

## Dedicated, Naturally.



# Background

The Amazonian Rainforest currently covers over 8 million km<sup>2</sup> of land. In recent decades however, deforestation through conversion to agricultural land and illegal logging has skyrocketed. Brazil has lost nearly 10% of its total forest land since 1990 alone. Part of the problem lies in Brazilian law, which allows for a share of trees in unmanaged areas to be felled for uses such as agriculture. After just five years, the legal ownership of the land then goes to the land user. Forest areas that are close to roads and waterways are particularly threatened. This threat continues to grow and spread to further reaches of the forest since these roads and waterways are being continuously expanded.

Following the end of a recession in 2017, Brazil's emissions have been rising at an alarming rate. Although the share of emissions from energy consumption has rapidly increased, deforestation remains one of the biggest sources of Brazil's emissions. In particular, the world's growing demand for soy has put increasing pressure on the forests, as more land is being slashed and burnt to create agricultural pastures.



## The **Project**

The project covers an area of 27,434 ha in the state of Pará, Brazil. The area is part of a privately owned forest, which is managed by CKBV Florestal Ltda. Since 1977, the company has predominantly traded timber products, but suffered severe financial losses in 2005 and 2006, causing them to change their business strategy. The project area was initially planned to be legally logged and converted into pasture for livestock grazing. As pure forest protection is not financially viable, the sale of carbon credits makes sustainable forest managment economically competitive with livestock farming. It is estimated that the avoided deforestation as a result of the project will avoid the emission of around 372,707t CO, every year.

**Location:** Pará, Brazil

Project type: REDD+

Total emissions reduction: ▷▷ 372,707t CO<sub>2</sub> e p.a. <<

Project standard: Verified Carbon Standard (VCS)

**Project start date:** July 2007

## Sustainable Development

By supporting this project you'll contribute to the following Sustainable Development Goals:





## Dedicated, Naturally.

# SUSTAINABLE G ALS

While focusing on reducing greenhouse gas emissions, all our projects also generate multiple co-benefits. These are supportive of the United Nations Sustainable Development Goals.







#### Decent work and economic growth

The project continues to carry out low impact logging, providing local employment opportunities. The sale of the carbon credits allows sustainable management of the forest to be financially competitive against livestock farming.



#### **Climate action**

Deforestation and land-use change is the single largest source of carbon emissions in Brazil. Deforestation commonly causes land to degrade, meaning it also decreases the capacity of the carbon sink. By avoiding deforestation, the project helps to maintain the Amazonian carbon sink.



#### Life on land

Protecting the local forest contributes to the protection and conservation of endangered wildlife. The project participant uses certain criteria to ensure that logging has a minimal impact. Trees that are too small, contain birds nests or are in vulnerable areas (such as near rivers) are not cut.

### Dedicated, Naturally.





# Forest management in Pará

Carbon circulates within a cycle, consisting of the atmosphere, the plant, plant litter and the soil. Carbon dioxide drawn from the surrounding atmosphere is the main input of any plant's photosynthesis processes. The outputs are water, oxygen and carbohydrates. The latter are built into the plant's fiber thereby fixing carbon in the plant's biomass. Ultimately, the carbon re-enters the atmosphere from decaying biomass litter or soil respiration.

Deforestation breaks this cycle with multi-fold negative effects. First, burning biomass directly increases the amount of carbon dioxide in the atmosphere. Secondly, it reduces the biosphere's absolute capacity to fix carbon. Thirdly, the removal of plant cover accelerates the rate at which carbon fixed in soils is respired into the atmosphere. Lastly, the erosion of soils impedes the long-term recovery of vegetation on degraded areas. This is a particularly challenging issue in tropical climates where soils are mostly poor in nutrients.



# Project Standard



The Verified Carbon Standard (VCS) is a global standard for the validation and verification of voluntary carbon emission reductions. Emissions reductions from VCS

projects have to be real, measurable, permanent, additional, unique, transparent, and third-party verified. Assessed against the background of the total volume of emission reductions, VCS is the globally leading standard for voluntary carbon offsets.



First Climate Markets AG Industriestr. 10 61118 Bad Vilbel - Frankfurt/Main Germany Phone: +49 6101 556 58 0 E-Mail: cn@firstclimate.com

For more information on other projects in our portfolio please visit our website:

www.firstclimate.com