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Ecosystem Certification Organisation Governance Board

**Formal Adoption of NFS AM001.1 Methodology and Supporting Data and Maps,
in replacement of NFS AM001.0**

Following the NFS Technical Panel meeting held on 14th August 2013, it is hereby confirmed that the ECO Governance Board have agreed the changes to the NFS AM001.0 Methodology approved by the Chair, as detailed in the Minutes of the meeting, and hereby notifies the adoption of the modifications by the Natural Forest Standard.

NFS AM001.1
**[A Risk Based Methodology for Quantifying Natural Capital Credits Issued to Projects Operating
under the Natural Forest Standard, with application in Amazonia]**

The NFS AM001.1 revision of the methodology is to be formally adopted for use by the Natural Forest Standard in replacement of NFS AM001.0 as of 22nd August 2013.

A copy of the Minutes is included herewith.

Signed:

Vicky Kelly
Chair
Ecosystem Certification Organisation Governance Board

MINUTES OF NATURAL FOREST STANDARD TECHNICAL PANEL

14th August, 2013 10.00hrs

Ecometrica Offices, Edinburgh

The Technical Panel of the Natural Forest Standard convened a meeting to discuss some suggested modifications and additions to NFS AM001.0 in light of comments made by the verifier ESI Inc in the course of their verification of the Trocano Project in Brazil.

Attendees:

Richard Tipper (Chair)

Nicholas Berry

Edward Mitchard

Genevieve Patenaude

Karin Viergever

Veronique Morel

Background

RT explained that the purpose of the meeting was to discuss some proposed adjustments of the NFS AM001.0 (A Risk Based Methodology for Quantifying Natural Capital Credits Issued to Projects Operating under the Natural Forest Standard, with application in Amazonia). The proposed modifications were as follows:

1. Adjustment of the approved map of carbon stocks to reflect the project start date.

The verifier requested clarification on how the approved NASA JPL map of carbon stocks for Amazonia (Saatchi et al, 2011), which had source data from 2001 to 2008 and estimated median data of 2003, should be adjusted to reflect any deforestation (lowering of carbon stocks) prior to the project start date (July 2011).

Ecometrica proposed adjusting the carbon map by assuming loss and no subsequent recovery of 100% of above ground biomass for all deforestation areas detected by PRODES. The panel agreed that this was a reasonable assumption but NB noted by not considering the possible loss of below ground biomass some NCCs could be generated by the decomposing roots of deforested trees. It was agreed to make a more conservative adjustment of the base year carbon map to avoid issuing any credits (above-ground, below-ground biomass or soil carbon) for any previously deforested areas.

The detail of the methods used to update the approved carbon map to correspond to the project start date is set out in revised methodology AM001.1.

2. Adjustment of the risk map to account for seasonally flooded forest areas

The verifier suggested that the project should consider whether seasonally flooded areas should be excluded from generating credits given their reduced accessibility and attractiveness for agriculture. Ecometrica agreed with the verifier suggestion and provided a process to exclude all temporarily and permanently flooded areas of forest, as defined by ESA Globcover.

The panel agreed with the proposed adjustment. EM suggested that the NFS should encourage project developers to assess the accuracy of the ESA Globcover categorisation by ground survey.

A description of the flooded area adjustment is provided in revised methodology AM001.1.

3. Adjustment of deforestation estimated by PRODES using high resolution satellite data from RapidEye.

Ecometrica carried out an assessment of the accuracy of PRODES to understand how much deforestation might be missed by PRODES in line with the approved methodology. (Ecometrica, 2013)¹

Deforestation was mapped visually using high resolution (5m pixel RapidEye) optical images 2 years apart in an area of approximately 180,000 ha where deforestation had been detected by PRODES (using 25m pixel images). The high resolution data found an additional 9% forest loss over the two year period, compared with the PRODES assessment. Since the difference could split between the two years a conservative assumption was suggested that 9% additional deforestation could be occurring in any year.

The detailed methods used and application of the adjustment are set out revised methodology AM001.1.

The panel agreed that the proposed adjustment process was conservative and appropriate.

EM commended this assessment approach and suggested that it could be developed to be published as a scientific paper. EM and GP suggested that the NFS should encourage project developers to collect ground based data from the project areas to better understand the limits of detectability of disturbance at the forest margins and in isolated areas.

RT asked the panel whether there should be some adjustment for potential undetected deforestation in areas where no deforestation was detected. The panel considered that it should be possible for an area to have zero estimated deforestation, and found no good evidence for setting a particular level of "undetected" deforestation in areas where none is detected.

4. Modification to Leakage methodology to ensure conservativeness

To ensure conservativeness in cases where there is no evidence that emissions from deforestation in the leakage zone were not caused by translocation of activities from the project area the methodology should attribute these emissions to the project.

¹ Ecometrica (2013) A report on the accuracy of PRODES deforestation detection based on comparison with high resolution optical images. Report conducted for CGV on behalf of Ecometrica.

Minor Changes to AM001.0 to improve clarity on units

Some minor drafting changes to AM001.0 were proposed to improve clarity regarding the units in calculations.

These changes were approved by the Chair and a revised version of the methodology AM001.1 has been sent to the NFS Secretariat for adoption.

A handwritten signature in black ink, appearing to read 'Richard Tipper', with a stylized flourish at the end.

Richard Tipper,

Chair, Natural Forest Standard Technical Panel

22nd August, 2013