

APRIL 22, 2021

Call for Proposals

Performance-Based Public-Private Coalition for Tropical and Subtropical Forest Conservation The Lowering Emissions by Accelerating Forest finance (LEAF) Coalition aims to raise global climate ambition and contribute to halting tropical and subtropical deforestationand forest degradation by 2030.

It is a voluntary global coalition bringing together companies and governments to provide finance for tropical and subtropical forest protection at a scale not seen before.

The Call for Proposals aims to providesubstantial financial support to tropical and subtropical countries that successfully reduce emissions from deforestation and forest degradation.

Coordinated by



Call for Proposals Submission template

Jurisdictions are invited to provide a cover letter template in their proposal submission.

Please note that in signing this form, you recognize that at a future stage, we will negotiate in good faith with a view to mutually fair and acceptable terms of a transaction through an Emissions Reduction Purchase Agreement (ERPA) with the LEAF Coalition participants via Emergent, acting as coordinator of Coalition.

Please note that the terms of the LEAF Call for Proposals (CFP) does not include removals because ART/TREES 2.0 has not been finalized yet. Once the final version is published, all provisions therein will apply, thus, removals are expected to be eligible, and corresponding information will be requested of interested jurisdictions.

At this stage, jurisdictions are encouraged to provide succinct and clear responses with relevant links to this template. The LEAF Coalition participants recognize that the timeline for submission is short and as such does not expect complete and thorough explanations. Rather, we seek indication of willingness and ability to provide emission reductions to LEAF Coalition contributors according to the terms specified in the CFP. Please note that these answers are considered preliminary. If selected, Emergent will follow-up with further questions on a case-by- case basis.

Proposal submitted by the State of Amapá , Brazil through the Secretary of Environment.
Institution name: Secretaria de Estado do Meio Ambiente do Amapá
Country: Brazil
Focal point's name, title
Mailing Address
Email address
Telephone
Brief description of legal authority to represent country or jurisdiction: In Amapá, the legal authority to represent Amapá in LEAF is the State Environment
Secretariat - SEMA, whose purpose is to manage, coordinate, standardize, prepare

and enforce the state Environmental Policy, in particular regarding the management of its forest and water resources, and is also in charge of overseeing, monitoring and issuing environmental licenses among other duties, in compliance with Regulations, and according to Law No. 2.426, of July 15, 2019. This law set up a new structure to manage the state's environmental policy, which was previously shared with two other state institutions, now killed off. Within the structure of SEMA, this law has set up a Coordination Office for Climate Change and Environmental Services, to build and implement this agenda. SEMA is also the secretariat of the Amapá Forum on Climate Change and Environmental Services that exercises social control on the policy. The advisory board under the Law is COEMA - State Board for the Environment, which is chaired by SEMA, since it is the institution chosen to coordinate and manage the REDD+ agenda in the State of Amapá.

Please check applicable category that best defines your institution:			
☐ National government			
☑ Sub-national government(s) (please specify applicable administrative level of government. If more than one subnational jurisdiction, please specify)			
Please confirm that:			
 ☑ The boundaries of a subnational accounting area correspond with the entire area of one or several administrative jurisdictions no more than one level down from national level and one or several recognized indigenous territories; ☑ Total forest area of at least 2.5 million hectares; ☑ The national government will provide the participant with a letter from the relevant national entity authorizing the Participant's application to and participation in ART. 			
☐ Recognized indigenous communities (TBC – depending on inclusion under the finalized ART TREES 2.0) ¹			
Please confirm that:			
☐ The boundaries of a subnational accounting area correspond with the entire area of the territory/ territories;			
☐ Participating territories must be comprised of a total area (forest and non- forest)			

¹ Under the proposed draft of TREES 2.0,"Participants shall be national governments (i.e., the highest level of government that exists in the country), subnational governments no more than one level down from national level, or recognized indigenous communities provided the requirements in section 3.1.1 are met." The ultimate eligibility of Indigenous communities' jurisdictions will depend on the definition of jurisdiction under the finalized ART TREES 2.0.

of at least 2.5 million nectares;
☐ The national government will provide the participant with a letter from the relevant national entity authorizing the Participant's application to and participation in ART
Expression of Consent
☑ The Supplier, by checking the box, agrees to negotiate in good faith towards entering into an Emission Reductions Purchasing Agreement (ERPA) with interested LEAF Coalition participants if the proposal is assessed as eligible.
Please note: if a proposal overlaps geographically with another proposal, the LEAF Coalition will require a plan for how the two potential Suppliers will distribute benefits amongst themselves as well as the Supplier Country's authorization in the form of a letter, in accordance with ART/TREES.
Date of submission: July 30, 2021
Name of authorized representative: Josiane Andréia Soares Ferreira – Secretary of Environment of the Amapá state
Signature:

General:

1. Forest Emission Reduction Targets (500 words excluding links and appendices)

Amapá is a state with high biodiversity, in 5 ecosystems: dryland forests, floodplain forests, mangroves, floodplains and Amazonian *cerrado*. This wealth makes of Amapá a potential venue for the development of a socio-biodiversity and low carbon-based economy.

Investments in protected areas, about 72% of Amapá, are the reason why approximately 96% of the vegetation cover has been preserved, including forest and non-forest natural formations in Amapá (Table 1).

As for Greenhouse Gas (GHG) emissions, Amapá still needs to prepare and validate its GHG inventory, based on SEEG data, to set consistent reduction targets. The 2018 SEEG estimates pointed at negative net emissions, and Amapá ranked last among Brazilian states in terms of total emissions. In 2019, net emissions were positive and Amapá ranked 21st in total emissions. Amapá accounts for approximately 0.85% of Brazilian emissions thought it represents 1.68% of Brazil's total area. However, per capita emissions amounted to 22 tons of CO2 (SEEG, 2020), 3 times the world average, typical of Amazonian states where a low demographic density plus emissions from deforestation push the index up. Additionally, Amapá's poor development – the 3rd smallest GDP (2018) among Brazilian states – poses challenges to developing a sustainable and low-carbon economy.

Although deforestation in Amapá is not that representative vis-à-vis the Amazon biome (0.22% of the Brazilian Amazon deforestation in 2020 and 0.36% so far, according to PRODES), estimates show high levels of illegal land use, which has led Amapá to invest to implement command and control actions.

A study on <u>Deforestation Scenarios</u> carried out by the Jacarandá consulting group along with SEMA Amapá and Conservation International in 2020 indicates that by 2040 the deforested area will be between 103,821 ha and 106,175 ha. The model estimates that Amapá's expected emissions from deforestation by 2040, as per the study simulations, would stand between 33.7 and 35.8 million tons of carbon.

Another challenge refers to land title regulation, since Amapá was one of the last Brazilian territories to be upgraded to the status of state. A study by Imazon shows that in 2017, 18% of Amapá had not yet been allocated for use or had no information on use allocation (Figure 1). With the land regulation process underway, an increase is likely to occur in authorized vegetation removal, which may represent a minimum potential deforestation of 5,000 km2 over the next few years, considering that the Brazilian legislation (Forest Code) allows up to 20% of land to be cleared on properties within the Amazon Forest Biome. If we consider that most of these areas fall under other phytophysiognomies, such as the *cerrado* and floodplains, the area of potential deforestation might be even bigger. It is up to government institutions to provide economically viable, sustainable alternatives that minimize a possible impact on natural resources.

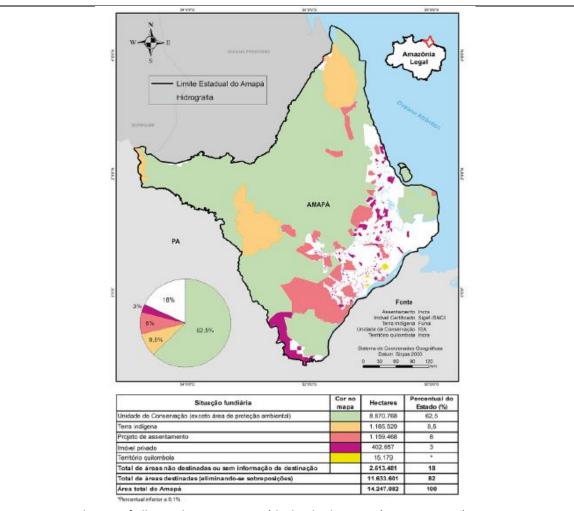


Figure 1. Distribution of allocated areas in Amapá by land title status (IMAZON, 2021)

(Table above translated)

Land Title Status	Hectares	Percentage of Amapá (%)
Conservation unit (except environmental protection areas)	8.870.768	62,5
Indigenous land	1.185.529	8,5
Settlements	1.159.468	8
Private Properties	402.657	3
Quilombola land	15.179	*
Total are not allocated for use or without information on use allocation	2.613.481	18
Total allocated areas (disconsidering overlaps)	11.633.601	82
Total area of Amapá	14.247.082	100

^{*}Less than 0,1%

Classes	2019 (hectares)	Percentage of State area
1. Forest	12.089.306,03	85%
2. Non-forest natural formation	1.563.308,77	11%
3. Farming & Livestock	220.603,64	2%
4. Non-vegetated area	14.412,73	0%
5. Water bodies	306.881,77	2%
6. Not observed	305,72	0%
Total area of Amapá	14194818,66	100%

Table 1. Breakdown of the areas in Amapá State. Data from the MapBiomas platform.

Reduction Targets

By the scenario shown, Amapá understands its role as an Environmental Conservation protagonist, keeping approximately 96% of its original coverage areas. Amapá's differential goal is to preserve the vegetation cover while creating wealth and quality of life for the population. Thus, the scenario built with IPAM support that best reflects our goal of low deforestation within the state is a 5% yearly reduction as of 2022, based on the 2017-2020 average.

Therefore, Amapá's goals are:

- GOAL 1- to zero illegal deforestation by 2030;
- $GOAL\ 2$ to reduce deforestation by 5% every year as of 2022 based on the 2017-2020 average.

Note: Amapá fits the ART TREE HFLD methodology due to its high forest cover and low deforestation levels.

2. Progress towards, or readiness to meet (non-safeguards elements of) ART/TREES requirements (500 words excluding links and appendices)

Amapá's Concept Note (<u>nota conceitual</u>) was submitted to ART TREES in December 2020. Amapá is building the Work Plan to comply with the requirements it needs to earn credits in Art Trees. Among the requirements for Amapá to be able to receive credit in ART TREES are:

1- Adequate MRV (Monitoring, Reporting and Verification)

Establishing Monitoring in accordance with the ART TREES concept of forest and adoption of a better solution for the dense cloud cover in the state, which interferes with the analysis of deforestation.

A big challenge for Amapá has always been satellite monitoring, due to the dense cloud cover and its location in an Intertropical Zone of Convergence.

In addition, the minimum area that PRODES can map out is 6.25 ha, while in Amapá it is

estimated that almost 90% of deforestation takes place in areas smaller than 5 ha. Since 2002, with a view to supplementing information on deforestation in Amapá, SEMA has been estimating the amount and spatial distribution of deforestation occurring in forest areas, using free LandSAT Satellite images obtained in the National Space Research Institute's (INPE) website. The Secretariat's geoprocessing experts then carry out the manual vectorization of the deforestation polygons and work on the original parameters of the 30x30 meter pixel image, which reduces the smallest mapped area to approximately 0.1 ha. This monitoring considers a 2-year span and appears in the State's Biannual Deforestation Bulletins. In order to comply with ART TREES, Amapá's monitoring must be annual.

Technological advances in remote sensing have made it possible to further the debate on improving monitoring in Amapá. To this end, in 2014, Amapá invested in a modern Cartographic Database in scales of 1:50,000 and 1:25,000, which filled in the gaps and improved the geographic information, adding precision to the State's efforts.

We must also consider Technical Cooperation Agreement No. 5/2020 signed between SEMA and the Management and Operational Center of the Amazon Protection System - CENSIPAM, whose objective is to exchange information, infrastructure and human resources to support studies, research, training programs and any other activities deemed of interest and convenience by the PARTICIPANTS, aimed at the development of environmental and territorial monitoring tools.

The use of the MAPBIOMAS platform is also being considered, since it does not restrict the monitoring of forest phytophysiognomy as the previous ones, and Amapá does have a diversity of ecosystems.

The State is also joining the Brazil M.A.I.S Program of the Justice and Law Enforcement Ministry. The Web Platform provides access and shares daily satellite images acquired by the PlanetScope constellation, comprising over 130 satellites, provided under contract n° 018/2020 signed between the Federal Police and the Santiago & Cintra Consultancy – SCCON.

Another possibility is the development of proprietary, validated, refined scripts for analysis of land use and occupation using sentinel-2 sensor images, Sentinel-1 radar images, associated with analysis of the Normalized Difference Vegetation Index using the cloud geoprocessing tool of the Google Earth Engine -GEE platform.

In addition to the complexity involved in monitoring Amapá, it is necessary to develop appropriate and regular procedures for validation and reporting. One of the typical obstacles is the shortage of qualified personnel in the area.

2- Legal Framework established

Establishing the legal framework of the Jurisdictional REDD+ for Climate Change and Incentive for Environmental Services is another challenge to be overcome. The Bill of Law is ready and currently under appreciation by the executive, to follow to the Legislative Assembly.

In addition to the State Policy Law on Climate Change and Incentives for Environmental Services Conservation (PECISA), the Funds Act is also under appreciation; it proposes to convert the State Fund for Environmental Resources - FERMA, into a multi-portfolio fund capable of receiving resources for Climate Change and Environmental Services. The law governing the State Board for the Environment - COEMA, which is also FERMA's Advisory Board, is undergoing amendments.

In addition, Amapá's REDD+ Program has to be created by Decree, since it is provided for in PECISA and whose governance has already been designed in the Draft Law, which set up the State System for Climate and Environmental Services - SECISA.

3- Safeguards established and agreed upon in a participatory manner

Since 2020, <u>Amapá's Socio-environmental Safeguards</u> (<u>Síntese de Resultados Salvaguardas AP</u>) have been developed within the Safeguards Facilitation Technical Committee, with social participation and involvement through the Amapá Forum on Climate Change and Environmental Services (FAMCSA).

The Coronavirus Pandemic has hindered a more participatory and decentralized approach, since virtual meetings face clear connection challenges, especially due to poor network infrastructure, mostly in the hinterlands, and also because forest people, particularly indigenous populations, have had a hard time adapting to the technology. Therefore, the Social and Environmental Safeguards must yet be validated, which the Committee intends to do through the Work Plan for the 2nd phase of Amapá's Social and Environmental Safeguards, currently underway.

Another challenge is to establish sound monitoring indicators and later place them in systems that allow easy access to information and analysis, ensuring the necessary transparency.

3. Capacity building/technical assistance needs (500 words excluding links and appendices)

The State of Amapá is in the process of building a compliance plan to achieve accreditation. Focusing on the tracks described in the previous item, namely:

- 1. MRV
- 2. Legal Framework
- 3. Social and Environmental Safeguards

During planning, the activities necessary for the State Readiness were listed. All items are related to the ART TREES Safeguards, but they address the tracks mentioned above.

ACTIVITIES IN THE ART TREES COMPLIANCE PLAN

SAFEGUARD A.

- Finalize PECISA's legal process
- Finalize PECISA's public hearing process
- Approve the policy in the Legislative Assembly
- Incorporate PECISA in state management (training)
- Develop the REDD+ Program
- Align PECISA and the REDD+ program with international standards

SAFEGUARD B.

- Develop information disclosure mechanisms
- Develop state ombudsman mechanisms in the SECISA context
- Hold preliminary on premise technical meetings
- Hold decentralized on premise meetings when the pandemic ends for enquiries on

SECISA, the Social and Environmental Safeguards and the REDD+ program.

• Publish the REDD+ program budget information

SAFEGUARD C.

- Official mapping of indigenous peoples and local communities, or equivalent
- Study Amapá's traditional knowledge
- Implement a training program for indigenous peoples on climate change and REDD+
- Increase the participation of indigenous peoples and traditional communities in the FAMCSA, ensuring the resources for their participation.
 - Set up virtual rooms for participation in FAMCSA together with municipalities
- Build a channel of direct, redtape-free communication with indigenous populations using the appropriate language

SAFEGUARD D.

- Develop, in a participatory manner, a benefit-sharing system to ensure fair, full and effective sharing
- Open up FAMCSA to dialogue and do the same to other existing governance forums in the state
 - Implement a comprehensive capacity building plan on climate change and REDD+
- Provide traditional populations with resources for social participation in these decision-making and engagement forums.
 - Expand the network of institutions participating in the FAMCSA
- Implement a communication plan that is viable and reaches out to indigenous populations

SAFEGUARDS E, F and G.

- Create a robust MRV system to monitor deforestation and emissions
- Finalize the environmental and CAR regulation processes
- Strengthen state command and control forces
- Devise and implement a payment program for environmental services
- Monitor the state's social and environmental indicators
- Set up a socio-bioeconomic program within the scope of SECISA
- Develop a benefit-sharing system

The Work Plan has estimated the need for R\$7.5 million to bring Amapá into compliance with ART TREES and have it crediting under the standard.

4. **High Forest Low/Deforestation (HFLD)** (if applicable, 500 words excluding links and appendices)

The scenario described in question 1 is indicative that Amapá meets the criteria to qualify as HFLD. The first simulations carried out in the latest available version of ART TREES, still under consultation, demonstrate that Amapá complies with all requirements, using PRODES deforestation data, and can improve its credit performance, since the methodology takes into account the forest conservation capacity of the state.

5. Estimate of ART/TREES crediting level (non-binding)

Estimates have been carried out of Amapá's ability to generate credit from emission reduction by applying the ART TREES eligibility criteria in the 2022-2026 period established in the LEAF Coalition's CFP using the database of the Brazilian Amazon Rainforest Deforestation Satellite Monitoring Program (PRODES), which provides official deforestation data on the Brazilian Amazon

The PRODES minimum mapping limit is 6.25 hectares during the August-July period each year. Data is available in rates and increments. For the scope of the crediting level analysis, 2020 incremental values have been used. Therefore, deforestation in 2021 was considered an average between 2017 and 2020.

The last published version of the High Forest Low Deforestation (HFLD) eligibility methodology, open to public consultation, establishes rules for calculating scores, based on the deforestation rate and forest carbon stocks in the period covered by the reference level. In this sense, the average score for the 2017-2021 period is the state's final score, 0.58. It is noteworthy that none of the years reported scores lower than 0.5. Therefore, Amapá is eligible as an HFLD jurisdiction under the ART TREES standard.

Thus, the reference figure (2017-2021 average) is added to the state score multiplied by 0.1% of the average forest carbon stock for that period, as defined by the HFLD methodology. The state's reference figure has therefore jumped from 1.34 to 2.14 million tonCO2eq, a value against which the yearly 2022-2026 emissions were set to arrive at the credit estimate.

The 2021-based deforestation reduction target established by the state was 5% per year, which was considered the 2017-2020 average. Yearly deforestation was converted into CO2 emissions by multiplying the deforested area by the average carbon stock of the Amazon biome using the 44/12 conversion factor from tons of carbon to CO2 equivalent.

The average stock found for the Amazon was 160.77 t/ha, using a weighted average according to data provided by the Fourth National Communiqué, a reference report in the Land Use and Forest Sector².

Therefore, the annual deforestation was converted to tons of carbon and compared to the reference figure obtained by the HFLD methodology (2,144,154 tons of CO2 equivalent), enabling estimates of the volume of annual credits generated from avoided deforestation, as shown in the graph below.

²https://sirene.mctic.gov.br/portal/export/sites/sirene/backend/galeria/arquivos/2018/10/11/RR LULU CF II CN.pdf

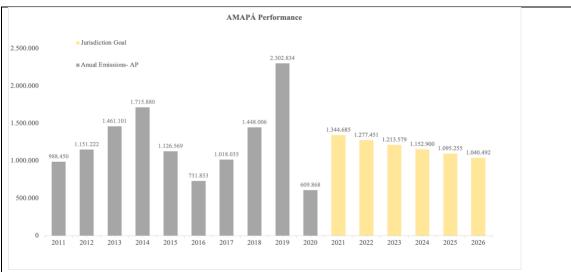


Chart 1. Amapá's Performance

As a complement to the PRODES data estimates, similar analysis were carried out applying data from the Annual Land Use and Soil Cover Mapping Project in Brazil, known as MapBiomas, which produces annual land use and soil coverage maps nationwide with a minimum analysis area of 0.5 hectares. The project provides tabular data in two ways: land use area and soil cover and areas of change in land use and cover, both by year (1985-2019), jurisdiction and biome. The last data available is from 2019 - an updated release with 2020 data is forecast for July/2021.

The MapBiomas deforestation analysis shows methodological differences that rule out a comparison with PRODES data. MapBiomas, for example, uses automated classification integrated with the Google Earth Engine. Their analysis is based on time mosaics of Landsat images, from January to December, so as to bypass the cloud cover problem (considers only pixels without clouds), it captures all pixel behavior during the year and maximizes spectral contrast, key for the classification of land cover. The PRODES database also uses photointerpretation of Landsat images, from August to July, and an exclusion mask to avoid that areas deforested in previous years are again classified as forest. Another important point regards the resolution. MapBiomas works with 30m pixels (pixels are the working unit of MapBiomas), and the minimum mapping unit is 5 pixels or 0.5 hectares, while at PRODES it is 6.25 hectares. Due to higher resolution, MapBiomas detects relatively small changes in land use and soil cover and, consequently, identifies conversions more accurately.

As mentioned earlier, MapBiomas maps land cover and land use changes across nationwide, unlike PRODES, which identifies areas with clear-cut primary vegetation and does not detect changes in land cover and land use. The exclusion mask used by PRODES also includes areas where there is no natural occurrence of forests, reducing the extension of the analyzed area.

Collection 5 of MapBiomas encompasses the country's six official biomes and uses the new official biome limit, published by IBGE in 2019, therefore, detecting areas of *cerrado* in states that PRODES does not (such as Pará and Rondônia) and making it possible to include information from the *Pantanal* biome in the state of Mato Grosso.

In addition to the time series of maps available in the MapBiomas project, there are also tabular data with area, transition and statistics information for each class, by year, jurisdiction and biome. For the crediting level analysis, only transition data was used, in which it is possible

to identify pixel-by-pixel class differences between consecutive years, which has enabled estimates of annual deforestation and regeneration. For deforestation, areas of natural forest that were converted into non-forest or forest plantations, classes were considered and, for regeneration, non-forest areas or forest plantations that were converted to natural forest (classes in detail in Table 1). According to MapBiomas, natural forests breakdown into forest formation, savanna formation and mangroves.

Table 1. MAPBIOMAS collection 5 classes used to define deforestation and regeneration areas used in carbon emission and removal calculations. *Category: Deforestation or Regeneration; Original Class: land use class before being converted (time t); Converted Class: land use class that was converted to another class between time t and t+1; ID: Class code according to MapBiomas.

Category	Original Class	Converted Class	ID
	Forest Plantation	1.2	
		Wetland	
		Grassland	
		Salt flat	
		Other non-forest formations	
		Pastures	
		Temporary Crops	
Deforestation Natural Forest	Soy bean		
	Sugar cane		
	Perennial Crops		
	Temporary Crops and Pasture		
	Beach and Dune		
	Urban Infrastructure		
	Mining		
		River, lake, ocean	5.1
	Forest Plantation		1.2
	Wetland		2.1
	Grassland		2.2
Regeneration	Salt Flat	Natural Forest (forest formation, savanna formation an	2.3
	Other non-forest formations	mangroves)	2.5
	Pasture		3.1
	Temporary Crops		3.2.1
	Soy beans		3.2.1

Sugar cane	3.2.1	.2
Mosaic of Agriculture and Pasture	3.3	
Beach and Dune	4.1	
Urban Infrastructure	4.2	
Mining	4.3	
River, lake and ocean	5.1	

Although it is possible to quantify deforestation and forest regeneration, there are still methodological gaps that involve the use of regeneration data, such as carbon stock estimates in the regenerated area. It is also important to clarify the methods used for stabilizing classes that underwent transition. Therefore, it is still necessary to advance to key steps that precede carbon removal estimates. Finally, we must establish an adequate methodology for future projections and establish how they are to be incorporated in the carbon emission calculations.

In the case of Amapá, the regeneration survey showed that it is possible to reduce around 82,038 hectares (regeneration average between 2017 and 2020) in the final deforestation balance, as illustrated in the graphs below.

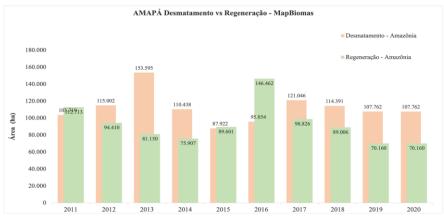


Chart 2. Amapá's Deforestation

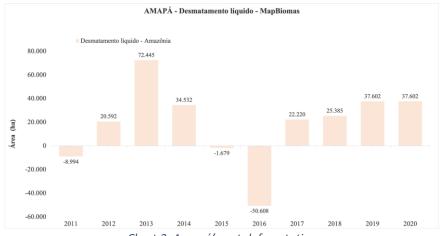


Chart 3. Amapá's net deforestation

6. Annual target ERs³ (non-binding)

Amapá's emission reduction level estimates are shown in the table below. Annual credits total 4,941,093 million tons of CO2 equivalent. After removing the deductions for leakage (20%) and buffer (20% in the case of Amapá, in which mitigation factor #3 is applied), the net crediting level amounts to 2,964,656 million tons of CO2 equivalent.

It should be noted that these net level estimates do not yet include the possible discounts established by Resolution 6 of CONAREDD, which establishes the distribution limits of emission reduction results-based payments between the Federal Government and the states in the Amazon biome. At the time of the transaction, these emission reductions will be consolidated in the ART TREES Registration Document and aligned with CONAREDD methodologies and definitions, integrated and "nested" within the Nationally Determined Contribution (NDC) targets and harmonized with Infohub.

Delivery by the end of (year)	Quantity (range, in metric tons CO2 equivalent)	Crediting year (please specify in brackets if emissions from forests are accounted for according to timelines that deviate from calendar years (e.g. Aug 1 st – July 31 st) ³
2023	520.022	2022
2024	558.345	2023
2025	594.753	2024
2026	629.340	2025
2027	662.197	2026

7. Policies and Measures (500 words excluding links and appendices)

Aiming to reduce deforestation and forest degradation through integrated actions of state institutions, Amapá has a Plan for the Prevention and Control of Deforestation and Fires in the State of Amapá (PPCDAP). The 2010 - 2017 PPCDAP's was aligned with the Action Plan for the Prevention and Control of Deforestation in the Legal Amazon (PPCDAM).

The UNDP has recently hired a consultancy through the GCF TASK FORCE to update the 3rd Plan for the Prevention and Control of Deforestation and Fires in the State of Amapá – PPCDAP 2021-2024. The Plan is currently being revised and edited by SEMA-AP experts, for subsequent publication. PPCDAP 2021 is in line with the National Plan for the Control of Illegal Deforestation and Native Vegetation Recovery.

In line with the PPCDAP, SEMA-AP is putting together a Public Call Notice to select entities

³ Please note that this is an initial estimate. LEAF Coalition participants do not expect this to be accurate at this stage.

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to implement initiatives to prevent and fight forest fires in the State of Amapá.

A partnership with the Brazilian Army, financed by loans from the Brazilian Development Bank (BNDES), enabled the State of Amapá to obtain georeferenced and validated cartographic information on its territory in 2019. With the completion of the Cartographic Base Project, Amapá ceased to be a cartographic void, and now 100% of the state's area is mapped out at scales suitable for management, providing strategic information on hydrography, relief, vegetation, transport system and energy.

This cartographic base has enabled Amapá to be the first state to run the AnalisaCAR, a tool by the Brazilian Forest Service SFB for the dynamic analysis of the Rural Environmental Registry-CAR.

The analyzed CAR is one of the criteria for small producers to qualify to access resources from the National Program for Payments for Environmental Services - Floresta+. The Environment Ministry has already established technical cooperation with the state to implement Floresta + in Amapá.

Since 2019, the government has invested to revamp and strengthen the State Environmental System, upgrading the structures of Amapá's environmental, rural and land tenure organizations. These changes required funds to strengthen their technological base.

To this end, SEMA has entered a technical partnership with the Amazonas Environmental Protection Institute (IPAAM), which has enabled it to hire the Federal University of Lavras (UFLA), through the Scientific and Cultural Development Foundation (FUNDECC), and the UFLA Agency of Innovation in Geotechnologies and Smart Systems – Zetta, to consolidate the proposals of systems that use georeferenced information for licensing, monitoring and environmental oversight in Amapá. The systems have brought greater agility, transparency and security to the entire process and stakeholders.

Another action aimed at supporting institutions, and particularly environmental monitoring in the State of Amapá, is Technical Cooperation Agreement No. 5/2020, between SEMA and the Management and Operational Center of the Amazon Protection System - CENSIPAM, which aims to exchange information, infrastructure and human resources to support studies, research and training programs aimed at the development of environmental and territorial monitoring tools.

Amapá has also been building the state Social and Environmental Safeguards System in a participatory manner under the coordination of the Technical Committee on Safeguards Facilitation and engaging the population through the Amapá Forum on Climate Change and Environmental Services (FAMCSA), since 2020. This project began under the scope of Forests for the Climate Project implemented by SEMA and Conservation International-CI, with NORAD's resources, led by the GCF Task Force and funded by UNDP.

The State has also advanced in the management of water resources, the reorganization and implementation of conservation units (CUs), the Forest Concessions in the state forest of Amapá-FLOTA, planning to promote community management, structuring information bases and training personnel for initiatives related to climate change and environmental services, with a view to creating and promoting the bioeconomy.

Amapá's environmental agenda also includes participation in several initiatives that require

climate commitments such as the Under2 Coalition, the Governors' Climate & Forest Task Force (GCF Task Force), the New York Declaration on Forests, ABEMA and the Interstate Consortium for the Sustainable Development of the Legal Amazon (CAL).

8. Use of Proceeds (1000 words excluding links and appendices)

The State of Amapá has been furthering the debate on climate change and its systemic relationship with forest management, promoting quality of life among traditional populations and increasing income through sustainable activities. Against this backdrop, Amapá plays an essential role in providing and maintaining environmental services and climate regulation. REDD+ and Environmental Services initiatives are based on the assumption that preserving forests brings benefits, in addition to climate resilience. In addition, that requires a concerted effort by society, indigenous peoples, traditional communities and family and/or traditional farmers, the private and public sectors and other stakeholders.

In this respect, Amapá has worked to structure and implement a statewide REDD+ mechanism in line with local efforts already engaged or planned (led by local communities, family growers, and the private sector, among other). Amapá is dedicated to establishing a legal and regulatory framework, translated into draft law Policy on Climate Change, Conservation and Incentives for Environmental Services (PECISA), which will create the State System for Climate and Incentives for Environmental Services (SECISA).

The **proposed** distribution of benefits arising from the economic and fiscal incentives, environmental and tax credits, etc., created and obtained under the scope of SECISA, is that 40% of the total will go towards strengthening state institutions and 60% will be invested in initiatives directed at the programs and subprograms directly connected to beneficiaries.

- → 40% of the resources allocated to support and strengthen those government institutions that will take part in the implementation of SECISA and actions and projects in line with this policy with the following priorities:
- Command and Control: monitoring and qualification of deforestation, fires and regeneration data; implementation of SECISA instruments (e.g. the carbon credit control system; Amapá safeguards monitoring system, etc.); technical training and technical expansion for the use of new technologies, platforms and systems; institutional structuring to support the use of these new technologies; and other.
- Implementation of SECISA: strengthening institutions of environmental control and assistance to rural producers with low-carbon production programs with an emphasis on the bioeconomy; preparation of programs and subprograms; support for governance implementation; communication of actions and development of innovation in the communication process; promotion of transparency; fostering the participation of indigenous peoples, traditional peoples and communities and family and/or traditional farmers; and other.
- Preparation of projects and fundraising drives for the implementation and execution of PECISA and projects that have direct and/or indirect objectives under SECISA.
- Knowledge base: foster studies and research work that support the development, decision-making and execution of SECISA and projects that have direct and/or indirect objectives in line with the policy.

- → 60% of resources allocated to actions aimed at programs and sub-programs directly linked to beneficiaries. With the following priorities:
- Strengthening the bioeconomy: help with legal, technological, infrastructure and land tenure trade bottlenecks; Investments in technology, infrastructure, economic activities with low-carbon production programs with an emphasis on the bioeconomy, rural credit lines that can reach these producers, market access, rural entrepreneurship development, innovations in product sales, and other.
- Forest Concessions: development of community forest concessions; support and assistance to qualify associations and/or cooperatives to carry out community forest management.
- Family Farming and Traditional Peoples and Communities: support agricultural and traditional activities to help them develop sustainable practices.
- Support the organization, sale and industrialization of products, as well as monitor production chains for pricing purposes, and to have them comply with international standards; and other.
- Programs and/or sub-programs with indigenous peoples will be designed in a participatory manner to promote economic activities and/or territorial monitoring, according to the needs of each ethnic group. Meeting all the requirements of prior and informed consultation and/or consultation protocol, if any.

As PECISA has not yet been approved, these are but preliminary indications, since the law must be passed before it can be regulated. However, this process presupposes the understanding that it is essential to follow the principles of justice, equity and social participation, according to the following guidelines: all programs, subprograms and projects developed in areas occupied by traditional communities, indigenous and Quilombola peoples must guarantee their participation in the decision-making process. This includes the definition, negotiation and sharing of benefits, which must be established by means of a term of prior and informed consent, obtained at a meeting or public hearing specifically convened for this purpose; and fair and equitable distribution of benefits arising from the use of biodiversity resources, within the scope of the Convention on Biological Diversity, in addition to state and national legislation in force.

A point to be highlighted is that Amapá is home to indigenous peoples, Quilombola, extractivists, riverside dwellers, artisanal fishermen, chestnut pickers, pottery artisans, family farmers among other local communities that will be favored if the state is successful in its submission to the LEAF Coalition. The state must develop models based on the contribution of each category to reducing emissions and organize an extensive process of consultation with all stakeholders in order to arrive at the best allocation design, so that all parties feel valued and compensated for their efforts to reduce greenhouse gas emissions. Using deforestation data by land category in the Amazon biome, it is possible to carry out simulations by stock and flow (EF) approach on how this distribution can be made among the various groups that live in rural areas. The EF approach, widely used in REDD+ projects in Brazil, is guided by two variables: deforestation data and forest stocks, measured in the different categories of land used by the various groups (indigenous communities, large private producers, rural settlers, extractivists, etc.). The EF mechanism calculates the forest's carbon stock and flow reduction, that is, carbon emissions (Moutinho et al. 2017).

The State will be able to choose to allocate funds through existing programs that contemplate these land use categories, using the "stock and flow" approach. In Amapá, the large amount of stock in the Conservation Units is a differentiator and significantly contributes to the state's preservation efforts since it is a barrier to deforestation. It also

shows the need for the state to fight illegal deforestation in areas of non-designated public forests. Indigenous land have contributed very little to deforestation, however, it is necessary to reinforce the inclusion of these populations and the appreciation of their territories.

Finally, it is necessary that, once Amapá receives LEAF resources, an extensive process of consultation with all potential beneficiaries be organized to validate the benefit-sharing mechanism.

9. NDC Alignment (500 words excluding links and appendices)

The State of Amapá is committed to implementing the Brazilian NDC. Considering the goals established by the Federal Government for this achievement, it will invest efforts and revenue, among others, for the following purposes:

With regard to the forest segment and land use change, resources will directly and indirectly advance the following goals under the Brazilian NDC:

Goal i) Boosting compliance with the Forest Code, at the federal, state and municipal levels, namely through the following actions:

- Promoting and analyzing the Rural Environmental Registry
- Creating conditions for Environmental Regulation
- Advancing Land Use Regulation
- Fighting illegal deforestation in Amapá
- Licensing activities in compliance with the Forest Code
- Implementing PECISA

Goal ii) Reinforcing policies and measures aimed at achieving zero illegal deforestation by 2030 in the Brazilian Amazon and offsetting greenhouse gas emissions resulting from the legal removal of vegetation by 2030 - namely through the following actions:

- Improving the state Land Use Information and Monitoring Bases
- Reinforcing Environmental Oversight
- Strengthening monitoring of hot spots and fighting forest fires
- Promoting awareness campaigns through education on regulating clearing activities.
- Creating incentives for forest conservation and regeneration
- Setting up the REDD+ Program
- Supporting the Bioeconomy and Sustainable Productive Processes
- Creating incentives for the conservation of Environmental Services
- Finalizing creation of the Social and Environmental Safeguards in the State of Amapá

Goal iii) Regeneration and reforestation of 12 million hectares of forests by 2030, for multiple uses - namely through the following actions:

- Implementation of PRA Environmental Regulation Program
- Incentives for the restoration and reforestation of degraded areas

NOTE: The state has few degraded areas.

Goal iv) Expansion of the scale of sustainable management systems on native forests, through georeferencing and traceability systems that can be used to manage native forests, with a view to discouraging illegal and unsustainable practices - namely through the

following actions:

- Launching more notices for Forest Concessions, in the State Forest of Amapá
- Fostering management of community-based native forests, for both timber and non-timber forest products
- Establishing safe and clear regulations that enable sustainable forest management

With regard to the agricultural sector, resources will directly and indirectly advance the following goals under the Brazilian NDC:

- a) Strengthening the Low Carbon Agriculture Plan (ABC Plan) as the main strategy for sustainable development in agriculture, contributing to:
- The regeneration of an additional 15 million hectares of degraded pastures by 2030 namely through the following state actions:

Training and Technology Transfer (Training farmers in cattle feed management; training farmers in growing and managing cultivated pastures; making technical visits to properties with automated buffalo farming.)

Research (Carry out a study on the support capacity of pastures in floodplain areas; develop and/or adapt cattle Management Systems; carry out research to control invasive plants in floodable areas.)

Mapping of priority areas (Identify areas with potential for cattle ranching.)

• Increase of 5 million hectares of crop-livestock-forestry (iLPF) integration systems by 2030 - namely through the following state actions:

Training and Technology Transfer (Training technicians in agricultural practices of crop rotation, succession and intercropping; training technicians to implement and maintain SAF's and ILPF; training producers to implement and maintain SAF's and ILPF; Training producers in agricultural practices of crop rotation, succession and intercropping; Training technicians and producers on the introduction of permanent crops (Andiroba, Açaí, etc.); Training growers to produce cassava, banana and pineapple seedlings; Implementing Test and Demonstration Units (UTDs) of ILPF and seedling multiplication systems for SAFs.)

These actions will also deliver an impact on and inject funds in economic and social development measures, namely in:

- a) Implementation of policies on human rights, in particular among vulnerable communities, indigenous populations, traditional communities:
- Implementation of PECISA and the State Social and Environmental Safeguards System for REDD+ and Environmental Services
- b) Implementation and reinforcement of support and development policies for family growers and workers in sectors affected by the policies and plans to fight climate change;
- Establishing Incentive mechanisms for the Conservation of Environmental Services.
- c) Promotion of gender-sensitive measures;
- Insertion of the gender issue in all PECISA programs;
- Enable specific projects that address the issue of gender, to favor equity.

Within the scope of long-term actions, resources will be invested equally in programs and projects that can contribute to achieving by 2025 the global reduction target of 37% below the 2005 mark, and by 2030 43% below the 2005 mark, as well as the Carbon Neutral target to be achieved by 2060.

10. Nesting (500 words excluding links and appendices)

The State of Amapá, as refers to the control and management of its territory, has been developing policies to implement the following themes:

- A. Implementation and reinforcement of the Forest Code contributing to the comprehensive mapping of its territory and identification of its forest cover such as the implementation of the CAR Rural Environmental Registry
- B. Creation of a State REDD+ Program that contains rules to identify state initiatives in the public and private spheres;
- C. Bill of Law on State Policy on Climate Change and Incentive for the Conservation of Environmental Services; currently under appreciation; it regulates the creation, validation, monitoring, reporting and verification of emission reduction programs and projects deals with regulating programs/projects/activities
- D. Studies of forest biomass in Amapá and decentralized forest inventories will be brought together into a repository. The National Inventory is expected to be carried out within the state. Greenhouse Gas Inventories are also part of SEMA's plans, and will contribute to detect the state's vegetation cover and its emission reduction potential by specializing and identifying initiatives in its territory;
- E. State Plan to Prevent and Fight Deforestation and Fires in the State of Amapá PPCDAP. The Plan has 2 previous versions and is under review and editing by SEMA-AP experts, for later publication. PPCDAP 2021 must be implemented effectively and have its own governance.
- F. Study, design, creation, implementation, management of an accounting framework for [environmental assets] [emissions reduction] at state level comprising a digital platform of [information] [record] and [transaction] of jurisdictional emission reductions in the planning stage
- G. Use of national instruments to calculate emission reductions FREL to calculate national and state emission reductions that will enable the structuring and definition of a robust and integrated methodology at national and subnational levels;
- H. Use of national instruments to identify emission reductions INFOHUB that enables accounting and quantification of emission reductions attributed to the state and consequently the discount (write-off) of emission reductions used for the purpose of "results-based payments" such as the [REM Program Early Movers] in its own rubric;

The accounting control of results-based payments is ensured at state level by national instruments, while capacity building in Amapá is guaranteed by the use of the INFOHUB tool, which accounts for and integrates the efforts of all entities nationwide based on the legislation and regulation established by the National Policy on Climate Change (PNMC -law 12.187/2009) and by the CONAREDD resolutions.

The calculation of distribution of the ERs generated in the Brazilian Amazon as per Resolution No. 6 of July 6, 2017, which establishes the distribution limits on emission reduction results-based payments in the Amazon biome, determines that 40 % of ERs generated by FREEL belongs to the Federal Government and 60% is to be distributed among states considering stock and flow. In addition, all states in the Brazilian Legal Amazon must have at least 2% of this total. As Amapá has stock, and low deforestation but is relatively small compared to some other states in the Amazon Amapá has been keeping to the limits established by CONAREDD+. Since the ART TREES methodology is different from FREEL's, in the calculations made so far, Amapá would be able to remain within the payment limits under the national FREEL.

The State of Amapá has only one private REDD+ project, the Vale do Jari REDD+ Project, which is located in an area that belongs to the states of Amapá and Pará. https://www.biofilica.com.br/projeto-redd-vale-do-jari/. There is no governance over private projects so far. The state's REDD+ program should be designed to provide for the nesting of these projects under the Jurisdictional System, but credits already traded within the territory up to the time of this regulation must be deducted from the state's accounts.

Some programs and projects developed in Amapá contribute to crediting and reducing forest emissions. The <u>Tesouro Verde</u> Program aims to encourage conservation by generating forest credit (considering carbon, water and biodiversity) from the standing forest, creating seal mechanisms, market demand and benefits for the government and rural landowners who preserve the environment. The forest crediting methodology of this program is not in line with REDD+ credit generation methodologies.

The <u>Floresta +</u> Pilot Project is part of the National Program for Payments for Environmental Services – Floresta+, (Ordinance MMA No. 288, of July 2, 2020), and its objective is to promote in the Legal Amazon the distribution of benefits under a financial incentive mechanism for forest conservation and recovery, as well as contributing to the creation of innovative technologies in the forest segment.

11. Transfer of Title (500 words excluding links and appendices)

The State of Amapá, has as preference the paths #1, #2, however has interest in paths #3 and #4 always and when in the terms of the legislation in force they are legally viable and admissible. With regard partially to #3 (in relation to the specific issue of transfer of ownership) and to path #4 transfer of ownership and use for the corresponding internal commitments of the buyer), the actions to be carried out in the scope of the UNFCCC and Paris Agreement by virtue of a formal declaration and expressly inserted in the NDC will be subject (in principle) to the prior and formal consent of the Federal Government regarding the transfer of units:

NDC Extract - Page 2:

"The Brazilian Government emphasizes that any transfers of units arising from mitigation results achieved in the Brazilian territory will be subject to the prior and formal consent of the Federal Government."

In this sense, the State of Amapá understands that whenever and wherever the pertinent national and international legislation in force and the scope of subnational competence that assists it as a federated entity so determine and allow, and equally once the legal and regulatory requirements applicable at the national level are met, there may be room for the application of paths #3 and #4.

12. Corresponding Adjustments (500 words excluding links and appendices)

The State of Amapá intends to act with the maximum degree of compliance with the international and national legal and regulatory provisions regarding the application of the UNFCCC (Framework Convention) and the Paris Agreement (Ratified by Legislative Decree No. 140 of August 16, 2016) and other relevant national complementary legislation - in

particular its NDC.

In this sense and within the scope and limitations legally established regarding its powers as a federative entity (part of the Brazilian Federative Republic) under articles 22, 23, 24 and 225 of the Federal Constitution (Constituição Federal), as well as the provisions of the law that established the National Climate Change Plan - Lei 18.187/2009 and its respective regulating decree - Decreto 9.578 / 2018, also as to the provisions of the New National Forest Code - Lei 12.651 /2012 - especially in its article 3, item XXVII, the Law of the National System of Conservation Units - Lei 9.985/2000 and the National Public Forest Law - Lei 11.284 / 2006 and finally the REDD+ Decree (Decreto 10.144 de 8 de novembro de 2019) that creates CONAREDD - National REDD+ Commission and and Ordinance 518/2020 (Portaria 518/2020) - Forest + and Carbon + - Voluntary Markets - Public and Private, intends to apply according to the best technique and science at the state level the corresponding legal provisions in what concerns the scope of future "corresponding adjustments" in order to achieve the internationally recognized technical and scientific rigor, whenever and wherever the national legislation in force allows it.

- Regardin paths #1 and #2 and partially in relation to #3, Brazil has a system that has already served as a base for international fund raising through "payments by results", namely in the experiences of the States of Acre and Mato Grosso.
- Regarding #3 (in relation to the specific issue of transfer of ownership) and path #4 the execution of the same, by virtue of a formal declaration and expressly inserted in the NDC, are subject to the prior and formal consent of the Federal Government for the purposes of transferring units with respect to the actions to be executed under the UNFCCC and the Paris Agreement:
- NDC Extract Page 2:

"The Brazilian Government emphasizes that any transfers of units from mitigation results achieved in the Brazilian territory will be subject to the prior and formal consent of the Federal Government."

In this sense, Amapá State understands that whenever and wherever the pertinent national and international legislation in force and the scope of subnational competence that assists it as a federated entity so determine and allow, and once the legal and regulatory requirements applicable at the national level are met, the technical and scientific rules that determine the "corresponding adjustments" may be applied in the future, observing the international, national and subnational criteria.

13.Environmental, Social and Governance Safeguards (1000 words excluding links and appendices)

The State of Amapá, aware of its vocation for Forest Conservation, due to its large biodiversity and low levels of deforestation, has, through SEMA and other partner institutions, been acting actively for climate mitigation.

The State Policy for Climate Change and Incentive to the Conservation of Environmental Services (PECISA) and the State System for Climate and Incentive to Environmental Services (SECISA), developed in the State, observe the so-called Cancun Safeguards (REDD+ Safeguards), and other UNFCCC Resolutions, as well as the ENREDD+ and CONAREDD+ deliberations.

The Law that will institute PECISA was built within the Amapaense Forum for Climate Change and Environmental Services (FAMCSA), created in 2013. In December 2020, the State of Amapá submitted its concept note (nota conceitual) to ART TREES and demonstrated compliance with most of the structural indicators and safeguards process indicators required by the standard. Compliance gaps were found in a large portion of the impact indicators, which will be detailed here.

Safeguard A. Alignment of state policies with national and international ones

Amapa responds to the structural indicators of this topic, as it presents a forest legal framework aligned with federal guidelines, demonstrated by the following legal framework: Amapa State Environmental Protection Code (Complementary Law nº 0005 de 18/08/1994); Amapa State Policy for Forests and other Forms of Vegetation (Law nº 0702, de 28/06/2002); Amapa State Water Resources Management Policy (Law nº 686, de 07/07/2002); Creation and Management of the Amapa State Forest (Law nº 1.028, de 12/07/2006); Amapá State Ecological Economic Zoning Program (Decree nº 2212, de 09/06/2017); Plan for Prevention and Control of Deforestation and Burning in the State of Amapá (PPCDAP 2010) and PPCDAP 2017), among others.

Amapá has not yet developed specific legislation on REDD+, climate change, nor payments for environmental services. However, it is already building its State Policy on Climate Change and Incentive to Conservation of Environmental Services (draft PECISA)) and is developing, in a participatory manner, its REDD+ Socio-Environmental Safeguards (Síntese de Resultados Salvaguardas AP).

In 2020, the state developed a matrix of principles, criteria, and indicators for monitoring safeguards. The material is still in a preliminary stage, and needs to go through a consultation process and creation of its Safeguards Information System. The state also needs to finalize its State System of Climate and Incentives for Environmental Services of Amapá (site SECISA), which needs to be in accordance with national and international policies and agreements related to the topic of social and environmental safeguards, such as the Cancun safeguards, and other UNFCCC Resolutions, as well as the deliberations of ENREDD+ and CONAREDD+.

It is also necessary to update the PPCDAP, since its last version dates back to 2017. This update should guide in the implementation of the axes of regularization and land use, monitoring and control, promotion of sustainable activities and governance and institutional strengthening actions.

Safeguard B. Governance and Transparency

Governance

The FAMCSA (<u>Decree nº 5.096</u>, <u>de 27/08/2013</u>) is the main governance space of the state and has as competencies: to promote cooperation between governments with international organizations; to encourage the participation of Amapá entities in the UNFCCC conferences of the parties on climate change; to facilitate and support studies related to climate change foreseen by the IPCC; to discern and stimulate the REDD+ market; to seek integration with the objectives of the Vienna Convention, the Montreal Protocol and the related international agreements ratified by Brazil (<u>Decree nº 99.280</u>, <u>de 6 of June of 1990</u>).

For the compliance plan, it is necessary to elaborate state ombudsman mechanisms in the context of SECISA and develop training programs to qualify the participation of managers.

Access to information

The ART TREES concept note⁴ presented a set of instruments that Amapá uses to make official information available, ensuring compliance with structural and process indicators. However, the state does not present relevant information on environmental issues. Therefore, it is necessary to create virtual spaces for the publicization of information about the state's REDD+ policy, providing budget data, actions, activities, results, beneficiaries, among other information.

Right to Land

In Brazil, the competence to recognize and define indigenous and Quilombola territories is federal (Article 231 of the Federal Constitution and Article 68 of the Transitory Constitutional Provision Law). The Federal Decree nº 7.747/2001 established the National Policy for Territorial and Environmental Management of Indigenous Lands, an important law to recognize, inventory, map, and ensure customary and statutory rights of possession of lands and resources, and must be applied in the indigenous territories of the States, and Federal Decree nº 6.040/2007, establishes the National Policy for Sustainable Development of Traditional Peoples and Communities.

The State is in the process of updating its Ecological Economic Zoning (ZEE) (<u>State Decree nº 2.212/2017</u> regulated by <u>Federal Decree nº 4.297/2002</u>, an important instrument to recognize, inventory, map and ensure (statutorily and habitually) the rights to lands and resources

To meet the ART TREES criteria, Amapá needs to finalize the official mapping of indigenous peoples and traditional communities.

Access to Justice

As per the concept note, the state of Amapá has a set of instruments to ensure that the general population has access to public defender mechanisms. In the institutional arrangement of the REDD+ system it is foreseen the creation of a specific REDD+ justice office, which will function as a partial and independent communication channel, configured as essential in a participative management system.

Safeguards C and D. Indigenous peoples' rights and participation

PECISA shall ensure that the knowledge and rights of indigenous peoples, traditional and local communities (Quilombola, riverine peoples, traditional and family farmers), recognized by international and national instruments, are respected in the context of the implementation of REDD+ actions in Amapá.

For the compliance plan related to these groups, the state listed gaps related to the lack of detail about the traditional knowledge of the state's traditional populations, the insufficient participation in FAMCSA, the need to carry out a FPIC about SECISA, the socioenvironmental safeguards and the REDD+ program.

Safeguard E, F and G. Forest Conservation and Monitoring for Reversion and Leakage

As presented in the ART TREES note, Amapá has a set of legal and policy norms that guarantee the preservation of forests in the state as the PPCDAP and the Green Treasury platform (<u>Law nº 2.353/2018</u>), which aims to generate financial resources from investments

⁴ https://art.apx.com/myModule/rpt/myrpt.asp?r=111

in forest conservation, the State Policy for Forests and other Forms of Vegetation of the State of Amapá (<u>State Decree nº 0702/2002</u>); the Creation and Management of the Amapá State Forest (<u>State Decree nº 1.028, de 12/07/2006</u>); the State Forest Program (<u>State Decree nº 3528/2014</u>), and other legal instruments.

To have greater efficiency in the conservation of state forest blocks, Amapá needs to finalize its environmental regularization and Rural Environmental Cadastre (CAR) processes, strengthen command and control mechanisms, create and implement a Payments for Environmental Services program, and develop a sociobioeconomy program to value products from forests and strengthen the economy of the populations that reside there.

Finally, it is necessary for the state to have control over the reversal and leakage of deforestation through internal control actions and also in coordination with surrounding jurisdictions.

To address these gaps, the state has leveraged external resources such as the Petrobrás fund, project submissions such as the KFW Forest Fund call for proposals, Norad resources donated to the GCF Task Force, through Window A and Window B calls for proposals. Also the use of the state's own resources, partnerships with non-governmental organizations like IPAM and Conservation International, cooperation with institutions of the federal government and other Brazilian states, among others. The state is also open to new partnerships and funding.

14. Financial Intermediary (FI)

In the structure of SECISA, the financial resources resulting from the State Policy on Climate Change and Incentive to Environmental Services will be linked to the Special Fund of Resources for the Environment (FERMA) which has an autonomous accounting nature and a budget unit linked and managed by SEMA, The purpose of the Legal Nature of Climate Change and Environmental Services Incentive is to receive and apply resources in programs and sub-programs on mitigation and adaptation to climate change and incentive to the conservation of PECISA's environmental services, which will be managed by SEMA together with the Fund's Deliberative Council, in this case COEMA.

To make the REDD+ negotiations viable, in addition to other assets, the state established the public company Amapá Parcerias, authorized its constitution by Law 921/2005 (<u>Lei nº 921/2005</u>), and its creation was made effective by Decree 4303 of December 18, 2020 (<u>Decreto Nº 4303</u>). The performance of Amapá Parcerias is considered a relevant public service, not remunerated, in compliance with the restrictions imposed by Complementary Law 173/20. On April 27, 2021 Amapá Parcerias was registered at the Amapá Board of Trade - JUCAP.

However, if this is not the accepted alternative for carrying out financial intermediation, the State is willing to make the relevant alteration.

