

Stakeholders Consultation report and comments:

Relevant outcomes from stakeholder consultations and mechanisms for on-going communication.

The stakeholder consultation process was undertaken on August 4th, 2011 in the Hotel Turicenter Mairenas, in the municipality of El Triunfo, Choluteca Department, Honduras. The goals were to discover and assess opinions and views about the project, and to obtain locals' comments through an open discussion after describing and highlighting the most important and particular characteristics of the project.

This report is accessible via Internet through the website of South Pole Carbon. Moreover, e-mails of project proponents and project developers were provided during the event, so interested parties can maintain communication.

Stakeholders, such as local people involved and/or impacted by the project, official representatives, local policy makers and representatives of local authorities were identified and invited via email two weeks before the consultation took place.

In general, the stakeholders had a positive impression of the project. The questions arising from the Local Stakeholders Consultation were significantly oriented attending to the different groups present in the meeting. Thus, while the local *Jatropha* producers were interested on technical issues regarding the plantations, basic notions about carbon forestry and when the additional income of the carbon project would be available, the private companies and institutions were more interested on market issues, project cycle related issues and genetic improvement of *Jatropha*.

Following, a summary of the questions organized by group that asked them, is given:

Local producers:

- a) What is CO₂? How does Carbon sequestration work?
- b) When would the carbon credits be available? Why are the carbon revenues not immediately available?
- c) Why should we present the documents ensuring the property of our land?
- d) Are we planting the local variety (called "Indian variety" locally) or some other one?
- e) Ask for help for implementing the project regarding pesticides and fertilizers.

- f) How many people would be employed by the project?
- g) Can we re-sow if there are losses in our plantation?

Private companies and institutions:

1. From Secretaría de Agricultura y Ganadería (Secretariat for Agriculture and Livestock):
 - a) Which variety of *Jatropha* is used in the plantation?
 - b) What is the variety Honduras 101?
 - c) In which state of development is the production of biofuels from *Jatropha* oil. Does the project foresee this activity?
2. Food and Agriculture Organization (FAO):
 - a) What is the market situation of *Jatropha* oil?
 - b) Would the development of *Jatropha* plantations affect the food security in Honduras?
 - c) Would the project work as monoculture?
 - d) What is the project baseline? Would the baseline consider the current situation?
 - e) What is the definition of forest in Honduras?
 - f) Which activities are included in the project and how much additional work is related to every activity?
3. Private companies:
 - a) Possibilities of including their lands in the project?