

ACORN ANNUAL REPORT

# La Laja

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# Mexico

Annual Report Number: 1  
Reporting Period: 07/2023 – 07/2024

## Instruction

Acorn projects are required to provide Acorn with an Annual Report within 3 months after the end of each reporting period. This document represents the template that should be used and is intended to record project progress. It differs from the Acorn Design Document (ADD) in that the ADD captures the project design and the annual report reflects the outcome of the design.

Depending on results and developments within a project, changes must be recorded in the ADD in addition to the annual report. Please see Table 1b below in this document to guide you on what document and what section requires updating. The annual report, and if applicable together with the updated ADD, should be uploaded onto the portal. Acorn is available for assisting the local partners in drafting the required documentation. For version numbering and file naming please consult Acorn.

On a randomly selected basis, the certifier and a third-party auditor will review a project's design and progress. Therefore, these parties will require annual report(s) and an updated ADD. Annual reports can also be used for the purpose of updating (potential) buyers.

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### Overview

<b>Location:</b>	Veracruz, Mexico.
<b>ADD Approval Date:</b>	10/07/2023
<b>Project Start Date:</b>	07/2018
<b>Reporting Period:</b>	07/2023 – 07/2024
<b>Submission Date:</b>	10/2024
<b>Auditing:</b>	This project has not yet been validated nor verified
<b>Auditing Date:</b>	This project has not yet been validated nor verified

### Executive Summary

This Acorn project by La Laja is currently finalizing its first reporting period. During these, the money key milestones have been achieved. Some of these are for example, the socialization of the project among coffee producers, the increase of participants as expected and previously planned, the creation of a project council and the monitoring practices to address the risks identified (*droughts and availability of seedlings*). Of these, the purchase of 60 000 seedlings by La Laja and the distribution of a share of these among farmers is remarkable, as it highlights the efforts to plant additional trees while also ensuring on of the high risks identified is addressed. In the coming year, the project will seek to increase its number of participants as well as keep developing the governance of the project through the project council meetings. Next to these, this project will undergo its first validation and verification, which will allow to bring the first carbon revenues to project participants.

## 1 Acorn Design Document Updates

Complete Table 1a to describe any changes made to the ADD in this reporting period. Add additional rows as required and follow Table 1b for regular section updates.

Complete Table 1b with details of the most recent update to parts of the ADD.

Complete Table 1c with details of responses to any corrective actions or forward actions required from validation, verification, or ADD/annual report reviews. Add rows as required.

Please upload the updated ADD to the Acorn Platform and refer here to the file name.

**Table 1a Summary of Changes to Acorn Design Document**

ADD Section	Description of Change
Section A , Project Summary	<i>Number of farmers and average farm size has been updated during the reporting period.</i>
Part O ,Technical Specifications	<i>The adjustment factor value for uncertainty has been updated following a new calculation approach.</i>

*\*Table can be left blank if no updated to the ADD were made.*

**Table 1b Date of Most Recent ADD Updates**

ADD Section	Required Update Frequency	Date of Submission or Most Recent Update
Part A; Project Summary	When applicable	09-2024
Part B; Eligibility Checklist	When applicable	07-2023
Part C; Additionality Assessment	When applicable	07-2023
Part D; Farmer Surveys	When applicable	07-2023
Part E; Baseline Assessment	At least every 3 years	07-2023
Part F; Agroforestry Design	When applicable	07-2023
Part G; Project Council	When applicable	07-2023
Part H; Grievance Mechanism	When applicable	07-2023
Part I; Organizational Capacity	When applicable	07-2023
Part J; Financial Feasibility	When applicable	07-2023
Part K; Payment and Benefit Sharing	When applicable	07-2023
Part L; Stakeholder Analysis	At least every 5 years	07-2023
Part M; Risk Assessment	At least every 3 years	07-2023
Part N; Monitoring Plan	At least every 3 years	07-2023
Part O, Technical Specifications	When applicable	09-2024
Annexes	When applicable	07-2023

**Table 1c Response to Corrective/Forward Actions Required\***

CAR/FAR	Description	Timeframe	Response	Status	Source
<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>

*\*Table can be left blank if no CARs or FARs are reported.*

## 2 Project Implementation

### 2.1 Carbon Regulations

At the start of this Acorn project La Laja carried out an initial assessment of the policy landscape in Mexico in relation to carbon credits. After a year, there has been no significant changes and consequently, the implementation of this project has not been at risk. The only changes reported has been the involvement of new actors, such as the private and market based initiative Mexico2 , an organization providing consulting services in regards to carbon projects and carbon credits sales. However, as previously mentioned, this does not represent a policy change and the Acorn project led by La Laja remains viable.

### 2.2 Project Council

During this reporting period, La Laja organized and carried out one project council. In this regard, La Laja is aware of the Acorn requirement to perform at least two project council meetings per reporting year. The reason behind the decision to perform only one was the impossibility of performing CRU measurements by Acorn due to methodological updates. With this scenario, La Laja decided not to generate expectation in terms of CRU revenues among participants, instead it opted to carry out a project council once the methodological updates were finalized.

**Table 2.2 Project Council overview**

Date project council took place	Project Council	Representation of council	Number of people present	Attendance rate (%)	Location (region)
17/10/2024	Project council 1	Elected project council members (representatives of participants) and staff of La Laja	19	75%	Huatusco

### 2.2 Grievances

Complete Table 2.3a to provide an overview of the total number of grievance raised throughout the project period.

Complete Table 2.3b to provide a summary of grievances received in this reporting period. Enter a row for each grievance raised this during the reporting period. Also enter a row and report on grievances left unresolved from previous reporting periods.

**Table 2.3a Summary Grievance Register**

Grievances raised	Grievances resolved	Grievances unresolved
20	20	0

**Table 2.3b Grievances and Resolutions**

Date	Channel	Grievance	Mitigation plan	Mitigation action	Status	Time taken to solve
Reporting period	Phone calls , whatsapp and personal conversations	Several participants asked La Laja when would they receive the payment of CRUs.	La Laja answered that CRU revenue would be paid out after measurements of biomass and sale of the CRUs.	Explanations were given to every participant. This topic was further discussed and explained during the project council meeting	Solved	1 day

Please note, the table summarises the different questions raised on the same topic by participants. Besides this, no other grievance has been reported during the reporting period.

### 2.3 Other Stakeholder Consultations

Describe how the project has engaged with the local stakeholders identified in the local stakeholder analysis during this reporting period. Please also describe how the project has engaged with relevant secondary stakeholders during this reporting period.

Provide feedback on participant satisfaction with the project (e.g., collected directly through own call centre or indirectly through a third party).

Complete Table 2.4 to provide a summary of all stakeholder consultation activities carried out during the reporting period (NOT including Project Council meetings). Add rows for each activity.

Provide evidence for stakeholder consultation activities in Annex 2.

**Table 2.4 Stakeholder Consultation Activities**

Date	Activity	Stakeholder group	Description	Attendees
08-2024	Visit and exchange of experiences regarding the implementation of agroforestry systems	Pronatura Veracruz (civil organization)	There was an exchange of experiences with this civil association, which has been working on projects in the environmental field in the region for about 30 years. The exchange was carried out because they are implementing a	12 people

			carbon capture research project, which consists of investigating which are the species of trees that coexist well with the cultivation of coffee and have more carbon sequestration.	
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## 2.4 Training

Describe how the project has undertaken training of its employees, sub-contractors (if applicable), and participants.

Complete Table 2.5 to provide a summary of all training activities carried out during the reporting period. Add rows for each activity.

Provide evidence for training activities in Annex 2.

**Table 2.5 Training Activities**

More details can be found in the farmer trainings report of La Laja

Date	Training type	Stakeholder group	Topics	Attendees	Trainer
July 20, 2024	The training was face-to-face at the facilities of the higher technological institute of Huatusco, where the first delivery of trees was given to the producers participating in the ACORN program. The teaching staff, who are also in charge of the seedling nursery, explained the characteristics	The stakeholders of the group were the producers who attended the delivery of trees from different areas participating in the project.	Status of the ACORN project, progress to date, and expectations about it  Functions of trees in coffee systems.	69 men and 17 women.	The person responsible was the professor of the Higher Technological Institute of Huatusco, and in charge of the forest nursery Salomón López Serrano.



	of the trees that are being produced.				
September 6, 2024	Exchange visit of the La Laja work team to the facilities of PRONATURA Veracruz, Nursery "Tree seeds to enrich the forests of Mexico".	Technical Equipment -Heriberto Flores Martinez -Silvia Galindo Cabrera -Oliverio Dario Cabal Coria -Zuleima Juarez Rivera	-Presentation of their research project, Carbon sequestration in shaded coffee plantations. And other environmental projects over the years, - Visit to its agroforestry nursery and the way the seedlings are propagated.	-Heriberto Flores Martinez -Silvia Galindo Cabrera -Oliverio Dario Cabal Coria -Zuleima Juarez Rivera 50% men 50% women	The visit was led by the director of PRONATURA Veracruz, Eliza Perez Barbosa Rojas.
May 27, 2024	Agroforestry workshop training for data collectors (farms	Data collectors.	Topics on agroforestry and the type of trees that capture the most carbon.	5 women 3 men.	Heriberto Flores Martínez and Silvia Cabrera Galindo.

## 2.5 Project Scaling

Complete Table 2.6a to provide a summary of newly added participants and land to the project in this reporting period.

Include details of new participants and proof of signed consent and participation agreements for selected sample farmers in Annex 3. You will receive sample farmer ID's from Acorn. Add updated map with plots and ecoregion(s), if applicable in Annex 4.

Describe any changes or additions made to the agroforestry design and business case as a result of new farmers that were onboarded, or whether a new agroforestry design and/or business case was created to scale the project.

Complete Table 2.6b to demonstrate any changes made to the adjustment factors during reassessment if new ecoregion(s) have been added during this reporting period. See Section 5.4 of the annual report for information on leakage mitigation actions, if applicable.

Complete Table 2.6c with specific details on changes made to the business case during this reporting period. Add additional rows as required.

When applicable include reference of new or updated agroforestry design in Annex 5 and reference for the new or updated business case in Annex 6.

**Table 2.6a New plots & participants**

Project area	Ecoregion	Agroforestry design & business case	Project council	Number of newly added participants /farms	Number of new plots	Total project size (ha)
Veracruz	Petén-Veracruz moist forest	Coffee Agroforestry Design	Project Council 1	893	893	3628,95 (ha)
Veracruz	Oxaca montane forest	Coffee Agroforestry Design	Project Council 1	848	848	2318,11 (ha)
Veracruz	Veracruz moist forests	Coffee Agroforestry Design	Project Council 1	719	719	2685,94 (ha)
Veracruz	Veracruz dry forests	Coffee Agroforestry Design	Project Council 1	32	32	88(ha)

Please note, new number of plots and number of participants coincide as the number of participants per ecoregion for a specific time period is not currently available. The number shown is the amount of plots per ecoregion for the reporting period.

**Table 2.6b Changes to adjustment factors**

Adjustment factor	Initial factor (%)	Current factor (%)	Reason for change
Leakage	0%	0%	No changes have taken place
Uncertainty	25%	18%	New calculation method was applied
Pre-project	50%	50%	No changes have taken place

\*Table can be left blank if no changes were made to the adjustment factors.

**Table 2.6c Changes to business case**

Business case tab & name	Row & column number	Description of change
No changes were made	No changes were made	No changes were made

\*Table can be left blank if no changes were made to the business case.

## 2.6 Frauds

Complete Table 2.7a to provide an overview of the total number of frauds reported and settled throughout the project period.

Complete Table 2.7b to provide a summary of all frauds reported in this reporting period, the object of the fraud, how the fraud has been handled, and the state of the investigation / settlement. Enter a row for each fraud received during the reporting period.

**Table 2.7b Summary Fraud Register**

Fraud received	Frauds settled	Frauds unsettled
<i>No frauds have taken place</i>	<i>No frauds have taken place</i>	<i>No frauds have taken place</i>

**Table 2.7a Frauds and Settlements**

Date	Channel	Description	Resolution action	Status	Time taken to solve
<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>

*\*Table can be left blank if no frauds were received.*

3 Project Finances

Complete Table 3a to describe the financial revenue and expenditure of the project since the start of the Acorn project, including this year’s reporting period. For each type of in-kind provision please add a new row.

Complete Table 3b to describe the financial revenue and expenditure of the Acorn project for this reporting period only.

Please attach the benefit-sharing mechanism documents(s) of this reporting period in Annex 7.

Table 3a Summary of Project Finances Since the Start of the Acorn Project

*Provided, concealed for data privacy purposes and available upon request*

Table 3b Summary of Project Finances for the Reporting Period

*Provided, concealed for data privacy purposes and available upon request*

## 4 Carbon Monitoring

### 4.1 Carbon Removal Units

Complete Table 4.1 to provide a summary of the number of Carbon Removal Units (CRUs) generated, issued, reserved and available prior to this year's reporting period (historic), this year's reporting period and both combined (total) within the project.

For real-time CRU information see our website [add project page link]

**Table 4.1 Summary of CRUs throughout the project period.** *(This table will be prefilled by Acorn).*

	Calculation Period		
	Historic	Reporting Period	Total
<b>Status</b>			
<b>CRUs generated</b>	17060	17060	17060
<b>CRUs sold</b>	0	0	0
<b>CRUs reserved</b>	17055	17055	17055
<b>CRUs available</b>	5	5	5
<b>BRCUs generated</b>	0	0	0
<b>BCRUs reserved</b>	0	0	0

### 4.2 Carbon Benefit Losses

Complete Table 4.2 to describe the cause of event(s) generating significant losses of carbon benefits during this reporting period. Add a separate table for each event.

*\*Table can be left blank if no carbon benefit losses were observed.*

**Table 4.2 Summary of Events Generating Losses of Carbon Benefits**

<b>Event number</b>	<i>No event has taken place</i>
<b>Project area(s) affected</b>	<i>Not applicable</i>
<b>Participants affected</b>	<i>Not applicable</i>
<b>Description</b>	<i>Not applicable</i>
<b>CRU impact</b>	<i>Not applicable</i>
<b>E&amp;S impact</b>	<i>Not applicable</i>
<b>BCRUs</b>	<i>Not applicable</i>
<b>Response</b>	<i>Not applicable</i>

*\*Table can be left blank if no carbon benefit losses were observed.*

## 5 Monitoring Indicators and Risk Safeguards

### 5.1 Livelihood Monitoring

This section should contain only the baseline metric values and the last two column left empty, unless the farmer survey has been repeated (mandatory at least every 3 years).

Complete Table 5.1a to summarize mandatory livelihood monitoring results.

Complete Table 5.1b to summarize additional indicator(s) selected in the project design phase.

**Table 5.1a Mandatory Livelihood Monitoring Results**

Indicator	Metric	Baseline metric value	Current metric value	Causes and adjustments (If applicable)
Farmer Financial State	Average profit from land productivity	\$5315 (Mexican Pesos)	\$5315 (Mexican Pesos)	<i>The baseline metric value and the current metric value are the same, as this indicator is updated every 3 years.</i>
Nutritional Variety	Average number of food groups consumed	3 food groups consumed on average by participants	3 food groups consumed on average by participants	<i>The baseline metric value and the current metric value are the same, as this indicator is updated every 3 years.</i>

**Table 5.1b Additional Livelihood Monitoring Results\***

Indicator	Metric	Baseline metric value	Current metric value	Causes and adjustments (If applicable)
Agricultural land use productivity	Average cash crop output value per hectare [kg/ha/crop].	13887 kg/ha/year on average for the combined production of Bananas, Lemons and Coffee	13887 kg/ha/year on average for the combined production of Bananas, Lemons and Coffee	<i>The baseline metric value and the current metric value are the same, as this indicator is updated every 3 years.</i>

*\*Only the additional indicators chosen at project design need to be completed.*

### 5.2 Ecosystem Monitoring

This section should contain only the baseline metric values and the last two column left empty, unless the farmer survey has been repeated (mandatory at least every 3 years).

Complete Table 5.2 to summarize mandatory ecosystem monitoring results.

**Table 5.2 Ecosystem Monitoring Results**

Indicator	Metric	Baseline metric value	Current metric value	Causes and adjustments
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				(If applicable)
Agricultural Biodiversity	Gini-Simpson Index value.	0.41	0.41	<i>The baseline metric value and the current metric value are the same, as this indicator is updated every 3 years.</i>

### 5.3 Risk Monitoring

Complete Table 5.3 annually to report on the progress and status of mitigating actions of high risk areas or potential negative impacts from the project identified in the most recent risk assessment.

The “Status” column in Table 5.3 should only be completed after the risk is reassessed at least every 5 years or if a risk status changes within this time. Please also add additional rows for “other” identified risks that are not in Acorn’s risk assessment template.

If identified risks and negative impacts resulting from project intervention could not be fully mitigated, and result in local stakeholders experiencing a loss of assets or access to resources, the local partner must describe their compensation measures to replace these assets or resources.

**Table 5.3 Risk Monitoring Overview**

Risk category	Identified Risk Areas or Potential Negative Impacts	Mitigation action	Monitoring action	Status
Natural risk	Droughts	Mitigation action will focus on ensuring high tree survival. In this way, the development of these trees will be favoured by the retention of moisture in the soil. In addition, the probability of droughts will be monitored through national meteorological services and monthly weather forecasts.	Monitoring of precipitation values in the project area, especially in those places most susceptible to droughts.	High
Nurseries	Lack of seedlings	La Iaja has a partnership with Instituto Tecnológico Superior de Huatusco and the	The local partner has a registry of seedlings provided to each farmer and	High

		Project has also done an initial estimation of the amount of seedlings required	also shares information on the type of tree provided to producers.  Moving forward, the local partner will start the development of nurseries, as this first year has been focused on the socialization of the project.	
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*\*Table can be left blank if no medium/high risks or potential negative impacts were observed.*

#### 5.4 Leakage Monitoring

Complete Table 5.4 annually to report on the progress and status of mitigating actions of any leakage identified in the Acorn Design Document.

Leakage is reassessed when the project has scaled into new ecoregion(s).

**Table 5.3 Risk Monitoring Overview**

Identified leakage source	Mitigation action	Monitoring action
<i>No leakage risk has been identified for this project</i>	<i>Not applicable</i>	<i>Not applicable</i>

*\*Table can be left blank if no leakage identified.*



## Annexes

### [Annex 1 – Project Council Report\(s\)](#)

*Provided, concealed for data privacy purposes and available upon request*

### [Annex 2 – Other Stakeholder Consultations and Training](#)

*Provided, concealed for data privacy purposes and available upon request*

### [Annex 3 – Sample Signed Agreements](#)

*Provided, concealed for data privacy purposes and available upon request*

### [Annex 4 – Ecoregion Maps](#)

*Provided, concealed for data privacy purposes and available upon request*

### [Annex 5 – Agroforestry Design](#)

*Provided, concealed for data privacy purposes and available upon request*

### [Annex 6 – Business Case](#)

*Provided, concealed for data privacy purposes and available upon request*

### [Annex 7 – Benefit Sharing Mechanism](#)

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