



Project Description

The primary objective of the Agrocortex REDD Project is to avoid the unplanned deforestation (AUD) of the 186,219 ha project area, consisting of 100% Amazon rainforest. The project is located in the border between the States of Acre and Amazonas, South-western Amazon, within the agricultural expansion frontier region. Agrocortex developed a sustainable forest management plan (SFMP) that is certified by the Forest Stewardship Council (FSC), and is considered a tool for forest conservation and decreasing deforestation rates in the project region. In addition, the project aims to promote alternative sources of income for local communities and thus contribute to the sustainable development of the region.



Social Benefits

- **Social Appraisal:** Study conducted to understand the social reality of local communities and the impacts of Agrocortex activities in the project region.
- Incentives for establishment of cooperatives for trading non-timber forest products, creating alternative income sources for local communities.



Environmental Benefits

- Conservation of about 186,000 ha of the Amazon biome.
- **Biodiversity** surveys: annual monitoring and identification of fauna within the project area.
- Annual forest inventory and natural regeneration conditions.



Economic Benefits

- **Sustainable forest management:** creation of sustainable income generation sources for local communities, employing around 8% of Manoel Urbano inhabitants.
- Community education and training in FSC-SFMP practices, promoting knowledge diffusion in the local communities.



WORLDWIDE CONSERVATION OF BIRDS

The project region has one of the highest species richness of birds in the world, lying inside a worldwide birdlife endemic area. Fauna surveys conducted on the Project area indicated the presence of 345 species of birds (which represents 18% of total species catalogued in Brazil), with the potential of reaching at least 467 bird species. Furthermore, the region is also one of the least scientifically known areas of Brazil and therefore considered a priority area for wildlife inventories. This is demonstrated by the fact that among the last 15 bird species described for the Brazilian Amazon, 8 are within the project region. In addition, the Brazilian Government Ministry for the Environment classified the Agrocortex REDD project region in a "very high" category for Brazil's priority areas for conservation.

Technical Information

THIS PROJECT WILL REDUCE
14,835,928 tCO₂e
OVER 30 YEARS



Location

States of Acre and Amazonas, Brazil

Project Type

REDD – Avoided unplanned deforestation

Standards

- VCS + SOCIALCARBON®
- FSC Certification for Sustainable Forest Management Plan

Participants

- Agrocortex Florestas do Brasil
- Corporación Masaveu SA
- Aprovechamientos Dasocráticos Sostenibles
- Kendall Develops SA
- Agroview Participações
- R. Capital SGPS

Ecosystem

Amazon Rainforest

Project Status

Validated and Verified

DOE

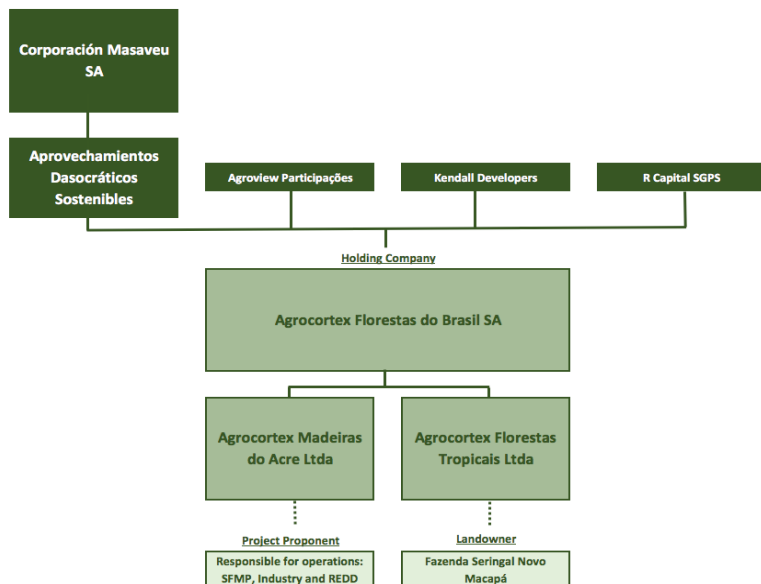
RINA

Registry

APX



Agrocortex Company Organization

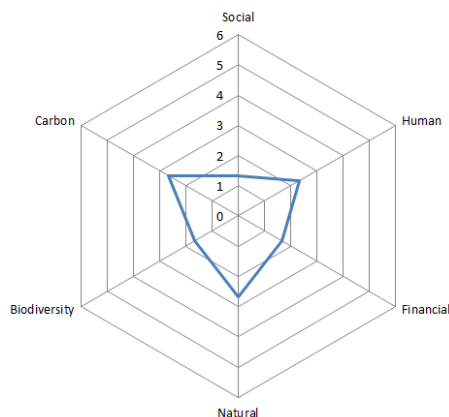


- Corporación Masaveu is a business group with a family character and international presence. Since the beginning of its history in 1840, the resources generated have been reinvested with the objective of financing future investments, opening new lines of business, enabling the sustained growth of the group companies and favoring the creation of jobs. Corporación Masaveu, without losing its identity, adapts itself to the changes that take place and to the professionalization that at every moment requires the evolution of society, permanently maintaining the commitment of quality in all its products and services.
- Financial solvency for more than 175 years since its founding constitute the strategic pillars of a company with a long history of investments and divestments has demonstrated a solid experience to develop long term satisfactory relationships with our partners. Generating positive results even in the most adverse scenarios.
- With 1,600 employees, 7 business lines, direct presence in 8 countries through subsidiaries and operations in 50 others, the group concentrates its interests in the banking business with relevant stakes in Bankinter, Santander and Liberbank, and in the Energy sector with a significant participation in EDP.
- The MASAVEU FOUNDATION, which gives young Asturians a solid instruction in the field of Vocational Training, is the most outstanding action carried out by the group in the field of social commitment.
- The investment in Agrocortex is aligned with the fundamental commitments of the concept of Sustainability: Socially just, Environmentally correct and Economically viable.

Estimated generation of GHG emission reductions during project lifetime

Year	Estimated GHG emission reductions or removals (tCO ₂ e)
2014	51,183
2015	363,852
2016	370,512
2017	376,485
2018	491,423
2019	435,685
2020	390,596
2021	489,483
2022	449,249
2023	505,007
2024	338,555
2025	468,707
2026	476,088
2027	487,839
2028	520,151
2029	509,435
2030	521,492
2031	503,951
2032	510,272
2033	476,462
2034	568,356
2035	558,976
2036	483,932
2037	606,539
2038	572,771
2039	561,932
2040	535,709
2041	487,387
2042	491,965
2043	661,943
2044	241,872
Total estimated ERs	14,507,808
Number of crediting years	30
Average annual ERs	483,594

SOCIALCARBON – Point Zero

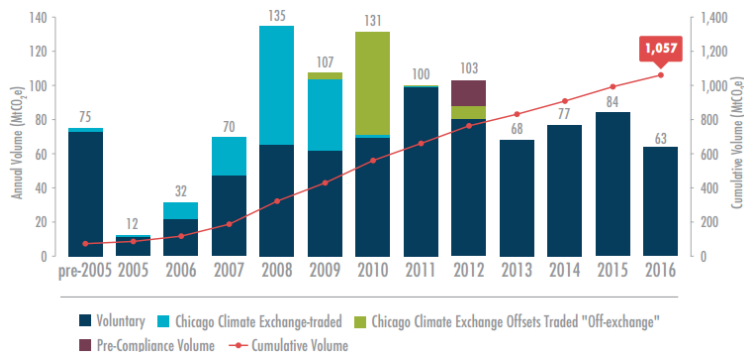




Carbon Markets Highlights

Source: State of Voluntary Carbon Markets 2017

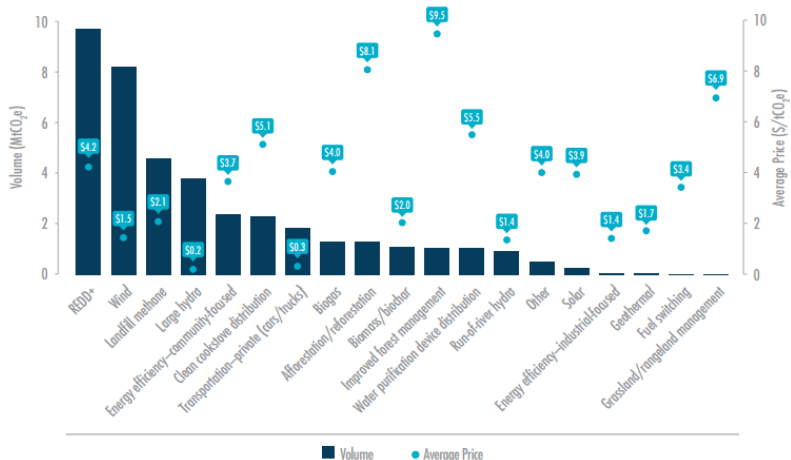
Historical Market-Wide Voluntary Offset Transaction Volumes



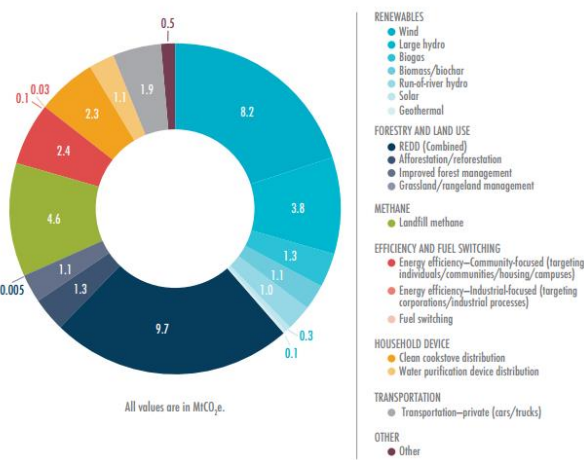
Transacted Volume, Value, and Average Price by Project Category, 2016

	VOLUME	AVERAGE PRICE	VALUE
RENEWABLES	18.3 MtCO ₂ e	\$1.4	\$25M
FORESTRY AND LAND USE	13.1 MtCO ₂ e	\$5.1	\$67M
METHANE	5.6 MtCO ₂ e	\$1.8	\$10M
EFFICIENCY AND FUEL SWITCHING	4.5 MtCO ₂ e	\$2.9	\$13M
HOUSEHOLD DEVICE	3.4 MtCO ₂ e	\$5.2	\$18M
TRANSPORTATION	1.9 MtCO ₂ e	\$0.3	\$1M
GASES	1.4 MtCO ₂ e	\$5.7	\$8M
OTHER	0.5 MtCO ₂ e	\$4.0	\$2M

Transacted Volume, Average Price, and Price Range by Project Type, 2016



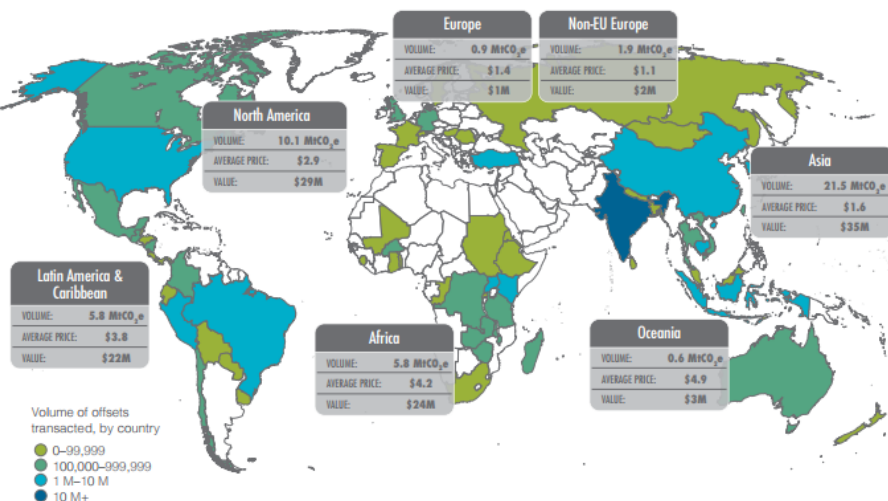
Transacted Volume by Project Type, 2016



BUYER PROFIT STATUS

PRIVATE SECTOR:	\$136 M
PUBLIC SECTOR:	\$2.1 M
NON-PROFIT SECTOR:	\$4 M
INDIVIDUALS:	\$8 M

BUYER SECTOR





Term Sheet	
Project Proponent	Agrocortex Madeiras do Acre Agroflorestal Ltda.
Project Name	Agrocortex REDD Project
Standards	- Verified Carbon Standard + SOCIALCARBON; - FSC Certification for Sustainable Forest Management Plan
Project Lifetime	30 years 01/July/2014 – 30/June/2044
Estimated amount of VERs during project lifetime	14,507,808 tCO ₂ e
Project Developer	Ecológica Assessoria Ltda.
Project Legal Assistance	LRS Advogados
Project DOE	RINA Services
Registry	APX VCS Registry
Amount of VERs verified	617,953 tCO ₂ e
Estimated VER Purchase Price	US\$ 5.00/tCO ₂ e

Sponsors



Proponent



Developer



Legal



DOE



RINA

Registry



Standards

