

Project Information Note (PIN)

Project Title: Pikounda Nord Improved Forest Management (IFM) – REDD+ Project

Location: Pikounda, Republic of Congo

Project Proponent: Congolaise Industrielle des Bois (CIB), an Olam Agri company

Project Type: Improved Forest Management – REDD+ (IFM-REDD+)

Standard: Verified Carbon Standard (VCS) by Verra

Documentation and issuance records: <https://registry.verra.org/app/projectDetail/VCS/1052>

Start Date: 01 January 2012

Current Monitoring Period: 01 October 2021 – 30 September 2023

Executive Summary

The North Pikounda IFM-REDD+ Project, developed by Congolaise Industrielle des Bois (CIB), a subsidiary of Olam Agri, represents a pioneering forest conservation initiative in the Republic of Congo. Located in the Sangha department, this project covers 92,530 hectares of FSC®-certified tropical forest, originally earmarked for timber production. Since owning the concession rights, CIB has conserved the forest without ever harvesting in the area, thereby maintaining the forest as an intact carbon sink and biodiversity refuge.

The project is registered under the Verified Carbon Standard (VCS, Project ID 1052) and has transitioned from methodology VM0010 to VM0011 to reflect best practices in “logged-to-protected” REDD+ modeling. It has successfully completed multiple third-party verifications, generating over 2 million gross Verified Carbon Units (VCUs) to date, with an additional ~2.7 million VCUs expected in the future.

The project’s design integrates rigorous Monitoring, Reporting, and Verification (MRV), jurisdictional REDD+ alignment, and a commitment to environmental integrity. Beyond carbon, the project contributes to the conservation of endangered species (e.g., great apes, forest elephants) and supports local development efforts through future benefit-sharing models and public goods delivery.

Structured for buyers seeking high-quality nature-based solutions, the project offers:

- Transparent legal and institutional framework.
- Strong safeguards and risk mitigation protocols.
- Premium credit potential linked to biodiversity and ESG alignment.
- Integration into national REDD+ architecture and ERP Sangha-Likouala (2020–2024).

Project Objectives and Rationale

The project’s core objectives are to:

- Promote and conserve the ecological integrity of the Congo Basin
- Safeguard high carbon stock, intact tropical forest
- Support local development and enhance biodiversity protection
- Preventing infrastructure development associated with forest degradation
- Generate verified emission reductions for the voluntary carbon market

The rationale behind the Pikounda Nord REDD+ project is to demonstrate that forest conservation can serve as a financially viable alternative to industrial timber harvesting, through the generation of high-integrity carbon credits, while providing measurable climate and community benefits.

Project Design and Methodology

Baseline scenario:

The Pikounda Nord Forest Management Unit (FMU) had a formally approved industrial Forest Management Plan (FMP), developed in accordance with Congolese forestry legislation. The plan, covering the period 2012–2037, included scheduled timber harvesting operations, infrastructure development (notably forest roads, bridges, and logging camps), and selective logging cycles over a 25-year rotation period.

Logging would have been conducted directly by CIB, without subcontractors, as part of its vertically integrated forest operations. CIB has operated in the Republic of Congo for several decades and has implemented FSC® certification across all its forest concessions since 2009, demonstrating a longstanding commitment to sustainable forest management. This FMU, like all of CIB's concessions in Congo, has been certified under FSC® Forest Management standards, underscoring the company's commitment to responsible and independently verified forest stewardship.

Project scenario:

In the project scenario, all planned timber harvesting operations under the FMP have been voluntarily suspended. No logging permits have been activated, and no infrastructure development (roads, camps, extraction sites) has been implemented. The forest remains entirely intact and under permanent conservation status for the duration of the crediting period.

To ensure the effectiveness of the conservation effort, patrolling and surveillance activities are regularly carried out by trained local personnel, including forest rangers and community monitors. These efforts are complemented by remote sensing tools and field inspections to prevent encroachment, illegal logging, or other forms of degradation. The project also implements biodiversity monitoring protocols, including periodic surveys of indicator species such as great apes, and large mammals.

By suspending logging and protecting the forest landscape, the project prevents the release of significant quantities of greenhouse gases. In doing so, it actively maintains the forest's role as a carbon sink, while also ensuring the continuity of ecosystem services and the conservation of critical habitats for threatened species, such as great apes, forest elephants, and other endemic wildlife.

The project further contributes to the region's ecological integrity by maintaining forest connectivity between protected areas and nearby concessions, thus reinforcing landscape-scale conservation.

Methodology applied:

The Pikounda Nord REDD+ project was initially developed and validated under VM0010 – Methodology for Improved Forest Management: Reduced Impact Logging (RIL) in Tropical Forests, Version 1.3. This methodology was suited at the time to quantify the emissions avoided by transitioning from planned industrial timber harvesting to permanent forest protection.

In later stages of project implementation, and following updates in Verra's methodology framework, the project transitioned to VM0011 – Methodology for Calculating GHG Emission Reductions from Preventing Planned Degradation, Version 1.0. This methodology, specifically tailored for “logged to protected forest” scenarios, was applied during the most recent verifications and credit issuances covering the monitoring period 2013–2019 and beyond.

VM0011 enables the quantification of greenhouse gas emissions avoided by suspending timber extraction activities and related infrastructure development originally planned under an officially approved FMP. The baseline scenario is established using spatial models of harvest blocks, road networks, and degradation factors typical of industrial logging operations. The project scenario is based on complete forest conservation, with no logging or road construction.

In the case of Pikounda Nord, application VM0011 includes:

- A formally approved 25-year Forest Management Plan (2012–2037) as the baseline reference.
- Historical harvesting data and spatial projections of timber extraction zones.
- Forest inventory and biomass data for carbon stock estimation.
- A robust Monitoring, Reporting, and Verification (MRV) framework based on satellite imagery, field sampling, and third-party verification.

The successful transition from VM0010 to VM0011 reflects the project's commitment to continuous improvement and alignment with evolving carbon market standards. The methodology applied ensures high environmental integrity, conservativeness in credit estimation, and strong credibility with both Verra and prospective carbon credit buyers.

Monitoring and Verification

The latest monitoring ending in Q4 of 2023 led to verification of around 2 million gross (VCUs) after successful third-party verification.

Key highlights of the monitoring process:

- Remote sensing and field checks confirm absence of logging and infrastructure development.
- Stratified sampling and field plots validate forest carbon stock conservation.
- Community consultations and biodiversity monitoring included in verification.
- Non-permanence risk buffer contributions duly applied.

The project has consistently delivered measurable climate benefits, with each verification further reinforcing its credibility on the voluntary carbon market.

Carbon Credit Issuance and Sales Strategy

The project has cumulatively generated approximately 2 million VCUs across its operational timeline under the Verra Verified Carbon Standard (VCS).

While the project continues to operate as an independent REDD+ initiative under VCS, the emission reductions for the period 2020–2024 were accounted for under the ERP Sangha-Likouala, the jurisdictional program led by the Republic of Congo with support from the Forest Carbon Partnership Facility (FCPF). As such, no VCUs were or will be issued by Verra for this specific period, in line with avoiding double accounting of emission reductions.

Sales strategy moving forward includes:

- Targeting both the voluntary carbon market and compliance frameworks (e.g., Article 6.2 pathways under negotiations).
- Prioritizing buyers aligned with high-quality REDD+ credits from high integrity forests in low-deforestation (HFLD) geographies.
- Structuring both spot-market sales and forward contracts with price premiums reflecting biodiversity, permanence, and social co-benefits.
- The project is currently exploring the integration of innovative financing structures such as blended finance models, minimum price guarantees, and outcome-based mechanisms, with support from technical partners.

The project has been recognized in carbon market forums and publications for its high-quality MRV, spatially explicit baseline modeling, and its alignment with both project-level and jurisdictional REDD+ integrity standards.

Estimated Carbon Benefits

Based on current projections and updated scenario modeling (Appendix 4, NPPR), the project is expected to generate approximately 2.7 million additional VCUs over the balance 17-year crediting period, excluding the ERP-accounted years. These estimates assume continued forest protection and verification under VM0011.

- Premium sales opportunities in nature-positive and ESG-linked buyer segments.
- Forward contracts with value-linked terms.
- Co-certification and blended finance pathways that enhance both impact and revenue stability.

Environmental and Social Co-Benefits

The Pikounda Nord REDD+ project delivers far more than verified emissions reductions. It acts as a model for integrated forest conservation, contributing significantly to biodiversity protection, local development, and national climate governance. These co-benefits are fully aligned with the Sustainable Development Goals (SDGs) and the Climate, Community & Biodiversity (CCB) Standards under Verra.

Biodiversity Conservation

Located in northern Congo, the project area shelters some of the most ecologically valuable intact forests in the Congo Basin. As such, it plays a vital role in the protection of globally threatened species and forest ecosystems.

- Protection of endangered species habitats, including critical ranges for great apes (such as chimpanzees and gorillas) and forest elephants (*Loxodonta cyclotis*), both listed as endangered or critically endangered by the IUCN.
- Prevention of habitat fragmentation through full avoidance of road construction and industrial activity.
- Deployment of regular anti-poaching patrols, carried out in collaboration with local authorities and trained eco-guards.
- Biodiversity monitoring programs, using a combination of field surveys, camera traps, and participatory wildlife tracking by community members.

Community Engagement and Socio-Economic Development

The project adopts a participatory approach, involving local communities in forest protection and ensuring that conservation translates into tangible local benefits.

- Participatory land-use planning, ensuring local rights are respected and forest use is adapted to community needs.
- Community consultations are held regularly to inform and adjust project activities.
- Support to basic social infrastructure, including contributions to education (e.g., school materials, teacher support) and healthcare access in surrounding villages.

A revenue-sharing mechanism with the communities together with Republic of Congo was agreed to allocate a portion of carbon revenues to community development priorities, ensuring long-term alignment and equitable benefit-sharing.

Institutional Strengthening and Policy Alignment

The Pikounda Nord project also contributes to broader institutional objectives at the national level, helping to scale REDD+ efforts and improve forest governance in the Republic of Congo.

- Strengthening of national MRV (Measurement, Reporting, and Verification) systems, through field data, spatial analysis, and independent verification experience.
- Contribution to jurisdictional REDD+ thinking, as the Pikounda landscape serves as a pilot area for exploring nested REDD+ models, in dialogue with the Ministry of Forest Economy.
- Reinforcement of transparency and traceability standards, supporting Congo's ambition to participate in Article 6 mechanisms under the Paris Agreement.

Legal and Institutional Framework

The legal basis for the Pikounda Nord REDD+ project is firmly established. Ownership and rights to emission reductions (ERs) are documented in the Deed of Representation and Verification, officially submitted and validated under the Verra registry. CIB holds a 25-year forest concession granted under Congolese forest law, which has been voluntarily designated for conservation use.

CIB's conservation-oriented management of the concession is fully grounded in a legally approved FMP and is in full compliance with national forestry regulations.

The Ministry of Forest Economy is supportive of its long-term conservation objectives. The project also adheres to applicable national guidelines for REDD+ projects and has shared relevant documentation with REDD+ focal points.

Moreover, the project is nested within the national REDD+ architecture, contributing to the development of jurisdictional approaches in the Republic of Congo. It is aligned with the country's Nationally Determined Contributions (NDCs) under the Paris Agreement and supports priorities defined in the National REDD+ Investment Plan, particularly those related to forest preservation, biodiversity, and sustainable rural development.

Risks and Safeguards

The Pikounda Nord REDD+ project is designed to deliver long-term climate, environmental, and social benefits. Like any forest-based carbon initiative, it faces a set of technical, market, and institutional risks. These are actively managed through robust safeguard systems and continuous engagement with standard-setting bodies and host country institutions.

Technical Risks and Mitigation

- Forest fire risk is considered low due to the high humidity and intact forest structure of the Congo Basin. Nonetheless, fire monitoring protocols are in place, and the project maintains satellite-based monitoring systems to detect any signs of disturbance.
- Carbon permanence is addressed through the project's contribution to the Verra buffer pool, which insures against unintentional reversals such as fire, pest outbreaks, or force majeure events.
- Leakage risks are minimized through landscape-level coordination with adjacent concessions and integration into jurisdictional forest strategies.

Market and Regulatory Risks

The project operates in a dynamic voluntary carbon market where credit prices can be volatile. To mitigate this, the proponent is exploring forward sales, price floors, and long-term agreements with strategic buyers.

Evolving regulatory frameworks (e.g., VCMI claims code, ICVCM Core Carbon Principles, and Article 6 eligibility) may influence future market access. The project proactively monitors these developments and is exploring alignment with emerging high-integrity standards such as the SD Vista Nature Framework or FSC Carbon Credits.

The use of independent third-party verification, adherence to Verra's VCS and CCB standards, and alignment with national REDD+ architecture ensure resilience against credibility and quality concerns.

Institutional and Legal Safeguards

The rights to emission reductions are legally documented through a Deed of Representation, and project implementation is in full compliance with Congolese forest and environmental law.

The Ministry of Forest Economy has expressed support for the conservation approach adopted by CIB.

Alignment with the national REDD+ Investment Plan and participation in the ERP Sangha-Likouala reinforce the project's status within the national climate strategy.

Environmental and Social Safeguards

The project delivers substantial co-benefits aligned with Verra's CCB Standard, including biodiversity protection, participatory processes, and contributions to the SDGs. Free Prior and Informed Consent (FPIC) procedures have been implemented with local communities.

A grievance mechanism together with regular field missions ensures transparent dialogue with all stakeholders.

Next Steps and Scaling Potential

With a robust pipeline of verified credits and strong operational presence, the Pikounda Nord REDD+ project is now exploring the following:

- Long-term offtake agreements with buyers aligned with net-zero strategies.
- Integration into a Conservation Bond or landscape-level finance facility to scale efforts.
- Expansion of biodiversity monitoring and MRV systems using AI and drones.
- Establishment of a community investment fund supported by carbon revenue.
- Engagement in jurisdictional nesting for enhanced benefit-sharing and recognition.

Strategic Opportunity

The Pikounda Nord IFM-REDD+ project represents a rare combination of credibility, scale, and impact. Its clear legal structure, successful verification track record, and alignment with national climate policy make it an attractive option for buyers seeking high-quality, nature-based carbon removals.

With growing demand for credits delivering measurable biodiversity and community benefits, Pikounda offers not only carbon performance but also reputational value and long-term visibility.

We welcome the opportunity to explore structured partnerships with mission-aligned buyers and investors.

Contact

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