

## Appendix 2: Make Significant Contribution and Do No Significant Harm criteria

### Agriculture, Forestry and Fishing sector

#### 2.1. Afforestation, forest rehabilitation, management and conservation

Sector classification and activity	
Macro-Sector	Agriculture, forestry and fishing
KeSIC Code	02
Description	<p><b>Afforestation:</b></p> <p>Establishment of forest through planting, deliberate seeding or natural regeneration on land that, until then, was under a different land use or not used. Afforestation implies a transformation of land use from non-forest to forest, in accordance with the Food and Agriculture Organization of the United Nations (FAO) definition of afforestation, where forest means a land matching the forest definition as set out in national law, or where not available, is in accordance with the FAO definition of forest.</p> <p>Afforestation may cover past afforestation, as long as it takes place in the period between the planting of the trees and the time when the land use is recognized as a forest</p> <p><b>Rehabilitation:</b></p> <p>Rehabilitation and restoration of forests as defined by national law. Where national law does not contain such a definition, rehabilitation and restoration corresponds to a definition with broad agreement in the peer-reviewed scientific literature for specific countries or a definition in line with the FAO concept of forest restoration or a definition in line with one of the definitions of ecological restoration applied to forest, or forest rehabilitation under the Convention on Biological Diversity. The economic activities in this category also include forest activities in line with the FAO definition of "reforestation" and "naturally regenerating forest" after an extreme event, where extreme event is defined by national law, and where national law does not contain such a definition, is in line with the IPCC definition of extreme weather event; or after a wildfire, where wildfire is defined by national law, and where national law does not contain such a definition, as defined in the European Glossary for wildfires and forest fires. The economic activities in this category imply no change of land use and occurs on degraded land matching the forest definition as set out in national law, or where not available, in accordance with the FAO definition of forest.</p> <p><b>Management:</b></p> <p>Forest management as defined by national law. Where national law does not contain such a definition, forest management corresponds to any economic activity resulting from a system applicable to a forest that influences the ecological, economic or social functions of the forest. Forest management</p>

	<p>assumes no change in land use and occurs on land matching the definition of forest as set out in national law, or where not available, in accordance with the FAO definition of forest.</p> <p><b>Conservation:</b></p> <p>Forest management activities with the objective of preserving one or more habitats or species. Conservation forestry assumes no change in land category and occurs on land matching the forest definition as set out in national law, or where not available, in accordance with the FAO definition of forest</p>
<b>Make Significant Contribution criteria</b>	
Climate change mitigation	
<p><b>Objective</b></p> <ul style="list-style-type: none"> <li>Afforestation, rehabilitation and restoration, sustainable forest management shall increase carbon sinks (or at least maintain in the case of SFM) of above and below ground carbon in comparison to a counterfactual with no conversion to forest. <ul style="list-style-type: none"> <li>Objective 1: Mandatory application of the Sustainable Forest Management (SFM) Principles.</li> <li>Objective 2: Establish a verified baseline GHG balance of relevant carbon pools at the beginning of the afforestation/reforestation activity;</li> <li>Objective 3: Demonstrate continued compliance with the Sustainable Forest Management requirements and increase of carbon sinks from above and below-ground carbon over time, supported by and disclosed through a forest management plan (or equivalent) at 10-year intervals, that shall be reviewed by an independent third party certifier and/or competent authorities.</li> </ul> </li> </ul> <p><b>Metrics and Thresholds</b></p> <ul style="list-style-type: none"> <li>Continued compliance with the Sustainable Forest Management (SFM) requirements is demonstrated and disclosed at 10-year intervals through a forest management plan (or equivalent) that shall be reviewed by an independent third-party certifier and/or competent authorities;</li> <li>Verified GHG balance baseline is calculated for above-ground carbon pools, based on growth yield curves for species per m3/year/ha, carbon convertible.</li> <li>Calculating the GHG balance baseline requires knowledge of the area, the species and number of trees (in case of afforestation and reforestation). Using the growth-yield curves, information will be given on the annual increment in m3/year/ha, which can be used for the basis of the GHG balance. The methodology is consistent with the approach in the Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories (IPCC Guidelines), it recommends recalculation of the amount of carbon sequestered; 1 ton of biomass representing approximately 0,5 ton of carbon. Further one ton of carbon equals <math>44/12 = 3.67</math> tons of carbon dioxide;</li> <li>Above ground Carbon stocks shall increase above carbon baseline over a period of 20 years. Changes in carbon stocks should be disclosed based on growth yield curves in 10 year intervals through a forest management plan (or equivalent instrument) that shall be reviewed by an independent third-party certifier and/or competent authorities</li> </ul>	
Climate Change Adaptation	

Generic screening criteria for activities Making a Substantial Contribution to climate change adaptation Section 8.2.

#### Do No Significant Harm assessment

- Key environmental aspects span across all five objectives and are summarized as follows:
  - Ability of forests to adapt to a changing climate and ensure the long-term ability of the forests to sequester carbon;
  - Impact on water resources as well as on water quality;
  - Pollution to water, air, and soil, and risks associated from the use of pesticides and fertilizer;
  - Impacts on biodiversity and ecosystems from intensification and conversion of land of high ecological value to forests and illegal logging; The DNSH criteria below should be considered in combination with the SFM requirements of the forest mitigation Taxonomy (Criterion 1).
- The criteria can be informed by applying forest certification using independent third-party schemes that are regularly audited.
- Compliance shall be reported through a forest management plan (or equivalent).

#### A) Climate Change Mitigation

- N/A

#### B) Climate Change Adaptation

- Generic DNSH criteria section 8.3.1.

#### C) Sustainable use of water and marine resources

- Identify and manage risks related to water quality and/or water consumption at the appropriate level. Ensure that water use/conservation management plans, developed in consultation with relevant stakeholders, have been developed and implemented
- Ensure legal compliance by fulfilling the requirements of Kenyan water legislation
- Identify and manage risks related to water quality and/or water consumption at the appropriate level and in alignment with the National strategies. Where water use/conservation management plans are required by Kenyan legislation, these plans are to be developed in consultation with relevant stakeholders.

#### D) Ecosystem protection and restoration

- Take measures to ensure sustained or improved long term conservation status at the landscape level
- In designated conservation areas, actions should be demonstrated to be in line with the conservation objectives for those areas.
- No conversion of habitats specifically sensitive to biodiversity loss or of high conservation value such as grasslands and any high carbon stock area (e.g. peat lands and wetlands), and areas set aside for the restoration of such habitats in line with national legislation;
- Develop a forest management plan (or equivalent) that includes provisions for maintaining biodiversity. Evaluate the ecosystem service provision with the aim to not decrease the amount and quality of ecosystem services provided;
- Forests are monitored and protected to prevent illegal logging, in compliance with national laws
- Promote close-to-nature forestry or similar concepts depending on the local requirements and limitations

- Select native species or species, varieties, ecotypes and provenance of trees that adequately provide the necessary resilience to climate change, natural disasters and the biotic, pedologic and hydrologic condition of the area concerned, as well as the potential invasive character of the species under local conditions, current and projected climate change

**E) Pollution Prevention**

- Minimise the use of pesticides and favour alternative approaches or techniques, such as non-chemical alternatives to pesticides. With exception of occasions that this is needed to control pest and diseases outbreaks. Adapt the use of fertilizers to what is needed to prevent leeching of nutrients to waters
- Take well documented and verifiable measures to avoid the use of active ingredients that are listed in the Stockholm Convention, the Rotterdam Convention, the Montreal Protocol on Substances that Deplete the Ozone Layer, or that are listed as classification Ia or Ib in the WHO recommended Classification of Pesticides by Hazard
- Prevent pollution of water and soil in the forest concerned and undertake clean up measures when it does happen

## 2.2. Certified agriculture projects

Sector classification and activity	
Macro-Sector	Agriculture Forestry and Fishing
KeSIC Code	A01
Description	Agriculture projects utilising international certification schemes which have climate change mitigation components
Make Significant Contribution criteria	
Climate change mitigation	
<b>Objective</b> <ul style="list-style-type: none"><li>Both of the principles set out here must be fulfilled:<ul style="list-style-type: none"><li>Principle 1: Demonstrate substantial avoidance or reduction of GHG emissions from production and related practices; and</li><li>Principle 2: Maintain existing sinks and increase sequestration (up to saturation point) in above- and below-ground carbon stocks.</li></ul></li></ul>	
<b>Metrics and Thresholds</b> <ul style="list-style-type: none"><li>Eligible certifications schemes include:<ul style="list-style-type: none"><li>Climate Bonds certification (bond certification);</li><li>Crop certification;</li><li>Global GAP;</li><li>Roundtable on Sustainable Soy;</li><li>Bonsucro (sugar);</li><li>Better Cotton Initiative;</li><li>Roundtable on Sustainable Biomaterials</li></ul></li></ul>	
Climate Change Adaptation	
[Generic screening criteria for activities Making a Substantial Contribution to climate change adaptation Section 8.2.]	
Do No Significant Harm assessment	
<ul style="list-style-type: none"><li>Key environmental aspects to be considered for investments in Agriculture span across all other five objectives and are summarized as follows:<ul style="list-style-type: none"><li>Ability of farming systems to adapt to a changing climate;</li><li>Impact on water quantity, water quality and water ecosystems;</li></ul></li></ul>	

Commented [SD1]: [@lain Cluet](#) Please have a look

- Impacts on air quality;
- Inefficiencies in the production system including nutrient management;
- Pollutant and nutrient run-off and leaching;
- Impacts on habitats and species, e.g. through conversion of areas, intensification of existing arable land, and invasive alien species.
- Note that areas of environmental risk are highly geographically variable.  
Guidance should be sought from the relevant competent national or regional authority to identify areas or issues of importance and relevance within the area or project concerned.

#### **A) Climate Change Mitigation**

N/A

#### **B) Adaptation**

Generic DNSH criteria section 8.3.1.

#### **C) Sustainable Use of Water and Marine Resources**

- Identify and manage risks related to water quality and/or water consumption at the appropriate level. Ensure that water use/conservation management plans, developed in consultation with relevant stakeholders, have been developed and implemented;
- Ensure legal compliance by fulfilling the requirements of Kenyan water legislation. Identify and manage risks related to water quality and/or water consumption at the appropriate level and in alignment with the national strategies. Where water use/conservation management plans are required by Kenyan legislation, these plans are to be developed in consultation with relevant stakeholders.

#### **D) Ecosystem Protection and Restoration**

- Activities ensure the protection of soils, particularly over winter, to prevent erosion and run-off into water courses/bodies and to maintain soil organic matter;
- Activities do not lead to the conversion, fragmentation or unsustainable intensification of high-nature-value land, wetlands, forests, or other areas of high-biodiversity value. This includes highly biodiverse grassland spanning more than one hectare that is: i) natural, namely grassland that would remain grassland in the absence of human intervention and that maintains the natural species composition and ecological characteristics and processes; or ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and has been identified as being highly biodiverse by the relevant competent authority;
- Activities should not result in a decrease in the diversity or abundance of species and habitats of conservation importance or concern and contravene existing management plans or conservation objectives;
- Where activities involve the production of novel non-native or invasive alien species, their cultivation should be subject to an initial risk assessment and on-going monitoring in order to ensure that sufficient safeguards are in place to prevent escape to the environment.

#### **E) Pollution Prevention**

- Activities ensure that nutrients (fertilizers) and plant protection products (e.g. pesticides and herbicides) are targeted in their application (in time and area treated) and are delivered at appropriate levels (with preference to sustainable biological, physical or other non-chemical

methods if possible) and with appropriate equipment and techniques to reduce risk and impacts of pesticide use on human health and the environment (e.g. water and air pollution) and the loss of excess nutrients;

- The use only of plant protection products with active substances that ensure high protection of human and animal health and the environment.

**F) Sustainable Resource Use and Circularity**

- Activities should minimize raw material use per unit of output, including energy through increased resource use efficiency;
- Activities should minimize the loss of nutrients (in particular nitrogen and phosphate) leaching out from the production system into the environment.
- Activities should use residues and by-products the production or harvesting of crops to reduce demand for primary resources, in line with good agricultural practice.

## 2.3. Management of soil and biomass for net carbon sequestration

Sector classification and activity	
Macro-Sector	Agriculture, forestry and fishing
KeSIC Code	A02
Description	Transition from temporary crops or pastures to agroforestry systems (e.g., cocoa, fruit trees or forestry) and agrosilvopastoral system. Change land use towards systems with greater carbon sequestration (such as agroforestry systems), which have better soil protection and are consistent with their vocation. Conserve water resources.
Make Significant Contribution criteria	
Climate change mitigation	
<p><b>Objective</b></p> <ul style="list-style-type: none"> <li>Both of the principles set out here must be fulfilled: <ul style="list-style-type: none"> <li>Principle 1: Demonstrate substantial avoidance or reduction of GHG emissions from production and related practices; and</li> <li>Principle 2: Maintain existing sinks and increase sequestration (up to saturation point) in above- and below-ground carbon stocks.</li> </ul> </li> </ul> <p><b>Metrics and Thresholds</b></p> <ul style="list-style-type: none"> <li>Project length of at least five years;</li> <li>Reduced tillage;</li> <li>Avoided erosion;</li> <li>No open burning;</li> <li>Evidence that soil carbon sequestration is likely to be maintained for 20 years or more (secure land rights, low threat of conversion, contractual commitments) or demonstrate 50% higher level of sequestration.</li> </ul>	
Climate Change Adaptation	
Generic screening criteria for activities Making a Substantial Contribution to climate change adaptation Section 8.2.	
Do No Significant Harm assessment	
<ul style="list-style-type: none"> <li>Key environmental aspects to be considered for investments in Agriculture span across all other five objectives and are summarized as follows: <ul style="list-style-type: none"> <li>ability of farming systems to adapt to a changing climate;</li> </ul> </li> </ul>	



- impact on water quantity, water quality and water ecosystems;
- impacts on air quality;
- inefficiencies in the production system including nutrient management;
- pollutant and nutrient run-off and leaching;
- impacts on habitats and species, e.g. through conversion of areas, intensification of existing arable land, and invasive alien species.

- Note that areas of environmental risk are highly geographically variable. Guidance should be sought from the relevant competent national or regional authority to identify areas or issues of importance and relevance within the area or project concerned;

#### **A) Mitigation**

N/A

#### **B) Adaptation**

Generic DNSH criteria section 8.3.1.

#### **C) Sustainable Use of Water and Marine Resources**

- Identify and manage risks related to water quality and/or water consumption at the appropriate level. Ensure that water use/conservation management plans, developed in consultation with relevant stakeholders, have been developed and implemented;
- Ensure legal compliance by fulfilling the requirements of Kenyan water legislation. Identify and manage risks related to water quality and/or water consumption at the appropriate level and in alignment with the national strategies. Where water use/conservation management plans are required by Kenyan legislation, these plans are to be developed in consultation with relevant stakeholders.

#### **D) Ecosystem Protection and Restoration**

- Activities ensure the protection of soils, particularly over winter, to prevent erosion and run-off into water courses/bodies and to maintain soil organic matter;
- Activities do not lead to the conversion, fragmentation or unsustainable intensification of high-nature-value land, wetlands, forests, or other areas of high-biodiversity value. This includes highly biodiverse grassland spanning more than one hectare that is: i) natural, namely grassland that would remain grassland in the absence of human intervention and that maintains the natural species composition and ecological characteristics and processes; or ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and has been identified as being highly biodiverse by the relevant competent authority;
- Activities should not result in a decrease in the diversity or abundance of species and habitats of conservation importance or concern and contravene existing management plans or conservation objectives;
- Where activities involve the production of novel non-native or invasive alien species, their cultivation should be subject to an initial risk assessment and on-going monitoring in order to ensure that sufficient safeguards are in place to prevent escape to the environment.

#### **E) Pollution Prevention**

- Activities ensure that nutrients (fertilizers) and plant protection products (e.g. pesticides and herbicides) are targeted in their application (in time and area treated) and are delivered at

appropriate levels (with preference to sustainable biological, physical or other non-chemical methods if possible) and with appropriate equipment and techniques to reduce risk and impacts of pesticide use on human health and the environment (e.g. water and air pollution) and the loss of excess nutrients;

- The use only of plant protection products with active substances that ensure high protection of human and animal health and the environment.

**F) Sustainable Resource Use and Circularity**

- Activities should minimize raw material use per unit of output, including energy through increased resource use efficiency;
- Activities should minimize the loss of nutrients (in particular nitrogen and phosphate) leaching out from the production system into the environment.
- Activities should use residues and by-products the production or harvesting of crops to reduce demand for primary resources, in line with good agricultural practice

## 2.4. Introduction of polycultures or associated crops in permanent crops

Sector classification and activity	
Macro-Sector	Agriculture, forestry and fishing
KeSIC Code	A02
Description	Introducing polycultures or crops associated with compatible species (preferably native timber or fruit trees) protects the soil, increases carbon and nitrogen fixation, diversifies production and increases resilience to climate variability.
Make Significant Contribution criteria	
Climate change mitigation	
<p><b>Objective</b></p> <ul style="list-style-type: none"> <li>Both of the principles set out here must be fulfilled: <ul style="list-style-type: none"> <li>Principle 1: Demonstrate substantial avoidance or reduction of GHG emissions from production and related practices; and</li> <li>Principle 2: Maintain existing sinks and increase sequestration (up to saturation point) in above- and below-ground carbon stocks.</li> </ul> </li> </ul> <p><b>Metrics and Thresholds</b></p> <ul style="list-style-type: none"> <li>Direct Eligibility</li> </ul>	
Climate Change Adaptation	
Generic screening criteria for activities Making a Substantial Contribution to climate change adaptation Section 8.2.	
Do No Significant Harm assessment	
<ul style="list-style-type: none"> <li>Key environmental aspects to be considered for investments in Agriculture span across all other five objectives and are summarized as follows: <ul style="list-style-type: none"> <li>Ability of farming systems to adapt to a changing climate;</li> <li>Impact on water quantity, water quality and water ecosystems;</li> <li>Impacts on air quality;</li> <li>Inefficiencies in the production system including nutrient management;</li> <li>Pollutant and nutrient run-off and leaching;</li> <li>Impacts on habitats and species, e.g. through conversion of areas, intensification of existing arable land, and invasive alien species.</li> </ul> </li> </ul>	

- Note that areas of environmental risk are highly geographically variable.  
Guidance should be sought from the relevant competent national or regional authority to identify areas or issues of importance and relevance within the area or project concerned;

#### **A) Mitigation**

N/A

#### **B) Adaptation**

Generic DNSH criteria section 8.3.1.

#### **C) Sustainable Use of Water and Marine Resources**

- Identify and manage risks related to water quality and/or water consumption at the appropriate level. Ensure that water use/conservation management plans, developed in consultation with relevant stakeholders, have been developed and implemented;  
Ensure legal compliance by fulfilling the requirements of Kenyan water legislation.
- Identify and manage risks related to water quality and/or water consumption at the appropriate level and in alignment with the national strategies. Where water use/conservation management plans are required by Kenyan legislation, these plans are to be developed in consultation with relevant stakeholders;

#### **D) Ecosystem Protection and Restoration**

- Activities ensure the protection of soils, particularly over winter, to prevent erosion and run-off into water courses/bodies and to maintain soil organic matter;
- Activities do not lead to the conversion, fragmentation or unsustainable intensification of high-nature-value land, wetlands, forests, or other areas of high-biodiversity value. This includes highly biodiverse grassland spanning more than one hectare that is: i) natural, namely grassland that would remain grassland in the absence of human intervention and that maintains the natural species composition and ecological characteristics and processes; or ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and has been identified as being highly biodiverse by the relevant competent authority;
- Activities should not result in a decrease in the diversity or abundance of species and habitats of conservation importance or concern and contravene existing management plans or conservation objectives;
- Where activities involve the production of novel non-native or invasive alien species, their cultivation should be subject to an initial risk assessment and on-going monitoring in order to ensure that sufficient safeguards are in place to prevent escape to the environment;

#### **E) Pollution Prevention**

- Activities ensure that nutrients (fertilizers) and plant protection products (e.g. pesticides and herbicides) are targeted in their application (in time and area treated) and are delivered at appropriate levels (with preference to sustainable biological, physical or other non-chemical methods if possible) and with appropriate equipment and techniques to reduce risk and impacts of pesticide use on human health and the environment (e.g. water and air pollution) and the loss of excess nutrients;
- The use only of plant protection products with active substances that ensure high protection of human and animal health and the environment;

**F) Sustainable Resource Use and Circularity**

- Activities should minimize raw material use per unit of output, including energy through increased resource use efficiency;
- Activities should minimize the loss of nutrients (in particular nitrogen and phosphate) leaching out from the production system into the environment.
- Activities should use residues and by-products the production or harvesting of crops to reduce demand for primary resources, in line with good agricultural practice

## 2.5. Installation and operation of water management system for agricultural use in the fresh water stressed areas

Sector classification and activity	
Macro-Sector	Agriculture, forestry and fishing
KeSIC Code	A02
Description	Installation and operation of high efficiency irrigation measure (e.g. drip irrigation), rainwater collection facilities, water recycling and treatment facilities for agriculture land in the fresh water stressed areas.
Make Significant Contribution criteria	
Climate change mitigation	
<p><b>Objective</b></p> <ul style="list-style-type: none"> <li>Both of the principles set out here must be fulfilled: <ul style="list-style-type: none"> <li>Principle 1: Demonstrate substantial avoidance or reduction of GHG emissions from production and related practices; and</li> <li>Principle 2: Maintain existing sinks and increase sequestration (up to saturation point) in above- and below-ground carbon stocks.</li> </ul> </li> </ul> <p><b>Metrics and Thresholds</b></p> <ul style="list-style-type: none"> <li>Eligible measures include: <ul style="list-style-type: none"> <li>Drip irrigation;</li> <li>Rain water collection;</li> <li>Water recycling;</li> <li>Flood proof warehousing;</li> <li>Sustainable drainage systems.</li> </ul> </li> </ul>	
Climate Change Adaptation	
Generic screening criteria for activities Making a Substantial Contribution to climate change adaptation Section 8.2.	
Do No Significant Harm assessment	
<ul style="list-style-type: none"> <li>Key environmental aspects to be considered for investments in Agriculture span across all other five objectives and are summarized as follows: <ul style="list-style-type: none"> <li>Ability of farming systems to adapt to a changing climate;</li> </ul> </li> </ul>	

- Impact on water quantity, water quality and water ecosystems;
- Impacts on air quality;
- Inefficiencies in the production system including nutrient management;
- Pollutant and nutrient run-off and leaching;
- Impacts on habitats and species, e.g. through conversion of areas, intensification of existing arable land, and invasive alien species.

- Note that areas of environmental risk are highly geographically variable. Guidance should be sought from the relevant competent national or regional authority to identify areas or issues of importance and relevance within the area or project concerned.

#### **A) Mitigation**

TBC

Commented [PR2]: Note this is still TBC

#### **B) Adaptation**

Generic DNSH criteria section 8.3.1.

#### **C) Sustainable Use of Water and Marine Resources**

- Identify and manage risks related to water quality and/or water consumption at the appropriate level.
- Ensure that water use/conservation management plans, developed in consultation with relevant stakeholders, have been developed and implemented;
- Ensure legal compliance by fulfilling the requirements of Kenyan water legislation. Identify and manage risks related to water quality and/or water consumption at the appropriate level and in alignment with the national strategies. Where water use/conservation management plans are required by Kenyan legislation, these plans are to be developed in consultation with relevant stakeholders.

#### **D) Ecosystem Protection and Restoration**

- Activities ensure the protection of soils, particularly over winter, to prevent erosion and run-off into water courses/bodies and to maintain soil organic matter;
- Activities do not lead to the conversion, fragmentation or unsustainable intensification of high-nature-value land, wetlands, forests, or other areas of high-biodiversity value. This includes highly biodiverse grassland spanning more than one hectare that is: i) natural, namely grassland that would remain grassland in the absence of human intervention and that maintains the natural species composition and ecological characteristics and processes; or ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and has been identified as being highly biodiverse by the relevant competent authority;
- Activities should not result in a decrease in the diversity or abundance of species and habitats of conservation importance or concern and contravene existing management plans or conservation objectives;
- Where activities involve the production of novel non-native or invasive alien species, their cultivation should be subject to an initial risk assessment and on-going monitoring in order to ensure that sufficient safeguards are in place to prevent escape to the environment.

#### **E) Pollution Prevention**

- Activities ensure that nutrients (fertilizers) and plant protection products (e.g. pesticides and herbicides) are targeted in their application (in time and area treated) and are delivered at appropriate levels (with preference to sustainable biological, physical or other non-chemical methods if possible) and with appropriate equipment and techniques to reduce risk and impacts of pesticide use on human health and the environment (e.g. water and air pollution) and the loss of excess nutrients;
- The use only of plant protection products with active substances that ensure high protection of human and animal health and the environment.

**F) Sustainable Resource Use and Circularity**

- Activities should minimize raw material use per unit of output, including energy through increased resource use efficiency;
- Activities should minimize the loss of nutrients (in particular nitrogen and phosphate) leaching out from the production system into the environment.  
Activities should use residues and by-products the production or harvesting of crops to reduce demand for primary resources, in line with good agricultural practice.



## 2.6. Research, development and dissemination of climate resilient seeds and crops

Sector classification and activity	
Macro-Sector	Agriculture, forestry and fishing
KeSIC Code	A02
Description	Research, development and dissemination of seeds and crops that are resilient to drought, heat, flood, pests, disease or soil increased salinity
Make Significant Contribution criteria	
Climate change mitigation	
<p><b>Objective</b></p> <ul style="list-style-type: none"> <li>Both of the principles set out here must be fulfilled: <ul style="list-style-type: none"> <li>Principle 1: Demonstrate substantial avoidance or reduction of GHG emissions from production and related practices; and</li> <li>Principle 2: Maintain existing sinks and increase sequestration (up to saturation point) in above- and below-ground carbon stocks.</li> </ul> </li> </ul> <p><b>Metrics and Thresholds</b></p> <ul style="list-style-type: none"> <li>Directly eligible - warning systems, monitoring, expansion of disaster warning systems from city to farms.</li> </ul>	
Climate Change Adaptation	
Generic screening criteria for activities Making a Substantial Contribution to climate change adaptation Section 8.2.	
Do No Significant Harm assessment	
<ul style="list-style-type: none"> <li>Key environmental aspects to be considered for investments in Agriculture span across all other five objectives and are summarized as follows: <ul style="list-style-type: none"> <li>Ability of farming systems to adapt to a changing climate;</li> <li>Impact on water quantity, water quality and water ecosystems;</li> <li>Impacts on air quality;</li> <li>Inefficiencies in the production system including nutrient management;</li> <li>Pollutant and nutrient run-off and leaching;</li> <li>Impacts on habitats and species, e.g. through conversion of areas, intensification of existing arable land, and invasive alien species.</li> </ul> </li> </ul>	

- Note that areas of environmental risk are highly geographically variable. Guidance should be sought from the relevant competent national or regional authority to identify areas or issues of importance and relevance within the area or project concerned.

#### **A) Mitigation**

N/A

#### **B) Adaptation**

Generic DNSH criteria section 8.3.1.

#### **C) Sustainable Use of Water and Marine Resources**

- Identify and manage risks related to water quality and/or water consumption at the appropriate level. Ensure that water use/conservation management plans, developed in consultation with relevant stakeholders, have been developed and implemented;
- Ensure legal compliance by fulfilling the requirements of Kenyan water legislation. Identify and manage risks related to water quality and/or water consumption at the appropriate level and in alignment with the national strategies. Where water use/conservation management plans are required by Kenyan legislation, these plans are to be developed in consultation with relevant stakeholders.

#### **D) Ecosystem Protection and Restoration**

- Activities ensure the protection of soils, particularly over winter, to prevent erosion and run-off into water courses/bodies and to maintain soil organic matter;
- Activities do not lead to the conversion, fragmentation or unsustainable intensification of high-nature-value land, wetlands, forests, or other areas of high-biodiversity value. This includes highly biodiverse grassland spanning more than one hectare that is: i) natural, namely grassland that would remain grassland in the absence of human intervention and that maintains the natural species composition and ecological characteristics and processes; or ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and has been identified as being highly biodiverse by the relevant competent authority;
- Activities should not result in a decrease in the diversity or abundance of species and habitats of conservation importance or concern and contravene existing management plans or conservation objectives;
- Where activities involve the production of novel non-native or invasive alien species, their cultivation should be subject to an initial risk assessment and on-going monitoring in order to ensure that sufficient safeguards are in place to prevent escape to the environment.

#### **E) Pollution Prevention**

- Activities ensure that nutrients (fertilizers) and plant protection products (e.g. pesticides and herbicides) are targeted in their application (in time and area treated) and are delivered at appropriate levels (with preference to sustainable biological, physical or other non-chemical methods if possible) and with appropriate equipment and techniques to reduce risk and impacts of pesticide use on human health and the environment (e.g. water and air pollution) and the loss of excess nutrients;
- The use only of plant protection products with active substances that ensure high protection of human and animal health and the environment.

**F) Sustainable Resource Use and Circularity**

- Activities should minimize raw material use per unit of output, including energy through increased resource use efficiency;
- Activities should minimize the loss of nutrients (in particular nitrogen and phosphate) leaching out from the production system into the environment;
- Activities should use residues and by-products the production or harvesting of crops to reduce demand for primary resources, in line with good agricultural practice.

## 2.7. Implementation of smart agriculture systems to increase the climate resilience of agricultural production and post-harvest handling

Sector classification and activity	
Macro-Sector	Agriculture, forestry and fishing
KeSIC Code	A02
Description	Construction and operation of smart agriculture systems (e.g. precision agriculture, sensor-controlled pivot "fertigation" and similar) up to local climate resilience standards
Make Significant Contribution criteria	
Climate change mitigation	
<p><b>Objective</b></p> <ul style="list-style-type: none"> <li>Both of the principles set out here must be fulfilled: <ul style="list-style-type: none"> <li>Principle 1: Demonstrate substantial avoidance or reduction of GHG emissions from production and related practices; and</li> <li>Principle 2: Maintain existing sinks and increase sequestration (up to saturation point) in above- and below-ground carbon stocks.</li> </ul> </li> </ul> <p><b>Metrics and Thresholds</b></p> <ul style="list-style-type: none"> <li>Meet local climate-resilient standards or certification scheme which have climate adaptation components</li> </ul>	
Climate Change Adaptation	
Generic screening criteria for activities Making a Substantial Contribution to climate change adaptation Section 8.2.	
Do No Significant Harm assessment	
<ul style="list-style-type: none"> <li>Key environmental aspects to be considered for investments in Agriculture span across all other five objectives and are summarized as follows: <ul style="list-style-type: none"> <li>Ability of farming systems to adapt to a changing climate;</li> <li>Impact on water quantity, water quality and water ecosystems;</li> <li>Impacts on air quality;</li> <li>Inefficiencies in the production system including nutrient management;</li> <li>Pollutant and nutrient run-off and leaching;</li> </ul> </li> </ul>	

- Impacts on habitats and species, e.g. through conversion of areas, intensification of existing arable land, and invasive alien species.

- Note that areas of environmental risk are highly geographically variable.  
Guidance should be sought from the relevant competent national or regional authority to identify areas or issues of importance and relevance within the area or project concerned.

#### **A) Mitigation**

N/A

#### **B) Adaptation**

Generic DNSH criteria section 8.3.1.

#### **C) Sustainable Use of Water and Marine Resources**

- Identify and manage risks related to water quality and/or water consumption at the appropriate level. Ensure that water use/conservation management plans, developed in consultation with relevant stakeholders, have been developed and implemented;
- Ensure legal compliance by fulfilling the requirements of Kenyan water legislation. Identify and manage risks related to water quality and/or water consumption at the appropriate level and in alignment with the national strategies. Where water use/conservation management plans are required by Kenyan legislation, these plans are to be developed in consultation with relevant stakeholders;

#### **D) Ecosystem Protection and Restoration**

- Activities ensure the protection of soils, particularly over winter, to prevent erosion and run-off into water courses/bodies and to maintain soil organic matter;
- Activities do not lead to the conversion, fragmentation or unsustainable intensification of high-nature-value land, wetlands, forests, or other areas of high-biodiversity value. This includes highly biodiverse grassland spanning more than one hectare that is: i) natural, namely grassland that would remain grassland in the absence of human intervention and that maintains the natural species composition and ecological characteristics and processes; or ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and has been identified as being highly biodiverse by the relevant competent authority;
- Activities should not result in a decrease in the diversity or abundance of species and habitats of conservation importance or concern and contravene existing management plans or conservation objectives;
- Where activities involve the production of novel non-native or invasive alien species, their cultivation should be subject to an initial risk assessment and on-going monitoring in order to ensure that sufficient safeguards are in place to prevent escape to the environment;

#### **E) Pollution Prevention**

- Activities ensure that nutrients (fertilizers) and plant protection products (e.g. pesticides and herbicides) are targeted in their application (in time and area treated) and are delivered at appropriate levels (with preference to sustainable biological, physical or other non-chemical methods if possible) and with appropriate equipment and techniques to reduce risk

and impacts of pesticide use on human health and the environment (e.g. water and air pollution) and the loss of excess nutrients;

- The use only of plant protection products with active substances that ensure high protection of human and animal health and the environment;

**F) Sustainable Resource Use and Circularity**

- Activities should minimize raw material use per unit of output, including energy through increased resource use efficiency;
- Activities should minimize the loss of nutrients (in particular nitrogen and phosphate) leaching out from the production system into the environment.
- Activities should use residues and by-products the production or harvesting of crops to reduce demand for primary resources, in line with good agricultural practice

## 2.8. Research, development and dissemination of climate resilient livestock breeds

Sector classification and activity	
Macro-Sector	Agriculture, forestry and fishing
KeSIC Code	A01
Description	Research, development and dissemination of climate resilient livestock breeds
Make Significant Contribution criteria	
Climate change mitigation	
<p><b>Objective</b></p> <ul style="list-style-type: none"> <li>• Demonstrate substantial avoidance or reduction of GHG emissions from livestock production (including animal management, storage and processing of manure and slurry, and management of permanent grasslands);</li> <li>• Maintain existing sinks and increase sequestration (up to saturation point) of carbon in permanent grassland.</li> <li>• Where livestock production does not include permanent grassland, only principle 1 applies. Permanent grassland is land used to grow grasses or other herbaceous forage, either naturally (self-seeded including 'rough grazing') or through cultivation (sown), and which is more than five years old.</li> </ul> <p><b>Metrics and Thresholds</b></p> <ul style="list-style-type: none"> <li>• Avoid or reduce GHG emissions (including those from inputs used on the farm) through the application of appropriate management practices;</li> <li>• Maintain and increase existing carbon stocks for a period equal to or greater than 20 years through the application of appropriate management practices.</li> </ul>	
Climate Change Adaptation	
Generic screening criteria for activities Making a Substantial Contribution to climate change adaptation Section 8.2.	
Do No Significant Harm assessment	
<ul style="list-style-type: none"> <li>• The activity livestock production captures a distinct set of sub activities that would include intensive and extensive forms of livestock rearing, as well as the management of permanent</li> </ul>	

grassland. These come with different key environmental aspects that need to be considered for investments in this sector, summarised as follows:

- Ability of farming systems to adapt to a changing climate;
  - Impact on water quantity, water quality and water ecosystems, incl. wastewater treatment from intensive rearing;
  - Manure treatment;
  - Emissions of pollutants (such as methane, ammonia, dust, odour, noise) to air, water and soil, in particular in the case of intensive rearing;
  - Impact on habitats and species.
- To note that areas of environmental risk are highly geographically variable. Guidance should be sought from the relevant competent national or regional authority to identify areas or issues of importance and relevance within the area or project concerned

**A) Mitigation**

N/A

**B) Adaptation**

Generic DNSH criteria section 8.3.1.

**C) Sustainable Use of Water and Marine Resources**

Generic DNSH criteria section 8.3.2.

**D) Ecosystem Protection and Restoration**

Generic DNSH criteria section 8.3.3.

**E) Pollution Prevention**

Generic DNSH criteria section 8.3.4.

**F) Sustainable Resource Use and Circularity**

Generic DNSH criteria section 8.3.5.



## 2.9. Ecotourism

Sector classification and activity	
Macro-Sector	Agriculture, forestry and fishing
KeSIC Code	No Specific KeSIC Code
Description	Ecologically sustainable tourism activities with a primary focus on experiencing natural areas that promotes environmental and cultural conservation.
Make Significant Contribution criteria	
Climate change mitigation	
<p><b>Objective</b></p> <p>Both of the principles set out here must be fulfilled:</p> <ul style="list-style-type: none"> <li>• Principle 1: Demonstrate substantial avoidance or reduction of GHG emissions from operations and related ecotourism practices; and</li> <li>• Principle 2: Maintain existing sinks and increase sequestration (up to saturation point) in above- and below-ground carbon stocks.</li> </ul> <p><b>Metrics and Thresholds</b></p> <ul style="list-style-type: none"> <li>• Avoid or reduce GHG emissions through the application of appropriate management practices</li> </ul>	
Climate Change Adaptation	
Generic screening criteria for activities Making a Substantial Contribution to climate change adaptation Section 8.2.	
Do No Significant Harm assessment	
<p>Key environmental aspects to be considered for investments in Ecotourism span across all other five objectives and are summarized as follows:</p> <p><b>A) Mitigation</b></p> <p>N/A</p> <p><b>B) Adaptation</b></p> <p>Generic DNSH criteria section 8.3.1.</p>	

**C) Sustainable Use of Water and Marine Resources**

- Strategies are in place to reduce water use across all operations;
- Water use is measured (by building usage) and measured to reduce overall consumption and continually assessed;
- Water efficient fixtures are fitted that are above the required standards;
- Water saving devices are fitted (e.g. automatic shut-off nozzles, timers, etc).
- Water efficient appliances used (based on the Country's water rating system, label or standard). If the country in which you operate does not have a current rating system, label or standard, compliance will be assessed based on location and feasibility. If the business is unable to implement measures, it commits to do so when the opportunity presents itself.
- A regular maintenance program ensures immediate replacement of leaking taps, valves and pipes.
- Water efficient toilet systems are installed;
- Timer devices fitted to fixtures to reduce shower times. Landscape
- Plants selected for landscaping have low water requirements (local natives);
- Direct watering systems are installed (e.g. drip watering systems);
- Measures to aid water retention are implemented (e.g. soil treatment, mulch);
- Hard surfaces have been reduced, with wash down of hard surfaces not permitted (i.e. sweeping is the preferred method for cleaning outdoor surfaces instead, etc.).
- Appliances requiring water are not used where they can be avoided.

**D) Ecosystem Protection and Restoration**

- Measures are taken to avoid the introduction of invasive species to new environments (e.g. vehicles are checked and cleaned of any thorns and seeds when entering new environments)
- Rehabilitation of disturbed areas is undertaken either as part of tours, or by the tour operator

**E) Pollution Prevention**

- Materials used in construction are low or zero Volatile Organic Compounds (VOCs can be found in a range of materials used in construction, including; paints, primers, finishes, stains, adhesives, treated lumber, spray foams, and insulation);
- Spaces are naturally ventilated to reduce the build-up of any material off-gassing;
- The business implements practices to reduce and avoid pollution from ozone-depleting compounds and air contaminants, including hydrocarbon emissions, during construction;
- The installation of air conditioning and refrigeration systems is completed by a licensed air conditioning or refrigeration technician;
- No solvents are used.

**F) Sustainable Resource Use and Circularity**

- Measures to Reduce, Reuse, Repurpose or Recycle waste are in place. Recycling facilities, instruction on bin use, locations of facilities and other relevant information on waste minimisation are clearly displayed or made available for guests.
- The detail of the business' waste monitoring and management extends to the amount of solid waste disposed per tourist/guest night (or a different productivity unit such as number of guests per tour/vessel etc).

- The business has conducted their own internal waste audit to inform waste minimisation strategies and determine waste reduction goals.  
OR The business has had a waste audit conducted by a qualified environmental auditor.

## 2.10. Coffee Production

Sector classification and activity	
Macro-Sector	Agriculture, forestry and fishing
KeSIC Code	A01
Description	Ecologically sustainable coffee that is grown in a way that conserves nature and provides better livelihoods for the people who grow and process it
Make Significant Contribution criteria	
Climate change mitigation	
<p><b>Objective</b></p> <ul style="list-style-type: none"> <li>Both of the principles set out here must be fulfilled: <ul style="list-style-type: none"> <li>Principle 1: Demonstrate substantial avoidance or reduction of GHG emissions from production and related practices; and</li> <li>Principle 2: Maintain existing sinks and increase sequestration (up to saturation point) in above- and below-ground carbon stocks.</li> </ul> </li> </ul> <p><b>Metrics and Thresholds</b></p> <ul style="list-style-type: none"> <li>Eligible certifications schemes include: <ul style="list-style-type: none"> <li>UTZ certified;</li> <li>Rainforest Alliance Certified;</li> <li>Shade-grown Certified;</li> <li>Ecocert 4C</li> </ul> </li> </ul>	
Climate Change Adaptation	
Generic screening criteria for activities Making a Substantial Contribution to climate change adaptation Section 8.2.	
Do No Significant Harm assessment	
<ul style="list-style-type: none"> <li>Key environmental aspects to be considered for investments in Agriculture span across all other five objectives and are summarized as follows: <ul style="list-style-type: none"> <li>Ability of farming systems to adapt to a changing climate;</li> <li>Impact on water quantity, water quality and water ecosystems;</li> <li>Impacts on air quality;</li> <li>Inefficiencies in the production system including nutrient management;</li> <li>Pollutant and nutrient run-off and leaching;</li> </ul> </li> </ul>	

- Impacts on habitats and species, e.g. through conversion of areas, intensification of existing arable land, and invasive alien species.
  - Note that areas of environmental risk are highly geographically variable.
- Guidance should be sought from the relevant competent national or regional authority to identify areas or issues of importance and relevance within the area or project concerned.

#### **A) Climate Change Mitigation**

N/A

#### **B) Adaptation**

Generic DNSH criteria section 8.3.1.

#### **C) Sustainable Use of Water and Marine Resources**

- Identify and manage risks related to water quality and/or water consumption at the appropriate level. Ensure that water use/conservation management plans, developed in consultation with relevant stakeholders, have been developed and implemented;
- Ensure legal compliance by fulfilling the requirements of Kenyan water legislation. Identify and manage risks related to water quality and/or water consumption at the appropriate level and in alignment with the national strategies. Where water use/conservation management plans are required by Kenyan legislation, these plans are to be developed in consultation with relevant stakeholders.

#### **D) Ecosystem Protection and Restoration**

- Activities ensure the protection of soils, particularly over winter, to prevent erosion and run-off into water courses/bodies and to maintain soil organic matter;
- Activities do not lead to the conversion, fragmentation or unsustainable intensification of high-nature-value land, wetlands, forests, or other areas of high-biodiversity value. This includes highly biodiverse grassland spanning more than one hectare that is: i) natural, namely grassland that would remain grassland in the absence of human intervention and that maintains the natural species composition and ecological characteristics and processes; or ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and has been identified as being highly biodiverse by the relevant competent authority;
- Activities should not result in a decrease in the diversity or abundance of species and habitats of conservation importance or concern and contravene existing management plans or conservation objectives;
- Where activities involve the production of novel non-native or invasive alien species, their cultivation should be subject to an initial risk assessment and on-going monitoring in order to ensure that sufficient safeguards are in place to prevent escape to the environment.

#### **E) Pollution Prevention**

- Activities ensure that nutrients (fertilizers) and plant protection products (e.g. pesticides and herbicides) are targeted in their application (in time and area treated) and are delivered at appropriate levels (with preference to sustainable biological, physical or other non-chemical methods if possible) and with appropriate equipment and techniques to reduce risk and impacts of pesticide use on human health and the environment (e.g. water and air pollution) and the loss of excess nutrients;

- The use only of plant protection products with active substances that ensure high protection of human and animal health and the environment.

**F) Sustainable Resource Use and Circularity**

- Activities should minimize raw material use per unit of output, including energy through increased resource use efficiency;
- Activities should minimize the loss of nutrients (in particular nitrogen and phosphate) leaching out from the production system into the environment.
- Activities should use residues and by-products the production or harvesting of crops to reduce demand for primary resources, in line with good agricultural practice.

## 2.11. Tea Production

Sector classification and activity	
Macro-Sector	Agriculture, forestry and fishing
KeSIC Code	A01
Description	Ecologically sustainable tea that is grown in a way that conserves nature and provides better livelihoods for the people who grow and process it
Make Significant Contribution criteria	
Climate change mitigation	
<p><b>Objective</b></p> <ul style="list-style-type: none"> <li>Both of the principles set out here must be fulfilled: <ul style="list-style-type: none"> <li>Principle 1: Demonstrate substantial avoidance or reduction of GHG emissions from production and related practices; and</li> <li>Principle 2: Maintain existing sinks and increase sequestration (up to saturation point) in above- and below-ground carbon stocks.</li> </ul> </li> </ul> <p><b>Metrics and Thresholds</b></p> <ul style="list-style-type: none"> <li>Eligible certifications schemes include: <ul style="list-style-type: none"> <li>Rainforest Alliance Certified Tea;</li> <li>Fair for Life;</li> <li>Soil Association Organic.</li> </ul> </li> </ul>	
Climate Change Adaptation	
Generic screening criteria for activities Making a Substantial Contribution to climate change adaptation Section 8.2.	
Do No Significant Harm assessment	
<ul style="list-style-type: none"> <li>Key environmental aspects to be considered for investments in Agriculture span across all other five objectives and are summarized as follows: <ul style="list-style-type: none"> <li>Ability of farming systems to adapt to a changing climate;</li> <li>Impact on water quantity, water quality and water ecosystems;</li> <li>Impacts on air quality;</li> <li>Inefficiencies in the production system including nutrient management;</li> <li>Pollutant and nutrient run-off and leaching;</li> <li>Impacts on habitats and species, e.g. through conversion of areas, intensification of existing arable land, and invasive alien species.</li> </ul> </li> </ul>	

- Note that areas of environmental risk are highly geographically variable. Guidance should be sought from the relevant competent national or regional authority to identify areas or issues of importance and relevance within the area or project concerned.

#### **A) Climate Change Mitigation**

N/A

#### **B) Adaptation**

Generic DNSH criteria section 8.3.1.

#### **C) Sustainable Use of Water and Marine Resources**

- Identify and manage risks related to water quality and/or water consumption at the appropriate level. Ensure that water use/conservation management plans, developed in consultation with relevant stakeholders, have been developed and implemented;
- Ensure legal compliance by fulfilling the requirements of Kenyan water legislation. Identify and manage risks related to water quality and/or water consumption at the appropriate level and in alignment with the national strategies. Where water use/conservation management plans are required by Kenyan legislation, these plans are to be developed in consultation with relevant stakeholders.

#### **D) Ecosystem Protection and Restoration**

- Activities ensure the protection of soils, particularly over winter, to prevent erosion and run-off into water courses/bodies and to maintain soil organic matter;
- Activities do not lead to the conversion, fragmentation or unsustainable intensification of high-nature-value land, wetlands, forests, or other areas of high-biodiversity value. This includes highly biodiverse grassland spanning more than one hectare that is: i) natural, namely grassland that would remain grassland in the absence of human intervention and that maintains the natural species composition and ecological characteristics and processes; or ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and has been identified as being highly biodiverse by the relevant competent authority;
- Activities should not result in a decrease in the diversity or abundance of species and habitats of conservation importance or concern and contravene existing management plans or conservation objectives;
- Where activities involve the production of novel non-native or invasive alien species, their cultivation should be subject to an initial risk assessment and on-going monitoring in order to ensure that sufficient safeguards are in place to prevent escape to the environment.

#### **E) Pollution Prevention**

- Activities ensure that nutrients (fertilizers) and plant protection products (e.g. pesticides and herbicides) are targeted in their application (in time and area treated) and are delivered at appropriate levels (with preference to sustainable biological, physical or other non-chemical methods if possible) and with appropriate equipment and techniques to reduce risk and impacts of pesticide use on human health and the environment (e.g. water and air pollution) and the loss of excess nutrients;
- The use only of plant protection products with active substances that ensure high protection of human and animal health and the environment.



**F) Sustainable Resource Use and Circularity**

- Activities should minimize raw material use per unit of output, including energy through increased resource use efficiency;
- Activities should minimize the loss of nutrients (in particular nitrogen and phosphate) leaching out from the production system into the environment.
- Activities should use residues and by-products the production or harvesting of crops to reduce demand for primary resources, in line with good agricultural practice.