BIOFILICA RESEX RIO PRETO-JACUNDÁ REDD+ VCS-CCB VALID 16

Rainforest Alliance

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Project Title	RESEX Rio Preto-Jacundá REDD+ Project
Version	Final VCS/CCB Validation Audit Report
Report ID	RA-VAL-VCS-020236 RA-VAL-CCB-020235

Report Title	Biofilica RESEX Rio Preto-Jacundá REDD+ VCS-CCB valid 16
Client	Biofilica Investimentos Ambientais ASMOREX – Associação de Moradores da RESEX Rio Preto Jacundá
Pages	60
Date of Issue	14 June 2016
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Summary:

This report shows the final results of the validation process of RESEX Rio Preto Jacundá REDD+ Project under the CCB (3rd Ed. 2013) and VCS (version 3). This combined VCS/CCB validation audit assessed in a systematic way the conformity to indicators and requirements of the applicable standards and also to point out non-conformities (NCRs), forward action requests (FARs) and observations (OBSs). The evaluation happened through interviews, documents sample analysis and direct measurements in the field. Eight people formed the audit team, five auditors at the field and three at the office. The field analysis lasted five days, during which the audit team conducted forest inventories, traveled rivers and roads, analyzing different aspects of the landscape, including work with deforestation agents, and also interviewed residents of the communities that live within the reserve.

This REDD+ project aims to reduce the unplanned deforestation occurrence within RESEX Rio Preto Jacundá area, inhibiting the action of specific actors who promote illegal activities in the territory. Such activities include unauthorized logging, encroachment, and land invasion. The project was developed based on the VM0015 v.1.1 methodology, and estimates an emission reduction of 12,428,713 tCO2e in relationship to the standard baseline scenario throughout the 30 year project life. Besides climate benefits caused by reductions in deforestation in the region with the consequent maintenance and carbon stock enhancement, the project envisions to promote social benefits to the reserve residents and also valorization of the extractive lifestyle. The project addresses issues related to social organization, youth and woman strengthening, health care, education, infrastructure and income generation. The project also has a focus on biodiversity, the maintenance of forest cover, the protection of habitats as well as rare and endangered species. It was designed to promote exceptional benefits to communities and the biodiversity, reaching the CCB Gold Level to the standard's criteria.

This document represents final VCS/CCB validation audit report. In the draft version of the audit report, the audit team raised 13 NCRs, 02 FARs and 05 OBSs. The audit team evaluated the corrective actions and supporting evidence raised by the proponent in function of the corrective actions constant on the draft report v.1.0, closing all NCRs. Imaflora/Rainforest Alliance has reached a positive validation decision of the RESEX Rio Preto-Jacundá REDD+ project, under the VCS standards (version 3) and CCB 3rd edition (2013). The positive validation decision is based on the Project Design v.2.2, from 15 May 2016 and the Non permanence risk report v2.1, from 18 March 2016.

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1. INTRODUCTION

Rainforest Alliance certification and auditing services are managed and implemented within its RA-Cert Division. All related personnel responsible for audit design, evaluation, and certification/verification/validation decisions are under the purview of the RA-Cert Division, hereafter referred to as Rainforest Alliance or RA. Rainforest Alliance is an ANSI ISO 14065:2013 accredited validation and verification body; additionally, Rainforest Alliance is a member of the Climate, Community, and Biodiversity Alliance (CCBA) standards, and an approved verification body with a number of other forest carbon project standards. For a complete list of the services provided by the Rainforest Alliance, see http://www.rainforest-alliance.org/climate.cfm?id=international_standards.

The Instituto de Manejo e Certificação Florestal e Agrícola - IMAFLORA works in partnership with the Rainforest Alliance under its accreditation, delivering certification, validation and verification services of forest enterprises and carbon projects in Brazil. For a full list of services offered by Imaflora visit: http://www.imaflora.org/certificacao-socioambiental_carbono.php.

Dispute resolution: If Rainforest Alliance clients encounter organizations or individuals having concerns or comments about Rainforest Alliance and our services, these parties are strongly encouraged to contact the local Rainforest Alliance regional office or the RA-Cert Division headquarters directly. Formal complaints or concerns should be sent in writing.

1.1. Objectives

The purpose of this report is to document the conformance of RESEX Rio Preto Jacundá REDD+ project with the requirements of the Climate, Community, and Biodiversity Standard Third Edition (2013) and VCS Version 3. The project was developed by Biofilica Investimentos Ambientais e pela ASMOREX – Associação dos Moradores de RESEX Rio Preto Jacundá, hereafter referred to as “Project Proponent”. The report presents the findings of qualified Rainforest Alliance auditors who have evaluated the Project Proponent’s systems and performance against the applicable standard(s).

1.2. Scope and Criteria

Scope: The scope of the validation audit is to assess the conformance of the RESEX Rio Preto Jacundá REDD+ Project in the extractivist reserve RESEX Rio Preto-Jacunda (RRPJ) in Cujubim e Machadinho d’Oeste, RO, Brasil against the Climate, Community, and Biodiversity Standard Third Edition (2013) and VCS version 3. The objectives of this audit included an assessment of the project’s conformance with the standard criteria. In addition, the audit assessed the project with respect to the baseline scenarios presented in the project design document. The project covers an area of 94,289 ha. The land is publically owned. The project has a lifetime of 30 years, and estimates it will avoid the emission of 12,428,713 tCO2e over the course of the project lifetime.

Standard criteria: Criteria from the following documents were used to assess this project:

- CCBA. 2013. Climate, Community & Biodiversity Project Design Standards Third Edition. CCBA, Arlington, VA. December, 2013. At: www.climate-standards.org.
- CCBA. 2013. Rules for the Use of the Climate, Community & Biodiversity Standards (December 2013). CCBA, Arlington, VA, USA. December, 2013. At: www.climate-standards.org.
- Verified Carbon Standard Program Guide 2011 v. 3.5;
- Verified Carbon Standard 2015 v. 3.5;
- Verified Carbon Standard Agriculture, Forestry and Other Land Use (AFOLU) Requirements 2013 v. 3.4;
- Verified Carbon Standard AFOLU Non-Permanence Risk Tool 2012 v.3.2;

Materiality: All material GHG sinks, sources and/or reservoirs (SSRs) and GHG emissions equal to or greater than 1% of the total GHG assertion was considered in the validation decision. The RESEX Rio Preto-Jacundá REDD+ project ex-ante estimates it will lead to 12,428,713 t CO2e over the project lifetime, with an average annual reduction of 412,266 tCO2e. Hence, it is considered as a VCS large project because the credits will exceed 300,000 t CO2 yr-1 and is subject to a 1% materiality threshold.

1.3. Level of assurance

The assessment was conducted to provide a reasonable level of assurance of conformance against the defined audit criteria and materiality thresholds within the audit scope. Based on the audit findings, a positive evaluation statement reasonably assures that the project GHG assertion is materially correct and is a fair representation of the GHG data and information

1.4. Project description

The RESEX Rio Preto-Jacundá REDD+ Project is a partnership between Biofílica and the residents of the RESEX Rio Preto-Jacundá area, represented by the Residents Association of the Extractive Rio Preto-Jacundá and riverine population of Rio Machado (Asmorex), having the Rio terra Study Center (CES Rio terra) and the Deliberate Council of extractive reserves of Vale do Anari (Cdrex) as partners on the implementation of the project activities and as project's stakeholders.

Located within the extractive reserve of RESEX Rio Preto Jacundá (RRPJ), at the municipalities of Machadinho D'Oeste e Cujubim, northeast of Rondônia state, it has territory of 95 thousand hectares. It was created in 1996 by the state decree 7.336 and it has the history of fighting for the rights of rubber collectors. It started with the invasion and occupation of two rubber plantations (Jatuarana and Vera Cruz) over 70 years ago. From then on, the Amazon's rubber cycle started to decline and deepens vulnerability of traditional communities. Facing these difficulties the RRPJ residents look for survival means at a region with high biodiversity, however, lacking basic public services.

In this problematic scenario, the pioneering of the community is highlighted, once it has been started by the rubber collectors, an income generation initiative and the appreciation of the forest starting at environmental services commercialization. The agreement for the project's initiative emerged from extensive and wide-range dialogue between the involved parties, which culminate in different meetings mediated by CES Rioters, at Resex as well as at the Environmental Development Agency of the Rondônia state (SEDAM) at the municipality of Machadinho D'Oeste. These meetings sought the Community's Prior, Free and Informed Consent (FPIC) residents at Resex from the exposure of concepts, benefits, risks and conditions for the accomplishment of a project like this.

At previous meetings, it was defined as main project's objective the promotion of extractive community sustainability through the reduction of forest degradation and unplanned clearing of lands, and consequent illegal and unplanned issuance of greenhouse gases (GHGs). The goal of the project to the climate is to avoid the deforestation of 35.222 hectares, of 94,289 project area, corresponding to a total of 12,428,713 tons of CO2e that will have their emissions towards the atmosphere avoided, to be achieved through a list of specific activities, mainly: political articulation, strategic physical occupation of the territory, bettering the practices of forest management and the multiple and sustainable use of forest products.

At the RRPJ live 29 families, approximately 130 residents, composed in its majority by a young population without perspectives in relationship to staying at the land and the continuity of extractive traditions. Still, the extractive production potential suggests that a forest conservation project has a lot to offer to its residents, due to synergies present on the economic, social and environmental spheres. Thus, the main project's objective is the empowering of the management processes and the improvement of quality of life, in different aspects, of populations that seeks the reward for being, as they call themselves, "forest guardians".

Biodiversity, aligned with the present of extractive population, deserves a attention due to the presence of endangered and endemic species of the region, such as the *Rhegmatorhina hoffmannsi* (mãe-de-taoca-papuda), for being in the "Endemism Center Rondônia", considered as one of the most important areas of birds endemism in South America, and all its importance brought up by the Madeira River. In this sense, the project's main objective towards biodiversity is species monitoring during situations of vulnerability and interventions monitoring, creating then arrangements so institutions of research and state education can access the area and have a continuous process of knowledge and local biodiversity monitoring. Community involvement will be covered in the activities related to biodiversity, once forest resources is extracted part from family incomes as well as wildlife (hunting and fishing) is important for food security.

In analysis Araújo et al. (2015) on conservation and deforestation, Resex Rio Preto-Jacundá is among the UCs that are under critical situation of deforestation, supporting the thesis that the area is in need of priority conservation actions associated with the income generation for the population that qualifies as an extractive reserve.

2. VALIDATION PROCESS

2.1. Method and Criteria

The audit was conducted by field observation and remote analysis of project documentation at the office. The fieldwork happened between the 23rd and 27th of November, 2015. During this period five auditors inspected the project's area, carrying out observations, measurements and interviews with residents of RRPJ and the project's team, in a way to ensure a representative analysis on all auditable aspects. In a sense, four plots were visited. The audit team also followed an environmental police raid and SEDAM technicians inside the reserve to assess the deforestation agents and other relevant aspects. In addition, at the beginning of the fieldwork, the audit team conducted a public meeting at the Cabeça de Boi community. The analysis of the project's documentation counted with the contribution of three additional auditors, who focused their observations on relevant questions to financial aspects, reforestation modeling and the estimates and calculations of GHG emission reductions against the baseline projections.

In addition to this direct effort of analysis, the audit team organized a public consultation on the project's documentation. The same took place in three different ways. Firstly, thru the facilitation and mediation of comments timing about the documentation of the project held on the CCB website over the period of October 27th and 26th of November 2015. Secondly, thru direct consultation of relevant actors mapped by the audit team done over the phone and finally, by interviews in person done one week prior to the fieldwork, with of federal and state representatives in Rondônia, SEDAM technicians (environmental agency responsible for managing the conservation unity), reserve managers, association members, riverine populations and rubber collectors. These direct consultation actions, done the week prior to the fieldwork, were done by the team's lead auditor that also followed, at the occasion, an assembly in the legislative chambers of Porto Velho (state's capital) arranged to discuss the problems related to management of state conservation unities, such as the lack of governance, illegal activities, command actions and deficit control, direct threats to life and to the wellbeing of traditional communities, among others. The assembly counted a great representation of traditional people and civil society representatives, environmental agencies and government.

Audit team

Auditor	Qualification
Bruno Brazil Lead auditor, Project Manager, Imaflora staff	Climate and Environmental Services Coordinator at Imaflora. Senior lead auditor. Forest Engineer graduated by Escola Superior de Agricultura "Luiz de Queiroz" (ESALQ). Biologist graduated by Universidade de São Paulo (USP). Bruno was empowered by the Instituto Floresta Tropical (IFT) and Imaflora through intensive

	evaluations in FSC Forest Certification and Reduced Impact Exploration. He was trained as lead auditor of management systems by ATSG (Lead Assessor ISO 14001:2004). He has six years of work experience in FSC, when he worked with forest management and chain of custody certification, which has included promotional statements and trademark approval processes. He was trained to be a carbon auditor by Rainforest Alliance and currently integrates Imaflora's climate team. He has technical expertise on VCS and CCB standards and is also experienced on the development of REDD+ policies social and environmental safeguards. He has three years of work experience with climate changes, payment for environmental services and environmental services certification schemes, when he had audited several projects in Brazil.
Ana C. Nobre Audit team member, Imaflora consultant	Social Scientist, Master in Sociology (with emphasis on anthropology). She has twelve years of professional experience in the third sector entities (Social Observatory Institute and Institute of Agricultural and Forest Management and Certification - Imaflora). Nine years of experience as an auditor of the social aspects of forest management FSC certification processes (native forests and forest plantations) and agricultural certification process (Sustainable Agriculture Network). Taught several auditors training courses for the evaluation of the social aspects of FSC. It has ongoing internal audit of Quality - ISO 19011 and training in carbon audits in CCB standards.
Marcos R. Tito Audit team member, Imaflora consultant	Forest Engineering from the University of São Paulo, Brazil, with post-graduation in Agroforestry Tropical by CATIE, Costa Rica, has twelve years he conducts research on issues related to Payment for Environmental Services (PES) and agroforestry for mitigation and adaptation to change climate, focused on the Pan-Amazon region and in some countries of Central America and Africa. During this period he was a researcher at the Global Change Group CATIE in Agroflorestal World Centre (ICRAF) and Forest Trends; It has also developed work for international organizations and donors such as CIFOR, Biodiversity International, TNC, WWF, ACCA, Imazon, GIZ, NORAD, UNDP / GEF and the European Community.
Maria C. Coelho Audit team member, Imaflora consultant	Maria Carolina Crisci Coelho is biologist graduated by Universidade Estadual Paulista "Júlio de Mesquita Filho" (UNESP - Rio Claro). Environmental expertise and audits specialist by Instituto de Pesquisas Energéticas e Nucleares (IPEN/USP – São Paulo). Master of Science by the same Institute (IPEN / USP - São Paulo). I have five years of work experience as a product manager, technical coordinator and auditor in projects related to the clean development mechanism, greenhouse gases and climate change, trained by TüVNORD Group. Auditor for three years in chain of custody certification processes (FSC), also trained by TüVNORD Group. I was trained as leader auditor in Environmental Management Systems (ISO 14001: 2004), Quality (ISO 9001: 2008) by Nigel Bauer & Associate - IRCA Certification, and Occupational Health and Safety (OHSAS 18001: 2007) by BRTÜV (TüVNORD Group). Altogether, I have nine and a half years of work experience as an auditor leader. Experience for three years as environmental expert in Public Prosecutor processes. Experience as an environmental educator and consultant in environmental services related to greenhouse gas emissions inventory and carbon balance.
Renan A. Kamimura Audit team member, Imaflora consultant	Forest Engineer graduated by Lavras Federal University (UFLA) in 2009. Renan has a strong working experience with environmental conservation and rural socioeconomic development projects. He is a specialist in GIS and forest biomass inventory, having worked on several

	REDD+ projects and PES initiatives as a consultant, developer and manager in Brazil. Renan has a comprehensive field experience in Amazon, Cerrado, Caatinga and Mata Altlântica biomes.
Amintas Brandão Desk reviewer, Audit team member, Imaflora consultant	Environmental Engineer (UEPA) with Specialization in Applied Statistics (UFPA), and a Masters in Geographic Information for Development and Environment – GISDE (Clark University, EUA). With more than 10 years using remote sensing, geoprocessing, land use and land cover change models in environmental problems, Amintas has lead and participated of several REDD Projects in the Amazon region, all approved by Verified Carbon Standards
Luiz F. Moura Desk reviewer, Audit team member, Imaflora consultant	Forest Engineer (ESALQ-USP), M.Sc. and Ph.D. in Wood Machining by the University of Laval (Quebec, Canada). He has attended postdoctoral fellow at ESALQ-USP, with researches on thermal treatment and industrialization of heat-treated wood. Currently, he organizes and prepares projects for inclusion in the Carbon Market, both in the compliance market (CDM -Clean Development Mechanism, Kyoto Protocol) and voluntary market (VCS - Verified Carbon Standard), in addition to conducting market research and feasibility studies for forestry projects. In eight years of experience in the carbon market, he had participation in seven carbon projects. He attended the training course for auditors offered by Imaflora in 2013, and also participated in trainings for auditors to Sustainable Forest Management certifications.
Roberto Sartori Desk reviewer, Audit team member, Imaflora consultant	Economist and Master of Forest Resources, PhD in Energy and Environment. Lead Auditor with recognition by RABQSA. He operates in advisory services in Forest Economics for 12 years, integrating the chain of custody audit teams and forest management Imaflora since March 2013. Experience in projects in the Amazon, forestry and forest-based industry in the private, public and third sector initiatives.
Lawson Henderson Internal Technical Reviewer	Staff Auditor, Carbon Services with Rainforest Alliance (2012 – current). Education: B.S.F. in forest management from University of New Hampshire, 2005. Experience, Forest Management Associate with Rainforest Alliance, US Region (2008 to 2012). Chain of Custody Associate with Rainforest Alliance, US Region (2007-2008). Forest Land Surveyor for a private forest/civil engineering firm in Western Oregon for two years. Auditor on more than 20 FSC forest management and chain of custody audits and assessments. Lead auditor or auditor on 20 forest carbon projects, including 9 IFM CAR projects. Performed VCS audits of ARR, IFM, & REDD forest carbon projects. Project manager on over 250 FSC forest management and chain-of-custody projects. Completed Rainforest Alliance CoC Auditor Training in April 2008, Rainforest Alliance Carbon Verification and Validation Audit Training in March 2009, and Rainforest Alliance Lead Forest Management Auditor Training in June 2009. Successfully completed the Climate Action Reserve Lead Verifier Training for the Forest Project, and Urban Forest Project Protocol in September 2010, CAR Lead Verifier credentials renewed in June 2014. Successfully completed the ISO Quality Management Systems Lead Auditor Training Course (ISO 9001) in December 2010. ARB Lead Verifier credentials obtained in October 2012. Approved as a VCS AFOLU IFM Expert in November 2015. Member of the Gold Standard Land Use and Forestry & Oversight and Assurance Technical Advisory Committees.

2.2. Document review

The following documents were viewed as a part of the field audit

Ref.	Title, Author(s), Version, Date	Electronic Filename
1	Projeto REDD+ Resex Rio Preto – Jacundá. Setembro de 2015, v2.2 - Biofílica Investimentos Ambientais S.A.	Plano_Gestao_Jacunda_pt_v2.2.pdf
2	Arquivos de SIG, BIOFILICA	Dados GeoJacunda II.zip
3	Decreto Nº 7.336, de 17 de janeiro de 1996. Cria no Município de Machadinho D'Oeste, Estado de Rondônia, a Reserva. Extrativista do Rio Preto Jacundá	http://www.rcambiental.com.br/Atos/ver/DEC-RO-7336-1996/
4	Memorando de Entendimento, ASMOREX, CES Rioterra & Biofílica Investimentos Ambientais, 15 Maio-2012	Memorando_Jacunda.pdf
5	Acordo de Cooperação, Biofílica Investimentos Ambientais, ASMOREX & CES Rioterra, 02 Março-2012	Acordo de Cooperacao Resex RO.pdf
6	Instrumento Particular de Prestação de Serviços e Outras Avenças, ASMOREX & Biofílica Investimentos Ambientais, 01 Outubro-2012	Contrato_assinado.pdf
7	Relatório de monitoramento	Jacunda_MonitoringReport_2013_2014_v1.pdf
8	Projeto REDD+ Resex Rio Preto – Jacundá. Setembro de 2015, v.1.0 - Biofílica Investimentos Ambientais S.A.	VM0015_planilha de calculo_Jacunda_v.1
9	Planilha econômico-financeira do projeto. Biofílica. 2015.	Projeto Jacunda_Financeiro_20150812.xlsx
10	Fotos de auditoria, equipe auditora, 23 e 27 de Novembro de 2015	Fotos_Jacunda.zip
11	Relatório de risco de não permanência, Biofílica. 2015.	JACUNDA_Risk analysis and buffer determination_v1.1
12	Oficina "Zoneamento e Plano de Uso da Resex Rio Preto-Jacundá" – Relatório de Atividade, 21 e 22 de fevereiro de 2014.	Relatório Oficina Zoneamento e Plano de Uso Resex Rio Preto Jacundá 21 e 22 de fev 2014.pdf
13	Proposta de Zoneamento para a Reserva Extrativista Rio Preto Jacundá, com vistas à exploração de uso múltiplo, Associação dos Seringueiros de Machadinho d'Oeste & Apidiá Planejamento Estudos e Projetos Ltda., Machadinho d'Oeste, 2002	Proposta de zoneamento Resex Rio Preto Jacundá.pdf
14	Lista de Presença da Quinta Oficina - 25 e 26/Julho/2014	Lista_20140725.pdf
15	Lista de Presença da Segunda Oficina - 22/Maio/2014	Lista_20140522.pdf

16	Lista de Presença da Segunda Oficina - 23/Maio/2014	Lista_20140523.pdf
17	Lista de Presença da Segunda Oficina - 24/Maio/2014	Lista_20140524.pdf
18	Relatório de Atividade da Oficina "Construção de Entendimento Conceitual do Projeto REDD+" - 25 e 26/Julho/2014	05 Oficina_Jacunda.pdf
19	Relatório de Atividade da Oficina "Construção do Mecanismo de Repartição de Benefícios e Resolução de Conflitos" - 22, 23 e 24/Maio/2014	04 Oficina_Jacunda.pdf
20	Parecer Jurídico sobre projeto de promoção da sustentabilidade da comunidade extrativista da reserva extrativista Rio Preto-Jacundá	Parecer_Juridico_Resex_RO
21	Consentimento prévio e informado da Resex, 15 de maio de 2012.	Consentimento prévio e informado RESEX.pdf
22	Planilha de inventário e documentação suplementar	Estoque e fluxo.zip
23	Relatório SEDAM_programa Arpa	SEDAM AÇÕES EM UNIDADES DE CONSERVAÇÃO 2015.pptx
24	Relatório técnico, Hdom, v.4.0	Hdom#12_Relatório Tecnico Final_PT_v4.0.pdf
25	Documentação de suporte, artigo científico, Fearnside, 1997	FEARNSIDE PM (1997) Greenhouse gases from deforestation in Brazilian Amazonia: net committed emissions. Climatic Change. 35:321–360.
26	Diagnóstico Socioeconômico e Ambiental da região do Projeto REDD+ RESEX Rio Preto-Jacundá - Módulo Fauna - Relatório Consolidado, CES Rioterra, Setembro 2013	RELATÓRIO FAUNA CONSOLIDADO RESEX RPJ.pdf
27	Plano de Monitoramento (Módulo Flora) do Projeto REDD+ Resex RioPreto-Jacundá, Hdom#16, v1.0, 09/04/2014	Hdom#16_Plano_Monitoramento_Flora_v1.pdf
28	Plano Técnico-Científico (Módulo Flora) do Projeto REDD+ Resex RioPreto-Jacundá, Hdom#16, v1.0, 09/04/2014	Hdom#16_Relatorio_Tecnico_Cientifico_Flora_v1.pdf
29	Monitoramento de Fauna da Região do Projeto REDD+ RESEX Rio Preto-Jacundá - Monitoramento da Espécie *Ateles chameck* - Macaco Aranha, CES Rioterra, Setembro/2014	monitoramento ateles chameck resex jacunda.pdf
30	Plano de Monitoramento de Fauna do Projeto REDD+ RESEX Rio Preto-Jacundá - Avifauna, Mastofauna, Herpetofauna e Ictiofauna, CES Rioterra, Outubro 2013	PLANO DE MONITORAMENTO DE FAUNA pós-considerações.pdf
31	Áreas Protegidas Críticas na Amazônia no Período de 2012 a 2014. Imazon. Junho de	http://imazon.org.br/PDFimazon/Portugues/livros/APsCriticas_2015.pdf

	2015	
32	The Worldwide Governance Indicators: Methodology and Analytical Issues. Kaufmann D., A. Kraay, and M. Mastruzzi. 2010.	http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1682130
33	Parecer Jurídico sobre projeto de promoção da sustentabilidade da comunidade extrativista da reserva extrativista Rio Preto-Jacundá	Parecer_Juridico_Resex_RO
34	Decreto N^{o} 4.340/02. Regulamenta artigos da Lei no 9.985, de 18 de julho de 2000, que dispõe sobre o Sistema Nacional de Unidades de Conservação da Natureza - SNUC, e dá outras providência.	http://www.planalto.gov.br/ccivil_03/decreto/2002/d4340.htm
35	TDR 23/2012 – Diagnóstico Socioeconômico e Ambiental da região do Projeto REDD+ Resex Rio Preto Jacundá, Módulo Socioeconomia, 24 de outubro de 2012	Jacunda_TDR23-2012_SocioRioterra.pdf
36	Ata da Assembleia Geral extraordinária da Asmorex, 14 de setembro de 2012.	Ata_set_2012.pdf
37	Ata da Assembléia Geral Ordinária da Asmorex, realizada nos dias 13 e 14 de janeiro de 2012, na comunidade Cabeça de Boi.	Ata da assembleia geral(2).docx
38	Araújo, Elis. 2015. Áreas protegidas críticas na Amazônia no período de 2012 a 2014 – Belém, PA: Imazon, 2015.	http://imazon.org.br/PDFimazon/Portugues/livros/APsCriticas_2015.pdf (Acesso em 18/12/2015)
39	Lista de consulta pública	CP_jacunda.doc
40	Projeto REDD+ Resex Rio Preto – Jacundá. Setembro de 2015, v.2.2 - Biofílica Investimentos Ambientais S.A.	Plano_Gestao_Jacunda_pt_v2.1.docx
41	Planilha econômico-financeira do projeto. Biofílica. V.2. 2015.	Projeto Jacunda_Financeiro_v2.xlsx
42	Non-Permanence Risk Report Resex Rio Preto Jacundá Redd+ Project. Biofílica. V.2.1 2015.	JACUNDA_Risk analysis and buffer determination_v2.1.pdf
43	Dados Geo Jacunda	Dados Geo-Jacunda.rar
44	Relatório de projeção de linha de base revisado	Relatório de Projeção de Linha de Base - RESEX RPJ.pdf
45	Planilha de cálculo_estimativas ex ante; Biofilica (Rebeca Lima, Thaís Hiramoto e Caio Gallego) & IPE (Alexandre Uezu, Clinton Jenkins e Rogério Marinho); v.2.1, 29 Fevereiro 2016	VM0015_planilha de calculo_Jacunda_2.1.xlsx
46	Planejamento orçamentário do projeto	Plano finaneiro_Jacunda_10 anos.xlsx
47	Literatura referenciada sobre segurança no trabalho	Manejo_PFNMs.pdf Monografia-Deisi-Tatiani-de-Gois.pdf ST_manejo florestal.pdf
48	Artigo científico, Puyravaud, 2003	Puyravaud 2003 Standardizing the calculation of the annual rate of deforestation.pdf
49	Nota técnica, Hdom.	Complemento_Hdom.docx
50	Mapa mostrando áreas de baixo acesso,	Áreas de baixo acesso.bmp

	Biofílica	
51	Mapas mostrando localização das parcelas, tipologias florestais, biomassa e projeção de desmatamento, Biofilica	- altura_desmatamento_BL2042.bmp - altura_vegetação.bmp - biomassa_desmatamento BL2042.bmp - biomassa_vegetação.bmp
52	Nota técnica, Biofilica	Resposta NCR 08.docx
53	Planilha de inventário v.2.0, Hdom	Hdom#12_Estimativas-Inv-Flor_2013.xlsx
54	Analises comparativas de Inventário, Imaflora, 10mai16	BS_analise.R
55	SCHROEDER, W.; ALENCAR, A.; ARIMA, E.; SETZER, A. The spatial distribution and inter-annual variability of Fire in Amazônia. LBA Synthesis Book-Amazonia and Global Change. Ed. M. Keller, M.Bustamante, J.Gash and P.L.S.Dias. Geophysical Monograph Series, Volume 186, 2009, AGU.pdf	Schroeder, 2009. pdf
56	UNIVERSIDADE FEDERAL DE SANTA CATARINA. Centro Universitário de Estudos e Pesquisas sobre Desastres. Atlas brasileiro de desastres naturais: 1991 a 2010: volume Brasil. CEPED, UFSC, 94p. 2012. pdf	CEPED, 2013.pdf
57	TOMINAGA, LÍDIA K. Desastres naturais: por que ocorrem? In: TOMINAGA, LÍDIA K. et al., (orgs). Desastres naturais: conhecer para prevenir. São Paulo: Instituto Geológico, 2009.pdf	TOMINAGA, 2009.pdf
58	ESPÍRITO SANTO, F. D. B., et al. Storm intensity and old growth forest disturbances in the Amazon region. Geophysical Research Letters, Vol. 37, 2010.pdf	Espirito-Santo, 2010.pdf

2.3. Interviews

The validation body conducted a wide consultation process with stakeholders, through the disseminations of public announcement and direct consultation to relevant stakeholders for the process at the Porto Velho and Machadinho D'Oeste municipalities. In addition to interviews with representatives of institutions, on the first day of assessment (11/23/2015) at 19:00hrs, a public meeting was held at the Cabeça de Boi community's headquarters. On this meeting, were present residents of three communities that are part of RESEX Rio Preto-Jacundá: Cabeça de Boi, Jatuarana e Jatobá. The public meeting was an opportunity for the audit team to present the audit objectives and to introduce themselves to the community and gather information on their impressions over the carbon project. In a complementary way, throughout the audit process interviews at the residents' homes were conducted for individualized feedback. 22 family representatives were visited and interviewed. The interviews allowed the audit team to verify the level of knowledge and understanding of the people from the communities in relation to the project, to the methods of communication adopted by stakeholders and the level of participation of the community over the development of the project. Were also conducted visits and interviews to communities that surround the RESEX area: Tabajara and Estrela Azul.

The following interviews were conducted as part of the field audit.

Interviewee	Village or other	Date	Number of participants
Maria Rosalina de Oliveira Carril, secretária ASMOREX	Machadinho D'Oeste	23 Novembro 2015	1
José Pinheiro Borges, diretor presidente ASMOREX	Machadinho D'Oeste	23 Novembro 2015	1
Thaís Hiramoto, coordenadora de projetos da Biofílica Investimentos Ambientais S.A.	Machadinho D'Oeste	23 Novembro 2015	1
Athaíde, SEDAM	Machadinho D'Oeste	23 Novembro 2015	1
Antônio Teixeira, Organização dos Seringueiros;	Machadinho D'Oeste	23 Novembro 2015	1
Denise, COOPEREX	Machadinho D'Oeste	23 Novembro 2015	1
Tatiana, tesoureira da ASMOREX	Machadinho D'Oeste	23 Novembro 2015	1
Israel Vale, CES Rioterra	Machadinho D'Oeste	23 Novembro 2015	1
Paulo Henrique Bonavigo, CES Rioterra;	Machadinho D'Oeste	23 Novembro 2015	1
Edenilson, COOPEREX	Machadinho D'Oeste	23 Novembro 2015	1
Alex Bastos, CES Rioterra	Machadinho D'Oeste	23 Novembro 2015	1
Francisco Higuchi, Hdom	Machadinho D'Oeste	23 Novembro 2015	1
Marcelo Ferronato, Ecoporé	Machadinho D'Oeste	23 Novembro 2015	1
Tatiana Lemos da Silva, CES Rioterra;	Machadinho D'Oeste	23 Novembro 2015	1
Karen, CES Rioterra	Machadinho D'Oeste	23 Novembro 2015	1
Marília,CES Rioterra	Machadinho D'Oeste	23 Novembro 2015	1
Marco Antônio, da Ecoporé	Machadinho D'Oeste	23 Novembro 2015	1
Rogério, Biofílica Investimentos Ambientais S.A.	Machadinho D'Oeste	23 Novembro 2015	1
João Augusto Alves de Souza, chefe substituto do INCRA	Machadinho do Oeste	23/11/2015	1
Alexis Bastos, coordenador de programas – Rio Terra	Machadinho do Oeste	23 Novembro 2015	1
José Carlos, morador	Comunidade Jatuarana	24 Novembro 2015	1
Rogério, morador	Comunidade Jatuarana	24 Novembro 2015	1
Raimunda, moradora	Comunidade Jatuarana	24 Novembro 2015	1
Roni e Raimunda, moradores	Comunidade Jatuarana	24 Novembro 2015	2
Mario Sergio Pinheiro Borges, morador	Comunidade Jatuarana	24 Novembro 2015	1

Denise Viana Borges, moradora, tesoureira da Cooperativa de Moradores da RESEX	Comunidade Cabeça de Boi	24 Novembro 2015	1
Roseni e Alexandre, moradores	Comunidade Cabeça de Boi	24 Novembro 2015	2
Antônio Reis Pinheiro, morador	Comunidade Cabeça de Boi	24 Novembro 2015	1
Martinho dos Santos, morador	Comunidade Cabeça de Boi	24 Novembro 2015	1
João Mendonça dos Santos, morador	Comunidade Cabeça de Boi	24 Novembro 2015	1
Márcia Gomes Timóteo, moradora	Comunidade Cabeça de Boi	24 Novembro 2015	1
Odair José Neves de Oliveira, moradora	Comunidade Cabeça de Boi	25 Novembro 2015	1
Diretor da Escola Municipal Onofre Dias Lopes	Estrela Azul	25 Novembro 2015	1
Vice-presidente da Associação de Moradores da Comunidade Tabajara	Tabajara	25 Novembro 2015	1
Luciana Alves de Oliveira, moradora	Comunidade Jatuarana	25 Novembro 2015	1
Elenilson Silva Félix, presidente da Cooperativa da RESEX	Comunidade Jatuarana	25 Novembro 2015	1
Lucivânia Alves de Oliveira e Gleiciano Ferreira de Souza, moradores	Comunidade Jatobá	26 Novembro 2015	2
Fabiano e Ludmilla, moradores	Comunidade Jatobá	26 Novembro 2015	2
Maria do Rosário, moradora	Comunidade Jatobá	26 Novembro 2015	1
Francisco Rocha Alves, morador	Comunidade Jatobá	26 Novembro 2015	1
Joao Augusto Alves Souza (Incra)	Sede Incra-Machadinho	24 Novembro 2015	3
Cabo Bionczak, Policia Militar Ambiental	RRPJ	24 Novembro 2015	3
Paulo Melo Sobrinho, SEDAM	RRPJ	25 Novembro 2015	4
Sebastiana de Almeida, SEDAM	RRPJ	24 Novembro 2015	3

2.4. Site inspections

Location	Date
Machadinho do Oeste, reunião de abertura e reunião estratégica com proponentes do projeto.	23 Novembro 2015
Machadinho D'Óeste, revisão de documentos, estrevista com envolvidos nos temas a biodiversidade e social.	23 Novembro 2015
RRPJ, Centro Comunitário de Cabeça de Boi, entrevista estratégica	23 Novembro 2015

com famílias envolvidas das comunidades de Cabeça de Boi, Jatobá e Jatuarana.	
Travessia de barco no Rio Machado, sentido comunidade 2 de Novembro à comunidade Jatobá. Visita às parcelas da região da comunidade Jatobá.	25 Novembro 2015
Machadinho do Oeste, entrevista com representante do INCRA do município.	24 Novembro 2015
RRPJ, Comunidade Cabeça de Boi, reunião pública com moradores da RESEX	23 Novembro 2015
RRPJ, Comunidade Jatuarana, visita e entrevistas com moradores	24 Novembro 2015
RRPJ, Comunidade Cabeça de Boi, visita e entrevistas com moradores	24 Novembro 2015
Machadinho do Oeste, Comunidade Estrela Azul, entrevista com parte interessada.	25 Novembro 2015
Machadinho do Oeste, Comunidade Tabajara, entrevista com parte interessada.	25 Novembro 2015
RRPJ, Comunidade Jatuarana, visita e entrevistas com moradores	25 Novembro 2015
RRPJ, Comunidade Jatobá, visita e entrevistas com moradores	25 Novembro 2015

2.5. Public comments

Public comments on the CCB webpage were received from October 27th to November 26th 2015. Imaflora/Rainforest Alliance facilitated and intermediated this process by releasing a public notice to a mapped contact listed as contacts relevant to the process (Ref. 39). During this period, fifteen comments were made. The same were received and assessed/evaluated by our audit team throughout the report development stages. Contributions were received from residents of RRPJ and members of community associations, environmental agencies and partner organizations. In a broad sense, the inputs have mostly focus on the state's inability of commanding actions and control inside the conservation unit and also the lack of RRPJ resident's participation. Both aspects were assessed by the audit team during field work and, as previously noted, on earlier stages.

2.6. Resolution of any material discrepancy

Material discrepancies and non-conformities were identified thru the emission of NCRs (non-conformity reports) to which the project's proponent must provide evidence of sufficient corrective actions for its closure. Refer to Appendix 1.

VALIDATION FINDINGS

3. GENERAL

3.1. Summary description of the project

Section 1.1 of the PD (Ref. 1) describes the objectives of the project to climate, communities and biodiversity in a detailed and clear manner. The main goal of the Resex Rio Preto-Jacundá REDD+ project is to promote sustainability to extractive communities through activities that are financed by the commercialization of carbon credits with the reduction of forest degradation and illegal land clearing, thus consequently reducing emissions and effect of greenhouse gasses. Specifically, to the social sphere of the project it aims to promote the social benefits to the reserve residents and the valorization of the extractive way of life. In this sense, it works to address issues of social organization, youth strengthening, health, education, infrastructure and income generation. On biodiversity, it is proposed actions of zoning for species protection and monitoring actions of species found on vulnerability situations, in partnership with research institutions and state education.

3.2. Project Location

The project features maps, geographical coordinates and georeferenced polygons for all its spatial boundaries, including the project's area and zone, the reference region, the leakage belt and the leakage management areas (Ref. 02). The KML files were provided and assessed by the audit team in order to check their accuracy. The project also features a detailed description of socioeconomic aspects and of territory occupation use as well as physical and biological parameters of the reserve, such as vegetation, climate, hydrology, geology, geomorphology and soil (Ref. 01 – PD section 1.2).

The entire reserve is officially found under the local environmental agency, SEDAM. The control over the territory, however, can be proven and accredited to the project's proponent, in consideration to the State Decree no 7.336, of 1996 which creates RRPJ and other relevant and pertinent legislation (Ref. 03).

3.3. Condition prior to project initiation

The project's proponent brings a history of territory use and occupation that retells the traditional rubber collectors activities of the end of the XIX century and beginning of XX century in the region where nowadays the conservations unit is consolidated as well as the creations of rural settlements surrounding and where the community of Cujubim e Machadinho D'Oeste were raised by the INCRA in the 70's decade. Specific questions relative to the project's baseline scenario will be considered on this report under item 6.5.

3.4. Project proponent

Biofílica Environmental Investments and ASMOREX present themselves as project's proponents. Biofílica is identified as the main proponent. Contact data, paperwork and responsibility of both are described on the project's documentation (Ref. 01, PD section 1.4). Biofílica is responsible for the socioeconomic and environmental diagnosis, carbon stocks and baseline studies; the development and funding of the PDD (Project Design Document); the validation/verification and commercialization of credits and finally the co-management of the project as a whole on the project lifetime and implementation of its conservation activities. Biofilica is directly involved and has physical control over the activities that reduces GHG emissions, such as those related to policy articulation with SEDAM and ASMOREX, deforestation monitoring by satellite images and the provision of quarterly reports of deforestation and costing of logistics items of operations, used by SEDAM and ASMOREX to improve the physical patrolling. These responsibilities are stated in enforceable and irrevocable agreements with ASMOREX (refs. 4, 5 & 6). ASMOREX's responsibilities are to develop and implement conservation activities, in a participative manner the REDD+ project as well as to secure the project's execution, maintaining all needed documentation for the realization of the same.

3.5. Other entities involved in the project

The proponent/stakeholder describes the organization's roles, as well as the governing structure of the project (Ref. 01 – PD section 1.4 and 1.5).

CDREX - Deliberative Council of State Extractive reserves of Machadinho D'Oeste and Vale do Anari, CES Rioterra - Culture and the Environment Study Center of the Amazon, IPE and Hdom are considered partner organizations (Ref. 4, 5 & 6), whether on the implementation level of the project or on a technical and advisory level.

In addition to the executive spheres occupied by the stakeholders and partner organizations, the governance structure created covers a deliberative body called a Steering Committee. This body includes, in addition to the project's stakeholders and partners, representatives of the three communities that live within the RRPJ, government (SEDAM) and the academy (UNIR).

3.6. Project start date

The project was launched on October 1st 2012, the date on which the proponent organizations signed the partnership contract for its implementation, therefore, the beginning of project activities. Starting at this point, it is understood that the political articulation among the different actors involved on the project's governance structure, the preliminary studies on the carbon stocks in the reserve and the workshops done with the communities have influenced in the dynamics of deforestation on the project's area in relationship to the baseline scenario since its implementation (Ref. 02 and 07).

3.7. Project crediting period

The project has a crediting period of 30 years, ending then on September 30, 2042 (Ref.01, section 1.8). The proponent also lists a series of activities already carried out in function of the project (Ref. 01, section 2.2) in chronologic order and financial spreadsheets with estimated costs associated to diverse project lines of actions throughout the project (Ref. 09).

4. DESIGN

4.1. Sectorial scope and project type

This is a REDD + project (AUD - Avoiding Unplanned Deforestation), operating then under the sectorial scope AFOLU (Agriculture, Forestry, and Other Land Uses), developed based on the methodology VCS VM0015 v1.1 and eligible for validation under CCB and VCS standards. The project area qualifies as forest since 2002 (Ref. 02). The actions at the baseline and the project scenarios include forest management, which is allowed by the methodology used.

4.2. Description of the project activity

Projects actions are detailed under the section 2.2 of the PD (Ref. 1). The project includes territory monitoring actions via satellite and the development of technical reports about the deforestation focuses at the reserve. This reports or newsletters are delivered to the environmental agency responsible for the commanding actions and reserve control so that they can act and fight against deforestation, characterizing then indirect actions to deforestation control.

Furthermore, the project's proponent plans the implementation of three new communities at strategic areas of the reserve in order to inhibit the action of deforestation agents by their physical presence in the area. The audit team visited an open area, next to the Jatuarana community (Ref. 10), located in the south part of the reserve, where there are plans to establish a new community.

The project also foresees the technical and managerial improvement of timber forest management, based on the FSC principles and value chain structuring, benefiting for non-timber products, such as latex and by-products as açai, Brasil nuts and copaiba (oil).

By objectifying the sustainable use in a last analysis of natural resources in the territory in an associated way of life of traditional populations, it is understood that the project has strong social motivation. However, despite this the project has eight different featured themes to be worked on by the communities throughout its duration period: social organization, strengthening of the youth and women populations, health, education, infrastructure, income generation, environment and communication. The communities will work specific actions inside each theme, during specific workshops to be held throughout the project's duration, drawing on a participative approach.

In relation to biodiversity, the traditional communities focus the project's actions on the ecological zoning of the reserve, the conservation of habitats, the monitoring of endemic species, threatened and of special importance, such as the flora and fauna used as natural resources.

4.3. Management of risks to project benefits

In two different ways, the project addresses the risk issue following the methodological approach proposed by the CCB and VCS standards.

Risk factor	Score	Findings	NCR/OBS
Internal risks			
Project management	0	Proponents consider the risk associated to the lack of experience in question, relative to the development and implementation of projects of such nature by the ASMOREX and the opposite effect, relating to the Biofílica Environmental Investments expertise, can be proven by its portfolio (Ref. 42). The audit team agreed with the score calculated by the project proponent.	None
Financial viability	4	The proponent considers the risks associated with the breakeven point on investments made in the project and the total amount provided for its implementation in the first place. For the second factor, the proponent also considers the	None

		category representing the highest possible risk indicated under VCS risk analysis tool for AFOLU projects, assuming then a conservative approach (Ref. 42).	
Opportunity costs	-10	The proponent does not consider risks associated with opportunity cost for the project. It justifies its analysis based on the preponderance of action of deforestation agents from "Group 2", whose motivation is subsistence. In addition, it points to the existence of Decree No. 7336 of 1996 establishing the RRPJ and the Biofílica' s institutional nature as a project proponent (NGOs) as mitigating factors for the opportunity risks (Ref. 42). The negative score for this sub category risk was considered according to VCS standards in compliance with the errata published on 24 July 2014.	None
Project longevity	0	The proponent considers a null score for this category of risk, in accordance with the requirements of VCS risk analysis tool for AFOLU projects in its requirement 2.2.4, item 5, which opens this prerogative to the projects carried out in areas legally intended for conservation for over 100 years (Ref. 42).	None
Total internal risk	0	Due to what is mentioned above, the audit team believes that the risk of loss in carbon stocks associated with internal aspects of the project has been properly considered by the project proponent.	None

External risks			
Land Tenure and Resource Access/Impacts	10	The proponent considers the risk associated with existing disputes over territory and natural resources in the project area in two different items of this sub-category risk. They also consider the existence of Decree No. 7336 of 1996 establishing the RRPJ as a mitigation measure to the identified risk (Ref. 42).	
Community Engagement	0	The project proponent appropriately considers the risk associated with the lack of coverage in consultation procedures on matters relevant to this project regarding the living communities outside the reserve. It also considers the social benefits generated by the implementation of the project as mitigation measures to this risk (Ref. 42).	None
Political Risk	0	The project's proponent used the last five years of information available on the World Bank database, correctly computing the risks associated to internal governance of the country. The proponent considers as a mitigation measure to the risk identified the involvement of the country and state in political actions and forums on REDD + (Ref. 42).	None
External risk	10	Due to the stated above, the audit team believes that the risk of loss in carbon stocks associated with external aspects of the project has been	

		properly considered by the proponent.	
Natural risks			
Natural risks	0	Sufficiently supported by scientific literature and secondary data, the proponent considers as null the risks associated to the loss in carbon stocks at the project area, which was considered as plausible by the audit team. The project proponent has assessed and considered as rare or no risk the occurrence of fires (ref. 55), droughts (ref. 56), earthquakes and volcanoes eruptions (ref. 57) and blow-downs (ref. 58) in the reference region. Pest and disease outbreaks would unlikely affects carbon stocks in Amazon biome, due its intrinsical biodiversity. The audit team agreed with the score calculated by the project proponent.	None
OVERALL NON-PERMANENCE RISK RATING AND BUFFER DETERMINATION: 10			
The audit team have assessed the non-permanence risk report v2.1 (ref. 42) in order to check its conformance with the VCS requirements and agreed with the overall risk rating determined by the project proponent.			

The proponent also considered situations that compromise the project's objectives, raising a set of mitigation actions. Being worth a risk perspective, the project design addresses the occurrence of illegal activities, potential problems in the sale of carbon credits, non-involvement and community empowerment on material relevant to the project, the distance that exists between project's management and forest management done by the contracted operator, the problems arising from the management of resources from forest management and finally, the potential noninvolvement of public agencies at the project scope and its implementation. The mitigation measures elaborated are focused on monitoring and enforcement actions in partnership with the responsible environmental agency, searching for alternative sources of financing the Administration Committee's political activity and traditional populations training, whether related to aspects of the management of forest management or governance in a broader sense (Ref. 40, tab. 7).

4.4. Measures to maintain High Conservation Values

The Project's design (Ref.1) provides information on high conservation value attributes for the conservation of the reserve communities. Through a participatory zoning (Refs. 12 and 13) exercise the existence of an old cemetery of rubber collectors was identified, and placed as important to the traditional cultural identity of the inhabitants of the reserve populations. Moreover, drawing on a social perspective, the proponent recognizes the importance of forests to maintain the livelihoods of these communities. Bolstered in territorial zoning derived from participatory planning workshops, the proponent produced a map showing areas intended for extraction, linked to the use of natural resources and the exact location of the considered culturally and spiritually significant sites (Ref. 40, fig. 46).

In relationship to high-value attributes for the conservation for biodiversity, the project's design indicates the existence of endemic and endangered species and also areas that are home to significant concentrations of species in any period of their life cycle. The example of endangered species listed in the IUCN list are, for flora: *Inga suberous* and *Lecythis prancei*, *Pradosia decipiens*, *Cedrela odorata*, *Bertholletia excelsa*, *Swietenia macrophila* and *Torresia acriana*; for the fish fauna: *Arapaima gigas*, *Colossoma macropomum*, *Semaprochilodus taeniurus*, *Semaprochilodus insignis*, *Brachyplatystoma vailantii*, *Brachyplatystoma rosseauxii* and *Zungaro zungaro*; for birdlife: *Rhegmatorhina hoffmannsi* and *Psophia viridis* and the mammals: *Panthera onca, Mico rondoni, Ateles chamek*, *Pithecia irrorata* and *Dasyprocta* sp. In relationship to critical ecosystems and areas of particular relevance to the maintenance of species, the proponent identifies the occurrence of Campinaranas and natural mud pits in the project's area.

Regarding the analysis of impacts of project activities, the audit team agrees with the proponent on the argument that the containment actions to deforestation in the reserve will promote the maintenance of high conservation value attributes for conservation to the identified biodiversity. The proponent also puts the production chains development actions for NTFPs/non-timber products as potential mitigation actions impact arising from the extractive practice by traditional populations, which was equally considered plausible by the auditors.

4.5. Project financing

Over the first three years of its implementation, the project received private funding from of one of the proponents, the Biofílica Environmental Investments. Project proponents have the financial proceeds from the sale of carbon credits in the voluntary market, as well as other sources of investment for the continuation of the project at a later date of its verification. The created financial management mechanism corresponds to the fund "Resex Rio Preto Jacundá", operated by the Steering Committee. This setting is composed by the proponents of the project, partner organizations, government agencies, academic institutions and representatives of traditional communities of RESEX, as pointed out in section 3.5 of this report. The operation scheme of the fund can be illustrated by the following chart. The audit team understands the background of the operating structure and management of project finances as proper.

Actual and projected revenues, as well as investment and operating costs required to implement the project were presented by the proponents in cash flow sheets (Ref. 41).

4.6. Employment Opportunities and Worker Safety

The project's design contains a specific component for training, focused on the professional training of residents of the reserve in order to increase their participation in project's implementation and promote improvement in the quality of life of traditional populations. These trainings aim, for example, training health workers, the elementary school, training in specific activities related to income generation, agroecology, training of leaders – the last one, aimed at young people and women – among others. The proponent points out these training activities, mainly addressed to young people and women, as necessary and prior to creating equal opportunities for employment, which was considered plausible by the audit team and sufficient to demonstrate conformity to the CCB standard indicators.

Bolstered in gender targeted literature review, the proponent provides for the existence of situations of risk to the health of the community and other stakeholders that may be involved in extractive activities, forest management and even rural extension. The potential risks are listed in specific categories, in which is held a brief description of the same. As risk mitigation measures the proponent plans to hold workshops on the subject and also to use of specific PPE for each activity (Ref. 40, section 2.5.4). The budgeting of the project covers workshops with communities in a training perspective (Ref. 41). The realization of these workshops is planned as project activity (Ref. 40, section 2.2).

4.7. Stakeholders

The proponent identifies community groups and other relevant actors to the project. Among the groups identified are the communities "Jutuarana", "Cabeça de Boi" and "Jatoba", in addition to the institutions that interact significantly with RRPJ such as SEDAM (reserve management agency), CDREX (Deliberative Council booking), and CES Rio Terra (partner organization in project implementation), UNITE (Federal University of Rondônia), Woodshopping (forest management operator) and the surrounding communities, "November 2", "Tabajara" and "Blue Star ". Moreover, it lists the groups and actors identified through an analysis of interest and relevance to the project (Ref. 1, section 2.6). This relevance analysis, however, cannot consider

the actual importance and influence of some actors, such as the Tabajara community and forest management operator. The Community Tabajara is located in RESEX surrounding area, it is a traditional community and possibly makes use of the reserve areas for subsistence purposes, having the potential to put pressure on the project area. The management company conducts forestry activities within the reserve and currently represents an important source of income for families within the context. The status assigned by the proponent to some identified actors may pose a risk to the project management, drawing on an impact perspective, given the influence that these entities have on the territory and / or communities concerned/in question. See OBS 03/16.

The proponent held workshops with the communities (Refs. 14, 15, 16 and 17). These events were used as a communication space where the project scope was outlined in a participatory manner, the project documentation became available, risk analysis and strategic planning dynamics (SWOT) were carried out and the project validation process has been elucidated. The workshops were documented through activity reports (Refs. 18 and 19) and the continuity of communication and related consulting the project was provided through the formation of a Steering Committee, with the participation of representatives from each of the communities and partner institutions, which holds as one of its duties to inform people of the communities about the project activities.

Interviews were conducted during the audit, with residents of all communities present in RRPJ. The interviews allowed the audit team to verify the level of knowledge and understanding from the people of the communities regarding the project, communication methods adopted by the proponents and the degree of participation of the community in developing the project. Moreover, interviews revealed that appropriate conditions for participation were provided by transport availability for community residents to gather in the *Cabeça de Boi* community. The audit team considers as effective the consultation mechanisms and participations made by project proponents.

Most respondents were able to report the process of meetings and project objectives. Similarly, it was found that for some respondents the project objectives are not clear, especially when they indicate that the project will bring money in cash to the community. Given the complexity of topics and required by the CCB standard and the reality of the families of RRPJ, reports of its residents show that the workshops were able minimally sensitizes them to the issue and mobilize them to the importance of the project that they helped to design.

The mechanism of conflict resolution, required by the CCB standard, was also developed through these workshops (Ref. 19). The mechanism was set up to deal with disputes involving proponents, communities and other relevant stakeholders, which arise during the stages of planning, implementation and evaluation of the project. In summary, created protocols determine the involvement and mediation of conflicting issues by community representatives along with the fund manager collegiate RRPJ and also aspects to record and respond the complaints which are fully described on section 2.6.4 of the PD (Ref. 1). People interviewed during the audit claimed knowledge about the conflict resolution mechanism.

In spite of this, it is important mentioning that the community is going through clear relationship problems involving issues relating especially to remuneration resulting from forest management

activities carried out within the RRPJ. The contract signed between the company responsible for the management and community organizations provides that funds from the management plan must be distributed annually in the following proportion: 60% to the community, 25% to the cooperative, 10% for the Organization of Rubber Tappers/Collectors Rondonia and 5% for CEDREX (Deliberative Council of Extractive Reserves West Machadinho). The value for the community, 60% goes to investment cooperative (house building, energy, water) and 40% for allocation to each member of the association. Testimony heard by the audit team during the public meeting organized at Cabeça-de-Boi community at the beginning of the audit process revealed problems in relation to the apportionment. According to representatives of the association and the cooperative there is a debt between the cooperative and the management company that has not allowed the actual payment of all members of the association in recent years. This has left many disgruntled residents and generating a series of questions about the decision-making processes, transparency, sharing of benefits and investments involving representatives of Asmorex and the Cooperative. See OBS 01/16.

The proponent acknowledges the existence of these and other conflicts in the project area as a result of irregular occupations with extensive agricultural activity on the banks of the Rio Machado, claims for land rights or compensation for expropriation of so-called "rubber soldiers" (ref. 40, section 3.2.4). The audit team understands the description identified as sufficient compliance of the standard project design. Also, the mechanisms of governance, claim, and the project training activities, as effective mitigation and resolution to conflicts diagnosed are understood.

4.8. Commercially sensitive information

The proponent lists some documents to be considered sensitive for bringing commercially sensitive information: project budget, financial projections, financial statements and Cooperex Asmorex, financial statements from Biofílica, agreements and contracts between the parties involved. The audit team had access to and examined all the project documentation, including the one considered commercially sensitive by the proponent in order to assess compliance to the CCB and VCS standards. Omission of documentation deemed by the proponent commercially sensitive does not cause prejudice to the understanding of the baseline scenario, the demonstration of project additionality or estimates of GHGs, and such information is consistent with the VCS definition of commercially sensitive information.

5. LEGAL STATUS

5.1. Compliance with laws, statues, property rights and other regulatory frameworks

Project design brings the relevant legal framework to its matter. There is the Federal Constitution of Brazil, the ILO Convention 169, the National Policy on Climate Change (Law No. 12.187 / 09) the National System of Nature Conservation Units (SNUG, Law No. 9,985 / 00), the state decree No. 7336 of 1996 establishing the extractive reserve Rio Preto-Jacundá, among others. The audit team understands that the implementation of project activities does not lead to a breach of any law, statute or regulation.

The proponent also discusses the relevance and implementation of Law No. 11.284 of 2006, which lays out over the management of public forests for sustainable production. According to the

proponent, the law defines aspects of the allocation of public forests that favor local communities in Article 6. Furthermore, it addresses the potentially issue inhibitive and relative of marketing of carbon credits resulting from avoided emissions of GHGs in natural forests that have appears on law in Article 16, in a way to consider it applicable only to public forest concessions consideration through the bidding process, which was considerable plausible by the audit team. Legal interpretations submitted by the proponent are supported by an expert opinion of legal advice (Ref. 20).

5.2. Evidence of right of use

Supported by a legal opinion provided by specialized technical consultants (Ref. 20) the proponent demonstrates the right of use over the carbon by the reserve traditional populations, represented by, ASMOREX, This consultancy opinion is based on a existent legal framework, which encompasses the State Decree No. 7,336, 1996 that creates the extractive reserve Rio Preto-Jacundá, the Law No. 9,985/00 that founded the National System of Nature Conservation Units (in Portuguese: SNUC), in ILO's Convention No. 169, in decree No. 6.040 of February, 7, 2007, that deals with the National Sustainable Development for Traditional People and Communities Policy (in Portuguese: PNPCT), in Law No. 9.985 of 2000, which provides for Extractive and Sustainable Use and in the Decree No. 4340 of August, 22, 2002 which provides over the same law.

Based on this, the audit team understood that the right to the reserve natural resources belongs to the traditional populations that live within it, upon compliance with the rules laid down in legislation, in the protected area management plan and in a real right contract of use (in Portuguese, CDRU). However, the project proponent still hasn't a signed CDRU. During the project validation process was characterized the existence of a management plan formulation process, the state government's approval on the matter relating to the RESEX Rio Preto-Jacundá REDD+ project and also the competence of the environmental state agency on granting a CDRDU, although it has not been characterized the existence of the latter documents. Then, to ensure in an unequivocal way the statement of rights on carbon by the project's proponent association, audit team issued FAR 01/16.

The rights to the carbon from the other project's proponent, Biofílica Environmental Investments, are secured by contract between that organization and the ASMOREX (Ref. 06).

5.3. Emissions trading programs and other binding limits

The project's design (Ref. 1 section 3.4) correctly specifies that Brazil is not part of Annex I of the Kyoto Protocol, so there is no national requirement to reduce GHG emissions. The audit team confirmed that the project has neither current or historical involvement with any initiative to generate credits under regulatory schemes (CDM) nor voluntary. The project complies with the CCB and VCS standards.

5.4. Participation under other GHG programs

The project's design (Ref. 1 section 3.4) properly specifies that the project was not and is not intended to be registered under another standard. The audit team confirmed that the project has no current or historical involvement with any initiative to generate credits under regulatory

schemes (CDM) or voluntary. The project complies with the VCS standard and VCS requirements for AFOLU projects.

5.5. Other forms of environmental credit

The proponent claims that the project does not have nor wants to generate any other type of credit related to greenhouse gas emissions or removals indicated within the VCS program (Ref. 1 section 3.5). However, Clause 1.2. of the contract between Asmorex and Biofílica (Ref. 6) points to the potential generation of credits related to other environmental services. The audit team understands the distinction between the scope and methodological VCS standard framework and other crediting and environmental payment schemes for other ecosystem services, but issued a note in order to highlight the inherent risk of potential non-alignment between the project's design and VCS standards with respect to other forms of environmental credits. See OBS 04/16.

5.6. Projects rejected by other GHG programs

The proponent certifies that the project has not been previously submitted for validation / verification of any GHG program (Ref. 1, section 3.6) and therefore, not been rejected on alternative programs. The audit team found that the project is not listed under any other GHG program.

5.7. Respect for rights and no involuntary relocation

For its activities, the project will not usurp private, community nor government property and there are no situations foreseen in the project requiring restitution or adequate compensation as a result of land affected by the project. The project's design provides information regarding the process of obtaining the consent of the RRPJ residents to carry out the carbon project (Ref. 21). The project (Ref.1, fig. 17) shows the main milestones of the consent process started in 2011 and culminated in May 2012 with the obtaining of prior consent of the residents of the reserve. The interview with the locals has highlighted the knowledge, participation and the concordance of the same with the realization of the carbon project.

Among the project activities include the formation of new communities within the RRPJ, aiming to contribute with protecting the area from intrusion and theft of timber. According to the project's design this activity was a result of the community's demand even before the start of the REDD+ project in the area. Such physical occupation of actions through the new community foundation were reconsidered by the proponent due to the risk inherent conflict and also because of the potential emissions of this activity, being momentarily suspended (Ref. 40, section 2.2). See OBS 02/16. The ex-ante estimates (Ref. 45), however, still consider the issue arising from this activity throughout the project duration, which was considered by the audit team as a conservative approach.

5.8. Illegal Activities and Project Benefits

llegal activities involving unauthorized extraction of wood from deforestation agents are part of the baseline scenario in the area and the project's area as well as in its reference area. These illegal activities are a major focus of project activities action. However, they also constitute the main threat to the project's success. The risks to project objectives arising from these illegal activities in the region were addressed by the proponent in revised PD (Ref. 40, section 2.3).

6. APPLICATION OF METHODOLOGY

6.1. Title and reference of methodology

The proponent selected the VM0015 V1.1 methodology "Methodology for Avoided Deforestation Unplanned" for project's development, identifying it correctly in section 4.1 of the project design (Ref. 1). The information is sufficient to identify and reference the selected methodology.

6.2. Applicability of methodology

The use of the VM0015 V1.1 methodology is justified by the conditions of defined application in the project design:

• Project baseline activities include unplanned deforestation as a result of agricultural activities and livestock, according to the latest version of VCS standards.

• Project activities include the protection of the forest with controlled and selective logging, in accordance with the description of the scope of "D" methodology.

• The project area has different forest types.

• The project area includes only areas classified as "forest" for a minimum of 10 years before the project start date.

• The types of forest found in the project area do not include rainforests in swampy areas or in public forested areas in peat lands.

6.3. Methodology deviations

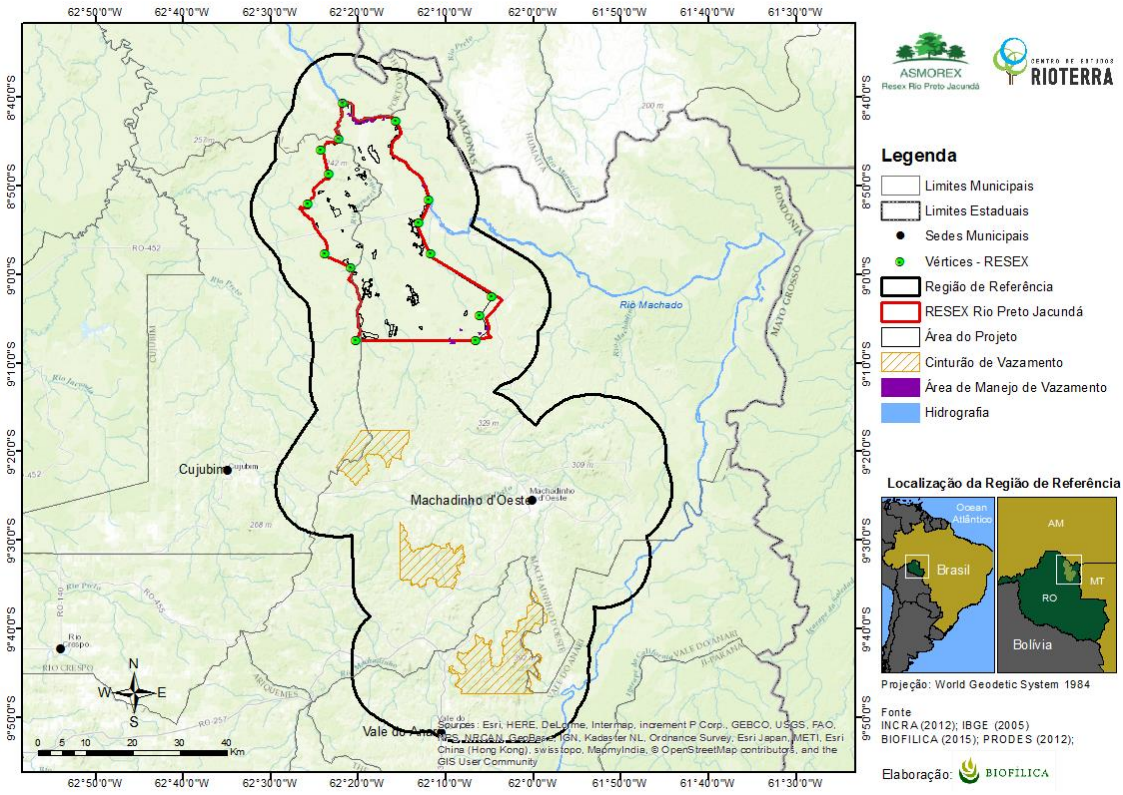
6.4. No methodological deviations were made by the project proponent in the project design, as is stated in the project documentation (ref. 01). No methodological deviations were identified by the audit team through document review (ref. 01).Project boundary

The proponent describes the spatial and temporal boundaries of the project, carbon reservoirs and GHG emission sources considered in the project scope (Ref. 1, section 4.4). The project area corresponds to an area of 94,289 ha disposed within the reserve. The audit team considered this area big enough to be representative of local landscape conditions, thus considering as appropriate the size of the delimitated reference region. The reference region corresponds to 734,158 hectares, demarcated around the reserve, as shown below, had been demarcated according to a set of similarity criteria including socio-political aspects, such as the buffer zones of the set of extractive reserves of municipalities Machadinho D'Oeste and Vale do Anari (Ref. 44). This analysis was also corroborates the landscapes homogeneous conditions and appropriateness size of the reference region.

The project area is characterized by the occurrence of tree types of forest. Open Sub montane Ombrophilous forest, Open Lowland Ombrophilous forest and Dense Ombrophilous forest. This tree types together cover 98,5% of the project area. The same forest classes also exists in the reference region, corresponding to 98,8% of the territory. The same representativeness can be

observed for other landscape configuration such as slope and elevation. The project area and the reference region are located in a homogeneous, flatted low elevated region, as is the bigger part of the Brazilian Amazon. 99,2% of the project area has 0 to 20% of inclination. The same slope classes can be observed at the reference region, where 95,3% of the area has 0 to 20% of inclination. 100% of the project area is less than 200m height from the sea level. The same elevation classes can be observed at the reference region, where 96,8% of the area is less than 200m height from the sea level. The project proponent revised the project documentation in order to address this VCS finding, better demonstrating that the conditions determining the likelihood of deforestation within the project area are similar to those found within the reference region. The VVB has assessed the different types of forest and the different classes of slope and elevation independently, using open data sources of information from INPE[1] and IBGE[2].

The reference region encompasses other extractive reserves in the municipalities of Machadinho D'Oeste and Anari and their buffer zone. The audit team understands that the land in the project area and in the reference region has the same legal status (conservation units), tenure (public), use (conservation) and polices/regulations (Brazilian federal and state law), thus being in conformance with the VM0015 v. 1.1 requirements. The likelihood of deforestation within the project area is similar to those found within the reference region



The leakage belt was allocated in three extractive reserves located within the reference region, due to a multi-criteria analysis interpolated data from deforestation risk map with the physical

[1] INPE: Instituto de Pesquisas Espaciais
[2] IBGE: Instituto Brasileiro de Geografia e Estatística

limits of the chosen extractive reserves. The belt has characteristics similar to the project area, it is under the influence of the same agents and inserted in the same territorial dynamics that leads to deforestation. The project proponent chooses option 2 - mobility analysis for allocation of the leakage belt. The limits of the extractive reserves in the reference region and the deforestation risk map, produced based on the factor maps and the variables that explain deforestation, were used to define the leakage belt, as it can be seen in the PD, section 4.5. The project proponent considered 6 independent spatial variables (distance from roads, old deforestation areas, vegetation type, slope, soil and legal status of the area) to elaborate the deforestation risk map. All the spatial variables constitute verifiable sources of information, as such are the deforestation and factor maps. The restriction criterion was the limits of the other extractive reserves at the reference region. The choice of the option 2 was also justified by the deforestation dynamics analysis presented by expert opinion carried out by the CES Rio Terra, a partner organization of the project. According to the logic presented, almost 70% of the deforested area in the reference region has been turned into pasture, not for economic motivation but by territorial occupation. The leakage management areas are found in defined limits, non-forested, nearby the communities living in RESEX.

The project started on October 1st 2012. 2000 to 2011 was the reference period used to determine the rate of deforestation. The baseline will be revalidated 10 years after the start of project activities, by October 1st 2022 . The monitoring frequency of deforestation will be done annually over the project's duration. This is a 30 year project. The crediting period has the same duration.

The project's design considers the carbon stored in the reservoirs "above ground" and "underground" as the requirements of the methodology used. The audit team assessed the inventory sheets (Ref. 53) to ensure the accuracy of the estimates of carbon stocks presented.

6.5. Baseline scenario

The definition of the baseline scenario involves a context analysis, a historical analysis of change in land use in the reference region and an analysis of the actors, besides trends and underlying causes of deforestation. The defined baseline scenario has been selected in accordance with the requirements of the methodology.

Land use and land change analysis was performed by PRODES data and Landsat satellite images in the reference period of 2001 to 2011. The definition of the different land use classes was performed using high spatial resolution images available on Google Earth. The definition of the landed change categories and change analysis on the land use and cover were made to the project area and leakage belt. The accuracy of the mapping was tested by comparing the images classified with 82 points observed at the field. The results were arranged in a confusion matrix (Ref. 1 -. Table 16), indicating overall accuracy of the coverage map at 87%. During the reference period an area of approximately 152,563 ha, about 26.5% of the existing forest in 2000, was cleared in the area.

Small farmers in the region are seen as the agents responsible for most of the deforestation done in the reference area, while extensive livestock farming, agriculture and illegal timber extraction are seen as vectors of the same. The analysis of these vectors in the region reveals that mechanized agriculture expands by regions previously occupied by livestock. Livestock allows

relatively rapid capitalization of the average producer that expands its borders acquiring land of small farmers moving them to other regions. Small farmers often move to protected areas where they are enticed by illegal loggers and other agents. The shortage of hardwoods in the forest areas in the reference region increases the chances of these agents to invade and illegally explore the protected areas, which have large territories and inherent problems and on the monitoring and surveillance. This dynamic adds a context characterized by the malfunction of extractive reserves as to their use order in the state, the lack of land regularization, non-empowerment of traditional populations, lack of technical assistance and lacks basic public services. Finally, it is worth pointing out that the region experienced the implementation of settlement projects decades ago, that promoted the migration of various actors in the region, dramatically changing the dynamics of deforestation. For the proponents there are conclusive evidence that deforestation agents, vectors and that the underlying causes identified explain the dynamics of deforestation in the reference region and the interrelationship between these factors allow maintenance forecast trend in deforestation rates future.

6.6. Additionality

The proponent structures the project additionality analysis based on the requirements of the VT0001 v.3.0 VCS tool. In this sense, elaborates alternative baseline scenarios, lists barriers to implementation and conducts an analysis of common practices. As alternative baseline scenarios the proponent considers 1) the continuation of the pre-project land use, with the deforestation dynamics currently existent maintenance; 2) to halt deforestation by the action of the environmental agency responsible for monitoring the territory without the other activities of REDD+ and 3) the implementation of the project activities without a registry in the VCS program, i.e. without financial resources from the carbon credits commercialization. The audit team has assessed the existent baseline scenario through direct observations at the field and interviews with relevant stakeholders. During fieldwork, the audit team followed a raid of SEDAM to the reserve, witnessed the occurrence of log theft, illegal logging and land invasions (ref. 03). Moreover, the interviewed people corroborate the deforestation agent's actions and the deforestation dynamics at the reference region and the reference area. Based on that, the audit team considers the first scenario identified by the project proponent as a result of the step 1a of the VCS tool as credible and realistic. The second alternative scenario was also considered plausible by the audit team. Interviews with SEDAM staff and also direct observations made by the audit team at the field, have reviewed the existence of finance streams coming from a specific government program[3] (ref. 23) in order of making possible some level of surveillance at the project area and other reserves at the reference region. At last, the third alternative land use scenario was also considered plausible by the audit team, because of the revenue streams coming from the forest management activities. Following the steps of the VCS tool, the audit team understood that the second and the third scenarios could be considered consistent with the applicable laws and regulations. The first alternative land use scenario to the proposed VCS AFOLU project activity, which is actually the baseline scenario, was considered valid in terms of additionality, because the project proponent has proved that the applicable mandatory legal or regulatory requirements are systematically not enforced and that non-compliance with those requirements is widespread and prevalent on at least 30% of the area of the smallest administrative unit that encompasses the project area. For doing so, using open and verifiable

[3] http://programaarpa.gov.br/

data sources[4,5], the project proponent has compared forest suppression licenses given by the state government with the deforestation rate at the monitoring period. The comparisons made make it clear than the deforested area is much bigger than what could be called as legal deforestation, thus revealing that the applicable mandatory legal or regulatory requirements are systematically not enforced and that non-compliance with those requirements is widespread.

The identified barriers are related to lack of implementation of existing legislation and related to management of protected areas, the lack of organization of traditional communities, the non-structuring and fragility of value chains related to NTFPs and mining activity. The project proponent has presented its argumentation based on literature review and on implementation partners organization local knowledge. The audit team has assessed the barriers presented and found them to be plausible and sufficiently grounded. The common practice analysis references the case of RESEXs Jaci-Paraná and Cautário, protected areas in the region, on the performance of the same clearing agents, had their borders fully destroyed and where it is observed very high historical deforestation rates. The audit team has confirmed the case of RESEXs Jaci-Paraná and Cautário independently through interviews with the public ministry representative. Based on the arguments set (Ref. 40) the audit team agrees with the proponent on the project's additionality.

7. QUANTIFICATON OF GHG EMISSION REDUCTIONS AND REMOVALS

7.1. Project scale and estimated GHG emission reductions or removals

The project has an area of 94,289 ha and calculates the annual average of avoided emission at 412,266 tCO2e. The proponent correctly identifies the scale of the project in its design (Ref. 1 section 5.1). The project aims to prevent deforestation of 35,222 hectares of forests in the project area, thereby estimating to avoid the emission of 12,428,713 tCO2e into the atmosphere over the period of 30 years.

The project design does not show stratification of the reference region to calculate different rates of deforestation over the reference period. The proponent points to the general character of action of the identified drivers of deforestation on the project area as a justification for this decision-making, which was considered acceptable by the audit team, taking into account the sparse of deforestation diagnosed by remote sensing and also through direct observations made during the field incursion.

The project proponent submits the choice of approaches "a", historical average, as a method of determining the rate of deforestation in the baseline scenario, supported by the fact that no identified variable has presented direct correlation with the annual rates of deforestation. To support his claim, the proponent presented a statistical correction analyzes between the annual rates of deforestation, the number of cattle and timber production on the reference period, indicating low correlation indexes. The audit team then agrees with the choice made by the project's proponent.

The proponent presents future deforestation projections at the project's area, reference region and leak belt (Refs. 44 and 45).

[4] http://www.dpi.inpe.br/prodesdigital/atrmunic.php?ID=1100940&ano=2014&
http://www.dpi.inpe.br/prodesdigital/atrmunic.php?ID=1100130&ano=2014&.
[5] http://monitoramento.sedam.ro.gov.br/simlam/

Pursuant to the VM0015 V1.1 requirements, the proponent uses the technique of "Figure of Merit" (FOM), to determine the accuracy of the model used for allocation and projection of the deforested area. The proponent compared the map of deforestation generated by the model based on the reference period 2000-2007 to the land use map for the year 2012. The hit percentage found was 86%, higher than the minimum required limit and defined by the percentage of net changes observed in the reference region at the same period, which was 15%.

The proponent defined the influence factors used for the manufacture of the deforestation risk maps, taking into account the distance between previous clearings, roads, settlements, extractive reserves, private or not intended lands , vegetation and soil type, and declivity of the ground (Refs. 40 and 44). The evidence weight method showed that the independent variables of greatest influence match the distance between previous clearings, roads and settlements. It is understood that the new set of independent variables selected for the manufacturing of risk maps is representative.

7.2. Leakage management

The project's design addresses measures for leakage management (Ref. 1, section 2.2). The proponent delimited areas inside and outside the RRPJ where the project activities will be implemented with focus on leakage containment. The audit team assessed the GIS collection fashion design to verify that at the beginning of the project, leakage management areas were identified as forests, in accordance with the methodology adopted. The VM0015 v.1.1 methodology allows the implementation of spill containment measures as part of the project activities. Such actions are aimed at income generation through technical assistance in the production of foodstuffs such as flour, fruit pulp and mechanization of clearings (Ref. 40, section 2.2). It is understood then, that the activities proposed in leakage management areas are not directed to all agents of deforestation identified and work in the region. It is pointed out, therefore, the risk of ineffective actions designed for this purpose. See OBS 05/16.

7.3. Baseline emissions

The audit team examined the compliance of the project to the VCS standard requirements for AFOLU projects with the estimates of baseline emission, assessing the quantification of carbon stocks in the project area and through spatial analysis of the predictions made by the proponent about the deforested area.

Inventory procedures for carbon inventory conducted at the project area are described in the project design (Ref. 1, section 5.3) and supplementary material provided the audit team and prepared by expert technical advice (Ref. 24). The project proponent has installed a hundred of sample units of 2,500 m2 in the project area, which determined the number of individuals, individual basal area and volume of the trees. The volume of standing trees was calculated based on a specific equation adjusted to the site sampled. The adjustment was based on regression analysis of the volume and height of fallen trees. The volume was obtained by cubing 121 fallen trees. The regression coefficient found for the fitted equation was 0.99 (R2) (Ref. 24).

Four sample plots (01, 02, 31 and 100) were randomly selected and inventoried by the audit team. All individuals identified and above the minimum inclusion diameter (DBH> 10 cm) were sampled and measured at breast height (1.30 m), following the inventory procedures adopted by

the project proponent. The audit team compared the results of your inventory with the results obtained by the project proponent, using accumulation curves and nonparametric statistics (Ref. 54). The accumulation curves showed overlapping data, suggesting proximity of the results. The Wilcoxon test revealed high ***p*** values for all comparisons, indicating that there are no significant differences between the results of the inventories carried out by the audit team and the project proponent in all re-sampled plots.

The project's proponent submitted the revised inventory sheet showing the raw data and formulas calculation (Ref. 53). The audit team reviewed the document in question to ensure the accuracy of the estimates of carbon stocks presented. The proponent revised the relative proportions of each stratum considered for calculation of carbon stocks, depending on the set of the project area.

In principle, to define its sample design, the proponent considered two specific strata: primary forests and managed forests. The plots were implemented in two stages, taking into account random and systematic approaches. Points (plots) and sampling units (transects) were distributed in both layers in order to evaluate whether there were significant differences between the carbon stocks among themselves. Statistical analysis on the inventory results revealed no significant differences between the sampling units considered.

Through field observations, the audit team believes that the inventory plots were set taking into consideration the criteria of sampling intensity and arranged representation in Annex 3 of the methodology adopted by the project. The project proponent submitted additional documentation in order to validate the compliance of its sample design (Ref. 49, 50, 51 and 52). The installation of a great number of plots was demonstrated by the formula in methodology adopted by the project (Ref. 49). The location of the parcels was justified by the proponent on the basis of biomass gradient found in the reserve, of the difficulty access there are at certain locations and finally due to physical integrity risks of inventory teams due to localized action of certain deforestation agents (Refs . 50, 51 and 52), which was considered as plausible by the audit team. The audit team understands that the sample design of the project conforms to the VM0015 v1.1 which results in conservative estimates about the biomass stocks present in RRPJ.

Yet, relationship to the remote sensing analysis, the audit team evaluated the forest cover maps showing land use classes for the years 2000 and 2012 (Ref. 02) and LULC maps in order to assess the total area deforested in the baseline scenario in the absence of project activities (Ref. 02). The data were compared with the values found in the spreadsheet for emission reduction estimates (Ref. 08). The confusion matrix for the change in land covering is displayed in the spreadsheet and at the projects design (Refs. 08 and 01). The procedures and results presented by the proponent were considered according with the methodology adopted in the project design by the audit team.

Finally, supported by the scientific literature, the proponent calculates the changes in carbon stocks in the baseline using the value of 61.2 tCO2e per hectare as a reference for the stock of carbon found in post deforestation scenario (ref. 25) and Method 1 to calculation of emission factors or factors of change in carbon stocks due to deforestation event over time, which calls for the decay of carbon stocks over the next ten years after the deforestation event.

7.4. Project emissions

The estimates of emissions resulting from project activities were accounted for by the proponent in accordance with the requirements of the VM0015 v.1.1 methodology (Refs. 01 and 08). A resident's cooperative of the reserve, the Cooperex, signed a partnership agreement with Woodshopping forest management operator for the execution of a management plan at RRPJ since 2005. The contract was renewed in 2013 and last 30 years. Forest management activities carried out by this service provider are part of the baseline scenario, so that emissions from management should not be regarded as resulting from the project. However, conservatively, the proponent has considered the construction of infrastructure for forest management activities, such as log yards and roads, as planned deforestation in the project area, over the project life time. The proponent has considered the maximum opening pointed in by the management plan to be 8% of the total area of annual production unit. Once the annual production units have 500ha, the proponent considered the issue arising from the planned deforestation of 40 ha / year in their ex-ante estimates. Moreover, it considered in its estimates emissions from deforestation planned to be generated by the opening of new areas for the formation of new communities within the reserve, one of the project activities for deforestation containment. Thus, taking into account the new communities to be founded and the number of families involved in the process emission computed on the full opening of 60 ha to be held in a period of six years from 2017. Emissions were not considered related to other planned management activities. It is noteworthy that the potential reduction in carbon stocks in managed areas will be monitored by the project developer based on post-harvest reports provided by management. The proponent will consider potential inventory reductions resulting from this activity in their ex-post estimates. Estimates around the project emissions can be checked in the PD and additional documents (Ref. 1 and 08) and it has been assessed by the audit team as under applicable methodology.

7.5. Leakage

Regarding the ex-ante estimates, the proponent assumes a leakage factor for displacement of deforestation outside the reserve, 10% to 5% of the total liquid volume of emissions caused from deforestation in the baseline scenario (Ref. 1 and 08).

The ex-post leakage will be monitored by remote sensing from the leakage belt according to the monitoring plan evidenced in the project's design (Ref. 1, Section 8).

7.6. Summary of GHG emission reductions and removals

A summary of avoided GHG emissions estimates is reported in project's design and supplementary documentation (Ref 1, section 5.6, Ref. 08). The non-permanence risk report indicates a score of 10. The project estimates avoid the emission of 12,428,713 tCO2e over its duration and 414,290 tCO2e per year. 1,323,704 VCUs will be retained in the VCS AFOLU pooled buffer, 11,105,009 VCUs be marketable.

7.7. Climate Change Adaptation Benefits

The project was not designed to attend optional requisites under the CCB standards for the adaptation of climate changes.

8. COMMUNITY

8.1. Net positive community impacts

The social baseline of the project was drawn from a socioeconomic diagnosis made in the reserve by a partner organization in project implementation (Ref. 26). The project's design features a detailed description of the communities, involving their demographic distribution by age, gender and location; information infrastructure involving housing, basic sanitation, energy and transport; data on income and employment, agriculture, extractive activities and livelihoods; education, health and digital inclusion. Furthermore, it addresses cultural aspects and issues related to women's participation in society. The project design also provides information on the high conservation-value attributes for communities conservation, as discussed in Section 4.4 of this report. Finally, the proponent discusses how the baseline scenario and the continued action of the deforestation drivers in the region would negatively impact the reserve communities in various social aspects, involving the rural exodus, the depletion of natural resources and consequent impact on the livelihood and quality of life, the political and associative weakening, among others.

8.2. Negative offsite stakeholder impacts

The design of the project lists the actions to be taken in the various axis of the project in their social sphere: health, education, environment, income generation, social organization, youth and women infrastructure and communication. In addition, it lists the casted activities, the necessary processes and expected results, even estimating the positive impacts of its implementation (Ref. 1, sections 2.2 and 6.2). The costs necessary to implement such activity are included in the financial sheet of the project (Ref. 09). The proponent does not expect that the actions of the project will adversely affect the high conservation values for communities, which was considered plausible by the audit team.

8.3. Other stakeholder impacts

The proponent argues that the heating of the local economy will benefit the surrounding communities, which has business relationships with the communities from the reserve (Ref. 1, section 6.3), which was considered plausible by the audit team. The proponent identifies community groups and other stakeholders related to the project. In addition, it performs an analysis of interest and relevance of these groups and stakeholders (Ref. 1, section 2.2). This relevance analysis, however, cannot consider the actual importance and influence of some actors, such as Tabajara community and forest management operator. The Community Tabajara is located in the borderland area of RRPJ, it is a traditional community and possibly makes use of the reserve areas for subsistence purposes, having the potential to put pressure on the project area. The management company conducts forestry activities within the reserve and currently represents an important source of income for families within the context. The status assigned by the proponent to some identified actors may pose a risk to the project management, drawing on a perspective impact, given the influence that these entities exercise on the territory and / or communities concerned. See OBS 03/16.

8.4. Exceptional community benefits

The project is led by traditional communities and implemented in the reserve where they live. Moreover, it is designed to provide equitable benefits and improved quality of life for members of the community, including short and long term benefits, increased safety and empowerment of traditional populations. The project design still works the institutional arrangements and governance of the project so as to enable full and effective participation of the community in decision making, implementation and project management.

The traditional and statutory rights of communities over the natural resources of the reserve is guarded by the Decree 7336 of January 17th, 1996 and the effect of another set of laws, as discussed in section 5.2 of this report. The project is aimed at promotion of social benefits in the short term (ex. training) and long term (ex. infrastructure, health, education and structuring of productive chains of NTFPs), as indicated in sections 4.2 and 8.2 this report. The proponent conducted participatory planning workshops with the communities. These spaces served for communication on relevant matters to the project, for their effective participation in development stages and also to assess risks inherent to the process, as discussed in sections 4.3 and 4.7. The project includes equally the most isolated coastal communities of the territory and offers these a chair in the project's governance structure of joint condition of expression and voting in relationship to other communities, as pointed out in section 3.5 of this report. The audit team understands the challenges of inclusion and equitable sharing of benefits to coastal communities, positioned in remote areas of the territory, but also considers the project design as inclusive and certifies its compliance to the CCB standard. The proponent conducted a socioeconomic diagnosis taking into account issues related to gender and described project activities specifically designed for the empowerment of women, promoting their effective participation and inclusion in decision-making bodies, as pointed out in sections 4.2, 4.6 and 8.1 this report. The benefit sharing mechanisms are anchored in the project governance structure that includes the participation of representatives of all the beneficiaries of the project groups, as described in section 3.5 of this report. Finally, the project's activities include community training activities, which can be seen in section 4.2.

The audit team understands that the implementation of RESEX Rio Preto Jacundá REDD+ project will bring exceptional benefits to extractive traditional communities and riverside populations of the reserve, so the conformity of the project to the optional requirements CCB standard set forth in this section and giving gold level achievement for exceptional community benefits.

9. BIODIVERSITY

9.1. Net positive biodiversity impacts

The project's design brings broad description of the biodiversity found in the project zone. Project partner organizations conducted research on the fauna and flora biodiversity of the region, taking advantage of specific methodologies for this purpose (Refs. 27, 28, 29 & 30). 273 species of trees and palm trees, 105 species of birds, 24 species of mammals, 38 species of amphibians and reptiles and 41 species of fish have been identified in this effort. Of this amount, 22 species are found in the list of vulnerable and endangered species of IUCN or have endemism and rarity features (Ref. 1, section 7.1) and is considered as high conservation value attributes. In this

sense and in relation to critical ecosystems and areas of particular relevance to the maintenance of species, the proponent identifies the occurrence of Campinaranas and natural mud pits in the project area (Ref. 1, section 7.1.3).

In the absence of the project it is estimated that the continued action of the deforestation drivers in the region would bring direct and indirect impacts on biodiversity in the project zone. The proponent discusses the influence of unauthorized logging in RRPJ, the advancement of agriculture and illegal hunting and fishing would bring direct and indirect impacts on specific components and biodiversity as a whole, changing the microclimate of sensitive ecosystems, reducing habitats and promoting predation (Ref. section 1, 7.1.4).

9.2. Negative offsite biodiversity impacts

The proponent points to the maintenance of habitats promoted by containment actions to deforestation as a major beneficial effect on biodiversity diagnosed in the region (Ref. 1, section 7.2). Specific methodologies for monitoring of forest cover and the diagnosed biodiversity are presented in supplementary documentation (Ref. 27, 28, 29 and 30). Negative impacts on biodiversity in the project area, potentially arising from increased pressure of exploitation of species of economic importance will be mitigated by the establishment of management plan aimed at non-timber forest products. The proponent does not expect that the actions of the project will adversely affect the biodiversity high conservation values, which was considered plausible by the audit team. Invasive species or genetically modified organisms under the project scope are not used. Agriculture held by reserve communities is family characterized, non-intensified, i.e. with low use of agricultural inputs. The proponent also provides environmental education involving treatment and proper disposal of solid waste, composting, recycling, agro-ecology and organic production as a main theme of the project's actions in the social area (Ref. 1, section 2.2).

9.3. Offsite Biodiversity Impacts

The proponent considers a potential increase in illegal hunting and fishing activities in the regions adjacent to the reserve due to the implementation of the project. However, argues that the maintenance of habitats in the reserve would generate a compensation effect for the maintenance of natural refuges wildlife. The audit team agrees with the proponent in his claim that the project implementation will have a positive net effect over the biodiversity of the region.

9.4. Exceptional biodiversity benefits

The project area globally includes significant areas of high priority for biodiversity conservation. The biogeographic region of RRPJ plays as a priority area for biodiversity conservation, according to diagnosis by project partner organizations (Ref. 1, fig. 49) and regular occurrence of endangered species, such *Ateles chamek* or Macaco-Aranha considered endangered by the IUCN. The Macaco-aranha was chosen as "triggering species" by the project's proponent, presenting monitoring plans specifically aimed at conservation (Ref. 1, section 8.3.3). Scientific studies raised by the proponent of the project corroborate the trend of population decline, presented in the project's design for the species in the region. It is estimated, however the generation of positive impacts to these populations due to the reduction of deforestation and consequent maintenance of habitats as well as environmental education in the community (Ref. 1, section 7.4.3).

The audit team understands that the implementation of RESEX Rio Preto Jacundá REDD+ project will bring exceptional benefits to extractive traditional communities and riverside populations of the reserve, so the conformity of the project to the optional requirements CCB standard set forth in this section and giving gold level achievement for exceptional biodiversity benefits.

10. MONITORING

10.1. Description of the Monitoring Plan

The implementation of the project activities will be monitored through the financial spreadsheets, performance and quality reports, social management reports, vegetation maps, meeting minutes, occurrence of invasions and other relevant document reports. The monitoring execution on climatic aspects of the project will be in charge of Biofilica Environmental Investments. The monitoring plan presented in project's design (Ref. 1, section 8) follows all established protocols in the methodology, and was considered under the VM0015 v.1.1 by the audit team. The data and parameters available at the project validation and that will be monitored all over the project lifetime were deforestation (at the project area and leakage belt) Ctot (carbon stocks at all pools at the forest class considered at the baseline scenario) DBH (diameter breast high), above and below ground biomass, carbon fraction, carbon conversion factor and the area opening for forest management infrastructure. The deforestation will be measured and monitored in hectares through PRODES [6] project open data source. Carbon stocks per hectare in carbon pools considered in the project scope in the forest class used in the baseline scenario in tones was calculated by algometric equations, literature growth factors and data measured in the field. Above and below ground biomass estimates were performed by forest inventory data and algometric equations developed in similar areas to the project area (ref. 27). Diameter at breast height (130 cm) for each tree with DBH equal to or greater than 15 cm in each plot of forest inventory were measured in the field by Hdom (ref. 1, table 4). "Carbon fraction" or carbon content in dry biomass was taken from literature[7]. Carbon conversion factor also comes from scientific literature[8], while the annual area opening for forest management infrastructure in hectares were conservatively fixed in 8%, but will be monitored through post exploratory reports from the forest management enterprise and also from expert opinion, All the parameter described by the project proponent are relevant and their usage reflect the methodology criteria for monitoring.

The effectiveness of the project's actions on their climatic axis will monitored in relationship to changes on carbon stocks and GHG generated by non-planned deforestation at the project's areas. These changes are monitored by remote sensing and forest inventories.

Remote sensing involves a number of criteria and steps required to map the vegetation cover, such as the selection of images with less cloud cover, georeferencing, classification in response

[6] Deforestation Monitoring System in the Amazon, prepared by the National Institute for Space Research (INPE), to perform all relevant analysis over land-use and land cover change during the monitoring period. The audit team considers INPE as a reputable source and PRODES as a reliable source of information. PRODES is the official source of information for Brazilian federal government deforestation monitoring and it is used for researchers all over the world.

[7] Nogueira, E.; Fearnside, P.; Nelson, B., et al., 2008. Estimativas de biomassa florestal na Amazônia Brasileira: Novas equações alométricas e ajustes da biomassa dos inventários de volume de madeira. Forest Ecology and Management, 256 (11), pp.1853-1867

[8] 2006 IPCC Guidelines for National Greenhouse Gas Inventories Volume 4 AFOLU.

to spectral signature and similarity between adjacent pixels and field validation. The minimum accuracy for rating is 80%. Potential disturbances in carbon stocks caused by catastrophic events will be monitored over the same methods. It will also be recorded deforestation planned due to the opening areas due to the construction of roads and infrastructure associated with forest management and other project activities. In this sense, significant changes in relationship to the ex-ante projections will be reported in monitoring reports estimates for verification purposes.

The forest inventory will be carried out in the installed permanent plots, according to the protocols validated in additional documentation to project's design, one year before and at intervals of one, three and five years after harvesting the annual production unit, according to the monitoring plan.

Monitoring in carbon stocks at the leakage belt will also be done by satellite images, using the same protocols discussed in this section. Emissions in leakage management areas will be considered if they occur planting activities trees, fertilization, production of fodder and agricultural intensification.

Social and project biodiversity spheres will be monitored by the partner organization in project's implementation, CES Rio Terra. The project proponent submitted initial monitoring plans on the social sphere and biodiversity at the project area, following the indicators presented in the project's design (Ref. 1, sections 2.2 and 8.1.2). Regarding communities, monitoring actions will be focus on family income, the number of families benefiting from social investment project, in agricultural production, the gross income of each activity related to land use in the reserve, the number of courses and training, participation in the courses, the number of qualified women in the number of women in leadership positions and strengthening governance. Regarding the biodiversity monitoring, activities will be focused on the diversity of fauna and flora species, and the monitoring of *Ateles chameck* populations.

All data and project reports will be stored by Biofílica Environmental Investments into digital files throughout the project. Original reports (physical), field records and meeting minutes produced by forest management activities and monitoring functions about social aspects will be stored by Asmorex and CES Rio Earth. All data collected, including all parameters to be monitored and the frequency of monitoring can be found in section 8.2 of the project design (Ref. 1).

The proponent compromise to validate the initial monitoring plans at community workshops and to disclose the monitoring reports every six months over general meetings with communities.

11 VALIDATION CONCLUSION

A positive validation decision was based on the Project Design v.2.2, from May 15th, 2016 and the Non permanence risk report v2.1, from March 18 the, 2016. The project estimates avoid the emission of

12,428,713 tCO2e over the 30 year project lifetime. Based on Project's conformance with audit criteria, the auditor makes the following recommendation:

Final Report Conclusions

☒ Validation approved:

☐ Validation not approved:

Draft Final Report Conclusions

☒ Validation approved:

☐ Validation not approved:

Draft Report Conclusions

☐ Validation approved:

Validation not approved:

☒ *Conformance with NCR(s) required*

CCB STANDARDS CRITERIA CHECKLIST:

GENERAL SECTION	CONFORMANCE
G1. Original Conditions in the Project Area (Required)	YES
G2. Baseline Projections (Required)	YES
G3. Project Design and Goals (Required)	YES
G4. Management Capacity and Best Practices (Required)	YES
G5. Legal Status and Property Rights (Required)	YES
CLIMATE SECTION	
CL1. Net Positive Climate Impacts (Required)	YES
CL2. Offsite Climate Impacts ("Leakage") (Required)	YES
CL3. Climate Impact Monitoring (Required)	YES
GL1. Climate Change Adaptation Benefits (Optional)	NA
COMMUNITY SECTION	
CM1. Net Positive Community Impacts (Required)	YES
CM2. Offsite Community Impacts (Required)	YES
CM3. Community Impact Monitoring (Required)	YES
GL2. Exceptional Community Benefits (Optional)	YES
BIODIVERSITY SECTION	

B1. Net Positive Biodiversity Impacts (Required)	YES
B2. Offsite Biodiversity Impacts (Required)	YES
B3. Biodiversity Impact Monitoring (Required)	YES
GL3. Exceptional Biodiversity Benefits (Optional)	YES

APPENDIX 1. NONCONFORMANCE REPORTS AND OBSERVATIONS

1.1. Nonconformance evaluation

Note: A non-conformance is defined in this report as a deficiency, discrepancy or misrepresentation that in all probability materially affects carbon credit claims. Each NCR is brief and refers to a more detailed finding in the appendices.

NCRs identified in the Draft Report must be closed through submission of additional evidence by the Project Proponents before Rainforest Alliance can submit an unqualified statement of conformance to the GHG program. Findings from additional evidence reviewed after the issuance of the draft report are presented in the NCR tables below.

NCR#:	01/16
Standard & Requirement:	VCS v.3.5, requisite 3.14 VM0015, v.1.1, parte 1 item 3 VT0001 v.3.0 items 2.1.1, 2.3.1 a & l (L) CCBS, 3ª Ed. (2013), indicator G2.2
Report Section:	6.6
Description of Non-conformance and Related Evidence:	
The project's design does not draw out all possible alternative and credible scenarios to the project's scenario (ref. 1, section 4.6). In interviews with SEDAM's technicians, the governmental agency responsible for patrolling the protected areas in the state, it stays characterized the existence of substantial investments from ARPA[9], the Ministry of the Environment's program, plus the existence of significant results in terms of controlling actions inside the reserve (ref. 02). During fieldwork, the audit team followed a raid of SEDAM to the reserve, witnessed the occurrence of log theft, illegal logging and also patrol actions of the agency in question (ref. 03). Therefore, it is understood that containing deforestation in the reserve by the action of responsible environmental agencies constitutes a credible scenario and alternative to the project scenario.	

[9] http://programaarpa.gov.br/

The project's proponent uses the barrier analysis as a methodological approach to prove the project's additionality. Barriers in question relate to lack of human resources, lack of investments, possible changes in the political framework, the lack of technology and the lack of an organized business management (ref. 1, section 4.6). The VT0001 v.3.0 tool states that the identified barriers must be sufficiently informed and that they cannot be specific to the project nor the project proponents. That said, it stays characterized that the proponent has considered intrinsic barriers as problems in the association's management or lack of administrative capacity and does not have grounded well enough the existence of financial barriers to the implementation of project actions.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	- Ref. 40: Projeto REDD+ Resex Rio Preto – Jacundá. Setembro de 2015, v.2.2- Biofílica Investimentos Ambientais S.A. - Ref. 41: Planilha econômico-financeira do projeto. Biofílica. V.2. 2015.
Findings for Evaluation of Evidence:	The proponent revised project's design (Ref. 40) in order to consider the fight against deforestation by action of the environmental agency responsible for the management and supervision of the reserve, SEDAM, as an alternative and credible scenario additionality analysis. Moreover, it reconsidered the existing barriers for the implementation of the project, excluding those that were characterized as inherent to the design or project's proponents. The audit team understands that the proponent has raised sufficient evidence in order to prove project's additionality, taking in consideration the VCS tool VT0001 v.3.0 The proponent also reviewed the financial project sheet (Ref. 41), correcting the "pay-back" parameter and the text of section 4.6, sub-step 3b PD revised (Ref. 40), in order to demonstrate that the barriers identified would not hinder the alternative baseline scenarios identified, with the exception of the project's scenario.
NCR Status:	CLOSED
Comments (optional):	None

NCR#:	02/16
Standard & Requirement:	VCS AFOLU v.3.4, requisite 3.1.5 VCS AFOLU Non-permanence risk tool v.3.2 CCBS, 3ª Ed. (2013), indicator G1.10
Report Section:	4.3

Description of Non-conformance and Related Evidence:

The risk assessment of non-permanence of carbon stocks (ref. 05) shows significant inconsistencies.

Regarding the risk associated with the financial viability, the applicant has calculated the "breakeven point" considering the sum of the last two years the amount of net revenue and instead of the accumulated amount as directed by the tool in question.

As for the risk associated with the cost of opportunity, the proponent considers only the practice of actions motivated by the livelihood in the project area, ignoring the action of other deforestation agents that get profit from their activities and so therefore not conducting a comparative analysis based the NPV indicator for the different scenarios as needed.

The project proponent has not used the information of the last five years available at the World Bank's database on the calculation of risk associated with the political context of the country.

The proponent claims the right to use the land and its natural resources, but does not present documentation proving the legitimacy of the same. The applicant points out that there are no problems related to land disputes, but recognizes the action of deforestation agents that are invading and "occupying" the reserve.

Moreover, the proponent seems to contradict its additionality analysis. It alleged lack of technical capacity or human resources as a barrier for the project implementation without considering the same on risk assessment. Similarly, the question relating to the risk of decree revocation is raised establishing the RESEX as a barrier in the additionality analysis while at the same time it points to the existence of that decree as a mitigation risk factor related to the opportunity costs, the project longevity and also the rights to land and its natural resources in the project area.

As for the identification and mitigation of risks to the benefits expected from the implementation of this project, the applicant has appointed specific risks of non-involvement of the communities within the context and relevant stakeholders such as government managers agencies, as well as risks associated with the lack of trading of carbon credits generated after the project verification events. Through direct observations at the field, analysis involving remote sensing, interviews with community members and also testimonies gathered during the public meetings held at RESEX at the time of the audit, the audit team considered the scope of risk identification performed by the proponent insufficient. Evidence indicates that illegal activities involving deforestation, unauthorized exploitation, timber theft, invasion, occupation and "illegal occupation" of land are happening with great intensity in the project area. Besides these striking actions, a forest management operator acts in the project area. The planning and execution of activities related to forest management in the reserve, particularly regarding forest harvesting, happens outside of the proponent's management. Such actions shall be understood as human induced risks to the benefits potentially generated by the climate project, once potentially impacting carbon stocks and causing an increase in GHG emissions in the project area.

Moreover, the audit team identified the risk to the expected benefits to the communities involved in the project. During the audit, it was characterized the existence of conflicts related to the management of

financial resources from the forest management among the community. Issues related to transparency in financial management business, inequality and discrimination in the distribution of benefits. Issues related to corruption have been raised and are therefore, relevant to management of REDD + project.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	- Ref. 41: Planilha econômico-financeira do projeto. Biofílica. V.2. 2015. - Ref. 42: Non-Permanence Risk Report Resex Rio Preto Jacundá Redd+ Project. Biofílica. V.2.1 2015. - Ref. 40: Projeto REDD+ Resex Rio Preto – Jacundá. Setembro de 2015, v.2.2- Biofílica Investimentos Ambientais S.A. - Ref. 46: Planejamento orçamentário do projeto
Findings for Evaluation of Evidence:	The proponent has revised its analysis of non-permanence risk, regarding the risks associated with the financial viability of the project, opportunity costs, government policy, land rights and natural resources, management and longevity of the project (Ref. 42). The proponent reviewed the project's finances, correcting the "breakeven point" parameter and reconsidering necessary investments and probable income with the implementation of project activities (Refs. 41 and 46). They have justified the attributed score to the assigned risk associated with opportunity costs due to the importance of small farmers and invaders in the baseline scenario, taking into account its role as clearing agents and their primary motivator, subsistence. They used the last five years of available data on the World Bank's website to reconsider the risk associated with the governance of the country. The proponent reaffirms the existence of the Decree No. 7336 of 1996 establishing the RRPJ as evidence of a legal commitment of traditional communities for the conservation of the area with consequent maintenance of carbon stocks throughout the project duration. They now consider the risk related to the lack of technical capacity by ASMOREX to the project's implementation. The proponent also reconsidered the scope of situations that compromise the objectives of the project, raising a new set of mitigation actions (Ref. 40, tab. 7). The project's design now addresses the occurrence of illegal activities, the existing distance

	between project and forest management conducted by the hired operator and the problems arising from the management of resources from logging in RRPJ in a risk perspective. The elaborated mitigation measures are focused on monitoring and enforcement actions in partnership with the responsible environmental agency and training of traditional populations, whether related to aspects of forest management or governance in a broader sense.
NCR Status:	CLOSED
Comments (optional):	None

NCR#:	03/16
Standard & Requirement:	CCBS, 3ª Ed. (2013), indicator G1.8
Report Section:	4.2
Description of Non-conformance and Related Evidence:	
The proponent does not elaborate the relationships of cause and effect between the actions of the project and the expected impacts on weather. It is not clear how the implementation of new communities in specific and peripheral areas of RESEX, located mostly to the south of the territory, could reduce deforestation and illegal activities related to timber theft, encroachment and land invasion inside the reserve and other pressure zones. In addition, the proponent does not provide specific work plans for the adequacy of forest management reserves the FSC certification standard and the value chain structuring and NTFP processing such as nuts, açaí, copal and latex as pointed out in PD (ref. 1, section 2.2).	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	- Ref. 41: Planilha econômico-financeira do projeto. Biofílica. V.2. 2015. - Ref. 40: Projeto REDD+ Resex Rio Preto – Jacundá. Setembro de 2015, v.2.2 - Biofílica Investimentos Ambientais S.A.
Findings for Evaluation of Evidence:	The actions of physical territory occupation through the funding of new communities were reconsidered in functions of the constant risk and also for the potential of emissions from this activity, being momentarily suspended. (Ref. 04, section 2.2). The budgeting planning of the project was revised to include investments in building community capacity aimed at forest management and the structuring of productive chains linked to NTFPs (Ref. 41). Such capabilities are among the actions to be taken due to the implementation of the project, seeking not only to

	halt deforestation in the reserve, as well as the empowerment and improvement in governance by the traditional populations and the strengthening of extractive culture in RRPJ (Ref. 40 section 2.2).
NCR Status:	CLOSED
Comments (optional):	None

NCR#:	04/16
Standard & Requirement:	VCS v.3.5, requisite 3.10 VCS AFOLU v.3.4, requisites 3.4 & 3.6 VM0015 v.1.1 Parte 2, step 1 CCBS, 3ª Ed. (2013), indicator G1.4
Report Section:	6.4
Description of Non-conformance and Related Evidence:	
The project's design has inaccuracies as to their spatial boundaries. The representative polygon of the project area is displaced in relationship to the RESEX vertices and some of the leakage management areas appear within the boundaries of the reserve and/or over rivers (ref. 02). The project proponent has not presented an analysis showing the similarity between the project area and the reference region including considerations of the geopolitical aspects of the region. The project proponent has not submitted any analysis to corroborate the choice for option 2 - mobility analysis at the expense of option 1 for allocation of the leakage belt. The proponent has not presented details of the multi-criteria analysis used in this stage of the methodology. It is not clear what actions will be developed in the areas of leakage management and how these actions relate to the same and identified drivers of deforestation (ref 1, section 4.2).	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	- Ref. 43: Dados Geo Jacunda - Ref. 44: Relatório de projeção de linha de base revisado
Findings for Evaluation of Evidence:	The proponent redefined the physical limits of the project. The project's area has been resized using higher resolution images (Ref. 43). The reference region was reconfigured due to a set of similarity criteria, including socio-political aspects, such as the set of extractive reserves in the buffer zones of the municipalities of Machadinho D'Oeste and Vale do Anari (Ref. 44). The leakage belt was redefined and relocated in three extractive reserves located within the reference region, due to a multi-criteria interpolated data analysis from the deforestation risk map with the physical limits of the chosen extractive reserves. The risk map was more influenced by the proximity to areas previously cleared,

	roads and settlements (Ref. 44). The choice of option 2 - mobility analysis for allocation of leakage belt was justified by the change analysis in land use and supported by expert opinion carried out by a partner organization of the project, the CES Rio Terra. According to the presented logical, almost 70% of the deforested area in the reference region has been turned into pasture, but not for economic motivation but by territorial occupation, which justifies the choice of option 2 over option 1 for establishment of the leakage belt. The proponent defines the actions to be performed in the leakage management area. Such actions are aimed at income generation through technical assistance in the production of foodstuffs such as flour, fruit pulp, and mechanization of clearings (Ref. 40, section 2.2)
NCR Status:	CLOSED
Comments (optional):	It is understood that the proposed activities in the leakage management areas are not directed to all of the identified and acting deforestation agents in the region. It is pointed then, inefficiency risk of the developed actions for this mean. See OBS 06/16.

NCR#:	05/16
Standard & Requirement:	VM0015 v.1.1 Part 2, step 1.3 e 6 VCS v.3.5 - Princípio da acurácea
Report Section:	6.4 e 7.1
Description of Non-conformance and Related Evidence:	
The inventory sheets evaluated at the field (ref. 08) show that the dead wood reservoir was calculated taking into account an estimate of existing necromass underground, as opposed to existing guidelines on the methodology adopted by the project. In other words, the procedures used to calculate the underground biomass are applied the same way to the dead wood reservoir. The gross inventory data were not provided by the project's proponent. The worksheet in question shows only total values for estimated biomass at different reservoirs. The compliance of forest inventory to the standards and methodologies used on the project cannot be assessed due to uncertainty, sample sufficiency and in a broad sense to accuracy measurements, calculations and estimates made by the project's proponent.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	- Ref. 45: Estimativas *ex-ante* - Ref. 53: Planilha de inventário revisada

Findings for Evaluation of Evidence:	The project's proponent submitted the revised inventory sheet showing the raw data and calculation formulas (Ref. 53). The audit team reviewed the document in question to ensure the accuracy of the estimates of carbon stocks presented. The proponent revised the relative proportions of each stratum considered for calculation of carbon stocks, depending on the set of the project area. Still, excluded carbon stocks for dead wood reservoir in its ex ante estimates (Ref. 45), thus adopting a conservative approach.
NCR Status:	CLOSED
Comments (optional):	None

NCR#:	06/16
Standard & Requirement:	VM0015 v.1.1 Parte 2, step 4
Report Section:	7.1
Description of Non-conformance and Related Evidence:	
The project proponent uses alternative approaches proposed by the methodology adopted by the project for calibration / validation of the deforestation model without showing the accuracy of the predictions made thru comparisons between the total amount of deforestation projected and observed (ref. 01, section 4.2). Two different methodological approaches were used by the applicant to select the most accurate deforestation model, the degree of similarity with exponential decay due to the distance and the ROC method - Relative Operating Characteristic. These procedures produced different results. The ROC method showed high rates for all tested models while the method of similarity showed low indexes for all tested models. As a result, the accuracy of the deforestation projection model used in the project design it not accurate. Influence factors used in the creation of incentive masks and deforestation risk maps have not yet been sized by the project's proponent. During the field audit, it was characterized the existence of roads within the project area not yet considered by the proponent at this step of the methodology. Such roads are in RESEX central region (ref. 09), are used by deforestation agents and are directly associated with the clearing of areas within the reserve in recent years.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	- Ref. 44: Relatório de projeção de linha de base revisado - Ref. 40: Projeto REDD+ Resex Rio Preto – Jacundá. Setembro de 2015, v.2.2- Biofílica Investimentos Ambientais S.A.
Findings for Evaluation of Evidence:	The proponent redefined the method used for deforestation model calibration in order to meet the requirements of the adopted

	methodology in the project design (Refs. 40 and 44). Thus, using the Figure of Merit (FOM) technique, the proponent compared the deforestation generated by the model based on the 2000 to 2007 reference period with the land use map for the year 2012. The percentage of hits found was 86%, a higher value than the minimum required and defined by the percentage of net changes observed in the reference region in the same period, which was 15%. It is understood, so that this validated model used in accordance with the requirements of VM0015 v1.1. The proponent redefined the influence factors used for the manufacture of deforestation risk maps, taking into account the distance between previous clearings, roads, settlements, extractive reserves, private and not intended lands, vegetation type, soil type and declivity of the ground (Refs. 40 and 44). Then, by the weight evidence method showed that the independent variables of greatest influence match the distance between previous clearings, roads and settlements. It is understood that the new set of independent variables selected for the manufacture of maps of risk is representative.
NCR Status:	CLOSED
Comments (optional):	None

NCR#:	07/16
Standard & Requirement:	VM0015 v.1.1 Parte 2, step 3
Report Section:	6.5
Description of Non-conformance and Related Evidence:	
The proponent does not demonstrate how small, medium and large deforestation drivers identification was based on studies, maps of soil use changes, experts consultations, field research, etc. To the audit team it is not clear why other actors such as illegal loggers, have not been identified as deforestation drivers in the region. The project proponent does not elaborate the analysis of the deforestation underlying causes using the approach proposed by the methodology. In a related analysis they point out several causes for deforestation in the region, including market aspects, population growth, politics, lack of investment in specific sectors, land issues and others. The raised issues are not, however, related to the trends identified above, i.e., it is not explained how the raised issues will influence livestock farming activities and logging in the region (identified trends), and the decision-making of small medium and large farmers (identified agents). The applicant does not consider how the actions of the project will act on the underlying causes of deforestation. The project proponent show its conclusion of how the agents, vectors and the underlying causes are related to historical levels of deforestation (ref. 01, fig. 24 & ref. 10) proving then that the evidence is conclusive and that the forecast of an increase in annual deforestation rates are true.	

Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	- Ref. 40: Projeto REDD+ Resex Rio Preto – Jacundá. Setembro de 2015, v.2.2 - Biofílica Investimentos Ambientais S.A. - Ref. 44: Relatório de projeção de linha de base revisado
Findings for Evaluation of Evidence:	The proponent has redefined the project's baseline in order to consider a broader spectrum of deforestation agents. Three "agents groups" were identified: 1) illegal loggers and squatters; 2) squatters and small farmers; 3) farmers and farmers of medium and large. It is attributed to the group 2 the most relevant in terms of deforestation (Ref. 40 and 44). The proponent prepared an analysis of the underlying causes for deforestation in the region, bringing a brief description, an evolution prospectus framework and a set of control measures. In its descriptive, points to issues related to lack of land tenure, environmental monitoring, management plans, and technical assistance and for the precariousness of public services and historical territorial occupation policy. In its prospects, it raises the political causes that can support the maintenance of the existing framework. Finally explains how the actions of the project will strengthen community associations, governance and the reserve protection in order to prevail in the described scenario (Ref. 40 and 44). Still, the proponent presents a chain of events that arise from typical deforestation of the Brazilian Amazon, related to agents and tendencies in a way to illustrate the effects presented in the discussion (Ref. 40 and 44) Finally, the proponent presents the results of its analysis as conclusive and indicates the trend maintenance, constancy, deforestation rates observed at the baseline scenario. Their conclusion was supported by technical studies, publications on the subject and consultation with local and relevant institutions, that are verifiable sources of information (Ref. 40 and 44).
NCR Status:	CLOSED
Comments (optional):	None

NCR#:	08/16
Standard & Requirement:	VM0015 v.1.1 Appendix 3.
Report Section:	10
Description of Non-conformance and Related Evidence:	
The inventory plots were not installed taking into account the criteria of sampling intensity and arranged representation in Annex 3 of the methodology adopted by the project. Regarding the sample design the project proponent presents inventory protocols which include analysis of variance between units and sampling points, and between the two strata considered, primary forests and managed forests (ref. 11). For the analysis of p values presented in the report, it is concluded that in fact the strata considered being statistically different for the parameter analyzed and the points and sampling units do not differ significantly from each other within the strata in question. Although this allows to say that biomass estimates can be made by mathematical mean of the sample units, does not indicate the optimum number of plots to be installed, or the proportion of parcels per stratum in order to make the sample representative. Finally, the proponent did not consider the existence of different forest formations in its definition of strata in the project area (ref. 01, section 1.3).	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	- Ref. 49: Nota technical, Hdom. - Ref. 50: Mapa mostrando áreas de baixo acesso. - Ref. 51: Mapas mostrando localização das parcelas, tipologias florestais, biomassa e projeção de desmatamento. - Ref. 52: Nota técnica, Biofilica
Findings for Evaluation of Evidence:	The project proponent presents additional documentation in a way to contribute to the compliance of its sample design (Refs. 49, 50, 51 and 51). The installation of a sufficient number of plots was demonstrated by the formula in the adopted methodology by the project (Ref. 49). The location of the plots was justified by the proponent on the basis of biomass gradient found in the reserve, giving hard access to certain locations and finally in function of physical integrity risks to inventory teams due to localized action of certain deforestation agents (Refs . 50, 51 and 52), which was considered as plausible by the audit team. The audit team understands that the project's sample design conforms to the VM0015 v1.1, which results in conservative estimates at about the biomass stocks present in RRPJ.
NCR Status:	CLOSED
Comments (optional):	None

NCR#:	09/16
Standard & Requirement:	VM0015 v.1.1 Parte 2, step 4.1.1
Report Section:	7.1
Description of Non-conformance and Related Evidence:	
The project proponent does not underline the choice of methodological approach “a” (historic average) to determine the rates of deforestation in the baseline reference region. The applicant points out an increasing trend in deforestation at the reference region during the monitored period, assuming therefore that there is enough evidence to support this pattern. However, observing deforestation rates in the period, it can be noted a significant reduction between the years 2006 and 2011, followed by a sudden increase in the year 2012. There is a lack of clarity on the actual reasons of deforestation trends at region in question.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	- Ref. 40: Projeto REDD+ Resex Rio Preto – Jacundá. Setembro de 2015, v.2.2 - Biofílica Investimentos Ambientais S.A. - Ref. 44: Relatório de projeção de linha de base revisado
Findings for Evaluation of Evidence:	The project proponent submits the choice of approach "a" historical average as a method of determining the rate of deforestation in the baseline scenario, supported by the fact that no identified variable has presented direct correlation with the annual rates of deforestation. To support his claim, the proponent presented statistical analysis between the annual rates of deforestation, the number of cattle and timber production in the reference period, indicating low correlation indexes. The audit team then agrees with the choice made by the project proponent.
NCR Status:	CLOSED
Comments (optional):	None

NCR#:	10/16
Standard & Requirement:	VM0015 v.1.1 Parte 2, step 9
Report Section:	7.6
Description of Non-conformance and Related Evidence:	
There are potentially material errors on the emission reduction estimates presented by the project proponent. The applicant does not use the formula proposed by the methodology to calculate the deforestation annual rates. The spreadsheet (ref. 10) shows different values for the same parameter, the annual deforested area on the reference area on the baseline scenario, the tab step_4.2.4 (Table 9 of	

the methodology). It has not been presented any measure of dispersion for the average on tab table_15. On tab Table_21, the annual parameters of change in carbon stocks increase cumulatively.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	- Ref. 40: Projeto REDD+ Resex Rio Preto – Jacundá. Setembro de 2015, v.2.2 - Biofílica Investimentos Ambientais S.A. - Ref. 43: Maps - Ref. 45: Estimativas *ex-ante* - Ref. 48: Artigo científico
Findings for Evaluation of Evidence:	The proponent has reviewed the documentation of the project (Ref. 40) and their calculations involving GHG emission reduction estimates on the baseline scenario (Ref. 45). The adopted equation 4 Puyravaud (ref. 48), for the deforestation annual rates calculation in the baseline scenario in the reference area. The equation adopted differs from the one indicated in the VM0015 v.1.1 and was used in the project's design by providing more accurate estimates. The audit team agrees with the project proponent in this sense, especially taking into account the conservatism of the estimates. Also presented the dispersion of values around the average carbon stock per stock and corrected the amounts stated for annual deforested area in the baseline scenario. The audit team reviewed charts showing the change in land use (Ref. 43) in order to confirm the values found in the spreadsheet (Ref. 45).
NCR Status:	CLOSED
Comments (optional):	None

NCR#:	11/16
Standard & Requirement:	CCBS, 3ª Ed. (2013), indicadores CM2.2 e CM2.4
Report Section:	4.4
Description of Non-conformance and Related Evidence:	
The PD does not specify protection measures over the community high conservation value (ref.1 - section 6.1.2). The project documentation shows the entire area of RESEX as fundamental to the community's basic needs. Therefore, the project's proponents fail to demonstrate how this high conservation value, will not be affected negatively throughout the project's execution.	

Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	- Ref. 40: Projeto REDD+ Resex Rio Preto – Jacundá. Setembro de 2015, v.2.2 - Biofílica Investimentos Ambientais S.A.
Findings for Evaluation of Evidence:	The proponent revised the project documentation to better describe and identify the location of communities high conservation values (Ref. 40, section 6.1.2). Bolstered in territorial zoning derived from participatory planning workshops, the proponent produced a map showing areas for extraction, linking the use of natural resources and the exact location of the considered culturally and spiritually significant sites (Ref. 40, fig. 46).
NCR Status:	CLOSED
Comments (optional):	None

NCR#:	12/16
Standard & Requirement:	CCBS, 3ª Ed. (2013), indicador G3.12
Report Section:	4.4
Description of Non-conformance and Related Evidence:	
The project proponent does not provide a comprehensive assessment as to existing situations and occupations nor which may arise over the implementation of the project and which may or may not represent substantial risks towards worker's safety. The necessary measures to inform workers about these risks and what measures to take in order to minimize the same were not taken (ref.1 - 2.5.4 section).	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	- Ref. 41: Planilha econômico-financeira do projeto. Biofílica. V.2. 2015. - Ref. 40: Projeto REDD+ Resex Rio Preto – Jacundá. Setembro de 2015, v.2.2 - Biofílica Investimentos Ambientais S.A. - Ref. 47: Literatura referenciada sobre segurança no trabalho

Findings for Evaluation of Evidence:	Bolstered in literature review directed to gender (ref. 46), the proponent foresees the existence of risk situations to community's and other stakeholders health that may be involved in extractive activity, forest management and even agriculture extension. The potential risks are listed in specific categories, for which they held a brief description. As risk mitigation measures the proponent plans to elaborate workshops on the subject and also to use of specific PPE for each activity (ref. 40, 2.5.4 section). The budgeting of the project covers workshops with communities in a training perspective (ref. 41). The realization of these workshops is planned as project activities (ref. 40, section 2.2)
NCR Status:	CLOSED
Comments (optional):	None

NCR#:	13/16
Standard & Requirement:	CCBS, 3ª Ed. (2013), indicador – G5.5
Report Section:	4.7
Description of Non-conformance and Related Evidence:	
The applicant does not identify conflicts nor ongoing or unresolved disputes over rights to lands, territories and resources in the territory, does not present the necessary measures to be taken to resolve these conflicts or disputes. The existence of significant conflicts over resources from forest management and also for land within the reserve was confirmed during fieldwork, through interviews with residents of the reserve and also through direct observation carried out by the audit team.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to Validation
Evidence Provided by Organization:	- Ref. 40: Projeto REDD+ Resex Rio Preto – Jacundá. Setembro de 2015, v.2.2 - Biofílica Investimentos Ambientais S.A.
Findings for Evaluation of Evidence:	The proponent acknowledges the existence of conflicts in the project's area as a result of irregular occupations with extensive agricultural activity on the banks of the Rio Machado, claims for land rights or compensation for expropriation of so-called "rubber soldiers" and also related issues the distribution of income derived from forest management (Ref. 40, section 3.2.4). The audit team understands the description identified as sufficient compliance of the project design to the specific CCB standard requirement referenced in this NCR. Also, the mechanisms of governance, claim, and the project training activities, as effective mitigation and

	resolution to conflicts diagnosed are understood.
NCR Status:	CLOSED
Comments (optional):	None

1.2. Forward Action Requests

Note: FARs (Forward Action Request) indicates critical points in the project that must be observed and addressed by the proponent to the next project verification. The failure to solve a problem or potential discrepancy of the project in relation to the reference standards result in the issuance of an NCR when the next verification event.

FAR#:	01/16
Standard & Requirement:	CCBS, 3ª Ed. (2013), indicador G1.10
Report Section:	4.3
Description of Non-conformance and Related Evidence:	
Due to the payment mechanisms for environmental services generated by the project (ref. 1, section 6.2), the proponent identifies risks related to the migration of families to the reserve without however proposing mitigation measures for this risk (ref. 1, section 2.3). The audit team understands that this potential migration is not currently problem. However, it is identified by the proponent as a potential negative effect of the project implementation. Thus, the lack of mitigation measures related to this issue shall be addressed in the future.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to project verification
Evidence Provided by Organization:	PENDING
Findings for Evaluation of Evidence:	PENDING
FAR Status:	OPEN
Comments (optional):	None

FAR#:	02/16
Standard & Requirement:	VCS v.3.5, requisito 3.11
Report Section:	5.2
Description of Non-conformance and Related Evidence:	
Supported by a legal opinion provided by specialized technical consultants (Ref. 20) the proponent demonstrates the right of use over the carbon by the reserve traditional populations, represented by, ASMOREX, This consultancy opinion is based on a existent legal framework, which encompasses the	

State Decree No. 7,336, 1996 that creates the extractive reserve Rio Preto-Jacundá, the Law No. 9,985/00 that founded the National System of Nature Conservation Units (in Portuguese: SNUC), in ILO's Convention No. 169, in decree No. 6.040 of February, 7, 2007, that deals with the National Sustainable Development for Traditional People and Communities Policy (in Portuguese: PNPCT), in Law No. 9.985 of 2000, which provides for Extractive and Sustainable Use and in the Decree No. 4340 of August, 22, 2002 which provides over the same law. Based on this, the audit team understood that the right to the reserve natural resources belongs to the traditional populations that live within it, upon compliance with the rules laid down in legislation, in the protected area management plan and in a real right contract of use (in Portuguese, CDRU). However, the project proponent still hasn't a signed CDRU. During the project validation process was characterized the existence of a management plan formulation process, the state government's approval on the matter relating to the RESEX Rio Preto-Jacundá REDD+ project and also the competence of the environmental state agency on granting a CDRDU, although it has not been characterized the existence of the latter documents. Then, to ensure in an unequivocal way the statement of rights on carbon by the project's proponent association, audit team issued FAR 01/16.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to project verification
Evidence Provided by Organization:	PENDING
Findings for Evaluation of Evidence:	PENDING
FAR Status:	OPEN
Comments (optional):	None

1.3. Observations

Note: Observations are issued for areas that the auditor sees the potential for improvement in implementing standard requirements or in the quality system; observations may lead to direct non-conformances if not addressed. Unlike NCRs and FARs, observations are not formally closed. Findings from the field audit related to observations are discussed in Appendix A below.

OBS#:	01/16	Reference Standard & Requirement:	CCBS, 3ª Ed. (2013), GL2.6
Description of findings leading to observation:	The community faces problems involving issues related to compensation, resulting from forest management activities carried out within the RESEX. In a public meeting conducted by the audit team during the field work, as well as on interviews conducted in three communities inserted in the project scope, it was characterized by lack of transparency about the management of these resources, discrimination and the existence of conflicts between residents.		

Observation:	The conflicts as a result of sharing mechanisms resources already implemented at RESEX point to the risk of failure in sharing mechanisms benefits considered on the project design. The project proponent should consider the risks of failure in the project's sharing mechanisms benefits based on RESEX context.

OBS#:	02/16	Reference Standard & Requirement:	CCBS, 3ª Ed. (2013), G1.8, G5.3, CM2.3
Description of findings leading to observation:	One of the foreseen project activities is the formation of new communities inside the reserve, in a way to protect the area against invasion and timber theft. During the assessment in this audit, it was verified a worsening of the pressure scenario and the illegal logging at RESEX, which implies potential risks of residents that could stake providences to form new communities.		
Observation:	The project proponent should criteriously consider this deforestation containing measure, aiming to safeguard the residents and their families of any risks to their security.		

OBS#:	03/16	Reference Standard & Requirement:	CCBS, 3ª Ed. (2013), G1.5
Description of findings leading to observation:	The proponent identifies community groups and other stakeholders related to the project. In addition, it performs an analysis of interest and relevance of these groups and actors to the project (ref. 1, section 2.6). This relevance analysis, however, cannot consider the actual importance and influence of some actors, such as Tabajara community and forest management operator. The Community Tabajara is located in the RESEX borderland area, it is a traditional community and may possibly make use of the reserve areas for subsistence purposes, having the potential to put pressure on the project area. The management company conducts forestry activities within the reserve and currently represents an important source of income for families within the context.		
Observation:	The status assigned by the proponent to some identified stakeholders can represent a management risk to the project, from an impact perspective, given the influence that these entities have on the territory and / or communities in question. The project proponent should reconsider the assigned status for each these referenced stakeholders.		

OBS#:	04/16	Reference Standard & Requirement:	VCS v.3.5, requirement 3.11.3
Description of findings leading to observation:	The proponent claims that the project does not have nor wants to generate any other type of credit related to greenhouse gas emissions or removals indicated within the VCS program (Ref. 1 section 3.5). However, Clause 1.2. Of the contract between Asmorex and Biofílica (Ref. 6) points to the potential generation of credits related to other environmental services.		

Observation:	The audit team understands the distinction between the VCS standard methodological framework scope and other crediting and environmental payment schemes for ecosystem services, but issued a note in order to highlight the inherent risk of potential non-alignment between project design and the VCS standard with respect to other forms of environmental credits. The project proponent should consider the risk of potential non-alignment between project design and the VCS standard with respect to other forms of environmental credits.

OBS#:	05/16	Reference Standard & Requirement:	VM0015 v.1.1 Part 2, step1 and 8
Description of findings leading to observation:	The proponent defines the actions to be performed in the leakage management area. Such actions are aimed at income generation through technical assistance in the production of food stuffs, as flour and fruit pulp and mechanization of clearings (Ref. 40, section 2.2). It is understood that the activities proposed in leakage management areas are not directed to all agents of deforestation identified and working at the region.		
Observation:	It is pointed out, therefore, the risk of ineffectiveness actions designed for this purpose. The project proponent should reconsider the leakage management activities in order to better target the identified deforestation agents.		