

MONITORING REPORT: MEJURUÁ PROJECT



Document Prepared By (Plant Inteligência Ambiental)

Project Title	Mejuruá Project
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Project Proponent(s)	BR Arbo Gestão Florestal - Carlos Roberto Canabarro Gomes - carlos.canabarro@brarbo.com.br - +55 (51) 3527-4145
Prepared By	Plant Inteligência Ambiental under coordination by ATA Consultoria
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Project Lifetime	26 July 2021 – 25 July 2051; 30-year lifetime
GHG Accounting Period	26 July 2021 – 25 July 2051; 30-year total period
Monitoring Period of this Report	26-July-2021 to 30-August-2023
History of CCB Status	Under validation

Gold Level Criteria

Climate: the project's achievement of gold-level criteria in climate action is justified by its location in the central Amazon Rainforest, a vital carbon reservoir crucial for global temperature regulation. Focused on preventing advanced deforestation in a region approaching a critical point, the project responds to the worsening conditions, including record-low river levels and a declared state of emergency.

Community: The Mejuruá project intends to be validated at the Gold Level for exceptional community benefits since the project zone is in an area of a medium human development country in which at least 50% of the households within the communities are below the national poverty line. Carauari, the nearest city to the project area, was ranked 65th out of 5,507 cities in the Brazilian poverty index. Various activities have been devised to foster socioeconomic development in the Project Zone, including the establishment of a 5 MW thermoelectric power plant, the installation of a sawmill, support for Sustainable Agriculture Land Management, and the development and management of the sustainable production of "açaí" berries and other non-timber forest products.

Biodiversity: the Mejuruá project intends to achieve Gold Level validation for its exceptional biodiversity benefits, given that the project zone harbors three species listed as endangered on the IUCN Red List and one species classified as critically endangered. Several activities have been designed and implemented to contribute to the conservation of the area, including sustainable forest management with FSC certification, surveillance and patrolling, wildfire prevention, forest protection training, among other measures.

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1 SUMMARY OF PROJECT BENEFITS

1.1 Unique Project Benefits

The table below delineates the net benefits accrued by the Mejuruá Project during this monitoring period, which are not captured by the standardized benefit metrics.

Table 1: Unique Mejuruá Project Benefits

Outcome or Impact	Achievements during the Monitoring Period	Section Reference	Achievements during the Project Lifetime
1) Facilitate land regularization and sustainable land use for families occupying areas through the Forest Angels Program: This program involves providing land titles to riverside residents who have long occupied the Project Area. Additionally, these families will undergo training to identify potential forest threats and implement recommended mitigation measures. This initiative not only secures the families' rightful presence in the territory but also actively involves them in contributing to forest conservation efforts.	• On June 9th, 2023, an acknowledgment and agreement terms for the land regularization of occupants on BR ARBO Farm were formally signed and documented in the Board of Directors' meeting minutes. • In June and July 2023, ten lease agreements were celebrated with users/residents of the 'Forest Angels' program. • On September 22nd, 2023, an Agreement of Intent was established between BR ARBO and the Association of Residents of Baixo Riozinho (ASMOBRI), outlining negotiations about land regularization and açaí management.	2.4.1 2.4.5	• On June 9th, 2023, an acknowledgment and agreement terms for the land regularization of occupants on BR ARBO Farm were formally signed and documented in the Board of Directors' meeting minutes. • In June and July 2023, ten lease agreements were celebrated with users/residents of the 'Forest Angels' program. • On September 22nd, 2023, an Agreement of Intent was established between BR ARBO and the Association of Residents of Baixo Riozinho (ASMOBRI), outlining negotiations about land regularization and açaí management.
2) Establish Surveillance and Patrolling: To enhance safeguarding efforts, dedicated local patrols will be established to monitor and protect the territory	• Since 2021, employees of BR ARBO have been conducting river incursions and horseback patrols on the		Since 2021, employees of BR ARBO have been conducting river incursions and horseback patrols on the

from various threats, including criminal fires, illegal logging, property appropriation, illegal hunting, and invasive species.	property to oversee the territory and safeguard it from criminal fires, illegal logging, and unauthorized private property appropriation.		property to oversee the territory and safeguard it from criminal fires, illegal logging, and unauthorized private property appropriation.
3) Set Industrial activities: Forest products resulting from Sustainable Forest Management will be processed in a sawmill near Carauari's urban center. Additionally, a thermoelectric power plant will be established for power generation, contributing to the development of the enterprise project. These initiatives, aside from creating employment opportunities, will stimulate the local economy by catalyzing economic activities within the Project Zone.	In the period between December 2021 and January 2022, some budgets for the sawmill were accomplished, providing essential financial planning and resource allocation for the upcoming phases of the project.	4.3.1 4.4.1	In the period between December 2021 and January 2022, some budgets for the sawmill were accomplished, providing essential financial planning and resource allocation for the upcoming phases of the project.
4) Mitigate the Effects of Drought: This initiative includes undertaking a thorough community survey to identify the substantial challenges faced by communities affected by drought. Following this assessment, adaptation measures will be developed, with dedicated project funding allocated for their planning and implementation.	From November 17 to November 25, 2023, a socio-environmental diagnosis was conducted in traditional communities, alongside the presentation of the Mejuruá CCB Project.	2.1.4 2.2.3	From November 17 to November 25, 2023, a socio-environmental diagnosis was conducted in traditional communities, alongside the presentation of the Mejuruá CCB Project.

1.2 Standardized Benefit Metrics

Table 2 shows the standardized benefit metrics that Mejuruá Project has achieved during the monitoring period covered by this report and since the beginning of the project's lifetime.

Table 2: Standardized Benefit Metrics

Category	Metric	Achievements during Monitoring Period	Section Reference	Achievements during the Project Lifetime
GHG emission reductions & removals	Net estimated emission removals in the project area, measured against the without-project scenario	Not Applicable	-	Not Applicable
	Net estimated emission reductions in the project area, measured against the without-project scenario	7,691,921.86 tCO ₂ e	3.2.2	82,085,193.58 tCO ₂ e
Forest ¹ cover	For REDD ² projects: Number of hectares of reduced forest loss in the project area measured against the without-project scenario	130,640.54 ha (APD)	3.1.1	130,640.54 ha (APD)
	For ARR ³ projects: Number of hectares of forest cover increased in the project area measured against the without-project scenario	Not Applicable		Not Applicable
Improved land management	Number of hectares of existing production forest land in which IFM ⁴ practices have occurred as a result of the project's activities, measured against the without-project scenario	Not Applicable	-	Not Applicable
	Number of hectares of non-forest land in which improved land management has occurred as a result of the project's activities, measured against the without-project scenario	Not Applicable		Not Applicable
Training	Total number of community members who have improved skills and/or knowledge resulting from training provided as part of project activities	So far, approximately 13 people have been formally hired. The	2.3.1 4	The project will employ approximately 436 people. Considering

¹ Land with woody vegetation that meets an internationally accepted definition (e.g., UNFCCC, FAO or IPCC) of what constitutes a forest, which includes threshold parameters, such as minimum forest area, tree height and level of crown cover, and may include mature, secondary, degraded and wetland forests (*VCS Program Definitions*)

² Reduced emissions from deforestation and forest degradation (REDD) - Activities that reduce GHG emissions by slowing or stopping conversion of forests to non-forest land and/or reduce the degradation of forest land where forest biomass is lost (*VCS Program Definitions*)

³ Afforestation, reforestation and revegetation (ARR) - Activities that increase carbon stocks in woody biomass (and in some cases soils) by establishing, increasing and/or restoring vegetative cover through the planting, sowing and/or human-assisted natural regeneration of woody vegetation (*VCS Program Definitions*)

⁴ Improved forest management (IFM) - Activities that change forest management practices and increase carbon stock on forest lands managed for wood products such as saw timber, pulpwood and fuelwood (*VCS Program Definitions*)

Category	Metric	Achievements during Monitoring Period	Section Reference	Achievements during the Project Lifetime
		training will commence in the following years, coinciding with the start of the management activities, as planned by the project team.		the average job turnover for the Amazon region of 15% for 30 years, it is expected that at least 1.962 people will receive training.
	Number of female community members who have improved skills and/or knowledge resulting from training provided as part of project activities of project activities	So far, approximately 13 people have been formally hired. The training will commence in the following years, coinciding with the start of the management activities, as planned by the project team.	2.3.1 4	According to the Gender and Youth in the Médio Juruá Report, 2022, females spend approximately 60% of the time that males spend in the job market. Considering the 1.962 people that are to be trained, approximately 735 women will be trained.
Employment	Total number of people employed in of project activities, ⁵ expressed as number of full time employees ⁶	So far, approximately 13 people have been formally hired. The training will commence in the following years, coinciding with the start of the management	2.3.1 4	The project will employ approximately 436 people. Considering the average job rotation for the Amazon region of 15% for 30 years, it is expected that at

⁵ Employed in project activities means people directly working on project activities in return for compensation (financial or otherwise), including employees, contracted workers, sub-contracted workers and community members that are paid to carry out project-related work.

⁶ Full time equivalency is calculated as the total number of hours worked (by full-time, part-time, temporary and/or seasonal staff) divided by the average number of hours worked in full-time jobs within the country, region or economic territory (adapted from UN System of National Accounts (1993) paragraphs 17.14[15.102];[17.28])

Category	Metric	Achievements during Monitoring Period	Section Reference	Achievements during the Project Lifetime
		activities, as planned by the project team.		least 1.962 people will be employed.
	Number of women employed in project activities, expressed as number of full time employees	So far, approximately 13 people have been formally hired. The training will commence in the following years, coinciding with the start of the management activities, as planned by the project team.	2.3.1 4	According to the Gender and Youth in the Médio Juruá Report, 2022, females spend approximately 60% of the time that males spend in the job market. Considering the 1.962 people that are to be trained, approximately 735 women will be employed.
Livelihoods	Total number of people with improved livelihoods ⁷ or income generated as a result of project activities	The changes regarding this item are expected to occur in the upcoming project years.	4.2 4.5.5	Considering the people employed and trained, which totals 1962, and the 150 families that will receive various positive impacts and considering that every family has in average 4 children in the Riozinho Community, it is expected that 2.862 people will have their livelihoods improved.

⁷ Livelihoods are the capabilities, assets (including material and social resources) and activities required for a means of living (Krantz, Lasse, 2001. *The Sustainable Livelihood Approach to Poverty Reduction*. SIDA). Livelihood benefits may include benefits reported in the Employment metrics of this table.

Category	Metric	Achievements during Monitoring Period	Section Reference	Achievements during the Project Lifetime
	Number of women with improved livelihoods or income generated as a result of project activities	The changes regarding this item are expected to occur in the upcoming project years.	4.2 4.5.5	It is expected that 1.185 women will have their lives improved (735 through direct employment and 300 through direct improvements offered).
Health	Total number of people for whom health services were improved as a result of project activities, measured against the without-project scenario	The changes regarding this item are expected to occur in the upcoming project years.	4.2 2.1.4 2.1.7 2.1.8	People living in settlements: Approximately 150 families will have their health services improved, meaning 900 people. People living in the city of Carauari: approximately 28.000 people will be positively affected by the improved quality of health services due to the project.
	Number of women for whom health services were improved as a result of project activities, measured against the without-project scenario	The changes regarding this item are expected to occur in the upcoming project years.	4.2 2.1.4 2.1.7 2.1.8	People living in settlements: Approximately 150 families, will have their health services improved, meaning 450 women. People living in the city of Carauari: approximately 14.000 women will be positively

Category	Metric	Achievements during Monitoring Period	Section Reference	Achievements during the Project Lifetime
				affected by the improved quality of health services due to the project.
Education	Total number of people for whom access to, or quality of, education was improved as a result of project activities, measured against the without-project scenario	The changes regarding this item are expected to occur in the upcoming project years.	4.2 2.1.8	There are approximately 10.000 children under 15 years in Carauari. It is expected that they all will have their education improved through the project.
	Number of women and girls for whom access to, or quality of, education was improved as a result of project activities, measured against the without-project scenario	The changes regarding this item are expected to occur in the upcoming project years.	4.2 2.1.8	Considering 50% of girls in school enrolment, approximately 5.000 girls will be benefitted by the project in terms of education.
Water	Total number of people who experienced increased water quality and/or improved access to drinking water as a result of project activities, measured against the without-project scenario	The changes regarding this item are expected to occur in the upcoming project years.	4.2 2.1.8	Approximately 150 families, will have their water access improved, meaning 900 people.
	Number of women who experienced increased water quality and/or improved access to drinking water as a result of project activities, measured against the without-project scenario	The changes regarding this item are expected to occur in the upcoming project years.	4.2 2.1.8	Approximately 150 families, will have their water access improved, meaning 450 people.

Category	Metric	Achievements during Monitoring Period	Section Reference	Achievements during the Project Lifetime
Well-being	Total number of community members whose well-being ⁸ was improved as a result of project activities	The changes regarding this item are expected to occur in the upcoming project years.	4.2 2.1.8	It is expected that the people living in the city of Carauari and the 150 families that live in settlements in the project zone will have their well-being improved.
	Number of women whose well-being was improved as a result of project activities	The changes regarding this item are expected to occur in the upcoming project years.	4.2 2.1.8	Considering the people employed and trained, which totals 1962, and the 150 families that will receive various positive impacts and considering that every family has in average 4 children in the Riozinho Community, it is expected that 1.431 people will have their well-being improved.
Biodiversity conservation	Change in the number of hectares significantly better managed by the project for biodiversity conservation, ⁹ measured against the without-project scenario	Not Applicable	5.4.1	130,640.54 ha

⁸ Well-being is people's experience of the quality of their lives. Well-being benefits may include benefits reported in other metrics of this table (e.g. Training, Employment, Health, Education, Water, etc.), but could also include other benefits such as empowerment of community groups, strengthened legal rights to resources, conservation of access to areas of cultural significance, etc.

⁹ Biodiversity conservation in this context means areas where specific management measures are being implemented as a part of project activities with an objective of enhancing biodiversity conservation.

Category	Metric	Achievements during Monitoring Period	Section Reference	Achievements during the Project Lifetime
	Number of globally Critically Endangered or Endangered species ¹⁰ benefiting from reduced threats as a result of project activities, ¹¹ measured against the without-project scenario	The changes regarding this item are expected to occur in the upcoming project years.	5.2.3 5.5.2	26 species of fauna and 7 species of flora (classified as near threatened, vulnerable, endangered, critically endangered)

¹⁰ Per IUCN's Red List of Threatened Species

¹¹ In the absence of direct population or occupancy measures, measurement of reduced threats may be used as evidence of benefit

2 GENERAL

2.1 Project Goals, Design and Long-Term Viability

2.1.1 Implementation Schedule (G1.9)

The key dates and milestones in the project's development and implementation are presented in Table 3. This marks the first CCB verification.

Table 3: Key dates and milestones in the project's development and implementation

Date	Milestone(s) in the project's development and implementation
January, 2021	Since 2021, BR ARBO employees have been conducting river incursions and horseback patrols on the property to monitor potential illegal activities associated with timber extraction that might be transported via the Juruá and Rio Riozinho rivers.
December 30 th , 2021 January 3 rd , 2022	Budgets for the sawmill.
November, 2022	The commissioning process commenced with a prestigious Brazilian EPC company, encompassing the acquisition and operation of all structures and equipment related to the sawmill, power generation, and log yard.
December 17 th , 2022	An interview was conducted with 39 individuals from the local communities to compile a list of actions that these communities could as be vital for enhancing their quality of life.
January 11 th , 2023	A presentation on the Mejurua project was followed by an interview involving 21 members of the Riozinho Community, to compile a list of actions for enhancing their quality of life.
January 20 th , 2023- April 18 th , 2023	Forest inventory: measurement of biomass in permanent sample plots across the project area; and execution of the floristic inventory in selected plots within the project area.
March 10 th , 2023	Emails were dispatched to institutional stakeholders, notifying them of the project and the resort's availability on the BR ARBO website, along with a request for contributions and comments.
April 03 rd , 2023	A meeting was held between project stakeholders and the Governor of the State of Amazonas to introduce the Mejurua project, culminating in the signing of an Agreement of Intent to secure necessary resources and cooperation.
April 04 th , 2023	The inaugural public meeting convened at the Carauari House of Representatives, bringing together public figures and leaders from nongovernmental organizations to provide a comprehensive explanation of the Mejurua project.

April 12 th , 2023	Acquisition of High-Speed Satellite Internet to enhance satellite image monitoring of the area and streamline communication during potential incidents.
May 09 th , 2023	Draft of the social plan
May 16 th , 2023	Request for renewal of Prior authorization for technical analysis of forest management plan.
June 06 th , 2023	Uploading the VCS PD into the Verra registry system.
June 09 th , 2023	Acknowledgment and agreement terms for the Land Regularization of occupants of Fazenda BR ARBO, documented in the Board of Directors' meeting minutes.
June 22 nd , 2023; and July 17 th , 2023	First Lease Agreements with users/residents participating in the Forest Angels program are being celebrated.
July 24 th , 2023 – August 23 rd , 2023	VCS public comments in VERRA registry.
August 8 th , 2023	Statement from radio Karababá about the partnership with BR ARBO since 2012, alerting listeners about the prohibition of deforestation of forest areas on the property's lands.
September 22 nd , 2023	Establishment of an Agreement of Intent between BR ARBO and the Association of Residents of Baixo Riozinho (ASMOBRI), covering negotiations related to land regularization and açaí management.
November 17 th -25 th , 2023	Socio-environmental diagnosis in traditional communities and presentation of the Mejurua CCB Project.
February 2 nd , 2024	Granting of prior authorization for sustainable forest management - APAT from the Amazonas Environmental Protection Institute (IPAAM)
February 19 th , 2024	Setting up of the organizational / management structure of the Mejurua Project

2.1.2 Minor Changes to Project Design (*Rules 3.5.6*)

During the monitoring period until the present report, there have been no significant changes or deviations in the project description.

2.1.3 Project Description Deviations (*Rules 3.5.7 – 3.5.10*)

There was no deviation in the description of the applied project during this monitoring period.

2.1.4 Risks to the Project (*G1.10*)

Table 4 shows the actions needed and implemented to mitigate likely natural and human-induced risks to the expected climate, community, and biodiversity benefits during this monitoring period.

Table 4: Actions needed and implemented to mitigate likely natural and human-induced risks.

Identify Risk	Potential impact of risk on climate, community and/or biodiversity benefits	Actions needed and designed to mitigate the risk	Measure taken
Socioeconomic Vulnerabilities	Communities in project areas may face socioeconomic challenges such as lack of access to basic services and poverty. These vulnerabilities can undermine community development and conservation efforts.	Engaging with community members and stakeholders to understand their needs and aspirations. Facilitating capacity-building programs to enhance local skills and knowledge.	In December 2022 and January 2023, a comprehensive field survey was conducted involving the communities surrounding Gleba Santa Rosa do Tenquê and the Riozinho Community located within the project area to present the project and understand its aspirations. These interviews were carried out by a specialized team from JCris Ambiental-ME. The results of this diagnosis are presented in item 2.2.7.
Unsustainable Practices	Human activities like deforestation, pollution, and overexploitation of resources can degrade ecosystems and threaten biodiversity.	Enforcing regulations and implementing monitoring systems to prevent illegal activities. Encouraging sustainable livelihoods and alternative income-generating activities.	Since 2021 up to the present moment (2023), employees of BR ARBO have been conducting river incursions and horseback patrols on the property. Since 2012, the company has maintained advertisements to the local radio station with the purpose of prohibiting deforestation and wood removal practices within the property. In June 2023, support for ASMOBRI to celebrate a “Fishing Agreement” with state authorities was expressed, aiming at the conservation of fishery resources and bodies of water along the Riozinho River.

			In June and July 2023, ten lease agreements were celebrated with users/residents, who pledged not to expand existing deforestation in exchange for continued use of the areas through the 'Forest Angels' program. An agreement of Intent was established between BR ARBO and the Association of Residents of Baixo Riozinho (ASMOBRI) in September, 2023 to negotiate land regularization and açaí management
Wildfires (human-induced).	During drier years, the forest faces the risk of fires, which can not only undermine the climate benefits of the project but also pose risks to the community and biodiversity.	Monitoring towers with smoke-detecting cameras, satellite data, and analysis will identify high-risk fire areas. Trained "Forest Angels" teams will proactively prevent fires from spreading, alongside the surveillance team.	On December 19, 2023, the process of soliciting price quotes began for the analysis related to the installation of fire monitoring towers. The selection of personnel for firefighting training in forest areas is planned to commence in the third quarter of 2024.
Ecological Disruptions	Natural disasters and ecological imbalances can negatively impact biodiversity. This includes habitat destruction, species displacement, and loss of ecosystem services.	Promoting sustainable land management practices to minimize ecological disruptions. Supporting research and monitoring to assess ecological changes and adapt strategies accordingly.	In September 2023, BR ARBO and the Association of Residents of Baixo Riozinho (ASMOBRI) signed an Agreement of Intent that encompasses collaboration on the management of açaí cultivation. On February 2, 2024, the Amazonas Environmental Protection Institute (IPAAM) approved the sustainable forest management plan for the BR ARBO property. The preparation for a biodiversity study of the project area is scheduled to begin in the third quarter of 2024.

Extreme Weather Events	Climate change increases the frequency and intensity of extreme weather events such as droughts. These events can damage infrastructure, disrupt communities, and harm biodiversity.	Restoring and protecting natural ecosystems that act as buffers against extreme weather. Conducting risk assessment and emergency response plans.	In November 2023, a new questionnaire was administered to communities situated along the banks of Baixo Rio Juruá and Riozinho to assess the impacts of the drought phenomenon in the region over recent years. The results of this diagnosis are presented in item 4.3.1. The implementation of mitigation measures against drought is scheduled to begin in the fourth quarter of 2024.
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2.1.5 Benefit Permanence (G1.11)

The Mejurua project activities will generate a variety of benefits, encompassing not only ecological advantages but also significant social benefits that are exerting a positive and lasting impact on the surrounding communities, extending beyond the temporal scope of the project. In the overall context, the activities carried out up to this monitoring, including inventory, community engagement, and enhancement of field and surveillance activities, have allowed for a more accurate analysis of the area to better understand the needs of the communities and how to better protect the forest, assisting in planning for the project's anticipated activities.

2.1.6 Grouped Projects

The Mejurua project is a grouped project; however, in this initial validation, there are no removals or additions of new instances and stakeholders. The project area continues to be the Santa Rosa do Tenquê farm with an avoiding planned deforestation area (APD) covering 130,640.54 hectares.

1) New Project Areas and Communities (G1.13)

Not applicable.

2) Project Zone Map (G1.13)

Not applicable.

3) Eligibility Criteria for Grouped Projects (G1.14)

Not applicable.

4) Scalability Limits for Grouped Projects (G1.15)

Not applicable.

5) Risk Mitigation for Grouped Projects (G1.15)

Not applicable.

6) Changes to Management (G4.1)

Not applicable.

2.2 Stakeholder Engagement

2.2.1 Stakeholder Access to Project Documents (G3.1)

The Mejuruá project was presented to stakeholders through different channels, which include:

- Periodic meetings with the population of Carauari and government entities: Two meetings were conducted, one at the city's Municipal Chamber with the local population and another with the government of the state of Amazonas in April 2023 (refer to section 2.2.3).
- Periodic meetings with surrounding communities: Meetings were held in December 2022, January 2023, and November 2023 to present and update the project (section 2.2.3). These meetings were held locally, using appropriate language for easy understanding of the project.
- Email communication with institutions of interest: The Mejuruá VCS project summary was emailed to relevant institutions in March 2023, and updates on the CCB were provided in November 2023 (refer to section 2.2.4).
- Project summary availability on the BR ARBO website: The summary of the Mejuruá project can be accessed at <https://www.brarbo.com.br/>.
- Full project availability on the VERRA platform.

Additional meetings are scheduled throughout the project implementation to keep stakeholders informed about the project's progress.

2.2.2 Dissemination of Summary Project Documents (G3.1)

The BR ARBO Forest Conservation Project was presented to the communities during the period from December 2022 to January 2023. Additionally, it was formally introduced to the Governor of the State of Amazonas in an in-person meeting held on April 3, 2023. Subsequently, on April 4, 2023, the project was presented to the Vice-Mayor, councilors, and the community of Carauari. To further disseminate information, a copy of the project was shared with other institutional actors, such as government agencies, entities, private associations, and community associations, via email. In November 2023, a new round of updates for the Mejuruá project was conducted with

communities in the Baixo Juruá and Riozinho areas. Interested parties also have access to the project summary on the official BR ARBO website¹².

Following the completion of monitoring and updating the project, efforts to disseminate the results are planned through various channels. These include project newsletters, an annual public audience, biennial in-person meetings with authorities and community leaders, email communication, and yearly community interviews, as outlined in section 2.2.8.

2.2.3 Informational Meetings with Stakeholders (G3.1)

In December 2022 and January 2023, an extensive field research was conducted in the communities near the Santa Rosa do Tenquê Land and Riozinho Community, located in the property area. These interviews were carried out by a specialized team from JCris Ambiental-ME, ensuring effective communication through appropriate language and respect for the cultural characteristics of the target communities. Interviewers traveled along the river, visiting individual homes and families residing in the region (Figure 1).



Figure 1: Interview with local communities

The main objective of these interviews was to introduce the REDD+ Mejurua project and gather insights into the unique needs and aspirations of the communities. To facilitate understanding, interviewees were provided with an explanatory pamphlet, helping them comprehend the project's objectives more effectively. The interviews captured essential demographic information, such as the names of the interviewees, marital status, identification documents, number of children, among other relevant details. Additionally, interviewees had the opportunity to articulate specific actions they believed would contribute to improving their living conditions. These interviews serve as a valuable tool to map the diverse requirements of the communities, allowing the project team to tailor initiatives and interventions accordingly.

In addition to interviews with local communities, a series of meetings were organized to engage key stakeholders and present the project. Stakeholders were invited through formal letters, emails,

¹² https://www.brarbo.com.br/wp-content/uploads/2023/06/230610.APRESENTACAO.BRARBO.full_.V7.pdf

and posters in the city. Ongoing dialogue between the project owners and the vice-mayor, along with municipal government officials in Carauari, played a crucial role in promoting continuous exchange of ideas and information about the project. Notably, a significant meeting took place on April 3, 2023, where project owners presented the project in its entirety to the Governor of the State of Amazonas and his team (Figure 2).



Figure 2: Meeting in Manaus with the Governor and Chief Secretary of the Civil House held on April 3, 2023.

During the meeting, the Governor also presented a model school designed by the state government, intended for installation in forested regions throughout the state. As a result, the project owners committed to including a pilot unit as one of the social initiatives of the project in Carauari, further solidifying their dedication to community development.

On April 4, 2023, a public meeting was held in the Chamber of Deputies of Carauari, attended by all elected representatives, the Chamber's president, the vice-mayor, and various leaders of non-governmental entities in the region (Figure 3). Additionally, citizens with an interest in the project attended the meeting. The entire session was recorded, and the transcription of the minutes, as well as the list of participants, are readily available for audit purposes.



Figure 3: Public meeting in Carauari held on April 4, 2023.

In November 2023, a new round of Mejuruá Project presentations and the application of a diagnostic questionnaire about the impacts caused by the drought phenomenon in recent years in the region were conducted for communities and localities along the Lower Juruá River and Riozinho. At this time, representatives of each community were given documents with a message about the Mejuruá project, with brief explanations but including an electronic address for residents to access more detailed information about the Project (Figure 4).



Figure 4: Presentation of the Mejuruá Project and interviews with the communities.

Additionally, in November 2023, an informative note was published on the official BR ARBO website¹³, announcing that the Mejuruá Project is being incorporated into the additional CCB (climate, community, and biodiversity) certification.

¹³ Source: <https://www.brarbo.com.br/>

2.2.4 Community Costs, Risks, and Benefits (G3.2)

The Mejuruá project initiated its stakeholder engagement during the initial phase, involving interviews with communities, meetings, and email communications. Throughout these engagements, stakeholders were encouraged to voice concerns and contribute insights into social needs for the overall improvement of the community.

Interviews were conducted with the traditional communities residing on and around the property. The main objective of these interviews was to introduce the BR ARBO Forestry Conservation Project and to identify improvement needs within the communities, thereby providing support for their diverse requirements. The outcomes of these interviews highlighted the absence of vital services, such as electricity, clean water supply, proper sewage systems, internet access, effective communication, and medical assistance. The findings from this survey underscore the families' keen interest in staying updated on the progress of the Mejuruá project and underscore their strong belief that the project will yield positive impacts for enhancing the overall quality of life in the served communities.

In November 2023, a new round of interviews with the community was carried out to diagnose the impacts caused by the drought phenomenon in the region. The objective of this diagnosis is to understand the main impacts raised by community residents so that the proponent can outline strategies to mitigate them.

In addition to the diagnostic research conducted with the traditional communities, a physical meeting was convened at the Carauari City Council, involving council members and local residents. Throughout this session, stakeholders deliberated on pivotal aspects that should be taken into account during the formulation of the Mejuruá project. The overarching objective was to ensure that the proposed activities don't adversely affect the practices of the communities inhabiting the property and its vicinity. Within the spectrum of topics explored, the emphasis was on the imperative to engage associations and riverside communities in the developmental trajectory of the project, recognizing the paramount importance of sustainable management of açai and other non-timber products for fostering local resources. Moreover, discussions encompassed elements like the economic empowerment of associations operating in the region and the matter of providing land to families dwelling within BR ARBO's property.

The diagnostic survey outcomes and meeting insights were analyzed by project implementers for integration into the overarching strategy. Detailed information on social activities throughout the project can be found in item 2.1.8 of CCB PD. These planned activities aim to substantially enhance the community's quality of life, with all associated expenses covered by the project's sponsor.

Throughout the project, additional interactions will be facilitated to keep stakeholders informed and gather their input. The BR ARBO website (<https://www.brarbo.com.br/>) provides a comprehensive report regularly updated for accuracy and relevance. Stakeholders are encouraged to share thoughts on the Mejuruá project via email at contato@brarbo.com.br. All feedback will be carefully reviewed for potential integration into the project or addressing potential conflicts.

2.2.5 Information to Stakeholder on Verification Process (G3.3)

The Mejurua Project was presented to stakeholders during the development of the VCS standard, as stated in the Project Description document: CCB. To keep stakeholders informed, subsequent initiatives were implemented. On November 3, 2023, an informative bulletin was published on the BR ARBO website, detailing the CCB audit process, including procedures for public comments, validation, and verification. During this period, posters with the CCB audit statement were posted in public places such as: Carauari city hall headquarters, Carauari city council and public and private bodies with large circulation of people.

Additionally, on November 10, 2023, emails containing this information were sent to the following public agencies, entities, and private associations:

- SEMA – State Secretariat of the Environment;
- IPAAM – Amazonas Institute of Environmental Protection;
- Municipal Government of Carauari;
- Vice-Mayor of Carauari;
- ICMBio – Chico Mendes Institute for Biodiversity Conservation – Carauari Region;
- CR FUNAI – National Indian Foundation – Alto Solimões – Carauari jurisdiction;
- Municipal Government of Juruá;
- Municipal Government of Jutai;
- City Council of Jutai;
- Carauari Rural Workers Union.

In addition to the following community associations:

- ASPROC – Association of Producers of Carauari;
- AMAB – Association of Agroextractivist Residents of the Lower Middle Juruá – Mrs. Fernanda Moraes;
- AMECSARA – Association of Extrativist Residents of São Raimundo Community – Mr. Raimundo Nonato Lima;
- ASMAMJ – Association of Agroextractivist Women of the Middle Juruá – Mrs. Rosângela Lima de Cunha;
- ASMOBRI – Association of Residents of Lower Riozinho – Mr. Josimar Pereira;
- JCris Ambiental – Environmental Consulting Company;
- Mr. Diego Guimarães da Silva – employee of the Rural Production Secretariat of Carauari.

Furthermore, in the period from November 17th to 15th, 2023, in an interview carried out with communities located on the banks of Baixo Juruá and Riozinho, information was presented about the CCB audit process.

2.2.6 Site Visit Information and Opportunities to Communicate with Auditor (G3.3)

Upon confirmation of the VVB visit date, the project proponent will proactively apprise the communities and other stakeholders of the forthcoming in-person audit process. This communication will be disseminated via email to the institutions involved. Additionally, for communities lacking internet access, personal visits will be conducted to clearly articulate the

purpose and objectives of the auditor's visit, fostering effective engagement and understanding. Communication between the auditor and the communities on the day of the audit will be facilitated with the assistance of an independent third party, capable of translating information between both parties if the selected VVB does not speak the native language.

Information about the CCB audit process was provided to stakeholders through different channels, as described in item 2.2.5.

2.2.7 Stakeholder Consultation (G3.4)

During consultations with various stakeholders, due respect was given to local customs, values, institutions, and High Conservation Values. The project proponent enlisted the expertise of JCris Ambiental - ME, a specialized team in Socio-Environmental Diagnosis, to conduct interviews from December 2022 to January 2023. These interviews involved the Riozinho communities within BR ARBO's property boundaries and nine other surrounding communities.

JCris Ambiental initially introduced the Forestry Conservation Project of BR ARBO to these communities, elucidating its goals, such as environmental benefits, forest preservation to mitigate global warming, maintaining water systems, and supporting the local community's diverse needs. Following this introduction, interviews were conducted to identify the primary improvement demands expressed by the communities. These demands were then integrated into the ongoing social project within the Mejuruá project. Tables 5 and 6 show the diagnosis of the Riozinho communities and the communities located around the property

Table 5: Diagnosis of people living on the banks of Riozinho stream.

Essential service	
Electricity	Does not have
Potable water	Does not have
Domestic sewage	Does not have
Internet access	Does not have
Communication: Telephony/Radiophone	Does not have
Health care	Municipal headquarters

Table 6: Diagnosis of communities living out of town and out of the property.

Characteristics	Essential services								
	Vila Nova	Reforma	Lago Serrado	Ressaca	Santa Cruz	Concórdia	Marapatá	São João	Bacaba
Electricity	Yes	Partially	Yes	Yes	Partially	Yes	Partially	Partially	Yes
Potable water	Yes	No	Yes	No	No	Yes	No	No	Yes
Sewage	No	No	No	No	No	No	No	No	No
Internet access	No	No	No	No	No	No	No	No	No
Health care	Municipal headquarters	Municipal headquarters	City hall rescue	City hall rescue	Municipal headquarters	City hall rescue	Municipal headquarters	Municipal headquarters	City hall rescue

As part of the consultations, the interview process encompassed the participatory identification of ecosystem services crucial for the communities and the acknowledgment of high conservation values. Residents were asked to share insights into their livelihoods, with many emphasizing the utilization of forest resources and fishing.

In November 2023, a comprehensive socio-environmental assessment was undertaken involving traditional communities residing in the interior and vicinity of Gleba Santa Rosa do Tenquê (refer to section 2.2.3). The primary objective was to diagnose the impacts resulting from the drought phenomenon in the region and assess the Mejuruá project's potential to mitigate these effects through the activities designed (see Figure 5).



Figure 5: Socio-environmental assessment in the Riozinho area.

Furthermore, the project proponent conducted email correspondence and organized meetings with government agents, NGOs, and the population of Carauari to introduce the project and actively incorporate their valuable suggestions into the project design (Figure 6). Several requests made by the representatives were noted to be met during the development and implementation processes of the project, to improve the social actions to be carried out.

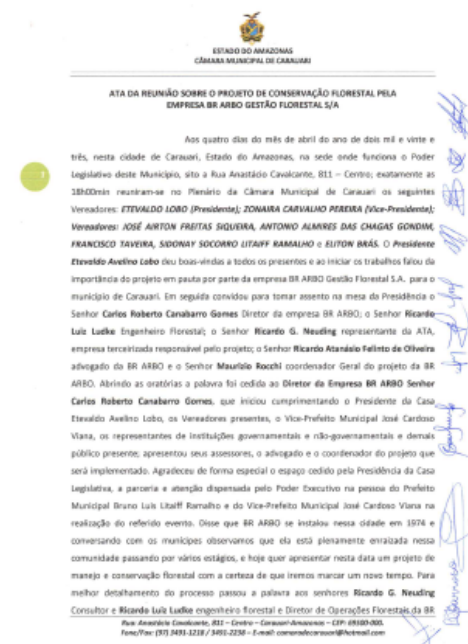


Figure 6: Art of the minutes of the meeting held at Carauari City Hall.

Evidence of these interactions is documented and available in the project's data room.

2.2.8 Continued Consultation and Adaptive Management (G3.4)

Throughout this first monitoring period, regular communication and consultation regarding the project have been maintained through periodic email updates, local meetings with isolated communities, face-to-face interactions with public bodies and private institutions, and through informative newsletters available on the BR ARBO website. The following table outlines the planning for stakeholder engagement and provides a chronological record of achievements.

Table 7: Stakeholder Engagement Plan and History.

Engagement action	Stakeholders engaged	Frequency	History
Project Newsletter, virtual and flyers	All	Quarterly	Three publications on the company's website in 2023 (https://www.brarbo.com.br/)

			• Forest conservation project • Carbon project audit • CCB audit
Public open audiences	General public, Community leaders, etc.	1 year	1 event executed on April 4, 2023
Presential meetings with auth authorities and Communities leaders	Governor, Mayor, city counselors, etc.	2 years	1 round executed on April 3, 2023
Direct communication through email	Pertinent entities, Community leaders, etc.	6 months	2 rounds executed in March and November 2023
Project Website Info	General Public	Permanent	In place
Feedback e-mail address	All	Permanent	In place
Interviews with communities (household level)	Communities in Project Zone	1 year	2 rounds executed in December 2022/January 2023 and November 2023
Presential access point at premises	All	Permanent	To be implemented
Open day events at the premises	All	1 year	To be implemented

All suggestions received during these interactions have been forwarded to the responsible department for thorough examination and discussion, ensuring their potential inclusion in the project's development. This commitment underscores the pivotal role of community input in shaping the outcomes and benefits of the project. For instance, in November 2023, a new round of interviews was conducted with the communities surrounding the Santa Rosa do Tenquê Glebe during a period of intense drought. The objective was to comprehend the impacts faced by these communities due to the phenomenon and devise strategies to mitigate these effects. This approach serves as a means of delving into the project's progression, while also gleaning insights from

community feedback to identify adaptive measures that can enhance the execution of project activities.

2.2.9 Stakeholder Consultation Channels (G3.5)

The consultation and communication process involved multiple strategies to engage various stakeholders. Firstly, formal letters and emails were sent to institutional stakeholders, providing comprehensive information about the project and directing them to the BR ARBO website for further details. These stakeholders were also invited to contribute their valuable insights and comments.

Secondly, public meetings were conducted, bringing together the local population of Carauari, elected representatives, the Speaker of the House, and the deputy mayor holding office in the municipal government. These meetings facilitated an ongoing dialogue on the project, its impacts, and social aspects, ensuring that the interests of the local population were adequately represented. During the meeting, the project owners and developers seized the opportunity to provide a comprehensive explanation of the project, offering the audience a tangible copy of the complete project report that detailed its various aspects (Section 2.2.3).

Additionally, interviews were conducted directly with members of community including heads of families, farmers, fishermen, domestic workers, and retirees to present the Mejuruá project and understand their specific demands. An informative leaflet was utilized during these interviews to enhance the participants' comprehension of the project's objectives (Section 2.2.3).

All attendees of the meetings and interviews acknowledged their presence by signing a participation list. These diverse channels of consultation and communication enabled the project to actively engage with stakeholders, promoting transparency, participation, and mutual understanding. The evidence of these valuable interactions is diligently preserved in the project's data room.

Furthermore, the BR ARBO website (<https://www.brarbo.com.br/>) offers a comprehensive and detailed report about the project. This report is consistently updated to ensure its information remains up-to-date and pertinent.

2.2.10 Stakeholder Participation in Decision-Making and Implementation (G3.6)

To promote inclusive community participation with due regard for cultural sensitivities and gender considerations, the community engagement process was structured to guarantee a comprehensive understanding of the project by all community members (refer to Figure 7). To achieve this, supplementary materials, including a project summary, were utilized to enhance overall project comprehension.



Figure 7: Presentation of the Mejuruá project carried out with communities.

Furthermore, during interviews with the communities, specific questions were tailored exclusively for women, to comprehend the demands for enhancing their quality of life. This approach seeks to generate positive impacts for both women and their families. Figure 8 presents the demands highlighted by them.

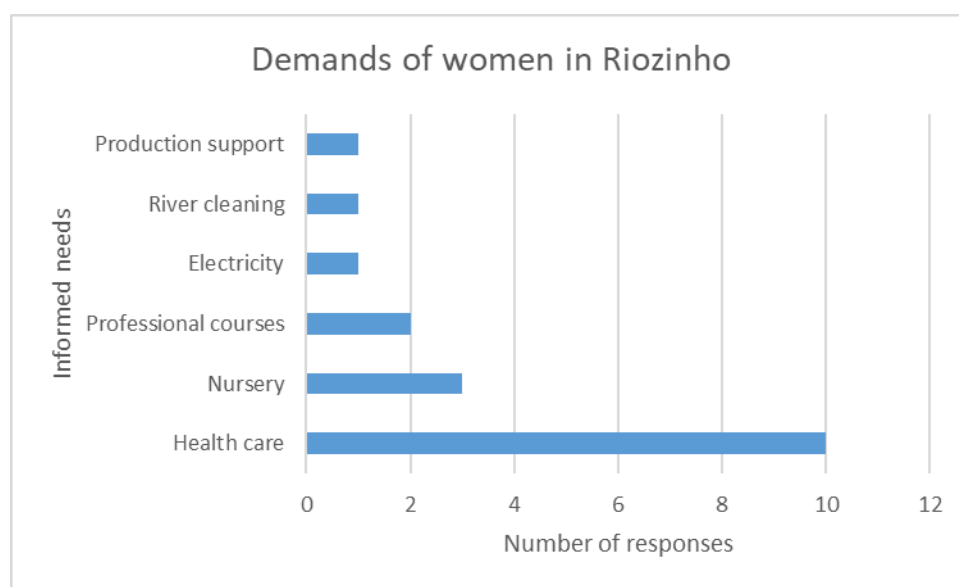


Figure 8: Demands from women in the Riozinho community.

Various engagement initiatives, such as meetings, interviews, emails, website resources, and the distribution of informational materials, have been employed to keep stakeholders informed about the ongoing progress of the Mejuruá project. Stakeholders are actively encouraged to offer suggestions for improvement or adaptation as the project unfolds. Moreover, specialized workshops will be arranged for specific groups to introduce project activities and gather feedback for effective implementation.

The primary objective is to ensure widespread community involvement by providing regular updates to all members, including both men and women as their representatives. This inclusive approach aims to foster a collaborative environment, valuing local insights and feedback. Such a dynamic

not only ensures transparency but also fortifies the project's foundation, enabling it to better align with the diverse needs and aspirations of the communities it serves.

2.2.11 Anti-Discrimination Assurance (G3.7)

BR ARBO keeps a Conduct Code which includes the ruling of anti-discrimination, among several relevant points like inclusive labor hiring, anti-corruption guidelines, and others. These guidelines apply to all stakeholders associated with BR ARBO, including executives, staff, contractors, suppliers, service providers, customers, and anyone else with whom we engage. This document is readily accessible to auditors in the project data room.

The summary of the document follows:

BR ARBO GESTÃO FLORESTAL S/A - CODE OF CONDUCT

1. Introduction
2. Vision, Mission, and Values
 - a. Vision
 - b. Mission
 - c. Values
 - Sustainability
 - Environment
 - Community
 - Biodiversity
 - Ethic
 - Security
 - Value Sharing
3. Work Environment
 - a. Legality and transparency
 - b. Human rights
 - c. Healthy and constructive relationships
 - d. Company Representation
 - e. Respect and inclusion - nondiscrimination
 - f. Relationship with suppliers and service providers
 - g. Relationship with customers
 - h. Use and protection of company's assets
 - i. Anti-Corruption
4. Ethics
 - a. Ethics
 - b. Reporting Channel
 - c. Consequences of violations
5. Internal Work Regulations

The code stipulates that any employee or administrator violating the principles outlined in the Code of Conduct, as well as other company policies and standards, is subject to the disciplinary

measures listed below. These measures will be applied following local laws and the severity of the violation:

- Training
- Oral warning
- Written warning
- Suspension
- Dismissal
- Other legal measures

2.2.12 Grievances (G3.8)

The Mejurua project has not received any grievances during this first monitoring period.

2.2.13 Worker Training (G3.9)

The Mejurua Project encompasses a comprehensive range of activities, including the execution of a Forest Biomass Inventory, Aerial Monitoring, Surveillance and Patrolling, Wildfire Prevention, Biodiversity Protection, Sustainable Forest Management, Industrial Operations, and Social Initiatives. This initiative is expected to generate approximately 340 permanent positions and an additional 96 jobs on a rotational basis.

The forest biomass inventory took place between January and April 2023. Before conducting the field operation, the teams were formed and oriented about the tasks of identifying, numbering, measuring, and accounting for the trees present in the plots. The training also included the measures of establishing the plots, the insertion of the landmarks to delimit the plots, and the correct measurement and location to be established for each plot. They were also trained in separating the plots into the two phytofisiognomies identified, that is, lowland and upperland forests. Despite the workers being skilled in working in the Amazon Forest, they were also trained on the use of protection equipment, such as gaiters, helmets, glasses, etc.

Beginning in the third quarter of 2024, a series of targeted training programs are set to be launched, covering areas such as fire management, forest management, local or internal patrols, and the development of sustainable açai production for local communities. These programs will be led by seasoned professionals in each field, ensuring a curriculum that covers technical know-how and emphasizes safety protocols. Successful completion of these training modules will equip both workers and individuals from the beneficiary communities with the necessary expertise to assume the roles offered by the project. This skill enhancement is poised to broaden their employability, opening new avenues in the job market and fostering personal and community development.

2.2.14 Community Employment Opportunities (G3.10)

The Mejurua project aims to hire the majority of its employees from the city of Carauari and its surrounding settlements for activities related to forest management, sawmill operations, thermoelectric generation, and area monitoring. Given the poor socio-economic conditions of the municipality of Carauari, which according to IBGE, 2010 ranks at 5.209 out of the 5.570 Brazilian municipalities in terms of the Municipal Human Development Index, at the beginning of the project, some jobs requiring technical skills or experience in upper management will have to be sourced

from larger cities, such as Manaus. The aim, however, is to employ as many local people as possible, giving preference to residents of Carauari. In that sense, people from the communities will be given an equal opportunity to fill all work positions (including management) if the job requirements are met.

In any case, even if at first the Mejurua project may depend on the skills of people brought to the project from outside of the project zone, in the medium term the project expects to employ overwhelmingly locals. Forest management in the area is expected to begin in the second half of 2025. The training efforts described above will play a significant role in permitting locals to be employed by the project. These trainings are scheduled to begin in the third quarter of 2024. The Mejurua project hopes thus to contribute to the improvement of local skills allowing for other future jobs, with the need for similar skills to take advantage of the training efforts conducted by the Mejurua project.

2.2.15 Relevant Laws and Regulations Related to Worker's Rights (G3.11)

For all project-related activities, the proponent commits to strictly adhere to all pertinent Brazilian laws and regulations concerning workers' rights. Moreover, during the hiring process, it is ensured that all workers are adequately informed about their rights as established in Brazilian labor legislation.

Below is a list of relevant Brazilian laws and regulations that apply to workers' rights:

- Decree-Law No. 5,452 of May 1, 1943¹⁴: Approves the Consolidation of Labor Laws (CLT).
- Law No. 605 of January 5, 1949¹⁵: Provides for paid weekly rest and salary payment on civil and religious holidays.
- Law No. 4,090 of July 13, 1962¹⁶: Establishes the Christmas bonus for workers.
- Law No. 4,725 of July 13, 1965¹⁷: Establishes norms for collective dispute processes and other provisions. – Real salary. Readjustment. Salary policy.
- Law No. 4,903 of December 16, 1965¹⁸: Amends Article 2 and Paragraph 1 of Article 6 of Law 4,725/1965, which establishes norms for the collective dispute process, and other provisions
- Decree-Law No. 15 of July 29, 1966¹⁹: Establishes norms and criteria for the standardization of salary adjustments, and other provisions
- Decree-Law No. 17 of August 22, 1966²⁰: Introduces changes in the mentioned provisions of Decree-Law 15 of July 29, 1966.
- Decree-Law No. 368 of December 19, 1968²¹: Provides for the effects of salary debts, and other provisions.

¹⁴ Source: https://www.planalto.gov.br/ccivil_03/decreto-lei/del5452.htm

¹⁵ Source: https://www.planalto.gov.br/ccivil_03/leis/l0605.htm

¹⁶ Source: https://www.planalto.gov.br/ccivil_03/leis/l0605.htm

¹⁷ Source: https://www.planalto.gov.br/ccivil_03/leis/1950-1969/l4725.htm

¹⁸ Source: https://www.planalto.gov.br/ccivil_03/leis/1950-1969/l4903.htm

¹⁹ Source: https://www.planalto.gov.br/ccivil_03/decreto-lei/1965-1988/del0015.htm

²⁰ Source: https://www.planalto.gov.br/ccivil_03/decreto-lei/1965-1988/del0017.htm

²¹ Source: https://www.planalto.gov.br/ccivil_03/decreto-lei/del0368.htm

- Law No. 5,889 of June 8, 1973²²: Establishes regulatory norms for rural work and other provisions.
- Article 7, Chapter 2 of the Federal Constitution of 1988²³: Defines the rights of urban and rural workers, among others aimed at improving their social condition.
- Law No. 13,467 of July 13, 2017²⁴: Amends the Consolidation of Labor Laws (CLT), approved by Decree-Law No. 5,452/1943, and Laws No. 6,019/1974, 8,036/1990, and 8,212/1991, to adapt the legislation to new labor relations.

2.2.16 Occupational Safety Assessment (G3.12)

In the implementation of the Mejurua Project, assessing and mitigating risks to worker safety are priorities. An analysis identified substantial risks in areas such as equipment operation, construction, handling of cleaning products, fieldwork, and administrative activities. Primary risks identified include physical, chemical, ergonomic, and accident-related risks, varying according to the worker's role.

To minimize such risks, several strategies have been implemented:

- Communication and Awareness: Ongoing dialogue with workers informs them about the risks associated with their roles. This includes awareness sessions related to workplace safety.
- Specific Training: Each worker receives specific training for their role, focusing on safe practices and correct handling of equipment and materials.
- Use of Personal Protective Equipment (PPE): The use of appropriate PPE for each activity is strongly encouraged. Regular guidance is provided on the correct use of PPE, such as boots, helmets, leg guards, goggles, and gloves, which are essential for protection in various activities.
- Standard Operating Procedures (SOP): For specific activities like forest inventory, SOPs have been developed detailing the safety procedures to be followed in the field. These documents include necessary PPE lists and are crucial to ensure safety during specific tasks.

These measures aim to ensure a safe working environment and protect workers from potential risks associated with the project's execution. With these actions, the Mejurua Project demonstrates its commitment to the health and safety of its team, effectively minimizing workplace risks.

²² Source: https://www.planalto.gov.br/ccivil_03/leis/l5889.htm

²³ Source: https://www.planalto.gov.br/ccivil_03/constituicao/constituicao.htm

²⁴ Source: https://www.planalto.gov.br/ccivil_03/_ato2015-2018/2017/lei/l13467.htm

2.3 Management Capacity

2.3.1 Required Technical Skills (G4.2)

The technical team comprises experienced professionals in various fields of knowledge such as forestry engineering, biology, geography, geoprocessing analysis, and related areas. Carbon stock community and biodiversity monitoring and deforestation rates are conducted by the specialized team that analyzes current satellite data combined with ground surveillance team input for land use and cover assessment.

2.3.2 Management Team Experience (G4.2)

The Mejurua project management team is made up of highly qualified professionals for all actions, from project implementation to monitoring, bringing together workers from different areas of knowledge for the development and execution of the project.

BR Arbo Forest Management

BR ARBO's experience with forest conservation can be translated into numbers, over the 49 years it acquired the property, Gleba Santa Rosa do Tenquê in November 1974. The company maintains more than 99.97% of its area intact with native forests. This was due to the implementation of small and medium-sized productive projects capable of ensuring ownership of the land and its forests, such as Heveiculture, Swine Farming, Poultry Farming and a single sawmill, now discontinued, as well as a small Livestock Farm and a Sustainable Forest Management Project. This set of small activities, intermittent and staggered over time, were able to promote the company's permanence and care for its forests.

In addition to this, there is the maintenance of a minimum staff, involved in the maintenance of the property and its forests, on an ongoing basis since its acquisition. Added to this, over the last two decades, there has been permanent communication between the company and the community through the region's main radio station about the location of the limits of its forest and the prohibition of practices that are harmful to the environment, such as deforestation, for example.

The company's experience with Sustainable Forest Management dates back to more than two decades, when in 2000 it had a forest management project approved and implemented, including at the time EIA/RIMA and promotion of public hearings were required. In 2016, the project received the FSC green seal.

Closer interaction with adjacent communities and residents who use non-timber extractive natural resources (açaí harvesting and rubber tree latex) had more visibility during the recent forest certification, which elected açaí as a HVC attribute - (High Value for Conservation) where he carried out a small diagnosis, and in a more vigorous way, but still on the rise and recent, when the decision was made to implement a carbon credit project. In view of the project, a succession of small diagnoses and dialogues with the users of its forests began to regularize them through lending and the establishment of partnership intentions with the Riozinho community for the industrialization of açaí pulp.

ATA Consultoria – Relevant Projects

ATA developed the Guide to good practices for carrying out REDD projects in Brazil, launched in Glasgow during COP26 by the NBS Brazil Alliance. This organization is composed by the most relevant project developers in Brazil and the Guide produced by ATA serves as an important reference for high quality projects.

ATA supported the development of guidelines for Fundo Vale conservation and reforestation projects. These guidelines will help Vale, one of Brazil's largest companies, in establishing their ambition of conserving over 400.000 hectares of forests and reforest over 100.000 hectares of degraded land. ATA structured the Action Plan to mitigate risks for the Headwaters of the Pantanal together with WWF. This project served as basis for WWF's engagement in the protection of water resources in the Pantanal region.

Plant Inteligência Ambiental –Relevant projects

- Florestal Santa Maria/BUNGE – REDD - Project development: 2009-2012

Conception and development of a REDD project in the State of Mato Grosso. The property size is 71,000 hectares, avoiding approximately 30 million tons of CO2 emissions. The project has been validated by Rainforest Alliance and Imaflorea, registered with VCS (Verified Carbon Standard), and has a purchase agreement with Bunge Environmental Markets (ERPA) in place.

- The Coca Cola Company

Brazilian Tropical Forest and Water Program, Coca-Cola Brazil Institute. Reforestation of degraded areas to protect watersheds, involving the community in the preservation of natural areas, and generating employment and income for disadvantaged groups in the region. The project was designed to achieve reforestation efforts for watershed protection and a significant amount of CO2 sequestration, following approved methodologies under the Clean Development Mechanism of the Kyoto Protocol. This project has become Coca-Cola's contribution to the Clinton Global Initiative.

- Amazon 4.0 Project

Development of studies on (i) non-timber forest products within economic activities in the Amazon Forest, aimed at understanding options and opportunities for entrepreneurial communities and alignment with the value chain of sustainable forest use; (ii) Entrepreneurship with genomics and the feasibility of using different techniques and technologies associated with genomic knowledge of plants, animals, and microorganisms in the Amazon.

- INDIA: in partnership with ProNatura (France)

Client: EADS (Airbus and SpotImage Corporation)

Project Green Hands is an initiative in India that restores areas affected by the tsunami and communities in eastern India, as well as the interior regions of the Coimbatore and Puducherry provinces. Our team conducted an assessment of the forest situation and community evaluation in collaboration with the Auroville Forestry Division, contributing to activities that enhance access to MDL (Market Development Loan) markets and environmental services. (www.pronatura.org.br)

- Citrosuco - Fischer Group

Orange exporters are required by clients to report Greenhouse Gas emissions throughout the product chain, demonstrating the carbon footprint of each stage for future emission reduction considerations. Based on the company's needs, an Environmental Master Plan was produced, encompassing climate change, emissions reduction, and social and environmental policies. This project was developed between 2007-2010.

2.3.3 Project Management Partnerships/Team Development (G4.2)

The support from PriceWaterhouseCoopers (PwC) and Green Horse Advisory has been essential to assist with the documentary and financial aspects of the project, providing support for field activities and decision-making meetings as well.

2.3.4 Financial Health of Implementing Organization(s) (G4.3)

The financial information related to BR ARBO is commercially sensitive in nature. It can be shared with relevant stakeholders upon signing a confidentiality agreement. Additionally, this information will be accessible for audit purposes.

2.3.5 Avoidance of Corruption and Other Unethical Behavior (G4.3)

BR ARBO Forest Management has no history of corruption or any unethical behavior. It is committed to conducting its business in a transparent, professional, ethical, and mutually respectful manner, as outlined in its corporate Code of Conduct. All legal information about the company is available for audit, if necessary.

2.3.6 Commercially Sensitive Information (Rules 3.5.13 – 3.5.14)

The financial health information of BR ARBO, such as balance sheets, bank statements, and managerial financial statements, has been excluded from the public version of the monitoring report (Item 2.3.4) due to its commercially sensitive nature. However, it is available for sharing with any relevant interested party upon the signing of a confidentiality agreement. These pieces of information are also accessible to auditors upon request.

2.4 Legal Status and Property Rights

2.4.1 Recognition of Property Rights (G5.1)

A survey of the area was conducted, including common use, conservation, and indigenous areas, as well as areas inhabited by residents of rural communities in Carauari. In this way, local needs were analyzed, and one of the ongoing projects, "Anjos da Floresta" (Forest Angels), aims to legalize these areas, providing support and access to the forest for these families. The property rights and the legality of the project's ownership comply with national law, and the processes for legalizing the community-use areas are currently underway.

2.4.2 Free, Prior and Informed Consent (G5.2)

A public session took place on April 4, 2023, at the Plenary of the Municipal Chamber of Carauari, in the Amazonas region. Notable figures attended the session, including the President and Vice-President of the Chamber, several council members, the Mayor and Vice-Mayor of the city, prominent local representatives, and representatives from BR ARBO. The Governor of the State of Amazonas was also interviewed for decision-making. Further information about this meeting can be found in section 2.3, Stakeholder Consultation, specifically in sections 2.3.3 and 2.3.7 of the PD document. In relation to the Forest Angels Program, meetings and agreements were held with residents to move forward with land regularization and forest protection. A comprehensive documentation containing information and consent from the local community can be made available in its entirety upon request.

2.4.3 Property Right Protection (G5.3)

The project was designed to honor the designated areas of traditional communal use, a commitment underscored by the clearly defined boundaries of the project area. There has been, and there will be, no relocation of any community, and they will remain in their current locations throughout the project execution process. The understanding of the community and its needs is analyzed through on-site interviews, and changes in the territory can be assessed through satellite images and ground surveillance.

2.4.4 Identification of Illegal Activity (G5.4)

Illegal activities that may affect the climate, community, and biodiversity, including illegal deforestation on the property, in the project area, and along the riverbanks in the project's influence zone, are under constant monitoring. This surveillance is conducted through remote analysis, using a Geographic Information System (GIS) platform that integrates tools such as Deter, Prodes, MapBiomass, and other satellite images, allowing for the detection of changes and a swift response to preserve the region. Additionally, continuous patrols, conducted with the aid of horses and boats, strengthen on-site monitoring.

In parallel, the Forest Angels Program is implementing measures to assist with the land regularization of properties in the surrounding area and within the project. This program aims to allocate land to support and protect the local communities established in the region and actively involve them in forest conservation efforts.

2.4.5 Ongoing Disputes (G5.5)

Settlers were identified in the property area, mainly on the banks of the river. Despite the absence of formal property rights, BRARbo has always accepted its presence on the property. These settlers are mostly part of communities already identified and considered in this document. Recognizing the need for a resolution to this situation of ownership of riverside residents, the "Anjos da Floresta Program" was created, which is a comprehensive land regularization plan that is already underway, carrying out contracts and agreements with interested parties who will benefit with the program and subsequently with the regularization of your property.

2.4.6 National and Local Laws (G5.6)

Since the last project validation, there have been no changes to national and local laws and regulations in the country. Below are the relevant legislations for the project:

Law No. 5,889, of June 8, 1973²⁵: Establishes regulatory norms for rural labor and other provisions.

Law No. 13,467, of July 13, 2017²⁶: Amends the Consolidation of Labor Laws (CLT), initially approved by Decree-Law No. 5,452, of May 1, 1943, to adapt to the new developments in labor relations.

These legislations are crucial for recruiting personnel involved in various project activities, including forest management, sawmill operation, and the implementation of the thermoelectric plant.

Article 225 of the Brazilian Federal Constitution of 1988²⁷: Establishes the right to an ecologically balanced environment, with responsibilities assigned to the Public Power and the community for its defense and preservation for present and future generations.

Law No. 6,938, of August 31, 1981²⁸: Governs the National Environmental Policy.

The project proponent ensures compliance with subparagraphs I and III of Article 225 of the Federal Constitution, addressing the preservation and protection of the ecosystem. The project emphasizes its role in promoting the conservation and restoration of crucial ecological processes, in line with the National Environmental Policy, which aims to conserve, value, and restore environmental quality conducive to life.

Law No. 12,651, of May 25, 2012²⁹: Deals with the protection of native vegetation, known as the New Brazilian Forest Code. It defines conservation forest categories and stipulates the maximum extent of transformable native vegetation for economic purposes on private properties. The project maintains 80% of forest coverage as a legal reserve, in accordance with the Amazon, verified through georeferencing and records in the Rural Environmental Registry.

Law No. 12,187, of December 29, 2009³⁰: Establishes the National Policy on Climate Change (PNMC). The REDD+ project complies with the voluntary target of reducing greenhouse gas emissions, a key element of the PNMC.

Law No. 14,119, of January 13, 2021³¹: Establishes the National Policy for Payment for Environmental Services (PNPSA). The project adheres to the concepts, objectives, guidelines, actions, and criteria of the PNPSA, facilitating the conservation of areas with native vegetation subject to conversion for alternative economic uses.

²⁵ Source: https://www.planalto.gov.br/ccivil_03/leis/l5889.htm

²⁶ Source: https://www.planalto.gov.br/ccivil_03/_ato2015-2018/2017/lei/l13467.htm

²⁷ Source: https://www.planalto.gov.br/ccivil_03/constituicao/constituicao.htm

²⁸ Source: https://www.planalto.gov.br/ccivil_03/leis/l6938.htm

²⁹ Source: https://www.planalto.gov.br/ccivil_03/_ato2011-2014/2012/lei/l12651.htm

³⁰ Source: https://www.planalto.gov.br/ccivil_03/_ato2007-2010/2009/lei/l12187.htm

³¹ Source: https://www.planalto.gov.br/ccivil_03/_ato2019-2022/2021/lei/l14119.htm

Ordinance No. 288, of July 2, 2020³²: Establishes the National Program for Payments for Environmental Services - Floresta+, under the Ministry of the Environment.

Resolution No. 03, of July 22, 2020³³: Recognizes the voluntary forest carbon market. The project's efforts align with the voluntary REDD+ market approach, in accordance with the mentioned legislations (Ordinance No. 288/2020 and Resolution No. 03/2020).

A crucial aspect is the incorporation of the Free, Prior, and Informed Consent (FPIC) approach³⁴, a policy of the Food and Agriculture Organization of the United Nations (FAO) regarding Indigenous Peoples, aligned with the United Nations (UN). This approach allows Indigenous communities to be consulted on projects that impact their territories, and they have been actively involved since the inception of the project.

2.4.7 Project Benefit Crediting (G5.9)

Not applicable. The Mejuruá project is not registered in any other emissions trading program or programs with binding limits. Additionally, it has not sought nor received other forms of social or environmental credit. The project is also not involved in any other greenhouse gas (GHG) related programs, except in the VCS and CCB with Verra.

3 CLIMATE

3.1 Net Positive Climate Impacts

3.1.1 Net Impact (CL2.2, CL3.1, CL3.3)

A Net GHG emissions reduction estimates are based in equation 2 from VM0007 v1.6:

$$NER_{REDD} = \Delta C_{BSL-REDD} - \Delta C_{WPS-REDD} - \Delta C_{LK-REDD}$$

- Where:
- NER_{REDD} - Total net GHG emission reductions of the REDD project activity up to year t^* (t CO₂e)
- $\Delta C_{BSL-REDD}$ - Net GHG emissions in the REDD baseline scenario up to year t^* (t CO₂e)
- $\Delta C_{WPS-REDD}$ - Net GHG emissions in the REDD project scenario up to year t^* – from Module MREDD (t CO₂e)
- $\Delta C_{LK-REDD}$ - Net GHG emissions due to leakage from the REDD project activity up to year t^* (t CO₂e)

Table 8 shows the results of total net GHG emissions reductions of the REDD project activity of the Mejuruá project:

³² Source: <https://www.in.gov.br/en/web/dou/-/portaria-n-288-de-2>

³³ Source: <http://redd.mma.gov.br/pt/resolucoes-da-conaredd>

³⁴ Source: <https://www.fao.org/indigenous-peoples/our-pillars/fpic/en/>

Table 8: Total net GHG emissions reductions of the REDD project activity.

Year	Estimated baseline emissions or removals (tCO ₂ e) ΔCBSL- REDD	Estimated project emissions or removals (tCO ₂ e) ΔCWPS- REDD	Estimated Leakage emissions (tCO ₂ e) ΔCLK-REDD	Estimated net GHG emission reductions or removals (tCO ₂ e) NERREDD
2021	2,090,496.95	0.00	159,582.57	1,930,914.38
2022	4,251,138.79	0.00	319,165.15	3,931,973.65
2023	4,391,428.56	0.00	319,165.15	4,072,263.41
2024	4,531,718.32	0.00	319,165.15	4,212,553.18
2025	4,672,008.09	475,774.37	230,963.86	3,965,269.86
2026	4,812,297.86	459,365.78	230,963.86	4,121,968.22
2027	4,952,587.62	442,957.19	230,963.86	4,278,666.58
2028	5,092,877.39	426,548.59	230,963.86	4,435,364.94
2029	5,233,167.15	410,140.00	230,963.86	4,592,063.30
2030	5,373,456.92	393,731.41	230,963.86	4,748,761.65
2031	5,448,442.46	377,322.82	230,963.86	4,840,155.78
2032	5,458,123.77	360,914.23	230,963.86	4,866,245.69
2033	5,467,805.08	344,505.63	230,963.86	4,892,335.59
2034	5,477,486.39	328,097.04	230,963.86	4,918,425.50
2035	5,487,167.70	311,688.45	230,963.86	4,944,515.40
2036	5,496,849.02	295,279.86	230,963.86	4,970,605.30
2037	5,506,530.33	278,871.27	230,963.86	4,996,695.21
2038	2,033,211.46	262,462.67	53,282.82	1,717,465.96
2039	1,228,029.87	246,054.08	0.00	981,975.79

2040	1,097,421.42	229,645.49	0.00	867,775.93
2041	961,972.31	213,236.90	0.00	748,735.41
2042	821,682.54	196,828.31	0.00	624,854.24
2043	681,392.78	180,419.71	0.00	500,973.06
2044	541,103.01	164,011.12	0.00	377,091.89
2045	400,813.25	147,602.53	0.00	253,210.72
2046	260,523.48	103,975.15	0.00	156,548.33
2047	120,233.71	-16,640.11	0.00	136,873.82
2048	88,748.05	-33,048.70	0.00	121,796.74
2049	79,066.73	-334,821.05	0.00	413,887.78
2050	69,385.42	-395,840.84	0.00	465,226.26
Total	92,127,166.44	5,869,081.89	4,172,890.97	82,085,193.58

Activity Shifting Leakage

Given the project scope, the total area of monitored deforestation caused by the baseline agent for planned deforestation, AdefLK,i,t, is always zero. This is because there are no forested areas within the lands managed by the identified deforestation agent that are legally allowed to be suppressed, regardless of the project boundary. Consequently, any greenhouse gas (GHG) emissions resulting from activity shifting to evade planned deforestation are assumed to be zero in both ex-ante and ex-post estimates.

Therefore, the newly calculated forest clearance by the baseline agent for planned deforestation, where no leakage is occurring, is simply the average number of hectares deforested per year across all concessions managed by the agent. The agent of deforestation, project owner, has no other managed land. The area has no forested wetlands within the project area. The agent of deforestation in this case has only one area predicted to this project and the proponent have the official request and the plan to deforest 20% of Santa Rosa do Tenquê property, in accordance with Brazilian Forest Code.

Market Effects Leakage

Since the baseline agent of deforestation does not engage in fuelwood or charcoal collection, market leakage is confined to the leakage resulting from reduced timber harvest.

Leakage caused by market effects equals the baseline emissions from logging multiplied by a leakage factor, and, if applicable, a leakage management factor (Equation 2 from VMD0011 v1.0).

$$LK_{MarketEffects,timber} = \sum_{i=1}^M (LF_{ME} * AL_{T,i})$$

Where:

- $LK_{MarketEffects,timber}$ - Total GHG emissions due to market- effects leakage through decreased timber harvest; t CO₂-e
- LF_{ME} - Leakage factor for market-effects calculations; dimensionless
- $AL_{T,i}$ - Summed emissions from timber harvest in stratum i in the baseline case potentially displaced through implementation of carbon project; t CO₂-e
- i - 1,2,3,...M strata

To calculate the leakage factor for market effects (LF_{ME}), we took into account the relationship between the average merchantable biomass as a percentage of the total aboveground tree biomass for each forest type (PMLFT) and the merchantable biomass as a percentage of the total aboveground tree biomass for stratum i within the project boundary (PMPi). The PMLFT was estimated based on available literature data. According to Homma (2011), out of the 45 billion m³ of Amazon wood stocks, approximately 14 billion m³ was considered marketable. Therefore, we adopted a PMLFT of 31% for the legal Amazon region. The LF_{ME} was adopted as 0.2, as the total tree biomass above ground is considered to be 40% lower in the project area when compared to the Amazon (PMLFT > 15% to PMPi).

Summed emissions from timber harvest potentially displaced through implementation of carbon project is estimated according to VMD0011 v1.0 (equation 3):

Where:

$$AL_{T,i} = \sum_{t=1}^t (C_{BSL,XBT,i,t})$$

- $AL_{T,i}$ - Summed emissions from timber harvest in stratum i in the baseline case potentially displaced through implementation of carbon project; t CO₂-e
- $C_{BSL,XBT,i,t}$ - Carbon emission due to displaced timber harvests in the baseline scenario in stratum i in time t; t CO₂-e
- i - 1, 2, 3, ...M strata
- t - 1, 2, 3, ... t* years elapsed since the projected start of the REDD project activity

Carbon emissions due to displaced timber harvests in the baseline scenario is calculated according to VMD0011 v1.0 equation 4:

$$C_{BSL,XBT,i,t} = ([V_{BSL,XE,i,t} * D_{mn} * CF] + [V_{BSL,XE,i,t} * LDF] + [V_{BSL,XE,i,t} * LIF]) * \frac{44}{12}$$

Where:

- CBSL,XBT,i,t - Carbon emission due to timber harvests in the baseline scenario in stratum i at time t; t CO₂-e
- VBSL,EX,i,t - Volume of timber projected to be extracted from within the project boundary during the baseline in stratum i at time t; m³
- Dmn - Mean wood density of commercially harvested species; t d.m.m⁻³. The value must be the same as that used in the module CP-W if this pool is included in the baseline.
- CF - Carbon fraction of biomass for commercially harvested species j; t C t d.m.⁻¹.
The value must be the same as that used in the module CP-W if this pool is included in the baseline.
- LDF - Logging damage factor; t C m⁻³ (default 0.53 t C m⁻³ for broadleaf and mixed forests; 0.25 t C m⁻³ for coniferous forests)
- LIF - Logging infrastructure factor; t C m⁻³ (default 0.29 t C m⁻³)
- i - 1, 2, 3, ... M strata
- t - 1, 2, 3, ... t* years elapsed since the projected start of the REDD project activity

Table 9 shows the results of net GHG emissions due to market-effects leakage of the Mejuruá project:

Table 9: Net GHG emissions due to market-effects leakage.

Year	CBSL,XBT,i,t	LKMarketEffects,Timber	ΔCLK-ME (tCO ₂ -e)
2021	797,912.86	159,582.57	159,582.57
2022	1,595,825.73	319,165.15	319,165.15
2023	1,595,825.73	319,165.15	319,165.15
2024	1,595,825.73	319,165.15	319,165.15
2025	1,154,819.28	230,963.86	230,963.86
2026	1,154,819.28	230,963.86	230,963.86
2027	1,154,819.28	230,963.86	230,963.86
2028	1,154,819.28	230,963.86	230,963.86
2029	1,154,819.28	230,963.86	230,963.86
2030	1,154,819.28	230,963.86	230,963.86

2031	1,154,819.28	230,963.86	230,963.86
2032	1,154,819.28	230,963.86	230,963.86
2033	1,154,819.28	230,963.86	230,963.86
2034	1,154,819.28	230,963.86	230,963.86
2035	1,154,819.28	230,963.86	230,963.86
2036	1,154,819.28	230,963.86	230,963.86
2037	1,154,819.28	230,963.86	230,963.86
2038	266,414.12	53,282.82	53,282.82
2039	0.00	0.00	0.00
2040	0.00	0.00	0.00
2041	0.00	0.00	0.00
2042	0.00	0.00	0.00
2043	0.00	0.00	0.00
2044	0.00	0.00	0.00
2045	0.00	0.00	0.00
2046	0.00	0.00	0.00
2047	0.00	0.00	0.00
2048	0.00	0.00	0.00
2049	0.00	0.00	0.00
2050	0.00	0.00	0.00
Total	20,864,454.85	4,172,890.97	4,172,890.97

3.2 Offsite Climate Impacts (Leakage)

3.2.1 Leakage Mitigation (CL3.2)

One way to mitigate market effects leakage can be achieved through the incorporation of FSC-certified sustainable management practices, as described in the project specifications. This will ensure the supply of certified wood and thus meet a portion of the market demand. BR ARBO is currently working on planning for the implementation of sustainable management in the project area.

3.3 Climate Impact Monitoring

3.3.1 Climate Impact Monitoring Results (CL4.1)

Based on the analysis carried out through the monitoring of the area via satellite images and the fire monitoring database (DETER/INPE/TerraBrasilis) and analyses of land use and cover (MapBiomas) for the period from August 2021 to August 2023, no significant changes were identified. In the 2021 annual analysis of land cover and use by MapBiomas, an area constituting 0.001% (24 hectares) of the total 130,000 hectares was identified as deforested and converted to pasture. In 2022, this figure increased slightly to 0.002% (43 hectares). The detected areas are those used seasonally by the residents of the Riozinho community for subsistence purposes. Satellite images obtained from the Planet platform for August 2021/2022/2023 were also evaluated in a comparative analysis for the same month over three consecutive years, where the changes in the forest cover of the property and project zone do not demonstrate significant apparent deforestation in the classification pixels. The data provided by the BD Queimadas program and MapBiomas Alert do not indicate areas of criminal fire and areas of burning for commercial use purposes.

3.3.2 Dissemination of Monitoring Plan and Results (CL4.2)

The monitoring results of the Mejurua Project are disseminated through reports posted on the VERRA website. Additionally, they are shared through various other channels, such as the BRARbo website, directly with community organizations and local authorities, and in public meetings held at the Carauari Chamber building. Any doubts and inquiries are also addressed through available channels, including the "Contact Us" channel on the website.

3.4 Optional Criterion: Climate Change Adaptation Benefits

3.4.1 Activities and/or Processes Implemented for Adaptation (GL1.3)

The main objectives of mitigating climate change, conserving biodiversity, and improving the well-being of local communities established in the Mejurua project have been developed throughout the project. These measures are based on a comprehensive Theory of Change (ToC), which describes the pathways through which project activities lead to specific products, outcomes, and impacts. Among the established measures, several activities have already been carried out.

Since 2012, the company has been running advertisements on the local radio station with the aim of discouraging deforestation and timber removal within the property.

Between December 2022 and January 2023, a comprehensive field survey involving communities around the Santa Rosa do Tenquê Estate and the Riozinho Community, located within the project area, was conducted to introduce the project and understand their aspirations. These interviews were conducted by a specialized team from JCris Ambiental-ME.

Since 2021 until the present moment (2024), BR ARBO employees have been conducting river incursions and horseback patrols on the property.

In June 2023, support was expressed to ASMOBRI to celebrate a "Fishing Agreement" with state authorities, aiming at the conservation of fishery resources and water bodies along the Riozinho. In June and July 2023, ten leasing agreements were concluded with users/residents, who committed not to expand existing deforestation in exchange for continued use of the areas through the 'Forest Angels' program.

An Agreement of Intent was established between BR ARBO and the Lower Riozinho Residents' Association (ASMOBRI) in September 2023 to negotiate land regularization and açaí management.

On December 19, 2023, the process of requesting price quotations began for analysis related to the installation of fire monitoring towers. Personnel selection for forest fire combat training is scheduled to begin in the third quarter of 2024.

In September 2023, BR ARBO and the Lower Riozinho Residents' Association (ASMOBRI) signed an Agreement of Intent covering collaboration in açaí cultivation management. On February 2, 2024, the Amazonas Environmental Protection Institute (IPAAM) approved the sustainable forest management plan for the BR ARBO property. Preparation for a biodiversity study of the project area is scheduled to begin in the third quarter of 2024.

In November 2023, a new questionnaire was administered to communities along the banks of the Lower Rio Juruá and Riozinho to assess the impacts of the drought phenomenon in the region in recent years. Implementation of drought mitigation measures is scheduled to begin in the fourth quarter of 2024.

3.4.2 Adaptation Monitoring (GL1.4)

To demonstrate how the project activities assist communities and/or biodiversity in adapting to the probable impacts of climate change, we can analyze various aspects of the initiatives outlined in the text:

1. Community Engagement: The project engages with local communities through comprehensive field surveys, interviews, and agreements with residents. By involving them in decision-making processes and understanding their aspirations, the project ensures that community needs and perspectives are considered in adaptation strategies.
2. Conservation Efforts: Initiatives such as the "Fishing Agreement" express support for conservation efforts regarding fishery resources and water bodies. By promoting sustainable fishing practices, the project aims to conserve biodiversity while also ensuring the livelihoods of local communities dependent on these resources.

3. Land Management: Agreements for land regularization and açai management demonstrate efforts to sustainably manage natural resources. This approach not only supports biodiversity conservation but also provides economic opportunities for communities reliant on forest products.

4. Fire Management: The project proponent will prepare a report to analyze the feasibility of implementing firebreaks and fire monitoring towers in the project area. These measures, along with personnel training for forest fire combat, indicate proactive steps to mitigate the risk of wildfires, which are becoming increasingly common due to climate change. Protecting forests from fires helps maintain ecosystem resilience and biodiversity.

5. Biodiversity Study: The planned biodiversity study of the project area indicates a commitment to understanding and conserving local ecosystems. By assessing biodiversity, the project can identify vulnerable species and habitats, informing targeted conservation efforts to enhance resilience to climate change impacts.

6. Drought Mitigation: The administration of questionnaires to assess the impacts of drought on communities demonstrates awareness of climate-related challenges. Scheduled implementation of drought mitigation measures indicates proactive steps to address these challenges, potentially reducing vulnerabilities and enhancing community resilience.

Evaluation of impacts by affected communities can be conducted through participatory methods such as surveys, focus group discussions, and consultations. Assessing community perceptions, needs, and experiences regarding project activities allows for a comprehensive understanding of how these initiatives contribute to adaptation efforts. Additionally, monitoring indicators such as changes in biodiversity, ecosystem health, and community well-being over time can provide insights into the effectiveness of adaptation strategies.

4 COMMUNITY

4.1 Net Positive Community Impacts

All expenses will be covered by the project proponent, and no costs will be charged to the communities. The project does not foresee any negative impacts and risks to the communities.

4.1.1 Community Impacts (CM2.1)

Table 10 describes the impacts on community groups resulting from project activities under the with-project scenario. The details regarding the types of benefits, costs, risks, and alterations in well-being are outlined in section 4.2.1 of CCB PD. The corresponding changes are elaborated upon in the monitoring segment of the table presented below.

Table 10: Community Impacts.

Community Group	Settlement Riozinho
-----------------	---------------------

Impact(s)	Offering jobs, digital inclusion, help with land regularization, support for health and education, access to electricity and training on sustainable practices & forest conservation
Monitoring	The benefits offered to the community are expected to occur in the following years, with negotiations beginning for assistance in land regularization through the "Forest Angels" program. Job offerings will commence with the management activities and, consequently, will bring improvements in subsistence and well-being. The impacts are positive and have a specific dimension, affecting the areas closest to the project region.

Community Group	Communities Vila Nova, Concórdia, Ressaca, São João, Lago Cerrado, Marapatá, Rasgado e Santa Rosa and the town of Carauari
Impact(s)	Wildfire reduction and prevention
Monitoring	The benefits offered to the community are expected to occur in the following years.

Community Group	Communities Vila Nova, Concórdia, Ressaca, São João, Lago Cerrado, Marapatá, Rasgado e Santa Rosa and Carauari City
Impact(s)	Improved water quality and access to water.
Monitoring	The benefits offered to the community are expected to occur in the following years as planned.

Community Group	Communities Vila Nova, Concórdia, Ressaca, São João, Lago Cerrado, Marapatá, Rasgado e Santa Rosa and Carauari City
Impact(s)	Capacity building and income generation through, training and employment.
Monitoring	The benefits offered to the community are expected to occur in the following years, with negotiations beginning for assistance in land regularization through the "Forest Angels" program. Job offerings will commence with the management activities and, consequently, will bring improvements in subsistence and well-being. The impacts are positive and have a specific dimension, affecting the areas closest to the project region.

Community Group	Communities Vila Nova, Concórdia, Ressaca, São João, Lago Cerrado, Marapatá, Rasgado e Santa Rosa and Carauari City
Impact(s)	Workshops and dialogues with women in the communities
Monitoring	The benefits offered to the community are expected to occur in the following years.

Community Group	Communities Vila Nova, Concórdia, Ressaca, São João, Lago Cerrado, Marapatá, Rasgado e Santa Rosa and Carauari City
Impact(s)	Workshops and talks about safety at work
Monitoring	The benefits offered to the community are expected to occur in the following years.

Community Group	Communities Vila Nova, Concórdia, Ressaca, São João, Lago Cerrado, Marapatá, Rasgado e Santa Rosa and Carauari City
Impact(s)	Program Forest Angels training
Monitoring	The benefits offered to the community are expected to occur in the following years as planned.

Community Group	Communities Vila Nova, Concórdia, Ressaca, São João, Lago Cerrado, Marapatá, Rasgado e Santa Rosa and Carauari City
Impact(s)	Improve of water resources
Monitoring	The benefits offered to the community are expected to occur in the following years according to the plan.

4.1.2 Negative Community Impact Mitigation (CM2.2)

To mitigate any potential negative impacts, especially related to land conflicts and illegal occupation, the "Forest Angels" Program has already been successfully implemented. Contracts have been signed with residents who have chosen to participate in the program and wish to regularize their properties. With regard to areas of high conservation value (HCV), they remain unchanged.

4.1.3 Net Positive Community Well-Being (CM2.3, GL1.4)

Concerning the positive net impacts on the overall well-being of all community groups, actions are progressing in accordance with the project timeline, and agreements have already been signed with local residents who have joined the proposed Forest Angels program to contribute to forest protection, training, and access to land titles. The project has conducted interviews with communities to understand their needs in the face of climate changes, such as the recent drought in the Amazon. In total, 109 residents, including men, women, youth, and the elderly, were interviewed in 10 communities located within and around the Santa Rosa do Tenquê Farm. The project is already preparing to assist these vulnerable families. Complete interviews with individuals affected by the drought can be requested as needed, and additional information is provided in section 2.2.3 of this document.

4.1.4 Protection of High Conservation Values (CM2.4)

The key areas of significance for communities in the project zone, High Conservation Value (HCV) zones, have not been modified or negatively influenced by the project. The primary areas, such as the forest as a means of subsistence, religious spaces, and access points mainly belonging to the city of Carauari, have not undergone any changes affected by the project.

4.2 Other Stakeholder Impacts

4.2.1 Mitigation of Negative Impacts on Other Stakeholders (CM3.2)

The project is designed to minimize any potential negative impacts on communities and other stakeholders. However, it is prepared to address and manage unforeseen challenges should they arise. Up to this point, there have been no reported issues or conflicts.

4.2.2 Net Impacts on Other Stakeholders (CM3.3)

The project is no longer deforesting the region, which would generate negative impacts, and is bringing beneficial solutions, such as sustainable management, which will generate work and income for the area, without significantly impacting the forest.

4.3 Community Impact Monitoring

4.3.1 Community Monitoring Plan (CM4.1, CM4.2, GL1.4, GL2.2, GL2.3, GL2.5)

In accordance with the Community Monitoring Plan established in the CCB, several activities have been implemented as part of our ongoing commitment to effective monitoring and community engagement. These activities are essential to ensure alignment with the plan's objectives and to guarantee the sustainability and positive impact of the project on local communities. The actions carried out are presented in table 11:

Table 11: Monitoring Plan Activities.

Indicator	General Activity	Period	Description of Activity
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Communication	Communication with Stakeholders	December 2022 and January 2023	The project was presented directly to the communities in meetings held during interviews at the locations.
		March 2023	Emails were sent to stakeholders, introducing the project and providing relevant details about it.
		June 2023	Information about the project's activities was published on the BR Arbo website.
		October and November 2023	Information about the project's audit process was also published on the BR Arbo website.
		November 2023	Documents containing information about the Mejuruá project were delivered to representatives of each community.
	Local Representative Feedback	December 2022 January 2023 November 2023	As of the current date, we have received information from the local representative regarding questions about the project exclusively during direct presentations to the communities. These interactions occurred during in-person interviews conducted at the locations and during visits to the communities for the delivery of documents with information about the Mejuruá project.
Digital Inclusion	Internet Access in Communities	December 2022 and January 2023	Interviews were conducted with families in 10 different communities to assess their internet access. After interviewing 89 families, it was found that none of them had internet access, highlighting a significant gap in digital connectivity in these communities.
Energy	Renewable Energy Project	June 2023	Project design initiated.
Agriculture and Extractivism	Production of Non-Timber Forest Products (NTFP) and Açaí	June and July 2023	Meetings were held with the board of ASMOBRI to formalize the signing of a lending contract. In this agreement, BR Arbo granted titles to rural producers, allowing the use of land for housing, agricultural exploitation, collection of forest products, and extractive activities. This initiative

			aims to strengthen sustainable practices and support local development.
		September 2023	An Agreement of Intent was formalized between BR Arbo and ASMOBRI, focusing on the sustainable production of native açaí. This agreement includes responsible exploitation, the installation of a pasteurization plant for product processing, and strategies for the export of açaí. The goal is to promote sustainable practices in production and commercialization, aligning economic activities with environmental preservation.
		2021 - Present	Monthly, BR ARBO employees conduct river and/or horseback patrols to monitor illegal deforestation activities on the property, fires and criminal fires, located along the Riozinho dos Lagos de Várzea River, accessible via the Juruá River. In 2023, monitoring was significantly enhanced with the acquisition of trained horses and a specially equipped aluminum boat for surveillance. These additions strengthen the effectiveness of the patrols and the rapid response capability to suspicious activities, promptly reported to the authorities, as demonstrated on July 26, 2021. This investment in additional resources underscores BR ARBO's ongoing commitment to environmental protection and preservation.
Forest Protection	Fire Prevention	July 2021 to August 2023	In this first cycle, the monitoring of fire outbreaks and criminal burnings was conducted using satellite imagery. In the next cycle, monitoring will shift to a weekly basis

			and will also rely on satellite imagery. This intensification aims to produce essential information for corrective interventions in the field. Whenever burn spots are identified, monitoring teams will travel to the location to implement the necessary measures. Moreover, detailed monthly reports on the monitoring will be prepared, providing a comprehensive analysis of the situation and the actions taken.
	Forest Angels Program	June and July 2023	Ten lending agreements were established with local users and residents, in which they commit not to expand the current deforestation in exchange for the right to continue using the areas. These measures are part of a conservation strategy aligned with the objectives of the "Forest Angels" program, which promotes the active participation of the local community in the preservation and sustainable management of the forest, reinforcing environmental responsibility and harmonious coexistence with the natural ecosystem.
	Biomass Inventory	January to April 2023	A forest inventory was conducted, which included measuring biomass in permanently designated sample plots throughout the project area. Additionally, a detailed floristic inventory was carried out in selected plots within the project area. This process aims to map and understand the composition and structure of the local vegetation, providing crucial data for sustainable management and biodiversity conservation in the region.

	Sustainable Forest Management	December 2023	A report on the advancements and strategies for the expansion of the Sustainable Forest Management Area was prepared, highlighting the preliminary results of the carbon quantification inventory conducted between January and April 2023. This report addresses the initiatives already undertaken in the forest management of the area and outlines future exploration activities planned for the periods from 2025/2026 to 2054/2055.
	Surveillance and Patrolling	2021 - Present	BR ARBO employees conduct monthly river expeditions and/or horseback patrols on the property, specifically for surveillance purposes. The river expeditions are carried out along the Rio Riozinho dos Lagos de Várzea, accessible via the Rio Juruá, using the company's own boats. The horseback patrols, on the other hand, take place on the internal roads of the property, with horses specially trained for these missions. The main goal of these operations is the rigorous monitoring of possible illegal logging activities and the illegal transportation of these materials along the Juruá and Rio Riozinho rivers. Furthermore, these actions aim to identify and prevent deforestation along the Rio Riozinho. In the event of detecting illegal activities, a report is promptly prepared and sent to the competent authorities for the necessary actions.

Additionally, a visit was made to the traditional communities in the Gleba Santa Rosa do Tenquê on November 17, 18, 24, and 25, 2023, with the aim of administering a questionnaire to assess the impacts of the recent drought in the region. During the visit, 109 residents from 10 different communities were interviewed, covering a diverse spectrum of men, women, young people, and the elderly. The main occupational activities of these residents include agriculture and extractivism.

In the lower Juruá region, residents cultivate cassava for flour production and plant short-cycle crops. In the Riozinho area, family farming predominates, focusing on cultivating açai, vegetables,

and raising small animals. Furthermore, the communities of the lower Juruá practice sustainable lake management for pirarucu and tambaqui fishing and collect açaí and other seeds for commercialization. The collection of native açaí is the main extractive activity in the Riozinho region.

The residents reported that the 2023 drought was the most severe in the last ten years. Floods also caused significant damage, particularly in the years 2020/2021. During drought periods, the river serves as the main water source, but the reduction in water levels forces many to resort to rainwater as an alternative. The Bolsa Família program is the main form of government support for these communities, especially in the Riozinho area, while in the lower Juruá, sustainable pirarucu fishing generates additional income.

All the interviewees expressed interest in obtaining more information about the Mejurua Project and believe in the project's potential to significantly improve the quality of life of the local families.

4.3.2 Monitoring Plan Dissemination (CM4.3)

The monitoring plan will be publicly available online on the BR Arbo website and will be published during the verification period. This document will be specifically adapted to meet the needs and interests of the voluntary carbon market audience. In addition, a copy will be electronically sent to all previously identified stakeholders, ensuring wide dissemination and transparency of the information.

4.4 Optional Criterion: Exceptional Community Benefits

4.4.1 Short-term and Long-term Community Benefits (GL2.2)

The Mejurua project will offer significant short and long-term benefits to the Riozinho community and other communities in the project zone, including Bacaba, Vila Nova, Reforma, Lago Serrado, Ressaca, Santa Cruz, Concórdia, Marapatá, and São João.

As an initial benefit, in June and July of 2023, ten lending contracts were signed with local residents. These contracts commit them not to increase the existing deforestation in exchange for the continued right to use the areas for housing, agriculture, collecting forest products, and extractive activities. These actions, aligned with the objectives of the "Forest Angels" program, aim to strengthen sustainable practices and support local development, as well as engage the community in forest preservation.

Furthermore, an Agreement of Intent was formalized between BR Arbo and ASMOBRI, focusing on the sustainable production of native açaí. This agreement includes responsible exploitation, the installation of a pasteurization plant for processing the açaí, and strategies for its export, promoting sustainable practices in both production and commercialization.

Other benefits planned to be implemented throughout the project include training in forest protection and management, distribution of photovoltaic energy kits, installation of antennas and associated equipment, water treatment systems, adapted bathrooms, improvements in school

infrastructure, enhancement of health services, partnerships with educational institutions, and the construction of a community center.

In the medium and long term, the Mejuruá project will also implement benefits such as:

- **Preservation of Ecosystem Services:** Maintenance of 543,742 hectares of native forest, ensuring the continuity of essential ecosystem services.
- **Socioeconomic Development:** Fostering socioeconomic growth in the project area through Sustainable Forest Management, including the establishment of a sawmill, a thermal power plant, and support for the development of small-scale community forestry enterprises and non-timber forest products, generating employment.
- **Improvement of Well-Being:** Enhancing well-being with increased access to essential services such as internet, electricity, potable water, and healthcare, and improving housing infrastructure.
- **Community Strengthening:** Empowering local communities with land titles, improved access to basic services and educational opportunities, involving women in the production of açaí, and facilitating access to culture through a community center, aiming to increase community autonomy and cultural preservation.

4.4.2 Marginalized and/or Vulnerable Community Groups (GL2.4)

Marginalized and/or vulnerable groups were identified through a detailed analysis of the territory, with a special focus on communities located nearby and within the project area. These communities, which are or will be beneficiaries of the project, were prioritized to ensure that the positive impact of the project effectively reaches them (table 12).

Table 12: Vulnerable Community Groups

Community group	Communities Vila Nova, Concórdia, Ressaca, São João, Lago Cerrado, Marapatá, Rasgado, and Santa Rosa, city of Carauari, and Riozinho settlement.
Net positive impacts	So far, the benefits realized for the communities include access to land for housing, agriculture, collecting forest products, and extractive activities. Additionally, an agreement of intent has been implemented to enhance the sustainable production of native açaí. As for future impacts, there is an expectation of a significant increase in access to essential services such as internet, electricity, potable water, and health care. Moreover, improvements in housing infrastructure are planned. These initiatives aim primarily to bring about a substantial improvement in the well-being of the community.

Benefit access	During the visit to the communities for the socio-environmental diagnosis, there was a challenge in accessing some of them due to the severe drought in the access stream, which prevented the team's arrival. However, in other situations, no barriers or risks were identified that could obstruct the delivery of benefits to the communities.
Negative impacts	No negative impacts on the communities have been observed because of the project.

4.4.3 Net Impacts on Women (GL2.5)

Following the analysis of surveys conducted between December 2022 and January 2023 with traditional communities in the Gleba Santa Rosa do Tenquê region, we identified the main demands of the women in these communities: access to medical assistance, childcare, and vocational courses. Based on these needs, our project is committed to developing initiatives that contribute to the empowerment of these women, with a special focus on environmental education.

Therefore, throughout the project, we will prioritize access to health services and the provision of scholarships. Furthermore, through partnerships with açaí cooperatives, we plan to train these women, promoting their autonomy and independence. This plan includes integrating the women into the program of extraction, harvesting, and marketing of açaí, ensuring that they are the primary beneficiaries of this action.

These measures are strategic and aligned with the goal of strengthening the role of women in the communities, ensuring that they have access to opportunities for personal and professional growth.

4.4.4 Benefit Sharing Mechanisms (GL2.6)

To understand and assess the needs of the communities, interviews with residents were conducted in December 2022, aiming to develop strategies and actions that can benefit the communities and address their needs. New interviews will be conducted with each new assessment.

4.4.5 Governance and Implementation Structures (GL2.8)

As described in section 2.4.1 Project Governance Structures (g4.1), Project management is being supervised by the proponent, namely BR ARBO Forest Management and ATA Consulting. Community involvement in project management occurs through specific communication channels and regular community meetings, all extensions in accordance with the principles of Free, Prior and Informed Consultation.

4.4.6 Smallholders/Community Members Capacity Development (GL2.9)

The community training courses are scheduled to take place in the upcoming years of the project according to the action plan developed by the company. The communities will receive training for management, facilitation for access to online courses, training for the acai production chain, and others as outlined in the project management tool.

5 BIODIVERSITY

5.1 Net Positive Biodiversity Impacts

5.1.1 Biodiversity Changes (B2.1)

Since July 2021, the Mejuruá Project has been generating positive impacts on biodiversity by contributing to the preservation of high conservation value areas. The changes in biodiversity resulting from the project's activities are presented in tables 13 and 14:

Table 13: Changes in the Biodiversity of Animal Species in the Project Area.

Change in Biodiversity	Animal Species (Mammals, Reptiles, and Birds)
Monitored Change	Positive Indirect Impact: Maintenance of Species Richness and Conservation of Endangered Species
Justification of Change	Positive impacts were achieved through the preservation of the ecosystem where these species inhabit. The project preserved an area of 130,640.542 hectares, providing benefits for at least 31 species of animals, of which 2 are threatened with extinction.

Table 14: Changes in the Biodiversity of Forest Cover in the Project Area.

Change in Biodiversity	Connectivity of Forest Cover in the Project Area
Monitored Change	Positive Direct Impact: Maintenance of Forest Cover
Justification of Change	Positive impacts have been achieved through the preservation of the forest ecosystem that connects two conservation units, thus serving as an ecological corridor for animal species.

5.1.2 Mitigation Actions (B2.3)

To mitigate negative impacts on biodiversity and ensure the maintenance or enhancement of High Conservation Value (HCV) attributes, a series of actions and processes is being implemented, based on the precautionary principle. These measures aim to preserve the integrity of the affected ecosystem and promote sustainable practices. Among the ongoing actions, the following stand out:

- **Continuous Monitoring:** A robust monitoring program is being implemented to regularly assess the state of biodiversity and the effectiveness of mitigation measures. This allows for adjusting practices as needed based on real data and promoting an adaptive approach. Monitoring practices involve satellite imagery surveillance of the area. In the field, the project currently relies on ground monitoring with horses and river monitoring with boats of varying capacities.
- **Training and Community Involvement:** Local communities are actively involved in the implementation and monitoring of mitigation actions. This includes training programs,

environmental awareness, and incentives for sustainable practices, such as the Forest Angels Program.

By adopting these measures, we aim not only to meet legal requirements but also to promote a proactive and responsible approach to biodiversity conservation and HCV attributes.

5.1.3 Net Positive Biodiversity Impacts (B2.2, GL1.4)

The Mejuruá project assumes the responsibility of conserving an extensive forest cover, spanning over 130,000 hectares of the Amazon rainforest. When compared to the baseline scenario, which involves land use for beef cattle production, i.e., converting the area into pasture, the positive impacts on biodiversity are manifold. The conservation of this area itself brings direct benefits to wildlife conservation and their habitats. Furthermore, the project area is situated between two conservation units; thus, its conservation plays a crucial role in maintaining connectivity between these units and preserving the overall landscape's vegetation integrity. Considering the immense biodiversity found in the Amazon rainforest, the preservation of these vast expanses of forest cover serves as a refuge for wildlife, especially in light of the growing concerns surrounding climate change.

5.1.4 High Conservation Values Protected (B2.4)

Mejuruá is a conservation project committed to safeguarding vast forested landscapes, aiming to safeguard both the fauna and flora within privately owned land. By actively promoting habitat preservation and landscape integrity, the project seeks to protect endemic and endangered species. All activities conducted under this project strictly adhere to rigorous standards, including those established by the FSC, to ensure the area's conservation without compromising biodiversity.

One of the key objectives of the Mejuruá project is to maintain connectivity between two distinct conservation units. This strategic approach further enhances the preservation of animal species and their habitats. Importantly, the project's commitment to following stringent standards guarantees that there will be no adverse effects on the High Conservation Value (HCV) components tied to biodiversity within the designated project area. Through its comprehensive efforts, the Mejuruá Conservation Project strives to make a substantial contribution to the protection of valuable ecosystems and species while upholding the principles of responsible conservation practices.

5.1.5 Invasive Species (B2.5)

The project does not include planting seedlings or introducing animals. Therefore, the introduction of any species is not foreseen within the project scope.

5.1.6 Impacts of Non-native Species (B2.6)

The introduction of exotic species is not foreseen during the project's execution.

5.1.7 GMO Exclusion (B2.7)

Project activities do not involve the introduction of any plant or animal species, including GMOs.

5.1.8 Inputs Justification (B2.8)

This project aims at conserving the area and implementing sustainable forest management with FSC certification. Therefore, project activities do not foresee the use of inputs such as fertilizers, chemicals, or pesticides in the project area.

5.2 Offsite Biodiversity Impacts

5.2.1 Negative Offsite Biodiversity Impacts (B3.1) and Mitigation Actions (B3.2)

Negative impacts on biodiversity outside the project area resulting from project implementation are unlikely. This is because the project is focused on conservation and will not displace any potential threats to external areas.

5.2.2 Net Offsite Biodiversity Benefits (B3.3)

The project aims to promote local and surrounding conservation, bringing positive impacts to biodiversity. Furthermore, it is important to emphasize that no negative impacts are foreseen outside the project area, reinforcing its conservation proposal.

By focusing efforts on the conservation of the Mejuruá area, not only will local biodiversity benefit, but also the biodiversity in the surrounding areas. This is achieved through the promotion of habitat connectivity, enabling species transition. Connectivity between different natural areas plays a fundamental role in maintaining biological diversity, allowing animals to move freely, seek resources, and establish new populations.

In addition to direct benefits for biodiversity, the project can also have positive impacts on local communities. The conservation of the Mejuruá area can generate economic opportunities through sustainable tourism, providing jobs and income for the residents of the region. This can strengthen the appreciation and preservation of biodiversity, involving communities as partners in conservation.

Therefore, the Mejuruá conservation project has the potential to bring comprehensive positive results, both for local and surrounding biodiversity and the involved communities. Its careful and strategic implementation, considering socioeconomic and environmental aspects, can serve as a successful example in the pursuit of harmonious coexistence between human development and the preservation of natural ecosystems.

5.3 Biodiversity Impact Monitoring

5.3.1 Biodiversity Monitoring Plan (B4.1, B4.2, GL1.4, GL3.4)

The activities for biodiversity monitoring are scheduled to begin in March 2024. The stages include:

- **Formation of a Specialized Team:** A team of experts dedicated to conducting biodiversity monitoring will be formed. This team will be responsible for all activities related to the tracking and analysis of biodiversity in the project area.

- **Development of Protocol and Selection of Indicators:** Professionals specialized in each monitoring area will develop a specific protocol for the project. Furthermore, they will be responsible for selecting the most appropriate indicators to effectively measure relevant aspects of biodiversity.
- **Training of the Monitoring Team:** Intensive training will be conducted for the monitoring team. This training will cover all aspects of the monitoring process, including objectives, content, procedures, and methods, to ensure a complete and effective understanding.
- **Implementation of the Fauna Monitoring Program:** We will initiate a specific monitoring program for fauna, including mammals, birds, reptiles, and amphibians. This program aims to assess and monitor the populations of these groups, providing essential data for understanding biodiversity in the area.

These steps have been carefully planned to ensure efficient and comprehensive monitoring of biodiversity, essential for the success and sustainability of the project.

5.3.2 Biodiversity Monitoring Plan Dissemination (B4.3)

The monitoring plan and the results of the evaluations will be made available on the "BR ARBO Forest Management" website, managed by the project proponent. This measure will ensure that stakeholders have easy access to download these documents. Additionally, the project proponent will take responsibility for distributing physical copies of the monitoring manual and summaries of the monitoring reports to local stakeholders, thus ensuring widespread dissemination, and understanding of the information.

5.4 Optional Criterion: Exceptional Biodiversity Benefits

5.4.1 Trigger Species Population Trends (GL3.3)

The tables below present the threatened species found within the project area.

Table 15: *Ateles chamek*: Threatened species found in the project area.

Trigger Species	<i>Ateles chamek</i>
Population Trend at Start of Project	IUCN Red List threat category Endangered
Without-project Scenario	Without the project's implementation, that is, in the baseline scenario, complete deforestation of the area for livestock use would occur. In this scenario, this monkey species, which is entirely dependent on tree cover for survival, would lose a significant portion of its habitat and also the connectivity between two conservation units that harbor populations of this species would be compromised.
With-project Scenario	The project's primary objective is to preserve the conservation area, which not only serves as direct habitat for the species but also plays a

	crucial role in maintaining landscape-level vegetation connectivity, particularly because of the project area's location between two conservation units. Additionally, the project will be responsible for monitoring the species and ensuring its presence within the project zone.
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Table 16: *Pteronura brasiliensis*: Threatened species found in the project area.

Trigger Species	<i>Pteronura brasiliensis</i>
Population Trend at Start of Project	IUCN Red List threat category Endangered
Without-project Scenario	Without the project's implementation, that is, in the baseline scenario, complete deforestation of the area for livestock purposes would occur. In this scenario, not only would the loss of terrestrial habitat happen, but rivers would also be affected by the increased use of boats for the baseline project's development, especially in large rivers. Since these species are entirely dependent on the aquatic environment for their survival, populations would be directly impacted.
With-project Scenario	The project's primary objective is to preserve the conservation of the area and, consequently, the habitat of the species. With the implementation of the project, the species' populations will have greater security, as rivers will not be overloaded with vessels. Additionally, the project will be responsible for monitoring the species and ensuring its presence within the project zone.

Table 17: *Handroanthus serratifolius*: Threatened species found in the project area.

Trigger Species	<i>Handroanthus serratifolius</i>
Population Trend at Start of Project	IUCN Red List threat category Endangered
Without-project Scenario	Without the implementation of the project, that is, in the baseline scenario, there would be total deforestation of the area for cattle ranching. In this scenario, tree species such as the ipê would be directly impacted. Some individuals with decades of existence, which can be considered seed sources, would be felled in the absence of the project, affecting not only the individual but also the propagation of the species.
With-project Scenario	The primary goal of the project is the conservation of the area and the protection of all species present within the project area. With the project's implementation, this species is safeguarded within a vast expanse of forest, ensuring greater security for its survival and,

	therefore, providing more favorable conditions for the species to perpetuate, as it is currently at risk.
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Table 18: *Vouacapoua americana*: Threatened species found in the project area.

Trigger Species	<i>Vouacapoua americana</i>
Population Trend at Start of Project	IUCN Red List threat category Critically Endangered
Without-project Scenario	Without the implementation of the project, that is, in the baseline scenario, there would be total deforestation of the area for cattle ranching. In this scenario, tree species such as the Acapu would be directly impacted. Individuals with decades of existence, which can be considered seed sources, would be felled in the absence of the project, affecting not only the individual but also the propagation of the species. Furthermore, it is crucial to emphasize that the situation is even more alarming, as the species in question is dangerously approaching extinction. This imminent threat to its existence makes the situation extremely concerning and underscores the urgency of implementing the project to prevent the irreparable loss of this species.
With-project Scenario	The primary goal of the project is the conservation of the area and the protection of all species present within the project area. With the project's implementation, this species is safeguarded within a vast expanse of forest, ensuring greater security for its survival and, therefore, providing more favorable conditions for the species to perpetuate, as it is currently at risk.

The activities to carry out biodiversity monitoring are scheduled to commence in the first quarter of 2024. Initially, a study will be conducted with a qualified team to develop a monitoring plan and assess which techniques will be implemented in the project area and how they will be applied.

5.4.2 Effectiveness of Threat Reduction Actions (GL3.4)

The activities to carry out biodiversity monitoring are scheduled to commence in the first quarter of 2024. Initially, a study will be conducted with a qualified team to develop a monitoring plan and assess which techniques will be implemented in the project area and how they will be applied.

6 ADDITIONAL PROJECT IMPLEMENTATION INFORMATION

Not applicable

7 ADDITIONAL PROJECT IMPACT INFORMATION

Not applicable

