Community Inclusion Standard Plug-In

Version 0.2

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To be added:

Copyright statement:

Trademark statement:

Licence:

- *A revokable licence that requires our permission to be sought before using or adapting text in other codes, standards or schemes*

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Introduction

The Community Inclusion Standard Plug-In (CIS-PI) is designed to be integrated into existing and future nature market codes and schemes (hereafter referred to as "codes").

The text has been developed to be consistent with the forthcoming British Standards Institute (BSI) Community Inclusion Standard (BSI Flex 705) and will be adapted to retain alignment as this standard evolves.

Text can be licensed for integration as it stands, to increase the likelihood of achieving accreditation to BSI Flex 705. While the criteria and requirements cannot be adapted, associated guidance and forms can be adapted to help with alignment to specific Code applications.

Certification levels

Requirement compliance is assessed by independent validation and verification bodies (VVBs) when projects have their first assessment and at each subsequent verification point to ensure relevant requirements have been met prior to issuance of units. To be eligible, projects must be officially registered with relevant codes and fulfil all associated code and scheme requirements. Projects which have already completed their first respective validation assessment is not eligible for obtaining this certification.

Three levels of certification are available:

Basic certification

Basic certification requires inclusive identification of communities of place and to a lesser extent of interest, good practice engagement, avoidance of harm and clear communication around the absence of direct benefits for these communities.

To achieve certification to basic level, all basic requirements must be met.

Enhanced certification (two levels)

Two levels of enhanced certification are available for projects that can demonstrate either *enhanced engagement practices*, or a higher tier of certification available for those *demonstrating community benefits alongside enhanced engagement practices*.

To achieve certification to enhanced levels, the minimum number of criteria specified in each section must be completed. Failure to maintain enhanced criteria for the full duration of the

project and its permanence period will lead to the withdrawal of enhanced certification, with the project reverting to basic certification.

Maintenance of both basic requirements and enhanced criteria is assessed at respective verification points by an independent validation and verification body. If requirements are not met, the issuance of units shall be delayed until such time as they are met, or certification to this standard will be withdrawn.

Standard purpose and development

The purpose of the Community Inclusion Standard Plug-In is to:

- Give confidence to investors and buyers of nature credits in investing in/purchasing credits from UK nature restoration projects.

- Achieve, as far as is practical, and in co-ordination with the BSI, alignment on the topic of Community Inclusion across all natural capital methodology 'codes and standards' operating in the UK.

- Set the qualifying standard to enable projects to receive public/philanthropic grants to cover all Monitoring, Reporting, and Verification (MRV) costs from an identified set of supportive organisations

- Clarify the linkages to evidence of community engagement/participation through existing requirements from regulators, e.g. the Forestry Grant Scheme

- Clarify the expectations on validation bodies in terms of their accreditation to the Nature Finance Certification Alliance Community Inclusion Standard (NFCA-CIS)

- Strengthen, not diminish, the viability of natural capital projects that deliver clear societal/public benefits through protecting nature and our environment - e.g. carbon, biodiversity, water quality, flood risk management, with clear linkages to social-economic impact measures that buyers of 'bundled' nature credits (i.e. people and planet) are interested in reporting against.

- Provide transparency on decision-making processes linked to making trade-offs between different economic/social/community benefits, across different demographics, interest groups, geographies and timescales.

[How the Plug-In was developed (including history and funding), ownership, instructions for licencing – to be completed post consultation].

1 Inclusion and Engagement (basic certification)

1.1 Identifying relevant groups for inclusion

Basic requirement

1.1.1   The project shall identify communities of place relevant to the project boundary, and the groups within these communities that are most relevant to engage with the project, including marginalised and/or vulnerable groups, where these exist.

1.1.2   The project shall also identify key communities and organisations of interest that are not located in proximity to the project boundary, but who have a material interest in the project area that could be enhanced or compromised by the project, including marginalised and/or vulnerable groups, where these exist.

1.1.3   The project must only exclude relevant parties if their material interest is deemed insufficient to justify engagement. If these have also been identified as marginalised or vulnerable groups, additional justification for the exclusion of these groups must be provided.

1.1.4   The project shall revisit identification of relevant parties at least on a decadal basis, to ensure that new groups and organisations, and their changing needs and interests, are captured in ongoing engagement.

1.1.5   The project shall identify project boundaries on an accessible map, showing its location in relation to nearby communities of place.

Guidance

To achieve validation, project developers must provide evidence to the independent validation and verification body appointed to oversee project validation or verification of the relevant parties that have been identified, and the method used to ensure identification was systematic and inclusive.

Although communities of place would typically lie in close proximity to the project boundary, more than one community may have a *material interest* (see glossary for definition) in the project area, so this should not be restricted to the closest community, where other nearby communities express interest in the project. In more remote locations, the community may consist of hamlets and scattered rural dwellings, while in others, it may consist of nearby villages, a town or the nearest part of a nearby city. A narrative justification for the inclusion of each community of place, detailing the groups deemed relevant for engagement, shall be provided

Where community representative organisations exist, these should be contacted, considering organisations working at different scales (e.g., a community council operating at a village level and a Development Trust operating across the region) and with different groups (e.g., youth

groups, over 50s groups, faith-based organisations, and groups representing special interests such as providing support for the LGBTQI+ community).

Country specific

In Scotland, any Community Council or Development Trust in Scotland whose jurisdiction overlaps with the project area should be contacted (see: https://www.communitycouncils.scot/community-council-finder and https://dtascot.org.uk/dtas-member-network/our-members).

Where there are no representative organisations, or these organisations are limited in the extent to which they represent interests from across the community of place, a systematic approach should be taken to the identification of relevant groups for engagement within the community, for example using an interest-influence-impact analysis, and using this to identify local groups, organisations or individuals that can represent the interests of the place-based community. To ensure a high-quality output from this sort of analysis, it is advisable to consult local experts (e.g., from an anchor organisation in the community, like a Community Council or Development Trust).

As part of this, potentially marginalised and/or vulnerable groups should be specifically identified, or evidence provided that systematic methods have been used to determine that there are no marginalised or vulnerable groups present in the area. Marginalised groups are defined as those with material interests in the project and/or likely to benefit or be harmed by the project, who may be excluded from engagement due to various forms of systemic disadvantage. For example, this may include groups that have limited capacity to engage due to commitments (e.g., single parents, shift workers or professionals with long commutes) or capability to engage (e.g., due to cognitive impairments such as learning difficulties or dementia, or mobility issues), or who may typically be excluded from decision-making processes due to other forms of systemic disadvantage (e.g., race, gender, sexual orientation, disability or age, including both the youth and elderly). Vulnerable groups are defined as those who are at higher risk of harm from the project due, for example neighbouring or downstream properties at risk from flooding due to planned changes in the project area.

Similarly systematic methods should be used to identify communities and organisations of interest that are not located in proximity to the project boundary, but who have a material interest in the project area that could be enhanced or compromised by the project. A material interest is defined as any significant activity or current/future benefit arising from the project area that could be enhanced or compromised by the project, where significance is determined by the interest group, not the project developer. This may include social groups (e.g., recreationalists and others with rights of access) and organisations (e.g., NatureScot, Natural Resources Wales, Department of Agriculture and Rural Affairs (Northern Ireland) and Natural England where sites include statutory designations). A narrative justification for the inclusion of each community of interest should be provided, detailing the groups and/or organisations deemed relevant for engagement.

Note that it will not be possible to meet the needs of all groups that are identified as relevant to engage, but it is essential that all relevant groups are identified for engagement.

1.2 Engagement

Basic requirement

1.2.1   The project shall engage as early as possible with relevant parties, ensuring that those affected are able to feed into the decision-making process when changes can still be made to mitigate impacts, managing expectations appropriately and providing evidence of systematic and inclusive engagement in project design.

1.2.2   The project shall work with trained engagement professionals or seek engagement training for project staff engaging with relevant parties, to ensure appropriate engagement methods are selected and executed well, including the management of power dynamics and engagement with marginalised and vulnerable groups.

1.2.3   Where concerns arise during engagement, the project developer shall enter into a dialogue to resolve the issues, incorporating changes to requests that are appropriate and proportionate in their project design.

1.2.4   Where requests are appropriate and proportionate, they shall be addressed within six weeks of being raised. Where requests are not deemed appropriate or proportionate, they shall still be addressed within this time, providing contact details for the Code operator if relevant parties wish to take their concerns further.

1.2.5   Relevant parties shall have recourse to a dispute or conflict resolution process under the Code if issues are not resolved satisfactorily.

1.2.6   Details of objections and resolutions shall be anonymised in line with UK GDPR and included as an appendix to the Project Design Document (PDD).

1.2.7   Where required by law, a full public consultation shall also be carried out in line with the relevant legislation.

1.2.8   The project shall provide opportunities for continuous feedback as the project is implemented and maintained for the duration of the project and its permanence period (whichever is longest). To facilitate this, up-to-date contact information for the landowner and/or project developer shall be publicly available for the duration of the project, with a named point of contact that can be contacted directly by relevant parties, to enable ongoing feedback from relevant parties.

1.2.9   Where possible, the project shall provide transparency on any private benefits and beneficiaries, including buyers of carbon and nature credits.

1.2.10   The project shall communicate in a way that is transparent and accessible, paying particular attention to the specific needs of marginalised and/or vulnerable groups, where these are present.

1.2.11   Projects shall clearly communicate whether or not there will be any direct community   benefits. These shall be clearly differentiated from indirect benefits arising from the public goods generated by the project, for example, benefits arising from climate mitigation or biodiversity enhancement (i.e. those that cannot be defined as community benefits).

Guidance

The selection of engagement methods should be appropriate to the context and timescale over which engagement activities will take place. To provide evidence of inclusive engagement in project design, details of workshops, interviews, surveys or other engagement methods should be supplied, with a sample of anonymised engagement data (full data to be made available on request by the independent validation and verification body). This should provide details of project design components discussed with relevant parties, their feedback and a response to their feedback from the project developer. This response should also be made available to all those who were engaged. Where marginalised and/or vulnerable groups are present, information should be provided about how processes were adapted to ensure they could meaningfully engage. Those consulted must be made aware that their comments will be anonymised before being provided to independent validation bodies and everyone else who was engaged with accompanying responses from the project developer.

Where concerns are raised these should then be provided to the appointed validation and verification body who will make a final judgement on the request. Details of objections and resolutions during the initial engagement phase shall be anonymised in line with General Data Protection Regulations. Relevant parties should have recourse to a formal dispute or conflict resolution process as part of the Code, overseen by an independent panel of experts.

Project developers should use a range of communication approaches appropriate to the context. This may include online and in-person events, the local newspaper, social media, and notifying relevant local representative bodies such as community or parish councils. In some cases, this may require specific methods targeted at marginalised and/or vulnerable groups to ensure that they are able to engage effectively, for example arranging transport or providing remuneration for their time. Every effort shall be made to reach representatives of these groups, using alternative means of communication if initial contact is unsuccessful. Evidence should be supplied to the independent validation and verification body of the range of communication

approaches used and their reach, and on a sample basis, an assessment of their usefulness to intended audiences.

Information about the proposed project should be provided in a concise form, in plain English, minimising the use of technical language where possible (and other languages or non-written form, where necessary to reach all necessary parties). Example communications may be provided to the independent validation and verification body as evidence of transparent and accessible communication. In some cases (e.g., where the accessibility of communication is not clear), the independent validation and verification body may conduct a survey or interviews with a sample of relevant parties to assess accessibility.

Although projects must communicate if they are not delivering direct community benefits, they may, if they wish communicate indirect, wider socio-economic benefits arising from projects. Valid social-economic benefits have been scoped to include the following (courtesy of Foundation Scotland):

- Places and spaces that support a good quality of life

- Physical and mental health and wellbeing

- Access to education, learning and employment

- Economic Security, including fair and sustainable employment

- Resilient, thriving and empowered communities

- Local culture and heritage

- Equity and tackling inequalities

- Climate and the natural environment, including:
    - Climate friendly practice
    - Conservation and biodiversity
    - Climate action

Community benefits are a defined sub-set of social-economic benefits, that have the following characteristics (courtesy of Scottish Community Benefits Advisory Group):

- They promote the sustainable development of communities.

- They are specifically for the local geographic community.

- They require meaningful engagement with the community and should align with local strategic plans where available.

- They are tailored to the community's needs and agreed upon through deliberation, when possible.

- They should be monitored and reported on publicly.

- The scale and impact of a landholding and how that landholding is used determine the proportion of these benefits.

- Community benefits are distinct from wider socio-economic benefits, such as those which have a national impact and benefit the wider public, like clean air, biodiversity enhancement, flood management, climate change mitigation and carbon sequestration.

To match with the reporting needs requirements of buyers of nature credits, we strongly recommend the use of measures/indicators that link to the intended positive socio-economic outcomes of the project; while ensuring that any benefits that cannot be defined as community benefit (see above) are not confused with any wider socio-economic outcomes.

To avoid disproportionately expensive monitoring costs, we recommend the project to select and focus on a set of primary measures/indicators, that best reflect the main benefits that expect to be accrued/what matters most to the local communities, balanced against ensuring a sustainable monitoring regime.

This is a non-exhaustive list of outcomes, that could be reasonably measured through an indicator that is appropriate to the project (courtesy of Foundation Scotland):

- Improved local environment and public spaces

- Increased preservation of community assets

- Increased provision of adequate housing in communities

- Improved community facilities and services

- Improved transport and connectivity

- Better access to mental health services and support

- Improved mental health and wellbeing

- Better access to preventative physical health interventions

- Improved physical health and wellbeing

- Improved social networks

- Reduced social isolation

- Improved engagement in education

- Increased employability skills

- More people moving into employment

- Increased knowledge and skills

- Improved aspirations for the future

- Increased fair and secure employment opportunities

- Improved sustainability

- Increased community-owned assets

- Increased community participation

- Increased sense of pride in place

- Increased volunteering, social action and community leadership

- Increased community capacity

- Increased engagement with arts, culture and heritage

- Greater inclusion of people with lived experience

- Increased advocacy and representation

- Reduced stigma and discrimination

- Reduced income inequality

- Reduced food poverty

- Reduced fuel poverty

- Improved understanding and adoption of human rights

- Increased climate-aware consumption and production

- Increased nature-based solutions to climate change

- Increased climate change awareness

2 Community Benefits (enhanced certification)

2.1 Enhanced engagement

Enhanced requirement

To gain certification at the enhanced level, there must be evidence of at least one of the following criteria:

2.1.1   The project shall engage annually with relevant parties about the progress of the project, including what has and has not been achieved, and subsequent project plans.

2.1.2   The project shall build capacity and capability for engagement among relevant parties.

2.1.3   The project shall co-produce a formal agreement or memorandum of understanding regarding the engagement rights and responsibilities of relevant parties, the project

developer and owner, to be co-developed and signed by those organisations identified in section 1.1 that are willing to do so.

Guidance

Regular engagement with relevant parties should be at least annual, with evidence provided to the independent validation and verification body of the communication (e.g., newsletters, social media statistics or workshop minutes), any feedback received and responses to feedback from the project developer or landowner.

Building capacity and capability for engagement may focus on communities of place but may also encompass communities of interest where there is a lack of capacity or capability to engage with the project. This may include, for example, creating a physical presence within communities of place or partnering with trusted gatekeepers and local leaders to help build trust and establish effective channels for two-way knowledge exchange in a community of place.

2.2 Managing negative impacts

Enhanced requirement

To gain certification at the enhanced level, all the below criteria must be evidenced.

2.2.1   Projects seeking enhanced certification shall assess the likely negative impacts of activities and project outcomes on all relevant parties, gaining feedback from relevant parties during project design (see section 1.2), to categorise impacts as low, medium or high.

2.2.2   Medium and high-impact project activities and outcomes shall be clearly and transparently communicated to relevant parties, detailing likely timings and impacts levant to each party.

2.2.3   The project shall work with relevant parties to avoid or mitigate negative impacts as part of the project design phase, detailing project responses to feedback.

Guidance

Likely negative impacts from projects should be documented, providing a justification for their categorisation as low, medium or high impact, and showing evidence of engagement with relevant parties in the classification process (for more information about each category, see: https://www.landcommission.gov.scot/downloads/5dd57162088b2_Practice-Guide-Annex-2-Engagement-Planning-Template-Jan-2019-Web.pdf). The following list of examples is not definitive and should not be used to justify categorisation in the absence of input from relevant parties:

- Low-impact project activities include non-disruptive land management activities such as ground surveys, hedge cutting and delivery of materials to site. Low impact project

outcomes may include, for example, a change in plant species composition on site, and carbon sequestration in soils.

- Medium impact project activities include more disruptive land management activities, such as those that require plant machinery on site, or temporary diversions on nearby roads. Medium-impact project outcomes may include, for example, natural regeneration or "scrubbing up" of woody vegetation that could easily be reversed.

- High-impact project activities include highly disruptive land management activities that permanently change the character of the landscape, such as woodland planting, or the introduction of permanent traffic management structures. High-impact project outcomes may include, for example, increased severity or frequency of flooding in neighbouring land or downstream settlements.

The communication of medium and high-impact project activities and outcomes should follow the engagement guidance in section 1.2.

2.3 Managing community benefits

Enhanced requirement

To gain certification at the enhanced level, all the below criteria must be evidenced.

2.3.1   Projects seeking enhanced certification shall identify direct community benefits with relevant parties, ensuring that these are consistent with existing local community action plans, where these exist. Forms of direct community benefit include monetary and non-monetary public goods compensation and transfer of land tenure (see best practise guidance for specific examples).

2.3.2   Projects seeking enhanced certification shall collaborate with relevant parties to identify relevant measurement methods that can be used to verify each of the community benefits identified. Only community benefits with relevant measurement methods shall be accepted for certification.

2.3.3   Projects seeking enhanced certification shall create baselines against which delivery of community benefits can be assessed and document delivery progress by planned dates.

2.3.4   Where community benefit is integrated after the start of a project, delivery plans shall still be submitted for validation checks, with verification proceeding after planned delivery dates, in the same way as projects that integrate benefits from the outset.

Guidance

Community benefit may be non-monetary, monetary or involve the transfer of tenure to communities. Planned benefits should be integrated into project design for validation, including delivery plans and dates, with evidence of community engagement showing that the benefits

meet local needs and interests. Independent validation and verification bodies then check that the community benefit is appropriate, and delivery plans are robust. At each verification point after the planned delivery date, evidence of delivery by planned dates should then be provided to the independent validation and verification body. Where community benefit is integrated after the start (see glossary section definition) of a project, delivery plans should still be submitted for validation checks, with verification proceeding after planned delivery dates, in the same way as projects that integrate benefits from the outset.

Non-monetary benefits could include, for example, new or improved infrastructure (e.g., road improvements, creation of woodland huts), social prescribing, volunteering opportunities, educational and training opportunities, footpath creation and other new recreational opportunities, community fuelwood log piles, and employment opportunities. Evidence of delivery could include, for example, invoices or photographic evidence of path creation or hut development, or records of training and employment.

Monetary benefits may include, for example, joint community ventures with co-investment and support from the project, local investment/ownership opportunities, and community wealth funds based on a proportion of profits arising from the sale of nature credits. Evidence of monetary benefits could include evidence of payments to wealth funds, contracts for joint ventures with communities and the postcodes of owners/investors.

Transfer of land tenure, either through community ownership or management agreements, can create more collaborative, inclusive and just local economies. Projects may wish to explore whether and how local community ownership of land or other forms of ownership and tenure could be offered as part of the project. They may then make available opportunities to enable community ownership or lease over part of the landholding, either in the short-term or longer term. If the community is not in a position to immediately acquire land, then the project could provide a right of pre-emption on specific land or buildings, or facilitate an arrangement for the community to have the opportunity to acquire land at a future date. Evidence could include title deeds or other legal documents showing the transfer of ownership.

The project may wish to co-produce a formal agreement or memorandum of understanding regarding community benefits, to be co-developed and signed by those organisations identified in section 1.1 that are willing to do so.

Note that as the identification of relevant parties is revisited over time (section 1.1) and new groups, organisations, needs and priorities emerge, it may be necessary to adapt the nature of community benefits planned in line with changing interests.

Scottish Government have provided guidance on benefit-sharing management agreements in their Land Rights and Responsibilities Statement, which may also be useful in other UK jurisdictions.

Glossary (under development)

Marginalised groups: defined as those with material interests in the project and/or likely to benefit or be harmed by the project, who may be excluded from engagement due to various forms of systemic disadvantage.

Material interest: defined as any significant activity or current/future benefit arising from the project area that could be enhanced or compromised by the project, where significance is determined by the interest group, not the project developer.

Projects start: to be defined post consultation

Project length: defined by relevant codes

Permanence period: defined by relevant codes

Vulnerable groups: defined as those who are at higher risk of harm from the project due