AMAZÔNIDAS REDD+ AUDD GROUPED PROJECT

Document Prepared

by

BrCarbon Serviços Ambientais LTDA

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1 PROJECT DETAILS

1.1 Summary Description of the Project

The Amazônidas REDD+ AUDD Grouped Project (hereafter called GPD) aims to Avoid Unplanned Deforestation in private properties at Amazonas State. The Amazonas state is the largest of the 27 federative units that Brazil has, covering approximately 1.5 million square kilometers, which accounts for about 18% of the country's total territory. It is in the northern region of Brazil and shares borders with seven other states and countries, including Venezuela and Colombia.

The scalability area of the GPD was defined based on the Brazil regional division by IBGE of 2017[1], as the sum of the Tefé, Parintins, Manaus, and Lábrea intermediate geographic regions in the Amazonas state, excluding the immediate geographic regions of Coari, Tefé, and Tabatinga from the sum due to their low rates of deforestation risk in the region. The GPD, which spans roughly half of the Amazonas state territory, is situated near the Deforestation Arc. This region has long been recognized for its alarming rates of deforestation within the Amazon biome, and its forests face an escalated risk of deforestation.

The present GPD is composed of thirty-five properties with 251,706.41 hectares of forest coverage, split into four municipalities: Itacoatiara, Itapiranga, Silves and Presidente Figueiredo. The climate benefits brought with this GPD are directed related with the emission reduction of 124,528 tCO2e in average per year, calculated with a 6-year jurisdictional baseline.

The actions involving the implementation of Amazônidas REDD+ AUDD GPD are complementary to the grouped projects developed by brCarbon. Through these projects, in accordance with current federal, state and municipal laws, and international conventions, brCarbon seeks to promote integral forest conservation actions in rural properties with remaining vegetation, promoting solutions based on nature in its regions of influence, generating co-benefits not only for the climate (reduction and removal of emissions), but also communities and local biodiversity.

Furthermore, the Amazônidas REDD+ AUDD GPD aims to create positive economic incentives for landowners to conserve rainforests in areas that are vulnerable to degradation and deforestation, while contributing to net positive climate impacts as well as benefit to traditional communities and keep biodiversity.

One important aspect is that the conservation and monitoring costs can be prohibitive for the landowner, especially in non-productive and broad areas. The carbon project can therefore contribute to enforcing the law, providing landowners with an opportunity to monitor and conserve their lands, as well as engaging local communities.

By joining BRCarbon (hereafter known as BRC), forest owners can access funds from the carbon voluntary market to develop conservation and monitoring efforts in their forests. A partnership between BRC and landowners will result in forests legal protection, forest monitoring using satellite images, biodiversity inventorying (including fauna e flora species), and forest biomass inventorying in a broad scale, using an upscaling approach based on field collection, drone-borne and satellite sensors such as LiDAR (light detection and ranging). In addition, we will involve surveillance of

[1] https://www.ibge.gov.br/apps/regioes_geograficas/#/home/

property, wildfire monitoring, fire prevention and firefighting, threatening species protection and social activities with traditional communities.

1.2 Sectoral Scope and Project Type

The GPD is part of the Agriculture, Forestry and Other Land Use (AFOLU) sectoral scope 14 and consists in a Reduced Emissions from Deforestation and Degradation (REDD) project, under the category of Avoiding Unplanned Deforestation and/or Degradation (AUDD). This document refers to the draft version of the grouped project description with initial 35 project activity instances (PAIs #1-35).

1.3 Project Eligibility

This project is designed as a Grouped Project, under a set of eligibility criteria for the new PAIs inclusion, that are described below. The project scope expansion is allowed by new project activity instances (PAIs) inclusion after its validation, which occurs on each verification event.

According to the VCS v4.1, grouped projects shall meet the following:

“3.5.8: Grouped projects shall have one or more clearly defined geographic areas within which project activity instances may be developed”.

The Grouped Project assumes only one wide geographic area called the Amazonas region, that comprehends half of the Amazonas state, located nearby Amazon “Deforestation Arch”, as shown in section 1.1 - Summary Description of the Project. The areas of the properties included in this initial Project Description amount to 251,706.41 hectares, and cover 4 municipalities: Silves, Itapiranga, Presidente Figueiredo, Itacoatiara. However, only 240.031,20 hectares will be used as dedicated areas for VCU generation, according to land cover and use.

The project activity instances might encompass any properties legally constituted, with forest cover. The Grouped Project considers all forest types located in the project zone.

“3.5.9: Determination of baseline scenario and demonstration of additionality are based upon the initial project activity instances. The initial project activity instances are those that are included in the project description at validation and shall include all project activity instances currently implemented on the issue date of the project description”.

Regarding additionality and baseline (that will be provided by VERRA as Project Activity Data), it is assumed that all properties in the grouped project geographic area (project zone) are subject to the same legal framework and similar deforestation agents and drivers as those identified for the project’s initial 35 PAIs. All landowners within the Legal Amazon have the right to convert up to 20% of the forest area in their private properties for economic purposes. In the other hand, the Legal Reserve (RL), that represents 80% of the property, and the permanent preservation area (river banksides, slopes higher than 45°, etc.) are protected by law against deforestation. Notwithstanding, the business as usual in the private properties encompassed by the Grouped Project Zone, does not comply with the law, where the common practices is forest logging and suppression, without any legal permit, followed by livestock, and soybean plantation. However, specific assessment on baseline scenario and additionality will be done for each new activity instance included in the project scope after the grouped project registration, to revalidate the initial assumptions.

Regarding the public areas, as conservation unities, the baseline determination will follow the same approach as private properties, it means that the activity data for deforestation trend must be

supplied by Verra, while the additionality analysis will be done case by case, according to the land use common practices.

"3.5.10: As with non-grouped projects, grouped projects may incorporate multiple project activities. Where a grouped project includes multiple project activities, the project description shall designate which project activities may occur in each geographic area".

The only project activity considered in the project design in all project activity instances is Avoiding Unplanned Deforestation and/or Degradation (AUDD). To avoid unplanned deforestation and/or degradation, BRC will sign long-term conservation agreements with landowners. Complementary activities related to the reduction of unplanned deforestation, leakage mitigation, social and biodiversity related activities and monitoring, must also be undertaken.

"3.5.11: The baseline scenario for a project activity shall be determined for each designated geographic area, in accordance with the methodology applied to the project".

Only one wide geographic area is considered for this grouped project, once the baseline scenario for the avoided unplanned deforestation activity must be defined by Verra and allocated to the project areas, according to the new methodology, regardless of if it is a private property or public area. According to the new methodology.

"3.5.12: The additionality of the initial project activity instances shall be demonstrated for each designated geographic area, in accordance with the methodology applied to the project".

Only one geographic area is considered for this grouped project, as presented in section 1.12 – Project Location. Thus, the additionality approach for avoided unplanned deforestation activity is the same for all properties encompassed by the grouped project once they are subjected to similar drivers and agents of illegal deforestation.

"3.5.13: Where factors relevant to the determination of the baseline scenario or demonstration of additionality require assessment across a given area, the area shall be, at a minimum, the grouped project geographic area. Examples of such factors include, inter alia, common practice; laws, statutes, regulatory frameworks, or policies relevant to demonstration of regulatory surplus; determination of regional grid emission factors; and historical deforestation and degradation rates".

The relevant factors for the baseline scenario determination, that will be defined and provided by VERRA, and demonstration of additionality of a given project activity instance are the same for the entire geographic area. Any legally constituted properties within the project zone adopted for this grouped project, with forest remnants of Legal Reserve and Permanent Preservation Area are subject to some level of deforestation threat, thus is eligible for this grouped project.

"3.5.14: Where a capacity limit applies to a project activity included in the project, no project activity instance shall exceed such limit. Further, no single cluster of project activity instances shall exceed the capacity limit".

Not applicable. There is no capacity limit applicable to the project activity type (AUDD) considered in the grouped project, since the BRC team will be present in the Project Zone and can add as many human resources as necessary to fill the area.

1.4 Project Design

When completing a draft project description for the purpose of listing on the pipeline as under development, complete the following information:

☐ The project includes a single location or installation only

☐ The project includes multiple locations or project activity instances, but is not being developed as a grouped project

☒ The project is a grouped project

Eligibility Criteria

"3.5.15: Grouped projects shall include one or more sets of eligibility criteria for the inclusion of new project activity instances. At least one set of eligibility criteria for the inclusion of new project activity instances shall be provided for each combination of project activity and geographic area specified in the project description. A set of eligibility criteria shall ensure that new project activity instances":

Meet the applicability conditions set out in the methodology applied to the project: All PAIs under this Grouped Project must meet the applicability conditions set out in the new Methodology for reducing emissions from deforestation and forest degradation, v0.1, which forwards to the new module VMD00XX, v0.2. Regarding the 35 initial project activity instances, the applicability conditions are met as demonstrated:

- Where the land use transition in the baseline scenario is forest land to non-forest land, meeting the definition of unplanned deforestation.
- Where the project involves activities aimed at avoiding UDef.
- Where agents of deforestation in the baseline scenario clear the land for tree harvesting, settlements, roads, settlements, unsanctioned expansion of roads and other infrastructure, agricultural crop production, ranching, or aquaculture.

Use the technologies or measures specified in the project description: sections 3, 4 and 5 will define the technologies and measures available and will be presented in the next version of this document. The GHG emissions reductions will be caused by the signing of long-term forest conservation agreements with landowners in all PAIs. Complementary activities related to the reduction of unplanned deforestation, leakage mitigation, social and biodiversity related activities and monitoring activities are also described in the final Project Description and report.

Apply the technologies or measures in the same manner as specified in the project description: The current and future PAIs must apply the same technologies and measures specified in this document. Small adjustments area allowed to accommodate PAI specificities. Any adjustment will be reported, described, and must not overestimate the project climate benefits.

Are subject to the baseline scenario determined in the project description for the specified project activity and geographic area: The grouped project assumes the Project Zone Map as a unique geographic area, taking into consideration that all properties within this biome are subject to the same legal framework. New PAIs must follow the same baseline approach.

Have characteristics with respect to additionality that are consistent with the initial instances for the specified project activity and geographic area: Considering that the grouped project refers to avoidance unplanned deforestation and/or degradation (AUDD) in areas where the forest suppression is not permitted by law, all the subsequent project activity instances submitted under this GPD, must follow the same additionality approach for PAIs #1-35. It means that the plausible baseline scenarios,

that will be prepared and provided by VERRA, will not differ from the three scenarios identified in the additionality analysis, as follow:

1. Forest cover maintenance in the legal reserve (80% of the property), i.e.: through conservation activities resulting from incentives other than the REDD project.
2. Legal deforestation of 20% of the property (deforestation with permits), where the land use conversion is allowed by law but is not legally authorized and documented. i.e.: pasture (cattle raising) and agriculture.
3. Illegal deforestation in the property (deforestation without permits), for pasture (cattle raising) and agriculture purposes or simply for real estate speculation.
4. Forest cover maintenance in the entire area, i.e.: through conservation activities resulting from incentives other than the REDD project.

In the specific case of the first thirty-five instances of Amazônidas REDD+ AUDD grouped project, that are restricted to the legal reserve of the properties, only scenario 1 is in accordance with current laws and regulations. Notwithstanding, in some private instances, the entire property area can be accounted for the AUDD, including the area subject to legal suppression (20%) that is not legally authorized and documented, in this situation scenario 1 and 2 will be in accordance with applicable laws and regulations. Finally, project instances composed by state conservation unities, only scenario 4 will be in line with current laws and regulations.

Scalability Limits for the Grouped Projects

According to section 3.6.9 of the VCS V4.4: (section 3.5.14)

“Where a capacity limit applies to a project activity included in the project, no project activity instance shall exceed such limit. Further, no single cluster of project activity instances shall exceed the capacity limit”, BRC technical team didn’t identified capacity limit applicable to the project.

There is no capacity limit applicable to the project activity type (AUDD) considered in the grouped project, since the BRC team will be permanently present on the Project Zone and can add as many human resources as necessary to meet the project activity demands. It is worth noting that BRC is establishing official local collaborators at Manicoré and Manaus municipality, that can improve local engagement, create jobs, and provide faster responses to the project needs.

Risk Mitigation Approach for Grouped Projects

Not applicable. The project cannot be expanded beyond its scalability limit. The climate, community and biodiversity benefits risk mitigation measures identified in this document are applicable to all current and future PAIs.

1.5 Project Proponent

The project´s primary proponent is the brCarbon Serviços Ambientais LTDA company, as shown below:

Organization name	BrCarbon Serviços Ambientais LTDA
Contact person	Mr. Bruno Melo de Matta
Title	CEO

Address	Av. Cezira Giovanoni Moretti 655, sala7, AgTech Garage, Reserva Jequitibá – Piracicaba, São Paulo
Telephone	+55 19 3424 3583
Email	bruno.matta@brcarbon.com.br

1.6 Other Entities Involved in the Project

Other entities involved in the project comprehends the landowners, as shown below:

Organization name	Mil Madeiras Preciosas LTDA
Role in the project	Properties owner
Contact person	Mr. Marcos Souza
Title	Socioenvironmental Manager
Address	Sede: Rodovia AM-363, KM 1,5 - Zona Rural – Itacoatiara/AM, Brasil - CEP 69109-899 / Caixa Postal 39 Escritório: Rua Eduardo Ribeiro, 2510, Centro - Itacoatiara/AM, Brasil - CEP 69100-027
Telephone	Sede: +55 92 3521-3331 / Fax: 92 3521-3329 Escritório: +55 92 9 9515 9329
Email	contato@milmadeirаspreciosas.com.br / contato@preciouswoods.com.br

1.7 Ownership

According to the VCS definitions, Amazônidas REDD+ AUDD Grouped Project ownership is defined by item 6, section 3.7.1 of the VCS standard v.4.4, as follows:

"An enforceable and irrevocable agreement with the holder of the statutory, property or contractual right in the land, vegetation or conservational or management process that generates GHG emission reductions or removals which vests project ownership in the project proponent."

As shown before, the project ownership is held by the land ownership (Mil Madeiras Preciosas LTDA) documents and by the agreements between BRC and these landowners, as presented on sections 1.5 – Project Proponent and 1.6 – Other Entities Involved in the Project.

1.8 Project Start Date

At the present time, the GPD project has one only timeframe for the landowners, respecting the agreement signature date, as it is described below on table 1.

The agreement with Mil Madeiras Preciosas LTDA was signed on April 5th, 2023, and it includes PAIs from 01 to 35. (Table 1)

These milestones represent the beginning of the protection plan and the date on which activities that led to the generation of GHG emission reductions were implemented.

Table 1 – Project Start Date for each property.

PAI #number	Property name	Project Start Date	Property Owner
PAI #01	Fazenda Dois Mil – parte A	05/04/2023	Mil Madeiras Preciosas LTDA
PAI #02	Fazenda Dois Mil – parte B		
PAI #03	Fazenda Dois Mil – Remanescente		
PAI #04	Fazenda Itapiranga 01		
PAI #05	Fazenda Itapiranga 02		
PAI #06	Fazenda Itapiranga 03		
PAI #07	Fazenda Itapiranga 04		
PAI #08	Fazenda Itapiranga 05		
PAI #09	Fazenda Itapiranga 06		
PAI #10	Fazenda Itapiranga 07		
PAI #11	Fazenda Itapiranga 08		
PAI #12	Fazenda Itapiranga 09		

PAI #number	Property name	Project Start Date	Property Owner
PAI #13	Fazenda Itapiranga 10		
PAI #14	Fazenda Itapiranga 11		
PAI #15	Fazenda Itapiranga 12		
PAI #16	Fazenda Itapiranga 13		
PAI #17	Fazenda Lote 03		
PAI #18	Fazenda Lote 04		
PAI #19	Fazenda Lote 09		
PAI #20	Fazenda Lote 10		
PAI #21	Fazenda Lote 78		
PAI #22	Fazenda Monte Verde 01		
PAI #23	Fazenda Monte Verde 02		
PAI #24	Fazenda Monte Verde 03		
PAI #25	Fazenda Monte Verde 04		
PAI #26	Fazenda Santo Antonio 02		
PAI #27	Fazenda Santo Antonio 03		
PAI #28	Fazenda São Joaquim 01		
PAI #29	Fazenda São Joaquim 02		
PAI #30	Fazenda São Joaquim 03		
PAI #31	Fazenda São Sebastião 01		
PAI #32	Fazenda São Sebastião 02		
PAI #33	Fazenda Uatumã		
PAI #34	Fazenda Uatumã 02		
PAI #35	Fazenda Uatumã 04		

The Amazônidas GPD started on **05th April 2023** with the signature of the first long-term conservation agreement with PAIs# 1-35 landowner, and it will generate GHG emission reductions

eligible for issuance as **VCUs** for up to **100 years**. This approach is considered due to the project group character that allows the inclusion of new PAIs in the project scope over the project lifetime.

PAIs #1-35 will generate GHG emission reductions eligible for issuance as **VCUs for 30 years**, that is, compost of five baseline periods. The project starts crediting period, so, which is the same as the project start date.

1.9 Project Crediting Period

The GPD project has different timeframes as it is described below:

Project start date: The GPD started on 05th April 2023 with the signature of the first long-term conservation agreement with PAIs# 1-35 landowner. This milestone represents the beginning of the protection plan and the date on which activities that led to the generation of GHG emission reductions were implemented.

Project Crediting Period (GHG accounting period): The GPD will generate GHG emission reductions eligible for issuance as VCUs for 100 years. Starting on 05th April 2023, and ends on 04th April 2123. This approach is considered due to the project group character that allows the inclusion of new PAIs in the project scope over the project lifetime. PAIs #1-35 will generate GHG emission reductions eligible for issuance as VCUs for 30 years.

Project Lifetime: A legal agreement (APPENDIX_I_-_LEGAL_AGREEMENTS) was signed with the landowner to continue the management practices that will lead to the project area conservation for at least 30 years, thus, the project activity instances lifetime is 30 years. So, the reduction in the GHG emissions, biodiversity and community well-being resulted by the project activities will be monitored along the PAI longevity (30yrs).

New PAIs will have different crediting period starting dates, based on the deforestation permits issued by the responsible environmental agencies in each state.

1.10 Project Scale and Estimated GHG Emission Reductions or Removals

The estimated annual GHG emission reductions/removals of the project are:

☐ <20,000 tCO2e/year

☐ 20,000 – 100,000 tCO2e/year

☒ 100,001 – 1,000,000 tCO2e/year

☐ >1,000,000 tCO2e/year

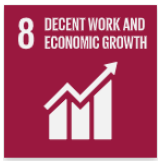
1.11 Description of the Project Activity

BRC will define the project activities jointly with the communities after on-site visits, public meetings with communities and interviews with other stakeholders. At this first moment, some possible activities were listed and designed based on the results of the socioeconomic diagnosis carried out by the partner company Precious Woods Amazon. The activities described below represent a range of possible actions, and any changes that may be necessary will be presented and approved by the beneficiaries of them.

The Outputs (short term) describe a period from one to up to 5 years. The Outcomes (medium term) describe the next 15 years of the project lifecycle. The Impacts (long term) period describes the last few years until the end of the project, which would be 30 years. Table 2, still under construction, presents the activities description, Outputs, Outcomes, Impacts, and the relevance to project's

objectives. At this first moment, a draft version is presented with some possibilities of activities. The full version of Theory of Change will be presented in the full version of this document; however, this theory of change can be modified as the interests and the reality of the stakeholders' changes, mainly the communities' ones.

Table 2 - Theory of Change

Activity description	Expected climate, community, and/or biodiversity			Relevance to project's objectives
	Outputs (short term)	Outcomes (medium term)	Impacts and SDG (long term)	
Training and partnerships to strengthen social organization.	Training on social organization and associativism.	Encouragement and support for creation and/or development of associations to organize work and represent the communities.	Livelihood and employment 	Very high. Organization in associations is essential for generating income and strengthening the identity of community groups. Beside it, this strategy helps us to be more effective in our relationship with the communities.
Formation of fire brigades and provision of appropriate materials.	Periodic execution of training/exercises and delivery of firefighting equipment.	Fostering good fire management and firefighting practices to communities to prevent the spread of wildfires in the project area.	Wildfire GHG Emission Reduction 	Very high. Fire is traditionally used in the Amazon as an instrument for suppressing regenerating vegetation or clearing lands of forests for pastures and agriculture. The creation of fire brigades would make a fundamental contribution to wildfires impacts mitigation. This activity, however, will be treated on a voluntary basis.
Carbon pedagogy lectures.	Lectures about environment, forests, environmental services, biodiversity, environmental conservation, climate change, carbon cycle, environmental legislation, labor legislation, among others.	Improving the quality of environmental education and including children and young people in debates on themes related to the project, generating appropriation, and belonging.	Education and well-being 	High. Involving and engaging children and young people through educational processes is essential to ensure the effectiveness of the project, as it helps them to understand the project's themes and defend its importance for forest conservation and the communities' livelihoods.

Activity description	Expected climate, community, and/or biodiversity			Relevance to project's objectives
	Outputs (short term)	Outcomes (medium term)	Impacts and SDG (long term)	
Volunteer environmental monitor program.	Training on pressures and threats to territories.	Monitoring to reduce pressures and threats to territories.	Wildfire GHG Emission Reduction 	High. This program is very important to contribute to the reduction of deforestation, as the community members become monitors of threats and pressures in the territories.
Sensitization and awareness campaigns for the prevention of tropical and other disease and sexual and reproductive health.	Awareness campaigns about diseases and sexual and reproductive health.	Prevention of tropical and other diseases and reduction of women's health problems.	Health and education  	Very high. Many common diseases in the region happen due to lack of awareness and knowledge about forms of prevention. Awareness campaigns can contribute to improving the health of communities by reducing cases of tropical and sexual diseases.
Encouragement for the creation of a group of women for dialogues.	Dialogue groups on topics related to female empowerment (women's rights, domestic violence, social division of labor, women's entrepreneurship).	Increased well-being and empowerment of women.	Education, well-being, and livelihood   	High. Many spaces in society are predominantly occupied by men. This becomes even more common in communities, depending on their culture. Encouraging women's self-organized spaces is essential to increasing women's participation in project actions, such as their financial autonomy and empowerment.

Activity description	Expected climate, community, and/or biodiversity			Relevance to project's objectives
	Outputs (short term)	Outcomes (medium term)	Impacts and SDG (long term)	
Biodiversity conservation.	02 fauna (mammals, birds, reptiles, and amphibians) monitoring performed. Elaboration of 2 monitoring reports focusing on endemic and game species.	Maintenance of species monitoring campaigns	Promotion of species conservation through the maintenance of forest habitats and avoidance of hunt pressure 	Very high. The project area is in HCV area, with the occurrence of rare, threatened, and endemic species and connected to a landscape with ecosystem functions of global relevance.
Forest surveillance: deforestation, forest degradation and burn scars monitoring. Leakage management.	251,706.41 hectares of forests annually monitored.	Maintenance of 251,706.41 hectares of forest cover. Reduction of GHG emission due to deforestation displacement.	GHG emission reductions  	Very high. The average GHG emission caused by land use change in Brazil is approximately 1 Gt CO2e, representing half of the national emission profile. Deforestation in the Amazon biome in Brazil surpassed 11,000 km2 in 2021 and shows an increasing trend.

All these activities, from short to long term, as already mentioned, will be agreed with the population affected and BRC is aware that they can change during the project period for many reasons, as cultural, political, social, or other kinds of shifts. Furthermore, as a grouped project expected, there are different demands from different groups or communities. In this sense, the company needs to be open to modifying previous accords or demands to build a robust relationship with the communitarians. Anyway, some activities will remain in a long term because of the needs to protect the forest and other targets, among them can be related the structuration of fire brigades and other kinds of strategies to protect the environment, which is the main target of BRC's work, it does not mean that other kinds of activities cannot dure during all project lifetimes.

1.12 Project Location

The Amazônidas REDD+ AUDD Project Location was defined based on political boundaries and the similarity of social, economic, and environmental aspects of the region. In this way, considering the agents and drivers of deforestation; landscape configurations, and socioeconomic and cultural conditions, the Location Map of the GPD Project was defined as the sum of the intermediate

geographic regions of Itacoatiara, Manacapuru, Lábrea, Eirunepé, Manicoré, Parintins, Manaus, and Lábrea in the state of Amazonas. The immediate geographical regions of Coari, Tefé, and Tabatinga were excluded from the sum due to their low-risk rates of deforestation in the region.

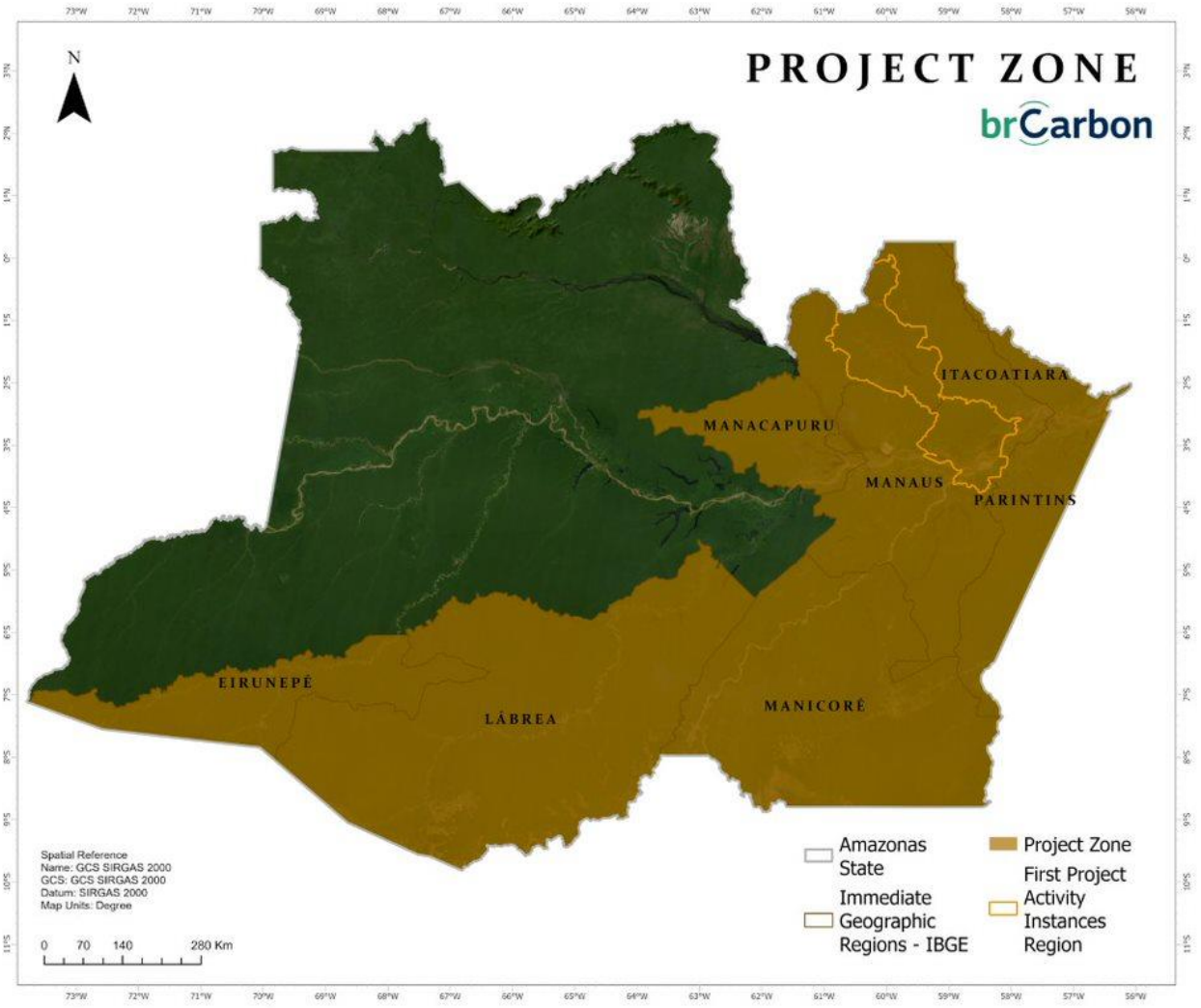


Figure 1 – Project Zone Map of the Amazônidas REDD+ AUDD Grouped Project

The Amazônidas REDD+ AUDD grouped project comprises an initial total of thirty-five project activity instances distributed across the municipalities of Silves, Itapiranga, Itacoatiara and Presidente Figueiredo, as can be seen on Figure 1 above.

The table below lists the properties included in this grouped project and a geographical coordinate centroid for each PAI (Table 3). Coordinates are also submitted separately as a KML file of the properties boundaries (APPENDIX_II_-_GIS_DATABASE).

Table 3 - Project Instance centroid coordinates and municipality.

PAI# number	Property Name	Municipality / UF	Geodetic coordinates	
			X (Long)	Y (Lat)
PAI#01	Fazenda Dois Mil – parte A	Silves/AM	-58.73	-3.02
		Itacoatiara/AM	-58.73	-3.02
PAI#02	Fazenda Dois Mil – parte B	Silves/AM	-58.89	-2.90
		Itacoatiara/AM	-58.89	-2.90
PAI#03	Fazenda Dois Mil – Remanescente	Silves/AM	-58.72	-2.88
		Itacoatiara/AM	-58.72	-2.88
PAI#04	Fazenda Itapiranga 01	Silves/AM	-58.46	-2.77
PAI#05	Fazenda Itapiranga 02	Silves/AM	-58.49	-2.75
PAI#06	Fazenda Itapiranga 03	Silves/AM	-58.52	-2.73
		Itapiranga/ AM	-58.52	-2.73
PAI#07	Fazenda Itapiranga 04	Silves/AM	-58.44	-2.72
PAI#08	Fazenda Itapiranga 05	Silves/AM	-58.48	-2.69
		Itapiranga/ AM	-58.48	-2.69
PAI#09	Fazenda Itapiranga 06	Silves/AM	-58.44	-2.65
		Itapiranga/AM	-58.44	-2.65
PAI#10	Fazenda Itapiranga 07	Silves/AM	-58.41	-2.67
		Itapiranga/AM	-58.41	-2.67
PAI#11	Fazenda Itapiranga 08	Silves/AM	-58.37	-2.70

PAI# number	Property Name	Municipality / UF	Geodetic coordinates	
			X (Long)	Y (Lat)
PAI#12	Fazenda Itapiranga 09	Silves/AM	-58.34	-2.64
		Itapiranga/AM	-58.41	-2.59
PAI#13	Fazenda Itapiranga 10	Silves/AM	-58.62	-2.68
		Itapiranga/AM	-58.64	-2.67
PAI#14	Fazenda Itapiranga 11	Silves/AM	-58.57	-2.70
		Itapiranga/AM	-58.59	-2.66
PAI#15	Fazenda Itapiranga 13	Itapiranga/AM	-59.04	-2.47
PAI#16	Fazenda Lote 03	Silves/AM	-58.53	-2.92
PAI#17	Fazenda Lote 04	Silves/AM	-58.50	-2.87
PAI#18	Fazenda Lote 09	Silves/AM	-58.54	-2.85
PAI#19	Fazenda Lote 10	Silves/AM	-58.57	-2.89
PAI#20	Fazenda Lote 78	Silves/AM	-58.96	-2.66
PAI#21	Fazenda Monte Verde 01	Silves/AM	-58.88	-2.71
PAI#22	Fazenda Monte Verde 02	Silves/AM	-58.85	-2.67
PAI#23	Fazenda Monte Verde 03	Silves/AM	-58.82	-2.70
PAI#24	Fazenda Monte Verde 04	Silves/AM	-58.78	-2.72
PAI#25	Fazenda Santo Antonio 02	Itapiranga/AM	-58.83	-2.52
PAI#26	Fazenda Santo Antonio 03	Itapiranga/AM	-58.93	-2.48
PAI#27	Fazenda São Joaquim	Silves/AM	-58.96	-2.59
		Itapiranga/AM	-58.95	-2.56
PAI#28	Fazenda São Joaquim 01	Silves/AM	-59.02	-2.60
		Itapiranga/AM	-59.07	-2.52
PAI#29	Fazenda São Joaquim 02	Silves/AM	-59.05	-2.61

PAI# number	Property Name	Municipality / UF	Geodetic coordinates	
			X (Long)	Y (Lat)
		Itacoatiara/AM	-59.05	-2.62
PAI#30	Fazenda São Joaquim 03	Silves/AM	-59.03	-2.61
		Itapiranga/AM	-59.02	-2.59
		Itacoatiara/AM	-59.04	-2.63
PAI#31	Fazenda São Sebastião 01	Itapiranga/AM	-58.87	-2.44
PAI#32	Fazenda São Sebastião 02	Itapiranga/AM	-58.99	-2.44
PAI#33	Fazenda Uatumã	Itapiranga/AM	-59.14	-2.46
			-59.12	-2.40
PAI#34	Fazenda Uatumã 02	Presidente Figueiredo/AM	-59.12	-2.27
		São Sebastião do Uatumã/AM	-59.09	-2.26
PAI#35	Fazenda Uatumã 04	Presidente Figueiredo/AM	-59.33	-2.26

1.13 Conditions Prior to Project Initiation

- **Ecosystem type:**

The ecosystem present on the project location can be described as a Terrestrial, or Forest, Ecosystem, more specifically a Tropical Rainforest with a predominance of Dense Ombrophilous Forest with Submontane and Lowland subtypes (Ds, Db), and the soil types of Latosols and Argisols. The project will be developed in the Amazon Forest, a region known for its high biodiversity and its high levels of biomass stockage, besides the historical lack of state action regarding sustainable production and the support for local communities.

- **Current and historical land-use:**

Historically, the pressure suffered by this region is related to the growth and urbanization of Manaus, the state capital, linked to the installation of the Industrial District in 1967 in the capital and by the construction of roads connecting these municipalities in Amazonas east portion, mainly by the AM-010 road, which connects Manaus to Itacoatiara and was completely build up on late 70's, at that time Itacoatiara was defined by the state government as wood pole financed by the Industrial Pole of Manaus. Recently the pression is linked more to other forms of exploitation activities, such as logging,

livestock, mining, natural gas exploitation, agriculture, and other forms, that occur both in legal and illegal modes. All these activities stimulated the migration and occupation of these areas, directly impacting the flow of people in the region.

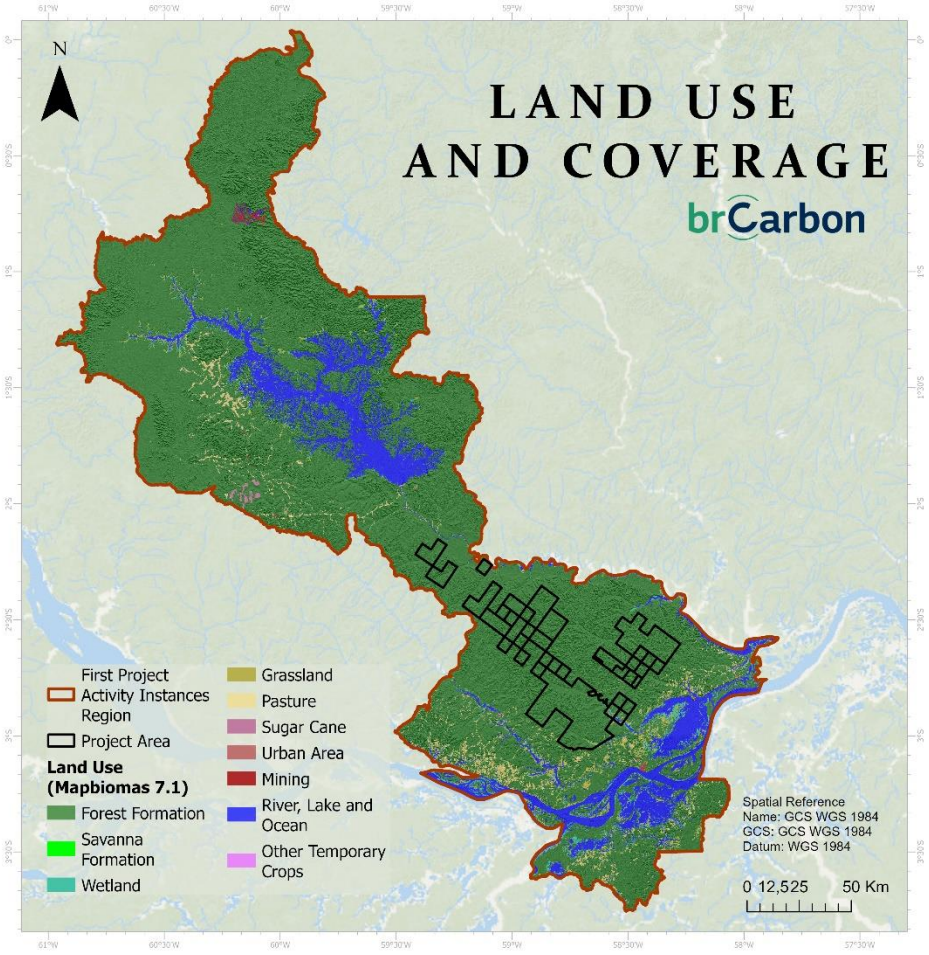


Figure 2 – Land Use and Coverage in First Activity Instances Region

- Has the land been cleared of native ecosystems within 10 years of the project start date?

☐ Yes ☒ No

1.14 Compliance with Laws, Statutes and Other Regulatory Frameworks

The Project proponent is committed to meet all applicable Brazilian laws and applicable regulations. On this sense, BRC follow consultant lawyers to observe local laws and applicable regulations.

The following laws, statutes or regulatory frameworks are the most relevant to the project activities. The presentation order will follow the governance level, from National laws to municipality laws and other regulatory frameworks, following chronology.

Federal legal instruments

In a wide overview of legal aspects, applied to all PAIs included in this grouped project, the project observes the principles established in the Federal Constitution, as per article 225, by contribution to ecologically well-balanced environment and article 224, paragraph 1, items (I) and (III) by contribution to conservation and restoration of essential ecological processes, while supporting the preservation of attributes beyond the legal environment requirements. Along with the previously presented articles, the Federal Law number 9,985 from 2000, regulates the Federal Constitution's art. 225, § 1, items I, II, III and VII, and institutes the National System of Nature Conservation Units (SNUC) and makes other provisions.

The GPD as whole is encompassed by principles established in the **National Environmental Policy** - law number 6,938 from August 31st, 1981, which declares the objectives of conservation, improvement and recovery of environmental quality that is conducive to life, having among its principles the protection of ecosystems with the conservation of relevant areas (article 2, IV) and the protection of areas threatened by degradation (item IX). Another important law for the development of the project is Federal Law number 12.305, from August 2nd of 2010, that institutes the National Policy of Solid Residue.

Regarding the land use national policy, the most important regulatory framework is the **Vegetation Code**, law number 12,651, from May 2012. This law states not only the forest category that must be conserved inside the properties, but also the maximum area of native vegetation that can be converted in other land uses for economic purposes.

The project is also in straight line with the Federal Law no. 12,187, of December 29th, 2009, which instituted the National Climate Change Policy, and also in line with Law 14,119 / 2012, which defines concepts, objectives, guidelines, actions, and criteria for the implementation of the National Policy for Payment for Environmental Services (PNPSA), institutes the National Register of Payment for Environmental Services (CNPSA) and the Federal Program for Payment for Environmental Services (PFPSA) and provides on payment contracts for environmental services. Furthermore, these laws go according to the National Environmental Council / Federal Environmental Ministry resolution number 237, from 2017, that provides for environmental licensing.

According to the Law 14,119/2021 carbon sequestration is considered an ecosystem service with relevant benefits to society in terms of maintenance, recovery, or improvement of environmental conditions (Art.2, § II) and the Federal Program for Payment for Environmental Services (PFPSA) will promote actions of maintenance of areas covered by native vegetation that would be subject to suppression authorization for alternative and economic use (Art. 7, § VII).

The project is also based on the Federal Laws number 5.197, from January 3rd of 1967, that regulates fauna protection and provides other provisions, and number 9.605, from February 12nd of

1998, that provides for criminal and administrative sanctions derived from the environment's harmful conduct and activities, and other provisions.

Finally, despite not encompassing indigenous areas, or natural areas used for these people, has applied to the project area residents, the consultation free, prior, and informed consent approach (FPIC), as per the Convention no. 169 of the ILO and the United Nations Declaration on the Rights of Indigenous People. This population participated in the project assembling since its beginning, as it will be presented in the community section.

Amazon's State Legal Instruments

State Law number 1.532, from 1982 – regulation of the State Politics of Prevention and Control of pollution, Improvement and Environment Recuperation, and of the Natural Resources Protection.

State Law number 3.525, from 2010 - Provides the creation of the Council of Sustainable Development of People and Traditional Communities of the Amazonas State – CDSPCT/AM, in the organizational structure of the State Secretariat of the Environment and Sustainable Development.

State Law number 3.785, from 2012 - Provides for environmental licensing in the Amazon State.

State Law number 4.222, from 2015 - Institutes the State Technical Register of Potentially Polluting Activities or Users of Environmental Resources, member of the National Environmental System - SISNAMA, the Environmental Control and Inspection Fee (TCFA/AM) in accordance with Federal Law n. 6,938, of August 31st, 1981, and its amendments, and gives other measures.

State Law number 4.457, 2017 – Institutes the State Policy of Solid Waste in Amazonas/AM and gives another providence.

Complementary Law number 187, from 2018 – Disciplines the execution of the article 220 of the State Constitution, that institutes the State Council of Environment of the Amazonas State (CEMAAM) and dispose of the State Fund of Environment (FEMA) and gives other measures.

Ordinance number 41.863, from 2020 - This Decree establishes norms for the execution of the State Policy on Solid Waste.

CERH-AM Normative Resolution number 001, from 2016 – The Internal Regulations of the State Council of Water Resources are instituted in the form of the Annex to this Normative Resolution.

Ordinary State Law number 5.695, from 2021 - Amends, as specified, Law No. 4,222, of October 8th, 2015, which "Institutes the State Technical Register of Potentially Polluting Activities or Users of Environmental Resources, part of the National Environmental System - SISNAMA, the Control Fee and Environmental Inspection (TCFA/AM) in accordance with Federal Law No. 6938, of August 31st, 1981, and its amendments, and makes other provisions", and makes other provisions.

State Law number 5.755, from 2021 - Provides for the reorganization of the Council for the Sustainable Development of Traditional Peoples and Communities of the State of Amazonas, established by Law No. 3,525, of July 15th, 2010, and other measures.

State Law number 5.491, from 2021 - Amends the caput of art. 12, the sole paragraph of art. 13, § 1 of art. 14 and sole paragraph of art. 15 of LAW No. 3,785, of July 24th, 2012, which "Provides

for environmental licensing in the State of Amazonas, Revokes Law No. 3,219, of December 28th, 2007, and makes other provisions."

Ordinary State Law number 6.014, from 2022 - Institutes an administrative term, intended for analysis and decision regarding the granting or renewal of environmental licensing, in compliance with Complementary Law No. 140/2011 and CONAMA Resolution No. 237/97.

State Law number 6.052, from 2022 – Recognizes the contribution of indigenous peoples to the preservation of forests, culture, folklore, customs, legends, gastronomy, handicrafts, and language.

Silves Municipality Legal Instruments

Municipality Law 411, from February 17th, 2022 - that establishes the Municipal Environment Fund (FMMA), with the aim of implementing actions aimed at the proper management of natural resources, including the maintenance, improvement, and recovery of environmental quality, in order to guarantee an integrated and sustainable development and the improvement of the quality of life of the local population.

Municipality Law 419, from September 13th, 2022 – Institutes the Environment Code of Silves municipality and makes other provisions.

Complementary municipality Law number 012, from March 02nd, 2016 – That restructures, within the scope of the Municipal Secretariat Environment – SEMMA, the Municipal Council for the Environment – COMUMA.

Chapters IIX and IX of the Organic Law of Silves Municipality, from 2014 - bring us precepts and guidelines to a sustainable interaction between the population and the environment.

Presidente Figueiredo Municipality Legal Instruments

Municipality Law number 907, of July 13th, 2021 - establishes the municipal program for the acquisition of food from family farming in the municipality of Presidente Figueiredo-PMAAF/PF and makes other arrangements.

Municipality Law number 920, of September 15th, 2021 - deals with the creation of the farmer's week and its organizations, and other arrangements.

Municipality Law number 698, of November 29th, 2013 – provides for the payment of additional hazardous work to the environmental inspectors of the municipal secretariat for the environment – SEMMA and provides other provisions. The municipality law 709 of April 16th, 2014 –

Gives new wording, inserts the single paragraph to art. 1 and new wording to art. 4 of municipal law No. 698/2013.

Municipality Law number 687, of September 09th, 2013 – Institutes the Municipal policy for integrated solid waste management of the Presidente Figueiredo municipality.

Municipality Law number 680, of March 22nd, 2013 – Recognizes the public utility and certifies that the documents required by law are met, the Association of Boatmen and Boat Drivers in the municipality of Presidente Figueiredo/AM – ASBARQ

1.15 Participation under Other GHG Programs

1.15.1 Projects Registered (or seeking registration) under Other GHG Program(s)

This project isn't seeking registration under other GHG programs, aside from VCS and CCB. The project proponent is not interested in issuing another GHG related environmental credit. To date, the project has not sought or received another form of GHG-related environmental credit.

1.15.2 Projects Rejected by Other GHG Programs

Not applicable. This project has never been submitted to analysis by any GHG programs.

1.16 Other Forms of Credit

1.16.1 Emissions Trading Programs and Other Binding Limits

Does the project reduce GHG emissions from activities that are included in an emissions trading program or any other mechanism that includes GHG allowance trading?

☐ Yes ☒ No

1.16.2 Other Forms of Environmental Credit

Has the project sought or received another form of GHG-related credit, including renewable energy certificates?

☐ Yes ☒ No

Supply Chain (Scope 3) Emissions

Have the owner(s) or retailer(s) of the impacted goods and services2 posted a public statement saying, "VCUs may be issued for the greenhouse gas emission reductions and removals associated with [organization name(s)] [name of good or service]" since the project's start date?

☐ Yes ☒ No

The proponent and owner of the project are diligently undertaking project activities and actions utilizing their own financial resources, with no intention of engaging in the pre-sale of carbon credits. Consequently, the available assets will only be traded subsequent to their monitoring, validation, and verification, in accordance with market demand and requirements.

Has the project proponent posted a public statement saying, "VCUs may be issued for the greenhouse gas emission reductions and removals associated with [name of good or service][describe the region or location, including organization name(s), where practicable]."

☐ Yes ☒ No

The proponent and owner of the project are diligently undertaking project activities and actions utilizing their own financial resources, with no intention of engaging in the pre-sale of carbon credits. Consequently, the available assets will only be traded subsequent to their monitoring, validation, and verification, in accordance with market demand and requirements.

Have the producer(s) or retailer(s) of the impacted good or service been notified of the project and the potential risk of Scope 3 emissions double claiming via email?

☐ Yes ☒ No

Not applicable. The proponent and owner of the project are diligently undertaking project activities and actions utilizing their own financial resources, with no intention of engaging in the pre-sale of carbon credits. Consequently, ensuring that no third parties will be affected by the project activities.

1.17 Sustainable Development Contributions

The project contributes to 11 (eleven) Sustainable Development Goals (SDG), considering 24 (twenty-four) specific objectives. For each one of them, activities provided for by the project were listed, as well as their respective indicators. For the monitoring reports, impact and adherence analyses will

[2] Impacted goods and services are all goods and services directly impacted by the technologies and measures specified as project activities in the project description. Please see the VCS Program document *VCS Program Definitions* for additional information.

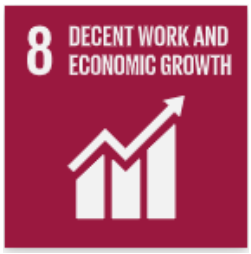
be made for each of the activities and specific objectives proposed. In addition, each activity listed in the theory of change in the section above was related to the SDG.

Table 4 - Sustainable Development Goals and project activities

Sustainable Development Goals (SDG)	Specific objectives	Project activities	Project indicators
	1.1 - By 2030, end extreme poverty for all people everywhere, currently measured as people living on less than $1.25 a day	Increase in local income generation through incentives in socio-biodiversity value chains (extractivism).	Income of families involved in the project
	1.4 - By 2030, ensure that all men and women, particularly the poor and vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technologies and financial services, including microfinance	Support for obtaining basic and essential services, such as electricity, water and basic sanitation.	Number of people who benefited from basic services
	1.5 - By 2030, build the resilience of the poor and those in vulnerable situations, and reduce their exposure and vulnerability to extreme weather-related events and other economic, social, and environmental shocks and disasters	Development of a climate change mitigation and adaptation program for the local reality, with special emphasis on women.	Number of actions under development proposed by the plan
	2.3 - By 2030, double the agricultural productivity and income of small-scale food producers, particularly women, indigenous peoples, family farmers, pastoralists, and fishermen, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and non-	Training and contribution to increase agricultural and forestry productivity.	Number of people who benefited from training and inputs about agroforestry

Sustainable Development Goals (SDG)	Specific objectives	Project activities	Project indicators
	agricultural value-adding and employment opportunities		
	3.3 - By 2030, end epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases, and combat hepatitis, waterborne diseases, and other communicable diseases	Sensitization and awareness campaigns for the prevention of tropical and other diseases	Number of campaigns carried out and number of people who participated
	3.7 - By 2030, ensure universal access to sexual and reproductive health services, including family planning, information, and education, as well as the integration of reproductive health into national strategies and programs	Sensitization and awareness campaigns for the sexual and reproductive health	Number of campaigns carried out and number of people who participated
	3.8 - Achieve universal health coverage, including financial risk protection, access to quality essential health services and access to safe, effective, quality, and affordable essential medicines and vaccines for all	Articulation with the public sector to strengthen itinerant health actions and vaccination campaigns	Number of people who participated
	4.1 - By 2030, ensure that all girls and boys complete free, equitable, quality primary and secondary education that leads to relevant and effective learning outcomes	Maintenance in schools and support with teaching materials and equipment	Proportion of children and young people enrolled in community schools
	4.4 - By 2030, substantially increase the number of young people and adults who have relevant skills, including technical and professional skills, for employment, decent work, and entrepreneurship	Entrepreneurship and leadership development training for young people	Number of young people who participated
	4.c - By 2030, substantially increase the pool of qualified teachers, including through international cooperation for teacher training, in developing countries, especially least	Training of schoolteachers on climate change and sustainable development	Number of teachers who received qualifications and training

Sustainable Development Goals (SDG)	Specific objectives	Project activities	Project indicators
	developed countries and small island developing States		
	5.1 - End all forms of discrimination against all women and girls everywhere	Creation of a women's group for dialogues on women's rights, domestic violence, social division of labor and women's empowerment	Number of women who participated
	5.5 - Ensure the full and effective participation of women and equal opportunities for leadership at all levels of decision-making in political, economic, and public life	Women's leadership and entrepreneurship workshops	Number of women who participated
	5.6 - Ensure universal access to sexual and reproductive health and reproductive rights, as agreed in accordance with the Program of Action of the International Conference on Population and Development and the Beijing Platform for Action and documents resulting from their review conferences	Sensitization and awareness campaigns for the sexual and reproductive health, focusing on women	Number of campaigns carried out and number of women who participated
	6.1 - By 2030, achieve universal and equitable access to safe and potable water for all	Supply of water treatment equipment	Number of people who benefited
	6.2 - By 2030, achieve access to adequate and equitable sanitation and hygiene for all, and end open defecation, with special attention to the needs of women and girls and those in vulnerable situations	Build basic sanitation alternatives for communities that do not have access	Number of people who benefited

Sustainable Development Goals (SDG)	Specific objectives	Project activities	Project indicators
	7.2 - By 2030, substantially increase the share of renewable energies in the global energy matrix	Provision of solar panels for families that do not have access to electricity	Number of people who benefited
	8.3 - Promote development-oriented policies that support productive activities, decent employment generation, entrepreneurship, creativity, and innovation, and encourage the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services	Training and workshops on associativism, cooperativism and entrepreneurship, focusing on young people	Number of young people who participated
	8.6 - By 2020, substantially reduce the proportion of young people without employment, education, or training		
	13.2 - Integrate climate change measures into national policies, strategies, and planning	Fostering good fire management and firefighting practices to communities to prevent the spread of wildfires in the project area	Number of trainings carried out
	13.3 - Improve education, raise awareness and human and institutional capacity on mitigation, adaptation, impact reduction and early warning of climate change	Carbon pedagogy lectures about climate change, carbon cycle and others	Quantity of materials produced
	15.1 - By 2020, ensure the conservation, recovery and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains, and arid lands, in accordance with	Avoided deforestation and reduced emissions	Amount of carbon that is no longer emitted

Sustainable Development Goals (SDG)	Specific objectives	Project activities	Project indicators
	obligations arising from international agreements		
	15.2 - By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally	Encourage the sustainable extractivism of non-timber forest products, through training and supply of materials and equipment	Increased production and marketing of non-timber forest products
	15.5 - Take urgent and significant measures to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species	Fauna (mammals, birds, reptiles, and amphibians) monitoring for biodiversity conservation	Number of species monitored
	17.17 - Encourage and promote effective public, public-private and civil society partnerships, based on the experience of the resource mobilization strategies of these partnerships	Networking and partnerships with the local public sector, NGOs, and other private companies	Number of other stakeholders envolved

As can be seen, on Table 4, the Amazônidas REDD+ AUDD Grouped Project contributes to the Brazilian government helping them to achieve some of the SDG targets by 2030, whether through direct or indirect actions. The activities developed by the project will be continuously monitored through impact indicators that are also related to the goals of the SDGs, and previewed on BRC's social protocol, already mentioned above.

1.18 Additional Information Relevant to the Project

Leakage Management

This section is still under development and will be presented in the next version of the Project Description.

Commercially Sensitive Information

It is to be considered as commercially sensitive information any trade, financial, commercial, scientific, technical, or other information, whose disclosure could reasonably be expected to result in a material financial loss or gain, compromising the contractual terms, deals or other negotiations stated by the project proponent.

It is also a sensitive information any information relates or internal policy decisions, financial, commercial, scientific, technical that the public disclosure could reasonably be expected to undermine or negatively affect the development and/or implementation of any project activity. Information related to project social activity, the determination of the baseline scenario, demonstration of additionality, and estimation and monitoring of GHG emission reductions (including operational and capital expenditures) are not considered to be commercially sensitive and are provided in the public versions of the project documents.

Further Information

This section is still under development and will be presented in the next version of the Project Description.

2 SAFEGUARDS

2.1 No Net Harm

This section is still under development and will be presented in the next version of the Project Description.

2.2 Local Stakeholder Consultation

This section is still under development and will be presented in the next version of the Project Description.

2.3 Environmental Impact

This section is still under development and will be presented in the next version of the Project Description.

2.4 Public Comments

This section is still under development and will be presented in the next version of the Project Description.

2.5 AFOLU-Specific Safeguards

This section is still under development and will be presented in the next version of the Project Description.

3 APPLICATION OF METHODOLOGY

3.1 Title and Reference of Methodology

The project is based on the following methodology and tools:

VCS Methodology VM0015 – Methodology for Avoided Unplanned Deforestation, version 1.1, December 3rd, 2012.

VCS new Methodology VM00XX – Reducing emissions from deforestation and forest degradation, version 0.1, April 12th, 2023.

VCS VT0001 – Tool for the Demonstration and Assessment of Additionality in VCS AFOLU Project Activities, version 3.1, February 2012.

Social and Biodiversity Impact Assessment (SBIA) Manual for REDD+ Projects – Part 1 – Core Guidance for Project Proponents, September 2011.

AFOLU Non-Permanence Risk Tool, version 3, October 19th, 2016.

3.2 Applicability of Methodology

The VM00XX, that is still under development by VERRA, will be slightly and bit by bit included in the project scope, and VM0015 methodology was solely employed as a point of reference for project description. In the forthcoming project description version, the novel methodology for reducing emissions from deforestation and forest degradation will be implemented.

According to the applicability conditions stated in VM0015 v.1.1. the methodology has no geographic restrictions and is applicable globally under the following conditions:

a) Baseline activities may include planned or unplanned logging for timber. fuel-wood collection.

charcoal production. agricultural and grazing activities if the category is unplanned deforestation according to the most recent VCS AFOLU requirements.

Amazônidas REDD+ AUDD GDP baseline scenario encompasses unplanned deforestation for cattle and agriculture purposes. as well as timber and fuelwood.

b) Project activities may include one or a combination of the eligible categories defined in the description of the scope of the methodology (table 1 and figure 2 of the VM0015).

According to table 1 of the VM0015. the project activities fit in scenario “D” as follow (Figure 3):

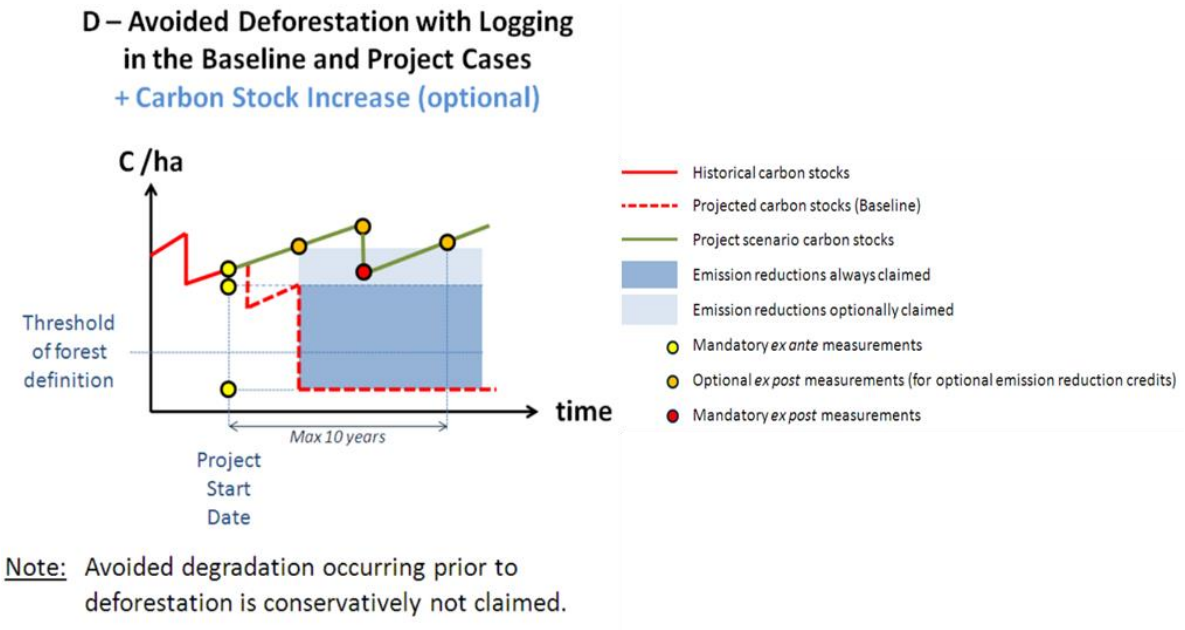


Figure 3 - Project category according to the applied methodology.

c) The project area can include different types of forest, such as, but not limited to, old growth forest, degraded forest, secondary forests, planted forests and agro-forestry systems meeting the definition of “forest”.

The first project activities instances area encompasses two types of forest, as shown on section 2.1.5.1, the monsoon climate is also occasionally known as humid tropical climate, tropical monsoon, and trade wind climate. According to Alvarez (2013), this climate is the most representative climate of the country, has average monthly temperatures above 18°C in all months of the year and is considered an intermediate climate type between types Af (equatorial climate) and Aw (tropical savanna climate). In essence, the monsoon climate tends to have more rainfall than the tropical

savanna climate or less pronounced dry seasons. Furthermore, a characteristic of these climates tends to have less variation in temperatures leading to low annual temperature range.

Types of vegetation:

- Dense Ombrophilous Forest – 95,7% of the area;
- Campirana Forest - 1,6% of the area;
- Secondary vegetation – 2,5% of the area.

d) At project commencement, the project area shall include only land qualifying as "forest" for a minimum of 10 years prior to the project start date.

For baseline modelling and climate benefits (VCUs) it is considered land categorized as "forest" for a minimum of 10 years prior to the project start date.

e) The project area can include forested wetlands (such as bottomland forests, floodplain forests, mangrove forests) if they do not grow on peat. Peat shall be defined as organic soils with at least 65% organic matter and a minimum thickness of 50 cm. If the project area includes a forested wetlands growing on peat (e.g., peat swamp forests), this methodology is not applicable.

The project does not include peat forest in its baseline, nor in the project activities, only the Ombrophilous Dense Alluvial Forest, that is a floodplain forests.

According to the applicability conditions stated in the VT0001 v.3, the tool is applicable under the following conditions:

I) AFOLU activities the same or like the proposed project activity on the land within the proposed project boundary performed with or without being registered as the VCS AFOLU project shall not lead to violation of any applicable law even if the law is not enforced.

The project activities are based in conservation of the Legal Reserve[3] that include monitoring against forest degradation and deforestation, promote training and capacitation focus in sustainable activities in the communities in the project zone. Neither of these activities will lead to violation of any applicable law.

II) The use of this tool to determine additionality requires the baseline methodology to provide for a stepwise approach justifying the determination of the most plausible baseline scenario. Project proponent(s) proposing new baseline methodologies shall ensure consistency between the determination of a baseline scenario and the determination of additionality of a project activity.

The Amazônidas REDD+ AUDD Grouped Project made use of the approved VCS Methodology VM0015, - Methodology for Avoided Unplanned Deforestation, version 1.1, aware with the new approved methodology of reducing emissions from deforestation and forest degradation, version 0.1, April 12nd 2023, and the module MD00XX - Estimation of Emissions Reductions from

[3] Law 12.651/2012 available at https://www.planalto.gov.br/ccivil_03/_ato2011-2014/2012/lei/l12651.htm

Avoiding Unplanned Deforestation (AUDef), version 0.2, April 12nd 2023. The applied methodology includes all the steps to define the most plausible baseline scenario, that will be provided by VERRA.

3.3 Project Boundary

This section is still under development and will be presented in the next version of the Project Description.

3.4 Baseline Scenario

This section is still under development and will be presented in the next version of the Project Description.

3.5 Additionality

This section is still under development and will be presented in the next version of the Project Description.

3.6 Methodology Deviations

This section is still under development and will be presented in the next version of the Project Description.

4 QUANTIFICATION OF GHG EMISSION REDUCTIONS AND REMOVALS

4.1 Baseline Emissions

This section is still under development and will be presented in the next version of the Project Description.

4.2 Project Emissions

This section is still under development and will be presented in the next version of the Project Description.

4.3 Leakage

This section is still under development and will be presented in the next version of the Project Description.

4.4 Net GHG Emission Reductions and Removals

This section is still under development and will be presented in the next version of the Project Description.

5 MONITORING

5.1 Data and Parameters Available at Validation

This section is still under development and will be presented in the next version of the Project Description.

5.2 Data and Parameters Monitored

This section is still under development and will be presented in the next version of the Project Description.

5.3 Monitoring Plan

This section is still under development and will be presented in the next version of the Project Description.

6 REFERENCES

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