



VCA Guidance Note

Contents

| | |
|--|----|
| 1. Introduction..... | 2 |
| 2. Who can register a VCA? | 2 |
| 3. VCAs and sustainable development | 3 |
| 4. Verifying conservation performance | 4 |
| 4.1 Transparent, voluntary commitments | 4 |
| 4.2 Independent audit process | 4 |
| 4.3 IFC Performance Standards..... | 4 |
| 5. Registering a VCA..... | 5 |
| 6. Conservation management plan..... | 7 |
| 6.1 Description of the area | 7 |
| 6.2 Conservation situation..... | 7 |
| 6.3 Conservation management..... | 9 |
| 7. Conservation performance report..... | 10 |
| 7.1 Conservation outcomes | 11 |
| 7.2 Lessons learned and adaptive management..... | 11 |
| 7.3 Additional information | 11 |
| 8. Letter of support..... | 11 |
| 9. Management plan audit..... | 11 |
| 9.1 Description of the area | 12 |
| 9.2 Conservation situation..... | 12 |
| 9.3 Conservation management..... | 12 |
| 9.4 Overall audit assessment | 13 |
| 10. Performance Report Audit..... | 13 |
| 10.1 Contents of the performance report..... | 13 |
| 10.2 Overall assessment | 13 |

earthmind.org/vca

vca@earthmind.org

Release date: October 2018. This release replaces all previous releases.



1. Introduction

This Guidance Note provides additional guidance for the required documentation set out in the VCA Standard including area-based conservation management plans, conservation performance reports and independent audits. Further guidance for conservation management is provided in Earthmind's VCA Guidance library collection.

2. Who can register a VCA?

A VCA can be registered by any community, company, organisation, government authority, or individual who is able to implement a conservation management plan for a geographically-defined area. Potential area managers include the following:

- **Public sector area managers**
 - Local authorities – e.g. municipal and provincial parks
 - Natural-resource authorities – e.g. forests, lakes, coastal areas
 - Central governments – e.g. national parks
 - Intergovernmental organisations

- **Private sector area managers**
 - Local and indigenous communities
 - Cooperatives and land trusts
 - Green developers and property-management companies
 - Corporate and individual landowners

- **Non-profit area managers**
 - Community-based organisations
 - Conservation and development NGOs
 - Private foundations and academic institutions
 - Faith-based organisations

Local authorities, for example, may wish to attract residents and businesses to their towns by registering VCAs to make clear their commitment to conservation and sustainable development. Legally protected areas may want to register as VCAs to enhance their ability to secure additional financial support.



Intergovernmental organisations, such as the UN Development Programme, may partner with local community organisations to develop VCA-compliant management plans for specific areas that have clear conservation and development outcomes. International conservation NGOs may want to partner with local stakeholders to register VCAs for key biodiversity areas. Companies may wish to register VCAs to provide ongoing assurance of their biodiversity mitigation actions.

VCA registration requires that an area has a management authority, but this authority does not need to have actual ownership of the area. An indigenous community, for example, could register a VCA for which they have recognised traditional rights, but for which they may not have a registered title deed. A company could register an area for which they have a license concession with a set of rights and responsibilities. An NGO could register an area which they do not own, but for which they have a management agreement with its owners.

3. VCAs and sustainable development

The management objective for a VCA is sustained area-based conservation. The area should be managed to enhance the status of biodiversity or, at the very least, to prevent further biodiversity loss.

Regarding the CBD's **Strategic Plan for Biodiversity**, the VCA approach is an "effective area based conservation measure" supporting several of the **Aichi Targets** including:

- Target 4 on sustainable production;
- Targets 7 and 11 on areas under agriculture, aquaculture and forestry, and ecosystems that provide essential services;
- Targets 11 and 15 on conserving 17% of terrestrial and inland water areas and 10% of coastal and marine areas and restoring 15% of degraded ecosystems; and
- Target 20 on resource mobilisation.

The VCA conservation objective is also aligned with the focus of the **UN Convention to Combat Desertification (UNCCD)** on "long-term integrated strategies that focus simultaneously... on improved productivity of land, and the rehabilitation, conservation and sustainable management of land and water resources, leading to improved living conditions, in particular at the community level" and its commitment to land degradation neutrality.

In addition, the VCA conservation objective is supportive of the focus of the **UN Framework Convention on Climate Change (UNFCCC)** on “stabilization of greenhouse gas concentrations in the atmosphere... within a time-frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner.”

As noted in the VCA Standard, in terms of the **2030 Agenda for Sustainable Development**, VCAs directly support Goals 14 and 15 on the conservation of marine and terrestrial ecosystems.

4. Verifying conservation performance

VCA registration, as set out in VCA Standard, aims to enable transparent and accountable verification of the conservation management of an area. It does so through best practice standards and guidance, transparency, and independent audits.

4.1 Transparent, voluntary commitments

The VCA Registry provides a public platform for land owners and managers to confirm their voluntary commitment to area-based conservation. It promotes transparency by requiring the posting of a VCA’s conservation management plan. For an area to remain on the registry, it must also post annual conservation performance reports. These requirements facilitate visibility and public accountability of the area’s conservation management and its outcomes.

4.2 Independent audit process

The VCA approach provides for enhanced verification through an independent audit process. To be listed on the VCA Registry as an Audited VCA, an area’s management plan and annual performance reports must be audited by an approved third-party auditor. The audit reports are posted on the VCA website providing further assurance that the area is being managed to achieve positive conservation outcomes.

4.3 IFC Performance Standards

The VCA Standard and Guidance Note are based on international best practice for corporate biodiversity responsibility as set out in the International Finance Corporation’s (IFC) Performance Standards (PS) on Environmental and Social Sustainability. The IFC Standards have been adopted by major investment banks worldwide – notably by the Export Credit Agencies of OECD member countries and by the Equator Principles



Financial Institutions which are responsible for more than 70% of the international project finance in developing countries.

IFC PS1 sets out the overall framework for the assessment and management of environmental and social risks and impacts as follows:

- Identify and evaluate environmental and social risks and impacts;
- Adopt a mitigation hierarchy to anticipate and avoid, or where avoidance is not possible, minimise, and, where residual impacts remain, compensate/offset for risks and impacts; and
- Promote improved environmental and social performance through the effective use of management systems.

IFC PS6 sets out the specific objectives for biodiversity conservation and the sustainable management of living natural resources as follows:

- Protect and conserve biodiversity;
- Maintain the benefits from ecosystem services; and
- Promote the sustainable management of living natural resources through the adoption of practices that integrate conservation needs and development priorities.

As set out in this note, IFC PS1 and PS6 are the basis of the key the requirements for a VCA conservation management plan.

5. Registering a VCA

This following table describes the specific actions required to register a **Confirmed VCA** or an **Audited VCA**. Further details on documentations are provided in later sections of this note.

As set out in the VCA Standard, a Confirmed VCA can be upgraded to an Audited VCA by submission of an audit for its management plan and reports. Alternatively, an Audited VCA can revert to the status of a Confirmed VCA by submitting an annual report without an audit.



| 1. Confirmed VCA | 2. Audited VCA | 3. Staying registered |
|--|---|--|
| ↓ 1.1 Draft a conservation management plan including a description of the area, conservation status and conservation management. | ↓ 2.1 Draft a conservation management plan including a description of the area, conservation status and conservation management. | ↓ 3.1 Prepare a conservation performance report annually including conservation outcomes and lessons learned. |
| ↓ 1.2 Secure a letter of support from an independent, reputable professional. | ↓ 2.2 Also secure a management plan audit from an approved VCA Auditor who will review documents, visit the area, and conduct interviews. | ↓ 3.2 To maintain Audited VCA status, also secure a performance report audit from a VCA Auditor, who will, at a minimum, review documents. |
| ↓ 1.3 Prepare the webpage information and files for constructing the area's VCA webpage. | ↓ 2.3 Prepare the webpage information and files for constructing the area's VCA webpage. | ↓ 3.3 Update the VCA webpage , as needed, e.g. new text, links, or photos. |
| ↓ 1.4 Submit the plan, the letter, and the webpage items. | ↓ 2.4 Submit the plan, the audit, and the webpage items. | ↓ 3.4 Submit the report, the audit (if done), and webpage updates. |
| ↓ We will register your Confirmed VCA. Go to 3. ↗ | ↓ We will register your Audited VCA. Go to 3. ↗ | ↓ We will maintain your VCA registration. Repeat 3 annually. ↑ |



6. Conservation management plan

A VCA should be managed to have a positive impact on biodiversity or, at the very least, to prevent further loss of biodiversity. This section provides a more detailed outline of an area-based conservation management plan.

The framework for an area-based **conservation management plan** presented here is based on the environmental assessment and management process set out in IFC PS1. The key conservation issues to be addressed are based on the requirements set out in IFC PS6. Though the area plan does not need to follow the outline presented in this section, it should address the key components.

6.1 Description of the area

Provide core information on the area such as its geographical location, the manager, and conservation challenges and opportunities. This includes the following:

- **Location and size** - Provide a map of the area; locate a central/key point within the area with two decimal geographic coordinates; specify the area's size in hectares; and identify the predominant ecoregion. (See worldwildlife.org/biomes.)
- **Land use** – Provide an overview of how the area is used – past, present and further plans – as well as how this use is regulated.
- **Owner/manager** - Provide the name and contact details of the responsible management authority and supporting evidence of the manager's right to manage the area.

6.2 Conservation situation

Biodiversity baseline conditions

The biodiversity baseline conditions set out the starting point against which conservation actions can be planned, managed and monitored. The area manager should aim to establish a robust understanding of the baseline conditions or set out how baseline information will be generated through the conservation action plan.

In line with IFC PS6, the baseline conditions assessment, as appropriate to the area, could address the following topics:



VCA Guidance Note

- **Habitats** - Describe the current status of habitats in the proposed VCA and in the larger landscape – i.e., modified, natural or critical.
- **Legally protected areas** - Note any legally protected or internationally recognised areas within the proposed VCA and within the larger landscape and associated regulations regarding land use and conservation management.
- **Invasive alien species** – Identify any invasive alien species or threats of invasive species within the area and in the larger landscape.
- **Ecosystem services** – List key ecosystems services within the area and in the larger landscape, notably services of relevance to local neighbouring communities.
- **Production of living natural resources** – Identify existing or planned production of living natural resources in the area or in the broader landscape.

Further guidance on these topics is provided within IFC PS6 and its associated Guidance Note 6 (GN6).

Conservation impact assessment

The plan should consider potential impacts on nature from existing or planned land uses within the conservation area and in the broader landscape. These impacts can be negative or positive. The impact assessment should include the following key elements:

- **Stakeholder consultation** - Key stakeholders affected by or interested in the area's proposed conservation actions – particularly those living in the area or the nearby landscape – should be consulted. IFC PS1 explains the importance of engaging stakeholders as follows:

“Stakeholder engagement is the basis for building strong, constructive, and responsive relationships that are essential for the successful management of a project's environmental and social impacts. Stakeholder engagement is an ongoing process that may involve, in varying degrees, the following elements: stakeholder analysis and planning, disclosure and dissemination of information, consultation and participation, grievance mechanism, and ongoing reporting to affected Communities.”

- **Conservation 'SWOT' analysis** - For a VCA, the SWOT analysis should assess both the 'inside-the-fence' Strengths & Weaknesses and the 'outside-the-fence' Opportunities & Threats. In so doing, the VCA management plan can enhance



area-based conservation in the context of broader sustainable landscape management.

For many VCAs, stakeholder consultation and a conservation SWOT analysis should be sufficient to decide on a set of actions to ensure a positive conservation performance. For some areas and some land uses, however, a more in-depth Environmental and Social Impact Assessment (ESIA) may be required by regulators or by lenders. Where such an ESIA is required, documentation should be made accessible to the public through the area's webpage on the VCA website.

6.3 Conservation management

Building on the biodiversity baseline assessment and the conservation impact assessment, the area manager needs to set out a strategic set of conservation actions. These actions should aim to mitigate any potential negative impacts, weaknesses and threats, and enhance any potential positive impacts, strengths and opportunities.

The set of conservation actions should address conservation priorities within the area. Where feasible, they should also address priorities within the broader landscape. Further, as appropriate, stakeholders should be engaged in their implementation.

In this regard, the conservation actions could adhere to the biodiversity mitigation strategy as set out in IFC PS6. This is shown in the table below alongside the IUCN definition of conservation.

Importantly, implementing conservation actions without monitoring actual performance is insufficient. As every VCA will have its own unique ecological, economic and social features, methodologies and metrics for monitoring will vary. Though the VCA Standard does not prescribe a monitoring procedure *per se*, quantitative and repeatable monitoring procedures are expected.

A VCA framework for conservation management

| | IFC mitigation | IUCN conservation |
|---|---|--|
| Objectives | Protect and conserve biodiversity, maintain the benefits from ecosystem services, and promote the sustainable management of living natural resources | Management of human use of the biosphere to yield the greatest sustainable benefit while maintaining its potential to meet the needs and aspirations of future generations |
| Actions for habitats, legally protected areas, invasive alien species, and ecosystem services | <ol style="list-style-type: none"> 1. Avoid negative impacts 2. Minimise negative impacts 3. Restore biodiversity 4. Offset like-for-like or better | <ol style="list-style-type: none"> 1. Preservation 2. Maintenance 3. Restoration 4. Enhancement of the natural environment |
| Actions for primary production of living natural resources | 5. Implement sustainable management practices to credible standards as demonstrated by independent verification | 5. Sustainable utilisation |

7. Conservation performance report

To remain registered as a VCA, the area manager is required to submit a **conservation performance report** annually. The annual reports provide biodiversity management assurance to stakeholders including funders.

An annual VCA Performance Report is like an annual financial report except that it focuses on the outcomes of actions to conserve nature and use natural resources sustainably. It includes the following key elements:



7.1 Conservation outcomes

Present the monitoring results of the actions and indicate whether the biodiversity impact of the management plan is positive.

As appropriate, report on the engagement of stakeholders over the last year in the implementation of the plan.

7.2 Lessons learned and adaptive management

Report on any lessons learned during the past year for improving conservation management and performance. The annual performance reports provide a basis for area managers to review the effectiveness of their management plans.

At times, it may be necessary to adapt the plan to changing circumstances. Revisions of a management plan should be posted on the VCA website.

7.3 Additional information

Highlight any additional information relevant to the area's performance such as monitoring reports, research papers, news articles, independent evaluations, video clips, and photo galleries. (Note: Links to key websites, video clips or reports can be posted on the area's webpage on the VCA website.)

8. Letter of support

To register a Confirmed VCA a **letter of support** is required. It should be prepared by a respectable, independent, conservation area expert. The expert can be from a government agency, university department, reputable NGO, or biodiversity consultancy; and the letter, if possible, should be on official letterhead.

The letter itself should clearly state that the expert supports registering the area as a Confirmed VCA. The letter will be published on the VCA website.

9. Management plan audit

In order to be registered as an Audited VCA, an independent **management plan audit** must be submitted. The audit report must be prepared an approved VCA Auditor.



VCA Guidance Note

The VCA audit process is compatible with the IFC PS6 expectation that “credible globally, regionally, or nationally recognized standards for sustainable management of living natural resources” are adopted and that these “provide for independent verification or certification.”

It includes a review of key documents, a visit to the area, and interviews with key staff and stakeholders. The aim is to independently verify that the area’s conservation management plan is compliant with the VCA Standard. The management plan audit could address the following questions:

9.1 Description of the area

- *Is there a map of the area and is its location identified?*
- *Is the area’s size in hectares stated and its ecoregion specified?*
- *Are the uses of the area and how these are regulated explained?*
- *Are the names and contact details of the management authority provided?*
- *Is there supporting evidence of the manager’s right to manage the area?*

9.2 Conservation situation

- *Is there evidence of a science-based assessment of the area’s biodiversity baseline conditions?*
- *As appropriate, does it include an assessment of habitats, legally protected areas, invasive alien species, ecosystem services, and the production of living natural resources?*
- *Are any significant recent changes to the biodiversity status of the area documented?*
- *Have key stakeholders been identified and consulted?*
- *Have the area’s internal ‘inside-the-fence’ Strengths and Weaknesses with respect to maintaining or improving its biodiversity status been assessed?*
- *Have the ‘outside-the-fence’ broader landscape Opportunities and Threats to conserving biodiversity been assessed?*

9.3 Conservation management

- *Does the plan include a set of conservation actions that aim to minimise negative impacts, weaknesses and threats, and enhance positive impacts, strengths, and opportunities?*
- *Are these actions consistent with the IFC biodiversity mitigation strategy and the IUCN definition of conservation?*
- *Do these actions address conservation priorities within the area?*



VCA Guidance Note

- *As appropriate, do these actions also address conservation priorities within the broader landscape?*
- *Are robust procedures in place to monitor the implementation of the plan?*

9.4 Overall audit assessment

- *Was the area visited and, if so, when?*
- *Were staff and stakeholders interviewed and, if so, whom?*
- *Are the assessment of baseline conditions and potential impacts sufficient to establish an effective set of conservation actions?*
- *Are the planned actions coherent, strategic and realistic?*
- *Is the management plan likely to have a positive impact on biodiversity?*
- *Is the management plan compliant with the VCA Standard?*
- *Should the area be registered as a VCA?*

10. Performance Report Audit

Annually, in order to remain registered as an Audited VCA, the area management authority must also submit a **performance report audit** by an approved VCA Auditor. The audit must review the Report and related documentation. As appropriate, the Auditor could also visit to the area and interview with stakeholders.

The performance report audit should address the following questions:

10.1 Contents of the performance report

- *Does the report describe the monitored outcomes of the conservation actions?*
- *Is there information on stakeholder engagement over the past year?*
- *Are lessons learned discussed*
- *Has the plan been adapted based on lessons learned or other developments?*
- *Does the report highlight further relevant information?*

10.2 Overall assessment

- *Were the report and associated documents reviewed?*
- *Was the area visited and were stakeholders interviewed?*
- *Do the monitored outcomes of the actions indicate conservation performance?*
- *Has implementation of the plan over the last year been effective?*
- *Is the performance report compliant with the VCA Standard?*
- *Should the VCA remain listed as an Audited VCA?*