

2024

Ecosystem restoration and rehabilitation in degraded savannas in La Mosquitia, Honduras

First Annual Report



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Project title: Restoration and rehabilitation of ecosystems in degraded savannahs in La Mosquitia, Honduras

SUMMARY

With great pride, Paskaia presents its first annual report for the Moskitia project. This report signifies the achievement of a crucial milestone: the project has been certified under the Plan Vivo standard. The road to certification has been a long and arduous journey that would never have been realized without the patience and persistence of actors involved in the project's co-design. The collective effort was primarily shaped by communities within the territorial councils of Truktsinasta, Lainasta, and Wamakklisinasta, the local leaders, MASTA (representative body for the peoples of Moskitia), project staff from Paskaia, Honduras, and Sweden, researchers working under the Mistra Environmental Communication Programme from Uppsala University and the University of the Sunshine Coast, Plan Vivo, and the project Validation organization AENOR. There have also been a host of other actors involved in the co-design process that are not acknowledged here, not least Leo Palmberg, who was responsible for producing a film documentary about the project's co-design process.

Today, the project has two programs. The first and most extensive is a savanna restoration program primarily mediated by controlling fires and illegal logging in project restoration sites in Lainasta and Wamakklisinasta. The restoration sites are still in the preparation phase in Wamakklisinasta. Over 1500 hectares are being actively protected, and 319 families (Truktsinasta) received part-time salaries to work in the fire brigade to protect these sites. The restoration Project staff visits restoration sites monthly to discuss the work plans, monitor progress and address grievances. The object of the second program is the reforestation of smallholder land parcels with broadleaf species in Truktsinasta and Lainasta. There are currently 14 Living Plans, involving 13 smallholders, as well as a community Living Plan with the Truktsinasta Territorial Council and its pine forest, making a total of 14 PES agreements (plus the PV of the Wamakklisinasta Territorial Council, which is not included in this report as activities only started this year). Project staff conduct site visits every two months to provide advice and address smallholder complaints.

CEO Paskaia Sweden, Magnus Bergström

Project Description				
Period reports	July 2023 – June 30, 2024			
Geographical areas	Indigenous Territorial Councils of Lainasta, Truktsinasta, Wamakklisinasta, La Mosquitia, Honduras			
Technical Specifications in use.	1. Natural and Assisted Restoration of La Sabana with <i>Pinus Caribaea</i> through Forest Fire Control in communal areas. 2. Forest Plantation with Mahogany " <i>Swietenia macrophylla</i> " and other native species trees on private property "family plots".			
Project indicators	Unit of measure	Historical (1st century)	Added / issued this period (2023 - 2024)	Total
Number of small producers with PSA agreements	Number of small producers	0	13	13
Number of Territorial Council as community producers with PES (Agreements)	Number of territorial councils	0	1	1
Number of households (or individuals) involved in the generation of community credits	Number of households	0	319	319
Area (ha) under management where PSA agreements are made	Hectares	0	1593.5	1,593.50
Total PES Payments Made to Participants (USD)	USD	0	0	0
Total amount held in escrow for future PES (USD) payments	USD	\$ -	\$ -	\$ -
Allocation to the Vivo Plan buffer (tCO2) (12.2%) /sale of 50% of credits	tCO2	0	27,484	27,484
Unsold inventory at time of presentation (PVC)	tCO2	0	395,589	395,589
Marketable emissions achieved (tCO2) / sale of 50% of credits	PVC	0	197,794	197,794
total unsold (PVC)	PVC	0	197,794	197,794
Plan Vivo Certificates (PVC) issued to date				197,794
Plan Vivo Certificates. Request for issuance of 50% of the credits generated				197,794
Plan Vivo certificates available for future issuance (REDD+)				0
Total PVCs issued (including this report)				197,794

PART A: PROJECT UPDATES

A1: KEY EVENTS

Over the course of the 2023 – 2024 operating year, the project has carried out multiple activities, the most relevant activities are described below in chronological order:

1. July 2023: Field evaluation of all planted plots to facilitate approval and signing of the living plan and work agreement in the territorial councils of Lainasta and Truktsinasta.
2. August – September 2023: A territorial assembly was held as a process of Free and Informed Prior Consultation with the indigenous people of Wamakklisinasta and signing of a cooperation agreement between the parties. The signing of the cooperation agreement between Wamakklisinasta and Paskaia took place on September 6, 2023, and credit generation activities began in March 2024.
3. October 2023: A field visit was made to the project site by AENOR who were responsible for Project validation.
4. October – November 2023. The preparation of PVs was carried with the smallholders and the signing of work agreements.
5. In November 2023, a delegation from Zeromission visited the project to evaluate its potential.
6. December 2023. A workshop designed to build capacity in establishing forest plantations, and replanting plots was held. This activity was carried out with the objective of meeting the minimum requirements so that the plots can be included in the project, Minimum area of one hectare, a density of at least 1000 plants per hectare for plantations with broadleaf mahogany species.
7. January – June 2024. Execution of the savanna protection plan in the Truktsinasta territorial councils. The protection plan focused on preventing and combating forest fires in the restoration area, thus facilitating the natural regeneration of *Pinus caribaea* by avoiding its destruction by fire. We have also implemented mobile surveillance to prevent the indiscriminate felling of seed trees and to stop arsonists from lighting fires.

The selection of personnel is carried out by the project in collaboration with territorial leaders, who choose the families involved and act as intermediaries between employees and management to communicate complaints or claims effectively.

Paskaia has implemented a collaborative work method, “Co-Design,” which requires a close relationship between Paskaia, the leaders, and the general population for the planning and execution of activities. For this, constant meetings are necessary, as well as a close relationship and constant communication at all levels on both sides (Paskaia – Leaders and the general population).

For conflict resolution, a “[conflict resolution policy](#)” and “[internal regulations](#)” have been established that will allow maintaining a conflict-free environment. Two instruments have been created to file complaints, identify conflicts, and present suggestions:

- a. Log of technical visits to the Living Plan (Format for smallholders).
- b. Format for filing complaints. See [attached link](#).
- c. Verbally at meetings or presented directly to the local coordinator.

In the governance model of the Miskito community; Complaints, claims, suggestions and other forms of protest are made at meetings called by leaders, community members or the council of elders. For this reason, meetings are the main means for presenting complaints and resolving conflicts.

Paskaia has been responsible for planning and organization of the activities, while the appointment and coordination of the brigades has been the responsibility of the communal and territorial leaders; In the event brigade members' have complaints, these are lodged with the territorial president and the local project coordinator.



Photo 1: *CTI Truktsinasta fire brigades.*

In May 2024, the Project Director conducted a field tour with the following objectives:

- 1 Supervising the field activities carried out in the savannah by the fire and surveillance brigades.
- Evaluating the levels of natural regeneration of *Pinus caribaea* in the savanna, mapping protected areas, and identifying project areas dedicated to carbon sequestration. A data collection instrument, specifically a survey, was applied with the purpose of evaluating the levels of acceptance of the project in the communities and in the general population,

as well as the perception of socialization and the levels of inclusion in the implementation of the project. The results obtained are not included in the report, since they were interpreted as feedback from Paskaia, with the objective of understanding how the project is perceived one year after its start.

- Visiting reforested areas with broad-leaved species such as Mahogany (*Swietenia macrophylla*) and Cedar (*Cedrela odorata*) to verify the smallholder's responsibilities and the condition of the plantations.



Photo 2: Work with smallholders in Lainasta (1) and Truktsinasta (2).

During the tour, various meetings were held with the communities involved in the project, to communicate the progress achieved and discuss the necessary adjustments to comply with

the requirements of the Plan Vivo standard, which was the basis for the certification of the project.

- A monitoring plan was developed. This will be implemented to monitor Savannah restoration and the reforestation of family plots.

Plan Vivo in the section "3. Ecosystem benefits" of the "Project Validation Report against the Plan Vivo Standard V4" raises the following question: Is there an environmental monitoring plan with defined indicators that allow the evaluation of the impacts on the ecosystem and biodiversity throughout the project?

Therefore, Paskaia has created a monitoring plan that includes defined indicators to evaluate the impacts on the ecosystem and biodiversity throughout the project. The indicators to be monitored are:

1. Carbon equivalent
2. Landscape biodiversity
3. Water quality and flow
4. Families that use their land to sustain their livelihoods
5. Additional salary

The Monitoring Plan document describes each indicator, what the objectives are, calculations, analysis of results, among other relevant information.

Paskaia presents its first Annual Report to the Plan Vivo Foundation, detailing the most significant events related to the execution of the project during the last year. It states that, as of the date of this report, Paskaia has not sold or transferred carbon credits, which implies that the management of the funds derived from these actions has not been carried out and has been projected for the near future.

It is essential to highlight that Paskaia operates under the Co-Design methodology, which means that 61% of the funds generated by the credits will be discussed in an Assembly with the territorial leaders and the small producers who own Living Plan, once said financing begins to be received.

Paskaia understands that the plots or Plan Vivos must be maintained for a period of 20 years, which is the time stipulated for the generation of credits. However, smallholders still do not fully understand the functioning of the carbon credit market or the legal commitments associated with the contracts with the buyers of said credits. Furthermore, they lack the administrative capacity to manage the funds over the 20-year crediting period. For this reason, Paskaia will assume the role of main administrator of the funds, which will be deposited in bank accounts in Sweden and Honduras, using a percentage of these resources as required each year.

The management of the funds and their disbursements will be carried out according to their origin. Paskaia has defined the following baseline;

- The resources from the family plots will be managed through annual deposits made by Paskaia, which will be carried out as the cleaning, protection and surveillance activities are carried out, always under the supervision of compliance with the established responsibilities.

During the period between year 5 and 7, the smallholders will have the option of implementing a Sustainable Agroforestry (SAF) system on their plots, using the funds generated by the credits on their land, which will allow them to obtain higher annual income or ensure a constant source of food.

Those smallholders who choose to work in SAF systems will be organized into cooperative groups, which will facilitate both the production and marketing of their products, and Paskaia will provide the necessary technical assistance for their development. Those who do not qualify or do not opt for SAF Systems will continue to receive semi-annual disbursements (every 6 months) after supervision of compliance with maintenance and protection activities.

- Paskaia will be responsible for the management of the funds generated in the Sabana, including the hiring of personnel for brigades, as well as the acquisition of technical equipment and administrative personnel, in addition to necessary tools, until direct income is generated from the sale of credits.

Once income is obtained from the credits produced, these will be deposited in bank accounts and will be managed by Paskaia with the support of the corresponding Indigenous Territorial Council CTI.

Gradually, Paskaia will transfer the responsibilities of protection, surveillance and purchase of equipment to the CTI. Paskaia will make transfers of funds to the CTI treasury every two months, with the amount determined by the jointly planned activities. This amount will be subject to equitable distribution over the 20-year duration of the contract, following a 60/40 ratio.

- The Plan Vivo work agreements were modified, updated or replaced to include additional information, including the distribution of profits (61/39), and the duration for which the agreement is valid.
- A plan was developed to resolve conflicts between the parties, employees and visitors to the property, facilities and boundaries of the project. The [company's conflict resolution policy](#) and [internal regulations of the company](#) can be found in the attached link.
- A policy will be established to manage, handle and resolve complaints filed by project participants. The [attached link](#) contains the form for issuing complaints, which functions as a mechanism to ensure that all participants have equal opportunities.
- The responsibilities assumed by actors to maintain the reforested areas was clarified during the defined period until the delivery of the credits generated in the assigned area.

To date, eleven visits have been carried out to the region where the project is being developed on the following dates:

- | | |
|----------------------------------|----------------------------------|
| 1. February 2021 | 2. August 2021 - September 2021 |
| 3. November 2021 – December 2021 | 4. February 2022 |
| 5. March 2022 | 6. May 2022 |
| 7. January 2023 | 8. March 2023 |
| 9. August 2023 – September 2023 | 10. October 2023 – November 2023 |
| 11. April 2024 – May 2024 | |

- a) In order to carry out the process of socializing the project with the leaders and communities before signing the cooperation agreements between the parties, three visits were made between February and December 2021. In December of this same year, plantation activities began at the CTI Lainasta.
- b) Between February and March 2022, two tours were carried out to implement the "Co-Design", which facilitated the planning of activities with the participation of leaders and members of the affected communities. This process made it possible to identify the areas of greatest interest, the high-risk areas and to understand in detail the main needs facing the region. During these tours, the preparation of the Living Plan was initiated.





Photo 3: *Tour carried out in CTI Truktsinasta in mayo 2022.*

- c) In May 2022, a tour was carried out with various purposes, including the evaluation of the progress in the protection activities and the collection of field information on the area under protection "Forest Inventory". The supervision of the construction of surveillance posts in the area of influence and actions for the reforestation program with broad-leaf species were planned. In addition, the recommendations raised by the leaders of the CTI Truktsinasta, which required immediate attention, were addressed.
- d) In January 2023, a tour was carried out in the area of influence of the project with various objectives. Among these;
 - a. A pre-operational meeting was held for the 2023 protection activities at the Truktsinasta CTI.
 - b. An assessment of the levels of regeneration achieved in the La Sabana restoration areas of the Truktsinasta CTI was also carried out.
 - c. In addition, smallholders or candidates were selected to implement a Living Plan on family plots within the Truktsinasta CTI.
 - d. Finally, a meeting was held with the leaders of the Wamakklisinasta CTI as part of the project's socialization process, in compliance with ILO Agreement 169 on "Prior, Free and Informed Consultation with Indigenous Peoples." The leaders are an integral part of the community and play a central role in the FPIC process. In the Miskito community governance model, complaints, claims, suggestions, and other forms of feedback are primarily addressed in meetings organized by leaders, community members, or the council of elders. These meetings serve as the main platform for presenting concerns and resolving conflicts.

- e) In March 2023, a visit was carried out to the project's area of influence, together with a delegation from Sweden, with the purpose of evaluating existing plantations, advancing the development of Living Plans and collecting audiovisual information to promote the project. During the period from August to September 2023, a visit was carried out to the implementation area of the restoration project being developed by Paskaia, with the following purposes:
- a. Supervise the production of plants in the forest nursery to continue with the expansion of reforested areas.
 - b. Evaluate the planted plots for the approval of the corresponding Plan Vivo
 - c. Hold the general assembly at CTI Wamakklisinasta as part of the prior consultation process, prior to the execution of the restoration project.
 - d. Hold a meeting for the preparation and signing of a cooperation agreement between the CTI Wamakklisinasta and Paskaia parties, under the Co-Design methodology.
 - e. Between October and November 2023, an extensive tour was carried out that included various activities and visits to the project.
 - f. During this time, Paskaia began the process of validating the restoration project for the generation of carbon credits under the Plan Vivo standard, receiving a visit in October from the validating agent of the AENOR institution.
 - g. The evaluation of the planted plots was also completed, the PVs for family plots were approved and work agreements were signed.
 - h. In November, a delegation from the Zeromission organization visited the area of influence to learn about the potential of the project and the precarious reality in which the locals live, who would benefit from the project.

A2: SUCCESSES AND CHALLENGES

The project faced several challenges during the initial phase and start-up. While some issues diminished as the project gained traction and began operations, others still persist.

Successes

- i. The project has signed a work agreement with the Wamakklisinasta Territorial Council, where there are large tracts of pine savannah in need of restoration.
- ii. The project executed the third Savannah Protection Plan in the Truktsinasta Territorial Council. The site consists of 1,583 hectares and its present regeneration levels are between 1,110 and 3,149 pine seedlings per hectare. A new protection area of 2,088 hectares has been established, in which the current regeneration is between 900 and 1,400 plants per

hectare. The results obtained by the interventions of Paskaia and the CTI in the protection of the savannah are shown below. The communities participating in the protection of the savannah, the number of people who have participated for each community, as well as the number of days of work they have contributed and the income that these contributions have represented. As results for the generation of credits, the areas under protection and the areas not affected by fires where the credits will be generated and the number of plants from natural regeneration that have been established are considered.

Table 1: *Results and impact of the activities carried out at the CTI Truktsinasta in the implementation of the restoration program in the savannah*

Year	Truktsinasta						
Protection	Communities involved	Number of hired people	Man work/days	Executed funds	Protected area (hectare)	Credits / area (hectare)	Plants/hectare
2022	Tipi Lalma, Tipi Muna, LisagniPura, Bliblilaya, Bipklarka	45	647	-	522.0	197	1,110
2023	Tipi Lalma, Tipi Muna, LisagniPura, Bliblilaya, Bipklarka, Uhanata, Raks Dimuan, Baikan	267	1561	-	716.0	315	2868
2024	Tipi Muna, LisagniPura, Bliblilaya, Bipklarka, Baikan, Tipi Lalma, Lakunka, Raks Dimuan, Uhanata y Nakunta	319	2182.5	-	1273.0	1071	3149
Total		631.0	4390.5	⁻¹	2511.0	1583.0	

¹ For internal reporting purposes only.

- iii. The reforestation program with broadleaf species managed to replant ten (10.5) hectares in the Tikirraya area, CTI Lainasta, and establish four (4) new plots in the Tipi area, CTI Truktsinasta. Paskaia has implemented a reforestation program to date, which has achieved the participation of 38 people (families), of which 13 have approved living plans, six that have been suspended because the number of plants is very low due to lack of management from their side, 16 cancelled and three (3) Living Plans are about to be approved. Paskaia in its pilot phase has planted 30 hectares, of which 10.5 are in optimal conditions.

Table 2: *Results and impact of the activities carried out in the implementation of the restoration program in the broadleaf plantations*

year	CTI Lainasta – Truktsinasta							
Protection	CTI.	Community	Hired People		Executed funds	Initial area (hectare)	Credits area (hectare)	Plants/hectare
			Number	Active				
2021	Lainasta	Kuri, Tikiraya, Siacualaya	10	1	-	8.0	0.8	760
2022	Lainasta	Tikiraya	11	5	-	8.8	4.15	1030
2023	Lainasta	Kuri, Tikiraya	3	3	-	2.4	2.3	853
	Truktsinasta	Bip Klarka, Tipi muna, Lisagni Pura	14	4	-	11.2	3.25	773
2024	Lainasta	***	0	0	-	2.4	0	
	Truktsinasta	***	0	0	-	0.0	0	***
Total			38.0	13	- ²	30.4	10.5	

- iv. One of the project's most significant accomplishments has been initiating the project certification process under the Plan Vivo 4.0 standard. The validation process began with AENOR in October 2023.

² For internal reporting purposes only.

Challenges

- i. The establishment of new reforested areas with broadleaf trees planned for 2024 and 2025, (Mahogany, Cedar or Dalbergia) has been delayed until economic stability is achieved.
- ii. The certification process with the Plan Vivo standard has been very lengthy. The firm hired to validate the project, "AENOR, SAU," has taken 10 months to produce a final report. They requested partial information on each occasion, which has caused multiple delays.
- iii. The communities' pre-existing structures tend to be patriarchal, which means the views of women are rarely acknowledged in local governance. Progress in gender equality can be exemplified in Truktsinasta. The third protection plan was executed in this council, and an inclusion level of 55% of women and 45% of men has been achieved. In this way, we managed to improve what was done in previous years. In Wamakklisinasta, the first protection plan has been executed. The levels of inclusion report that women contributed 45% of the workforce, men contributed 55%. This issue will be addressed in the following year and it is expected that this difference can be significantly reduced.

Below are the results obtained from the interventions in La Protección de La Sabana, the socio-economic impact on the CTI, the areas intervened and effective areas with the generation of credits.

Table 3: Results obtained in the Savannah CTI Truktsinasta activities.

N°	# Registro del PV-CTI	Área ha	Age		Density	CO2	
			Year	Years	Trees/ha	ton/ ha	ton - total
1	HN-GD-TK-02022-TK	522	2022	0	1,110	0.0	0.0
		522	2023	1	2757	0.0	0.0
		197	2024	2	3149	0.6	119.4
2	HN-GD-TK-02023-TK	315	2023	0	0	0.0	0.0
		315	2024	1	0	0.0	0.0
3	HN-GD-TK-02024-TK	1,071	2024	0	0	0.0	0.0
Total		1,583					

- iv. The project has recently encountered a new challenge regarding including participants from communities far from the restoration sites. Since these participants are part of the territorial council, they are entitled to work with Savanna restoration on behalf of the territorial council. However, it is difficult for them to engage in activities owing to the long travel time to restoration sites.
- v. Due to widespread poverty in the project site, the community is pressuring the project to maximize the number of people employed in Savannah restoration in order to ensure equitable distribution of income among all members of a territorial council. This has resulted in a situation where large numbers of people are employed on a part-time basis, leading to an extremely high administrative burden on project staff. To address this, the project has implemented the following measures:
 - vi. - Restricting the participation of distant communities from the restoration site.
 - vii. - Allowing only one member per family to work on restoration efforts.
 - viii.- Introducing a roster system, ensuring that all families have a member work part of the year on restoration.

A3: PROJECT DEVELOPMENTS

There are two main components of the landscape restoration project. This includes (1) the recovery of spaces used in livestock and migratory farming on the banks of rivers in family plots and; 2) the restoration of large areas of savannah that is carried out in coordination with territorial leaders.

Restoration program for areas degraded by agriculture.

The project, in collaboration with the Lainasta and Truktsinasta Territorial Councils, is implementing a reforestation program by establishing plantations with species of high commercial value in areas affected by shifting cultivation.

The program's focus is on plant production through the creation of local nurseries, which are essential for reforestation in areas previously used for agriculture. Forest nurseries have been established and are managed by local personnel, where species such as Mahogany, Cedar and

others are grown in smaller quantities. The nurseries are part of the 61% considered as benefit sharing for the participants. The programs in operation are autonomous, although they operate under the Plan Vivo standard. The generation of credits for forest plantations on family plots is different from that produced in the program for restoring the savannah on communal lands.

The implementation of this program provides employment opportunities to various members of the community, who participate in various tasks related to the maintenance and care of the plants. These activities have had a positive impact on the quality of life of the participating families. Job creation through restoration programs for credit generation will be sustained throughout the project cycle. As the project progresses, job opportunities will be diversified, and at the end of its 20-year cycle, the owners will have the opportunity to implement a sustainable management program for the established forests.

Savannah protection program.

The project, in collaboration with the Truktsinasta and Wamakklisinasta Territorial Councils, is carrying out a second program to restore areas damaged by forest fires and illegal logging in the Savannah areas communally owned by the territorial councils. This year, the project has implemented the third protection plan in the Truktsinasta and the first plan in the Wamakklisinasta territory, with the aim of protecting the savanna from forest fires and uncontrolled felling of trees.

In 2024, the protection program was carried out between January and June, corresponding to the region's summer season. During this period, high temperatures and strong winds favour the rapid spread of fires in the Tipi and Auka sectors. The savannah is protected by hiring 813 local personnel to form brigades that carry out activities such as directly fighting forest fires, building firebreaks, and maintaining surveillance against illegal logging in the protected area. In section A2: Challenges you can see the numbers of people hired.

The personnel selection for the brigades is undertaken by the leaders of the participating communities, who are responsible for selecting and delegating the personnel to be hired, considering the inclusion of gender and age. Local labor is hired from the Miskitu indigenous community and the territory where the activities are implemented, providing them with temporary employment opportunities and thus improving the living conditions of the families participating in

the protection of the forest. So far, Paskaia has not conducted training, since there are multiple programs in the project's area of influence: Forests of the World, MOPAWI, GOAL, among others, which have trained many people in topics such as forest fire protection - Firefighters, Fire surveillance and detection - nursery activities - Nurserymen - among other related activities. Paskaia has trained personnel so that they can put the acquired knowledge into practice and at the same time generate a source of income for them. To support the selection of people, those people who have been trained or who have experience in the activities are considered.

Since the project's inception, significant changes have been observed in the restoration area of the Tipi (Truktsinasta) sector. Previously, only the open savannah was observed with isolated pine trees, without regeneration and a cover of *Bulbostylis paradoxa* (a species that requires and enables the rapid spread of fires). Currently, the regeneration of *Pinus caribaea* can be seen in high densities in the restoration sites. Wamakklisinasta is implementing a savanna protection program for the first time by building on lessons learned from the Tipi Zone.

The protection program has hired community members to conduct surveillance and detect fires in the protected area to generate PVs. These individuals are responsible for monitoring strategic points and preventing illegal logging in the area to be restored through regular patrols.

Reassignment of commitments

Between 2021 and 2023, approximately 30 individuals have participated in the reforestation program with broadleaf species. About 25% of them have withdrawn due to a lack of understanding of the project methodology, while 20% have experienced losses in their plantations due to natural phenomena and forest fires. The remaining participants have faced losses in their plots due to negligence in their maintenance and care.

The situation mentioned above can largely be attributed to how smallholders were selected to participate in the pilot broadleaf reforestation program. Local leaders made arbitrary choices about which smallholders to include, and there was a lack of understanding regarding the methodology. As a result, the selection process did not receive the necessary careful consideration. Consequently, many plots failed to produce the expected results. Some landowners viewed this initiative merely as an opportunity to receive free plants and funding without any real obligations.

Only a few individuals showed interest in the project and made an effort to care for the established plants. To this small group, Paskaia provided additional plants the following year. The plot was monitored, the survival percentage was recorded, and the reforested area was measured. Participants who did not achieve a survival rate of over 50% for the plants they received were excluded from the reforestation program; however, they will have the opportunity to reapply in subsequent years.

Those who planted between 2023 and 2024 were chosen more carefully, and the results have been favourable; most plots show high rates of successful planting, despite the prolonged period of heat that affected the Central American region. The project and the smallholders have agreed, to the extent possible, to meet the minimum requirements established for the planted plots to continue in the program and enjoy future benefits, and commitments;

- Plant an area of one hectare.
- Maintain a density of 1000 plants per hectare. In the event of losses due to natural phenomena, who assumes the risk
- Paskaia is responsible for providing smallholders with the plants necessary for reforesting the areas agreed upon by both parties. A technical team from Paskaia will assess the area by analysing risks of losses due to flooding from nearby rivers or forest fires caused by proximity to the savannah. They will also evaluate the quality of the land and verify property ownership.
- In the event of plant losses caused by natural events, Paskaia will assess the risk of these losses occurring again before supplying new plants for replacement. Replacement of seedlings will occur during the initial years of the plantation. However, if a smallholder demonstrates a recurring pattern of losses, they may face consequences, including the suspension or cancellation of the Plan Vivo.
- Carry out ongoing monitoring to detect pests and diseases. Does Paskaia provide adequate training and pest control supplies? Paskaia has the necessary resources to deal with pests that threaten plantations, while smallholders are receiving training to identify these pests before they cause significant losses to the investment made.

Update or modification of documents related to the Plan Vivos or work agreements between the project and smallholders.

During the certification of the savannah restoration project in the Mosquitia region, the project undertakes to review the working agreements with the owners of Plan Vivos, in order to add specifications and obligations that must be met, thus clarifying any ambiguity present in existing agreements.

Table 4: *Updating documents, information or legal instruments.*

	PDD Information Update	
PDD Section	Change date	Brief description of the update.
<i>Part D: Project Intervention</i>	<i>August-September 2024</i>	<i>Preparation of the Plan Vivos and signing of the Sabana agreement with the CTI Wamakklisinasta. Paskaia is dedicated to complying with the Plan Vivo standard. At the time of preparing this report, the project has three non-compliances that will be resolved within a year, during which time the second report will be presented.</i>
<i>Part J: PSA benefit sharing.</i>	<i>August-September 2024</i>	<i>Modification or updating of work agreements of the living plan of each smallholder. Incorporating details such as: Project period. Distribution of percentages, responsibilities of the parties and conflict resolution. Paskaia has now established internal regulations, a policy for conflict resolution and has put in place mechanisms for the presentation of complaints, conflicts or suggestions between participants.</i>
<i>Part G: Project Period</i>	<i>August-September 2024.</i>	<i>Establish the accreditation period of the Living Plan that makes up the projects. Work is currently underway to obtain new cooperation agreements with updated versions to previous agreements between the CTIs. Documents are still pending.</i>

Delivery of evidence to the Plan Vivo Foundation.

The documentation update is planned for the third quarter of this year and new documents will be submitted to the Plan Vivo Foundation. Paskaia is working on updating agreements:

- Updated agreement on the communal area of the CTI Truktsinasta savannah.

In the *attached link*³ you can find the updated and signed agreements for the program in the savannah and for the broadleaf plantations.

During the certification of the savanna restoration project in the Mosquitia region, the PDD was evaluated and on-site, documentary and photographic evidence was presented to demonstrate compliance with the Plan Vivo Standard version 2013.

In order to comply with the Plan Vivo Standard, measures have been taken to eliminate the ambiguities present in the existing agreements (see table below).

Table 5: *Progress against corrective actions.*

Document	corrective action	Activity against this
Backup system and access to project information.	FAR 1. PV Standard. Section 3.10, 3.11, 3.12. establish a project registration system, access and support of project information, Plan Vivos, Agreements and others.	Establish access points to information related to the Living Plans and agreements for each smallholder, in digital and physical versions. Back up project information periodically in Paskaia's offices in Honduras and Sweden
Internal project policy	FAR 2. PV Standard. Section 4.14. Establish a conflict resolution system and receive complaints from participants.	Establish internal project regulations that are applicable to members, collaborators, participants and visitors of the project.
Modification of agreements, transfer of services of	FAR 3. PV Standard. Section 8. Modification or updating of work agreements of each smallholder.	Add specifications and obligations that must be met, thus clarifying any ambiguity found in these agreements.

³ For internal reporting purposes only. "The project has three non-compliances that will be resolved within a year, during which time the second report will be presented. The 3 FARs from the validation audit have to be resolved before the approval of the second Annual Report"

Identification of risks in the development of the Project.

The project has been executing the reforestation program on family plots since December 2021, and the restoration program since March 2022. During this period, it has gained experience in the execution of the programs and some risks have been identified in the table below:

Table 6: *Identification of risks in the development of the project.*

PROJECT ORGANIZATION		
Risk factor	Mitigation measures	Compensation Measures
A. <u>Poor on-site project management</u> . Paskaia has faced challenges in properly executing the project, leading to some smallholders opting to withdraw and others not receiving the attention needed to ensure the success of their individual plots.	A-1. Paskaia is working hard to secure the financial resources necessary to ensure the continuity of the project, as the certification process has taken longer than anticipated. Faced with this situation, Paskaia has implemented strategies to reduce costs and redirect them toward activities that promise greater benefits and where significant investment has been made. In addition, the process of socialization and commercialization of the project is being concluded.	A-1. Paskaia has offered incentives as a reward to smallholders who have remained and achieved the desired goals.
SOCIAL RISKS		
Risk factor	Mitigation measures	Compensation Measures
A. Land grabbing due to project opportunity: A slight amount of land grabbing has been reported in the areas where the reforestation program with broadleaf species is planned to be implemented on family lands. This phenomenon seems to be a result of the opportunity created by Paskaia and the intention to take advantage of the medium and long-term benefits offered by the project. In addition, family plots have been detected in the savannah region, next to the rivers, which raises concerns about the possible arrival of other families to these places.	A-1. Paskaia has begun to establish discussions with community leaders as a control measure against the possible land grabbing campaign, ensuring that the people chosen to join the forestry group come from local families. In addition, constant monitoring of family groups in the Savannah will be implemented to supervise their activities and ensure that they do not threaten the already restored savannah. Identification and mapping of areas currently used as family plots in the Savannah will also be carried out, in order to prevent the emergence of new groups claiming land without proper authorization from the territorial council.	A-1. Paskaia has begun discussions with community leaders so that, when choosing the smallholders, it can be confirmed that the candidate has land without family or community conflicts. A-2. and B-1. Paskaia carries out the dissemination of the medium and long-term vision of the project, highlighting the job opportunities that will arise in the different programs that will be implemented. Stable employment options will be presented in the medium term, as well as the possibility of activating a microeconomy in the area of influence, which in turn will generate indirect jobs.

B. Arsonists deliberately set fires: Fires have been observed to occur at specific locations and times during the reporting period. There is a danger that unethical individuals may cause forest fires as a tactic to force their recruitment into the project.	B-1. The inhabitants and leaders of the Territorial Councils have shown great commitment to the effectiveness of the savannah protection program, since this program creates numerous jobs and seeks to recover the resources of the area. Therefore, they suggested to Paskaia to implement mobile surveillance, rotate personnel to encourage greater participation and establish towers to detect fires, proposals that have been accepted by Paskaia.	B-1. Due to the increasing incidence of forest fires and the danger they pose to the savannah and the project, Paskaia has initiated an awareness campaign on the legal consequences of being found guilty of arson under recent state regulations. This is intended to create fear in local arsonists.
C. Jealousy and disputes over profit sharing: During the 2024 tours, the topic of profit sharing and transaction procedures was addressed. Beneficiaries stated that they understood that they would receive all of the benefits in the first year, and that the resources would be sufficient to immediately improve their quality of life.	C-1. Paskaia has held several meetings with project beneficiaries to discuss various issues, including the benefits derived from the sale of Ecosystem Services, as well as the distribution and management of the funds generated. Specific figures have not been provided, as the value and amount of each credit is not yet known at the time of writing this report.	C-1. Paskaia presents the project as an opportunity to finance the restoration of local natural resources, creating jobs along the way. In the medium term, the Mlsquito communities will be able to sustainably manage the restored resources, incorporating new technologies, scientific knowledge in various areas and the necessary experience, and they will be able to work in a self-sustaining manner.
BIOPHYSICAL RISKS		
Risk factor	Mitigation measures	Compensation Measures
A. Atmospheric phenomena and global climate conditions could cause damage or loss: The presence of hurricanes and rising river levels due to heavy rains can result in the destruction of forest plantations along their banks. In addition, rising global temperatures and lack of rainfall for prolonged periods could facilitate the occurrence of forest fires, negatively affecting restored savannah areas.	A-1. Paskaia is trying to adapt to the climatic conditions of the region where the project is being developed. In the savannah program, it has extended the protection period beyond the summer, increasing the staff to fight forest fires. As for the reforestation program, technical measures have been implemented, such as the evaluation of planting sites, the review of flood maps and the implementation of the program in periods of low rainfall.	A-1. Paskaia is working hard to stay abreast of climate change in order to anticipate potential flooding. In its protection program, it has implemented digital tools, including platforms with heat sensors, to monitor the occurrence of fires and thus be able to plan control and prevention actions.

There is also the possibility of fostering a closer relationship with relevant government authorities who can deploy legal instruments to discourage illegal burning in the project site. These government institutions include:

- National Institute for Forest Conservation and Development (ICF)
- Public Prosecutor's Office.
- Environmental Prosecutor's Office.
- Secretaría Mi Ambiente (SERNA)
- Armed forces (police and military)

- Municipal Environmental Units (UMA) at the municipal level.
- Environmental surveillance committee within the Indigenous Territorial Council (CTI)

A4: FUTURE DEVELOPMENTS

The project has established a long-term goal of reforesting 5 thousand hectares with broadleaf species and restoring at least 30 thousand hectares of savanna in collaboration with territorial councils. Paskaia has a long-term perspective, focusing on the restoration of the savannah located between the Wamakklisinasta, Truktsinasta and Lainasta CTIs, which cover more than 60,000 hectares, as well as the reforestation of 5,000 hectares. In the medium term, Paskaia hopes to collaborate with two additional territorial councils, allowing it to scale across a larger surface area, both in savannah and broadleaf areas.

Once it establishes a solid platform, the project plans to expand its operation to other territorial councils interested in savanna restoration and generate carbon credits.

In the short term, the project will focus on continuing to reforest riverside areas affected by agriculture, through the creation of nurseries for the production of plants and their subsequent use in reforestation.

PART B: PROJECT ACTIVITIES

B1: PROJECT ACTIVITIES THAT GENERATE PLAN VIVO CERTIFICATES.

The project from two programs. The results can be found in the table below:

Table 7: Summary of project activities.

Summary of the scope of work in Carbon Credit Generation and number of families involved				
Activities implemented or techniques executed	Area (Hectare)		Family groups or participating smallholders	Participating communities
	Families	Communal		
Reforestation of areas degraded by agriculture, with broadleaf species in CTI Lainasta	7.25	0	9	2
Reforestation of areas degraded by agriculture, with broadleaf species at CTI Truktsinasta	3.25	0	4	4
Restoration of La Sabana CTI Truktsinasta, through the fight and prevention of forest fires.	0	1,583	319	10
Totals	10.5	1583	332	16

Paskaia operates under a collaboration agreement with the CTI Lainasta, Truktsinasta and Wamakklisinasta, which implies that the savannah area is subject to an Agreement for the provision of Ecosystem Services PSA, agreements are established in family plots and the approval of the Living Plans after they are established.

The area of the Savannah subject to a PSA agreement is not completely delimited, although a potential of 17,000 hectares is estimated in the CTI Truktsinasta and 40,000 hectares in the CTI Wamakklisinasta. It may be intervened in the coming years. The project has collaborated with the Lainasta and Truktsinasta on the reforestation project with broadleaf trees. These territories share territorial boundaries and the protection areas are in close proximity, which will result in merging to establish a single forest mass.

B2: PROJECT ACTIVITIES ADDITIONAL TO THOSE THAT GENERATE PLAN VIVO CERTIFICATES.

Currently, the project does not carry out other activities to generate credits; in the short and medium term, other activities that allow diversifying credit generation will be considered.

Paskaia works mainly on the generation of carbon credits, and other activities will be developed that will help generate employment, such as the establishment of agroforestry systems in association with species for local consumption, which contribute to food security, as well as species with economic potential such as cocoa and pepper, with the possibility of marketing these products either locally or internationally.

PART C: PRESENTATION OF PLAN VIVO CERTIFICATE.

C1: CONTRACTUAL DECLARATION.

By means of this document it is declared that: Paskaia Honduras SA, a company legally constituted in accordance with the laws of the State of Honduras, with tax registration number: 08019022401542, has signed work agreements with the Lainasta, Truktsinasta, Wamakklisinasta and individual owners of family plots, with the in order to produce forest carbon credits for subsequent sale in the voluntary carbon credit market.

The project claims to have followed the minimum legal procedures established by international agreements and treaties, local laws and traditionally imposed in the the Miskito. Participants have basic knowledge of PES and have signed agreements between the parties supporting the process's legality.

Table 8: Request for issuance of Plan Vivo certificates assigned to new participants and land.

Plan Vivo certificates generated								
	1	2	3	4	5	6	7	8
Technology. Specifications. Used	Number of participants/groups assigned	Total area allocated (ha)	Carbon potential (tCO ₂ e/ha)	Current stocks and Capture without project (tCO ₂ e)	Carbon potential - current stocks and capture without project (tCO ₂ e)	Total carbon potential/ Carbon potential - 5% Leakage (tCO ₂ e)	12.2% Buffer Reduction (tCO ₂ e)	Saleable RE (tCO ₂ e) of this period
<i>Reforestation with broadleaf species in family areas CTI Lainasta</i>	9.00	7.25	507.90	226.00	3,456.28	3,283.46	400.58	2,882.88
<i>Reforestation with broadleaf species in family areas CTI Truktsinasta</i>	4.00	3.25	507.90	101.00	1,549.68	1,472.19	179.61	1,292.58
<i>Restoration of Savannah with Pine in communal areas CTI Truktsinasta</i>	319.00	1,583.00	311.40	23,682.00	469,264.20	445,800.99	54,387.72	391,413.27
PRE-TOTAL	332.00	1,593.50	1,327.20	24,009.00	474,270.16	450,556.64	54,967.91	395,588.73

Note:

- To calculate the **carbon potential – current stocks and capture without project** value, we multiply columns 2 and 3, subtract the **current stocks and capture without project (tCO₂e)** value.
- To calculate the **carbon potential – 5% leakage**, we multiply **carbon potential – current stocks and capture without project** by 0.95 to subtract the 5% leakage.
- For the **12.2% buffer reduction** column, we multiply the **carbon potential – 5% leakage** by 12.2% to calculate the units allocated to the buffer.
- Finally, the **saleable RE (tCO₂e) of this period** value is obtained by subtracting the buffer allocation (column 7) from the **carbon potential – 5% leakage (column 6)**, which gives the total units available for this period.

Paskaia is dedicated to the generation of carbon credits in three different territorial councils: CTI Lainasta, Truktsinasta and Wamakklisinasta, through the implementation of two programs. These programs are Reforestation with Mahogany “*Swietenia macrophylla*” in family plots and Restoration of the Savannah with Pine “*Pinus caribaea*” in communal areas. In 2024, Paskaia

began its operations in the Savannah of the CTI Wamakklisinasta; therefore, at the time of preparing and presenting this report, no data collection activities have been carried out in the field as part of the monitoring process, which explains the absence in the application for Reforestation and Restoration credits for the territorial council Wamakklisinasta.

Paskaia is implementing the monitoring plan for the first time since obtaining the Plan Vivo Foundation certificate. Below is a summary of the credits generated in the credit generation programs, highlighting that savannah restoration is the main generator of credits, which can be seen in the following table.

Table 9: Credits generated

Credits generated		
0	1	2
Territorial Council	Reforestation Credits	Credits Restoration
Lainasta	2,882.88	0
Truktsinasta	1,292.58	391,413.27
Wamakklisinasta	0	0
Pre-Total	4,175.46	391,413.27
TOTAL ISSUANCE FOR THIS REPORT (50%)	2,087.73	195,706.63

Note:

- Column 1: Represents the carbon credits generated by broadleaf plantations in the Lainasta and Truktsinasta CTI.
- Column 2: Corresponds to the carbon credits obtained from restoration activities in the pine forest in Truktsinasta.
- The credits generated are under the Ex-Ante methodology.

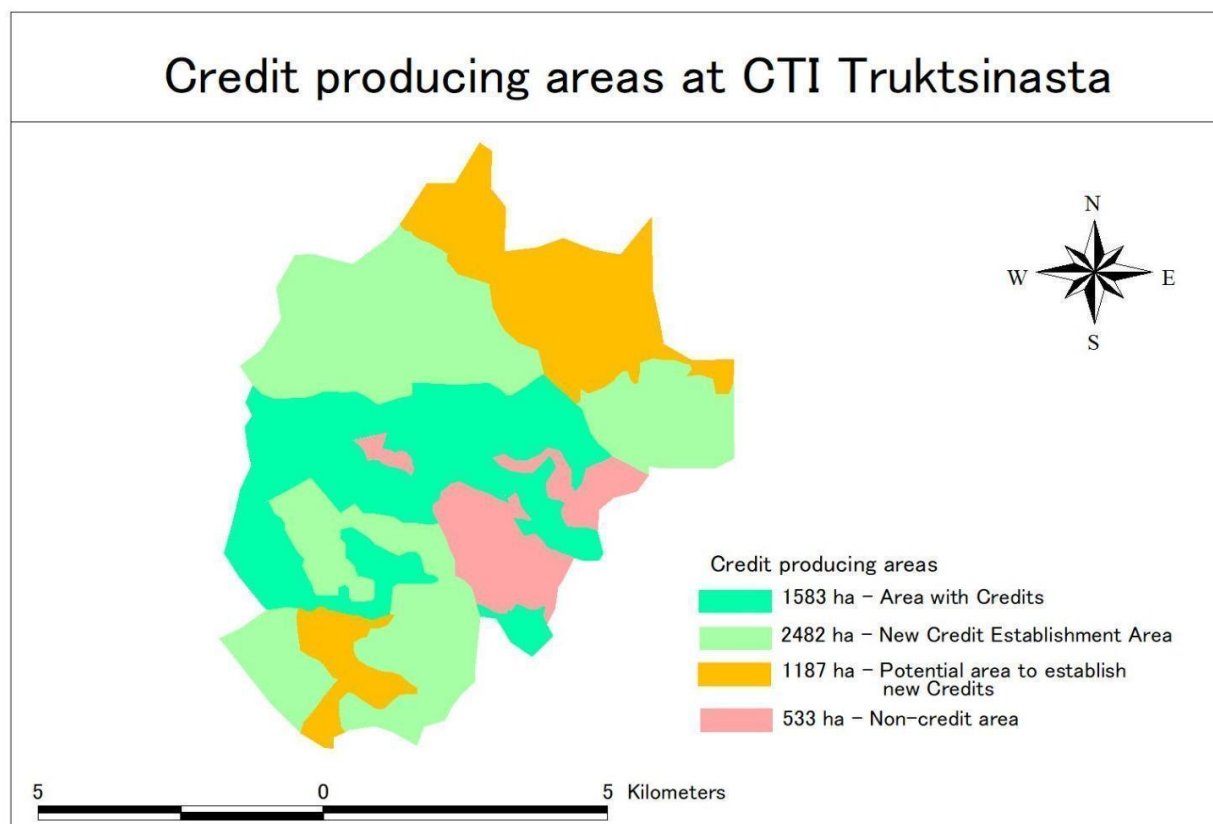


Figure 1: *Credit producing áreas at CTI Truktsinasta.*

C2: ISSUE REQUEST ASSIGNMENT.

Paskaia Sweden has identified potential buyers for the credits generated in its restoration programs. As the validation and certification process is now complete, the sale of the credits can begin after the annual report is approved.

Table 10: *Issue request assignment.*

Buyer name/Unsold stock	No. PVC negotiated	Registration ID (if available) or Project ID if intended for unsold stock	Technical specifications associated with the broadcast
<i>Non-buyer</i>	<i>0</i>	N/A	
TOTAL			

C3: DATA TO SUPPORT THE ISSUANCE REQUEST.

To date, there are no requests for emissions.

PART D: SALES OF PLAN VIVO CERTIFICATES.

Not applicable

PART E: MONITORING RESULTS.

E1: MONITORING OF ECOSYSTEM SERVICES.

The project generates ecosystem services from two sources: savannas with pine (regeneration inventory and adult forest) and plantations with broadleaf species.

Savannah with pine

Truktsinasta Territorial Council: Inventory of adult forest

Table 11: Stand and existence table for protection zones in the CTI Truktsinasta.

DBH (cm)	Tree/ hectare	Basal area m ² /ha	Total volume m ³ /ha	Volume increase m ³ /ha/year	Biomass (Tons/ha)	Carbon (Tons/ha)	CO ₂ (Tons/ha)
9	1.4	0.0072	0.0144	0	0.0181	0.0091	0.0333
11	1.4	0.0113	0.0316	0.0009	0.0353	0.0176	0.0647
13	1.4	0.0162	0.0561	0.0021	0.0575	0.0287	0.1055
15	3.4	0.0516	0.2064	0.0093	0.1977	0.0989	0.3628
17	2.4	0.0481	0.2167	0.01	0.1959	0.098	0.3596
19	1.9	0.0488	0.2389	0.0051	0.2059	0.103	0.3779
21	1.4	0.0451	0.2392	0.0017	0.1975	0.0988	0.3625
23	1.9	0.0728	0.4114	0.009	0.3271	0.1636	0.6002
25	1.9	0.0867	0.5157	0.0058	0.3964	0.1982	0.7274
27	0.5	0.0254	0.1589	0	0.1184	0.0592	0.2173
29	1.9	0.118	0.7667	0.0389	0.5555	0.2778	1.0194
31	1.4	0.1016	0.6855	0.0183	0.4839	0.2419	0.8879
33	1	0.077	0.5354	0.0423	0.3691	0.1845	0.6773

35	2.4	0.2174	1.5654	0.0279	1.0542	0.5271	1.9344
37	1.4	0.1462	1.0822	0.0426	0.7136	0.3568	1.3094
39	1.9	0.2173	1.6512	0.0074	1.0671	0.5335	1.9581
43	1	0.1327	1.055	0.0264	0.6573	0.3287	1.2062
47	1	0.1592	1.3212	0.0185	0.796	0.398	1.4607
49	1	0.1733	1.4646	0	0.869	0.4345	1.5946
Total	30.6	1.7559	12.2165	0.2662	8.3155	4.1579	15.2592

In November, 2023, a sampling was carried out in the pine forest, where 40 plots of 1000 m² were established as sampling units over an area of 1583 hectares. These plots will be monitored annually to assess the development of the forest in establishment. The results obtained will serve as a baseline for monitoring the growth of wood volume, biomass and CO₂ stored per hectare, corresponding to an adult forest.

Sampling carried out on 11/09-10/2023. 28 plots of 16.04 m² were created in the same area where the inventory of adult forest was carried out., with an average of 5.07 plants per plot, 3160 plants per hectare. It is a *Pinus caribaea* forest and according to the [Manual for the Evaluation of Natural Regeneration and Pine Forest Plantations in Honduras](#), on page 18 it establishes that there must be a minimum of 1200 plants per hectare to consider an area as having "acceptable regeneration". The inventory carried out in the protection zones exceeds this minimum value, so we can consider that there is abundant regeneration. The volume of wood, biomass and CO₂ captured per hectare was obtained as a result of data processing for adult forest. In [attached link](#) you can find the field sheets.

Truktsinasta territorial council: Regeneration inventory

Table 12: *Regeneration inventory processing at CTI Truktsinasta.*

No.	Total plants/plot (X)
1	9
2	6
3	10
4	2
5	12
6	8
7	9
8	5
9	2
10	1
11	0
12	2
13	10
14	19
15	9
16	0
17	2
18	3
19	0
20	5
21	2
22	3
23	1

24	0
25	10
26	3
27	5
28	4

28 plots of 16.04 m² were made, having an average of 5.07 plants per plot, 3160 plants per hectare. The inventory was carried out on 11/09-10/2023; in *attached link* ⁴you will find the field sheets.

Plantations

In November 2023, 21 plots belonging to small producers from the Lainasta and Truktsinasta territorial councils in Puerto Lempira were monitored. Of this group, 12 small producers are currently active, plus a community Plan Vivo, which is the Plan Vivo of the Truktsinasta Territorial Council, for a total of 12 Plan Vivo in broadleaf plantations and a Plan Vivo for pine forests that corresponds to the Truktsinasta Council. The following tables contain data from the first participants in the project.

Table 13: *Truktsinasta smallholders enrolled in the first phase of the project.*

TRUKTSINASTA TERRITORIAL COUNCIL							
ID	Community	Name	DNI	Planting year	Plan Vivo Area	Tree density/ha	Observations
1	Lisagni Pura	HN-GD-TK-01690-AM	0901-1989-01690	2023	0.75	320	Active
2	Tipi Muna	HN-GD-TK-00355-DL	0901-1969-00355	2023	1	1000	Active
3	BipKlarka	HN-GD-TK-00516-ER	0901-1983-00516	2023	1	760	Active
4	Tipi Lalma	HN-GD-TK-01475-RR	0901-1989-01475	2023	0.5	720	Active

Trees for different plots and smallholders: Differences in density can be observed across each plot, which can be attributed to the survival rates of the plants. These survival rates are linked to the level of care provided to the plants, including activities such as weed cutting, irrigation, and other practices that promote healthy plant development. The smallholders must

⁴ For internal reporting purposes only.

complement the plantations when the survival percentage is low. At this stage, results suggest that some participants abandon the project at this stage.

The registration number will be assigned one year after the Plan Vivo has been established, provided that it is satisfactorily evaluated and rated.

Table 14: *Lainasta smallholders registered in the first phase of the project.*

LAINASTA TERRITORIAL COUNCIL							
ID	Community	Name	DNI	Planting year	Plan Vivo Area	Tree density/ha	Observation
1	Kuri	HN-GD-LN-02595-AG	0901-1989-02595	2021	0.8	758	Active
2	Tikiurrraya	HN-GD-LN-04079-SS	0901-1998-04079	2022	0.8	746	Active
3	Tikiurrraya	HN-GD-LN-02404-HW	0901-1979-02404	2022	0.8	750	Active
4	Tikiurrraya	HN-GD-LN-00383-RS	0901-1981-00383	2022	1	786	Active
5	Tikiurrraya	HN-GD-LN-01825-FB	0901-1997-01825	2022	1	1135	Active
6	Tikiurrraya	HN-GD-LN-01195-CW	0901-2008-01195	2022	1	714	Active
7	Tikiurrraya	HN-GD-LN-01324-EB	0901-2008-01324	2022	1	798	Active
8	Tikiurrraya	HN-GD-LN-00650-YB	0901-1986-00650	2023	0.9	748	Active
9	Tikiurrraya	HN-GD-LN-00492-AG	0901-1995-00429	2023	0.7	643	Active

Note: these tables contain the plantation data of the participants initially subscribed to the project, see section h2 of this report for the updated list, as there are participants who have left the project as well as new participants who are on the waiting list.

E2: KEEP COMMITMENTS.

The project has carried out a study of the smallholders who, for different reasons, have abandoned the project. Based on the field data, in a number of instances, this led to the termination of these smallholder's contracts. New contracts were signed with smallholders who

showed more interest in working with the Project. In order to ensure future compliance a more rigorous background assessment will be undertaken with those interested in being included in the Project. New participants will compensate for the abandoned areas.

E3: SOCIOECONOMIC MONITORING.

The monitoring plan includes three indicators to monitor the communities vision of favourable economic growth. These include. Water quality in the rivers in the field site; the number of additional salary days generated by the project; the percentage of families who use their land to contribute to livelihoods. A decision has been taken to exclude water quality monitoring during this project reporting period.

Additional salary index

This index is a measure of the increase in income of populations involved in restoration activities. It is measured in the number of days contracted for restoration activities. For the reporting period, 319 people were hired for surveillance and firefighting brigades and paid a total of 467 930 lempiras. This is our base information since it is the first annual report of the project. The *attached link* ⁵ contains an Excel document containing information on the brigades hired in the reporting period, payments made to each person hired in protection activities (surveillance brigades and forest fire fighting brigades) and the data used to calculate this index. All this data belongs to the work carried out in the Territorial Council Truktsinasta.

Index of families that use their land to support their livelihoods

The number of families that can produce their own food on their plots and with the resources obtained by participating in the project.

A sampling of 121 individuals was carried out in the region of Tipí, Truktsinasta, see annex 4. Information was gathered about the project participants and its various components (savannah protection, plantations) through surveys to determine if participants use their land for food production. The following results were obtained:

⁵ *For internal reporting purposes only*

Community

121 answers

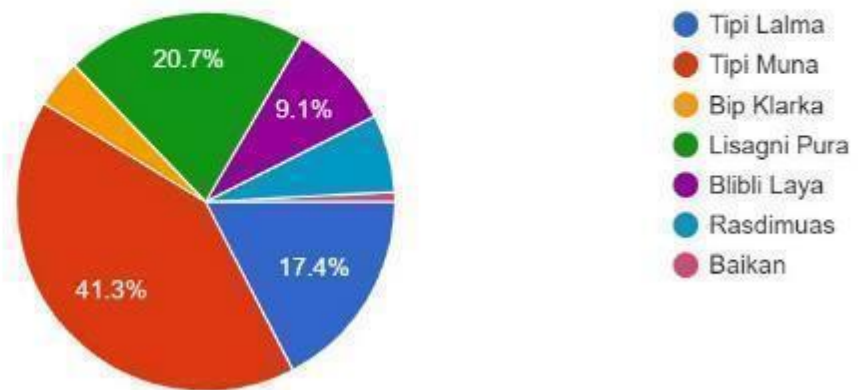


Figure 2: Percentage of participation of communities within the sampling área in CTI Truktsinasta.

This survey was conducted in communities in the Truktsinasta Territorial Council, so communities such as Kuri, Siakwa Laya and Tikiurrraya are not included. The number of respondents per community depends on its population. Tipi Muna, Tipi Lalma and Lisagnipura are the largest communities and therefore have the highest number of respondents.

121 answers

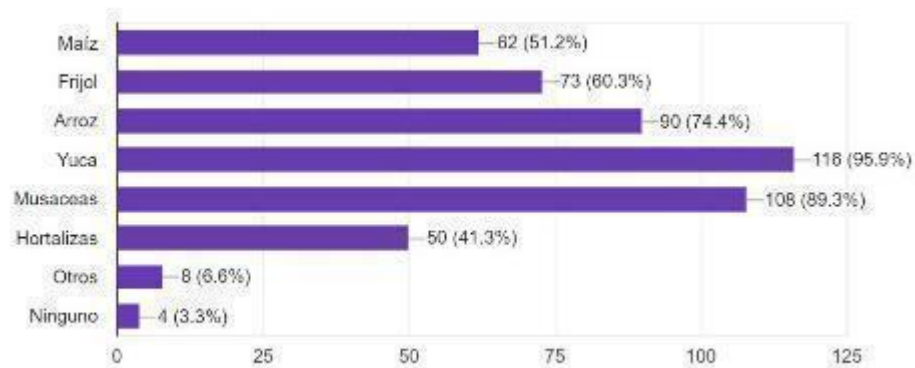


Figure 3: Percentage of the community that cultivates on its plots and the species it cultivates.

3.3% of people commented that they do not farm. This corresponds to respondents who work as teachers, loggers or other trades.

96.7% of the respondents grow their own food, mostly vegetables such as cassava, Musaceae and grains such as rice and beans.

Table 15: Percentages of families that raise animals on their land, broken down by species. The data was obtained from the survey

<i>Animal husbandry</i>	Historical	Current
<i>Species</i>	Previous year	Year 2023
<i>Bovine (Cows, bulls)</i>	unknown	28.1%
<i>Porcine (Pig)</i>	unknown	26.4%
<i>horse (Horse)</i>	unknown	9.9%
<i>Oviparous (Chickens, Ducks)</i>	unknown	71.9%
<i>Goats and Sheep</i>	unknown	1.7%
<i>Others</i>	unknown	2.5%
<i>None</i>	unknown	24.8%

E4: ENVIRONMENTAL AND BIODIVERSITY MONITORING.

The monitoring plan includes the Landscape Biodiversity Index, which is a composite index that evaluates the composition, configuration and fragmentation of the landscape, including the morphology of its elements and the connectivity between them (cited in (Cristales et al.

2020). The index is composed of five subindices:

- PAFRAC (Perimeter-area ratio index): calculates the degree of complexity of each fragment based on the relationship between area and perimeter.
- PLAND (Percentage of Landscape): is equal to the total area of the class of interest divided by the total area of the landscape (in hectares). In this case, we want to restore the sparse forest and the savannah into dense forest. In this context, PLAND would be the percentage of dense forest of the total landscape.

- NP (Number of fragments or patches): It is equal to the number of patches of the corresponding patch type (class). It would be the number of dense coniferous forest patches among the total patches within the landscape.
- LPI (largest patch index): Percentage of the landscape occupied by the largest patch. We are interested in knowing the percentage that the dense coniferous forest patch occupies within the landscape.
- CONTAG (Contagion Index): Explains the extent to which patch types aggregate or group together, that is, dispersion.

To calculate the values of the subindices, the Fragstats program is used, which generates results of the subindices for each class or land use within the study area.

The monitoring plan explains the procedure to follow and the analysis of results for the landscape biodiversity index are explained.

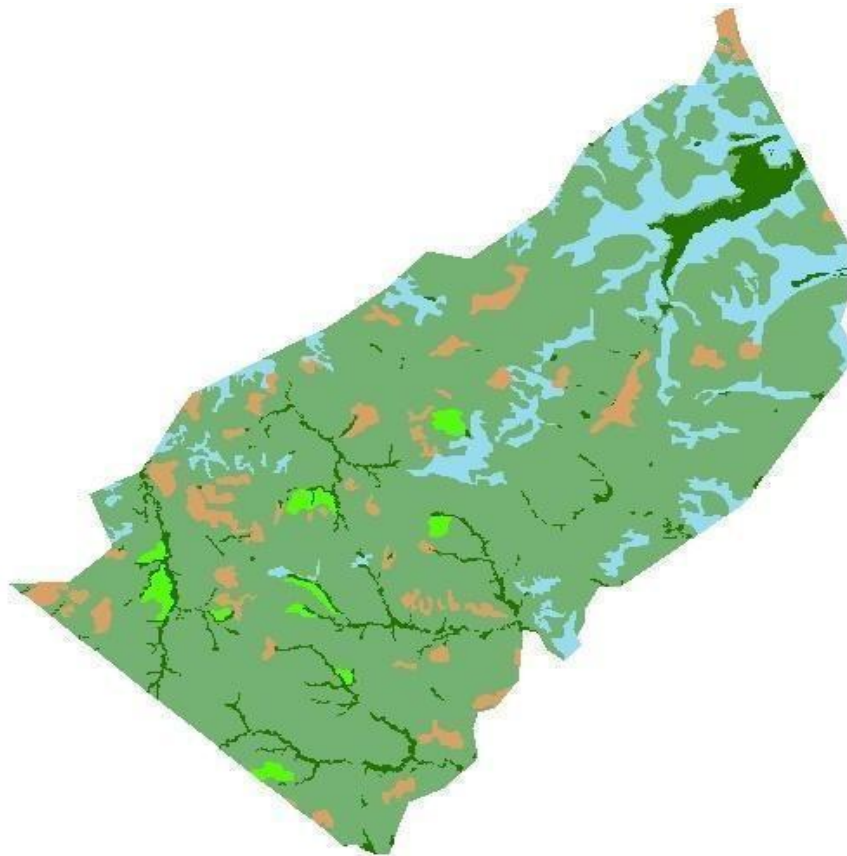


Figure 4: Image used for analysis in Fragstats, in img format.

The classified image corresponds to the area of interest in the pine savannah to be restored within the Truktsinasta Territorial Council, so the monitored area corresponds to the Community Living Plan of the Truktsinasta Territorial Council.

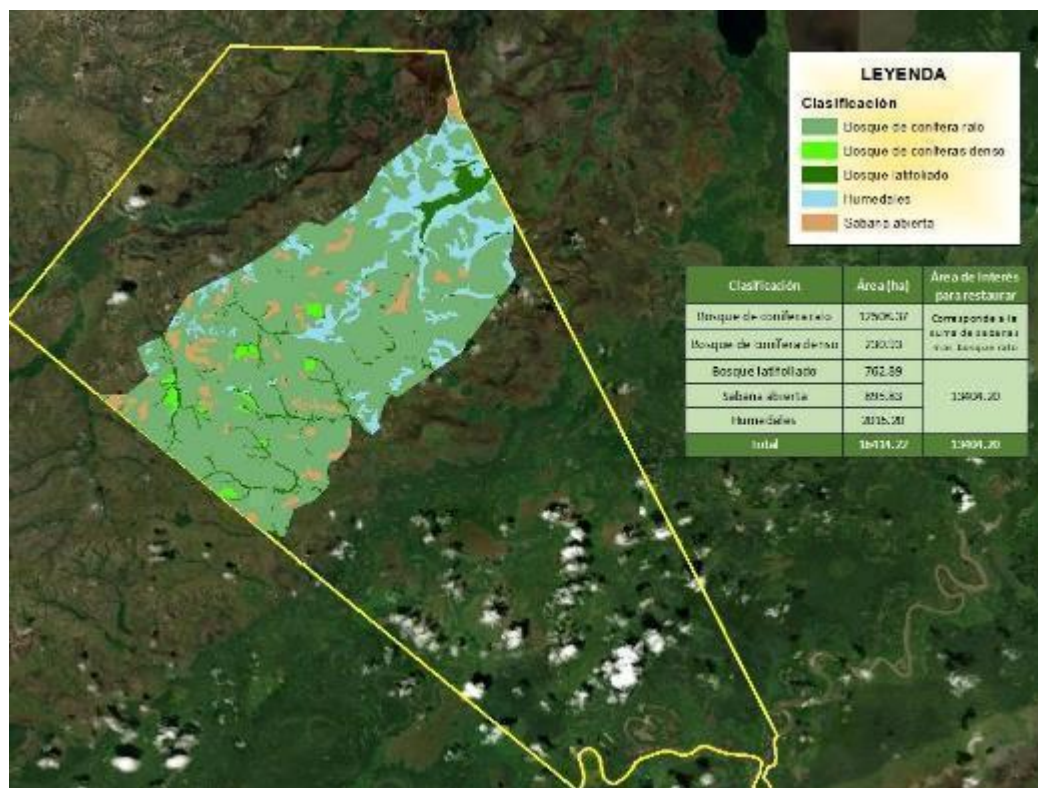


Figure 5: CTI Truktsinasta classification view.

The limit of the territory is in yellow, the area of interest is classified, see the summary tables on the map. The classified part within the map corresponds to the area of interest for restoration, so the total area in hectares corresponds to the area of that stratum. For example, there are 895.83 hectares of open savannah in the area of interest.

PART F: IMPACTS

F1: EVIDENCE OF RESULTS.

The monitoring results provided in section E will provide evidence of the project results. The monitoring plan includes results from the indicators, which constitute the project's base information.

Paskaia in its monitoring plan contemplates the [Sustainability Index for landscape restoration](#), which is made up of the following indicators:

$$\text{Sustainability Index for Landscape Restoration} = \frac{\text{LPI} + \text{ICO}_2\text{e} + \text{ITA} + \text{IF}}{4}$$

- LPI: Landscape Biodiversity Index
- ICO₂e: Carbon equivalent index
- ITA: Index of additional wages
- IF: Index of families that use land to support their livelihoods.

Each indicator has values between 0 and 1, with 1 being the maximum value. The data used to calculate this index is provided in section E.

Monitoring of ecosystem services

Carbon equivalent index

Table 16: Carbon equivalent index results.

Variable	Meaning	Worth ton CO ₂ /hectare
CO ₂ gain ton CO ₂ /hectare	It is the amount of CO ₂ attributed to each of the restoration practices in the study period (July 1, 2023–June 30, 2024) and their corresponding areas. In this case, it is the value in the base year.	15.25 See description below.
Maximum value ton CO ₂ /hectare	This is the maximum amount of CO ₂ e that is captured per hectare in the pine forest if the proposed area is restored. For this calculation, the total value is not needed, but only the value per hectare, see section 6.1.1 of the PDD.	311.4
Minimum value ton CO ₂ /hectare	It represents the amount of CO ₂ e that would be fixed if the restoration actions were not carried out, theoretically it is 0.	0
ICO ₂ e=		0.05

The carbon index was obtained by dividing the current average carbon value in the restoration areas by the average carbon that the forest will be able to capture at the end of the project

when the areas are completely restored in 20 years, according to section 6.1.1 of the PDD, which would be 311.4 tons of CO₂/ha.

15.25 tons of CO₂ per hectare is the current value in Truktsinasta's protection zones (see table in section E1), where the savanna protection plans for the first year have been implemented. This current value of CO₂ captured compared to the final value (when the area is completely restored) is too low; the amount of CO₂ captured will increase as the forest is restored.

ICO₂ e value for the reporting period: 0.05

Socioeconomic monitoring

Index of additional wages

Table 17: *Results of the additional wages index.*

Variable	Meaning	Worth
Current additional wages	number of additional wages generated from the base year.	319
Minimum value	represents the amount of wages that would be generated if the restoration actions were not carried out. Technically it is equal to 0	0
Maximum value	is the maximum amount of wages that would be generated if the entire proposed area is restored	1743
ITA=		0.18

Calculations applied with data from Truktsinasta. See the monitoring plan for the formulas used. In the reporting period, 319 people were hired to work with 197 hectares in 2022, 315 hectares in 2023 and 1071 hectares in 2024 as surveillance brigades and firefighting brigades in protection zones.

The maximum value was obtained by multiplying the employment factor equal to 0.13 (See section 2.2.1 of the monitoring plan) by the number of potential hectares to restore, in this case 13,404 ha, which corresponds to the sum of the savanna and forest areas. See areas in Illustration 8.

Patch	Class	Landscape						
	II	TYPE	CA	PLAND	NP	LPI	AREA_MN	PAFRAC
1	C: ds_2		890.9452	5.4264	50.0000	0.4302	17.8189	1.3630
2	C: ds_1		12519.2312	76.2499	27.0000	74.0420	463.6752	1.4223
3	C: ds_4		2010.2396	12.2436	47.0000	2.3413	42.7711	1.4641
4	C: ds_3		766.6400	4.6693	176.0000	1.6576	4.3559	1.6079
5	C: ds_5		231.6348	1.4108	10.0000	0.2835	23.1635	1.5189

Patch	Class	Landscape			
	LID	NP	LPI	PAFRAC	CONTAG
1	C:\Users\Isaura	310.0000	74.0420	1.4180	60.9303

Figure 7: Results obtained in the program for data at the class level and at the landscape level.

Code	Class
cls_1	Sparse coniferous forest
cls_2	open savanna
cls_3	Broadleaf Forest
cls_4	Wetlands
cls_5	dense coniferous forest

The IBP allows obtaining the results of the sub indicators mentioned in section E4. These classes belong to the land uses in the potential restoration area in the Truktsinasta territorial council (see stand map in section E4).

The program generated results in codes, and it added the class name for each code. The study area includes the project's protection zones, where ecosystem services are being generated. The sparse coniferous forest and the open savanna are the areas to be restored, and the area of the dense coniferous forest will be used as the basis for calculating the IBP, as the goal is to improve the result.

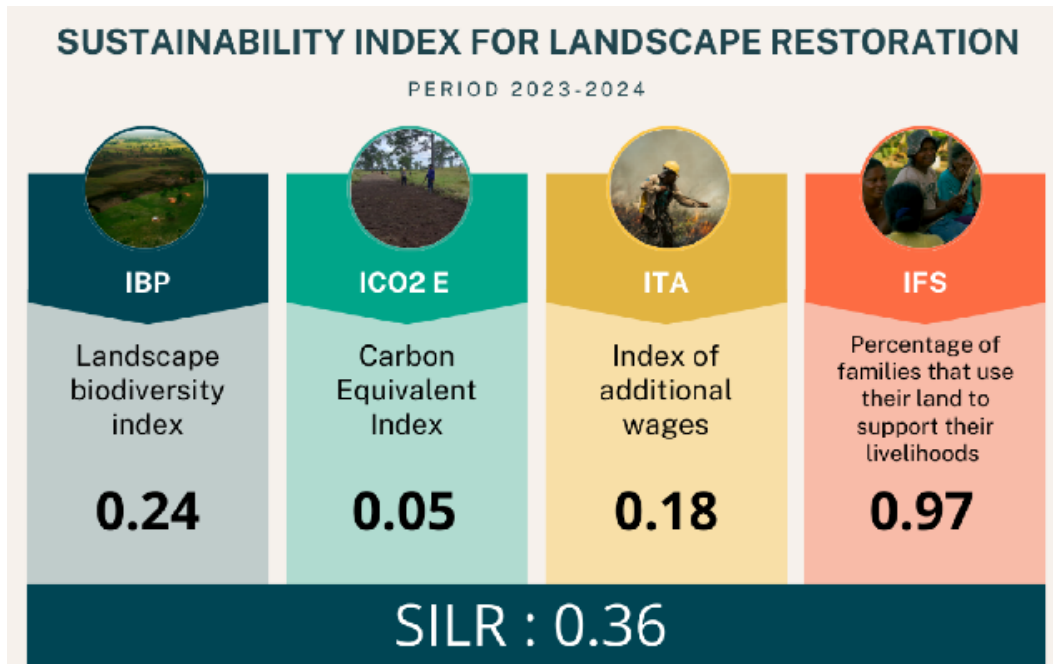
Table 18: *Results of the landscape biodiversity index.*

Subscript		Fragstats Value	Normalized value for the index	Assessment
1	PAFRAC	1.5189	0.5189	Very good
2	PLAND	1.4108	0.0141	Deficient
3	NP	10	0.0323	Deficient
4	LPI	0.2835	0.0027	Deficient
5	CONTAG	60.9303	0.6196	Very good
	AVERAGE		0.2375	
	PPI VALUE		0.2375	

- PAFRAC (Perimeter-area ratio index): calculates the degree of complexity of each fragment based on the relationship between area and perimeter.
- PLAND (Percentage of Landscape): is equal to the total area of the class of interest divided by the total area of the landscape (in hectares). In this case, we want to restore the sparse forest and the savannah into dense forest. In this context, PLAND would be the percentage of dense forest of the total landscape.
- NP (Number of fragments or patches): It is equal to the number of patches of the corresponding patch type (class). It would be the number of dense coniferous forest patches among the total patches within the landscape.
- LPI (largest patch index): Percentage of the landscape occupied by the largest patch. We are interested in knowing the percentage that the dense coniferous forest patch occupies within the landscape.
- CONTAG (Contagion Index): Explains the extent to which patch types aggregate or group together, that is, dispersion.

The manuals for converting values of each sub index to values usable for the IBP are found in the [attached link](#) and is also described in the project monitoring plan.

Results of the monitoring plan for the reporting period



It is the average of the indicators calculated in section F with the data in section E, giving a total of 0.36 or 36% for the first year in Truktsinasta.

In "Part F: Impacts" we have included the results of the monitoring plan, that is, the result of each index and a general value of the index, an average. The monitoring plan that the project is applying is the "[Sustainability Index for Landscape Restoration](#)" whose result is an average of the 4 sub-indexes applied and has a value between 0 and 1 and is described in the image above.

PART G: PAYMENTS FOR ECOSYSTEM SERVICES.

G1: SUMMARY OF PSA BY YEAR.

No payments or support have been provided from the funding generated by the PVCs and no PVCs have been issued.

PART H: CONTINUED PARTICIPATION.

H1: RECRUITMENT.

There has been a steady increase in smallholders since 2021, and monitoring began in 2022.

H2: PROJECT POTENTIAL.

The plantation program has gained traction since it began in 2021, and many families are interested in being enlisted. Paskaia launched its reforestation program in December 2021, which adopted its own methodology and participant selection criteria due to the high dropout rate and losses in the pilot phase.

In 2021, Paskaia worked with ten participants in the Lainasta CTI, of which only five continued until 2023, and currently only one smallholder is still active at the time of this report.

In 2022, eight smallholders were selected for the Lainasta CTI, who did not manage to plant the entire required area, most of them maintained the areas properly. In the Truktsinasta CTI, eleven participants joined for the first time, of whom only six completed the activity, and in 2023, only three managed to maintain an adequate plant density and approved their Living Plan.

In 2023, Paskaia prepared to start the validation process, leading to the production of plants intended to support smallholders in meeting the agreed area. At the Lainasta CTI, plants were provided to reach the target of 1,000 plants per hectare, and two additional smallholders were brought on board who, with their efforts, started planting in 2022. In Truktsinasta, CT, plants were delivered to smallholders to also complete the 1,000 plants per hectare, and three new smallholders were added who will be assessed for approval of their Living Plan.

In 2024, Paskaia will carry out the assessment of family plots during the winter season; depending on the results, new smallholders will be able to obtain approval of their Living Plans.

See table 18 for the list of smallholders who have participated in the family plot reforestation program.

Table 19: Registry of CTI Lainasta Smallholders

CTI Lainasta Smallholders					
No	Name	# Record	Active	Year	Observation
1	Smallholder #1	HN-GD-LN-02595-AG	Active	2021	Beeting
2	Smallholder #2	Not Assigned	Suspended	2021	Beeting
3	Smallholder #3	Not Assigned	Suspended	2021	Beeting
4	Smallholder #4	Not Assigned	Suspended	2021	Beeting
5	Smallholder #5	Not Assigned	Suspended	2021	Loss of plants
6	Smallholder #6	Not Assigned	Canceled	2021	Loss of plants
7	Smallholder #7	Not Assigned	Canceled	2021	abandon the project
8	Smallholder #8	Not Assigned	Canceled	2021	abandon the project
9	Smallholder #9	Not Assigned	Canceled	2021	abandon the project
10	Smallholder #10	Not Assigned	Canceled	2021	Loss of plants
11	Smallholder #11	HN-GD-LN-04079-SS	Active	2022	Beeting
12	Smallholder #12	HN-GD-LN-02404-HW	Active	2022	Beeting
13	Smallholder #13	HN-GD-LN-00383-RS	Active	2022	Beeting
14	Smallholder #14	HN-GD-LN-01825-FB	Active	2022	None
15	Smallholder #15	HN-GD-LN-01195-CW	Active	2022	Beeting
16	Smallholder #16	Not Assigned	Suspended	2022	Loss of plants
17	Smallholder #17	Not Assigned	Suspended	2022	Loss of plants
18	Smallholder #18	Not Assigned	Canceled	2022	Loss of plants
19	Smallholder #19	Not Assigned	Canceled	2022	abandon the project
20	Smallholder #20	Not Assigned	Canceled	2022	abandon the project
21	Smallholder #21	Not Assigned	Canceled	2022	Loss of plants
22	Smallholder #22	HN-GD-LN-00650-YB	Active	2023	Beeting
23	Smallholder #23	HN-GD-LN-00492-AG	Active	2023	Beeting
24	Smallholder #24	HN-GD-LN-01324-EB	Active	2023	Beeting

Table 20: Register of Smallholders CTI Truktsinasta

Smallholders CTI Truktsinasta					
No	Name	# Record	State	Year	Observation
1	Smallholder 1	HN-GD-TK-01690-AM	Active	2022 – 2023	Beeting

2	Smallholder 2	HN-GD-TK-00355-DL	Active	2022 – 2023	Beeting
3	Smallholder 3	HN-GD-TK-00516-ER	Active	2022 – 2023	Beeting
4	Smallholder 4	HN-GD-TK-01475-RR	Active	2022 – 2023	Beeting
5	Smallholder 5	Not Assigned	Canceled	2022 – 2023	Lost by Fire
6	Smallholder 6	Not Assigned	Canceled	2022 – 2023	Loss of plants
7	Smallholder 7	Not Assigned	Canceled	2022 – 2023	Lost by Fire
8	Smallholder 8	Not Assigned	Canceled	2022 – 2023	Lost by Fire
9	Smallholder 9	Not Assigned	Canceled	2022 – 2023	abandon the project
10	Smallholder 10	Not Assigned	Canceled	2022 – 2023	Loss of plants
11	Smallholder 11	Not Assigned	Canceled	2022 – 2023	Loss of plants
12	Smallholder 12	Not Assigned	Not activated	2023	Complete Plan Vivo
13	Smallholder 13	Not Assigned	Not activated	2023	CompletePlan Vivo
14	Smallholder 14	Not Assigned	Not activated	2023	Complete Plan Vivo

H3: COMMUNITY PARTICIPATION.

Between July 2023 and June 2024, Project staff interacted with individual smallholders every 2 months and with the leaders of the CTI's every month.

Several larger meetings have also been held:

August 2023.

- Meeting with smallholders from the CTI Lainasta and Truktsinasta to notify that the planted plots will be evaluated.

October 2023.

- Meeting with smallholders during the validation process and AENOR field visit, the reason for the meeting was to notify them that the project was under the certification process with the Plan Vivo standard.

November 2023.

- Discussion of results obtained in the evaluation of forest plantations.
- And signing of individual work agreements with the project.

May 2024.

Meeting with smallholders to discuss various issues.

- modifications of agreements.
- implementation of internal regulations.
- discussion of plantation management and the inclusion of new producers.
- implementation of a plantation monitoring plan.

These meetings were attended by smallholders, community leaders (president, secretaries, communal leaders, elders, religious leaders, assistants) as well as other witnesses and people interested in participating in the project.

The specific group of participants varied based on the topics being discussed. For meetings focused on the restoration program for the savannah, both community leaders and members of the general population were involved, as this program pertains to a communal area. In contrast, meetings related to the reforestation program in family plots included smallholders and their family members.

Meeting with Lainasta smallholders, addressing topics of plant replacement and production.



Virtual meeting with CTI Lainasta smallholders. (K. Magnus Bergström, Marvin Rodriguez, smallholders Lainasta, Edson Macklin)



Meeting between CTI Lainasta leaders and delegates from Paskaia Sweden – Honduras.



PART I: PROJECT OPERATING COSTS.

I1: COST ALLOCATION.

Not applicable for this report.

ANNEXES.

Annex 1. Monitoring of results for issuance request

To date, project has carried out operations in reforestation activities in 2021 and in savanna restoration in 2022, initially as a pilot, with the objective of evaluating the acceptance of the project and community participation. Between 2023 and 2024, the first measurements were carried out that will serve as a basis for the development of the project.

Between 2024 and 2025, the second measurement of indicators will be carried out to monitor the progress of the project promoted by the project in collaboration with the Miskito communities of Lainasta, Truktsinasta and Wamakklisinasta.

Annex 2. Continuous monitoring results for all participants.

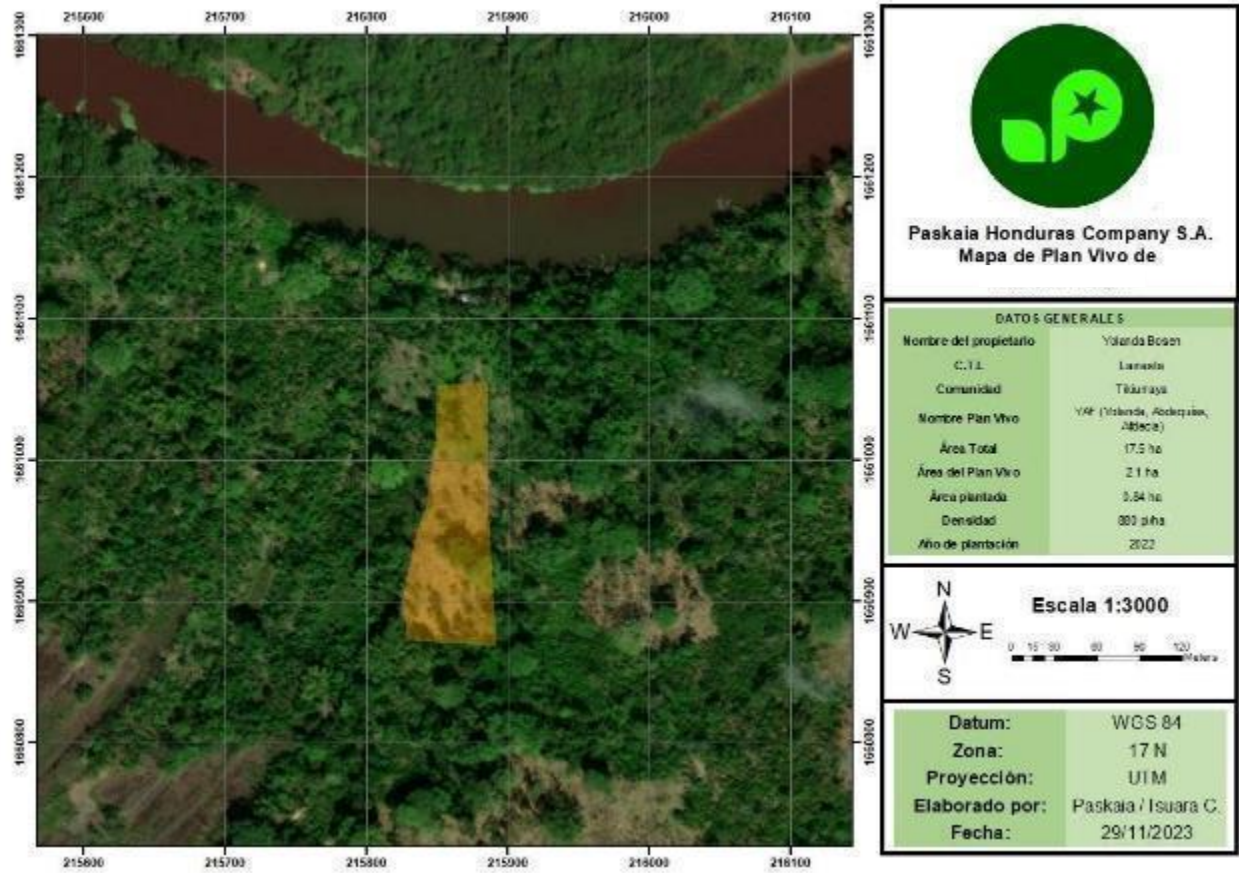


Figure 8: *PLAN VIVO* map of a participant, CTI Lainasta.

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**Evaluación y Monitoreo del Crecimiento de Plantaciones Forestales
 Para secuestro de CO₂. Plantaciones de PV,s**

Formato de primera medición.

Responsable: _____ Fecha visita: 5 / 11 / 23 /
 Hrs. 11:20 pm/4m

Departamento: Gracias a Dios Municipio: Puerto Temples C.T.I.: Laurito
 Aldea: Ticucuy Sitio: Andristorta Finca: Finca Agrícola "La Luz del Pueblo"
 Nombre del propietario: _____ DNI: _____
 Coordenadas UTM WGS - 84
 X: _____ Y: _____ Altitud: _____ Zona: 17N Área plantada: _____

U-M N° 1 Pendiente: 0 % Textura suelo: Arenoso ☐ Limoso ☐ Arcilloso ☒
 Profundidad Suelo: Profundo 1.2 m ☐ Moderado. 0.6 - 1 m ☐ Somero 0 - 0.25 m ☒
 Activ. Parc: Ganadería ☐ Agricultura ☐ Forestería ☐ otro ☐
 Tratamiento: Limpiar Comaleo ☒ Chapla ☐ Fertilizar ☐ Podar ☐ Control/Plagas ☒

Información Parcela de 250 m²; radio de 8.92 m. (1 árbol/parcela = 40 árboles/ha)

N° Árbol	DAP cm	Altura m	Estrato D - I - S	Ejes	Características / árbol				Tipo Especie Can. - Cond. - Sal	Observaciones
					Incl. L-M-F	Daños M-A	Torcido L-M-F	Plaga/ Enfer		
1	1.5	1.5	0	1	-	-	-	-	Cao	
2	1.5	1.4	0	1	-	-	-	-	P	Cao
3	0.8	0.9	1	1	-	-	-	-	Cao	
4	0.8	0.7	1	1	-	-	-	-	Cao	
5	1.3	1.1	1	1	-	-	-	-	Cao	
6	1.3	1.28	0	1	-	-	-	-	Cao	
7	0.7	0.80	1	1	-	-	-	-	Cao	
8	1.5	1.1	S	1	-	-	-	-	P	Cao
9	1.3	1.15	0	1	-	-	-	-	Cao	
10	0.7	0.86	1	1	-	-	-	-	Cao	
11	0.8	0.85	1	1	-	-	-	-	Cao	
12	2.2	0.93	1	1	-	-	-	-	Cao	
13	0.15	0.15	1	1	-	-	-	-	Cao	
14	0.15	0.58	1	1	-	-	-	-	Cao	
15	0.15	0.75	1	1	-	-	-	-	Cao	
16	0.15	0.30	1	1	-	-	-	-	Cao	
17	1.7	1.27	0	1	-	-	-	-	Cao	
18	0.3	0.57	1	1	-	-	-	-	Cao	
19	0.8	0.6	1	1	-	-	-	-	Cao	
20	1.4	1	1	1	-	-	-	-	P	Cao
21	0.15	0.28	1	1	-	-	-	-	Cao	
22	1.1	1.16	1	1	-	-	-	-	E	Cao
23										
24										
25										
26										
27										
28										
29										
30										

Medición inicial.

Figure 9: Inventory sheet participant's plot.

Annex 3. Index of additional wages (socioeconomic monitoring).

List of CTI Protection Brigade Personnel Truktsinasta - No. 1				
Staff List			Days	
No	Name	Community	Job	Worth
1	Farmer 1	Bip Klarka	6	272
2	Farmer 2	Bliblilaya	6	272
3	Farmer 3	Tipi Muna	6	272
4	Farmer 4	Tipi Muna	6	272
5	Farmer 5	Tipi Lalma	6	272
6	Farmer 6	Tipi Lalma	6	272
7	Farmer 7	LisagniPure	6	272
8	Farmer 8	LisagniPure	6	272
9				
10				
Period January 17 to 23, 2024		Total	48	

In *attached link*⁶ you will be able to observe data from the members of the firefighting brigades and the surveillance brigade for the 2023-2024 reporting period. The document also contains data on total people hired in the period and data with which the additional wages index was calculated.

It should also be noted that members from Truktsinasta have contributed a significant inkind contribution to the project in its early phases. This inkind has been completely voluntary and can read into as expression for the high potential they see in the project.

⁶ For internal reporting purposes only

Annex 4: Index of Families that use land to support their livelihoods (socioeconomic monitoring).



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Encuesta para medir el nivel de participación de la población en las actividades de protección y recuperación del paisaje forestal para la captura de CO₂ y venta de créditos de Carbono

Fecha (d/m/a) 05/04/24

Estimado Encuestado:

Reciba un cordial saludo. El motivo de la aplicación de la presente encuesta es para la obtención de información de utilidad para el desarrollo de la Investigación "Co-Diseño para la implementación de la compensación climática en la comunidad étnica Misquita" en el Marco de la ejecución del Proyecto Paskala, por lo tanto, de la forma más cordial solicito su apoyo, respondiendo a las preguntas abajo descritas.

De antemano, ¡Muchas Gracias!

I. Datos generales

Depto. Gracias a Dios Municipio: Pto. Lempira Comunidad: Bip Klauka
Concejo Territorial: Trukshav Encuestador Responsable:

II. Datos personales.

Nombre: DNI:
Edad 60 años Género: M ☒ F ☐ Líder territorial o comunal: si ☐ no ☒
Grupo social: Anciano ☐ joven ☒ mujeres ☐ Religión Comité de vigilancia ☒ otros ☐
Grado académico completo: Primaria ☐ Secundaria ☐ Universitaria ☐ capacitaciones ☒
Profesión u oficio Carpintero Permanencia si ☒ no ☐ Ingreso/mes Lps

III. Datos del Grupo Familiar.

N°	Nombre	Genero	Parentesco	Edad	Escolaridad	Ocupación	Ingreso
1		F ☒ M ☐	Esposa	56	P ☒ S ☐ U ☐	Carpentera	LPS
2		F ☐ M ☐	Hija	26	P ☒ S ☐ U ☐		LPS
3		F ☐ M ☐	Hija	20	P ☒ S ☐ U ☐		LPS
4		F ☐ M ☐	Hijo	26	P ☒ S ☐ U ☐		LPS
5		F ☐ M ☐	Hijo	80	P ☐ S ☐ U ☐		LPS
6		F ☐ M ☐			P ☐ S ☐ U ☐		LPS
7		F ☐ M ☐			P ☐ S ☐ U ☐		LPS
8		F ☐ M ☐			P ☐ S ☐ U ☐		LPS
9		F ☐ M ☐			P ☐ S ☐ U ☐		LPS
10		F ☐ M ☐			P ☐ S ☐ U ☐		LPS

IV. Información sobre Vivienda.

1) La Casa que habita: Propia: ☒ Alquilada ☐ Prestada ☐ compartida ☐



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2) Tipo de casa:

Techo			Pared			Piso		
Zinc	Manaca	Otros	Material	Madera	Otros	Material	Madera	Suelo
☒				☒			☒	

3) Servicios básicos (si/no)

Letrina		Agua		Energía		Salud		Educación	
Si	No	Si	No	Si	No	Si	No	Si	No
☒		☒		☒		☒		☒	

V. Relación con el entorno

- 1) Cultiva la tierra: Si ☒ no ☐ Maíz ☒ Frijol ☒ Arroz ☒ Yuca ☒ musácea ☒ hortaliza ☒
- 2) Cría animales: Si ☒ No ☐ Vacas ☒ Cerdos ☒ Caballo ☒ Gallina ☒ Caprino ☒ otro ☒
- 3) Preparación de tierra: Limpieza química si ☐ no ☒ Quema: si ☐ no ☒ manual si ☐ no ☒
- 4) Obtiene algún producto del Bosque si ☒ no ☐ Madera ☒ Poste ☒ leña ☒ hierbas ☒

VI. Relación con Paskaia y la Restauración de la sabana

- 1) Ha escuchado de la empresa Paskaia honduras y su trabajo si ☒ no ☐
- 2) Conoces del plan de Protección contra incendios forestales si ☒ no ☐
- 3) Has notado algún tipo de cambio en el bosque protegido: si ☒ no ☐
- 4) Has trabajado en el programa de protección de la sabana: si ☒ no ☐
- 5) Volverías a trabajar en la protección de la sabana: si ☒ no ☐
- 6) Crees que más personas quieren involucrarse en la protección: si ☒ no ☐
- 7) Crees que este proyecto puede mejorar la condición del bosque: si ☒ no ☐
- 8) Este proyecto podría mejorar la calidad de vida de tu familia: si ☒ no ☐
- 9) Los incendios forestales se han: reducido ☐ incrementaron ☒ esta igual ☐
- 10) Crees que las personas de tu comunidad comprenden la importancia de no quemar el bosque: si ☐ no ☐ talvez ☒
- 11) Cree usted que el proyecto de la empresa Paskaia es bueno para las comunidades, el territorio y para usted: si ☒ no ☐ talvez ☐
- 12) Como es la relación de la empresa con las comunidades que habitan cerca en el llano o sabana: Buena ☒ mala ☐ regular ☐
- 13) En los trabajos de protección de la sabana son incluidos los Adultos, jóvenes, mujeres, líderes: si ☒ no ☐ no todos ☐

Encuestador: _

Encuestado: _

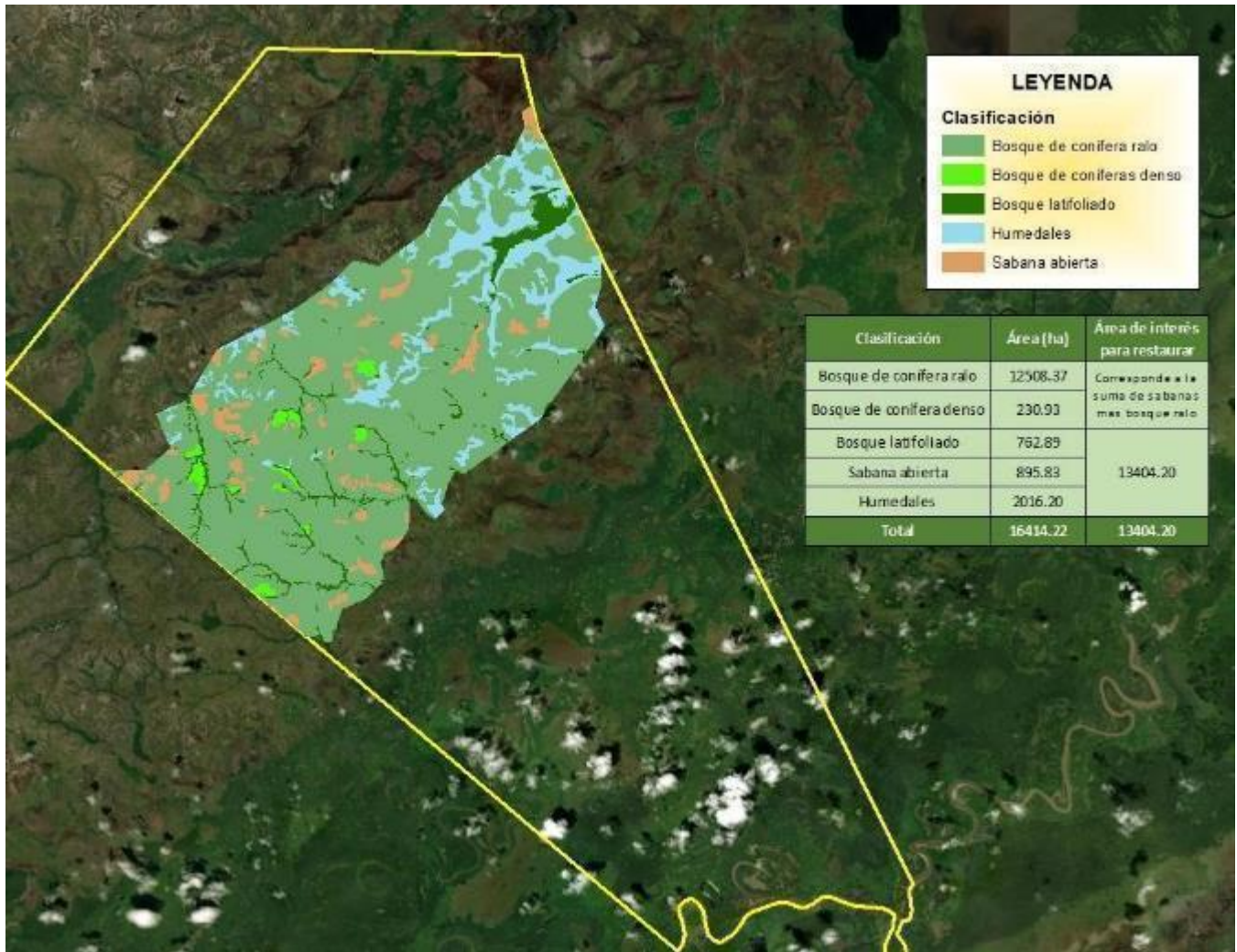
Interprete de idioma español – misquito: Mocklin

Scanned photographs of the survey applied to one participant, smallholder of the Truktsinasta territorial council. In *attached link*⁷ a document is observed with all the surveys scanned, the

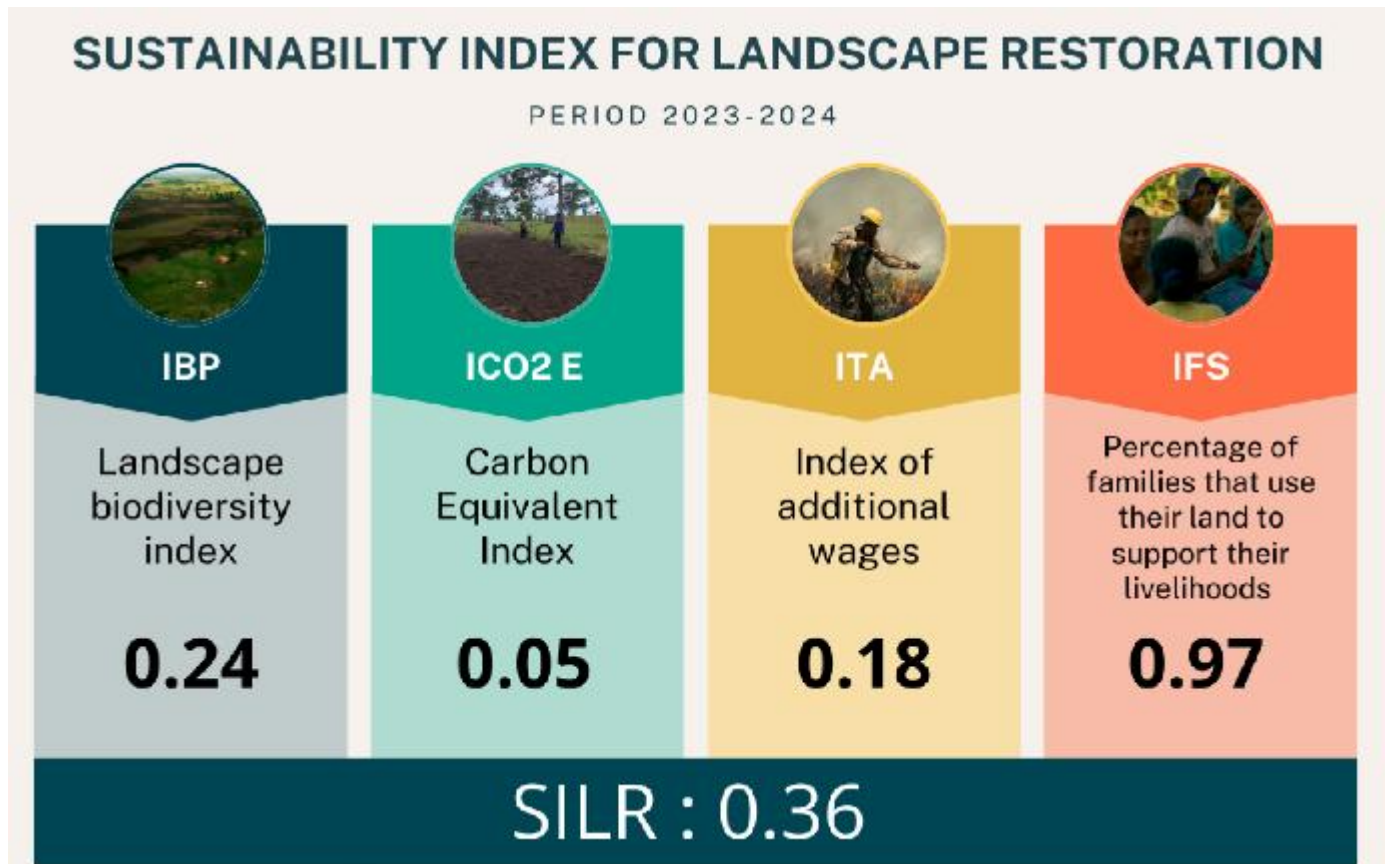
⁷ For internal reporting purposes only

data contained in this survey was used to obtain the value of the percentage of families that use their land to sustain their livelihoods.

Annex 6: Conservation and monitoring results.



This is the view used for calculating the landscape biodiversity index. It includes the areas of each type of land use within the Truktsinasta zones of interest. The areas with restoration potential were determined by combining the areas of sparse coniferous forest and open savannah.

Annex7: Impacts

Results of the monitoring plan for the reporting period. Only 4 indicators were used to measure during the first period.

Annex 8. Minutes of community meetings (summary)



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Invitación a reunión

Fecha 03 / 05 / 2024 /

Reunión: Temas varios

Estimado líder de la comunidad de Tipi Muna, Concejo Territorial Truktsinasta.

Por este medio me dirijo a usted para invitarlo a participar en una reunión informativa de la Empresa Paskaia junto a líderes comunales, religioso y ancianos de esta comunidad. El objetivo de la misma es abordar temas relacionados a la ejecución del proyecto, que incluye temas como;

- Protección de la Sabana.
- Plantaciones forestales.
- Plan de Monitorio del proyecto.
- Distribución de fondos generados por los PSA.
- Modificación de contratos.
- Otros que se consideren en la reunión, relacionados con la ejecución del proyecto.

La reunión esta programada para el día Domingo, 05 de Mayo, esperamos contar con su presencia, es muy importante para conocer tu punto de vista en la ejecución de nuestro proyecto.

Tipi Muna
 Colegio
 3:00 PM

Sin más;

Atentamente;

Marvin

Director del Proyecto de Reforestación y Restauración
 Empresa Paskaia Honduras S. A.

cc. archivo

L'ngsiktigt klimatearbete, Socialt hållbart
 Trabajo climático a largo plazo, socialmente sostenible
 Taim saura patka nani ba wark wal pain dauki pluwa Yari lahma mapara sip main karki briaia

05-05-24

Reunión Informativa Temas Varios

Inicio = 4:00pm

Finalizó = 7:37 PM

Temas abordados

Comunidad

Tipi Muna

- Protección de Sabana
- Plantaciones forestales
- Plan de monitoreo
- Fondo de PSA
- Modificación de contratos
- Otros, varios considerados
- Reglamento interno

Acuerdos, comentarios:

- Paskaiá no se encarga de contratar brigadas, son los líderes de las comunidades.
- Distribución equitativa de trabajo en las comunidades. Comunidades más grandes, más empleos que las más pequeñas.
(1 empleo más para Tipi Muna)
- Pago de brigadas que faltan. Trabajo de brigada, sigue, no se suspende.
- Los líderes deben escoger quienes plantan caoba.
Muy importante: parcelas no deben estar en el llano o cerca del río.
- Plan de monitoreo: medición de las parcelas
Índice de Calidad de agua y Caudal
Discusión general del PM
- Discusión de la distribución de fondos
61% a la comunidad y 39% Paskaiá
y la distribución de fondos en cada grupo.



Photo 4: Meeting with Professor Amilcar, president of the CTI Lainasta.



Photo 5: Meetings with the BlibliLaya and BipKlarka communities.



Photo 6: Meeting with Tipi Muna.

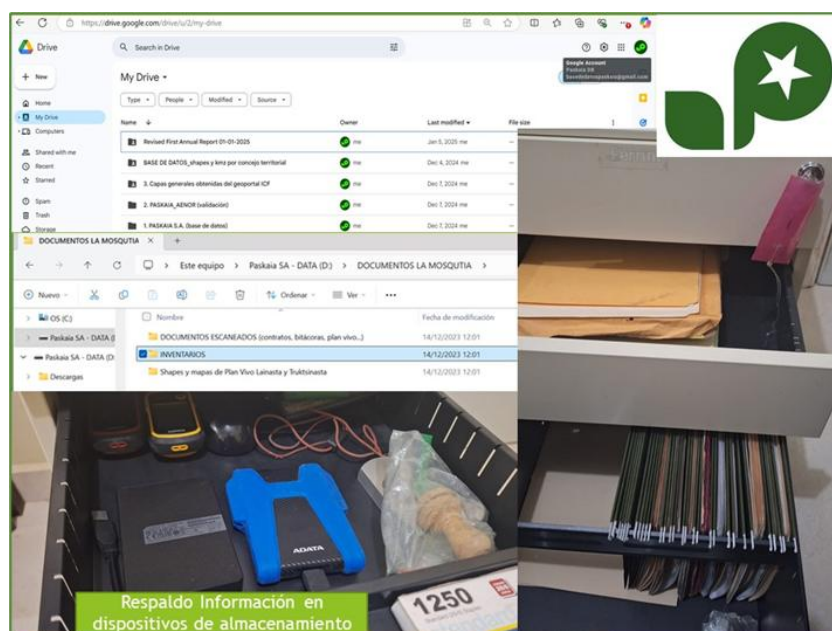


Photo 7: Meeting with Tipi Lalma.



Photo 8: Visits made by the local technician to deliver PLAN VIVO documents translated into Miskito for the smallholders. Delivery of a translated PLAN VIVO of the CTI Truktsinasta.

Annex 9. Storage and backup of information related to the development of the restoration project executed by Paskaia. This information has been stored in multiple formats, including the Drive platform, external storage devices, and physical copies stored in filing cabinets, as illustrated below.



Annex 10. Distribution of benefits in family PV.

Smallholders' Mahogany Plantation

Year	Performance-based goal	Payment smallholders
1	All of the planted trees have been planted and are safeguarded against weeds and animals.	20%
2	95% of the planted trees survived and are in vital condition.	15%
3	95% of the planted trees have survived, and any dead trees have been replaced.	15%
4	90% of the planted trees have survived, and any dead trees have been replaced.	10%
5	80% of the planted trees have survived and an average DBH of more than 5cm	10%
8	70% of the planted trees have survived and an average DBH of more than 8cm	10%
12	60% of the planted trees have survived and an average DBH of more than 12cm	10% + 10% (contingency)

Annex 11. Distribution of benefits in communal PV of the savanna.

Degraded Savanna Restoration

Year	Performance-based goal	Payment
1	The entire area is safeguarded against fires.	10%
2	The entire area is safeguarded against fires and the necessary beeting has been completed.	5%
3	The entire area is safeguarded against fires and the necessary beeting has been completed.	5%
4	The entire area is safeguarded against fires and the necessary beeting has been completed.	5%
5-19	The entire area is safeguarded against fires and all agreed-upon management measures have been successfully implemented.	5% yearly

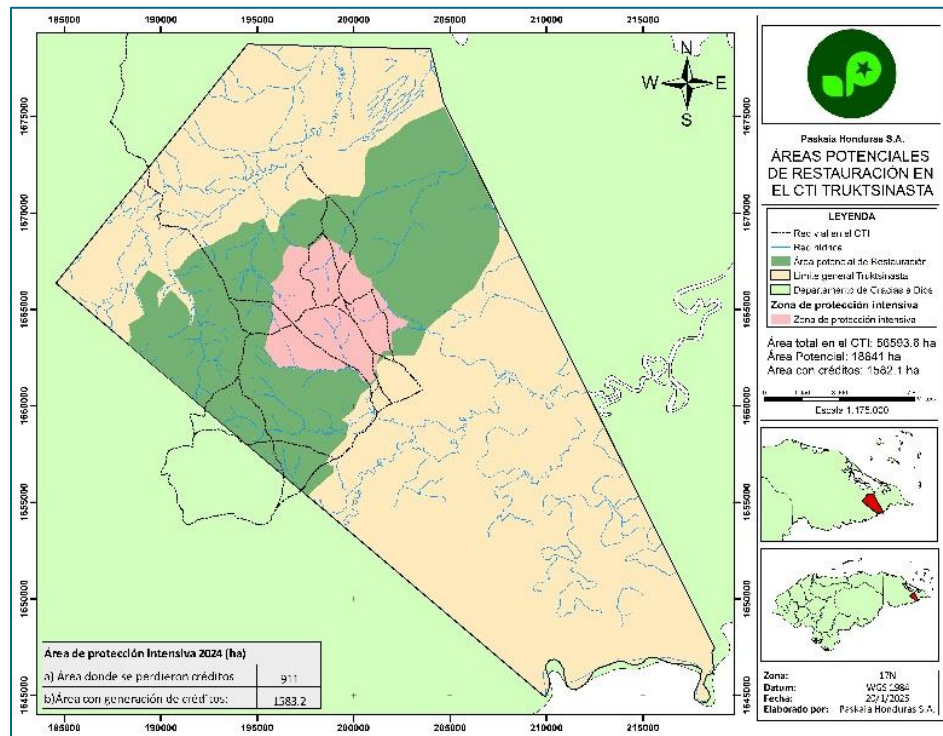
Annex 12. Publication of the signing of the Memorandum of Understanding between the Parties, with market approaches referred to in Article 6 of the Paris Agreement. Transfer of Funds for Forest Carbon Credits.



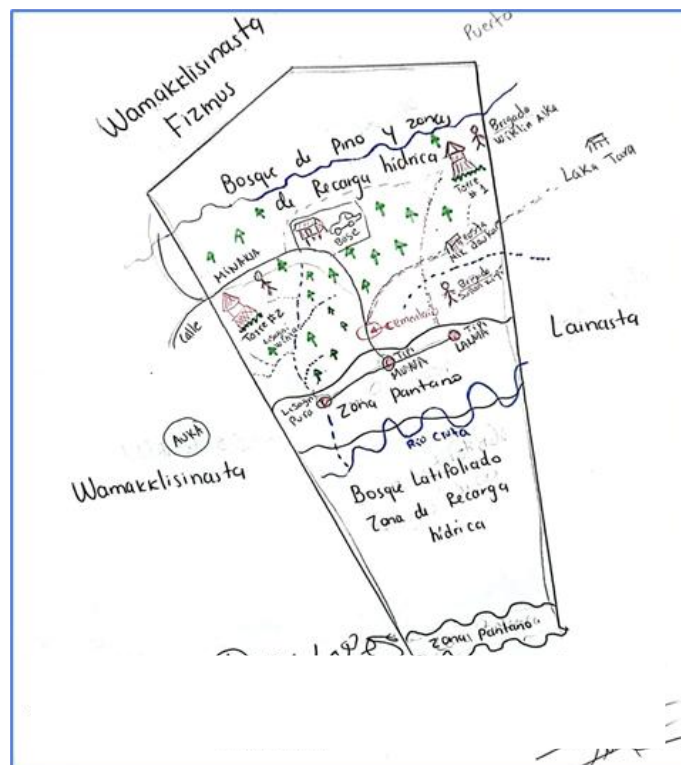
Annex 13. Evidence of invitation to a meeting between ICF and Paskaia to address the topic related to the carbon market.



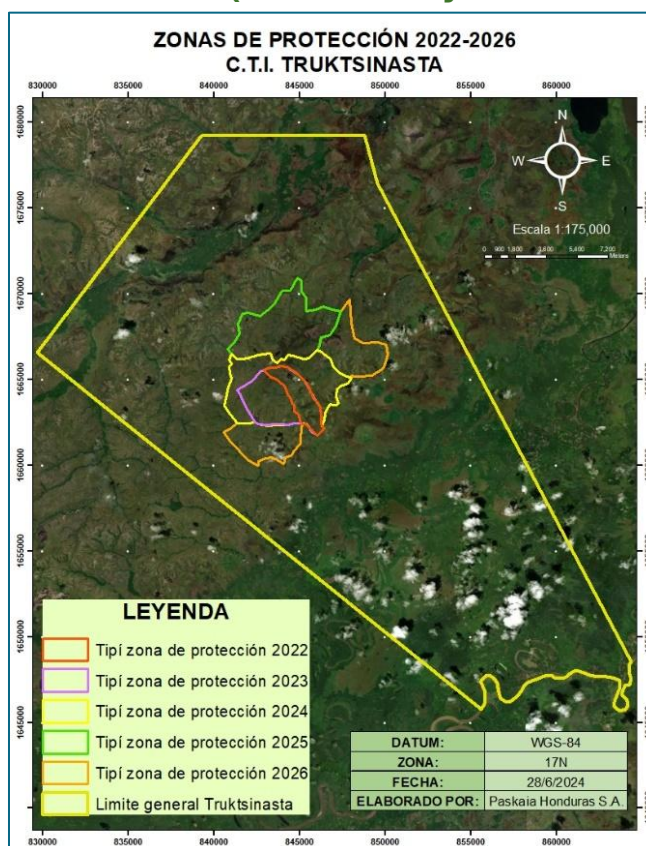
Annex 14. Delimitation of the area of the CTI Truktsinasta communal Living Plan and the area under protection in 2024.



Annex 15. Development of the CTI Truktsinasta communal Living Plan



Annex 15. Extension of protected areas for the generation of carbon credits in the communal PV of the CTI Truktsinasta. (Areas for the years 2022 – 2026)



Annex 16. Paskaia has developed instruments that allow it to maintain order and receive complaints



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CONFLICT RESOLUTION POLICY

This policy establishes provisions and rules to regulate the management of conflict resolution between Paskaia and its stakeholders.

1. Object

Establish transparent policies and provisions to be followed in the event of conflicts involving the Paskaia company and the territorial councils, considering the application of criteria of effectiveness, efficiency, equity and respect between the parties.

2. Scope

The content of this policy applies to the company Paskaia and its collaborators, and the territorial councils with which the company has agreements: Lainasta, Truktsinasta and Wamaklisinasta, who, due to their nature and development of their activities, are directly related to the company.

3. Legal basis

Labor Code of the Republic of Honduras . (2014). Tegucigalpa, Honduras Internal work regulations for the company Paskaia Honduras SA

Various notes and complementary contributions to the report

Registration process of the Paskaia project before government institutions

On November 5, a delegation from Paskaia met with the ICF technical advisor, Eng. Dary Medina, to present information about the project, which he was already aware of. The meeting sought details about the publication of the regulations of the Special Law for the Transfer of Carbon Credits and the Technical Entity that will register the credit sale projects. Medina reported that the regulations are under review at the Secretariat of Natural Resources (SERNA) and their publication is expected for COP29. In addition, he mentioned that we are the first project to approach the institution to report on our initiatives, aligned with its guidelines. We were asked to present evidence of the work carried out, agreements with local communities and the project profile for its evaluation and future official registration.

The Secretary of Natural Resources and the Forest Conservation Institute recently organized an event to sign an agreement between Honduras and South Korea. This agreement seeks to facilitate the arrival of funds for the protection and restoration of forests, through the sale of carbon credits. The meeting took place on Friday, January 10, marking the beginning of Honduras' opening to the commercialization of forest carbon credits in this new year.

Paskaia is currently working on preparing the profile of the project “Restoration of Degraded Areas in the Honduran Mosquitia”, which will be presented to the Climate Change Directorate of SERNA. After the review by Eng. Medina, ICF advisor for issues related to Climate Change and carbon markets.

Distribution of benefits generated by carbon credits

The allocation of benefits is explained in annex tables 10 and 11. Payments to producers are based on a results approach, which implies that certain goals must be achieved. Small producers must meet seven goals over a 12-year period, while community producers must meet one goal each year for 20 years. Performance is evaluated based on these goals, using data obtained from the monitoring of the Vivo Plan.

Potential of the Living Plan for the Truktsinasta Community Area

Paskaia, using the available information, has developed a short-term action plan in collaboration with community leaders and local residents. It is important to note that the potential area of PV in the CTI Truktsinasta savannah exceeds 18,000 hectares, of which 12,000-15,000 hectares are expected to be restored. Each year, Paskaia will add new areas; in 2022 it worked on 400 hectares, in 2023 another 800 hectares were added, and in 2024 1,200 hectares were added for restoration. Paskaia seeks to mitigate fire losses in the credit generation area by implementing strategies to include additional areas or buffer zones. By 2024, Paskaia protected 5,700 hectares, of which 3,600 were not affected by fires, and of this area, only 1,583 hectares are reported for credit generation, providing ample room to address potential losses. More information about the potential of the area for the generation of carbon credits can be found in annexes No. 14, 15 and 16.

Co-design, a participatory methodology

Co-design is a participatory methodology that involves all stakeholders in the development of a project, and allows for the identification of problems through to the implementation of solutions. This approach seeks to include both direct stakeholders and those with an interest in the outcome, encouraging dialogue to consider diverse perspectives. The inclusion of different voices is essential, as it allows problems to be addressed from multiple angles and a deeper understanding of the parties' realities to be obtained, promoting comprehensive and representative solutions for the community.

Furthermore, Co-design encourages a continuous exchange of information between participants, increasing flexibility and the ability to adapt to new challenges. One of the main advantages of Co-design is the creation of a constant flow of information, which facilitates communication, fosters trust and facilitates the acceptance of the solutions developed, since they reflect the needs of a wide range of stakeholders

Conflict resolution policy

Paskaia has implemented a conflict resolution policy and internal regulations that ensure a positive working environment for everyone, whether individual foresters, members of brigades or staff of the organization.

<https://drive.google.com/file/d/141NJAOnBnUjEo1yCGDsFiAeeOscp8i1o/view?usp=drivesdk>

https://drive.google.com/file/d/1oHplp8IRYptxfZHMpXyv_AoYh9OvBcyu/view?usp=drive_link

https://drive.google.com/file/d/1nIRLpkyfnlv2D53_Ek3QJypOMXPUJhw3/view?usp=drive_link



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Ended 30 June 2024

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Taim saura patka nani ba wark wal dolor dauki piuwa Yari lahma mapara sip principal kaiki briaia