV	The location of the proposed project Republic of Albania in five different Regions / 24 communes / 117 villages / 221 parcels of land. An overview table on all sites with location and area has been included to the PDD. 6317 ha are indicated as project area and planting is foreseen on 3264 ha in the initial stage of the PDD. Non-eligible area was included in the process of	CAR	<input checked="" type="checkbox"/>						

Ref. = Reference as included to Information Reference List; MoV = Means of verification (Document Review: DR; Interview: IV; Field visit: FV)

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			the validation. During the validation process the PP excluded these area from the project; this is why the area changed See CAR on eligibility in A7		
Has an appropriately detailed geographic delineation of the project boundary including a unique identifier been included?	2, 10, 19, 22, 23	DR, FV, IV	<p>An overview map of Albania with the respective regions has been included to the PDD. During onsite visit, hardcopy maps were available. These maps and basic silvicultural information are from forest economy assessment. The project boundaries are defined on the basis of forest management units of the last Albanian national forest inventory (ANFI).</p> <p>All data on project area and boundary is available digitally, stored in a Geographic Information System (GIS) at the Ministry of Environment, Forest and Water Administration (Project Participant). The digital files were provided to the DOE.</p> <p><u>Corrective Action Request No 2.</u></p> <p>In order to assure that verifiable boundary data is included to the PDD, please incorporate a map that allows to identify project boundaries. In the map each parcel of land shall carry an ID number. The map should further include scale, legend, date, coordinates, coordinate system. Assure consistency of ID number throughout the PDD document.</p> <p><u>Corrective Action Request No 3.</u></p> <p>The indication on area size of the discrete parcels of the project area differs between the forest management plan/ Excel Sheet and the GIS data. Please clarify and correct.</p> <p>See CAR on eligibility in A7</p>	CAR 2 CAR 3	<input checked="" type="checkbox"/>
AR-AM0003, section II.2					

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
Is the project boundary under control of the participants geographically delineated?	2	DR	See section A.6		<input checked="" type="checkbox"/>
Does each discrete area of land have a unique identification?	2, 10	DR	See CAR 2 Plot ID appear in table 4 of PDD.		<input checked="" type="checkbox"/>
A.5. Technical description of the AR activity					
Has a description of the present environmental conditions of the project area (including climate, hydrology, soils, ecosystems and land use) been included?	2, 7, 10,	DR	<p>A description of climate, ecosystem and land use for the different "strata" of baseline vegetation types is included. It was underlined in the onsite visit that these "strata" are more to be viewed as "ecozones" and that the term strata may be misleading. In terms of carbon, only one strata was defined.</p> <p>See also section C.4 on stratification.</p> <p>In order to assess the different sites, an "Assessment Sheet" was compiled for each parcel and information provided by local farmers. Section C. 5.1 includes further information on soils and geomorphology.</p> <p><u>Clarification Request No 1.</u></p> <p>Consistency between different ecozones and baseline stock estimates shall be clarified and confirmed.</p> <p>TARAM indicates baseline stocks for two strata; Assure consistency with PDD indications on baseline strata.</p>	CR1	<input checked="" type="checkbox"/>
Have any rare or endangered species been defined as present?	2, 7, 44	DR	<p>Rare and endangered species have been identified for all four baseline ecozones. For some of them a categorisation has been mentioned according to IUCN.</p> <p><u>Corrective Action Request No 4.</u></p> <p>The process of identifying endangered species, including fauna, shall be explained in the PDD. Corresponding evidence is to be made available. The impacts of the project activity on endangered species shall be de-</p>	CAR 4	<input checked="" type="checkbox"/>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			scribed in section F of the PDD.		
Have the species and varieties to be grown been adequately described?	2, 9, 5, 32,	DR	<p>A description of species to be grown is included in PDD. The main activity of the project is assisted natural regeneration.</p> <p>Natural regeneration is one stand model (strata), which includes a variety of species.</p> <p>The second stand model (strata) includes complementary planting. Planting is however only of small relevance within this stand model.</p> <p>Yield estimates (compare section D) are based on inventory data from national forest inventories (for these corresponding species groups), which is considered adequate (species composition was checked).</p> <p>The species which are planted and supported in natural generation are presented in Table 8. Species including native broadleaved, native coniferous and two exotic broadleaved species.</p> <p>The consistency with the stand models is considered to be achieved with TARAM calculations.</p> <p>Detailed description of forest management is also described in the Management Plan of the Forest Service (see Ref. 35 as sample for one parcel)</p> <p><u>Corrective Action Request No 5.</u></p> <p>Adopt Table 8 and 9 since the number and composition of species differ in both tables.</p> <p><u>Corrective Action Request No 6.</u></p> <p>Adopt in the document a unique use of dots and comma. i.e. in A.5.3. it says 6,316.7 ha and 3264,20 ha (correct would be 3,264.20 ha). Use for decimals the dot and for thousands the comma.</p>	CAR 5 CAR 6	<input checked="" type="checkbox"/>



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CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
Has the technology to be employed and know-how been adequately described? (including environmentally safe and sustainable/renewable technologies)	2	DR	Technology implementation has been described. No machinery and no fertilizer are foreseen to be used during the preparation of sites. Silvicultural measures have been described, the measures are reflecting on common practice in these stand models.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Is there any transfer of technology from an Annex 1 country?	2	DR	Transfer of technology from Annex 1 countries is not foreseen. Transfer of know-how to communes and staff and strengthening of structures of the national forest service are potential positive impacts.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Are measures described how to minimize potential leakage?	2, 20, 21	DR, IV	An assessment of leakage was done concluding that overall leakage can be considered zero. According to an assessment by a Greek grazing expert, no leakage will occur (See CARs in section D2). Leakage due to fuel wood collection is not relevant since the average diameters of current vegetation are too small, fuel wood collection occurs only marginal. Measures for minimization of leakage by displacement of animals will be implemented by allowing fodder collection and usage of coppice for fodder in the project area. The latter is considered credible and not impacting the GHG removals of the project activity.	CARs in D2	<input checked="" type="checkbox"/>
A.6. Description of legal title to the land, current land tenure and rights to tCERs / ICERs issued for the proposed A/R CDM project activity:					
Have details of the legal title to the land, land tenure and rights to issued tCERs/ICERs been described?	2, 13, 19, 30, 31	DR, IV, FV	A description of legal titles to the land is provided. The land ownership is currently transferred from the national government to the communes. Forest and Pasture Users Associations (FPUAs) have contracts with the communes on the right to use the project areas. An agreement was signed with persons from the village to secure that no grazing will be conducted on	CAR 7 CAR 8	<input checked="" type="checkbox"/>

Ref. = Reference as included to Information Reference List; MoV = Means of verification (Document Review: DR; Interview: IV; Field visit: FV)

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			<p>the project plot.</p> <p>Regarding the carbon rights, a contract was set-up between the commune and the forest users association, stating that communes are entitled to the carbon rights. The carbon rights are owned by the local government (communes).</p> <p><u>Corrective Action Request No 7.</u></p> <p>Explain how it is assured through the existing contracts that the carbon rights are forwarded from the holder of carbon rights / land owner to the participants defined in the PDD.</p> <p>Provide corresponding evidence which sustains that communities are actually land and carbon owners and clarify the role of the forest users in this context.</p> <p><u>Corrective Action Request No 8.</u></p> <p>Provide copies of contractual documentation and translate relevant parts of carbon / land rights.</p>		
A.7. Assessment of the eligibility of the land:					
Has the latest version of the AR eligibility procedure been applied?	2	DR	<p><u>Corrective Action Request No 9.</u></p> <p>A link is given to an outdated version of the eligibility procedure. An update is necessary.</p>	CAR 9	<input checked="" type="checkbox"/>
<p>Is adequate evidence provided which demonstrates that</p> <p>a) the land in the project boundary is not forest at project start</p> <p>b) the activity is an afforestation or reforestation by indicating historic land use (reforestation: unstocked by Dec. 1989; afforestation: unstocked >50 y)</p>	2, 5, 10, 19, 22, 23,	DR, IV, FV	<p>A land use assessment (national inventory) has been carried out to prove land eligibility. Main source for confirming that areas did not qualify as forests since 31 Dec 1989 are the old land use classes in forest inventory from 1984/85 (i.e. shrubs). This was further substantiated with interviews and field estimates carried out. Field visits of randomly selected parcels were carried out.</p> <p>It was clarified that satellite image analysis was not used since it was not possible to estimate tree height</p>	CAR 10	<input checked="" type="checkbox"/>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			<p>on the basis these satellite images. The capability of regeneration was assessed via field estimates.</p> <p>During field visit randomly selected project sites were chosen and assessed for eligibility.</p> <p><u>Corrective Action Request No 10.</u></p> <p>During first site visit some parcels (e.g. parts of 1484b, 14104b, were found to be not eligible, since they had been already forests according to the Albanian CDM Forest definition at project start (1 March 2006, see B1). (3m height, 0.1 ha minimum area, 30 % crown cover).</p> <p>Review all project sites, ensuring that no area are included, that have not been forest between 1990 and project start.</p> <p><u>Note:</u> Repeated site visits was required to confirm conformity with this CAR.</p>		
A.8. Approach for addressing non-permanence:					
Has the approach to address non-permanence been specified (tCER, ICER)?	2	DR	t-CERs have been chosen to address non-permanence.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
A.9. Estimated amount of net anthropogenic GHG removals by sinks over the chosen crediting period:					
Has the table on estimated net anthropogenic removals over the chosen crediting period been completed?	2	DR	<p>The table of estimated amount of net anthropogenic GHG removals is provided.</p> <p><u>Corrective Action Request No 11.</u></p> <p>All calculation tables are to be brought to consistency with summary tables in PDD.</p> <p><u>Corrective Action Request No 12.</u></p> <p>Clarify how to avoid of coincidence of peaks in carbon stocks and verification, according to CDM VVM (paragraph 151).</p>	CAR 11 CAR 12	<input checked="" type="checkbox"/>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
A.10. Public funding of the proposed A/R CDM project activity:					
	2, 14	DR	The project is expected to be carried out connected to the World Bank Natural Resources Development Project (NRDP) in Albania (a lending scheme). The CDM project is complementary to that project. Project development and implementation are financed by NDRP funds, among others. An overview on the NRDP is included in annex 2.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B. Duration of the Project Activity / Crediting Period					
B.1 Starting date of the project and the crediting period					
Does the starting date reflect the date of implementation (or when real action began that resulted in changes to the actual net removals) and has it been adequately justified?	2, 34	DR	The starting date is indicated as 20 December 2004. <u>Corrective Action Request No 13.</u> Evidence on starting date to be provided, i.e. proof of planting.	CAR 13	<input checked="" type="checkbox"/>
B.2 Expected operational lifetime					
Has the expected operational lifetime been defined?	2	DR	Operational lifetime is 60 years.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
B.3 Choice of crediting period and related information					
Is the project fixed or renewable and does it have an appropriate crediting period length defined?	2, 3	DR	A renewable crediting period of 20 years has been chosen. <u>Corrective Action Request No 14.</u> Consistency with TARAM calculations of 30 years is to be assured.	CAR 14	<input checked="" type="checkbox"/>
C. Application of Baseline and Monitoring Methodology					



CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
C.1 Title and reference of approved methodology					
Has the approved methodology and any other methodologies or tools used been properly referenced (including version no.)?	2	DR	Yes, used methodology is correctly referenced. (AR-AM0003 version 04) The methodology has been developed for this project.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Has the most current version of the methodology been used (consider also PDD formats, eligibility procedure, AR add. tool)?	2	DR	Yes, the most recent versions have been applied.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
C.2. Assessment and justification of selected methodology					
AR-AM0003, section I (applicability criteria)					
Does the project use the baseline approach from paragraph 22 of the CDM A/R modalities and procedures: Existing or historical, as applicable, changes in carbon stocks in the carbon pools within the project boundary?	2, 19, 20, 21	DR, IV	<p>The baseline approach “existing or historical [...] changes in carbon stocks [...]” was chosen. It is described that livestock levels have remained constant over the last years, even a 7% increase in the villages adjacent to the project area could be observed. A particular increase in sheep was observed over the last 5 years, generally a decrease in goats and a slight increase in cattle. A study on grazing is underlining these trends.</p> <p>In interview during onsite visits, a majority of villagers claimed that the number of life stock is decreasing over the last years, in particular in regards to goats grazing/ browsing in the degraded shrub lands. This was explained with the trend of people moving to bigger cities, and more arable land / pasture land to provide higher quality fodder. During site visit a tendency could also be observed of leaving marginal lands fallow</p> <p>During onsite visit a random number of project sites were assessed. Some did not meet the baseline approach, since the grazing pressure in the surrounding areas had been decreased and forest encroachment in the parcel and the surrounding area was obvious (e.g.</p>	CR 2 CAR 15 CAR 26	<input checked="" type="checkbox"/>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl								
			parcel 14104b). <u>Clarification Request No 2.</u> Explain how the baseline approach can be sustained in the light of the statements on statements by villagers on decreasing livestock and movement of villagers to bigger towns (see C.1 of table 1). <u>Corrective Action Request No 15.</u> Exclude areas where the baseline approach is not applicable (e.g. areas where grazing pressure is reduced due to macro-economic developments, such as abandoning of grazing) <u>Note:</u> Repeated site visits are required to confirm conformity with this CAR. See also CAR 26 in D2										
Is the selected project activity an afforestation or reforestation of degraded land, which is subject to further degradation or remains in a low carbon steady state, through assisted natural regeneration, tree planting, or control of pre-project grazing and fuelwood collection activities (including on-site charcoal production)?	2	DR	The project is a reforestation project on degraded lands. Reforestation will be established by natural regeneration and enrichment planting and control of grazing activities. <u>Clarification Request No 3.</u> Provide a clear statement whether this is an afforestation or reforestation activity and use the terms correctly and explicit throughout the project	CR 3	<input checked="" type="checkbox"/>								
The project activity can lead to a shift of pre-project activities outside the project boundary, e.g. a displacement of grazing and fuelwood collection activities, including charcoal production;	2, 20, 21	DR	<table border="1"><tr><td>Incl. to PDD</td><td>Rationale / Assumptions referenced</td><td>Evidence Provided</td><td>Conclusion</td></tr><tr><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td></tr></table> Leakage assessment was done. See section D.	Incl. to PDD	Rationale / Assumptions referenced	Evidence Provided	Conclusion	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	CARs in D2	<input checked="" type="checkbox"/>
Incl. to PDD	Rationale / Assumptions referenced	Evidence Provided	Conclusion										
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>										
Lands to be afforested or reforested are severely degraded and the lands are still degrading or remain in a low carbon	2, 10, 20, 21	DR		CAR 15 CR 3	<input checked="" type="checkbox"/>								

Ref. = Reference as included to Information Reference List; MoV = Means of verification (Document Review: DR; Interview: IV; Field visit: FV)

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl								
steady state;			<table><tr><td>Incl. to PDD</td><td>Rationale / Assumptions referenced</td><td>Evidence Provided</td><td>Conclusion</td></tr><tr><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td></tr></table> <p>Due to grazing activities the land remains in a de-graded status. Floristic assessments indicated degra-dation and high grazing pressure.</p> <p>See CR 2 and CAR 15, CAR 26</p>	Incl. to PDD	Rationale / Assumptions referenced	Evidence Provided	Conclusion	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	CAR 26	
Incl. to PDD	Rationale / Assumptions referenced	Evidence Provided	Conclusion										
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>										
Environmental conditions or anthropogenic pressures do not permit the encroachment of natural tree vegetation that leads to the establishment of forests according to the threshold values of the national definition of forest for CDM purposes;	2, 20, 21	DR	<table><tr><td>Incl. to PDD</td><td>Rationale / Assumptions referenced</td><td>Evidence Provided</td><td>Conclusion</td></tr><tr><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td></tr></table> <p>The site visits have demonstrated that natural regen-eration cannot encroach due to overgrazing.</p> <p>During the field visits, strong overgrazing non-encroachments were confirmed. See CR 2 and CAR 15, CAR 26</p>	Incl. to PDD	Rationale / Assumptions referenced	Evidence Provided	Conclusion	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	CR 2, CAR 15 CAR 26	<input checked="" type="checkbox"/>
Incl. to PDD	Rationale / Assumptions referenced	Evidence Provided	Conclusion										
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>										
Lands will be afforested or reforested through promotion of natural regeneration and or direct planting or seeding;	2, 9	DR	<p>Project area will be reforests through natural regenera-tion and enrichment planting (combined with grazing control).</p> <table><tr><td>Incl. to PDD</td><td>Rationale / Assumptions referenced</td><td>Evidence Provided</td><td>Conclusion</td></tr><tr><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td></tr></table>	Incl. to PDD	Rationale / Assumptions referenced	Evidence Provided	Conclusion	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Incl. to PDD	Rationale / Assumptions referenced	Evidence Provided	Conclusion										
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>										
Site preparation does not cause significant longer term net decreases of soil carbon stocks or increases of non-CO2 emissions from soil;	2	DR, FV	<p>For small plantings only small holes will be made, no ploughing or other type of site preparation is foreseen. For the enrichment planting established between pro-ject start and onsite visit this was confirmed.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>								

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS				Draft Concl	Final Concl
			Incl. to PDD	Rationale / Assumptions referenced	Evidence Provided	Conclusion		
			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Carbon stocks in soil organic carbon, litter and dead wood can be expected to decrease more due to soil erosion and human intervention or increase less in the absence of the project activity, relative to the project scenario;	2, 10, 11	DR					CAR 16	<input checked="" type="checkbox"/>
			Incl. to PDD	Rationale / Assumptions referenced	Evidence Provided	Conclusion		
			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
			<u>Corrective Action Request No 16.</u> Evidence on compliance with applicability criteria is to be included to the PDD					
Flooding irrigation is not permitted;	2	DR, FV					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
			Incl. to PDD	Rationale / Assumptions referenced	Evidence Provided	Conclusion		
			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
			Flooding irrigation is not foreseen for the project activity. Most parcels are on slopes.					
Soil drainage and disturbance are insignificant, so that non CO ₂ -greenhouse gas emissions from this type of activities can be neglected;	2	DR, FV					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
			Incl. to PDD	Rationale / Assumptions referenced	Evidence Provided	Conclusion		
			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
			Soil drainage irrigation is not foreseen for the project activity. No wet areas are included to the project. This was confirmed through site visits of audit team. Forest maps indicate these areas.					
The amount of nitrogen-fixing species (NFS) used in the AR CDM project activity is not significant, so that greenhouse	2, 9	DR						

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CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl										
gas emissions from denitrification can be neglected in the estimation of actual net greenhouse gas removals by sinks;			<table><tr><td>Incl. to PDD</td><td>Rationale / Assumptions referenced</td><td>Evidence provided</td><td>Conclusion</td></tr><tr><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td></tr></table> <p><i>Robinia pseudoacacia</i> will be planted as NFS. It will cover 8.2 % of the project area. 500 trees per hectare on 520 ha (complementary to natural regeneration). This less than 10%. AR-ACM 0001 indicates this as significance level. In addition EB decision 44 considers NFS as non-significant</p>	Incl. to PDD	Rationale / Assumptions referenced	Evidence provided	Conclusion	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Incl. to PDD	Rationale / Assumptions referenced	Evidence provided	Conclusion												
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>												
The AR CDM project activity is implemented on land where there are no other on-going or planned AR activities.	2, 38	DR	<p>A/R project is the first of this kind in the region. However, afforestation projects are also being implemented as part of a World Bank Project on natural Resources (without Carbon Component)</p> <table><tr><td>Incl. to PDD</td><td>Rationale / Assumptions referenced</td><td>Evidence provided</td><td>Conclusion</td></tr><tr><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td></tr></table> <p><u>Clarification Request No 4.</u> Clarify why the project areas / activity is not included in the non-carbon component of the NRDP project.</p>	Incl. to PDD	Rationale / Assumptions referenced	Evidence provided	Conclusion	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	CR 4	<input checked="" type="checkbox"/>		
Incl. to PDD	Rationale / Assumptions referenced	Evidence provided	Conclusion												
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>												
C.3. Assessment of the selected carbon pools an demission sources of the approved methodology															
<p>Are the carbon pools considered in the project activity in line with the requirements of the methodology? (“No” = conservative approach under the applicability conditions)</p> <table><tr><td>Carbon pools</td><td>Selected</td></tr><tr><td>Above ground</td><td>Yes</td></tr><tr><td>Below ground</td><td>Yes</td></tr><tr><td>Dead wood</td><td>No</td></tr><tr><td>Litter</td><td>No</td></tr></table>	Carbon pools	Selected	Above ground	Yes	Below ground	Yes	Dead wood	No	Litter	No	2	DR	Carbon pools considered are in line with the methodology: Below and aboveground biomass are considered.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Carbon pools	Selected														
Above ground	Yes														
Below ground	Yes														
Dead wood	No														
Litter	No														



CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
Soil organic carbon No					
C.4 Description of ex ante stratification					
AR-AM0003, section II.3					
<p>Step 1: Stratification according to pre-existing conditions and baseline projections</p> <p>a. Are the factors defined (land use, soil, climate, etc) that influence carbon stocks?</p> <p>b. Has local site information been collected considering these factors (e.g. maps)?</p> <p>c. Has information of pre-project distribution of ruminant animals been compiled?</p> <p>d. Has preliminary stratification been carried out?</p> <p>e. Have the site specifications been sampled for preliminary strata, eg. on vegetation cover and type?</p> <p>f. Has the final stratification been carried out considering e) and do the strata differ significantly?</p>	2, 10	DR	<p>Step 1: Vegetation and climate conditions are the main factors to identify carbon stock changes.</p> <p>It is indicated that baseline strata differ little in carbon density. However, the baseline stock seemed diverse: some parcels were grassland while others were densely covered with shrubs.</p> <p><u>Corrective Action Request No 17.</u></p> <p>In regard to the ex-ante stratification it is requested that the individual sub-steps of Step1 are covered and documented in the PDD.</p> <p><u>Clarification Request No 5.</u></p> <p>Consistency with the four strata/ecozones identified in section A is to be assured and/or explained. Conservativeness of classification of only one stratum is to be further sustained in this context, in particular since the parcels visited during onsite visit were diverse (both, grasslands and dense shrub-lands).</p> <p><u>Corrective Action Request No 18.</u></p> <p>In section C.4 and C.5.1 an incorrect methodology version is indicated.</p>	CAR 17 CR 5 CAR 18	<input checked="" type="checkbox"/>
<p>Step 2: Stratification according to the planned AR-CDM project</p> <p>a. Has the stand model been defined, including the following:</p> <ul style="list-style-type: none"> Species / species combination Growth assumptions for species or species combinations silvicultural / management details (Planting, fertil- 	2, 9	DR	<p>Two stand models were defined. However, the same allometric equations were used for both.</p> <p><u>Corrective Action Request No 19.</u></p> <p>Document compliance with methodology requirements and the detailed step wise approach (step 2 and 3). Consistency with project activity planning per stand model and TARAM is to be assured.</p>	CAR 19	<input checked="" type="checkbox"/>



CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
izing, thinning harvesting, etc. by specifying timing, age class, volumes, etc) b. Is the establishment timing defined for each model, including date, area, and geographic location? c. Is the project area stratified accordingly and do the strata differ significantly?			Provide a final stratification map.		
Step 3: Final Ex-ante stratification. a. Has each strata been delineated verifiable using geographic data provided by GPS and / or georeferenced spatial data, and is that data consistent? b. Is that data preferably managed in a GIS in order to facilitate ex-post stratification?	2, 23	DR	One ex-ante stratum is defined. Information on strata are also digital available on GIS. Regarding the boundary see CAR 17-19 and CR 5	CAR 17 CAR 18 CAR 19 CR 5	<input checked="" type="checkbox"/>
C.5 Identification of baseline scenario					
C.5.1. Description of the application of the procedure to identify the most plausible baseline					
AR-AM0003, section II.4					
Step 1					
Definition of project boundary in line with land eligibility?	2, 19, 22, 23	DR	The project boundary is defined based on forest management units of the forest management plan. <u>Corrective Action Request No 20.</u> Please correct the reference in the PDD, there is no section A.4.1.4 <i>See also CAR 10 (in A7)</i>	CAR 10 CAR 20	<input checked="" type="checkbox"/>
Step 2					<input checked="" type="checkbox"/>
a) Analysis of historic and land use / cover change in the context of socioeconomic conditions and identification of key factors that influence land use change over the relevant time-frame (acc. AR definitions, using e.g. multitemporal images, field studies, interviews, other sources)	2, 5, 19, 20, 21, 28	DR, IV, FV	Livestock is important to agricultural GDP. Overgrazing is common. This shows the ANFI (Albanian National Forestry Inventory) from 2004, as well a study by grazing expert. Figures reported to UNECE/FAO show a decline of forest area by 8% since 1990 8%. <i>See CR 2 and CAR 15 (in C2), CAR 26 (D2)</i>	CR 2 CAR 15 CAR 26	<input checked="" type="checkbox"/>



CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
b) Demonstration that land use / cover change has lead to a steady degradation (e.g. vegetation or soil), including decrease or steady state of carbon stocks, using verifiable indicators that are sustained by further evidence.	2, 11, 19, 20, 21, 28	DR	Collection of wood and fodder, combined with over-grazing has prevented the vegetation and forest to regenerate. This exploitation has lead to erosions, washing away fertile top-soil, and leads in part of the project area to landslides. <u>See CR 2 and CAR 15 (in C2), CAR 26 (D2)</u>	CR 2 CAR 15 CAR 26	<input checked="" type="checkbox"/>
c) Brief description of national, sectoral, local land use policies or regulations adapted before 11. Nov. 2001, that may impact and land use / cover change and demonstrate that they do not impact the project area significantly. (if they do, baseline can not be degraded land / extended applicability criteria)	2, 28	DR	Forest Management Plans in Albania include the reforestation of degraded land. Up to date no actions have been carried out, outside the project or the NRDP Worldbank project. General forest statistics i.e. by FAO as well as onsite visits confirm that there are no substantial regional reforestation activities. <u>See CR 4</u>	CR 4	<input checked="" type="checkbox"/>
d) Identification of alternative land uses (including public or private activities) that are not in contradiction with regulations or policies, using appropriate sources. (if the land use is likely to change, then this methodology is not applicable / extended applicability criteria)	2	DR	Possible land use alternatives are identified. The alternatives are: 1. Reintroduction of degraded lands into the production cycle (agriculture) 2. Continuation of existing land use. 3. Project activity not as CDM. Only Alternative 3 has been identified to be possible. Refer to the barrier discussed in section C6 the other three options of alternative land use are considered no feasible options,	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Step 3					<input checked="" type="checkbox"/>
Has the actual stratification of land areas within the project boundary occurred considering the above indicated?	2	DR	The stratification as presented in C.4 (ex-ante) was considered. One Baseline strata was determined (<u>See CARs above</u>)		<input checked="" type="checkbox"/>
Step 4					<input checked="" type="checkbox"/>
Determination of the baseline scenario for each stratum	2	DR	The baseline scenario is the continuation of grazing	CR 2	<input checked="" type="checkbox"/>

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Analysis of the possibility of self encroachment of trees using appropriate (field) methods.			(which is the historical and existing land use). See CR 2 and CAR 15 (in C2), CAR 26 (D2)	CAR 15 CAR 26	
Step 5					<input checked="" type="checkbox"/>
Determination of baseline carbon stock change. a) For strata without growing trees/shrubs, the sum of stock changes is set zero for all pools (sampling preferred). b) For strata with growing trees/shrubs, carbon stock changes are set zero in soil organic carbon, dead wood, and litter; and a net positive change is estimated in living biomass pools based on projections of numbers and growth rates (IPCC)	2, 5	DR, FV	The living biomass stock change was estimated using the algometric equations of the stand model "coppice forests" of the Albanian National Forest Inventory (ANFI). Clarification Request No 6. Provide information on baseline carbon stock changes as required by the methodology	CR 6	<input checked="" type="checkbox"/>
C.5.2. Description of the identified baseline scenario (separately for each stratum defined in Section C.4.):					
Is the description of the baseline scenario applying to each stratum reasonable?	2, 11	DR	As baseline scenario the above mentioned "degraded grazing land with few growing trees" has been identified. For each parcel a survey has been submitted by the respective commune, with information on site condition, land use and foreseen project activities See CR 2 and CAR 15 (in C2) Clarification Request No 7. The figures on livestock density and grazing capacity presented in this section do not fit with the figures presented in section D2 (table 30 and 33). Please clarify and correct.	CR 2 CAR 15 CR 7	<input checked="" type="checkbox"/>
C.6 Assessment and demonstration of additionality					
Additionality (tool) Vers.2					
Step 0. Preliminary screening					
If the project participants claim that the afforestation or reforestation CDM project activity has a starting date after 31 Dec	2, 34, 35	DR	Starting date according to PDD was the 20 Dec 2004. Evidence on the consideration of the CDM was pro-		

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CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
<p>ember 1999 but before the date of its registration:</p> <p>a) Has evidence been provided that the starting date of the A/R CDM project activity was after 31 December 1999,</p> <p>b) and that the incentive from the planned sale of GHG emission allowances was seriously considered in the decision to proceed with the project activity (documentation that was available to third parties at, or prior to, the start of the project activity).</p>			<p>vided with a letter from the Albanian Ministry of Environment, dated 27 July 2004. This document clearly takes reference to the CDM project.</p> <p>See CAR 13 (in section B1)</p>	CAR 13	<input checked="" type="checkbox"/>
<i>Step 1. Realistic and Credible Alternatives to the A/R project activity consistent with the current laws and regulations</i>					
<p>Have realistic and credible land-use alternative(s) [currently existing or that existed some time since 31 Dec 1989] been identified (sub-step 1a), at least including:</p> <ul style="list-style-type: none"> Continuation of the pre-project land use AR of the land within the project boundary performed without being registered as the A/R CDM project activity <p>If applicable,</p> <ul style="list-style-type: none"> forestation of at least a part of the land within the project boundary of the proposed A/R CDM project at a rate resulting from <ul style="list-style-type: none"> legal requirements; or Extrapolation of observed forestation activities in the geographical area with similar socioeconomic and ecological conditions to the proposed A/R CDM project activity occurring in a period since 31 December 1989, as selected by the PP. 	2	DR	<p>The following land use alternatives are described:</p> <ol style="list-style-type: none"> Reintegrating land in agriculture Continuation of the existing and historical land use leading to further land degradation Implementation of the project as CDM project. 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Are the alternative(s) in compliance with all mandatory applicable legal and regulatory requirements (sub-step 1b)? If that is not the case, an alternative can only be considered if ap-</p>	2	DR	<p>During the onsite visit it was found that the continuation of ongoing grazing and degradation would oppose law.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
plicable legal or regulatory requirements are systematically not enforced or the non-compliance with those requirements is widespread, i.e. prevalent on at least 30% of the area of the smallest administrative unit that encompasses the project area;			In any case the assumed baseline is common practice. All other three options are in compliance with legal requirements.		
Is the project scenario not the only remaining alternative?	2	DR	Project scenario is not the only remaining alternative.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Step 2: Investment analysis</i>			Not applicable	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Step 3: Barrier Analysis</i>					
In case of applying step 3 (barrier analysis) of the additional-ity tool: Is a complete list of barriers developed that prevent the implementation of this type of proposed project activity; and do not prevent the implementation of at least one of the alternative land use scenarios.	2	DR	Five barriers have been included in the initial analysis: 1) Absence of seed sources 2) Lack of tradition 3) Investment barrier 4) Institutional barrier 5) lack of knowledge During the validation process barrier 1 was changed into “ecological barrier” and barriers 2, 4, and 5 were merged into one barrier (“Lack of tradition – first of its kind”), see CARs below and table 2 for reasoning.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
In case of applying step 3 (barrier analysis): Is transparent and documented evidence provided on the existence and significance of these barriers?	2, 7, 29, 38	DR	1. Existing tree vegetation is not able to produce seed, and they are not able to germinate due to loss of top soil. <u>Clarification Request No 8.</u> Provide evidence on absence of seed sources. If no seed sources are in the area, than natural regeneration could not be used for establishment of new forests. Explain to which alternative scenario this barrier applies. If the barrier is not relevant or cannot be sustained with evidence, it shall be excluded. <u>Corrective Action Request No 21.</u>	CR 8 CAR 21 CAR 22	<input checked="" type="checkbox"/>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			<p>Indicate for each alternative scenario (1-4) the applying barriers.</p> <p><u>Corrective Action Request No 22.</u></p> <p>Provide evidence for the each barrier mentioned which sustains its prohibitive character. If the barrier is not relevant or cannot be sustained with evidence, it shall be excluded.</p>		
In case of applying step 3 (barrier analysis): Is it transparently shown that the execution of at least one of the alternatives is not prevented by the identified barriers?	2	DR	The barriers do not apply to the baseline scenario, which is one alternative. See CAR 21, 22	CAR 21 CAR 22	<input checked="" type="checkbox"/>
<i>Step 4. Common practice analysis</i>					
<p>Is the project activity common practice in the region?</p> <p>Has a common practice analysis been carried out in line with the requirement of the CDM and are there essential distinctions between them. Are there fundamental and verifiable changes in circumstances when compared to other projects (e.g. explain why the proposed CDM AR project cannot use e.g. political benefits granted in other projects)</p>	2	DR, IV	<p>Reforestation is not common practice in Albania. Some years ago afforestation projects in a small scale and with different objectives have been carried out but not in the respective project region.</p> <p>During the onsite visit it was clarified that the Ministry of Environment has some regular funding for reforestation. Reforestation is mainly carried out in areas with high risk of erosion.</p> <p>In the context of the NDRP project, the financing of the present project includes management over time.</p> <p><u>Clarification Request No 9.</u></p> <p>It shall be clarified what other reforestations occur in the region. Provide evidence (description of the former project activities, forest plantations), including reforestation rates in the region.</p>	CR 9	<input checked="" type="checkbox"/>
C.7 Estimation of the ex ante baseline net GHG removals					
Have the ex ante baseline removal calculations been provided in the table, do they correspond to the chosen crediting	2, 3, 5	DR	Ex-ante baseline removals are presented in the correct table and are in line with the chosen crediting period.	CAR 23	<input checked="" type="checkbox"/>

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CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
period and use the approach provided in the selected approved methodology?			Two strata were chosen, with few growing trees and growing trees. Sources for increment data were coppice forest stand model from ANFI Calculation were done using TARAM <u>Corrective Action Request No 23.</u> Clarify and correct why in ex-ante stratification not the same splitting of the project area has been carried out as for estimating the area of growing trees (table 21).		
AR-AM0003, section II.5 (Estimation of baseline net GHG removals by sinks)					
Is the baseline net GHG removal set zero where no growing trees exist and where no trees / perennials are expected to grow?	2, 10, 15	DR	GHG removal from baseline scenario is set zero apart for the areas without growing trees. The area was determined based on the survey of parcels (plots) from the communes (see annex 8). The trees between 2 and 5 meters were considered as “growing trees”, and based on their crown cover the area was calculated. The total area without growing trees was calculated as 6216 ha (97%). <u>Clarification Request No 10.</u> Include shrubs in the calculation of GHG removals or explain why they do not have to be considered.	CR 10	<input checked="" type="checkbox"/>
Where growth of trees / perennials is expected (beneath threshold), is the baseline net GHG removal considered for above and below ground biomass? (formula 2)	2, 10, 15, 25	DR	Baseline GHG removals were estimated based on ANFI growth model. Since it is already expanded volume BEF was assumed to be 1 and RS 0 187 ha were identified as land with growing trees. <u>Clarification Request No 11.</u> Indicate the exact source in ANFI for the calculation of carbon stock (indicate page)	CR 11	<input checked="" type="checkbox"/>
For estimation of GHG removals due to growth in baseline	2	DR	Equation 3 of the methodology is applied	CR 12	



CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
strata, is the formula included to the PDD and correctly applied?			See CR 12		<input checked="" type="checkbox"/>
For those strata with few growing trees, is $\Delta C_{LB,ikt}$ (sum of the changes in living biomass carbon stocks in the baseline, above- and below-ground; tonnes CO ₂ -e,) estimated using one of following two methods (increment data vs. stock data): <ul style="list-style-type: none"> Method 1: Carbon gain-loss method Method 2: stock change method Has the corresponding formula been applied correctly, are used values in line with onsite conditions and are they clearly sustained / referenced?	2, 3	DR	The carbon gain-loss method has been applied for the calculation.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Have D_j , $BEF1,j$, $BEF2,j$, CF_j and R_j been defined according to methodology indications?	2, 3, 4, 5	DR, IV	RS ratio has been set zero and BEF has been set 1, since the figure for carbon stock in the NFI already includes the total living biomass. The value for wood density has been taken from GPG LULUCF 2003 values for Oak and Hornbeam. The carbon fraction has been set equal 0.5. See CR 13. TARAM was used for calculations Clarification Request No 12. Explain how table 22 fits with figure 6, since the latter has a much higher volume at the age of 30.	CR 12	<input checked="" type="checkbox"/>
In regard to D_j , $BEF1,j$, $BEF2,j$, CF_j and R_j : If data from global or national databases has been used, have values been confirmed through local sampling?	2	DR	Clarification Request No 13. It should be indicated if the parameters from global or national databases have been confirmed through local sampling.	CR 13	<input checked="" type="checkbox"/>
C.8 Completion of the baseline study					
Have the date of completion and the name of the person (or entity) determining the baseline been specified?	2	DR	Date of completion of baseline study was 28/04/2007. Hubertus Schmidtke and Lucia Perugini developed the	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			baseline study.		
Estimation of ex-ante Actual Net Removals, Leakage and Net Anthropogenic Removals					
D.1 Estimation of ex ante actual net removals					
Are the calculations of ex-ante actual net removals for the crediting period consistent with the approach in the selected methodology and adequately defined?			In PDD formulas have been used according to methodology. <u>Corrective Action Request No 24.</u> Update of section D.1 in consistency with TARAM requested. See CARs regarding area and adopt the calculations accordingly.	CAR 24	<input checked="" type="checkbox"/>
<i>AR-AM0003, section 1 (boundary)</i>					
Are all gases / emissions of other sources considered that are included to the boundary definition?	2	DR	Fuel burn, biomass burn and N ₂ O from fertilization has been set zero as site preparation and harvesting will be done manually, biomass burn and fertilization will not be applied.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>AR-AM003, section II,7</i>					
<i>Estimation of actual $\Delta CP, LB$ - changes in living biomass carbon stocks in the <u>project scenario</u></i>					<input checked="" type="checkbox"/>
a) Treatment of pre-existing trees and tree vegetation: Is it estimated pre-existing carbon stock in living biomass significant (>2% of actual net removals)? If yes, are follow-up calculations carried out accordingly? (Compare section 7.1. of methodology, if biomass is burned, or if significant)	2, 5	DR	Based on ANFI an average weight of 0.27 tonne d.m. can be expected per hectare of shrubland; summing up to a total of 3034 tCO ₂ of living biomass. The pre-project (woody) biomass is considered as project emission during the first 4 years. During coppicing 50% of the biomass will be cut. <u>Clarification Request No 14.</u> Considering the dense shrub cover in some plots, 0.27 t dm is very low. Provide the definition of the ANFI definition of "shrubs" and "coppice" and reclassify the plots if needed. Ensure that all woody biomass (includ-	CR 14 CR 15	<input checked="" type="checkbox"/>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			ing shrubs) is included in the calculations of baseline woody biomass stocks. <u>Clarification Request No 15.</u> Provide exact reference to ANFI (page number) where information on increment can be found; and indicate where it is stated that the volume figures include all aboveground and belowground biomass.		
<p>b) Treatment of trees</p> <p>Is the formula provided by the methodology applied correctly, while taking into account:</p> <ul style="list-style-type: none"> • Harvesting and mortality • Same baseline strata considered • Stand models differ from initial definition <p>Is the calculation carried out according to the carbon gain-loss or the stock change method, and is all input data clearly sustained and referenced?</p>	2, 5	DR	<p>Mortality has not been considered for GHG removals. Removal of pre-existing vegetation has been considered for the first four years. One baseline stratum has been considered according to stratification.</p> <p>The carbon gain-loss method has been applied to calculate the net anthropogenic GHG removals. TARAM was used as a tool for calculations of anthropogenic GHG removals. See CAR 24.</p> <p>Increment function from ANFI was taken for high broadleaf forest. The increment function already includes mortality and thinning. One stratum was defined as explained in C4.</p> <p><u>Clarification Request No 16.</u></p> <p>Explain why increment function for high forest was chosen. The increment for coppice forest is more conservative (e.g. at age 20 75m³ in high forest and only 30m³ in coppice forest according to figures 6 and 7). Since most of the project area is coppiced, this function might be more appropriate.</p>	CAR 24 CR16	<input checked="" type="checkbox"/>
<i>Emission of GHGe</i>					
Is the increase of GHG emissions (GHG _E) estimated according to methodology implications and is sustained and references input data used? (Consideration only if significant, >2%)?	2	DR	GHG emissions are defined as the sum of emissions from fuel burn, biomass burn and N ₂ O fertilizer. None of the sources are significant in the project.	CR 17	<input checked="" type="checkbox"/>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			Clarification Request No 17. N ₂ O fertilization is no longer considered as emission by the methodology (version 04)		
Estimation of E _{FuelBurn} (GHG emissions from burning of fossil fuels): Have the emissions from fuel burn been estimated adequately and in line with the methodology requirements? Is sufficient evidence provided on input values?	2	DR	No burning of fossil fuel is foreseen in the project activities, since planting and maintenance will be done manually. Most reforestation is done through natural regeneration, therefore no fossil fuel is required.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Estimation of E _{BiomassBurn} (GHG emissions from biomass burning): Is slash and burn as part of site preparation applied and if yes, have emissions been estimated adequately and in line with the methodology requirements? Is sufficient evidence provided on input values?	2	DR	No burning of biomass is foreseen in the project activities (no slash-burn during site preparation)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Has all data been provided relevant for ex-ante estimation? Has data provision been cross-checked with section II, item 11, table 2 of AR-AM0003	2, 3	DR	Data is presented in TARAM (Excel sheet). Clarification Request No 18. Provide information on BEF and root-shoot-ratio in the PDD, and how it is fitted in the calculations.	CR 18	<input checked="" type="checkbox"/>
D.2 Estimation of ex ante leakage					
Are the calculations of ex ante leakage for the crediting period consistent with the approach in the selected methodology and adequately defined?	2	DR	According to the methodology (version 04), leakage can arise through activity displacement (of fuelwood collection and grazing) and fencing. Clarification Request No 19. Fossil fuel combustion is not considered as leakage anymore according to methodology version 04 and can be removed from the PDD.	CR 19	<input checked="" type="checkbox"/>
AR-AM0003, section II.8 <i>Leakage definition: increase of GHGe and decrease of carbon stocks outside the boundary</i>					

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
<p>Estimation of LK_{ActivityDisplacement} - Carbon stock decreases caused by displacement of pre-project grazing and fuelwood collection:</p> <p>Have the emissions from LK_{ActivityDisplacement} been estimated adequately and in line with the methodology requirements? Is sufficient evidence provided on input values?</p>	2, 3, 20, 21	DR, IV	<p>The project carried out a livestock survey for each parcel (plot) of the project area, including information on Sheep Equivalent Unit (SEU), and the time per year each parcel is occupied with grazing. Overall 15,527 SEU are grazing on the project area on 6.62 month per year (average) (=8,367 SEU per year in the project area). An intake of 1.4 kg dm/day (0.511 t dm/year) is assumed per SEU, resulting to a consumption of 4'217 t dm biomass per year for the entire project area.</p> <p>The animals will be displaced for 5 years after project implementation. Once the terminal shoot is out of reach from goats, grazing can be reintroduced to the area.</p> <p>No animals will be sold. According to a survey carried out, 118,797 ha are additional existing grazing land are under control of the animal owners (users associations).</p> <p>Maximum grazing capacities per land use type is given, based on expert judgment; this was reduced by 30% to ensure conservativeness. Biomass produced in the area under control of the project participants is 90,290 t dm /year (4,217 in the project), maximal production is 141,120 t dm per year in this area. Therefore enough biomass (=fodder) would be available to accommodate the animals in existing grazing lands</p> <p>Only minimum amount of fuelwood is collected in the project area, no displacement is expected.</p> <p><u>Clarification Request No 20.</u></p> <p>Explain why the average livestock in the project area is 8,367 SEU per year. (According to the PDD the total number of livestock is 15,572 SEU, considering an average grazing period of 6.62 month per year this results in an average density of 8590.6 SEU per year for the project area. On page 67 a number of 8,434 SEU</p>	<p>CR 20</p> <p>CR 21</p> <p>CR 22</p> <p>CAR 25</p> <p>CAR 26</p> <p>CR2</p> <p>CR15</p>	<p>☑</p>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			<p>per project area is given. Please explain/correct the different numbers.</p> <p><u>Clarification Request No 21.</u></p> <p>Considering an daily biomass intake of 1.4 kg, the annual consumption would be 4275.5 t dm/year for the project area, not 4217 t dm/year.</p> <p>Table 33 states maximum grazing capacities (SEU/ha), and annual biomass (kg dm/ha/year). Considering the intake of 1.4 kg dm per SEU, the values do not fit (annual biomass is too low for max capacities). Please clarify.</p> <p><u>Clarification Request No 22.</u></p> <p>Adopt the numbering of equations according to version 04 of the methodology.</p> <p><u>Corrective Action Request No 25.</u></p> <p>Maximum grazing capacity per land use type is only reduced by 30%, not by 70% as stated in the PDD and table 33. Please correct the table accordingly.</p> <p><u>Corrective Action Request No 26.</u></p> <p>According to the calculations in the PDD page 66, biomass production in the project area is 9739 t dm per year, consumption by animal is much lower (see CR 21). This would not lead to overgrazing and an increment in the baseline scenario (see CR 2 and CAR 15 in section C2). Please clarify.</p>		
<p>Estimation of $LK_{fencing}$ - Carbon stock decreases caused by the increased use of wood posts for fencing:</p> <p>Have the emissions from $LK_{fencing}$ been estimated adequately and in line with the methodology requirements? Is sufficient evidence provided on input values?</p>	2	DR, FV	<p>Fencing is proposed but only posts from inside the project area will be used (wood that remains from baseline vegetation harvesting). For that $LK_{fencing}$ can be set zero.</p> <p>In addition, fencing is not considered relevant due to EB decision 44.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>



CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
Has all relevant data for leakage estimation been collected and archived?	2	DR	Relevant parameters and calculations for leakage from vehicles are given in tables in the PDD. See CARs and CRs above in section D2	see CARs above	<input checked="" type="checkbox"/>
Monitoring Plan					
E.1 Monitoring of project implementation					
Has the data to be collected for monitoring of the project boundary been listed adequately? (AR-AM0003, section III, 1.1)	2	DR	X and Y coordinates for the project boundary will be monitored, polygons and area will be calculated See also E.4.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Has data to be collected for monitoring of forest establishment been listed adequately? (AR-AM0003, section III, 1.2)	2	DR	See E.4. for list of parameters <u>Corrective Action Request No 27.</u> Please refer to the most recent methodology version for monitoring. In PDD all steps refer to methodology version 2 which has to be changed and adopted to version 4.	CAR 27	<input checked="" type="checkbox"/>
Has data to be collected for monitoring of forest management been listed adequately? (AR-AM0003, section III, 1.3)	2	DR	See E.4. for list of parameters <u>Corrective Action Request No 28.</u> Assure consistency in monitoring for forest management with the methodology requirements. List of parameters according to table from PDD guidelines is to be developed and included.	Car 28	<input checked="" type="checkbox"/>
In the collection of data for the monitoring of the project boundary, forest establishment or of forest management, do any measurements not follow typical forest mensuration practices and if so have they been adequately described?	2	DR	Procedures have been described in PDD / Annex 4.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
E.2 Sampling design and stratification					

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
Have results of the application of the stratification procedure from the selected methodology been adequately described?	2	DR	<u>Clarification Request No 23.</u> Please ensure consistency with number of ex-ante strata indicated in E with results of ex-ante stratification.	CR 23	<input checked="" type="checkbox"/>
Have the number of sample plots and their proposed distribution over the project area been properly calculated and described?	2	DR	In the initial version of the PDD, 95 sample plots were determined to be required (assuming a standard deviation of 10 m ³ /ha). The distribution of the permanent sample plots will be done systematically with a random start. See CR 25	CR 25	<input checked="" type="checkbox"/>
AR-AM003 Section III.2					
Is the monitoring of project boundary and the strata incorporated to monitoring schemes?	2	DR	<u>Corrective Action Request No 29.</u> Although the monitoring of boundary and forest establishment is monitored (see E.1.1), provide also a monitoring procedure for stratification in particular in case two strata are defined (see methodology section III 2.1)	CAR 29	<input checked="" type="checkbox"/>
Is the sampling framework, including sample size, plot size, plot shape, and plot location specified in the PDD?	2	DR	Systematically distribution of sample plots with random start is foreseen in the PDD. Plot size 0.02 ha (see annex 4) <u>Corrective Action Request No 30.</u> Table 41: representation per plot is 66.5 not 66.8 ha per plot.	CAR 30	<input checked="" type="checkbox"/>
Is the sample size (systematic, permanent plots) calculated according to methodology requirements?	2	DR	Sample size has been calculated according to the formulas provided in the methodology.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Does the PDD/Monitoring plan include indications on plot localizing, monitoring frequency and concrete indications on measurements of carbon stock changes over time in plots (omission of baseline trees and non tree biomass)?	PDD	DR	Inventory frequency is every five years. Plot size and inventory rules have been defined and included to PDD in Annex 4.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
E.3 Monitoring of the baseline net removals					
<p>Is monitoring of the baseline net removals required by the selected methodology? If yes,</p> <ul style="list-style-type: none"> has the application of the procedure for selection of sample plots been adequately defined and has all data to be collected or used been listed? has the application of the procedure for selection of sample plots been adequately defined and has all data to be collected or used been listed? 	2	DR	Monitoring of the renewable baseline is not necessary, but the data should be collected and archived to determine whether the baseline approach is still valid.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
AR-AM0003, section III.3					
<p>As the monitoring of baseline carbon stock changes is not required under AR-AM0003.</p> <p>However, if a renewable crediting period is foreseen, is relevant data collected as indicated in the methodology and are control plots installed?</p> <p>Is relevant baseline data collected and archived (in line with data to be monitoring plus first 2 items of table in III.4)</p>	2	DR	See above.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
E.4 Monitoring of the actual net removals					
<p>Has the data to be collected in order to monitor the <u>changes in carbon stock</u> resulting from the project been adequately defined?</p> <p>(AR-AM0003 section III.6)</p>	2	DR	<p>Data to be monitored has been included to the PDD.</p> <p><u>Corrective Action Request No 31.</u></p> <p>Please use same ID number for the data variables to be monitored, as suggested in the PDD</p> <p><u>Corrective Action Request No 32.</u></p> <p>All variables listed in the methodology for monitoring of the actual net removals have to be included in monitoring, unless it is explained why the respective variable</p>	CAR 31 CAR 32	<input checked="" type="checkbox"/>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			does not need to be monitored.		
Has the data to be collected in order to monitor the <u>GHG emissions</u> that are increased as a result of the project activity within the project boundary been adequately defined? (AR-AM0003 section III.6)	2	DR	<u>Corrective Action Request No 33.</u> Move table 43 to section to E.4.2 and adopt the parameter to the ones relevant for the project (considering EB decisions 44 and 42). If parameters are excluded from the monitoring this should be explained properly.	CAR 33	☑
Are the procedures for measurements in the monitoring of the changes in carbon stocks or the monitoring of GHG emissions increased in the project clearly defined and do they follow typical forest mensuration practices?	2	DR	Procedures have been defined adequately and detailed in Annex 4	☑	☑
Are all GHG emissions increased by the project over time included to monitoring (fossil fuels, slash and burn, N ₂ O)	2	DR	No significant emissions are expected.	☑	☑
E.5 Leakage					
If monitoring of leakage is required by the selected methodology has this been stated and has the data and information that will be collected to monitor leakage been adequately defined? (AR-AM0003 section III.8)	2	DR	Monitoring is required. Data and information to be collected is defined. <u>Corrective Action Request No 34.</u> Please note that version 4 of the methodology does not include leakage from vehicle any more (and subsequent change in numbering of equations in the methodology. Please adopt the numbering respectively) <u>Corrective Action Request No 35.</u> All variables listed for leakage in the methodology have to be included in monitoring, unless it was explained why the respective variable does not need to be monitored.	CAR 34 CAR 35	☑
Are the procedures for measurements for the monitoring of	2	DR	Measurement for monitoring leakage of fossil fuel		

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
leakage clearly defined and do they follow typical forest mensuration practices?			combustion has been described; however this is not required anymore in version 04. <u>Clarification Request No 24.</u> Depending on the outcome of CARs and CRs in D2, leakage might occur and monitoring would then be necessary.	CR 24	<input checked="" type="checkbox"/>
Have procedures for the periodic review of the implementation of activities and measures to minimize leakage been adequately defined?	2	DR	Monitoring frequency is defined in table 44 for each data variable. Measures to minimize leakage are considered.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
E.6 QA/QC procedures undertaken for data monitored					
Have QA/QC procedures been defined appropriately and are explanations of procedures (including their absence) reasonable?	2	DR	An overview on QA/QC procedures is provided.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
AR-AM0003 (section III.11.2)					
Have Standard Operating Procedures been defined for each step of the field measurements? Do they include field team training, test plots, re-check of plots, documentations of steps through time, training of new personnel?	2	DR	Procedures have been included to PDD (see section E.1.2). They include the training of personnel, verification of plots and data.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Have procedures for field data verification been defined and do they comply with methodology requirements (10-20% of randomly selected plots, error <5 % accepted, overall measurement error shall be defined)	2	DR	Procedure for field data verification has been described <u>Corrective Action Request No 36.</u> Provide information on field data requirements including the methodological requirements 10-20% of randomly selected plots, error <5 % accepted, definition of overall measurement error (section III 11.2.2)	CAR 36	<input checked="" type="checkbox"/>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
Are procedures defined for Verification of data entry and analysis in line with methodology requirements?	2	DR	Procedure for data entry has been described and is in line with the methodology (section E.1.2)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Are procedures defined for data maintenance and archiving in line with monitoring requirements?	2	DR	Procedure for data maintenance and archiving has been described and is in line with the methodology (section E.1.2)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
E.7 Operational and management structure of project operator					
Has the operational and management structure that the project operator will implement in order to monitor actual removals and leakage by the project been adequately defined?	2	DR	Operational Management structure has been provided: Project management is done by the Forest and Pasture user associations (FAPUAs). The Communal Foresters Users Carbon Association (CFCUA) is facilitating the coordination and management of the project <u>Clarification Request No 25.</u> Please provide DOE with the report "Legal and Institutional Analysis"	CR 25	<input checked="" type="checkbox"/>
E.8 Person applying monitoring plan					
Has the person or entity applying the monitoring plan been named, are they listed as a project participant and has contact information been provided?	2	DR	The persons applying the monitoring plan have been indicated. <ul style="list-style-type: none"> ▪ Lucia Perugini, Agrotec S.p.A., Roma – Univeristy of Tuscia, Viterbo /Italy ▪ Thimaq Lako, Agrotec S.p.A., Roma 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Environmental Impacts of the Project					
F.1 Documentation of analysis of environmental impacts					
Has an analysis of the environmental impacts including impacts on biodiversity and natural ecosystems and impacts outside the project boundary been adequately documented?	2, 7, 36	DR	An analysis has been carried out. The expected positive impacts are: <ul style="list-style-type: none"> ▪ Enhancing biodiversity ▪ Improving environmental services 	CR 26 CR 27	<input checked="" type="checkbox"/>

Ref. = Reference as included to Information Reference List; MoV = Means of verification (Document Review: DR; Interview: IV; Field visit: FV)

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			<ul style="list-style-type: none"> Prevent land degradation and soil improvement Improve hydrological aspects Positive climatic effects Groundwater improvement <p>The expected negative impacts are:</p> <ul style="list-style-type: none"> Intensification of grazing outside the project area due to fencing in the first years. <p>The above is documented in the corresponding study elaborated by the World Bank which was submitted to the project team. All relevant environmental items are included to the WB environmental studies.</p> <p><u>Clarification Request No 26.</u> Provide a copy of the WB study to DOE.</p> <p><u>Clarification Request No 27.</u> Indicate the legal requirements for conducting EIA and demonstrate that this approach has been followed if necessary.</p>		
Does the analysis include (where applicable) adequate information on hydrology and soils, and risk of fires, pests and diseases?	2, 7	DR	<p>The analysis includes following risks:</p> <ul style="list-style-type: none"> Insect pest and diseases Illegal cutting Natural regeneration failure Fires 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F.2 Significant negative impacts					
If any negative impact is considered significant by the project participants or the host Party, has a statement that the project participants have undertaken an environmental impact assessment in accordance with the procedures required by the host Party (including conclusions and references to supporting information) been provided?	2, 7	DR	No negative impacts are anticipated.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
F.3 Remedial measures to address impacts					

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
Has a description of the planned monitoring and remedial measures to address significant environmental impacts been adequately defined?	2, 7	DR	No negative impacts have been identified. However, environmental monitoring plan and measures to address potential risks will be implemented and monitored as outlined in the Annex 5.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Socio-economic Impacts of the Project					
G.1 Documentation of analysis of socio-economic impacts					
Has an analysis of the socio-economic impacts including impacts outside the project boundary been adequately documented?	2, 8	DR	<p>A socioeconomic analysis based on interviews was carried out by a US consultant. Covered in the analysis are the fields</p> <ul style="list-style-type: none"> • Income generation • Employment • Fodder generation for animals • Reduction in number of goats <p>The study is considered abundant and well sustained. The documentation was provided and reviewed to the audit team.</p> <p>Most interviewees mentioned that they expect a positive impact from avoided erosion.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Does the analysis adequately include (where applicable) information on local communities, indigenous people, land tenure, local employment, food production, cultural and religious sites and access to fuelwood and other forest products?	2, 8	DR	Information is provided (see above)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Are potential impacts outside the project boundary analysed?	2, 8	DR, IV	The assessment included stakeholders from outside the project area. Thus, impacts outside boundary are considered.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
G.2 Significant negative impacts					

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
If any negative impact is considered significant by the project participants or the host Party, has a statement that the project participants have undertaken a socio-economic impact assessment in accordance with the procedures required by the host Party (including conclusions and references to supporting information) been provided?	2	DR	No significant potential risks or negative impacts are expected in the PDD. <u>Clarification Request No 28.</u> During onsite visit it some concerns were expressed in regard to limited grazing areas, because of project implementation. Clarify potential negative impacts. Clarify also the statement that the Host Party does not consider negative impacts significant.	CR 28	<input checked="" type="checkbox"/>
G.3 Remedial measures to address impacts					
Has an adequate description of the planned monitoring and remedial measures to address significant socio-economic impacts been provided?	2	DR	As indicated in G.2 no significant negative impacts are expected (considering CR 28) Aspects related to socio-economic impacts will be observed during project implementation and discussed with village commissions to resolve the problem.	CR 28	<input checked="" type="checkbox"/>
Stakeholder Comments					
H.1 Description of how stakeholder comments have been invited and compiled					
Has a description of how stakeholder comments have been invited and compiled been provided and has it been undertaken in an open and transparent manner that facilitates comments being received and has the project been described in a manner that allows local stakeholders to understand the project?	2, 27	DR, IV	Bottom and demand driven approach was followed in entire project design. Description of stakeholder process has been included to PDD. Stakeholders consulted were: <ul style="list-style-type: none">▪ Communal officials▪ District Forestry service officers▪ Village leaders▪ Household survey Comments has been received by focus group meetings and surveys	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
H.2 Comments received					
Have stakeholders who made comments been identified and has a summary of the comments been provided?	2, 27	DR, IV	<p>A summary of comments has been provided and stakeholders mentioned these comments have been identified regarding their group.</p> <p>Main comments from villagers:</p> <ul style="list-style-type: none"> ▪ Economic growth is expected and welcome ▪ Erosion control is expected and welcome ▪ Need of alternative grazing areas 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
H.3 report on due account					
Has an explanation on how due account has been taken regarding the received comments from stakeholders been provided?	2	DR	All comments and formal feedback received was taken into account in project preparation.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Annexes					
Annex 1 Contact information on project participants					
Is contact information on participants of the project complete?	2	DR	Contact information is complete.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Annex 2 Public funding					
Has information been provided from Parties listed in Annex 1 on sources of public funding for the project which affirms that funding does not result in a diversion of official development assistance and is separate from and not counted towards the financial obligations of those Parties?	2	DR	Information on public funding has been included. More information can be found in Annex 12.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Annex 3 Baseline information					
Has information additional to that required in Section C or in the approved methodology been provided (or stated as not required)?	2	DR	Baseline estimates are explained in further detailed in the PDD.	See CARs in sec- tion C	<input checked="" type="checkbox"/>

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
Annex 4 Monitoring plan					
Has the monitoring plan been included as annex 4 and does it allow for all the requirements listed under paragraph 25 of the Modalities and procedures for A/R project activities under the CDM?	2	DR	A detailed description on monitoring procedures has been included to the Document.		<input checked="" type="checkbox"/>

Table 2: CDM responses to CAR and CR

Draft report clarifications and corrective action requests by validation team	Ref. to PDD	Summary of responses	Conclusion
<u>Corrective Action Request No 1.</u> Assure that indicated annexes on front page are included to one single PDD document in pdf format.	A1	<u>Project Team:</u> PDD now only includes annexes 1-4. Other documentation will be included as supporting documentation. <u>Audit Team:</u> Final PDD version has to be submitted as pdf with all annexes <u>Project Team:</u> Final PDD version is submitted with all annexures in WORD and PDF versions <u>Audit Team:</u> PDD as pdf-file was submitted	<input checked="" type="checkbox"/>
<u>Corrective Action Request No 2.</u> In order to assure that verifiable boundary data is included to the PDD, please incorporate a map that allows to identify project boundaries. In the map each parcel of land shall carry an ID number. The map should further include scale, legend, date, coordinates, coordinate system. Assure consistency of ID number throughout the PDD	A4	<u>Project Team:</u> Detailed project boundary data with discrete area information in excel sheet and GIS shape files in digital common datum (WGS 84) along with a map of Albania showing discrete areas of the project has been submitted to the DOE. <u>Audit Team:</u> <ul style="list-style-type: none"> Digital boundary files (shape format) have been submitted. During the repeated onsite visit (19-22 May 2009), some digital boundaries were found not in com- 	<input checked="" type="checkbox"/>

document.		<p>pliance with the boundaries onsite. Therefore, it has to be ensured that the digital boundary files are in compliance with boundaries on the ground (and the forest management maps). Updated boundary files still have to be submitted. (see also CAR in A7 on eligibility)</p> <ul style="list-style-type: none"> • Provide a map (one per region) in the PDD with scale, legend, date, coordinates, coordinate system, as requested in the CAR. The map shall be in a scale that plot locations can be recognized (e.g. one map per region). <p><u>Project Team</u></p> <ul style="list-style-type: none"> • Revised digital boundary shape files after the repeated site visit have been revised to ensure that the project land parcels comply with the land eligibility requirements and boundaries on the ground. The updated digital boundary files are submitted with the PDD. • Region-wise maps reflecting the land parcel ID, coordinate system and legend with scale that permits identification of plots are presented in the PDD. <p><u>Audit Team:</u> Digital boundary fields (shape files) have been submitted to DOE. Maps per regions have been included in the PDD. Please indicate the coordinate system on the maps (and define the coordinate system in the shape-file). Ensure consistence for the figures for overall area in the entire PDD and its calculations.</p> <p><u>Project Team:</u></p> <ul style="list-style-type: none"> • WGS84 coordinate system for maps and Pulkovo system for shape files. • Corrections made to PDD values to ensure consistency. <p><u>Audit Team:</u> Coordinate system is indicated in the maps in the PDD and final shape files with the defined Pulkovo coordinate system was submitted</p>	
<p><u>Corrective Action Request No 3.</u></p> <p>The indication on area size of the discrete parcels of the project area differs between the forest management plan/ Excel Sheet and the GIS data. Please clarify and correct.</p> <p><i>See CAR on eligibility in A7</i></p>	A4	<p><u>Project Team:</u> The differences have been reconciled</p> <p><u>Audit Team:</u> The area was corrected and a table with all parcels included in the PDD. However, further errors have been detected. The final data for project area still has to be submitted</p> <p><u>Project Team:</u> The final data for project area by land parcel is presented in Table 1 of PDD and detailed data and information on land parcels is presented in Annex 9.</p>	<input checked="" type="checkbox"/>

		<u>Audit Team:</u> Information on area is provided in the PDD and digital boundary files	
<p><u>Clarification Request No 1.</u></p> <p>Consistency between different ecozones and baseline stock estimates shall be clarified and confirmed.</p> <p>TARAM indicates baseline stocks for two strata; Assure consistency with PDD indications on baseline strata.</p>	A5	<p><u>Project Team:</u> The use of the term strata in section A.5 was incorrect. Therefore, description in section A.5 on ecozones has been revised accordingly.</p> <p><u>Audit Team:</u> Differences between strata and ecozones are clarified in the PDD. All ecozones are combined in one baseline strata. An updated version of TARAM still has to be submitted</p> <p><u>Project Team:</u> Updated TARAM is submitted with the PDD as Annex 20</p> <p><u>Audit Team:</u> An updated version of TARAM was submitted</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 4.</u></p> <p>The process of identifying endangered species, including fauna, shall be explained in the PDD. Corresponding evidence is to be made available. The impacts of the project activity on endangered species shall be described in section F of the PDD.</p>	A5	<p><u>Project Team:</u> A.5.2 has been revised with improved explanation.</p> <p><u>Audit Team:</u> Endangered species were identified during field assessments. Please provide EIA with floristic list to the DOE</p> <p><u>Project Team:</u> The floristic list is enclosed in EIA and presented as the Annex 8 to the PDD</p> <p><u>Audit Team:</u> The list was provided to DOE.</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 5.</u></p> <p>Adopt Table 8 and 9 since the number and composition of species differ in both tables.</p>	A5	<p><u>Project Team:</u> Tables 8 and 9 have been revised and are now compatible.</p> <p><u>Audit Team:</u> Tables have been revised. However, the table has to be updated with new figures for overall project area.</p> <p><u>Project Team:</u> Tables 8 and 9 showing area identified for reforestation at the project level are presented.</p> <p><u>Audit Team:</u> Tables are updated</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 6.</u></p> <p>Adopt in the document a unique use of dots and comma. i.e. in A.5.3. it says 6,316.7 ha and 3264,20 ha (correct would be 3,264.20 ha). Use for decimals the dot and for thousands the comma.</p>	A5	<p><u>Project Team:</u> This has been revised through-out the document.</p> <p><u>Audit Team:</u> Changes have been implemented in the PDD.</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 7.</u></p> <p>Explain how it is assured through the existing contracts that the carbon rights are forwarded from the holder of carbon rights / land owner to the participants defined in the PDD.</p> <p>Provide corresponding evidence which sustains that communities are actually land and carbon owners and</p>	A6	<p><u>Project Team:</u> Considering the large number of parcels in the project, it was considered efficient to establish contracts at the at the commune level. Example contract highlighting carbon rights and land ownership attached.</p> <p><u>Audit Team:</u></p> <ul style="list-style-type: none"> • Please provide reference to the legislations stating that the land is currently passed from the central government to the communes 	<input checked="" type="checkbox"/>

<p>clarify the role of the forest users in this context.</p>	<ul style="list-style-type: none"> • Provide a translation of a contract with communes and users. <p><u>Project Team</u></p> <ul style="list-style-type: none"> • The transfer scheme is based on the Law “On Forests and Forest Service Police” (No. 7623 dated 13/10/1992) and Regulation “On the Transfer of Forests and Pastures in Use to Communes” (No. 308, dated January 1996). According to these legal acts. The agreement signed contract between the Commune and the users – gives the latter the full rights to all benefits from communal forests and pastures transferred to the Commune. • Original and translated copies of the sample contracts with communes are presented as Annex 23. <p><u>Audit Team:</u></p> <ul style="list-style-type: none"> • Provide a scanned copy / translation of the legislation • Annex 23 is missing <p><u>Project Team:</u></p> <ul style="list-style-type: none"> • Translation in English of the legislation – On Forests and Forest Service Police (No. 7623 dated 13/10/1992 in English; and Regulation - On the Transfer of Forests and Pastures in Use to Communes (No. 308, dated January 1996) in Albanian language are submitted with this PDD. • Translated copy of the sample contract is presented as Annex 23 and additional sample contract copies will be if necessary. <p><u>Audit Team:</u></p> <p>Documents were submitted, sustaining the ownership of land and contractual relation regarding carbon right.</p> <p>However, the following FAR is considered necessary to cover the aspect of control over the land and access to the carbon rights also in future:</p> <p>Forward Action Request 1:</p> <p>Monitoring of contracts with land owners on control over land and carbon rights necessary during monitoring period (prior to each verification).</p>	
<p><u>Corrective Action Request No 8.</u></p> <p>Provide copies of contractual documentation and translate relevant parts of carbon / land rights.</p>	<p>A6</p> <p><u>Project Team:</u></p> <p>As explained above, contracts are established at the commune level and they have customary rights to land parcels within their jurisdiction of the commune</p> <p>Example contract document for plot no – 0278 c, which is part of Bushttrica Commune has been provided</p> <p><u>Audit Team:</u></p>	<p><input checked="" type="checkbox"/></p>

		<p>See above, references are still pending. Contracts were however also sampled and reviewed during onsite visits.</p> <p><u>Project Team</u></p> <p>Original and translated copies of the sample contracts with communes are presented as Annex 23.</p> <p><u>Audit Team</u>: Annex 23 is still missing</p> <p>Project Team 10 June:</p> <ul style="list-style-type: none"> Translated copy of the sample contract is presented as Annex 23 and additional sample contract copies will be if necessary. <p><u>Audit Team</u>: sufficient evidence is submitted. Contracts were also reviewed during onsite visit of sample parcels</p>	
<p><u>Corrective Action Request No 9.</u></p> <p>A link is given to an outdated version of the eligibility procedure. An update is necessary.</p>	A7	<p><u>Project Team</u>: Footnote 2 revised accordingly.</p> <p><u>Audit Team</u>: Footnote updated</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 10.</u></p> <p>During site visit some parcels (e.g. parts of 1484b, 14104b, were found to be not eligible, since they had been already forests according to the Albanian CDM Forest definition at project start (1 March 2006, see B1). (3m height, 0.1 ha minimum area, 30 % crown cover).</p> <p>Review all project sites, ensuring that no area are included, that have not been forest between 1990 and project start.</p> <p><u>Note:</u> Repeated site visits are required to confirm conformity with this CAR.</p>	A7	<p><u>Project Team</u>:</p> <p>The eligibility of the two sites has been confirmed and the boundaries of the parcels were also redrawn to exclude ineligible areas.</p> <p><u>Audit Team</u>:</p> <p>During the repeated onsite visit (19-22 May 2009) the eligibility of the updated project area was reassessed. The boundary of previously ineligible areas were adapted. Project start is actually 22 November 2004, when first protection of the area took place (See section B1)</p> <p>In addition to grazing pressure also steep slopes (stop soil erosion) and fire is now considered when assessing whether the natural succession can surpass the forest threshold.</p> <p><u>Project Team</u></p> <p>All land parcels included in the project boundary comply with eligibility criteria. The latest digital files of eligible parcels are enclosed as Annex 16 to the PDD.</p> <p><u>Audit Team</u>:</p> <p>The boundaries of the respective parcels have been adopted. All area now defined as project area is eligible according to AR CDM requirements</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 11.</u></p>	A9	<p><u>Project Team</u>:</p> <p>Table 12 and tables in sections C.7, D.1, and D.2 have been revised and are now in</p>	<input checked="" type="checkbox"/>

All calculation tables are to be brought to consistency with summary tables in PDD.		<p>accordance.</p> <p><u>Audit Team:</u> To be adapted with updated figures for area (see CARs in A4 and A7)</p> <p><u>Project Team</u> Table 12 and tables in sections C.7, D.1, and D.2 have been revised and updated based on TARAM calculations and adapted to comply with the latest project area.</p> <p><u>Audit Team:</u> Tables are updated</p>	
<p><u>Corrective Action Request No 12.</u></p> <p>Clarify how to avoid of coincidence of peaks in carbon stocks and verification, according to CDM VVM (paragraph 151).</p>	A9	<p><u>Project Team:</u> The management of the project such as pruning and thinning regimes ensure that the peaks in carbon stocks do not coincide with the verifications.</p> <p><u>Audit Team:</u> Refer to the constant increase in biomass during the crediting period (no harvesting, little effects from maintenance/thinning). Please include this information also in the PDD</p> <p><u>Project Team</u> The insignificant impacts of thinning and absence of harvesting translate into consistent increases in the biomass during the crediting period and avoids the coincidence of peaks in carbon stocks and verification. This information is included in the PDD.</p> <p><u>Audit Team:</u> Information is included in the PDD</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 13.</u></p> <p>Evidence on starting date to be provided, i.e. proof of planting. During onsite visit villagers mentioned that protection started already in 2005. Adapt PDD if required.</p>	B1	<p><u>Project Team:</u> As the project is an assisted regeneration project, protection of regeneration areas involving community participation is a major activity, which has started immediately after the initiation of community action meeting. The project started in December 2004. The dates of meeting and contracts and communication with communes will be presented in support of the start date of the Project.</p> <p><u>Audit Team:</u> Ensure consistency of the start date in the PDD: 30 November mentioned in section B1, December 2004 mentioned in section A.7. The starting date was also confirmed during interviews onsite. Please provide respective evidence (documents) to DOE</p> <p><u>Project Team</u> Project start date is 20 December 2004, which is the same in sections B1 and A.7. Documentation in support of the project start date is presented as an Annex 17 and</p>	<input checked="" type="checkbox"/>

		18 to the PDD. <u>Audit Team:</u> Documents submitted confirming starting date and early CDM consideration	
<u>Corrective Action Request No 14.</u> Consistency with TARAM calculations of 30 years is to be assured.	B3	<u>Project Team:</u> TARAM now reflects a 20 year crediting period. <u>Audit Team:</u> The updated calculation files (TARAM) are still pending <u>Project Team:</u> The updated TARAM is presented as Annex 12 to the PDD. <u>Audit Team:</u> Consistency with TARAM and PDD is given	<input checked="" type="checkbox"/>
<u>Clarification Request No 2.</u> Explain how the baseline approach can be sustained in the light of the statements on statements by villagers on decreasing livestock and movement of villagers to bigger towns (see C.1 of table 1).	C2	<u>Project Team:</u> SEE CAR 15 below. The reasons and explanation for continued existence of livestock pressure is presented in C.2 <u>Audit Team:</u> See below	<input checked="" type="checkbox"/>
<u>Corrective Action Request No 15.</u> Exclude areas where the baseline approach is not applicable (e.g. areas where grazing pressure is reduced due to macro-economic developments, such as abandoning of grazing) <u>Note:</u> Repeated site visits are required to confirm conformity with this CAR. See also CAR 26 in D2	C2	<u>Project Team:</u> The animal census for years 2000 and 2005 indicate that there is no significant trend with regard to changes in livestock density and the increases and decreases in livestock density in different areas are not uniform. The small relative changes in livestock population do not alter the multiple impacts of biotic pressure on regeneration areas. For example, DGFP 2001 Report on Economic Analysis of Forest Fire Management program states that high fire incidence of on pastures is high because shepherds traditionally use fire to promote new shoot growth for livestock. The fires also spread to adjoining areas and destroy the regeneration. As the risk of fires in grazing areas can be significant, the relative changes in livestock population are not significant factors in influencing regeneration. The secondary studies and surveys show that migration from rural to urban areas, a factor that contribute to lowering livestock density has stabilized in the recent past. Therefore, future livestock densities are not likely to be significantly be lower than those observed in the recent past considering that the livestock contributes to a significant portion of Albania's economy. As migration is linked economic factors, the worsening economic conditions recessionary periods and the sluggish economic activity in other periods reflects in the large unemployment in urban areas, which tends to increase the dependence on livestock economy of rural areas. Therefore, risk to the regeneration establishment and forest growth from grazing activities continues to exist although its impact may be more or less visible in some areas and	<input checked="" type="checkbox"/>

	<p>local perceptions on the relative changes in livestock that may not be supported by census data in some areas and even areas in which livestock population seen a marginal decline, the grazing pressure remains significant to affect the forest establishment on the parcels.</p> <p>The communal areas have also been poorly managed, hence the biomass is low and considering that the growth of vegetation and livestock density of different biological systems with their respective growth provide fore a complex interface, i.e., a unit change in livestock density may have different levels of impacts of impacts on regeneration even under similar grazing pressure and generalization of relative changes in livestock density and its corresponding changes in the impacts on regeneration would not be feasible. Therefore, assumption that livestock pressure continues to be a risk to forest risk is consistent and conservative.</p> <p><u>Audit Team 02 June:</u></p> <p>The reasoning for continuous livestock pressure is further explained and sustained in the PDD. In addition to previous information studies on migration of rural population to urban areas and on fire occurrence is mentioned to further sustain the baseline.</p> <p>During repeated onsite visit the baseline approach was reassessed for each parcel and found to be adequate.</p> <p>Please provide references for the studies on migration and on fire occurrence.</p> <p><u>Project Team</u></p> <p>The following references related to demographic trends, fire occurrence and animal census data are presented in the PDD.</p> <ul style="list-style-type: none"> • Demographic trend data and analysis: <i>Evolution of demography in Albania (1961-2003)</i>; Source: FAOSTAT, year 2005: http://faostat.fao.org/faostat/help-copyright/copyright-e.htm (last updated 9th february 2005) Date=22-07-2006 • Fire: DGFP (2001): <i>Economic Analysis for alternative Scenarios of a Forest Fire Management Programme</i>, Directorate of Forests and Pasures, Tirana, Albania • Animal Census Data 2000 and 2005. <p><u>Audit Team:</u> Please provide digital copy of DGFP and animal census data to DOE</p> <p><u>Project Team:</u></p> <ul style="list-style-type: none"> • DGFP 2001: National Forest Fire Management strategy is submitted as supporting documentation • DGFP 2002: Extract of Economic Analysis for alternative Scenarios of a Forest
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		<p>Fire Management Programme is submitted as supporting documentation</p> <ul style="list-style-type: none"> Animal Census data was collected at the commune level, therefore, no electronic copy of the animal census is available <p><u>Audit Team:</u> The two documents related to forest fire in Albania were submitted strengthening the baseline scenario. In summary it can be concluded that the baseline reflects the development of all parcels included in the project area.</p>	
<p><u>Clarification Request No 3.</u></p> <p>Provide a clear statement whether this is an afforestation or reforestation activity and use the terms correctly and explicit throughout the project</p>	C2	<p><u>Project Team:</u> This has been revised throughout the document to reflect the project activity of reforestation only.</p> <p><u>Audit Team:</u> PDD was updated accordingly</p>	☑
<p><u>Corrective Action Request No 16.</u></p> <p>Evidence on compliance with applicability criteria is to be included to the PDD</p>	C2	<p><u>Project Team:</u> References to evidence on compliance with applicability criteria have been made in section C.2.</p> <p><u>Audit Team:</u> evidence is provided</p>	☑
<p><u>Clarification Request No 4.</u></p> <p>Clarify why the project areas / activity is not included in the non-carbon component of the NRDP project.</p>	C2	<p><u>Project Team:</u> A clarification has been added to section C.2</p> <p><u>Audit Team:</u> Parcels under the CDM project are in addition to NRDP project. Explanation is provided in the PDD, and confirmed during interviews onsite</p>	☑
<p><u>Corrective Action Request No 17.</u></p> <p>In regard to the ex-ante stratification it is requested that the individual sub-steps of Step1 are covered and documented in the PDD.</p>	C4	<p><u>Project Team:</u></p> <p>Individual sub-steps of step 1 are documented in the PDD.</p> <p><u>Audit Team:</u></p> <p>Sub-steps are included in the updated PDD</p> <ul style="list-style-type: none"> Sub steps 1a, 1b, and 1c: The factors defined are indications of slope, site productivity and grazing pressure. Provide the references to the information used to assess these factors (slope, site prod, grazing pressure. Provide an assessment per parcel. Sub steps 1d/1e: provide data sources to prove the statement that physical and biotic pressure is likely to have similar impact on vegetation <p><u>Project Team:</u></p> <p>Sub-steps 1a, 1b and 1c: Data and from field visits of the parcels, land use pattern of communes and survey and questionnaire data on grazing area were used to assess the factors influencing the parcels. Information on each project site is present in the Annex 9 of the PDD.</p> <p>Sub-steps 1d/1e: In addition to the above data and information sources, the follow-</p>	☑

		<p>ing sources providing supporting evidence</p> <p>Site productivity attributes: Data and Information based on Albanian National Forest Inventory</p> <p>Grazing and biotic pressure: Papanastasis V. 2007. <i>Report on: Analysis of impacts of the displacement of grazing activities due to the Community - based Carbon Sequestration Project in Albania</i>. Agrotec S.p.A, Rome</p> <p>Additional data sources: Data collected on the land use of communes and information from surveys was used.</p> <p><u>Audit Team 08 June:</u> Parcel specific information is provided on site conditions</p>	
<p><u>Clarification Request No 5.</u></p> <p>Consistency with the four strata/ecozones identified in section A is to be assured and/or explained. Conservativeness of classification of only one stratum is to be further sustained in this context, in particular since the parcels visited during onsite visit were diverse (both, grasslands and dense shrub-lands).</p>	C4	<p><u>Project Team:</u></p> <p>The incorrect use of the term strata in place of ecozones in section A has been revised.</p> <p><u>Audit Team:</u></p> <p>See above, evidence / reference for similarity of the strata shall be provided, considering the variety in site conditions of the parcels (pre-existing vegetation, altitudes, slope inclination, per-project land use, etc) – see also section C.5.1, which provides information on variability of e.g. slope, soil depth etc showing differences in these factors.</p> <p><u>Project Team</u></p> <p>From the analysis of above sources of data and information considered in the <i>ex ante</i> stratification, degradation of individual sites was found to influence the vegetation status and growth more than the general ecological conditions of a region.</p> <p><u>Audit Team 08 June:</u> General state of degradation is expected to have the major influence on tree growth, as a result only one stratum was chosen</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 18.</u></p> <p>In section C.4 and C.5.1 an incorrect methodology version is indicated.</p>	C4	<p><u>Project Team:</u></p> <p>Sections C.4 and C.5.1 revised accordingly.</p> <p><u>Audit Team 02 June:</u> Sections were revised, correct methodology version is cited</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 19.</u></p> <p>Document compliance with methodology requirements and the detailed step wise approach (step 2 and 3). Consistency with project activity planning per stand model and TARAM is to be assured.</p> <p>Provide a final stratification map.</p>	C4	<p><u>Project Team:</u> One project stratum has been established</p> <p><u>Audit Team:</u></p> <p>The sub-steps of the methodology have been included:</p> <p>Step b) Planting time / start of exclusion of grazing per parcel shall be considered in the stratification (or explain why it is insignificant, if only one strata is chosen)</p> <p>If required, provide geographic delineation of different strata.</p>	<input checked="" type="checkbox"/>

		<p><u>Project Team:</u> As the degradation of individual sites influences the vegetation and growth of individual parcels more than the natural general ecological conditions of a region, the early start of exclusion of grazing on heavy degraded sites is likely to cause less growth than late start of exclusion under good conditions. Therefore, planting time and start of exclusion is insignificant factor in defining one stratum.</p> <p><u>Audit Team:</u> The start of the project is considered less significant in terms of biomass development than the state of degradation. Only one strata was defined. A potentially high variation has to be addressed during the first verification.</p>	
<p><u>Corrective Action Request No 20.</u> Please correct the reference in the PDD, there is no section A.4.1.4 See also CAR 10 (in A7)</p>	C5.1	<p><u>Project Team:</u> Section C.5 revised accordingly. <u>Audit Team 02 June:</u> Section is updated</p>	<input checked="" type="checkbox"/>
<p><u>Clarification Request No 6.</u> Provide information on baseline carbon stock changes as required by the methodology</p>	C5.1	<p><u>Project Team:</u> Presented in Table 22. <u>Audit Team:</u> Please include this cross reference also in the PDD Cross reference in C5.1 <u>Project Team:</u> Cross reference of Table 22 is made in C5.1 <u>Audit Team:</u> ok</p>	<input checked="" type="checkbox"/>
<p><u>Clarification Request No 7.</u> The figures on livestock density and grazing capacity presented in this section do not fit with the figures presented in section D2 (table 30 and 33). Please clarify and correct.</p>	C5.2	<p><u>Project Team:</u> Length of the grazing period has been changed from 7 to 6 (according to table 32). <u>Audit Team:</u> Number are consistent in the updated PDD</p>	<input checked="" type="checkbox"/>
<p><u>Clarification Request No 8.</u> Provide evidence on absence of seed sources. If no seed sources are in the area, than natural regeneration could not be used for establishment of new forests. Explain to which alternative scenario this barrier applies. If the barrier is not relevant or cannot be sustained with evidence, it shall be excluded.</p>	C6	<p><u>Project Team:</u> The barriers – lack of tradition of reforestation and first of a kind activity; investment barrier; and lack of knowledge of natural regeneration are prohibitive and sufficient to prove additionality. Additional barriers have been deleted. <u>Audit Team:</u> The barrier on absence of seed sources is excluded</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 21.</u> Indicate for each alternative scenario the applying barrier</p>	C6	<p><u>Project Team:</u> Table 20 in section C.6 revised accordingly.</p>	<input checked="" type="checkbox"/>

<p>ers.</p>	<p><u>Audit Team:</u></p> <p>Table 20 lists the alternative scenarios and the barrier excluding all scenarios but the baseline:</p> <ul style="list-style-type: none"> • (alternative 1): Explain why abandonment of degraded lands from further grazing is prohibited by the investment barrier? • (alternative 2): Explain why reintroduction of lands into agriculture is prohibited by lack of tradition on reforestation (since it would be an agricultural activity). Also the barrier on investment is related to investment for reforestation, not an investment barrier for agriculture (otherwise this has to be explained and sustained as well) <p><u>Project Team:</u></p> <ul style="list-style-type: none"> • Abandonment or exclusion of lands from grazing pressure requires additional investment in the protection of degraded lands in order to exclude the lands from grazing pressure. Considering the budget constraints faced by the forestry agency and local communes, abandonment or exclusion of lands from grazing pressure is not likely occur in the foreseeable future. • The major reasons for lands not under agricultural use are their degraded status, which makes it uneconomical for those to put back into agricultural production as restoring production on these lands is expected to be significantly expensive even compared to the forestry option as agriculture requires sustaining higher productivity to support the intensive nature of land use. <p><u>Audit Team:</u></p> <ul style="list-style-type: none"> • Alternative land use #1 is NOT prohibited by barrier #2, since barrier #2 is explicitly referring to lack of budget of the Directorate of Forestry and Pasture. The option of abandonment of land would however not require any involvement from the Directorate of Forestry and Pasture (as long as it is only abandonment and not any kind of active exclusion of grazing, which is described in option #4) Explain why this land use alternative is prohibitive and introduce a new barrier, if needed (which however needs supportive evidence) • Alternative land use #2 is NOT prohibited by barrier #2, since barrier #2 is explicitly referring to lack of budget of the Directorate of Forestry and Pasture, and NOT referring to funds for agriculture. Also it is NOT prohibited by barrier #1, since barrier #1 refers to reforestation and not to agriculture Please introduce a different barrier, or formulate the existing barrier in a wider sense (which however needs supportive evidence)
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		<p><u>Project Team:</u></p> <ul style="list-style-type: none"> Alternative land use # 1 is deleted as it is less plausible alternative compared to other alternatives. Alternative land use #2 is sustained by ecological limitations, Table 15 to Table 17 and additional information presented on the project reflect the ecological limitations that these lands face and denote the very low likelihood of agricultural prospects on the project lands. <p><u>Audit Team:</u></p> <p>A barrier is presented and explained for all scenarios (but the baseline scenario), sustaining the prohibitive character of the barrier.</p>	
<p><u>Corrective Action Request No 22.</u></p> <p>Provide evidence for the each barrier mentioned which sustains its prohibitive character. If the barrier is not relevant or cannot be sustained with evidence, it shall be excluded.</p>	C6	<p><u>Project Team:</u></p> <p>See CR 8.</p> <p>The barriers – lack of tradition of reforestation and first of a kind activity; investment barrier; and lack of knowledge of natural regeneration are prohibitive and sufficient to prove additionality. Additional barriers have been deleted.</p> <p><u>Audit Team:</u></p> <p>The three remaining barriers need to be sustained with evidence (independent statements, documents etc)</p> <ul style="list-style-type: none"> Lack of tradition: first of its kind: Provide further information on earlier AFP World Bank project to DOE Investment barrier: provide evidence that the PPs / forest service would not have funds to conduct this activity (exclude grazing) Lack of knowledge: further explain and sustain with evidence why there is a lack of knowledge on excluding areas from grazing. Explain how the project helps to overcome this barrier <p>In step 5, reference is given to barriers that are not mentioned in step 3</p> <p><u>Project Team:</u></p> <p>All four barriers are further explained and discussed in the PDD.</p> <p><u>Audit Team:</u></p> <p>Explanation for the barriers is provided. Annex 21 and 22 are still to be submitted.</p> <p>In step 5, reference is given to barriers that are not mentioned in step 3, please cor-</p>	<input checked="" type="checkbox"/>

		<p>rect the section</p> <p><u>Project Team:</u></p> <ul style="list-style-type: none"> • Annex 21 : Letter from Intesa SanPaolo Bank is submitted with the updated PDD • Annex 22: Letter on Government Budget Constraints for Forest Protection and institutional capacity and knowledge development is submitted with the updated PDD • The barriers noted in step 5 but not mentioned in step 3 are excluded from the section <p><u>Audit Team:</u></p> <p>The evidence provided is not sufficient to sustain the barriers. The letter from the Government is only referring to “constraints” in the budget; the letter from one financial institution is not representative.</p> <p>Please provide evidence sustaining the barrier. Further provide information (statistics) on afforestation activities in Albania in the last years</p> <p><u>Project Team:</u></p> <p>The letter from the Directorate of Forests and Pasture Policies clearly states that because of the budget shortages, it would not have been possible for it to meet the cost of \$2.2 million to implement the project. Letter from the Directorate presented.</p> <p><u>Audit Team:</u> Evidence were provided for three barrier, the fourth was excluded</p>	
<p><u>Clarification Request No 9.</u></p> <p>It shall be clarified what other reforestations occur in the region. Provide evidence (description of the former project activities, forest plantations), including reforestation rates in the region.</p>	C6	<p><u>Project Team:</u></p> <p>It is clarified that the assisted regeneration project is a first of a kind project. Information on other reforestation activities in the region will be procured from official sources and presented.</p> <p><u>Audit Team:</u></p> <p>Reforestation activities carried out by the Albanian forest Service shall be mentioned, and their difference to the current activity explained. Further reference shall be made to the earlier WB project (see CAR 22)</p> <p><u>Project Team</u></p> <ul style="list-style-type: none"> • Considering the significant budget constraints, the reforestation carried out by the Albania Forestry Agency has been very small. • Unlike the previous reforestation efforts which mostly focused on planting activities. In contrast, the current project combines and complements the forest protection and reforestation activities. • The information on the Albania Forestry Project is presented in response to CAR 	<input checked="" type="checkbox"/>

		<p>22 above.</p> <p><u>Audit Team:</u></p> <ul style="list-style-type: none"> • Information is provided. Please provide documents to DOE (e.g. final project report) • Include information on reforestation activities in the area as requested above (e.g. pine plantations by the forest service) <p><u>Project Team:</u></p> <p>According to the Albanian forestry agency (personal communication Ramiz Meta-liaj), the annual reforestation rate is on average around 200-250 ha, and it is concentrated on highly eroded sites for slope stabilization.</p> <p><u>Audit Team:</u></p> <p>Information on reforestation in the area is provided and sustained with evidence</p>	
<p><u>Corrective Action Request No 23.</u></p> <p>Clarify and correct why in ex-ante stratification not the same splitting of the project area has been carried out as for estimating the area of growing trees (table 21).</p>	C7	<p><u>Project Team:</u></p> <p>Additional clarification provided in section C.7. One stratum is considered to adequately represent the baseline as the area with growing trees and without growing trees was not considered separate stratum because the coverage of the pre-existing isolated trees vegetation was estimated as a percentage of the overall area. Therefore, its boundary cannot be delineated. The separation of areas with trees and without trees was not practicable considering the difficulties in the separation of areas.</p> <p><u>Audit Team:</u></p> <p>The approach to assume an area of 3% as growing trees, within one project strata is suitable in the project circumstances (considering earlier CARs on stratification resolved). Adapt the figure to the updated areas.</p> <p><u>Project Team</u></p> <p>The revised calculations take into account area updates.</p> <p><u>Audit Team:</u> Calculations are revised, plausible explanation is provided</p>	<input checked="" type="checkbox"/>
<p><u>Clarification Request No 10.</u></p> <p>Include shrubs in the calculation of GHG removals or explain why they do not have to be considered.</p>	C7	<p><u>Project Team:</u></p> <p>Shrubs were excluded because they were considered to have a decreasing growing stock, and according to the methodology in these cases the baseline net GHG removals by sinks are equal to 0.</p> <p><u>Audit Team:</u></p> <p>Include this information in the PDD, with an explanation why shrubs have a de-</p>	<input checked="" type="checkbox"/>

		creasing stock. <u>Project Team:</u> The information is included in C.7 <u>Audit Team:</u> ok	
<u>Clarification Request No 11.</u> Indicate the exact source in ANFI for the calculation of carbon stock (indicate page)	C7	<u>Project Team:</u> Please refer to page 125 of the ANFI main report. <u>Audit Team:</u> Reference is provided	<input checked="" type="checkbox"/>
<u>Clarification Request No 12.</u> Explain how table 22 fits with figure 6, since the latter has a much higher volume at the age of 30.	C7	<u>Project Team:</u> The curve of figure 6 shows the expanded total biomass volume (aboveground and belowground biomass). This is shown in the left part of the table below. Table 22 shows in column B only the aboveground biomass (right part of the table below). This was recalculated from the function of Figure 6 by using the root shoot ratio. This was made to be fully in compliance with the methodology. In table 22 column F the root shoot ratio is used again to come back to the total biomass (aboveground and belowground) using Equation 6 of the methodology. The calculation in the PDD shows the complete calculation procedure including equations 5, 6, 7, 2 and 4. Function from Figure 6: $I_{ijt} = (237.2127 * (1 - \exp(-0.0069513642 * \text{age})))$ Function from Figure 6 corrected with root shoot ratio: $I_{ijt} = (237.2127 * (1 - \exp(-0.0069513642 * \text{age}))) / (1 + 1.94)$ <u>Audit Team:</u> Provide information/reference on root-shoot ratio and BEF as used to calculate table 22. <u>Project Team</u> The "root shoot ratio" 1.94 comes from the ANFI. In fact this is an overall expansion factor to calculate total living biomass including roots from the stem volume (ANFI p. 123 "Expansion factors grouped by life form, Broad Leaves" age class 1-20). This overall expansion factor includes BEF(aboveground) and Rj. Because of that the BEF was set 1.0. The root shoot ratio according to IPCC GPG Table 3A.1.8 for temperate oak is 0.35. An overall ANFI-expansion factor of 1.94 means that the BEF (aboveground) is 1.44 which is close to the value for BEF in IPCC GPG TABLE 3A.1.10. (1.4). So the overall ANFI expansion factor is applicable to the project context. Summary	<input checked="" type="checkbox"/>

		<p>ANFI-Expansion factor = $(1+R_j) \cdot BEF = 1.35 \cdot 1.44 = 1.94$</p> <p>$R_j = 0.35$ (IPCC GPG Table 3A.1.8, temperate oak)</p> <p>BEF = 1.44 (derived from ANFI overall expansion factor 1.94. This is close to the value for BEF in IPCC GPG TABLE 3A.1.10: 1.4)</p> <p><u>Audit Team:</u> Explanation is provided</p>	
<p><u>Clarification Request No 13.</u></p> <p>It should be indicated if the parameters from global or national databases have been confirmed through local sampling.</p>	C7	<p><u>Project Team:</u></p> <p>The Albanian National Forest Inventory is the national data and is considered representative of wide variety of regions as the samples for the data were drawn from the regions in which project parcels are located. Therefore, local sampling was considered not necessary.</p> <p><u>Audit Team:</u></p> <p>No local sampling was conducted, which is acceptable, considering the data is collected for Albania and the project area covers many different parts of the country.</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 24.</u></p> <p>Update of section D.1 in consistency with TARAM requested. See CARs regarding area and adopt the calculations accordingly.</p>	D1	<p><u>Project Team:</u></p> <p>Updated TARAM values are calculated and will be presented in the PDD.</p> <p><u>Audit Team:</u> Updated TARAM has to be submitted</p> <p><u>Project Team:</u></p> <p>Revised and updated TARAM submitted as Annex 20 to the PDD</p> <p><u>Audit Team:</u> An updated version of TARAM was submitted</p>	<input checked="" type="checkbox"/>
<p><u>Clarification Request No 14.</u></p> <p>Considering the dense shrub cover in some plots, 0.27 t dm is very low. Provide the definition of the ANFI definition of "shrubs" and "coppice" and reclassify the plots if needed. Ensure that all woody biomass (including shrubs) is included in the calculations of baseline woody biomass stocks.</p>	D1	<p><u>Project Team:</u></p> <p>The definition of woodland and shrubs per the ANFI report has been added to footnote 17.</p> <p>Coppice is a type of forest management in which the regeneration is agamic i.e. not from seedlings but from new shoots emerging from the stools.</p> <p>The definition of shrub used for ANFI according to the Manual of Forest Management, DGFP Tirana 1999 is the following:</p> <p>Woodland and Shrubs: these two categories cover all the land that falls below the definition of forest and it is not expected to exceed the forest threshold. These areas are covered by shrubs and sparse trees (< 30% and potential height < 3 m) and are mainly used for grazing (ANFI 2001).</p> <p><u>Audit Team:</u></p> <p>Definition is provided and values adequately applied in the PDD</p>	<input checked="" type="checkbox"/>
<u>Clarification Request No 15.</u>	D1	<u>Project Team:</u>	

Provide exact reference to ANFI (page number) were information on increment can be found; and indicate where it is stated that the volume figures include all above-ground and belowground biomass.		Please refer to page 124 of the ANFI main report. <u>Audit Team:</u> Reference is provided	<input checked="" type="checkbox"/>
<u>Clarification Request No 16.</u> Explain why increment function for high forest was chosen. The increment for coppice forest is more conservative (e.g. at age 20 75m ³ in high forest and only 30m ³ in coppice forest according to figures 6 and 7). Since most of the project area is coppiced, this function might be more appropriate.	D1	<u>Project Team:</u> Explanation of the choice is provided in section C.4. step 2. The document indicated in footnote 6 is attached. <u>Audit Team:</u> Expert opinions suggested that high forest is more realistic estimation of tree growth. Considering the growing condition onsite, also evident at onsite visit this is considered adequate.	<input checked="" type="checkbox"/>
<u>Clarification Request No 17.</u> N ₂ O fertilization is no longer considered as emission by the methodology (version 04)	D1	<u>Project Team:</u> Section D.1 revised accordingly (N ₂ O fertilization removed as a project emission). <u>Audit Team:</u> ok	<input checked="" type="checkbox"/>
<u>Clarification Request No 18.</u> Provide information on BEF and root-shoot-ratio in the PDD, and how it is fitted in the calculations.	D1	<u>Project Team:</u> Please consult the ANFI main report pages 118-130. The PDD growth equation considers both above-ground biomass and below-ground biomass. <u>Audit Team:</u> ANFI already includes expanded volume	<input checked="" type="checkbox"/>
<u>Clarification Request No 19.</u> Fossil fuel combustion is not considered as leakage anymore according to methodology version 04 and can be removed from the PDD.	D2	<u>Project Team:</u> OK. Done. Section D.1 revised accordingly (N ₂ O fertilization removed as a project emission). <u>Audit Team:</u> ok	<input checked="" type="checkbox"/>
<u>Clarification Request No 20.</u> Explain why the average livestock in the project area is 8,367 SEU per year. (According to the PDD the total number of livestock is 15,572 SEU, considering an average grazing period of 6.62 month per year. This results in an average density of 8,590.6 SEU per year for the project area. On page 67 a number of 8,434 SEU per project area is given. Please explain/correct the different numbers.	D2	Section D.2 has been corrected accordingly. <u>Audit Team:</u> 16,267 animals * (6.22 month/year) = 8432 animals per year on average. Please clarify why a figure of 9'238 was used Present the parameters used in step 1: data on pasture management (n_{igt} , a_{gpl}) <u>Project Team</u> <ul style="list-style-type: none"> The value on the number of animals has been corrected and calculations updated 	<input checked="" type="checkbox"/>

		<ul style="list-style-type: none"> The parameters used in step 1: data on pasture management (nigt, agpl) are shown in the "PROJECT SITE INFORMATION.XLS" –Annex 9 of the PDD <p><u>Audit Team:</u> Source data is provided to DOE. The calculations have been rechecked and found to be correct. Numbers and calculations presented in the PDD are correct</p>	
<p><u>Clarification Request No 21.</u></p> <p>Considering an daily biomass intake of 1.4 kg, the annual consumption would be 4275.5 t dm/year for the project area, not 4217 t dm/year.</p> <p>Table 33 states maximum grazing capacities (SEU/ha), and annual biomass (kg dm/ha/year). Considering the intake of 1.4 kg dm per SEU, the values do not fit (annual biomass is too low for max capacities). Please clarify.</p>	D2	<p><u>Project Team:</u> Section D.2 has been corrected</p> <p>The daily intake of a SEU is 1.4 kg DM and the monthly $1.4 \times 30 = 42$ kg DM. If we take, for example, arable lands, the annual biomass is 1400 kg/ha. Dividing this amount with 42 gives us 33.33 which is the number of SEU that a hectare of arable land can carry for one month. The grazing period in arable lands though is 3 months per year. If we divide 33.33 with 3 it gives us 11.2 SEU/ha which is the maximum grazing capacity of arable land for a 3 –month grazing period. The same calculations have been done for the other vegetation types, too where the grazing period is longer, namely 6 months per year.</p> <p><u>Audit Team:</u></p> <ul style="list-style-type: none"> Provide reference / documents to DOE for the sources for the area of grazing land inside the villages and outside the villages (GA_{village} and GA_{outside village}) Provide DOE with further information / documents on interview for grazing <p><u>Project Team</u> Information on the area of grazing land inside the villages is presented in "project site information.xls" file, Annex 9 of the PDD and information on grazing land outside the villages and other relevant information pertaining to grazing is presented in the file - questionnaire for grazing area.zip, which are enclosed as Annex 15 of the PDD.</p> <p><u>Audit Team:</u> Documents were provided</p>	<input checked="" type="checkbox"/>
<p><u>Clarification Request No 22.</u></p> <p>Adopt the numbering of equations according to version 04 of the methodology.</p>	D2	<p><u>Project Team:</u> Section D.2 has been revised accordingly.</p> <p><u>Audit Team 02 June:</u> The section has been revised accordingly</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 25.</u></p> <p>Maximum grazing capacity per land use type is only reduced by 30%, not by 70% as stated in the PDD and table</p>	D2	<p><u>Project Team:</u> This is correct and section D.2 and table 32 (numbering has changed with the revisions) have been revised accordingly.</p> <p><u>Audit Team:</u></p>	<input checked="" type="checkbox"/>

33. Please correct the table accordingly.		Figure s in table are correctly updated	
<p><u>Corrective Action Request No 26.</u></p> <p>According to the calculations in the PDD page 66, bio-mass production in the project area is 9,739 t dm per year, consumption by animal is much lower (see CR 21). This would not lead to overgrazing and an increment in the baseline scenario (see CR 2 and CAR 15 in section C2). Please clarify.</p>	D2	<p><u>Project Team:</u> According to the methodology, leakage due to grazing displacement is based on maximum biomass production of the land which could be different from the “sustainable production”, which may be lower.</p> <p><u>Audit Team:</u> The section on leakage has been revised.</p> <ul style="list-style-type: none"> • Provide DOE with further information / documents on biomass produced in EGL (provide input data) • Provide DOE with further information / documents on animals present in EGL (provide input data) • Step3: provide the input parameter for the calculation results presented in the PDD <p><u>Project Team</u> Information/documents on biomass and animal presence in EGL are provided in the “project site information.xls” file.- Annex 9 Step 3: Input parameters are inserted in the PDD.</p> <p><u>Audit Team:</u> The information on EGL in annex 9 on total area of EGL shows different data then presented in the PDD, please clarify where the figures in the PDD come from (GA village and GA outside village).</p> <p><u>Project Team:</u> Corrected Annex 9 is provided (the previous one did not included state land but only communal land)</p> <p>The figures on productivity and grazing pressure are average values from statistical data for the whole community land. They show that the carrying capacity is big enough to feed the animals from the project area (NGL and XGL =0). This average figures are not reflecting the concrete situation of the project sites. The sites are obviously heavily degraded and the regeneration is hindered by overgrazing. The productivity of the degraded land is much less than the average. In addition to that the grazing pressure is higher than average in the neighbourhood of the villages, where most of the sites are located. The project sites represent areas that are less productive than average because of degradation and that are more grazed than average.</p>	<input checked="" type="checkbox"/>

		<u>Audit Team:</u> Explanation provided is considered sufficient to explain and sustain unsustainable grazing ("overgrazing") in the project area on the one hand, but no leakage on the other hand. This was also observed during onsite visits	
<u>Corrective Action Request No 27.</u> Please refer to the most recent methodology version for monitoring. In PDD all steps refer to methodology version 2 which has to be changed and adopted to version 4.	E1	<u>Project Team:</u> Section E.1 revised accordingly. <u>Audit Team:</u> Most recent methodology is referred to	<input checked="" type="checkbox"/>
<u>Corrective Action Request No 28.</u> Assure consistency in monitoring for forest management with the methodology requirements. List of parameters according to table from PDD guidelines is to be developed and included.	E1	<u>Project Team:</u> Some parameters for forest management have been added to section E.1 <u>Audit Team:</u> ok	<input checked="" type="checkbox"/>
<u>Clarification Request No 23.</u> Please ensure consistency with number of ex-ante strata indicated in E with results of ex-ante stratification.	E2	<u>Project Team:</u> Section E has indicated one ex ante stratum which is consistent with the one stratum specified in ex ante stratification. <u>Audit Team:</u> Only one stratum is defined (considering the CARs in section C are closed and only one strata is defined)	<input checked="" type="checkbox"/>
<u>Corrective Action Request No 29.</u> Although the monitoring of boundary and forest establishment is monitored (see E.1.1), provide also a monitoring procedure for stratification in particular in case two strata are defined (see methodology section III 2.1)	E2	<u>Project Team:</u> The ex ante stratification has adopted one stratum to represent the project scenario. The possible need for <i>ex post</i> stratification will be evaluated at each monitoring event and changes in the strata should be reported to the DOE for verification. Monitoring of strata and stand boundaries will be done using a Geographical Information System (GIS). The database on strata will be updated at periodic intervals taking into account the unexpected disturbances and changes to management regimes. <u>Audit Team:</u> See comment in CR 23. Monitoring parameters are included in section E.1.1 which allow for a stratification based on changes in biomass stock due to unexpected events (destruction/mortality of plantation, etc)	<input checked="" type="checkbox"/>
<u>Corrective Action Request No 30.</u> Table 41: representation per plot is 66.5 not 66.8 ha per plot.	E2	<u>Project Team:</u> The revised figure is 65.2 ha as per the revised project area. The table with revised calculations of sample plots and their distribution is replaced in place of the earlier	<input checked="" type="checkbox"/>

		<p>table.</p> <p><u>Audit Team:</u> Numbers are revised, the location of the sample plots is determined. Recalculate the number of sample plots based on updated area.</p> <p><u>Project Team</u> The revised sample size calculations are presented in the PDD.</p> <p><u>Audit Team</u> : Project area is not consistent within the PDD, please correct</p> <p><u>Project Team</u>: Project area is revised to ensure consistency</p> <p><u>Audit Team</u>: ok</p>	
<p><u>Corrective Action Request No 31.</u></p> <p>Please use same ID number for the data variables to be monitored, as suggested in the methodology</p>	E4	<p><u>Project Team:</u> This comment was unclear and will be followed after discussion</p> <p><u>Audit Team:</u> ID number as suggested in the methodology is included in the PDD</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 32.</u></p> <p>All variables listed in the methodology for monitoring of the actual net removals have to be included in monitoring, unless it is explained why the respective variable does not need to be monitored.</p>	E4	<p><u>Project Team:</u> Parameters are included in E4</p> <p><u>Audit Team:</u> All parameter are included</p> <p><u>Project Team</u> The parameters not relevant to the project are marked as not applicable and excluded from the monitoring.</p> <p><u>Audit Team 02 June:</u> Table is corrupted, please modify</p> <p><u>Project Team 10 June:</u> Table is modified and separate PDF file is submitted</p> <p><u>Audit Team 11 June:</u> All variables listed in the methodology for monitoring of the actual net removals have been included in monitoring unless it is explained why the respective variable does not need to be monitored.</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 33.</u></p> <p>Move table 43 to section to E.4.2 and adopt the parameter to the ones relevant for the project (considering EB decisions 44 and 42). If parameters are excluded from the monitoring this should be explained properly.</p>	E4	<p><u>Project Team:</u> Section E.4.2 revised accordingly.</p> <p><u>Audit Team:</u> Table was delete, which is acceptable, since no project emissions are expected</p>	<input checked="" type="checkbox"/>
<p><u>Corrective Action Request No 34.</u></p> <p>Please note that version 4 of the methodology does not include leakage from vehicle any more (and subsequent change in numbering of equations in the methodology.</p>	E5	<p><u>Project Team:</u> Section E.5.1 revised accordingly.</p> <p><u>Audit Team:</u> Section was revised according to the updated methodology.</p>	<input checked="" type="checkbox"/>

Please adopt the numbering respectively)			
<u>Corrective Action Request No 35.</u> All variables listed for leakage in the methodology have to be included in monitoring, unless it was explained why the respective variable does not need to be monitored.	E5	<u>Project Team:</u> Considering that <i>ex ante</i> estimation demonstrated the presence of more than adequate existing grazing land. Therefore, it is not necessary to monitor the gra <u>Audit Team:</u> Considering all CARs in section D2 are closed, leakage does not have to monitored	<input checked="" type="checkbox"/>
<u>Clarification Request No 24.</u> Depending on the outcome of CARs and CRs in D2, leakage might occur and monitoring would then be necessary.	E5	<u>Project Team:</u> Section E.5 revised to reflect monitoring of grazing pressure (stocking rate applied to the grazing areas) up to 5 years may be relevant. Monitoring of leakage variabls to be assessed as per the methodology guidance. <u>Audit Team:</u> Leakage does not need to be considered, if CARs in section D2 can be closed with the same finding.	<input checked="" type="checkbox"/>
<u>Corrective Action Request No 36.</u> Provide information on field data requirements including the methodological requirements 10-20% of randomly selected plots, error <5 % accepted, definition of overall measurement error (section III 11.2.2)	E6	<u>Project Team:</u> To verify that plots have been installed and the measurements taken correctly, 10-20% of plots shall be randomly selected and re-measured independently. Key re-measurement elements include the location of plots, DBH and tree height. The re-measurement data shall be compared with the original measurement data. Any deviation between measurement and re-measurement below 5% will be considered tolerable and error above 5%. Any errors found shall be corrected and recorded. Any errors discovered should be expressed as a percentage of all plots that have been rechecked to provide an estimate of the measurement error. <u>Audit Team:</u> Information is included in the PDD	<input checked="" type="checkbox"/>
<u>Clarification Request No 25.</u> Please provide DOE with the report "Legal and Institutional Analysis"	E7	<u>Project Team:</u> Report is available and will be s shared. <u>Audit Team:</u> Still to be submitted to DOE <u>Project Team</u> The report on Legal and Institutional Analysis is presented as Annex 11 to the PDD <u>Audit Team:</u> Document was submitted	<input checked="" type="checkbox"/>
<u>Clarification Request No 26.</u> Provide a copy of the WB study to DOE.	F1	<u>Project Team:</u> Report is available and will be shared <u>Audit Team:</u>	<input checked="" type="checkbox"/>

		<p>Still to be submitted to DOE</p> <p><u>Project Team</u></p> <p>The EIA report is presented as an Annex 5 to the PDD</p> <p><u>Audit Team:</u> Document was submitted</p>	
<p><u>Clarification Request No 27.</u></p> <p>Indicate the legal requirements for conducting EIA and demonstrate that this approach has been followed if necessary.</p>	F1	<p><u>Project Team:</u></p> <p>There is no legal requirement for conducting EIA for the reforestation activities. Relevant communication will be made available.</p> <p><u>Audit Team:</u></p> <p>Still to be submitted to DOE</p> <p><u>Project Team</u></p> <p>The EIA report presented as Annex 5 to the PDD reflects no legal requirement for conducting reforestation activities. A letter from the Ministry of Environment stating the no legal requirement of EIA fore reforestation activities is provided as Annex 24.</p> <p><u>Audit Team 08 June:</u> Evidence was submitted</p>	<input checked="" type="checkbox"/>
<p><u>Clarification Request No 28.</u></p> <p>During onsite visit it some concerns were expressed in regard to limited grazing areas, because of project implementation. Clarify potential negative impacts.</p> <p>Clarify also the statement that the Host Party does not consider negative impacts significant.</p>	G2	<p><u>Project Team:</u></p> <p>Considering the surplus area available, there will not be constraints to the availability of areas due to project implementation. During the stakeholder consultations, the concerns were discussed and project management sought to ensure that the available surplus grazing areas will meet the requirements of communities.</p> <p>As per the national environment policy of Albania, there is no need to requirement for considering negative impacts.</p> <p><u>Audit Team:</u></p> <p>Include the information to the PDD</p> <p>The statement in the first paragraph of section G.2 “no negative impact is considered significant by the project participant and the host party” shall be further explained. Provide the background information for the statement of the Host Party.</p> <p><u>Project Team</u></p> <p>The project implements measures to protect and promote natural regeneration on degraded lands, and which do not have any significant negative consequences and impacts as the measures implemented protect natural regeneration by excluding grazing pressure, support supplemental planting to aid regeneration, and strengthen local institutions. Considering the measures are aimed at restoration of degraded lands with the active support of local communes and adequate alternative grazing area are available, no negative impacts are expected.</p>	<input checked="" type="checkbox"/>

		<p>The letter confirming no legal requirements of EIA for reforestation activities is provided in Annex 24.</p> <p><u>Audit Team:</u> Annex 24 is still to be submitted</p> <p><u>Project Team:</u></p> <p>Annex 24 confirming the no legal requirements of EIA</p> <p><u>Audit Team:</u> Document is provided</p>	
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Table 3 : Unresolved CAR / CR / FAR

Unresolved
<p>Forward Action Request 1</p> <p>Monitoring of contracts with Communes and Forest Useres Association on control over land and carbon rights necessary during monitoring period (prior to each verification).</p>



Industrie Service

Annex 2: Information Reference List

Reference No.	Document or Type of Information																														
1.	<p>On-site interviews at the offices and the project site of the Validation team on site (26-30 January 2009 and 19-22 May 2009):</p> <p>Martin Schröder Auditor, TÜV SÜD Industrie Service GmbH</p> <p>Sebastian Hetsch Auditor/Trainee, TÜV SÜD Industrie Service GmbH</p> <p>Martin Seitz Auditor/Trainee, TÜV SÜD Industrie Service GmbH</p> <p>Interviewed persons:</p> <table><tr><td>1.</td><td>Nahat Collaku</td><td>Director of Directorate of Forests and Pasture of the Ministry of Environment, Forests and Water Administration</td></tr><tr><td>2.</td><td>Ramiz Metaliaj</td><td>Project Managment Team</td></tr><tr><td>3.</td><td>Haki Kola</td><td>Project Managment Team</td></tr><tr><td>4.</td><td>Lucia Perugini</td><td>Wold Bank Consultant</td></tr><tr><td>5.</td><td>André Asrud</td><td>Deal Manager, World Bank</td></tr><tr><td>6.</td><td>Rama Reddy</td><td>Team Leader, Methodology Carbon Finance, World Bank</td></tr><tr><td>7.</td><td>Zarina Azizova</td><td>Deal Manager, World Bank</td></tr><tr><td>8.</td><td>Ellysar Baroudy</td><td>BioCF Fund Manager, World Bank</td></tr><tr><td>9.</td><td>Fabjola Bega</td><td>Project Managment Team</td></tr><tr><td>10.</td><td colspan="2">28 representatives of the forest service, communes and user associations of the following communes: Elbasan, Ulez, Paper, Klos, Slove, Tomin, Melan, Qelez, Labinot, Poliz, Pishaj</td></tr></table>	1.	Nahat Collaku	Director of Directorate of Forests and Pasture of the Ministry of Environment, Forests and Water Administration	2.	Ramiz Metaliaj	Project Managment Team	3.	Haki Kola	Project Managment Team	4.	Lucia Perugini	Wold Bank Consultant	5.	André Asrud	Deal Manager, World Bank	6.	Rama Reddy	Team Leader, Methodology Carbon Finance, World Bank	7.	Zarina Azizova	Deal Manager, World Bank	8.	Ellysar Baroudy	BioCF Fund Manager, World Bank	9.	Fabjola Bega	Project Managment Team	10.	28 representatives of the forest service, communes and user associations of the following communes: Elbasan, Ulez, Paper, Klos, Slove, Tomin, Melan, Qelez, Labinot, Poliz, Pishaj	
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2.	PDD: Assisted Natural Regeneration of Degraded Lands in Albania. GSP version 01, dated 21 July 2007. Final version 06 dated 22 June 2009.																														
3.	Excel spread sheet with calculations “TARAM V1.3_ANR_ALBANIA_June20.xls”: TARAM, final version submitted to DOE on 20 June 2009																														
4.	IPCC (2003): Good Practice Guidance for LULUCF																														
5.	ANFI 2004: Albanian National Forestry Inventory – Final Report. Government of Albania. Ministry of Agriculture & Food, Management Unit of the Forestry Project. Tirana.																														
6.	ANFI 2004: Albanian National Forestry Inventory – Special study: Carbon sequestration and Kyoto Protocol. Government of Albania. Ministry of Agriculture & Food, Management Unit of the Forestry Project. Tirana.																														
7.	Assisted Natural Regeneration of Degraded Lands in Albania, ANNEX 6, ENVIRONMENTAL ASSESSMENT, April 2007																														

Reference No.	Document or Type of Information
8.	Assisted Natural Regeneration of Degraded Lands in Albania, ANNEX 6, SOCIAL ASSESSMENT, June 2007
9.	Assisted Natural Regeneration of Degraded Lands in Albania, ANNEX 7, Excel File: "01.7 - ANNEX 7 - Project Implementation plan.xls", submitted to DOE on August 2007
10.	Assisted Natural Regeneration of Degraded Lands in Albania, ANNEX 8, Excel File: "01.8 - ANNEX 8 - PROJECT SITES INFORMATION.xls", August 2008
11.	Assisted Natural Regeneration of Degraded Lands in Albania, ANNEX 9, Excel File: "ANNEX 9 - PROJECT SITES INFORMATION_10june09.xls", latest version submitted to DOE in June 2009
12.	World Bank (May 2005): Project Appraisal Document on a proposed credit [...] to Albania for a Natural Resource Development Project. Report No: 32231-AL.
13.	Contractual Agreements between Ministry of Environment, Forests and Water Administration and Communes. Sample from Sllove commune signed 26 March 2007.
14.	Documentary Evidence on the non-diversion of ODA: Letter from Italian Ministry of Environment and Territory, dated 28 Sept 2005
15.	Assessment & Design of Community based Carbon Sequestration in Albania. Report: PROJECT CONCEPT DOCUMENT. Agrotec Consortium. September 2005
16.	Proko A. and Kromidha G. 1999. Vegetation degradation stages and plants, which identify the erosion. Buletini I Shkencave Bujqësore (Bulletin of Agricultural Sciences) Tirana 1999 Nr. 2 p. 123 – 128.
17.	Proko A. and Dida M. 2002 Vegetation characteristics and dynamism of forest ecosystems in the Vlora coastal region. Cahiers Options Méditerranéennes. La coopération italo – albanese per la valorizzazione della biodiversità. Vol 53. p. 153 - 164
18.	SPECIAL STUDY ON GRAZING IMPACT ON WOODED LANDS, INCLUDING FUELWOOD CONSUMPTION ASSESSMENT
19.	Field sheets of Audit Team compiled during onsite visits. (26-30 January 2009 and 19-22 May 2009)
20.	Agrotec consortium (2005) Report on Pasture Survey and Range Management Plan. Assessment & Design of Community –based Carbon Sequestration in Albania. Unpublished.
21.	Papanastasis, Vasillios (2007) Report on Analysis of Displacement activities due to the Community-based Carbon Sequestration Project in Albania.
22.	Maps of Forest Management Units and project boundaries. Submitted to DOE as scanned copies on 12 June 2009.
23.	GIS data for the carbon parcels: "carbon_parcels_final_pulkovo 42.shp". Submitted to DOE on 12 June 2009.
24.	A study done during the Albania Forestry Project (World Bank 1996-2004, Project ID: P008271) measured the average increment and stand volume in 7-year-old restored oak coppice forest.
25.	Excel spreadsheet, with increment of baseline trees, Excel File: " Ex-ante calculation-Albania-final version_Hubertus.xls", submitted to DOE in January 2007
26.	Assessment & Design of Community based Carbon Sequestration in Albania. REPORT: PERMANENCE ANALYSIS. Agrotec Consortium. September 2005
27.	Assessment & Design of Community based Carbon Sequestration in Albania. Report: ANNEX I - WORKSHOPS, SEMINARS AND TRAINING. Agrotec Con-

Reference No.	Document or Type of Information
	sortium. September 2005
28.	FAO (2006): Global Forest Resource Assessment 2005. FAO Forestry Paper 147.
29.	Letter of Minister of Environment, Forests and Water administration, 29 May 2009: Statement on non-availability of funds for project activity without CDM revenues. No.1179/2 Prot.
30.	Contract between Commune and Forest and Pasture User Association. Sample from the commune of Sillove date 26 March 2007
31.	Agreement for the Protection of a specific parcel of land. Sample from the commune of Klos date 1 May 2005
32.	Forest Management Plan. Samples reviewed in each parcel visited during the onsite visit.
33.	Albanian legislation: On Forests and Forest Service Police (No. 7623 dated 13/10/1992 in English); and Regulation - On the Transfer of Forests and Pastures in Use to Communes (No. 308, dated January 1996)
34.	Partnership agreement between General Directorate of Forest and Pastures (DGFP) and Local Government Unit: Qerret to Implement Carbon Sequestration Project. Tirana. 20 December 2004.
35.	Letter of Minister of Environment, Cabinet, 27 July 2004: Letter of no objection Afforestation and Reforestation of Refused Lands Project in Albania. No.1179/2 Prot.
36.	Letter of Director of Directorate of Forests and Pastures Policies, Ministry of Environment, Forests and Water administration, 11 June 2009: Equipment leave environmental activities to be provided in implementing the project entitled "Assisted Natural Regeneration of Degraded Lands in Albania"
37.	DGFP 2001: Economic Analysis For Alternative Scenarios of a Forest Fire Management Programme, Directorate General for Forest Protection, Tirana, Albania
38.	Letter of Director of Directorate of Forests and Pastures Policies, Ministry of Environment, Forests and Water administration, 29 May 2009, stating that the project is "first of its kind". No 1179 Prot.
39.	Letter of Approval from Albania DNA, dated 15 June 2009
40.	Letter of Approval from Italian DNA, dated 15 June 2009
41.	International Forest Fire News (IFFN) No. 28 (January – June 2003): Albania - Update on the Forest Fire Situation. p. 73-81
42.	UNECE/FAO/MCPFE (2007): State of Europe's Forest 2007. The MCPFE Report on Sustainable Forest Management in Europe.
43.	Letter of Director of Directorate of Forests and Pastures Policies, Ministry of Environment, Forests and Water administration, 11 June 2009: Data on afforestation in Albania from 2003-2009
44.	ANNEX III: FLORISTIC LIST PER PROJECT PLOT - Source: field campaign 2005, Excel spread sheet "01.5 - Annex 5-III - floristic list.xls", submitted to DOE on 20 Oct 2008
45.	Complete list of persons interviewed during onsite visits (26-30 January 2009 and 19-22 May 2009)