

Submitted to: Verra

Project under public consultation: Rio Preto Grouped REDD+ (ID 3049)

Public consultation response

Rio Preto Grouped REDD+

The Nature-based Solutions Brazil Alliance aims to promote and stimulate an agenda to discourage deforestation and forest degradation through the creation of guidelines and good practices, generating a safe and reliable business environment. The NBS Brazil Alliance appreciates this opportunity to share input on the Arca REDD+ Project. The open consultation process and the possibility to participate actively is an opportunity to improve the integrity of the carbon credits.

As a non-profit association of project developers whose members are: Agrocortex, Bioassets, Biofilica, BR Carbon, BVRio, Carbonext, Ecosecurities, ERA Brazil, FAS, IDESAM, Instituto Ekos Brasil, Mirova Natural Capital – Althelia Funds, Permian and South Pole, it is great to see new carbon projects being developed.

The following aspects contained within the Project Description were seen as concerns:

Methodology

The project was designed as a clustered project, in order to increase its contribution to the standing forest with the addition of new instances of project activity in the future. The chosen methodology contemplates the annexation of future integration of jurisdictional programs.

Page 32 only refers that the reference region should be between 5 to 7 times the project area for projects larger than 100,000 ha, when this project is less than 100,000 ha so the RRD should be between 20 to 40 times. Neither the size of the RRD nor the deforestation rate obtained is specified. In other words, **although the procedures carried out are mentioned, the variables used are not described, nor is the reference region mapped.**

Baseline

It is not clear which approach was adopted, the project activity in instance 1 falls under category B, "Avoided deforestation with logging in the project case". However, it also could be understood that approach "A" was chosen based on the following sentence: " the continuation of the current (pre project) land use scenario was defined as the most plausible

baseline scenario. The future trend for baseline scenario is that deforestation rate in the reference region will probably increase, as verified during the historical reference period”.

The PD does not present tables with the values of deforestation projections (baseline) either for RR, PA or LK or graphs illustrating historical trends in the increase of deforestation rates. The project does not present VCU values that it intends to generate per year. The project area contains 100% native vegetation. Degradation is not included in either the baseline or project scenario (pg 28).

The project indicates that **a non-permanence risk analysis** was calculated according to the VCS AFOLU Non-Permanence Risk Tool Program Document, **however it is not available in this report**. Although the project area is small, it is quite wooded, the deforestation rate is estimated to be over 1%. **However, the value of the deforestation rate obtained from a reference Regio analysis is not recorded in the document**. We have seen that 1% could be the proxy deforestation.

Although a brief biophysical review is provided, **there is no description of the parameters evaluated according to the VM0015 methodology to see if the reference region meets the characteristics of the project area, such as soils, elevation, forest classes and precipitation, among others**.

Ownership

The Project Area will consist of 4 private properties, constituting a first instance of the Project. 3 properties belong to Sparta/Sparta S.A. Group and 1 property belongs to Nilton Silvestre (mentioned in the PD). **No detailed information about the land aspects (it is mentioned that the necessary documents will be presented to VVB during the validation process) or any governance structure has been presented**.

The NBS Brazil Alliance highly recommends for the VVB to use the Protocol for Prior Analyses developed by the Alliance should serve as a guide for the minimum criteria to be presented by project proponents in Brazil to ensure documentary regularity and quality. It is also expected that audits and verification institutions see these points as the first step of analysis and go beyond the points hereby suggested.

Project Proponent(s) e Other Entities Involved in the Project

Besides Future Carbon as project proponent, Carbon Asset Management Projetos Ambientais LTDA (carbon credits trader) and Sparta Participações Societárias S.A. (owner of

part of the farms) are other entities involved in the project. **No information about rights or sharing of credits was mentioned.**

Local Stakeholder Consultation and Safeguards

No important or relevant information has been provided. There is no detail of the population surrounding the project, nor is there a percentage detail of the distribution of benefits.

Other considerations

The project is incomplete because it fails to present several pieces of information that are requested in the template. There is nothing substantial on Quantification of GHG emission reductions and removals. There is also no section on investment and project costs. Besides the information already mentioned in the previous items, the monitoring plan, the indicators to be evaluated, other sections related to safeguards, maps of RR, PA, LK, LMA, among other relevant information, were not informed. Besides, they do not describe how the social and environmental activities they intend to develop following the SocialCarbon label will be developed.

NBS Brazil Alliance strongly recommends considering making Safeguards aspects mandatory during the time of public consultations. Most of the projects commented by NBS Brazil Alliance in Brazil have the same problem: lack of information to analyze. Arca REDD+ Project (ID 2871), ARR Cerrado Carbon Project (ID 2790), Gairova REDD+ (ID 2870), Rio Madeira Project (ID 2878) and Feijó REDD+ Project (ID 2980) were analyzed and all had the safeguards section in blank.

The NBS Brazil Alliance appreciates this important opportunity to record our comments. We welcome the project proponents to reach-out directly with any questions or follow-up requests related to the comments shared above by contacting **NBS Brazil Alliance Coordinator, Victor Ferraz**, at nbs@nbsbrazilalliance.com.



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