Public consultation response

Amazon Partners 20

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 Amazon Partners 20 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 Agrocortex, Bioassets, Biofílica, Biofix, BR Carbon, BVRio, Carbon Credits Consulting, Carbonext, Conservação Internacional, Ecosecurities, 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

This is a draft of the PD. Therefore, several sections are not present, lacking important details about the methodology. This made it difficult to understand and assess the quality of the analysis carried out. The presentation of graphs and maps, although generally correct, could have better quality. In addition, there was a lack of maps that should be in the PD. Some of the presented maps are missing layers that are important for understanding the results obtained. Errors detected in the inventory calculations prevented us from saying whether the maximum sampling error of 10% was respected. The distribution of plots is not representative of the project area or risk areas. The reference region strangely ignores the regions of other protected areas around it. The projected rates appear to be greatly overestimated, but the estimates of total carbon stocks were low relative to the results we obtained at Juruá.

Reference Region:
The section describing the RR is very short and needs a better description. Despite this, it follows the size comparability criterion of VM0015. However, the similarity criteria in biophysical terms are not quantitatively described, only maps with the spatial distribution of the criteria variables are presented. This area is close to the Juruá project area. This region

borders other protected areas so, given its land category, it is strange that the RR does not include these other protected areas and no justification has been made in this regard. The maps do not show these protected areas and this fact is also omitted from the RR description.

Leakage belt:
Mobility analysis criteria are presented, but some discontiguous regions included to the North and South of the PA seem invalid considering the criteria chosen by the analysis:

Figure 36 - Location of the Reference Region, Project Area, Leakage Belt, and
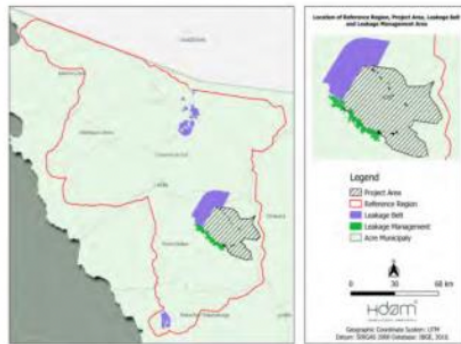
Leak management:
The section appears to be too brief and it is difficult to understand the selection logic. There are areas of recent deforestation within the project area itself that should have been included but were not.

Baseline scenario:
- Inconsistency in the area of deforestation in the RR: in section 3.3.1.2 it appears with a different value from the table of estimated values.
- Transition matrix with incorrect values: the transition matrix from forest to deforestation appears with values that appear to be incorrect.

Additionality:
- The additionality demonstration section could be better developed. Economic Zoning data are brought, but do not clearly contextualize the specificities of the Indigenous Land. The additionality tool is not properly applied (VT0001). In substep 1.c., the project should indicate the most plausible baseline scenario, from the list made in substep 1.a. However, substep 1.c. of the project does not define what the baseline scenario is, but rather lists 5 possible scenarios, without clarifying which one was chosen. From STEP 2 onwards, the analysis should be performed only for the chosen scenario, and not for all of them, as was done in the project. Thus, it is understood that additionality was not correctly demonstrated.
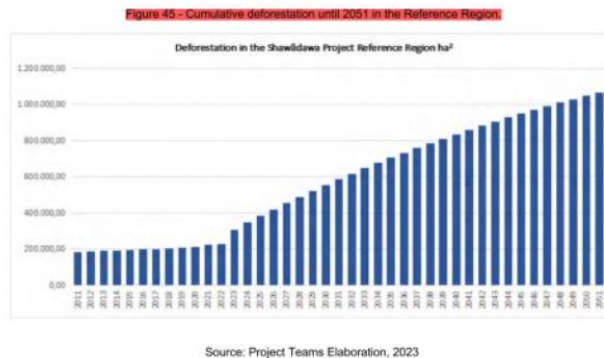
Analysis of historical deforestation:
- The accuracy analysis of the forest benchmark map was not presented, only mentioning that the map "indicates a precision level close to 95%"
- The text indicates that an attachment to the PD is presented in sections 6.3.1.4.1, 6.3.1.4.2 and 6.3.1.4.3, but these sections do not exist.
- Deforestation drivers analysis are presented, but several subtopics are missing.

Future deforestation projection:
- Projection of the amount of deforestation: the text mentions that the approach c) based on modeling auxiliary variables was chosen, but any further analysis was omitted and no justification for the choice is presented. It does not demonstrate which equation it adopts, nor does it describe the calculation steps. Figure 45 (page 158) shows that the equation adopted does not follow the historical curve and seems to inflate the deforestation projection from the second year of the project (the jump from approximately 6,300 ha deforested in the RR in 2022 to 78,200 ha in 2023 was not explained).

-The spatialization steps of the deforestation projection are poorly documented, raising doubts whether the process was followed according to the methodology.

-In any case, the method used seems to have considerably overestimated the annual rate of deforestation, and such a trend is not at all indicated by the historical rate:

Figure 45 - Cumulative deforestation until 2051 in the Reference Region

Deforestation in the Shawãdawa Project Reference Region ha²

Source: Project Teams Elaboration, 2023

Without the details of the modeling used, apparently the future deforestation that was used exceeds what is expected given the historical trend by at least 100% in 10 years, and more than 150% in 30 years in the Reference Region. In the project area, deforestation was approximately 2% in 30 years and 1% in 10 years.

Spatial projection of deforestation:
- Maps with the controlling variables were not presented, so it is difficult to understand the resulting deforestation risk map. The factor table itself does not allow understanding of the process. For example, there is a variable called "empirical probability of conservation units" that could have been better explained.
- The model calibration section omits a lot of details. For example, it does not show the periods used in calibration and validation. Furthermore, it implies that a transition from forest to urban area was modeled separately, but this is not considered elsewhere in the PD. It also omits details about the validation of the spatialization model used, saying only that the model "obtained assertiveness of 72%". Despite the omissions, the transition probability map somehow seems to make sense. However, it would be necessary to verify the distribution of the variables used to assess the quality of the analysis:

Figure 46 - Transition potential map for the occurrence of deforestation in the Reference Region
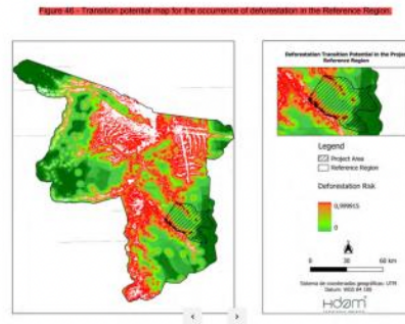
- The text comments on the use of masks for allocation of deforestation, but since the description of the procedure is very brief and confusing, it is difficult to assess how it may have influenced the results. It was not explained whether such a mask partially or totally replaced the allocation that is made by the dynamics and neither a quantified nor qualitative justification is made as to why this procedure is adequate or whether it is conservative or not. Anyway, the space-time distribution does not seem to have favored the project area over other areas, as shown by the figure:

Figure 47 - Projection of land cover in the reference region, project area and leakage belt until year 2051.
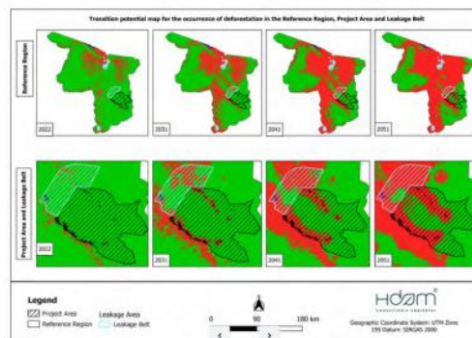
The figure shows, however, that future deforestation may be severely overestimated, as in the first 10 years of the project deforestation exceeds all deforestation in the RR.

Baseline emissions:
- Activity data: Deforestation in the RR appears to be overestimated, consuming ~72% of RR forests in 30 years and ~40% in 10 years. Despite this, in the AP the deforestation in 10 years is only ~1% of its forests.
- Emission factors:
• aboveground and belowground carbon stocks were estimated via forest inventory. Belowground biomass was obtained by regression equations that convert aboveground biomass to belowground biomass.
• Sampling was done in clusters, but does not appear to be representative of the project area:

Figure 54 - Cluster allocation in project area.
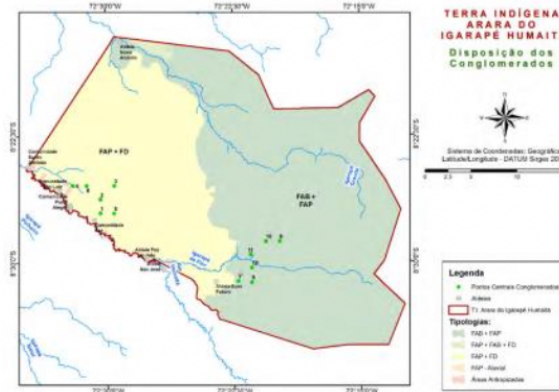
Source: Project Teams Elaboration, 2023

The samples do not appear to have been randomly selected within the PA and no justification for this is described.

• A correction factor of 0.47 was applied for biomass-carbon, which is the IPCC default, but a 30% discount was not applied.

• There are errors in the calculations of the number of plots, variance and sampling error. For example, the table below shows negative intercluster variance and different total variance of the sum with cluster + between cluster:

Table 36 - Forest inventory statistical analysis for the variables Belowground Carbon, Aboveground Carbon and Total Carbon at project area.

Parameter	Notation	Cbb below-ground Carbon	Cab above-ground Carbon	Ctot Carbon Total
Average Carbon per plot	$\bar{x}$	1.629,49 kg/0,13ha	10.986,63 kg/0,13ha	12.627,25 kg/0,13ha
Average Carbon per hectare	$\bar{x}_{(ha)}$	12.967,06 kg/ha	87.428,85 kg/ha	100.484,47 kg/ha
Total Carbon of the population	X	1.131.133.174,43 kg	7.626.529.114,09 kg	8.765.386.781,84 kg
Mean Square Between Cluster	MQ.	581.916,89	25.401.162,52	33.749.088,79
Mean Square Within Clusters	MQ.	747.698,21	33.066.131,13	43.851.057,65
Within Clusters Variance	S²d	747.698,21	33.066.131,13	43.851.057,65
Between Clusters Variance	S²e	-33.156,26	-1.532.993,72	-2.020.393,77
Population variance		714.541,95 kg²	31.533.137,40 kg²	41.830.663,88 kg²

Therefore, the calculations need to be revised to verify whether in fact the sampling error in the estimate of the total biomass density is less than 10%. Despite this, the estimated total biomass density was quite low: c.a. 100t/ha, considering that these are forests on indigenous land and we obtained higher values in the Juruá Project.

• An estimate of the post-deforestation carbon density was not presented, nor was the emission factor used in the project's baseline emissions calculations. Despite this, comparing the emission tables with the activity data, it appears to have been below the equivalent of 100t/ha, so the emission factors must have been calculated but omitted.

Two different tCO2/ha (Ctot) values were presented in the text: 100.48 t/ha (page 186) and 368.44 t/ha (Table 37, page 188). The value was not declared in the monitoring chapter (page 197).

Ownership and Project Proponents

The proposed project is being developed in the Indigenous Land Arara do Igarapé Humaitá, that is, it is public land, owned by the indigenous population. This section is well explained in the PD, with the aforementioned laws and legal frameworks. The governance structure was duly described in section 2.4 - Management Capacity, which presents an organizational chart of the project and mentions the role of each of the participants. What was not clear is what type of legal instrument existed between Amazon Partners 20 and the Arara do Igarapé Humaitá Indigenous Land. There is no mention of land disputes.

Amazon Partners 20 is the proponent of the project, as well as the company responsible for commercialization. 50% of the credits will go to the project communities (section 4.5.6). The money will be transferred through the existing Association.

Local Stakeholder Consultation and AFOLU-Specific Safeguards

There is a lack of clarity in the description of the methodology used to identify the project's stakeholders. It is understood that this was done from the various face-to-face consultations carried out with the indigenous community (meetings, workshops, etc.), or from the contact with FUNAI, but in fact, no methodology for identification is described.

From the PD it is understood that stakeholder engagement occurred from three main moments:

- Initial meeting, in November 2022, where the project proposal was presented. The meeting took place in one of the communities and was attended by the local indigenous leader, proponents, partners (Infrapar and I.S.R.C*) and FUNAI. It was at this meeting that a contract was signed that allowed the start of feasibility studies for the project and the beginning of its development.

- Participatory Workshop, April 2023, with the presence of several indigenous leaders, a FUNAI representative and again proponents and partners. Its objective was "(i) to promote the culturally appropriate engagement of representatives of the proposing and beneficiary indigenous communities; (ii) present and validate the Project execution proposal; (iii) plan the execution of the work stages: fauna, flora, socioeconomic-cultural studies, assessment of social impacts and identification of High Value Attributes; (iv) planning community consultations for Free, Prior and Informed Consent (FPIC); (v) communicate the laws and norms that must be complied with for studies on indigenous lands and for the protection of data and information."

- In April 2023, a consultation was carried out to meet the demands of the Free, Prior and Informed Consent. This event was held in 3 stages, each in a different community, with the presence of members from neighboring communities (further details about the FPIC are described in item 7 of this template). Although these three situations above are the only ones described in the engagement section, while reading the PD it is understood that there was also at least another meeting in March 2023, as well as the various consultations that took

place in April as a result of the application of the diagnosis Social. However, a specific FPIC document was not found, only the description in the PD.

In regards to the company I.S.R.C, it is not clear its participation in the project, as it is not a proponent or "other entities involved in the project", but at the same time it is one of the signing parties of the contract for the execution of the carbon project. She, Amazon and the indigenous association are the three parties to the contract. The only information we have about this company is that it will support the monitoring conducts and contribute with part of the implementation costs. The presence of this company generated conflict among some community members, as will be discussed in item 7.

The project's communication channels were not presented. In the PD it says that these channels will still be disclosed through meetings, consultations, events and project activities with communities and Stakeholders, not making it clear what these channels are. In addition, they ensure that annual consultations will be held, but do not say whether they will take place in person or not and how they will be carried out.

It was not evidenced within the PD how the consultation process took place, not even the results achieved, it only mentions the existence of such evidence.

As explained above, the organization carried out several consultations involving indigenous communities. In section "2.3.12" it is described that "Consultations, meetings and data collection are evidenced through minutes, attendance lists, questionnaires, photographic records and authorizations for the direct use of data and images. The information was shared through official documents, standards, applicable legislation, using understandable oral and written language.".

Throughout the PD it is not clearly described what was modified in the structure of the project as a result of the consultation with the community, however, the whole process, apparently, was done in a very participatory way. The community even participated in the fauna and flora and social diagnosis processes, supporting the conduction of interviews and access to the areas. Throughout the PD there are several designs carried out by the community, based on workshops and other collaborative activities that aimed to define activities and assess their risks and benefits.

There is no clarity of the demands arising from the consultations carried out with the interested parties.

For the identified environmental and social impacts, mitigation proposals were presented, however, in some sections where they pointed out the lack of impacts, no evidence was presented to prove this fact.

A feedback and complaint repair procedure was not presented, only a detailing of how its construction will be guided.

The consultations demonstrate the establishment of Free Prior and Informed Consent, however section 2.5.3, which deals with this requirement, could be better described. In

section 2.3.1.3, it is described a little about what the FPIC is and its relevance, however, an issue that stands out in this regard is that, as mentioned earlier, the signature of the "Research Agreement and Credit Rights de Carbono" took place in November 2022, with the participation of Amazon, I.S.R.C and a representative of the indigenous association as subscribers (a FUNAI representative was present, but not as a participant in the contract), however, the CPLI only took place in April 2023. No justification was found in the PD for this difference and "inversion" of the process, since we understand that the CPLI should precede the signing of the contract, the only explanation given by the PP was that "It is worth mentioning that since November 2022 Shawãdawa representatives are being informed about the Project. The clarifications had, mainly, the consent of the general chief of the Indigenous Land, in addition to local chiefs and other leaders (teachers, indigenous health agents, indigenous sanitation agents, among others), culminating in the signing of the contract between the Association, the Amazon and I.S.R.C.".

In addition to this point, in the PD itself it is stated in section "2.3.7.1.2" that in a consultation carried out in the village "Foz do Nilo", of 12 (twelve) families present, 08 (eight) were against the proposal". Also according to the document, the reasons were the following: "(i) distribution of benefits – they do not agree with the percentage of the distribution of resources and predicted that the Association would benefit with a percentage between 60% or 65% and not with 50 %, as defined in the contract; (ii) greater transparency in the process – he mentioned that the Free, Prior and Informed Consultation is only taking place at the end of March; (iii) intermediation of another company – disagree with the presence of the I.S.R.C. as an intermediary, as they would like the negotiation to be done directly between the Association and Amazon; (iv) Permanent advice – needs to be guided frequently, from the signing of the contract to the execution phase; (v) participation processes – cast doubt on whether indigenous people will participate during the execution of actions.".

There is no explanation in the PD about the referral of this fact, only the citation that it occurred. There is clearly a situation of dissatisfaction/conflict/complaint and no measure to remedy it has been described. We do not know if, in cases where there is no unanimity in a FPIC process, it should be continued, in the PD it was also not possible to find an explanation regarding this.

Furthermore, the community area was excluded as part of the fauna diagnostic studies, and this was recommended by the team's anthropological advisor, it was alleged to avoid the area due to "internal family conflict". In addition to not participating in conversations and interviews.

2.3.10.1 Conversation circles and interviews

Seeking to verify current problems and future expectations regarding the Project, roundtables were held with teachers in the village Raimundo do Vale, women (all territorial units, except the village Foz do Nilo), young people (all territorial units, except the village Foz do Nilo), representatives of culture (village Nova Fronteira, village Raimundo do Vale and community Matrinchã) and local chiefs (during the workshops of revision of the Life Plan and construction of the structure of project governance). Interviews were conducted

Access to project documentation:
The PD says "Access to project documentation will be ensured... through the other communication channels provided for in the stakeholder dialogue procedure". However, these channels have not yet been created and the procedure has not yet been structured;
Labor rights:

In section 2.3.19, the labor legislation applicable to the project is discussed, however, it is clear that this topic has not yet been addressed with the interested parties and that it will be presented at the time of hiring/integration;

Risks and benefits:
They were not evidenced within the PD. The risks pointed out during the sections always refer to the situation "without the project" and not effectively to the risks that the project itself could bring to the communities. There is a table (54) that addresses the risks of low engagement of the population, but it is not very well crafted and objective. In section 4.5.7 it was stated that such evidence exists: "The benefits and risks were presented and discussed with indigenous communities during meetings to present the project proposal (11/28/2022); at the Participatory Planning Workshop (03/20/2023) and at the FPIC Meetings (03/22, 03/23 and 03/27/2023). The information was disclosed by specialists in the field of sociology and anthropology, according to minutes, attendance lists and photographic records. Visual and printed presentations were made with participatory methodology and appropriate local language. Doubts were clarified, as detailed in the minutes of the meeting."
In relation to the beneficiaries, they are the communities identified in chapter 4. Benefit sharing will occur through an association, with 50% of the credits destined to the communities.

Validation/verification process:
It has not yet been explained to the interested parties how the audit process occurs, in the PD it says that "it will be explained during the face-to-face meeting to return the results of the socio-environmental studies and the PDD Report";

VVB visit:
Interested parties have not yet been informed about the visit of the auditors team and about the audit schedule, in the PD it says that a meeting for this purpose will be held 30 days in advance.

It was not described how compliance with the sustainable development goals will be monitored;

Other Comments

Amazon Partners 20, LLC is a North American organization (Wyoming), represented by Jay Rogers. He is the same representative of three other institutions, each created for the development of REDD+ projects: (i) Amazon Partners, LLC - Amazon Partners Project 1 (https://registry.verra.org/app/projectDetail/VCS/ 4391), (ii) Zero Carbon Holdings, LLC - Aripuanã River Valley REDD PRoject 1 Zero Carbon Project (https://registry.verra.org/app/projectDetail/VCS/2587) and (iii) 413 Environmental, LLC - Project 413 REDD Project (https://registry.verra.org/app/projectDetail/VCS/2586).

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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 Coordinator, Carla Zorzanelli,** at **nbs@nbsbrazilalliance.com.**