

Submitted to: Verra

Project under public consultation: Mejurua Project (ID 4485)

Public consultation response

Mejurua Project

[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 Mejurua 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 26 members including Agro cortex, Bioassets, Biofílica, Biofix, BR Carbon, BVRio, Carbon Credits Consulting, Carbonext, Conservação Internacional, Eco securities, Ekos Brasil, ERA Brazil, FAS, IDESAM, Impact Earth, Infrapar Sustainability, 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

The project's Start Date could be clearer about the difference between the Start Date of the AUD and APD fractions of the project. Although no quantification of the AUD part of the project has been made in the Project Document (PD), the unplanned deforestation is plenty cited during the text. It should then be clear if this Start Date is intended to be used for both fraction of the project (APD and AUD);

For the APD part, corresponding to 20% of the project area, it is important that the Start Date evidence the proponent's withdrawal of their interest of their right to suppress the area. However, the PD does not clarify how far the proponent had already reached in their license suppression process.

In item 3.4.5 of the PD, the proponent states that they presented in an attachment (not publicly available) either a recent approval from the relevant government department for conversion of forest to an alternative land use or a documentation showing that a request

for such an approval has been filed. The proponent does not state the date of this document (whether before or after the signing of the contract that justifies the Start Date) during the text. This information is important because, if the signing of the contract demonstrating interest in carrying out the carbon project is after the date of issuance of the license or submission of the deforestation protocol, then the Start Date has a strong correlation with the climate benefit. However, if the signing of the contract (July 2021) is before the protocol or release of the official document of the suppression process, then it is interesting to review the choice of the Start Date of the project to better guarantee a robust correlation with the climate benefits.

Regarding the AUD Start Date it is apparently the same as the APD (July 26, 2021). If it is indeed the same as the APD (as indicated in the text), it should be re-evaluated. This is because only an agreement signed between the main shareholder of the project proponent and the project developer is not sufficient evidence that concrete actions to contain deforestation are being taken. In other words, despite the signing of the contract for the development of the project, there are no reports that any action, financial investment or on-the-ground measures were actually implemented from that date in order to reduce deforestation and thus be actually linked to a climate benefit that can be quantified.

During the text of the PD where it talks about "Aerial monitoring" (1.11.3) and "Surveillance and Patrolling" (1.11.4), all the actions of forest integrity protection measures are said to be implemented in a future time, that is, it is not possible to justify that the climate benefit generated in the area (mainly AUD) has come from the project's actions. This in turn can weaken the Start Date of July 2021 and the possibility of requesting retroactive credits.

Baseline Scenario Construction + additionality

Beyond the legal documentation regarding the forest suppression authorization, it is important that the proponent present a plan/study of the technical and primarily economic feasibility of the agricultural activity that is intended to be implemented in the corresponding 20%, and thus ensure that the conversion of the soil that is intended to be given up is actually feasible.

It is possible to observe, through satellite images, that there is indeed a growth in land use change in the forest to pasture region, especially in the municipality of Caruari. However, this growth appears to be on a significantly smaller scale than that presented by the project in question. According to the PD, it is planned, in the absence of a project, to carry out an annual deforestation of 5,425.38ha of forest per year in the PA (APD). This number is quite considerable, and this deforestation/usage planning must be very well based on a technical and economic feasibility study.

In other words, it is necessary to demonstrate how the area owner would deal with the limitations of access (rainy season, etc), availability of machinery and other technical aspects in addition to the condition of cattle flow and assimilation by other fattening farms or slaughterhouses and meat packing plants within an economic viability radius. Perhaps this study has been made available to the audit body, however, making this information public is very important, especially considering the scale of the cattle ranch in the baseline scenario and the logistical complexity of the region in which it is located.

The technical and financial feasibility analysis is of major importance because it is one of the main pillars that guarantee the additionality of the project. Considering that the proponent owner of the farm has owned the area since before 2021, it is important to demonstrate why the area is not already being economically exploited (forest management + cattle ranch), as in the baseline scenario, since it has been said to be economically interesting, thus justifying the additionality. Therefore, a very robust study of the technical feasibility and economic potential in the exploitation of the area should be made and presented together in the PD, clearly demonstrating that without the economic incentive of VCS the area would be opened (on a scale of more than 5,000 ha/year) for the implementation of livestock on the site.

Emissions quantifications

In terms of emissions quantifications, It would be interesting for the proponent to explain why they did not include the emissions from the thermoelectric power plant, which will be installed on the farm to make part of the commercialization of wood from sustainable management possible, as project emissions.

Ownership and Project Proponents

No comments at this time.

Local Stakeholder Consultation and AFOLU-Specific Safeguards

It is not completely clear in the PD whether the communities that live within the farm live in places that are considered Project Areas (PA). This could be clearer because, if there is this overlap, it is important for the proponent to highlight how they will deal with the issue of the communities' customary use (especially deforestation for firewood and construction of houses and boats).

In the PD (item 2.5), it is mentioned that along with the regulation of the possession of the areas of the families who live within the PA, the project will implement legally applicable measures to prevent environmental degradation. It would be interesting to detail this point

a little more, especially if these communities live within the Project Areas of the farm. Highlight how the issue of the traditional use of the forests by the community will be treated in these legal measures.

In other words, the proponent needs to make it clear how they will balance 'no deforestation' within the PA while at the same time respecting the traditional use of the forest by local communities.

Other Comments

No additional comments.

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, Carla Zorzaneli**, at nbs@nbsbrazilalliance.com.