

Submitted to: Verra

Project under public consultation: Grouped Project Serra do Sudeste (ID 3299)

Public consultation response

Grouped Project Serra do Sudeste

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 and Baseline

Generation/sequestration rate: 13.13 tCO₂-eq/year. This is a coherent and expected value. The exclusion of eucalyptus from the baseline can be questioned, but overall the development of the baseline is coherent.

Ownership and Project Proponents

Apparently it is ok.

Local Stakeholder Consultation and AFOLU-Specific Safeguards

According to what was presented, the communities involved in the project were consulted, perhaps it would be interesting to make it clearer that they had the chance to participate in the development of the project.

The most critical point here is the fact that they plead for Gold for a project in a private area whose owner is not a community or collectivity and, therefore, they would need to evidence that the project is in a region where at least 50% of the households live below the poverty line. This last point was not made. Below is transcribed the required item from the CCB-Gold Community:

"a) Demonstrate that smallholders/community members or communities either own or have management rights, statutory or customary, individually or collectively, to land in the project area. The smallholders/community members or communities have rights to claim that their activities will or did generate or cause the project's climate, community and biodiversity benefits.

OR

b) Demonstrate that the project zone is in a low human development country OR in an administrative area of a medium or high human development country in which at least 50% of the households within the communities are below the national poverty line."

Other Comments

In general, the PD of the project is very complete and well-grounded. The project activities are coherent and it seems to be a well thought out and elaborated work. However, **some very important points should be highlighted:**

1. The use of Brown's (1997) halometric equation, cited on page 93 of the document, which will be used to quantify the above ground biomass, should be reviewed. **The equation was developed for native forests in TROPICAL and not TEMPERATE areas, as in the project. Although the hydric regime between the development area of the equation and the project area may be similar, the temperature characteristics are not.**
2. The project targets the Gold level of the CCB Community. However, according to item 1 of "GL2. EXCEPTIONAL COMMUNITY BENEFITS" described in the CCB Standard(https://verra.org/wp-content/uploads/2017/12/CCB-Standards-v3.1_ENG.pdf) the Serra do Sudeste project does not qualify for this title (more details above).

Also, in the NPR calculation it was considered that there is no risk to the project from extreme events (with respect to loss of carbon stock). **However, there are several scientific papers and researches that show a direct relationship between biomass reduction (decrease in photosynthetic rate and increase in respiration) caused by drought related stress (disregarding fire losses).** Rio Grande do Sul is a state that suffers from droughts when extreme events like La Niña occur. In this case, **it would be interesting for the proponent to present studies that justify the non-scoring in this item or, evaluate research and studies that quantify this loss of carbon by extreme events related to droughts.**

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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