

Final Project Validation Report

Name of Reviewers:

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Date of Review: 03 September 2025

Project Name: AC La Laja SA de CV

Project Description:

This agroforestry project led by AC La Laja was established in 2023, whose target participants are smallholders in the region of Veracruz, which have degraded crop landscapes and are the most vulnerable to the impacts of climate change. The current land use activities are coffee and subsistence crop farming, as well as existing agroforestry composed of mainly fruit trees, such as citric (mainly lemon), banana, macadamia, sugar cane, or avocado. These farmers are facing a rapid and significant loss of topsoil and fertile lands.

The agroforestry design includes boundary planting and intercropping between cash crops, food crops, and trees. The agroforestry trees include a mix of shade, fruit-bearing, medicinal, live fences, and inter-cropping trees. These include *Cojoba arborea*, *Inga Jinicuil*, *Cordia Alliodora*, *Platanus occidentalis mexicana*, *Citrus latifolia*, among others. The maximum number of trees farmers can plant on their plots are 15/ha. La Laja has the goal to ensure the success of this project on a large scale, expanding to include all the smallholder farmers in their coffee producers' network. La Laja aims to improve the livelihoods of smallholder farmers and their communities through income diversification (tree products and carbon finance), enhancing soil health for higher crop yield and less costly inputs, reducing massive soil erosion on farms, and improving farmers' nutritional intake and biodiversity. Carbon finance will act as a financial cushion when farmers face crop loss, as well as an incentive for them to maintain the trees long-term. At the time of project validation, the total number of onboard farmers was 3156 (according to the ADD) with a total area of 9,151.25 ha.

List of Principal documents reviewed (including list of sites visited and individuals/groups interviewed):

- Project ADD
- Laws/regulations:
 - Data Protection (Ley Federal de Protección de datos personales en posesión de los particulares)
 - Forest Conservation (Ley General del Equilibrio Ecológico y la Protección del Medio Ambiente)

- Sustainable Forest Management Development (Ley General de Desarrollo Forestal Sustentable)
- Climate Change Law (Ley General de Cambio Climático)
- Sustainable rural Development (Ley de Desarrollo rural Sustentable)
- Legal/contractual documents
 - Participant Agreement
 - La Laja-Rabobank Partnership Agreement
- Project Business Case
- Evidence of training activities
- Evidence of farmer engagement
- KPI & SDG Surveys
- Agroforestry design
- Council meeting minutes
- Farmers database
- Land tenure documents
- Bank account documents

Visited sites:

Plot Name	Farmer ID	Area (ha)	Day of visit	Municipality
MX299538 - 508878	53e5d202-b517-4f7a-82d7-877ccf8645f1	1.20	4/11/2024	Huatusco
MX334490 - 546011	aa831b6f-7c5a-4dc1-b965-803af1bd9915	1.05	4/11/2024	Huatusco
MX299640 - 508980	b35f13b8-ba73-4a46-9cfe-f4fbe9f04efb	1.52	5/11/2024	Huatusco
MX273951 - 476029	140d90c4-83a8-4c59-b130-9bbb1fa47476	0.99	5/11/2024	Dos Ríos
MX273953 - 476031	fa428117-729d-4cad-890a-2e464b9560f1	1.73	5/11/2024	Dos Ríos
MX288187 - 497415	edc14c2c-8a46-4989-ada8-5717d046f73b	1.12	5/11/2024	Dos Ríos
MX287999 - 497227	6f0628bd-6999-4d01-b58a-662adeb28824	1.94	7/11/2024	Dos Ríos
MX287866 - 497094	77ccd171-b5d5-43d0-a1e7-bbccf50e4d6b	1.36	7/11/2024	Dos Ríos
MX299512 - 508852	75f12e0a-8aa4-4c2a-a744-d5fba8b596a8	1.40	7/11/2024	Pochote
MX299513 - 508853	14489b59-05e5-419a-bdf8-e09e32013092	2.77	7/11/2024	Pochote
MX299514 - 508854	122ef9e0-3cc3-44a3-b05d-ffa263110227	1.37	7/11/2024	Pochote Nuevo
MX299515 - 508855	c87811ed-c150-46bf-ab53-77178ced30d9	1.03	7/11/2024	Pochote Nuevo
MX299516 - 508856	d12739ba-ac15-4f9b-ad9f-649004972d59	1.03	7/11/2024	Pochote Nuevo
MX222829 - 388170	dc5ef8e2-ea83-4494-ad1a-2c8cbf8c90f4	6.20	6/11/2024	Agua Santa Comapa
MX302569 - 512507	59f522c1-88d7-42b1-8932-a64aba8f95d0	1.08	6/11/2024	Comapa
MX222864 - 388246	fb22f1b2-b7e1-4364-bfcf-f515a7c3a12e	7.75	6/11/2024	Maromilla

MX222996 - 388543	881f8ab5-fbe9-4013-a805-4533673cd216	1.10	6/11/2024	Zapotat
MX223206 - 389011	598f5bec-6466-46e3-98c3-0fcce3c23649	2.84	6/11/2024	Maromilla
MX256018 - 456851	49165cdf-4255-4ad4-aba1-f4c75c3ae693	1.80	4/11/2024	Puentecilla
MX256020 - 456854	68f7925e-84c9-46bc-83d4-35bfa4c0f70d	2.60	6/11/2024	Puentecilla
MX256021 - 456855	04b250a4-6050-4dfe-ade2-5b575664c9d6	2.54	6/11/2024	Puentecilla
MX288126 - 497354	809b709f-5ada-46e9-94fc-9488ded5a9c7	1.03	5/11/2024	Puentecilla

List of individuals interviewed:

La Laja staff:

- [REDACTED] Finance Operations
- [REDACTED] Certification Manager and Project Coordinator
- [REDACTED] Agronomist, Technical team and Operations
- [REDACTED] Agronomist, Technical team and Operations
- [REDACTED] Management and Participants onboarding
- [REDACTED], Head of Coffee Harvesting and Reception Area

Stakeholders:

- [REDACTED] Partnership Manager in Center America
- [REDACTED] Certification in Acorn-Rabobank
- [REDACTED] Ground Truth data collection Manager, Akvo
- [REDACTED], Agronomist and Technical team in Instituto Superior Tecnológico de Huatusco
- [REDACTED], Local Director of Agricultural Development of the municipality of Totutla, Veracruz

Lead Farmers (3 interviewed, confidential)

Project participants (farmers):

Huatusco municipality (5 interviewed, confidential)

Atzacan municipality (Dos Ríos, Puentecilla) (5 interviewed, confidential)

Comapa municipality (5 interviewed, confidential)

Totutla municipality (3 interviewed, confidential)

Zentla municipality (7 interviewed, confidential)

Description of field visit:

The field visit was a 5-day onsite work, interviewing the local partner, some project participants and other stakeholders, and visiting the project farms and the nursery, as described in the following table:

Activity	Location	Date/time
Opening meeting	La Laja office, Huatusco, Veracruz	4 Nov 2024 Morning
Documentation review (ADD, project plans, maps, carbon calculations, contracts, etc.) and interviews with project staff and lead farmer ()	La Laja office, Huatusco, Veracruz	4 Nov 2024 Morning
Site visit and data collection; Interviews with farmers and field technician ()	Farmer plots in Huatusco (4 visited)	4 Nov 2024 Afternoon
Site visit and data collection; Interviews with farmers, and interview with lead farmer ()	Farmer plots in Atzacan (6 visited)	5 Nov 2024 Morning and afternoon
Site visit and data collection; Interviews with farmers	Farmer plots in Comapa (6 visited)	6 Nov 2024 Morning
Site visit and data collection; Interviews with farmers	Farmer plots in Totutla (4 visited)	6 Nov 2024 Afternoon
Site visit and data collection; Interviews with farmers	Farmer plots in Zentla (two different locations) (9 visited)	7 Nov 2024 Morning
Audit team internal meeting	Misión Los Cocuyos hotel	7 Nov 2024 Afternoon
Documentation review (Business Case, T-5 check, KPIs and SDGs), meeting with Rabobank-Acorn representatives	Misión Los Cocuyos hotel	7 Nov 2024 Afternoon
Visit and interview to nursery (Instituto Superior Tecnológico de Huatusco)	Instituto Superior Tecnológico de Huatusco, Huatusco, Veracruz	8 Nov 2024 Morning
Site visit and GT data collection	Farmer plot in Huatusco (1 visited)	8 Nov 2024 Morning
Interviews with a local government body (), lead farm ()	La Laja office, Huatusco, Veracruz	8 Nov 2024 Morning

Documentation review (project documents, maps, carbon calculations, contracts, etc.) and interviews with project staff.	La Laja office, Huatusco, Veracruz	8 Nov 2024 Morning
Closing meeting	La Laja office, Huatusco, Veracruz	8 Nov 2024 Morning

Validation Opinion:

The evidence obtained in the project documents and during the field visit resulted in 8 outstanding CARs and 7 outstanding NIRS, which will need to be resolved before it can be concluded that the project meets all the requirements of the Acorn Framework and Methodology.

Validation Opinion (09.04.2025):

The responses and new evidence provided after the first round of findings resulted in 3 outstanding CARs and 3 outstanding NIRs, which will need to be resolved before it can be concluded that the project meets all the requirements of the Acorn Framework and Methodology. Besides, 4 CARs have been converted to 3 FARs.

Validation Opinion (29.04.2025):

The responses and new evidence provided after the second round of findings resulted in 2 outstanding CARs and 1 outstanding NIR, which will need to be resolved before it can be concluded that the project meets all the requirements of the Acorn Framework and Methodology. Besides, 4 CARs have been converted to 3 FARs.

Validation Opinion (03.09.2025):

After Acorn's responses and evidence provided to the CARs and NIRs identified, the validator emits a **Positive Validation Opinion**, closing 4 CARs and 7 NIRs, and converting 4 CARs into 3 FARs (see Table 2).

Table 1. Summary of draft report on corrective actions

Theme	CARs	NIRS	PCARs
Eligibility	2 (Closed)	1 (Closed)	
Responsibilities	4 (Converted to 3 FARs)	5 (Closed)	
Additionality	1 (Closed)		
Project Baselines	1 (Closed)		
Carbon benefits		1 (Closed)	
Data handling			
Local partner eligibility checklist			

Table 2– Summary of open Forward Actions

Forward Action Requirement (FAR)	Description	Process to Resolve	Time Frame to be Closed By
FAR 01/2024 VAL (CAR 03/2024)	A review of the farms' boundaries shall be included as part of the project monitoring plan to identify and correct the project boundary. Procedures on data quality have been provided, including a data collection tool manual to collect data using an Android mobile app, guidelines to check good quality data plots, data collection tool manual using the Local partner portal. A data quality check has been included in the implementation plan to take place once every quarter. Nevertheless, proof of the update of the discrepancies found in the project boundary and data package has not been provided, and, since the project is still in the implementation phase, it will be necessary to follow up on the monitoring of data quality in future verification processes (see findings in requirement 4.2.2).	Update kml. to solve the discrepancies found in the project boundaries, inclusion of quality check plan in the Implementation plan and demonstration of quality check implementation in future verifications.	Next verification
FAR 02/2024 VAL (CAR 04/2024 and CAR 06/2024)	The project coordinator shall demonstrate, before the next verification, that in the project council governance structure, participants or community groups collectively, nominate project representatives who have the capacity to operate on their behalf, and determine a decision-making mechanism for the project council. The project coordinator shall also demonstrate that the Local partner actively informs and involves participants about/in the decision-making process throughout the project (see also findings in requirements 4.2.3 and 4.2.18).	The project is still in the implementation phase, and it will be necessary to follow up on the monitoring of the project council, responsibilities, decision-making process, stakeholder participation, training, and capacity-building plan in future verifications	Next verification
FAR 03/2024 VAL (CAR 05/2024)	Acorn and La Laja shall demonstrate that project participants understand project details (e.g. durability and payment details) and their responsibilities. A program of activities and training shall be designed and implemented to ensure that all project	Further elaboration is needed and a clear plan that can be monitored in the future shall be in place.	Next verification

participants understand their participation in the project (see findings in requirement 4.2.11).

Table 3– Assessments requested by reviewers from ADD and/or technical specification review process

Relevant requirements within Framework or Methodology	Description of concern	Validator comments	Corrective actions (if any)	ACORN response	Resolved?
N/A	N/A	N/A	N/A	N/A	N/A

Framework requirements to assess

Theme: Eligibility

Sub-theme: Eligible land

Requirements 4.1.2 & 5.1.1	
A. Requirement:	4.1.2 <i>Acorn projects can provide evidence of land cover over the past five years from the project start date to prevent potential perverse incentives for tree planting. Evidence can be provided using satellite monitoring plot imagery or other forms of proof (e.g. oral or documented) that demonstrate that the land was not cleared prior to the project intervention with the intention to claim CRUs.</i> 5.1.1 <i>The Local Partner and participants confirms that no deforestation has taken place five years before the start of the project intervention (project baseline). If this cannot be confirmed, a description of the cause of the deforestation is provided, including the measures that have been taken to prevent deforestation from happening again.</i>
B. Guidance Notes for Validators	- Assess against 4.1.2 by sampling smallholder plots. Assess the evidence that was provided to ACORN to demonstrate that the land was not cleared prior to the project intervention. If: - The evidence was provided by satellite imagery that shows absence of trees in the smallholder land at T-5 (5 years prior to the smallholder joining the project), confirm that the satellite image used appears to match the smallholder land that it is ascribed to. - The evidence was provided through other forms of proof, assess the accuracy of this proof by e.g. speaking to the smallholder and their neighbours. - Assess an appropriate number of smallholder plots whose evidence was provided through non-satellite-imagery means, i.e. other forms of proof. - If the Local Partner confirms that deforestation has occurred 5 years prior to the start of project activities: - Confirm whether the deforestation was caused by the perverse incentive to later claim CRUs - Give opinion as to whether, based on the Local Partner's mitigation measures, it is likely to occur again.
C. Findings (describe)	During the field visit it was confirmed by direct observation and interviews with the farmers and with the local partner staff that the farms included in the project have been agricultural and agroforestry for more than 5 years, in most cases for more than 10-20 years. During interviews with the local partner and the farmers, it was confirmed that

	during the onboarding process, it is necessary to check and confirm that the land is agroforestry land, and that it has not been converted from forest to agricultural land in the past five years. During the review of the GIS information, it was corroborated that the project area is located in an agricultural region with no evidence of recent deforestation in the area. During the site visit, it was observed that the farms are surrounded by coffee farms and other agroforestry systems. The ADD includes information to confirm the fulfillment of this requirement (see Part B and Part M.1), and Acorn performed and has provided at the time of validation a T-5 check for all project parcels. However, the list of farms that have failed the T-5 checks is included in the GIS file provided at the time of validation as part of the project area, and the farms are also included in the Data package "CUR calculations" sheet.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	CAR 01/2024 The ADD shall be updated and provided to the validation team, including all the available and updated information at the time of validation. Several important issues, not directly related to this requirement, have been identified in the ADD during document review and confirmed during the visit, that need corrective actions for compliance with The Acorn Framework and Methodology. All of them, listed below, will need to be corrected and updated in the ADD. • Number of farmer participants: there are discrepancies throughout the ADD about the number of participants onboarded at the time of validation (Part A 6; Part D Farmer Survey). • Project activities and Implementation schedule: the ADD does not include enough information on what the project activities are and the implementation plan (Part A, Theory of Change 19 and 20). • Organizational Capacity: There is lacking information on the organizational structure, capacity, and inclusivity of the project, the only entity included has been La Laja (Part B, Organizational structure, Organizational capacity, Inclusivity). The ADD doesn't include information on when the farmers sign the agreement if they could give feedback, raise questions before accepting, and how participants are being selected (Part I, 8). • Training: There is no evidence provided of the training held, topics, locations, or participants at the time of validation (Part B, Training). • T-5 check: The T-5 check has been provided at the time of validation, nevertheless, there is no mention in the ADD of the analysis and results performed (Part B, Deforestation). Besides, the ADD project area, GIS file, and Data package shall be updated to exclude the farms that have failed the T-5 check.		

	• Beekeeping: There are discrepancies in the ADD on the percentage of farmers that perform beekeeping, 9% (Part D, 3 Agricultural Biodiversity, II) and 5% (Part D, 3 Agricultural Biodiversity, III). • Average yield of cash crop: The value used as an average yield of coffee in kg/ha/year (Part D) is not justified or supported by publicly available information (scientific studies, agricultural studies, national, and local data). • Heavy machinery: The ADD states that the use of heavy machinery is not advised by the local partner (Part F, 3), nevertheless, the use of heavy machinery is prohibited for site preparation or management according to the Acorn Framework. • Root-to-shoot ratio: The root-shoot ratio value included in the ADD is incorrect (Part O, 3). Note: this CAR related to the ADD has been included here because is the first table/requirement of the Validation template, but not because of its relationship with the specific requirement. The Validation report does not have a specific section for nonconformities related to the ADD.
F. Acorn's Response (if applicable)	<i>The ADD has been updated with all available information at the time of validation, including an implementation plan, organizational chart and training evidence (see Folder CAR 1). The T-5 analysis has been added to this same folder and updated in the ADD. According to the Acorn framework plots that failed the T-5 check are automatically not eligible for measurement in that year, therefore are not included in the CRU calculations.</i> VVB response (02.04.2025): The ADD has been updated including the following: • Number of farmer participants: Part A 6 number of existing farmer participants and Part D Farmer Survey has been updated. • Project activities and Implementation schedule: An implementation plan has been provided as supporting documentation ("Implementation_Plan_La_Laja" Excel sheet), and Part A, Theory of Change 19 and 20) has been updated. • Organizational Capacity: Information on organizational structure, capacity and inclusivity has been provided on the ADD. Information regarding the organizational structure and responsibilities as well as onboarding and capacity building procedure for communities, has been included in ADD Annex 4 and provided as supporting documentation. • Training: Evidence on capacity building performed in 2024 has been provided, including a capacity building report and agroforestry training material. Besides, further documentation on training has been provided, including a capacity-building plan for 2025 and onboarding and capacity building procedure. • T-5 check: T-5 check analysis results have been included in Part B, Deforestation of the ADD. Reports on some of the plots to demonstrate that no deforestation has taken place have been provided. Updated data package and updated kml. has not been provided at the moment of Acorn responses review. • Beekeeping: The percentage of farmers that perform beekeeping has been updated in Part D, 3 Agricultural Biodiversity, II and Biodiversity, III. • Average yield of cash crop: The value has been updated; nevertheless, a reference has not been provided.

- **Heavy machinery:** The ADD Part F, 3 has been updated and the protection of the environment is referenced as part of farmer's responsibilities in Participant Agreement, provided as supporting documentation.
- **Root-to-shot ratio:** Root-Shoot ratio value has been updated in ADD.

This CAR remains open:

- T-5 results to be checked in the updated data package and GIS file.
- Average yield crop reference to be provided.

Acorn response (18.04.2025):

- Data package and GIS file updated (KML file in folder CAR 01)
- Average yield crop has been averaged from two different sources of information:
 - Producción del café a pequeña escala (coffea arabica l.) En chiconquiaco, Veracruz, Mexico
 - Estadísticas de producción de café en México

VVB response (29.04.2025):

- **T-5 check:** A GIS file updated has been provided, as well as a data package. T-5 check analysis results have been compared to the kml. file provided and there are 14 plots that failed the T-5 check and are still included in the GIS file. See below a list of plots that failed the T-5 check and are still included in the GIS file:

Deforestation Case
MX220532 - 381930 T5 Override 2023
MX302565 - 512503 T5 Override 2024
MX302569 - 512507 T5 Override 2024
MX302570 - 512508 T5 Override 2024
MX322270 - 532972 T5 Override 2024
MX322272 - 532974 T5 Override 2024
MX322333 - 533035 T5 Override 2024
MX322373 - 533075 T5 Override 2024
MX322381 - 533083 T5 Override 2024
MX322388 - 533090 T5 Override 2024
MX322450 - 533152 T5 Override 2024
MX322489 - 533191 T5 Override 2024
MX322499 - 533201 T5 Override 2024
MX322513 - 533215 T5 Override 2024

Same check has been done between T-5 check analysis results and data package. None of the plots that failed the T-5 check have been included in the Data Package sheet "1.CRU calculations".

GIS file shall be updated to be in line with the T-5 check results. Total project area shall be updated in ADD accordingly and rest of the documents, if applicable.

- **Average yield of cash crop:** The value has been updated in the ADD to 1,674 kg/ha and year. Two references have been provided to demonstrate the included average yield of cash crop value. The reference provided "Producción del café a pequeña escala (Coffea arabica L.) en Chiconquiaco, Veracruz, México" provides an average of 1,462 kg/ha. The second reference, "Estadísticas de la producción de café en México" provides for Veracruz state an average of 1,884.74 kg/ha and year, calculated based on data provided (253,781 tn/year and 134,650 ha for

	Veracruz state). The value provided in the updated ADD is 1,674 kg/ha and year, which is the average between the two references. Both references have been included in a footnote in the updated ADD. This CAR remains open: - T-5 results to checked in the updated GIS file. Acorn repsonse (20.05.2025): <i>GIS file has been updated (see Geojson Folder CAR 01).</i> VVB response (20.05.2025): - T-5 check: An updated GIS file has been provided, and the above-listed plots have been excluded from the GIS file. This CAR has been closed.
G. Status (if applicable)	Closed
H. Forward Actions (describe, if applicable)	None
I. Other	N/A

Sub-theme: Eligible project interventions

Requirement 4.1.4	
A. Requirement:	<i>Acorn projects should contribute to the enhancement and/or restoration of degraded, damaged or destroyed land, and improve land use activities.</i>
B. Guidance Notes for Validators	- Give your opinion on whether activities are taking place, and/or have taken place, on land that is degraded, damaged or destroyed or existing cropland. - Give your opinion on whether you believe that the activities being employed by the project participants will enhance/improve the land. - This may be assessed during visits to project sites and discussions with project participants and staff of the local coordinating organisation.
C. Findings (describe)	The project covers more than 9000 ha in around 4000 farms with different agricultural systems, mainly coffee crops. During the field visit, document review, and interviews, it was gathered enough evidence to confirm that the project lands are agricultural lands implementing agroforestry activities. The project activity consists of manually planting trees on these farms to create and/or improve the agroforestry system, contributing to the enhancement of the land (i.e. improve and diversify crop production, improve soil quality, and reduce soil erosion). The local partner and the nursery have an agreement in place that states that the nursery will provide a total of 60000 seedlings. Each farmer should receive around 15 trees/ha to be planted on their farms. The project implementation plan states that, in year 1, a total of 1200 farmers would receive seedlings to plant on their farms and start project activities (See ADD Annex 5 Business

	Case). According to the interviews with different stakeholders, such as the local partner, and the nursery, there is an insufficient supply of seedlings. At the moment of validation, a total of 5000 seedlings have been provided to the farmers, out of the 60000 seedlings planned within the agreement between the nursery and the local partner. If we consider an average of 2 ha per farm (as stated in the Business Case), each farmer should receive around 30 trees. The 5000 seedlings already given are enough to cover around 150-200 farmers, which is far from the 1200 farmers targeted. This was confirmed during the interviews and direct observations, out of 26 farmers interviewed, only 4 have received plants, and only one of them received the full package of 30 trees. The ADD states that there is a sufficient supply of seedlings for the new agroforestry (Part B, New agroforestry), nevertheless, according to the mentioned evidence, interviews with the local partner, project participants, and the nursery, there are not enough seedlings to achieve the first-year goal due to some difficulties in getting the seeds. It has been observed that most of the farms visited have not received the seedlings yet.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	CAR 02/2024 The Business Case, ADD, and Data package shall be updated to consider the lack of seedlings supply and show the reality of the project implementation status at the time of validation and its projection in the coming years. A project activities structured plan shall be provided including an implementation schedule.		
F. Acorn's Response (if applicable)	<i>The Business Case, Agroforestry design, ADD, Data Package and seedling distribution plan has been updated. Additionally, an implementation plan has been created to improve project activities regarding seedlings supply. (see Folder CAR 2).</i> VVB response (02.04.2025): The updated ADD, Agroforestry design and Business case has been provided as well as a project implementation plan that includes a plan for seedling distribution. The documentation has been checked and it can be confirmed that the project activities are planned and are taking place. This CAR has been closed.		
G. Status (if applicable)	Closed		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 4.1.5

A. Requirement:	<i>Acorn projects should strive to not contribute, or to do their utmost to avoid, environmental or (agricultural) biodiversity harm (e.g. reduction of long-term food security, water pollution, deforestation, soil erosion). All potential negative effects are identified, mitigated and monitored. These negative effects are detailed in annual reports to Acorn and the certifier.</i>		
B. Guidance Notes for Validators	- Give opinion as to whether you believe the project activities will result in environmental or biodiversity harm. Information can be gathered from site visits where project activities are currently being undertaken. - Where potential negative effects have been identified, do you believe the mitigating actions will be sufficient to reasonably mitigate any harm? Are the appropriate people (e.g. farmers and/or coordinating organisation) appropriately aware of these mitigating actions, how to undertake them and monitor the outcomes? - Are project staff aware of the need to report any negative effects to Acorn on an annual basis?		
C. Findings (describe)	The project activity consists of tree planting manually (digging the holes and planting) for a new agroforestry system. Due to the type of intervention and considering the scale (low planting density), the potential impact during the project implementation is expected to be negligible. Based on consultation with local stakeholders and on direct observations in the field visit, the project is growing natural and naturalized species, commonly used in the forestry sector leading to an increase of biodiversity in the vegetation and potentially in the fauna. During the site visit, no negative impacts were identified. In the interviews with local partner staff and with farmers, it has been confirmed that they also have not identified potential negative impacts, and therefore, no mitigation measures are being or will be undertaken.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 4.1.6

A. Requirement:	<i>Acorn projects should demonstrate that the project intervention increases, or at least does not detriment, the impact KPIs which measure project performance on social, economic and environmental benefits, and that the KPIs are measured over a period that is of sufficient length to provide an adequate representation of the long-term impact of the project intervention.</i>
B. Guidance Notes for Validators	With a better view of the local context, and reading KPIs specified in the ADD,

	is there any reason to believe that the project are having, or will have, a detrimental effect? Check whether a monitoring plan has been created to monitor the long-term effect of project activities and is likely to be effective and fully implemented: - Assess the level of understanding of project staff and participating communities of the monitoring system and ensure that there are responsibilities for monitoring are matched by sufficient capacity - Are the selected indicators (covering all aspects of monitoring) SMART? I.e. Specific, Measurable, Achievable, Relevant and Time-bound? - Do the selected indicators properly measure impacts of the project or are they only able to measure inputs/activities? Are communities effectively involved in monitoring and do they understand their role?			
C. Findings (describe)	The ADD describes in its Part D the 5 indicators considered to monitor local livelihood (4 indicators) and environmental improvement (1 indicator). This section of the ADD shows the results of the first survey and a description of each indicator. Based on the information included in the ADD, on the observations during the farm visit, and on the different interviews undertaken, it can be concluded that thanks to the project intervention an improvement of the KPIs is expected. By planting fruit trees, there will be an increase in the farm income (i.e., selling fruits and CRUs), in agricultural productivity (i.e., new products, improvement of cash crop productivity thanks to soil quality improvement and/or shade creation), and in the nutritional variety (i.e., new food products). The planned agroforestry system with different tree species will contribute to improving agricultural biodiversity. Although it has been possible to gather enough evidence to confirm the potential positive impacts of the project, based on the identified KPIs, only one survey is available in the current stage of the project, therefore no quantitative information is available in this validation phase. In future verifications and in the corresponding project annual reports it will be necessary to confirm the potential positive impacts of the project intervention. The monitoring plan is described in the ADD and it was corroborated during the validation that indicators are SMART, that the Project partner was in charge of the first survey and that will be responsible for the monitoring following the same approach. See also findings in requirement 4.2.22.			
D. Conformance	<table border="1"> <tr> <td data-bbox="477 1733 775 1865"> Yes X </td><td data-bbox="775 1733 1110 1865"> No </td><td data-bbox="1110 1733 1445 1865"> N/A </td></tr> </table>	Yes X	No	N/A
Yes X	No	N/A		
E. Corrective Actions (describe)	None			
F. Acorn's Response (if applicable)	N/A			
G. Status (if applicable)	N/A			

H. Forward Actions (describe, if applicable)	None
I. Other	Although it has been possible to gather enough evidence to confirm the potential positive impacts of the project, based on the identified KPIs, only one survey is available in the current stage of the project, therefore no quantitative information is available in this validation phase. In future verifications and in the corresponding project annual reports it will be necessary to confirm the potential positive impacts of the project intervention.

Requirement 4.1.7

A. Requirement:	<i>Acorn projects should plant tree species that are native or naturalized, and draw on local and expert knowledge for agroforestry designs. Naturalized species will only be integrated into the design if:</i> <i>There are livelihood benefits that make the use of the species preferable to any alternative native species.</i> <i>The use of the species will not have a negative impact on biodiversity or other provision of key ecosystem services in the project and surrounding areas.</i>
B. Guidance Notes for Validators	Please give opinion as to whether tree species being planted meet these criteria. This can be checked using a number of sources: - Visual observations of local tree-growing practices - Discussions with communities and project staff - Discussions with local experts (forestry and biodiversity experts) Published information (refer to this in the validation report if used) Through interviews with Local Partner and participants, assess whether Local Partner promotes use of native species in agroforestry systems.
C. Findings (describe)	The ADD includes in Part F the list of species selected for the new agroforestry system, classifying them as native or naturalized and including a description of the potential impacts and/or benefits of naturalized species. According to the local partner and the nursery, all of them are native or naturalized. It was confirmed during the interviews with the farmers that the species are commonly used in the forestry and agricultural sectors. However, the ADD doesn't include a description of the agroforestry design or an explanation of how the farmers and local expertise have been included in the project design (Part F, 1). No negative potential impacts of these species have been confirmed. The project species have been observed in the project area, outside the project boundary, as common tree species used in agroforestry activities. During the visit it was confirmed that the local partner is aware of the importance of using native species and that the planting activities are done using a mix of species with different objectives (fruit, shade, soil improvement). However, the agroforestry design includes <i>Syzygium jambos</i> species, a tree native to Southeast Asia that has been cultivated and naturalized in continental tropical America. It is an invasive species in other Central American countries (i.e.

	Cuba), and can compete with native plant species, altering local ecosystems. At the time of the site visit, <i>Syzygium jambos</i> was not included in the list of species already provided to the farmers. During the field visit, the nursery in charge of providing the project seedlings was visited. During the visit an inventory of species to grow was provided, including the number of produced seedlings per species and the number of seedlings already provided to the farmers (5000). As already mentioned in CAR 02/2024, the number of trees provided is far from reaching the target for year 1.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	NIR 01/2024 Clarification is needed regarding the use of <i>Syzygium jambos</i>, risk mitigation measures, and the potential substitution of this species with an alternative in the agroforestry design. The ADD shall be updated to include a description of the agroforestry design including how the farmers and local expertise have been included in the project design.		
F. Acorn's Response (if applicable)	<i>See folder NIR 01 for a clarification of the use of Syzygium jambos in the agroforestry design and risk mitigation measures. Additionally, the ADD has been updated to include a description of how the farmers and the local expertise have been included in project design.</i> VVB response (02.04.2025): The ADD has been updated to include a description of the agroforestry design (Part F) and an implementation plan has been provided ("Implementation_Plan_LaLaja" Excel sheet). A report about the justification of the use of <i>Syzygium jambos</i> species has been provided, including mitigation measures. However, the report states that this species is invasive in river margins and displaces native vegetation. The justification provided and the mitigation measures to reduce the risk of environmental harm is the management experience that the farmer and local partner have. The validation team considers this justification insufficient since the correct management of the species does not ensure its non-invasive spread, and the responsibility would remain in the hands of the farmers as experts in the management, and there would be a non-compliance with Requirement 4.1.7. <i>b) The use of the species will not have a negative impact on biodiversity or other provision of key ecosystem services in the project and surrounding areas.</i> Besides, according to the mentioned report, the representation of this species is less than 1%. This species should not be included in the agroforestry design. This NIR remains open. Acorn response (18.04.2025): <i>The species has already been grown in nurseries and is already in use for existing producers. Nevertheless, as from now on, it will be eliminated from the Acorn program. The ADD and AF design has been updated including this information.</i>		

	VVB response (29.04.2025): A comment in the ADD document section Agroforestry design has been included as well as in the Agroforestry design Excel sheet. Nevertheless, there is no mention in the ADD text about the use of this species and the intention of eliminating it from the Agroforestry design. It is not clear if the already grown species will be distributed to farmers and used at the project level. The plots where the species have already been planted should be identified, and control measures should be in place. Besides, the Business Case shall be updated to exclude this species from the model. Acorn Response (20.05.2025): <i>The ADD has been updated (Part F Agroforestry design, Part M risk assessment, Part N Monitoring plan) including the controlling measures. The Business Case has been updated to exclude the species (See folder CAR 02 Project Implementation).</i> VVB response (20.05.2025): The ADD has been updated, clarifying the exclusion from this species from the AF design, and including monitoring measures to control the already provided seedlings. The Business Case and Agroforestry design have been updated accordingly. This NIR has been closed.
G. Status (if applicable)	Closed
H. Forward Actions (describe, if applicable)	None
I. Other	The project is still in the implementation phase, and it will be necessary to follow up on the fulfillment of this requirement in future verification processes, especially for those plots that have included this species.

Sub-theme: Participant eligibility

Requirement 5.1.1	
A. Requirement:	<i>Participant eligibility checklist:</i> - <i>Participants are not structurally dependent on permanent hired labor, and manage their land mainly by themselves with the help of their families.</i> - <i>The cultivated land of participants does not exceed 10 ha and are not on wetlands</i> - <i>The participant, with the assistance of the Local Partner, has the ability to mobilize the necessary resources to implement the project.</i> - <i>The participant can allow reliable data to be collected for the project (i.e. GPS polygons, phone numbers, other KYC data).</i>
B. Guidance Notes for Validators	Assess the above eligibility criteria through sampled visits to participants' plots and interviews/participatory meetings.
C. Findings (describe)	During the on-site visit and interviews with the local farmers, it was confirmed that their lands are managed by themselves and/or their families. In some cases, farmers need to hire temporary workers (sometimes other family members or neighbors), mainly during the harvesting period, but this has

	been only identified in those with old owners, or those with dependents (children, old people) and in families with few members living in the region. All visited plots have been measured and have less than 10 ha. This has also been confirmed for all project parcels in the GIS file provided by Acorn at the time of validation. No wetlands were identified during the visit and based on the reviewed documentation; the project boundary does not include wetlands. Within the cases of the farmers that have received the plant, the project implementation was done directly by the farmers (hole digging and planting). The scale of the intervention (maximum 15 trees/ha) and the technology used (manual plantation) allow farmers to do it without any assistance. It has been confirmed in the interviews that farmers allow the collection of data (e.g., GPS polygons have been measured).		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 5.1.1	
A. Requirement:	<i>The participant is aware that their decision to participate in the project is entirely voluntary.</i>
B. Guidance Notes for Validators	Through interviews with participants, assess whether participants have entered into the project freely and without coercion. Assess whether participants were informed of the nature of the carbon project, their rights and responsibilities before formally entering into the project.
C. Findings (describe)	For the onboarding of farmers on the project, the local partner has worked with local lead farmers and field technicians. They have worked directly with the farmers, training them in agroforestry and explaining the nature and objective of the project. Although it was not confirmed that a full Free, Prior, and Informed Consent (FPIC) process was followed, it was corroborated that the participation of the farmers in the project is voluntary. During the interviews with the project farmers on the site visit, it was confirmed that they are voluntarily participating in the project. It was also confirmed that participants were informed by the lead farmers or field

	technicians, before signing the agreement and joining the project, about the nature of the carbon project and their rights and obligations resulting from their participation in the project. Not all participants know all the details, but they have general information about the project: they have some knowledge about climate change and carbon removals, they know they will receive some seedlings and they must plant them when provided, and they know that they shall maintain these trees.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

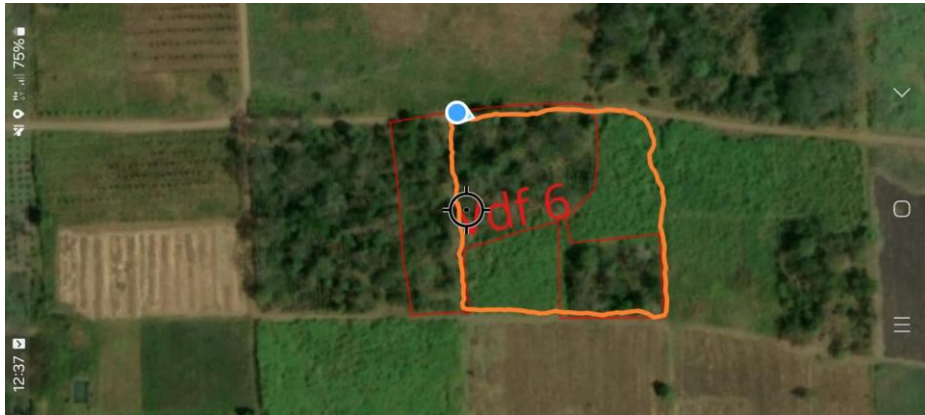
Theme: Responsibilities (Eligible Stakeholders)

Sub-theme: Smallholder farmer

Requirement 4.2.1	
A. Requirement:	<i>Acorn projects shall exclusively emphasize agroforestry practices at the smallholder or community level, where clear land tenure has been agreed upon and understood by the individual(s) involved, either by means of formal titling, informal titling and/or land mapping.</i>
B. Guidance Notes for Validators	When visiting sample smallholder sites, confirm that the: - land type being operated on is either smallholder or community land - individuals applying ACORN activities on that land have relevant land tenure. Evidence for relevant land tenure should be held by the Local Partner and can be requested by the validator. Land tenure should be meet the definition and one of the criteria set out by 5.1.3 of the ACORN Framework. Local Partner staff should be able to explain how they check land tenure of prospective participants.
C. Findings (describe)	The ADD (Part A. 15) describes how land tenure is organized among project participants. As described in the document, explained by La Laja and confirmed by the validation team during the interviews with the farmers, the land type is smallholder land and there are two main types of land titles: private owners and private owners included in the ejido system. All farmers interviewed confirmed the ownership of the land and some of them showed their official documents, enough evidence was gathered to

	confirm the fulfillment of this requirement. No conflicts and disputes were identified concerning land rights and limits within the project area. During the GPS measurement of the visited parcels, it was evidenced that the limits of project parcels are known by farmers.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 4.2.2	
A. Requirement:	<i>Acorn projects shall involve individual farmers ("participants") with up to ten hectares (ha) of cultivated land to guarantee Acorn's emphasis on smallholder farmers alone.</i>
B. Guidance Notes for Validators	Prior or during the site visit, the validator can check that the areas of sampled project sites are less than 10ha via the remote-sensing polygons previously obtained by ACORN. If, when visiting the site, the boundary of the polygon appears to map appropriately onto the boundary of the smallholder's land, then the smallholder's land is likely less than 10 ha.
C. Findings (describe)	The GIS file provided to the validators shows that all the farms included are less than 10 ha. During the field visit the boundary of some randomly selected plots was measured using GPS, and it was confirmed that the plots size is less than 10 ha. See below the example of plot MX299514 – 508854 (Figure 1):  <i>Figure 1. Screenshot of tracking of farm MX299514-508854 boundary (in orange) using Avenza Maps app.</i> 81% of the measured farm boundaries correspond with the limits of the provided GIS file (project boundary at the time of validation). Nevertheless, there are some discrepancies in farm limits identified during the GPS

	measurements of the boundary. In 21% of the farms selected and measured the limit indicated by the farmer, farmer family member, or farmer worker, do not correspond with the farm boundary in the GIS file. See examples below (Figure 2):  <i>Figure 2. Screenshot of tracking of farm MX299516 – 508856 (Vdf 6) boundary (in orange) using Avenza Maps app where it can be seen discrepancies.</i> There is evidence of discrepancies between the limit of the farms indicated by the farmer/farmer family member/farm worker, and the farm boundary in the GIS file provided at the time of validation. Besides, the total project area indicated in the Data package (7,288.02 ha) is not the same as the project area that has been assessed in this validation (GIS file provided to the validators, 9,151.25 ha). Plus, the total project area is not indicated in the ADD.		
D. Conformance	Yes ☐	No ☒	N/A ☐
E. Corrective Actions (describe)	CAR 03/2024 converted to FAR 01/2024 VAL A review and update of the project boundaries shall be done. A review of the farms' boundaries shall be included as part of the project monitoring plan to identify and correct the project boundary. FAR 01/2024 VAL A review of the farms' boundaries shall be included as part of the project monitoring plan to identify and correct the project boundary. Procedures on data quality have been provided, including a data collection tool manual to collect data using an Android mobile app, guidelines to check good quality data plots, data collection tool manual using the Local partner portal. A data quality check has been included in the implementation plan to take place once every quarter. Nevertheless, proof of the update of the discrepancies found in the project boundary and data package has not been provided, and, since the project is still in the implementation phase, it will be necessary to follow up on the monitoring of data quality in future verification processes.		

F. Acorn’s Response (if applicable)	<i>A review of the farm boundaries has been included in the project implementation plan (Folder CAR 02). Additionally, to limit future discrepancies in farm limits a specific sign-off feature was activated in the Acorn local partner portal for the La Laja project. This feauture makes the local partner track which plots have been checked on data quality. Only if signed off by the local partner, the plot will be ready for onboarding on the Acorn platform. Moreover, since 2024 DCT update, polygons generate automatic warnings when the plot seems strange. If a warning is placed, the plot must be manually accepted or recollected by the local partner as warnings hinder enrolment. To conclude, in the dashboard of the local partner portal polygon quality is visually demonstrated by the following profile states represented by different colours: Valid, Warnings, Recollected, Invalid and Enrolled. Material explaining the updated quality checks has been included in Folder CAR 03.</i> VVB response (02.04.2025): Procedures on data quality have been provided, including a data collection tool manual to collect data using an Android mobile app, guidelines to check good quality data plots, data collection tool manual using the Local partner portal. A data quality check has been included in the implementation plan to take place once every quarter. Nevertheless, proof of the update of the discrepancies found in the project boundary and data package has not been provided, and, since the project is still in the implementation phase, it will be necessary to follow up on the monitoring of data quality in future verification processes. The CAR is converted to FAR 01/2024.								
G. Status (if applicable)	Outstanding								
H. Forward Actions (describe, if applicable)	<table><tr><th>Forward Action</th><th>Why Unresolved</th><th>How to resolve</th></tr><tr><td>See section E. Corrective Actions, and Table 2– Summary of open Forward Actions</td><td>See section E. Corrective Actions, and Table 2– Summary of open Forward Actions</td><td>See section E. Corrective Actions, and Table 2– Summary of open Forward Actions</td></tr></table>			Forward Action	Why Unresolved	How to resolve	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions
Forward Action	Why Unresolved	How to resolve							
See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions							
I. Other	The project is still in the implementation phase, and it will be necessary to follow up on the monitoring of data quality in future verification processes.								

Requirement 4.2.3	
A. Requirement:	<i>Acorn projects shall have a defined project council governance structure at the start of a project intervention, in which participants or community groups collectively, (i) nominate project representatives who have the capacity to operate on their behalf, and (ii) determine a decision-making mechanism for the project council. At a minimum, project councils should be organized twice per year.</i>

B. Guidance Notes for Validators	Assess whether a project council has been established and actively engaged in by project participants. This includes confirming that members of the project council were chosen fairly by participants. This may be done through: • Records/minutes/photographs of community meetings and training workshops etc. • Project staff able to demonstrate that they are familiar with the communities/target groups and able to interact with them easily through meetings facilitated during the validation. • Participants are aware who their Lead Farmer is, and feel able to communicate with them on matters relating to the project. • Lead Farmers are aware of their responsibilities and feel able to actively represent the needs of the participants in project council meetings.		
C. Findings (describe)	It has been confirmed in the review of the ADD (Part G and Annex G) that a project governance structure has been designed. In the interviews with the local partner staff and in the review of the available documents, it was clarified that this council structure has started to work on the project and that the first council meetings took place in October 2024. Nevertheless, it was confirmed that most farmers and lead farmers do not have information about the council and its governance structure (i.e: how many meetings they will have per year, and when the next meeting is scheduled), and no evidence was gathered about how farmers are represented in the council or how their representatives are selected/elected, and evidence of non-democratic processes has been found. In many cases, the farmers don't know who their representative is. The established Project council doesn't comply with the Acorn Framework requirements.		
D. Conformance	Yes ☐	No ☒	N/A ☐
E. Corrective Actions (describe)	CAR 04/2024 converted to FAR 02/2024 VAL There is no information in the ADD on how the project council has been established (Part B, Project Council; Part G). There are discrepancies in the ADD regarding the project council, it is stated that there are 20 municipalities and the project council will count with at least 2 representatives of each area (Part G, 2), nevertheless, the list of lead farmers provided at the time of validation includes 18 people (Part G, 3). During the interviews with the farmers it was confirmed that most of them did not know about the existence of a project council, and they gave a reference person to deal with project-related issues that do not correspond to their supposed lead farmer. The validation team has not found evidence that there was a voting event by the project participants to confirm the members of the project council and the decision-making process through it. Clarification and evidence are needed on how the project council has been created and agreed upon.		

	FAR 02/2024 VAL The project coordinator shall demonstrate, before the next verification, that in the project council governance structure, participants or community groups collectively, nominate project representatives who have the capacity to operate on their behalf, and determine a decision-making mechanism for the project council. The project coordinator shall also demonstrate that the Local partner actively informs and involves participants about/in the decision-making process throughout the project.								
F. Acorn’s Response (if applicable)	<i>The ADD has been updated and additional information provided to clarify the Project Council establishment (See folder CAR 04). Now that the project has reached its maturity phase, the lessons learned from the first year will improve the existing communication and governance structures. The first change is to conduct an anonymous survey (attached in folder CAR 04) to assess among project participants the level of awareness and satisfaction with the current Project Council structure, with the main objective to analyse how to improve equal representation and strengthen the bottom-up governance.</i> <i>Additionally, the Local Partner will organize new voting among farmers to include representatives in the Project Council now the project has grown. For the Local Partner, combining coffee meetings with Acorn activities is most effective. Therefore the results of the survey will be used as a tool to facilitate discussion for improvement and voting during the coffee meetings later this year. These meetings are scheduled between June and September together with the next Project Council (see implementation plan). As these meetings are scheduled later this year and improving the Project Council structure ensuring equal representation is a delicate process which requires time, Acorn proposes this CAR to be downgraded to a FAR.</i> VVB response (02.04.2025): Additional information has been provided (e.g. explanation of the project council mechanism), and an implementation plan has been provided that includes actions in regards to the project council. As per Acorn's response, there is a plan in place to address this raised CAR, however, this plan is not reflected in the implementation plan. Further elaboration is needed and a clear plan that can be monitored in the future shall be in place. This CAR is converted to FAR 02/2024 VAL.								
G. Status (if applicable)	Outstanding								
H. Forward Actions (describe, if applicable)	<table><tr><th>Forward Action</th><th>Why Unresolved</th><th>How to resolve</th></tr><tr><td>See section E. Corrective Actions, and Table 2– Summary of open Forward Actions</td><td>See section E. Corrective Actions, and Table 2– Summary of open Forward Actions</td><td>See section E. Corrective Actions, and Table 2– Summary of open Forward Actions</td></tr></table>			Forward Action	Why Unresolved	How to resolve	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions
Forward Action	Why Unresolved	How to resolve							
See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions							
I. Other	The project is still in the implementation phase, and it will be necessary to follow up on the monitoring of the implementation plan in future verifications.								

Requirement 4.2.4

A. Requirement:	<i>Acorn projects shall not exclude participants on the basis of gender, age, income or social status, ethnicity or religion, or any other discriminatory basis, and shall onboard participants in chronological order of registration.</i>		
B. Guidance Notes for Validators	- Can check through interviews with community members, particularly through interviews with vulnerable/marginalised communities. - Local Partner staff should be able to describe their process for selecting new participants should the rate of participants wishing to join the project exceed the onboarding rate of the project.		
C. Findings (describe)	La Laja has a Decent Work Policy (Política de Trabajo Digno) that includes equality and freedom of association aspects. During the site visits and in the interviews with La Laja staff, local stakeholders, and project participants, no evidence of discrimination was found in terms of participation in the project activity. Regarding gender, it has been confirmed that women participate actively in the project (La Laja Staff (e.g., field technicians, technical desk staff, grievances responsible persons), Lead farmers, Council members, and Farmers).		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 4.2.5

A. Requirement:	<i>Acorn projects shall not employ workers below the ILO minimal age convention on child labor</i>
B. Guidance Notes for Validators	Confirm through interviews with community members and Local Partner staff that there is no evidence of employees below the ILO minimal age.
C. Findings (describe)	In the site visit and during the interviews with project stakeholders no evidence has been witnessed to confirm that there are project employees below the ILO minimal age. All project staff and people involved in the project interviewed and met during the site visit (lead farmers and farmers) were above the ILO's minimal age. During the interviews with the farmers, they confirmed that for certain work they hire people to help them, and they have always confirmed that those workers are above the ILO minimum age.

D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 4.2.6

A. Requirement:	<i>Acorn projects should strive to not harm or negatively influence local communities (e.g. reinforce gender inequalities). Where negative socioeconomic impacts are identified, these will be reported, mitigated and monitored to Acorn and the certifier.</i>		
B. Guidance Notes for Validators	- Give opinion as to whether you believe the project activities or governance structures will negatively influence local communities. - Where potential negative effects have been identified, do you believe the mitigating actions will be sufficient to reasonably mitigate any harm? Are the appropriate people (e.g. farmers and/or coordinating organisation) appropriately aware of these mitigating actions, how to undertake them and monitor the outcomes?		
C. Findings (describe)	Upon the review of project documentation, during the interviews, and the direct observation during the site visit, no evidence was found that the project would negatively influence local communities. In the ADD (Part D, 3) only positive socioeconomic impacts are identified and, therefore, no mitigation actions are described. The validation team has not identified existing negative socioeconomic impacts of the project. However, the project is still in its early stages and CRUs payment has still not started. In future verification processes, it will be necessary to follow up on the monitoring of project's socioeconomic impacts.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Sub-theme: Local Partner

Requirements 4.2.7 & 5.1.1	
A. Requirement:	4.2.7 <i>The Local Partner is a legal entity, whether NGO, local co-op or trader, that shall take responsibility for on-the-ground practices and adherence to the Acorn Framework throughout the duration of the project.</i> 5.1.1 <i>The Local Partner is focused and has the organizational capability and ability to mobilize the necessary resources to develop the project (e.g. including access to seedlings, inputs, agronomic knowledge, monitoring and technical support).</i> <i>There is sufficient supply of seedlings, inputs, water and other required resources.</i>
B. Guidance Notes for Validators	• Request relevant legal documentation to confirm status of Local Partner • Perform interviews with Local Partner staff to confirm that they understand and are comfortable the length of commitment that they are forming with ACORN and, indirectly, the Plan Vivo Foundation • Check that the Local Partner has sufficient capacity to fulfil their responsibilities within the project. Organizational, administrative and technical capacity may be demonstrated through: ○ A record of managing other projects - especially those involving the receipt, safeguarding and management of funds and disbursement of these to smallholders/community groups ○ Project staff who can explain the legal status of the organisation and its management and financial structure i.e. how funds will be held and transferred – backed up by evidence of setting up bank accounts and record-keeping systems etc. ○ Discussions with project staff who should be able to define clearly who is responsible for the provision of technical support ○ Interviews with project staff to demonstrate that they are familiar with the content of project ADD e.g. species to be planted, spacing requirements, management systems and any potential issues ○ The views of others who have worked with the organisation in the past (such as government, other project partners or other NGOs) ○ A visibly efficient and functioning office with all necessary staff
C. Findings (describe)	In the document review, it was confirmed that the local partner (AC La Laja S.A. de C.V.) is a national legal entity under the laws of Mexico, that started in 1920, with corporate registry number 601. La Laja is a national family company that has offices in Huatusco de Chicuéllar, Veracruz State, with staff working in the area where the project is being implemented. La Laja has been supporting local farmers in the region for more than 20 years, with demonstrated capacity to manage the Acorn initiative, and the capability and ability to mobilize the necessary resources to develop the

	project. The company has its different departments governed by a president, general managers, accounting area, trading, quality assurance, purchasing and supplies maintenance, farms, and certifications. La Laja is also in charge of certifying the coffee lands under the Rainforest Alliance scheme, and they have worked with different funders and stakeholders. During the validation process, the audit team gathered enough evidence to confirm the fulfillment of these two requirements (e.g., Signed agreement between Acorn/Rabobank and La Laja, interviews with La Laja staff, interviews with local stakeholders, interviews with the nursery, La Laja web page, visit to La Laja office...).		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 4.2.10			
A. Requirement:	<i>The Local Partner shall comply with GDPR or local data and privacy regulations. For more details on data integrity, see Section 4.10 and the Partnership Agreement.</i>		
B. Guidance Notes for Validators	Confirm that the Local Partner has an internal privacy policy. Check Local Staff's knowledge of this policy by e.g. asking how they would handle a hypothetical scenario regarding a participant's data.		
C. Findings (describe)	In the document review, it was confirmed that data integrity requirements are covered by the project. On the one hand, the agreement signed between La Laja and Rabobank (Partnership Agreement for the Trade in Carbon Removal Units) includes in clauses 4.6 and 19.4 specific commitments regarding GDPR. The Participant Agreement signed between the local farmers and La Laja includes a Consent Form (Annex 2) for the use of data. In the interviews with the Local Partner, it was confirmed that they know the national legislation about data integrity (Mexican Data Protection Policy 2010). However, there is no mention of the national/local GDPR regulation in the ADD (Part B, GDPR).		
D. Conformance	Yes ☒	No ☐	N/A ☐

E. Corrective Actions (describe)	NIR 02/2024 The ADD shall be updated to include the national and or local GDPR regulation.
F. Acorn's Response (if applicable)	<i>The ADD has been updated to include the national GDPR regulation.</i> VVB response (02.04.2025): The updated ADD has been checked and it includes the proper information on national GDPR regulation. This NIR has been closed.
G. Status (if applicable)	Closed
H. Forward Actions (describe, if applicable)	None
I. Other	N/A

Requirement 4.2.11	
A. Requirement:	<i>The Local Partner shall provide a formal Participant Agreement ("Project Implementation and Carbon Removal Unit Purchase Agreement") for each project participant, including a consent for data sharing and confirmation of payment arrangements.</i>
B. Guidance Notes for Validators	Randomly sample participants and request their Participant Agreement to confirm that one has been signed. Through conversations with the participant, check that they: • Have access to the agreement in an accessible language and format • Understand and are happy with their key responsibilities If participants are yet to sign agreements, check that prospective participants will be happy with the above bullet points and that there is a plan in place for participants to sign agreements
C. Findings (describe)	During the site visit and in the interviews with the farmers it was confirmed that project participants had already signed the Participant Agreement (including a consent). Some of them showed their signed agreement during the visit and explained the main contents of this contractual document. They are aware of their main commitments, planting and maintaining trees, and they understand they will get paid for it. The farmers visited understand the benefits of being part of the project, showed interest in the implementation of agroforestry practices (planting trees), and are happy with the idea of getting future revenues for these activities. However, some of the interviewed farmers, even though having in their possession the signed Participant Agreement, do not understand their responsibilities, and are unsure of their continuation within the project and its durability. Most of them confirmed they had only participated in one meeting since they had only been approached once. Most of them have not received the seedlings, and they have doubts about the payments. Regarding the language and the format of the agreement, the format was on paper, and the language was Spanish.

D. Conformance	Yes ☐	No ☒	N/A ☐						
E. Corrective Actions (describe)	CAR 05/2024 converted to FAR 03/2024 VAL Acorn and La Laja shall demonstrate that project participants understand project details (e.g. durability and payment details) and their responsibilities. A program of activities and training shall be designed and implemented to ensure that all project participants understand their participation in the project. FAR 03/2024 VAL (idem to CAR) Acorn and La Laja shall demonstrate that project participants understand project details (e.g. durability and payment details) and their responsibilities. A program of activities and training shall be designed and implemented to ensure that all project participants understand their participation in the project.								
F. Acorn's Response (if applicable)	<i>Acorn and La Laja have created an updated infographic detailing participant responsibilities and rights. An SMS has been sent to inform participants about the project and its grievance mechanism. Additionally, an anonymous phone survey, developed with an external partner, will identify areas needing further attention. This information will be incorporated into the farmer engagement trainings scheduled for June-August to ensure comprehensive understanding and address specific needs. These trainings have been included in the implementation plan. (See folder CAR 05). Similar to CAR 04, this is a continuous process which requires time to ensure all participants are reached in the most supportive way. Therefore, Acorn proposes this CAR to be downgraded to a FAR.</i> VVB response (02.04.2025): Acorn and the local partner have developed an infographic that clearly sets what the farmer's responsibilities are to join the project. An implementation plan has been provided, and as per Acorn's response, there is a plan in place to address this raised CAR (survey and training). Besides, a capacity-building plan has been provided for 1015 (Plan de Capacitación Acorn 2024- 2025), including a calendar of the capacity building to be implemented in 2025. The project is still in the implementation phase, and it will be necessary to follow up on the monitoring of the training and capacity-building plan in future verifications. Since this CAR is similar to CAR 04 and CAR 06 in terms of stakeholder training, responsibilities, and project participation, this CAR is converted to FAR 03/2024 VAL.								
G. Status (if applicable)	Outstanding								
H. Forward Actions (describe, if applicable)	<table border="1"> <thead> <tr> <th data-bbox="467 1675 774 1720">Forward Action</th><th data-bbox="774 1675 1109 1720">Why Unresolved</th><th data-bbox="1109 1675 1444 1720">How to resolve</th></tr> </thead> <tbody> <tr> <td data-bbox="467 1720 774 1854">See section E. Corrective Actions, and Table 2– Summary of open Forward Actions</td><td data-bbox="774 1720 1109 1854">See section E. Corrective Actions, and Table 2– Summary of open Forward Actions</td><td data-bbox="1109 1720 1444 1854">See section E. Corrective Actions, and Table 2– Summary of open Forward Actions</td></tr> </tbody> </table>			Forward Action	Why Unresolved	How to resolve	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions
Forward Action	Why Unresolved	How to resolve							
See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions							
I. Other	The project is still in the implementation phase, and it will be necessary to follow up on the monitoring of the implementation plan in future verifications.								

Requirement 4.2.12	
A. Requirement:	<i>The Local Partner shall be responsible for annual and traceable carbon benefit payments to the participants, as detailed in the “Standard Terms to Project Implementation and Carbon Removal Unit Purchase”. At least 80% or more of the proceeds from CRU sales should accrue to participants as either cash payments or individual in-kind contributions. See Annex 7.4 for a list of in-kind contributions that may be used in Acorn projects and detail or cash payment criteria.</i> <i>The project coordinator ensures that payments are made in a transparent and traceable manner.</i>
B. Guidance Notes for Validators	Confirm with participants, through interviews or participatory meetings, that: • They are happy with the types of payments being offered by the project, including in-kind contributions if relevant. • Are aware of the approximate level of income that they might expect from the project (due to ACORN’s nature, the exact amount will be difficult to know, but evidence of extreme expectations from participants may be of concern and should be noted). • Understand that payments are conditional upon the sale of CRUs and therefore are not guaranteed. • Discuss with a small sample of households from different socio-economic groups to determine their level of understanding of the benefits they are likely to get from the project. Confirm that the Local Partner: • Has an appropriate system for disbursing and recording payments to project participants. • Is aware of the limit on income from CRU sales that they can claim for operational costs and are happy with this limit.
C. Findings (describe)	During the validation process, this requirement was not confirmed as payments to the farmers had not started. In the interviews with the local partner and in the review of the signed agreements (La Laja-Rabobank and Participants-La Laja) it was evidenced that the redistribution of income from the sale of CRUs, and the way of payment, is clear for the local partner and included in the main project documents. Regarding the distribution of 80% of the proceeds from CRU sales, in cash and in-kind, it was agreed during the only council meeting that farmers will get paid in a generalized way according to the size of their farm and the sale value of the CRUs generated so that all participating producers receive a first payment in this first year. Nevertheless, this agreement is not stated within the ADD, the first year is about to end, and farmers haven’t received any payment at the moment of validation. See CAR 01/2024 regarding the need to update the ADD. It was evidenced during the visit that participants did not understand the details of the CRUs calculation and payment process. Although the carbon

	component or the project (specifically the CRUs topic) is complex to explain and understand, this issue has been identified as an opportunity for improvement. CRUs payments had not started at the moment of the validation. Therefore, it was not possible to confirm farmers' opinions about this process. Farmers understand they will get paid for their participation in the project, but they do not understand the details of the carbon project. Most farmers interviewed requested information from the validation team about the payment process, as they wanted to know when and how they will be paid. The farmer agreement includes 3 means of payment: electronically, mobile, and cash. The ADD states that payments will be made electronically, and only exceptional cases will be made in cash (Part K, 1 and 2), nevertheless, the ADD doesn't include an explanation of how cash payments will be dealt with.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	NIR 03/2024 The ADD shall be updated, including the decision made at the project council meeting, and the ADD shall include an explanation of how cash payments will be dealt with.		
F. Acorn's Response (if applicable)	<i>The ADD (part K) has been updated to include the decision made at the project council meeting, and the ADD includes an explanation of how cash payments will be dealt with.</i> VVB response (02.04.2025): The ADD update includes information about the payment methods and the decision made about payments. This NIR has been closed.		
G. Status (if applicable)	Closed		
H. Forward Actions (describe, if applicable)	None		
I. Other	During the validation process, this requirement was not confirmed as payments to the farmers had not started. This requirement shall be assessed in future verification.		

Requirement 4.2.13	
A. Requirement:	<i>The Local Partner shall have a separate account or earmarked funds for the sole purpose of participant finance, separate to the Local Partner's operational finances.</i>
B. Guidance Notes for Validators	Request evidence of such an account.
C. Findings (describe)	During the site visit, in interviews with La Laja staff, it was possible to gather information and evidence of the registry system that the local partner has in place for payments. There is enough evidence to confirm the possibility of independent monitoring and accounting for project funds. The transaction bank account was provided to the validation team during the visit. Therefore, there is evidence of earmarked funds for the sole purpose of participant

	finance.
D. Conformance	Yes ☒ No ☐ N/A ☐
E. Corrective Actions (describe)	None
F. Acorn's Response (if applicable)	N/A
G. Status (if applicable)	N/A
H. Forward Actions (describe, if applicable)	None
I. Other	N/A

Requirement 5.1.1	
A. Requirement:	<i>The project coordinator ensures that mobile payments to participants are either already possible or there are no foreseeable obstacles for this in the near future.</i>
B. Guidance Notes for Validators	Check the systems that are being proposed by the project and make an assessment of whether these are fully functional already or whether they can be made functional when required. Are communities/producers aware of the system and do they understand it? Are documents and materials readily available to producers/communities?
C. Findings (describe)	The farmer agreement includes 3 means of payment: electronically, mobile, and cash. In the interviews with the local partner and with the farmers, it was corroborated that the most used means is through bank transfers. Most of the farmers already are included in the La Laja payment system, since they are already getting paid for their coffee. However, some of the farmers don't have a bank account, so the payments for those farmers will be made in cash or through mobile. As mentioned above, CRUs payments to the farmers have not started yet, therefore it has not been possible for the validation team to check this requirement. No evidence was found that indicates that mobile payments are not possible.
D. Conformance	Yes ☒ No ☐ N/A ☐
E. Corrective Actions (describe)	None
F. Acorn's Response (if applicable)	N/A
G. Status (if applicable)	N/A
H. Forward Actions (describe, if applicable)	None
I. Other	During the validation process, this requirement was not confirmed as payments to the farmers had not started.

Requirement 4.2.14		
A. Requirement:	<i>The Local Partner should be aware of local, national and international laws and regulations, align project activities to comply accordingly, and integrate proper employment law.</i>	
B. Guidance Notes for Validators	Keep a look out for any illegal activities that the Local Partner may be engaging in, whether in the capacity of coordinating the ACORN project or otherwise. Through interviews with Local Partner staff, assess their awareness of relevant laws and regulations.	
C. Findings (describe)	In the interviews with La Laja it was confirmed that local staff are aware of the main regulations related to project activities. The main legislation and regulations concerning agroforestry activities are mentioned in the ADD (Part I, 6; Part K, 1) and during the site visit and in the interviews with stakeholders, no evidence was found of illegal activities carried out by La Laja.	
D. Conformance	Yes ☒	No ☐
E. Corrective Actions (describe)	None	
F. Acorn's Response (if applicable)	N/A	
G. Status (if applicable)	N/A	
H. Forward Actions (describe, if applicable)	None	
I. Other	N/A	

Requirement 4.2.15		
A. Requirement:	<i>The Local Partner should provide information in an applicable language and/or format that suits all participants and avoid discrimination of illiterate groups.</i>	
B. Guidance Notes for Validators	Check that the materials that participants should be able to access are in an appropriate language and/or format. Materials that can be requested include: • Participant Agreement • Relevant Standard Operating Procedures or support documents • Information on process for submitting grievances • Information or leaflets on Project Council meetings or meeting outputs/minutes	
C. Findings (describe)	As confirmed during the on-site visit, in the interviews with the local partner and the farmers, all documented information is provided in Spanish. It was verified that training, meetings in local communities, technical support, and all verbal communication, conducted by La Laja staff, the lead farmers, and field technicians, took place in the appropriate local language (Spanish). The main contractual/legal documents (Participant Agreement and consent) between La Laja and the local farmers are also in Spanish. Additionally, there are some project documents provided to the lead farmers	

	and field technicians that include infographics for a better description and/or explanation of the project to the farmers, mainly to the illiterate ones. No evidence of discrimination against the illiterate was gathered and it was confirmed that both illiterate and non-illiterate were onboarded in the project interchangeably.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 4.2.16	
A. Requirement:	<i>The Local Partner should provide a stakeholder map to identify key communities, organizations, and local and national authorities that are likely to be affected by or have a stake in the project. The Local Partner is responsible for taking appropriate steps to inform these stakeholders about the project and seek their views, and secure approval where necessary.</i>
B. Guidance Notes for Validators	• Check that stakeholder mapping has been conducted in a participatory manner • Check whether a local stakeholder or well-being analysis has been conducted to identify socio-economic groupings in the communities • Check that relevant stakeholders have been informed about project, and approve of project. Ensure this is the case for a variety of stakeholders included within the stakeholder map, including local communities not included in the project, marginalised groups and relevant local authorities.
C. Findings (describe)	The local partner and Acorn have provided a stakeholder map in the ADD (Annex 1) and a list of stakeholders potentially impacted by the project, providing their interest and influence within the project (Part L). During the conversations with La Laja the main entities affected by the project were described and the validation team had the chance to meet and interview some of them (e.g., Instituto Tecnológico Superior de Huatusco, Akvo). Consulted stakeholders have been informed about the project and their views have been considered. However, the information included in the ADD does not specify the name and contact details of the stakeholders. The document includes general information about each stakeholder type but does not include detailed info.

D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	NIR 04/2024 Stakeholders' analysis in the ADD (Part L) shall be updated, identifying key stakeholders (public and private entities, communities, etc.) and including the required information by stakeholder in the corresponding table (Interest, Influence, Justification, Outcome, and Informed).		
F. Acorn's Response (if applicable)	<i>Based on the framework we have two levels of stakeholders, the first level reflects the local stakeholders who have direct influence in the project activities. These are identified in the farmer survey. The second level are indirect stakeholders that do not have direct influence in the project. The latter are mentioned in the stakeholder analysis section L in the ADD. The request of providing contact details of all the indirect stakeholders are not an Acorn requirement. However, section L has been updated to reflect the latest indirect stakeholders analyses.</i> VVB response (03.04.2025): As per Acorn framework requirement 4.2.16, the key stakeholders shall be identified, including communities, organizations, and local and national authorities that could be affected by the project. The information shall be included in ADD Part L, including detailed information on the stakeholders identified (e.g., what are the communities affected, what are the local authorities affected, etc). As an example, the updated ADD does not include the local communities that could be affected by the project. No contact details are needed. This NIR remains open. Acorn response (18.04.2025): Annex 11 has been included in ADD Part L (see NIR 04 folder) describing detailed information on the local municipalities affected by the project. VVB response (29.04.2025): The ADD Part L has been updated to include detailed information on the project stakeholders. Annex 11 has been added to ADD to include a list of local authorities that participate in the project. This NIR has been closed.		
G. Status (if applicable)	Closed		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 4.2.17, key concept 1.3, Table 4 extract

A. Requirement:	<u>4.2.17</u> <i>The Local Partner should coordinate and provide a business case, including a financial analysis, monitoring and implementation plan, at the start of the project.</i> <u>Key concept 1.3</u>
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	<i>For the farmer, the increased annual income from both agricultural production and carbon sequestration needs to exceed the costs associated with the transition to agroforestry and the generation and trading of CRUs.</i> <u>Table 4 extract</u> <i>The Local Partner does not draw more than 10% of sales income for ongoing coordination, administration and monitoring costs. Exceeding this percentage is only possible in exceptional circumstances where justification is provided and Acorn formally approves a waiver.</i>		
B. Guidance Notes for Validators	The business plan will have been checked by Plan Vivo Foundation, however it is difficult to assess the appropriateness of some aspects remotely and without knowledge of local context. Therefore, the validation should request to see this business case and assess whether: - Check business case is underwritten by agronomist(s) and community representatives through interviews. - Costs detailed in business plan (e.g. cost of seeds, labour etc.) are appropriate for the local context - Participants believe that the income they will receive from the project (direct and in-kind) will be enough for their activities to take place.		
C. Findings (describe)	The business case has been provided to the VVB and has been developed by Acorn and La Laja. Prices and costs considered in the Business Case are in accordance with the Mexican rural context and with reference numbers of local crop production. Key concept 1.3. is confirmed in the Business Case spreadsheet (see Dashboard Sheet). The requirement included in Table 4 extract (Local partner eligibility checklist, Acorn Framework) cannot be justified as project payments have not started. However, it was evidenced in the discussions with La Laja and in the review of the agreement between Rabobank and La Laja, that the local partner will receive 10% of the CRUs sales income. However, after one year of project implementation, the Business Case doesn't show the real implementation status of the project (i.e.: number of farmers onboarded, number of trees planted).		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	NIR 05/2024 The Business Case shall be updated to reflect the real implementation status of the project.		
F. Acorn's Response (if applicable)	<i>The Business Case has been updated to reflect the real implementation status of the project (see Folder CAR 02 - BUCA).</i> VVB response (02.04.2025): The Business Case has been updated and provided, including the real implementation status of the project at validation. This NIR has been closed.		
G. Status (if applicable)	Closed		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 4.2.18			
A. Requirement:	<i>The Local Partner should actively inform and involve participants about/in the decision-making process throughout the project, from design, to monitoring, to implementation, to field management, and to payments, by organizing regular project council meetings. Participants should actively contribute to the selection and design of activities, considering:</i> <i>Local livelihood needs and opportunities</i> <i>Local customs</i> <i>Land availability and tenure</i> <i>Food security</i> <i>Inclusion of marginalized groups</i> <i>Opportunities to enhance (agricultural) biodiversity</i>		
B. Guidance Notes for Validators	Whether participants have been actively involved in the decision-making of the project may be determined through: - Records/minutes/photographs of community meetings and training workshops etc. - Project staff and communities able to explain how communities/target groups were selected and involved in the development of the project and in the choice of activities - Project staff able to demonstrate that they are familiar with the communities/target groups and able to interact with them easily through meetings facilitated during the validation - Meetings held with specific target groups e.g. women, socially disadvantaged etc. It may be useful to conduct a time-line exercise with communities to understand the planning process that has taken place.		
C. Findings (describe)	The findings of requirement 4.2.3 (CAR 04/2024) include a description of the evidence gathered about the governance structure. La Laja has organized just one council meeting and there is no existing plan for the next ones. During the interviews with the lead farmers, local partners, and the local farmers, a lack of communication between the farmers and the council meeting representatives was identified. It was not confirmed if and/or how local participants' opinion was considered in the decision-making, and if and/or how decisions made in the council were communicated to the farmers. La Laja is managing the project with the support of the council. Nevertheless, a lack of communication has been identified in the decision-making mechanism between the farmers, the council, and the local partner.		
D. Conformance	Yes ☐	No ☒	N/A ☐
E. Corrective Actions (describe)	CAR 06/2024 converted to FAR 02/2024 VAL It shall be demonstrated that La Laja informs and involves project participants in the decision-making.		

	FAR 02/2024 VAL The project coordinator shall demonstrate, before the next verification, that in the project council governance structure, participants or community groups collectively, nominate project representatives who have the capacity to operate on their behalf, and determine a decision-making mechanism for the project council. The project coordinator shall also demonstrate that the Local partner actively informs and involves participants about/in the decision-making process throughout the project.								
F. Acorn’s Response (if applicable)	<i>As described in CAR 04, now that the project has reached its maturity phase, the lessons learned from the first year will improve the existing communication and governance structure. La Laja described how agenda points for the project council are selected, how it is assured participants will be heard and decisions made in the councils are communicated to farmers. (See folder CAR 04). As this is a long-term process which should be evaluated after the next Project Council and beyond, Acorn proposes to downgrade this CAR to a FAR in line with the CAR 04 reason.</i> VVB response (02.04.2025): An implementation plan has been provided that includes actions in regard to the project council and the governance structure. As per Acorn's response in CAR 04/2024, there is a plan in place to address the identified lack of communication, however, this plan is not reflected in the implementation plan. Further elaboration is needed and a clear plan that can be monitored in the future shall be in place. The project is still in the implementation phase, and it will be necessary to follow up on the monitoring of the stakeholder participation plan in future verifications. Since this CAR is similar to CAR 04 and CAR 05 in terms of stakeholder training, responsibilities, and project participation, this CAR is converted to FAR 02/2024 VAL.								
G. Status (if applicable)	Outstanding								
H. Forward Actions (describe, if applicable)	<table><tr><th>Forward Action</th><th>Why Unresolved</th><th>How to resolve</th></tr><tr><td>See section E. Corrective Actions, and Table 2– Summary of open Forward Actions</td><td>See section E. Corrective Actions, and Table 2– Summary of open Forward Actions</td><td>See section E. Corrective Actions, and Table 2– Summary of open Forward Actions</td></tr></table>			Forward Action	Why Unresolved	How to resolve	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions
Forward Action	Why Unresolved	How to resolve							
See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions	See section E. Corrective Actions, and Table 2– Summary of open Forward Actions							
I. Other	N/A								

Requirements 4.2.19 & 4.2.20	
A. Requirement:	4.2.19 <i>The Local Partner shall be available to handle grievances and provide feedback mechanisms on the project design, in a transparent, fair and timely manner and should organize regular council meetings to provide participants and their local community with a setting in which they can raise any concerns or grievances about the project to the Local Partner.</i> 4.2.20 <i>The Local Partner should ensure that a proper grievance mechanism is developed, described in detail in the project documentation, communicated to</i>

	<i>the local communities and followed-up. A summary of grievances received, the manner in which these are dealt with and details of outstanding grievances shall be reported to an Acorn representative(s) within 35 working days. These grievances are detailed by Acorn in annual reports to the certifier.</i>		
B. Guidance Notes for Validators	This may be determined through checking: - That the grievance mechanism is in place. E.g., if the states that it will create a box for submitting feedback, can it be found in an appropriate location? - Checking through interviews that project participants are aware of grievance and feedback mechanisms, and know how to access them, and are satisfied with these mechanisms - Check through interviews with relevant project staff that they have appropriate knowledge of the grievance mechanism process - Check project council meeting minutes for evidence of grievances being reported, and check whether these have been resolved and whether the resolution has been communicated to participants - Check whether feedback thus far from project participants has been incorporated into the project, and if not, whether there is a reasonable justification for this.		
C. Findings (describe)	The project grievance mechanism is described in ADD (Part H). During the document review and in conversations with the local partner, it was identified that La Laja has a project grievance mechanism in place. There is also evidence (i.e. minutes) that during the council meeting the grievance mechanism was discussed and that specific grievances were debated and noted (all related to payment). In the discussions with the local farmers, they expressed that if they have any grievance concerning the project, the contact will be either the lead farmer or someone from La Laja staff (field technicians). In these conversations with the farmers, no significant grievances or disputes were identified. As described before, in other findings, as the CRUs payment process has not started, most of the farmers are interested and asked about the payment protocol, wanting to understand when and how they will be paid. Although there is evidence of the existence and implementation of a grievance mechanism, in line with the findings of requirement 4.2.3, a potential lack of communication between the farmers and the council was identified. Regarding the ADD, there is no information about who the committee in charge of grievance resolution is and how the local partner addresses them to ensure fairness (Part H, Grievance mechanism). The ADD states that no grievances have been received at the moment of validation (Part N, 2). Nevertheless, the La Laja annual report states that 20 grievances have been raised and resolved. According to the interviews, all the grievances are related to the payment timelines.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	NIR 06/2024 The ADD shall be updated including information about the committee in charge of grievances resolution and how the local partner addresses them to		

	ensure fairness. Also, the ADD shall be updated to include the grievances received at the moment.
F. Acorn's Response (if applicable)	<i>The ADD has been updated to include information about the committee in charge of grievances resolution and how the local partner addresses them to ensure fairness. Also, the ADD has been updated to include the grievances received at the moment (See folder NIR 06 for a more detailed report).</i> VVB response (02.04.2025): The grievances mechanism procedure and report have been provided, including evidence of the address of questions raised by already involved and interested farmers. Besides, the ADD has been updated to include a reference to the grievances received at the moment of validation. This NIR has been closed.
G. Status (if applicable)	Closed
H. Forward Actions (describe, if applicable)	None
I. Other	N/A

Requirement 4.2.21			
A. Requirement:	<i>The Local Partner shall be responsible for the secure storage of project information, including project designs, business case details, proof of payments, records of participant events and monitoring results.</i>		
B. Guidance Notes for Validators	- Check that Local Partner has stored this information safely, and that records can be produced when asked. - Are there appropriate back-up systems for important information?		
C. Findings (describe)	As confirmed in the conversations with La Laja, and showed during La Laja office visit, project information is stored safely (digital and physical records). They have backup copies of the main information and Acorn-Rabobank has also copies of the project documents and farmers database.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 4.2.22			
A. Requirement:	The Local Partner shall follow the Acorn monitoring plan as outlined in the Methodology and contribute to on-the-ground data collection, validation, and verification activities while coordinating the support of participants and local communities on this monitoring plan.		
B. Guidance Notes for Validators	Monitoring and reporting systems and capabilities may be determined through: • Staff and participating communities able to explain the monitoring system (how each of the indicators in the ADD will be monitored) • Records of any monitoring already undertaken e.g. baselines or other information • Visiting plots and watching Local Partner collect data on the ground, and assessing whether this is in keeping with procedures outlined in Acorn Methodology		
C. Findings (describe)	Although La Laja does not have a specific monitoring plan drafted for the project, Acorn and La Laja are following The Acorn Framework and Methodology, considering timelines and responsibilities to conduct the continuous monitoring included in section 7.10 “Monitoring & reporting overview” of The Acorn Framework. Regarding socioeconomic and environmental aspects, the ADD (Part E, Baseline Assessment) describes the results of the first survey and how the identified indicators will be monitored. In the discussion with Acorn staff, they explained how they did the first survey and how they are planning to do the monitoring, the next surveys. As the project is currently in its early stages, during the validation, only the results of the first survey were available. La Laja also explained that, with the current governance structure, they do a continuous monitoring of the project implementation through the lead farmers and field technicians. With regards to carbon accounting and the CRUs calculations, during the on-site visit, the validation team had the opportunity to see how Acorn is collecting ground truth data in collaboration with the local partner and with the support of a consultancy firm (Akvo). Acorn has developed a specific methodology and protocol in line with The Acorn Framework and Methodology for ground truth data collection, that has been provided to the validation team. During this validation, La Laja facilitated the on-site visit, coordinating the process with local farmers, lead farmers, field technicians, and other stakeholders. During the audit, no evidence of non-compliance with this requirement was identified.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		

G. Status (if applicable)	N/A
H. Forward Actions (describe, if applicable)	None
I. Other	N/A

Requirement 4.2.23		
A. Requirement:	<i>The Local Partner should address and is expected to make efforts to provide equal opportunities to fill employment positions in the project for women and members of marginalized groups where job requirements are met or for roles where they can be cost-effectively trained.</i>	
B. Guidance Notes for Validators	Check that women and members of marginalized groups have been given opportunities to be employed through: - Interviews with women participants - Presence or absence of women in project staff (if women only fill e.g. low level or part time roles, note this here)	
C. Findings (describe)	In the document review and during the conversations with La Laja it was confirmed that the local partner has a Decent Work Policy (Política de Trabajo Digno). During the site visit, it was corroborated that women are employed by La Laja, not only in low-level or part-time roles. It was confirmed that women are participating actively in the project. Women involved in different levels of the project (La Laja Staff, lead farmers and farmers) were interviewed and no grievances or discrimination issues were identified. During the audit no marginalized groups were identified in the local communities where the project is being implemented. As an example, La Laja staff includes by 34 women and 17 men. See also the findings of requirement 4.2.4.	
D. Conformance	Yes ☒	No ☐ N/A ☐
E. Corrective Actions (describe)	None	
F. Acorn's Response (if applicable)	N/A	
G. Status (if applicable)	N/A	
H. Forward Actions (describe, if applicable)	None	
I. Other	N/A	

Theme: Additionality

Requirements 4.3.1, 4.3.2 & 5.1.1	
A. Requirement:	4.3.1 <i>Acorn projects shall demonstrate additionality at the start of the project intervention. Projects that wish to expand into a new country should reassess additionality prior to such expansion.</i> 4.3.2 <i>Acorn projects shall be additional, i.e. would not have been implemented without the additional revenues generated through the sale of CRUs. At minimum, the Local Partner shall demonstrate:</i> <i>a. Proof of regulatory surplus, meaning it is not required by any form of existing laws or regulations. Exceptions can be made for projects that support laws that are not enforced or commonly met in practice.</i> <i>b. Compliance with the Agroforestry Positive List requirements OR robust proof of at least one barrier as defined in the Acorn Additionality Assessment (Section 5.2). Please note that the Agroforestry Positive List can only be used as a standalone approach after separate approval of the Plan Vivo Foundation. Until then, projects are expected to demonstrate adherence to both criteria to prove applicability.</i> <i>The participant ensures project additionality and is aware that the project has a durability period of 20 years.</i> 5.1.1 <i>For any pre-existing agroforestry on a smallholder's land:</i> <i>• Agroforestry at the farm level has been implemented less than 5 years ago.</i> <i>• The participant confirms that previously sequestered CO₂ on the land has not yet been monetized.</i> <i>• The participant has received donor/grant funding for a significant part of their existing agroforestry practices.</i>
B. Guidance Notes for Validators	The Local Partner should give opinion on whether: • The project simply owes its existence to legislative decrees or to commercial land-use initiatives that are likely to be economically viable in their own right i.e. without payments for ecosystem services. • The project activities are common practice in the area in the absence of carbon finance. • Without project funding there are social, cultural, technical, ecological or institutional barriers that would prevent project activities from taking place. • Participants are aware that project has durability period of 20 years and what this entails regarding expectations around, and monitoring of, their trees. This can be achieved through interviews. • Agroforestry activities were implemented at the start of the project, 5 years prior to the start of the project, or more than 5 years prior. This can be

	achieved through interviews. If agroforestry activities were implemented 5 years prior to the start of the project: ○ How was this funded? ○ Was any of the CO2 sequestered monetized?		
C. Findings (describe)	Additionality demonstration has not been included in the ADD (Part B, Additionality; Part C), there is no information and proof on the regulatory surplus (Part C and Part A, 31), and compliance with the agroforestry positive list (Part C). There is no list provided for relevant forestry and national climate change regulations and proof that the project is not mandatory under any local or national law (Part A, Project Additionality, 31). During the on-site visit and in the interviews with the farmers, it was evidenced that agroforestry is a common practice in the project area. Most of the farmers visited have been planting some trees on their farms for different uses. La Laja, with the mobilization and sensitization activities, has contributed and is contributing to improving and consolidating the agroforestry practices, from randomly planting some trees on the farms to designing appropriate agroforestry systems (species selection, planting frame, management, and maintenance). However, a robust financial assessment has not been provided to demonstrate that the project is additional, considering that farmers are already generating income from coffee production. On the other hand, the Sembrando Vida Program is a program of the Government of Mexico that seeks to contribute to the social welfare of planters and farmers by promoting food self-sufficiency through the implementation of plots of land with agroforestry production systems. During the interviews with La Laja staff and local farmers, it was confirmed that all of them are aware of this program and none of them are participating in it. Nevertheless, there is no mention within the ADD about the Sembrando Vida Program (Part A, 28) and how the project ensures that no carbon credits are accounted for any carbon program other than Acorn.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	CAR 07/2024 • ADD shall be updated to include the demonstration of Additionality, according to the Acorn Framework. • A robust financial assessment is needed considering the project participants are already farmers who are generating income through coffee production (Past J, Financial Feasibility). • ADD shall be updated to include how the project ensures no carbon credits are accounted for under any other scheme (e.g. the Sembrando Vida Program).		
F. Acorn's Response (if applicable)	• <i>ADD has been updated to include the demonstration of Additionality according to the Acorn Framework. This has been demonstrated through regulatory surplus (Part A Q31) and barrier analysis and overall conclusion (Part C).</i>		

- *In terms of financial assessment, the CRU money farmers received will be used for agroforestry training, receiving fertilizer/ manure, and receiving appropriate seedlings to plant the tree species according to the agroforestry design. All of activities supported by CRU revenue are implemented with the purpose of adopting a proper agroforestry design to improve coffee productivity, become more resilient with volatile coffee market price, provide alternative source of income through planting other crops (e.g. lemon, avocado, and macadamia), and improve farmer livelihood. Please see Annex 5 Business Case Excel file for more details on the numbers. (Folder CAR 07)*
- *With regard to how project ensures no carbon credits are accounted for under any other carbon scheme, this is demonstrated in ADD (Part A Q28).*

VVB response (02.04.2025):

The ADD has been updated and includes a demonstration about how the project is not mandatory under any national law (Part A, 31).

The updated Business Case shows the project's return of investment. It has been checked and confirmed that the CRU revenues are needed to implement the project.

With regards to the Sembrando Vida program, Acorn has provided a report in which results show that there are some plots that are included simultaneously in Acorn project and the Sembrando Vida Program. These farmers are receiving monthly funds from the Sembrando Vida Program. According to Acorn requirement 4.3.2 *Acorn projects shall be additional, i.e. would not have been implemented without the additional revenues generated through the sale of CRUs*. Nevertheless, the farmers included in both programs are receiving extra funds for planting. These plots shall be excluded from the Acorn project, and the data package shall be updated accordingly. This CAR remains open.

Acorn response (18.04.2025):

The LP identified 13 participants who are also part of the SV register (See folder CAR 07). These 13 farmer profiles have been put on hold on the Acorn platform until the participants provide formal evidence that the coffee plot onboarded on the Acorn platform is distinct from the maize plot involved in the SV project. Funds received by the farmer for the SV project are not used for the Acorn project. The KML file of the data package has been updated excluding these plots (folder CAR 07).

VVB response (29.04.2025):

13 plots have been identified by the local partner that are included in both programs: Sembrando Vida and Acorn. None of these plots is included in the updated GIS file. However, 7 of them are included in the data package sheet "1. CRU Calculations", listed below:

	<table><tr><th>plot SV-Acorn</th><th>PbN check GIS file (29.04.2025)</th><th>PbN check data package (29.04.2025)</th></tr><tr><td>MX322443</td><td>Excluded</td><td>Included MX322443 - 533145 and MX322443 - 533146</td></tr><tr><td>MX256042</td><td>Excluded</td><td>Included MX256042 - 456879 and MX256042 - 456880</td></tr><tr><td>MX288061</td><td>Excluded</td><td>Included MX288061 - 497289</td></tr><tr><td>MX220346</td><td>Excluded</td><td>Included MX220346 - 381389</td></tr><tr><td>MX220337</td><td>Excluded</td><td>Included MX220337 - 381366</td></tr><tr><td>MX220214</td><td>Excluded</td><td>Included MX220214 - 381063</td></tr><tr><td>MX220236</td><td>Excluded</td><td>Included MX220236 - 381115</td></tr></table>	plot SV-Acorn	PbN check GIS file (29.04.2025)	PbN check data package (29.04.2025)	MX322443	Excluded	Included MX322443 - 533145 and MX322443 - 533146	MX256042	Excluded	Included MX256042 - 456879 and MX256042 - 456880	MX288061	Excluded	Included MX288061 - 497289	MX220346	Excluded	Included MX220346 - 381389	MX220337	Excluded	Included MX220337 - 381366	MX220214	Excluded	Included MX220214 - 381063	MX220236	Excluded	Included MX220236 - 381115
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MX220214	Excluded	Included MX220214 - 381063																							
MX220236	Excluded	Included MX220236 - 381115																							
	The data package shall be updated to exclude the plots that are included in Sembrando Vida Program. This CAR remains open. Acorn Response (20.05.2025): <i>The data package has been updated to exclude the plots that are included in the Sembranda Vida Program (See folder CAR 07).</i> VVB response (20.05.2025): The data package has been updated, and some of the plots have been removed from the CRU calculations sheet. However, 4 of them are included in the data package sheet “1. CRU Calculations”, listed below: <table><tr><th>plot SV-Acorn</th><th>PbN check data package (29.04.2025)</th><th>PbN check data package (20.05.2025)</th></tr><tr><td>MX220346</td><td>Included MX220346 - 381389</td><td>Included MX220346 - 381389</td></tr><tr><td>MX220337</td><td>Included MX220337 - 381366</td><td>Included MX220337 - 381366</td></tr><tr><td>MX220214</td><td>Included MX220214 - 381063</td><td>Included MX220214 - 381063</td></tr><tr><td>MX220236</td><td>Included MX220236 - 381115</td><td>Included MX220236 - 381115</td></tr></table> Acorn Response (08.08.2025): <i>The data package has been updated to exclude the 4 remaining plots that are included in the Sembranda Vida Program.</i> VVB response (03.09.2025): The data package has been updated, and the 13 identified plots have been excluded from the CRU calculation sheet. This CAR is closed.	plot SV-Acorn	PbN check data package (29.04.2025)	PbN check data package (20.05.2025)	MX220346	Included MX220346 - 381389	Included MX220346 - 381389	MX220337	Included MX220337 - 381366	Included MX220337 - 381366	MX220214	Included MX220214 - 381063	Included MX220214 - 381063	MX220236	Included MX220236 - 381115	Included MX220236 - 381115									
plot SV-Acorn	PbN check data package (29.04.2025)	PbN check data package (20.05.2025)																							
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MX220337	Included MX220337 - 381366	Included MX220337 - 381366																							
MX220214	Included MX220214 - 381063	Included MX220214 - 381063																							
MX220236	Included MX220236 - 381115	Included MX220236 - 381115																							
G. Status (if applicable)	Closed																								
H. Forward Actions (describe, if applicable)	None																								
I. Other	N/A																								

Theme: Project baselines

Sub-theme: carbon baseline

Requirements 4.4.1, 4.4.2 & 4.4.4	
A. Requirement:	4.4.1 <i>The Local Partner should describe the current land use and habitat species within a project area, and explain how these are most likely to change over a period of ten years without the project intervention.</i> 4.4.2 <i>As part of the carbon baseline, project areas should identify species with a high local environmental and social conservation value and describe how these species are likely to be affected by the project intervention, and how these effects are monitored. The conservation value of species can be determined by local Indigenous knowledge and/or by referring to the IUCN red list or the Forest Stewardship Council.</i> 4.4.4 <i>All land within the project area should be either cultivated land or degraded at the start of the project intervention (i.e. baseline).</i>
B. Guidance Notes for Validators	Through visiting site, determine whether description of current land use and habitat species within ADD is an accurate representation of the situation on the ground. Also confirm that the project areas are/were cultivated land or degraded at the start of the project intervention. Through either own expertise, conversations with an appropriate expert of the region, and/or conversations with local community members, identify whether any of high local environmental and social conservation value have been missed from the ADD.
C. Findings (describe)	In the on-site visit, by direct observation and during the interviews with farmers, it was confirmed that the current land use of all farms visited during the validation is cropland. All of them are coffee crops, accompanied by different food crops (banana, macadamia, mango...). Some of the farmers visited have already started with agroforestry practices, planting some trees on their farms (e.g. some fruit trees inside the crop or some timber trees on the border of the farm). However, the ADD doesn't include a list of species with a high local environmental and social conservation value in the project area (Part B, Current habitat; Part C, 3. Agricultural Biodiversity; Part E, Baseline Assessment). There is not enough information on the fauna and flora biodiversity in the project area, the list of animal species in the project area included in the ADD only includes 3 species (Part D, 3. Agricultural Biodiversity, V; Part E, Description of current habitat species). Regarding carbon baseline, the ADD indicates an Adjustment factor for baseline removal of 50%. This value has not been confirmed during the validation and will be assessed during the verification of the project.

D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	CAR 08/2024 The ADD shall be updated to include a list of species with high local environmental and social conservation value in the project area.		
F. Acorn's Response (if applicable)	<i>The ADD has been updated to include a list of species with high local environmental and social conservation value in the project area (see folder CAR 08)</i> VVB response (02.04.2025): The ADD has been updated to include a biodiversity report (Annex 10). Part E, Baseline Assessment includes a reference to Annex 10, biodiversity report. The report consists of a Conservation and ecosystem restoration plan that La Laja has in place and has been submitted as supporting documentation. However, an explanation of the scope, use, and implementation of this plan has not been provided in the ADD. Besides, Part D, 4, Agricultural biodiversity shall be updated to include a list of species with high local environmental and social conservation value in the project area, and further elaboration is needed with regard of the use, scope and implementation of the provided plan. Acorn response (18.04.2025): <i>The explanation of the scope, use, and implementation has been added to the folder CAR 08. File name "fundamento reporte biodiversidad". The file mentions where the information and the conservation plan comes from. Important to mention that the report is constantly updated by one of the most renowned universities in this field, Universidad autónoma de Chapingo. La Laja follows these updates closely. The report is based on an official national norm which refers to the protection and conservation of both flora and fauna native species in Mexico, also identifying the risk category for each one.</i> <i>The conservation plan will be delivered to producers during their capacity trainings and the implementation will be verified. Additionally, the ADD has been updated including the list of species.</i> VVB response (29.04.2025): The ADD Part E Baseline Assessment has been updated, mentioning Annex 10 Biodiversity Report. Besides, a list of species with high local environmental and social conservation value in the project area has been included in the ADD Part D, 3. Agricultural Biodiversity and clarification have been provided on how the mentioned Biodiversity Report is linked to the Acorn project and updated annually. This CAR has been closed.		
G. Status (if applicable)	Closed		
H. Forward Actions (describe, if applicable)	None		
I. Other	The adjustment factor for baseline removals will be assessed during the verification of the project with all the GHG calculation processes.		

	The project is still in the implementation phase, and it will be necessary to follow up on the biodiversity report updates in future verifications.
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Sub-theme: project baseline

Requirement 4.4.7			
A. Requirement:	<i>In addition to the carbon baseline, a project baseline should be provided by Local Partners on a project level at the start of a project intervention. This project baseline should describe the current socioeconomic conditions and explain how these conditions are most likely to develop over time (positively and/or negatively) as a result of the project intervention.</i>		
B. Guidance Notes for Validators	Discuss with project staff and communities to understand how the baseline assessment was conducted and how the socio-economic monitoring plan developed out of this. Assess in particular: - Whether the livelihoods indicators can effectively monitoring socio-economic changes taking place - The extent to which women, disadvantaged people and other social groups have been involved project processes and whether the selected indicators will enable impacts on them to be determined Whether any groups in the community are likely to be adversely affected by the project and whether there are any mitigation measures in place to address this. If so, are the mitigation actions appropriate and understood by relevant people?		
C. Findings (describe)	The project baseline assessment is described in Part D of the ADD and was done following section 5.4 of the Acorn Framework (112 farmers were originally surveyed for the baseline assessment). During the discussions with La Laja and Acorn, it was confirmed that future monitoring of project baseline is planned. Local livelihood and environmental potential positive impacts will be able to be monitored with the indicators included in the ADD. No negative environmental or socioeconomic impacts have been identified. Likewise, no adverse effect on any type of community group has been identified during the validation.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Theme: Carbon benefits

Sub-theme: Leakage

Requirements 4.6.1 & 4.6.2			
A. Requirement:	4.6.1 All Acorn projects should identify potential sources of negative leakages and the location(s) where this leakage may occur. See the leakage assessment in Section 5.5. 4.6.2 Where leakage is likely to be significant, a specific leakage mitigation and monitoring plan should be established and a conservative adjustment factor should be applied to the CRU calculations according to the Methodology.		
B. Guidance Notes for Validators	Check the listed sources of leakage and, by comparing against discussions with local experts, the Local Partner and participants, comment on the appropriateness of the: ○ Sources of leakage listed and their perceived significance. Is the leakage adjustment factor (AdjL) therefore appropriate for the level of leakage risk? ○ Mitigation measures. Have they already started? ○ The understanding of the importance of addressing leakage amongst project participants		
C. Findings (describe)	The ADD in Part O. 2. gives an adjustment factor for Leakage of 0%. Leakage is not expected, and the project activity is not expected to lead to GHG emissions outside the project boundary. La Laja and Acorn do not expect potential displacement of pre-project activities due to the project implementation. During the site visit enough evidence was gathered to confirm that, if existing, potential leakage will be negligible. In the case of livestock, it is not a common practice in the project area due to incompatibilities with coffee production, none of the farmers interviewed have animals, and if they have, they are outside of the project farms. Agroforestry is expected to increase the productivity of the current crops, or at least not decrease it, therefore, no displacement of agricultural activities is expected.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Sub-theme: Double-counting

Requirement 4.7.2			
A. Requirement:	An Acorn project shall not be incorporated by any other accounting program (e.g. compliance, voluntary or national GHG program) unless upon Acorn approval and with official agreement that demonstrates that no double counting is taking place.		
B. Guidance Notes for Validators	Check the possibility of double counting from other accounting programs through discussions with local experts, the Local Partner and other projects (including any national or regional level GHG coordination unit).		
C. Findings (describe)	During the site visit and validation process, no evidence was found to confirm that the project is incorporated in any other accounting program. A notification letter about the project has been sent to the national government in July 2023. The letter has been stamped as received, however, no answer from the government has been received at the moment of validation. Two potential double-counting risks were identified and discussed with La Laja and Acorn. The first potential issue raised is the Sembrando Vida program, already defined in the Additionality section, requirements 4.3.1, 4.3.2 & 5.1.1, where it has been stated that the local partner and the farmers are aware of the program and are not participating in it. The second issue identified is the potential conflict with the national commitments, with the National Determined Contributions (NDCs) of the Paris Agreement. Mexico has identified the risk of double counting and the need to strengthen the voluntary carbon markets' carbon credits traceability since the use of these credits could affect their NDC's accountability. The potential risk of double counting will be lower as this payment will probably be considered as a sort of authorization by the country https://www.gob.mx/cms/uploads/attachment/file/943747/xxxxMercadoVoluntariodeBonosdeCarbono.pdf. The agreed adoption of article 6 during COP29, and the implementation of articles 6.2. and 6.4 of the Paris Agreement may affect the voluntary carbon market, and therefore this project, depending on the final country approach. See CAR 07/2024		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		

H. Forward Actions (describe, if applicable)	None
I. Other	Although, at the moment of this validation, there is enough evidence that there is no double counting, there is a potential risk in the future that will need to be monitored during the implementation of the project.

Sub-theme: Reversal risk

Requirement 4.9.2			
A. Requirement:	<i>Acorn projects should review their reversal risks by making use of the reversal risk assessment (see Annex 7.8), and high-risk areas should be mitigated with appropriate actions and be monitored closely. At least every five years, Local Partners should reevaluate their reversal risks and report this to Acorn, who again submits this to the certifier for oversight.</i>		
B. Guidance Notes for Validators	Through interviews with Local Partner and local experts, assess whether the: • Risk levels assigned in the <i>reversal risk assessment</i> are appropriate. • Mitigation measures proposed are likely to be effective and implemented. Have they already started? • Monitoring plans associate with risk mitigation are appropriate and likely to be implemented. Is the Local Partner aware that the risk assessment must be recompleted every 5 years?		
C. Findings (describe)	During the site visit to the different randomly selected plots and in the conversations with the farmers and local La Laja staff, the risks identified in the ADD were confirmed, including the risk level (i.e. insufficient nurseries as high). However, the ADD doesn't include mitigation or monitoring activities to manage those risks, especially the ones classified as high-risk level. The risk table in ADD (Part N, 3) is incomplete.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	NIR 07/2024 The ADD Risk Assessment shall include mitigation actions and how the risks will be monitored.		
F. Acorn's Response (if applicable)	<i>Acorn refers to the Annual report which includes an updated Risk Assessment including mitigation actions for the risks deemed high (See folder NIR 07).</i> VVB response (02.04.2025): La Laja annual report, already provided as supporting documentation at the time of validation, includes a risk monitoring overview in section 5.3. Nevertheless, this table does not include details of the monitoring actions performed for that specific monitoring period. Besides, the ADD Monitoring plan section (Part N) does not include the Monitoring (frequency and method) objectives for the risks identified as high. The risk table in ADD (Part N, 3) is still incomplete. This NIR remains open.		

	Acorn response (18.04.2025): Together with local partner, Acorn has completed the tables and deleted the incomplete sentence from risk table. VVB response (29.04.2025): The ADD Part N, 3. Risks has been updated in the ADD, including mitigation measures for the risks identified as high. This NIR has been closed.
G. Status (if applicable)	Closed
H. Forward Actions (describe, if applicable)	None
I. Other	N/A

Theme: Data handling

Requirement 4.10.1			
A. Requirement:	All project participants should give permission to share (provide and receive) data relevant for the project (e.g. name and GPS coordinates), either via the Local Partner or directly with Acorn. A participant's consent is provided at the start of a project intervention in a new area.		
B. Guidance Notes for Validators	Check through interviews with participants, and participant consent forms (currently can be found in the "TEMPLATE FARMERS AGREEMENT AND REQUIREMENTS REGARDING SMALLHOLDER FARMERS' CONSENT" document), that participants have given permission for their data to be shared and are aware of what it is being used for.		
C. Findings (describe)	During the on-site visit, it was verified that the interviewed participants had already signed a consent, allowing La Laja to share data relevant to the project. The consent form is included in the Participant Agreement as an Annex. With regards to the language and format of the consent, see findings in requirement 4.2.15.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Theme: Local partner eligibility checklist

Requirement 5.1.1			
A. Requirement:	<i>The Local Partner has a strong in-country presence and the respect and experience required to work effectively with local participants and their communities.</i> <i>The Local Partner is capable of negotiating and dealing with government, local organizations and institutions.</i>		
B. Guidance Notes for Validators	Assess whether Local Partner has experience and respect of communities through: - Ability to facilitate meetings with project participants with ease - Interviews with project participants show that Local Partner is well known and respected in the project area Assess whether Local Partner can deal with government and other organisations through: - Assess officials' views of the Local Partner through interviews with officials from government and other local organisations - Asking to see relevant documentation from government showing support of the project and ability to sell CRUs		
C. Findings (describe)	La Laja has been working in the project area in coffee agroforestry for more than 20 years before the project started. It was corroborated in the on-site visit that the local partner has a strong in-country presence with the office in Veracruz, a recognized area for "café de altura". It was also confirmed in the different interviews with stakeholders that La Laja has a strong network of partners (public and private entities) supporting its activities, both local, national, and international. At the implementation level, some of the identified strengths of the entity are the important network of farmers, the figures of field technicians and lead farmers, and the experience producing coffee in an agroforestry system, certified under the Rainforest Alliance scheme. The project is now working with around 4,000 farmers, and lead farmers and field technicians are crucial for the onboarding and sensitization of this number of local farmers.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 5.1.1			
A. Requirement:	<i>The Local Partner has a solid understanding of local policies and can confirm that the country's policy allows individual CRUs to be sold.</i>		
B. Guidance Notes for Validators	- Local Partner can name and understand relevant policies including country's Nationally Determined Contribution (NDC)		
C. Findings (describe)	La Laja has provided the validation team with the main local policies related to the project. Based on the information provided, there is no official permission to sell CRUs, but there is no evidence found in the policies not allowing them to sell CRUs. See findings in requirement 4.7.2.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 5.1.1			
A. Requirement:	<i>The Local Partner can provide reliable data (i.e. GPS polygons, phone numbers, other KYC data).</i>		
B. Guidance Notes for Validators	Check whether data is available upon request.		
C. Findings (describe)	During the site visit and the validation process, it was evidenced that the local partner and Acorn can provide reliable data. During the sampling design for the on-site visit and during the on-site visit itself, La Laja provided reliable project participants information. Polygons of all project parcels were provided before the site visit as well as the farmer names and parcel IDs of the randomly selected parcels to be visited.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 5.1.1			
A. Requirement:	<i>The Local Partner recognizes that the participant's involvement in the project is entirely voluntary.</i> <i>The Local Partner recognizes that participants own the carbon benefits of the project intervention.</i>		
B. Guidance Notes for Validators	Interviews with Local Partner to assess whether they understand the nature of the participant's involvement in the project.		
C. Findings (describe)	La Laja is fully aware of the nature of participants' involvement in the project, as demonstrated during the meetings with La Laja staff and by reviewing the agreements (i.e., Rabobank- La Laja, and La Laja-Farmers). La Laja understands that with the signature of the Participant agreement and consent, farmers are entering voluntarily into the project. It was confirmed during the visit, in the interviews with the farmers, with the lead farmers and field technicians, that in the onboarding process, and before the signature of the participants' agreements (in training, awareness events, and in personal meetings with the farmers), the main objectives of the project and the main contents of the agreement were communicated to the participants. See CAR 05/2024 related to unclear understanding of some sections of the agreement.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 5.1.1	
A. Requirement:	<i>The Local Partner is able to collect and provide proof of participant's identity.</i>
B. Guidance Notes for Validators	Check that documentation is available upon request that can provide proof of identity.
C. Findings (describe)	During the site visit and the validation process, it was evidenced that Acorn and La Laja have a comprehensive database with all participants' information. During the on-site visit, for those project farms that were randomly selected to be visited, the identification of the project participant was provided to the audit team by La Laja. During the meetings with the farmers visited the validation team confirmed that the identity information provided by the local partner corresponded with the farmers' identity. Some of the farmers interviewed provided proof of identification during the visit.

D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		

Requirement 5.4			
A. Requirement:	<i>Sample size for a project baseline assessment [for socio-economic and biodiversity indicators] equals 1% of the participants, with a minimum sample size of thirty participants and a maximum of one hundred participants per project.</i>		
B. Guidance Notes for Validators	Request data that demonstrates the number of participants interviewed for the socio-economic and biodiversity indicators baseline.		
C. Findings (describe)	The number of surveyed participants for project baseline assessment, as indicated in the ADD Part D (Project Baseline Assessment), has been 112, evidencing the fulfillment of this requirement (the number is close to 3% of the current project participants, bigger than 1% of the current project participants, equal to the suggested maximum). The ADD includes only the conclusions and summary results of the survey. The validation team has checked with Acorn the complete survey database.		
D. Conformance	Yes ☒	No ☐	N/A ☐
E. Corrective Actions (describe)	None		
F. Acorn's Response (if applicable)	N/A		
G. Status (if applicable)	N/A		
H. Forward Actions (describe, if applicable)	None		
I. Other	N/A		