

Submitted to: Verra

Project under public consultation: IACO REDD+ (ID 3631)

Date: June 9, 2023

## Public consultation response

### IACO 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 IACO 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 with 25 members including Agro cortex, Bioassets, Biofillica, Biofix, BR Carbon, BVRio, Carbon Credits Consulting, Carbonext, Conservação Internacional, Ecosecurities, Ekos Brasil, ERA Brazil, FAS, IDESAM, Impact Earth, MyCarbon, Radicle, Redda+, Re.green, Rioterra, Systemica, South Pole, Sustainable Carbon, Volkswagen Climate-Partner and WayCarbon, it is great to see new carbon projects being developed.

The following aspects contained within the Project Description were observed:

### Methodology and Baseline

#### **Comments generated from the analysis of section 3.3 Project Boundary**

In this section the authors state that only the reference region for projecting deforestation rate (RRD) was determined. According to VMD0007 (BL-UP), the definition of the reference region for projecting the location of deforestation (RRL) is only required where location analysis is required or elected. Since the unplanned deforestation is likely to occur following a transition configuration, according to the same module, "location analysis is not required where it can be shown that  $\geq 25\%$  of the project geographic boundary is within 50m of land that has been anthropogenically deforested within the 10 years prior to the project start date. If this criterion is not met, location analysis is always required".

It would be interesting to add the demonstration of the compliance of the above-mentioned criterion in the Project Description.

#### **Comments generated from the analysis of section 4.1 Baseline Emissions**

In this section, the estimation of the annual areas of deforestation was conducted for the unplanned and planned deforestation components.

For the unplanned deforestation component, the VMD0007 BL-UP provides a step-by-step approach of how the calculation should be performed. The following steps should be complemented with additional information:

- Mapping of the historical deforestation: it would be interesting to add information about how this step was conducted.
- Map accuracy assessment: it would be interesting to add information about how this step was conducted.
- Estimation of annual areas of unplanned baseline deforestation in the RRD: it would be interesting to add information about this step in the Project Description. For instance, a discussion about which approach was selected and why.
- Estimation of the annual areas of unplanned deforestation in the project area: it would be interesting to add information about the calculation and an explanation as to why the area of unplanned deforestation per year is declining.

For the planned component, the VMD0006 BL-PL provides a step-by-step approach of how the deforestation should be calculated. The following steps should be complemented with additional information:

- Government approval for planned deforestation: there is a lack of evidence presented in this item.
- Intent to deforest: there is a lack of evidence presented in this item.
- Risk of abandonment: it is not clear if this procedure was implemented and what was the conclusion of the analysis.

### **Comments generated from the analysis of section 3.4 Baseline scenario**

Regarding planned deforestation, there is an apparent lack of evidence that proves the planning and the requests made by the landowners for vegetation suppression, as established in VMD0006 BL-PL. For instance, according to VMD0006 BL-PL:

“For all instances of planned deforestation REDD projects, there must be an immediate site-specific threat of deforestation. (...) This threat must be demonstrated by documentary proof of the following:

If government approval is required for deforestation to occur, the intention to deforest within the project area must be demonstrated by evidence:

- Recent approval from relevant government department (local to national) for conversion of forest to an alternative land use; or
- Documentation that a request for approval has been filed with the relevant government department for permission to deforest and convert to alternative land use.”

The greenhouse gas (GHG) emissions reductions will be higher in the first seven years of the project, during which both planned and unplanned deforestation are taken into account. After the seventh year, only reductions resulting from unplanned deforestation occur. The registered Evergreen REDD+ project (ID: 2539) located in the state of Amazonas was used to compare emission reduction estimates and verify if they are excessively high. The project in question also considers both planned and unplanned deforestation. The project area covers 130,555 ha, with an average annual emission reduction of 1,566,547 tCO<sub>2</sub>e. On the other hand, IACO REDD+ covers an area of 136,364 ha with an average annual estimate of 773,489 tCO<sub>2</sub>e.

## Ownership and Project Proponents

### Comments generated from the analysis of section 1.7 Ownership

- In this section, it is stated that the project will be carried out on a privately owned property known as Guanabara / Petrópolis Farm. The owners of the property are not clearly stated in this section.
- There is no explicit discussion regarding the land tenure situation of the property and its parcels in this section.

### Comments generated from the analysis of section 1.5 Project Proponent and 1.6. Other entities involved in the project

In this section, it is not explicitly stated who will receive the carbon credits and who has the right to trade them. These two pieces of information could be made clearer along the Project Description.

## Local Stakeholder Consultation and AFOLU-Specific Safeguards

### Comments generated from the analysis of section 2.2 Local stakeholder consultation

- There is a description of how the consultation process was conducted. However, there is a lack of detail regarding the process, such as the dates when the consultations took place, how the concerns of the local community and inputs on the project were documented, and how the results of the consultation were documented.
- There is a lack of detail regarding how the results of future monitoring events will be disseminated.
- There is no mention of the existence of a Free, Prior, and Informed Consent (FPIC) document (in this section).

### Comments generated from the analysis of section 2.5 AFOLU- Specific Safeguards:

- Risks to local stakeholders: there is a comment mentioning the use of the "AFOLU Non-Permanence Risk Tool v 4.0". However, there is a lack of detail regarding the risks outlined in the section, as well as the mitigation measures. There is no information about plans to ensure that the project will not adversely affect the property rights of local stakeholders.
- Impacts of the project on local stakeholders: there is a lack of detail regarding this point.
- The process of benefit distribution is not clear.

## Other Comments

### Comments generated from the analysis of section 1.8. Project Start Date

- The project start date is on 16/12/2021. The evidence presented in the Project Description are the following: the legal registration of the Business Partnership Agreement (documenting the objective of implementing the REDD+ project) and the

signing of the Rural Lease Agreement for Environmental Management and Reforestation Purposes. The discussion that is being raised is whether the presentation of these agreements is sufficient to support and justify the date in which activities that led to the generation of GHG emission reductions or removals were implemented.

**Comments generated from the analysis of section 3.3 Project Boundary**

- As demonstrated by Table 5, the project proponent with the goal of comparing the project area, RRD and Leakage Belt, evidence only landscape factors and river density. This is relevant because variables that have a significant effect on unplanned deforestation, such as road and population density, were not demonstrated. The same occurred to the definition of the Leakage Belt. However, this is of more concern in the case of RRD due to the relaxations of the criteria for defining the Leakage Belt.
- In this section of the Project Description, Figure 26 is displayed to highlight the boundaries of the unplanned and planned deforestation components. However, few explanations about how these boundaries were defined is provided along the Project Description. Therefore, it would be interesting to add more details about how the above-mentioned boundaries were delimited.

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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**, at **nbs@nbsbrazilalliance.org**.