NON-PERMANENCE RISK REPORT THE KASIGAU CORRIDOR REDD+ PROJECT - PHASE I RUKINGA SANCTUARY 5TH MONITORING PERIOD (M_5)

Document Prepared By Wildlife Works Carbon

Project Title	Kasigau Corridor REDD Project Phase I - Rukinga Sanctuary
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1 INTERNAL RISK

Project Management		
Risk Factor	Risk Factor and/or Mitigation Description	Risk Rating
a)	Not Applicable	0
b)	Wildlife Works has ongoing enforcement of forest protection for 100% of the stocks	2
c)	Management team has extensive experience in all skills necessary	0
d)	Management team is located on the project site immediately adjacent to the project	0
e)	Management team includes individuals who have successfully managed projects through validation and verification and issuance of GHG credits	-2
f)	Wildlife Works has implemented an elaborate adaptive management plan including a community feedback mechanism that is considered leading edge within the REDD community, detailed social and biodiversity impact monitoring, and many mitigation activities as spelled out in the Project Design	-2
Total Project Management (PM) [as applicable, (a + b + c + d + e + f)] Total may be less than zero.		**-2**

Financial Viability		
Risk Factor	Risk Factor and/or Mitigation Description	Risk Rating
a)	Not Applicable	
b)	Not Applicable	
c)	Not Applicable	
d)	YES - Project reached breakeven at the end of the first full year based on up front investment by Wildlife Works and market sales of Carbon credits	0
e)	Not Applicable	
f)	Not Applicable	
g)	Not Applicable	
h)	YES - Project has already reached breakeven	0
i)	Not Applicable	
Total Financial Viability (FV) [as applicable, ((a, b, c or d) + (e, f, g or h) + i)] Total may not be less than zero.		**0**

Opportunity Cost

Risk Factor	Risk Factor and/or Mitigation Description	Risk Rating
a)	Not Applicable	
b)	Not Applicable	
c)	Not Applicable	
d)	Baseline is subsistence and project has demonstrated net positive community impacts	0
e)	Not Applicable	
f)	Not Applicable	
g)	Not Applicable	
h)	YES - all ranches are under Carbon Rights Agreements covering entire crediting period	-2
i)	Not Applicable	
Total Opportunity Cost (OC) [as applicable, (a, b, c, d, e or f) + (g + h or i)] Total may be less than 0.		**-2**

Project Longevity		
a)	Not Applicable	
b)	Project Longevity contractually = 30 years	15
Total Project Longevity (PL) May not be less than zero		**15**

Internal Risk	
Total Internal Risk (PM + FV + OC + PL) Total may not be less than zero.	**11**

2 EXTERNAL RISKS

Land Tenure and Resource Access/Impacts		
Risk Factor	Risk Factor and/or Mitigation Description	Risk Rating
a)	Ownership and resource rights are owned by the Group Ranch Companies	0
b)	Not Applicable	
c)	Not Applicable	

d)	Not Applicable	
e)	Not Applicable	
f)	YES - all ranches are under Carbon Rights Agreements covering entire crediting period	-2
g)	YES - all ranches are under Carbon Rights Agreements covering entire crediting period	
Total Land Tenure (LT) [as applicable, ((a or b) + c + d + e + f + g)] Total may not be less than zero.		**0**

Community Engagement		
Risk Factor	Risk Factor and/or Mitigation Description	Risk Rating
a)	Not Applicable	
b)	Not Applicable	
c)	Project received has received CCB validation/verification demonstrating exceptional community benefit.	-5
Total Community Engagement (CE) [where applicable, (a + b + c)] Total may be less than zero.		**-5**

Political Risk		
Risk Factor	Risk Factor and/or Mitigation Description	Risk Rating
a)	Not Applicable	
b)	Governance Score = -0.67167	4
c)	Not Applicable	
d)	Not Applicable	
e)	Not Applicable	
f)	Kenya is implementing REDD+ Readiness under the FCPF	-2
Total Political (PC) [as applicable ((a, b, c, d or e) + f)] Total may not be less than zero.		**2**

External Risk	
Total External Risk (LT + CE + PC) Total may not be less than zero.	**0**

3 NATURAL RISKS

Natural Risk - FIRE	
Significance	**Insignificant – grass fires recover biomass at next rain, e.g. annually**
Likelihood	Less than every 10 years (twice in 15 years)
Score (LS)	2
Mitigation	

Natural Risk - PEST	
Significance	**No Loss - natural ecosystem does not suffer from pest damage or disease**
Likelihood	Not Applicable
Score (LS)	0
Mitigation	

Natural Risk - Extreme Weather	
Significance	**No Loss - drought adapted species**
Likelihood	Not Applicable
Score (LS)	0
Mitigation	

Natural Risk - Geological Risk	
Significance	**No Loss**
Likelihood	Not Applicable
Score (LS)	0
Mitigation	

Natural Risk - Other Natural Risk	
Significance	**No Loss**
Likelihood	Not Applicable
Score (LS)	0
Mitigation	

Score for each natural risk applicable to the project (Determined by (LS × M)	
Fire (F)	2
Pest and Disease Outbreaks (PD)	0
Extreme Weather (W)	0
Geological Risk (G)	0
Other natural risk (ON)	0
Total Natural Risk (as applicable, F + PD + W + G + ON)	**2**

4 OVERALL NON-PERMANENCE RISK RATING AND BUFFER DETERMINATION

4.1 Overall Risk Rating

Risk Category	Rating
a) Internal Risk	11
b) External Risk	0
c) Natural Risk	2
Overall Risk Rating (a + b + c)	**13**

4.2 Calculation of Total VCUs

Component	**2015 Value (t CO_2e)**	**2016 Value (t CO_2e)**	**2017 Value (t CO_2e)**	**Total Value (t CO_2e)**
Gross emissions reductions, m_5	263,855	255,298	255,141	**774,295**
Emissions from Leakage, m_5	0	0	0	**0**
NERs to VCS pooled buffer account, (13%)	34,301	33,189	33,168	**100,658**
VCS pooled buffer account return.	61,418	61,419	61,419	**184,256**
Net emissions reductions NERs, m_5	290,972	283,528	283,392	**857,893**