

# Proposal Submission in response to Call for Proposals (CFP) issued by

## LEAF Coalition on April 22, 2021

#### Dated: August 2, 2201

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- 1. Authorized party. You represent and warrant that you are an authorized representative of the company that employs you and which is a participant in the LEAF Coalition (Company) and, in that capacity, can bind Company to the terms herein.
- 2. Confidentiality. Except as otherwise agreed by you and Emergent, volunderstand that the information contained herein is confidential (hereinafter "Information"). You will:
  - a. Use your best efforts to keep the Information confidential;
  - b. Not reveal such Information to parties other than those: (i) which are Emergentnamed individuals that represent companies that are members of the LEAF Coalition; and (ii) employees, agents, partners, shareholders, officers, directors or other representatives of Company (collectively, "Representatives") who have an actual need for such Information to further Company discussions that may result in purchase of emission reduction precise ("Activities");
  - c. Advise in writing Representatives receiving the Information of its confidential nature;
  - d. Direct such Representatives to treat the Information confidentially, not to use it except in connection with the Activities, and not disclose it to any third person that is not authorized to receive such Confidential Information.
- **3. Disclaimer.** This Subn ission is the 'raw' submission of a jurisdiction in repose to the CFP. Neither Emerger t nor any party of the LEAF Coalition have conducted any verification of claims made in this Submission or made any edits. This disclaimer applies to all sections of the Submission, including claims made around projected emission reductions (ERs).

By accessing this Submission, to protect and further the interests of the LEAF Coalition, if you inter d to negotiate an ER transaction contemplated by this Submission within the next twelve months, you agree to work in good faith to reach mutually agreeable terms to transact under the LEAF Coalition, and agree to be transparent about and seek to resolve any complicating issues with the LEAF Coalition. If complications cannot be resolved after good faith efforts, you agree for the next six months to provide prior written notice to Emergent and members of the LEAF Core Advisory Group before you initiate discussions directly or indirectly with the Host Jurisdiction responsible for this Submission with respect to a potential emission reduction transaction contemplated by this Submission outside of the LEAF Coalition.

If you are unwilling or unable to comply with this obligation, please destroy this document immediately and notify Emergent accordingly.

#### APRIL 22, 2021

# Call for Proposals

Performance-Based Public-Private Coalition for Trobical and Subtropical Forest Conservation

Coordinated by



The Lowering Emissions by Accelerating Forest finance (LEAF) Coalition aims to raise global climate ambition and contribute to halting tropical and subtropical deforestation and forest degradation by 2030.

Telenber 2

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 provide substantial financial support to tropical and subtropical countries that successfully reduce emissions from deforestation and forest degradation.

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# **The LEAF Coalition**

Lowering Emissions by Accelerating Forest finance

*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 due to the fact that ART/TREES 2.C has not been finalized yet. Once the final version is published, all provisions therein will apply, and 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 therough 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 (Name of Jurisdiction) (referred to as "Supplier" in this document)			
Institution name: Secrecariat of Environment of the Maranhão State			
Country: Brazil			
Focal point's mane, title:			
Mailing Address:			
Email address:			
Telephone:			
Brief description of legal authority to represent country or jurisdiction:			
The State Secretariat of Environment and Natural Resources (SEMA), established			

by State Law 9.340, of February 28, 2011, has the purpose of planning and coordinating the execution of policies related to fostering, organizing, regulating, inspecting, and controlling actions related to the exploitation and preservation of the environment and natural resources. SEMA has three Joint Secretariats (Sustainable Development, Licensing, Environmental Resources) and nine Superintendencies (Water Resources, Environmental Licenses, inveiting content inter 20 presiminary ist presented by the president of **Biodiversity and Protected Areas, Forest Resources, Waste Management, Green** Economy, Environmental Education, Enforcement, Planning and Surveillance).

your institution: National government ☑ Sub-national government(s) (please specify applicable administrative level of government. If more than one subnational jurisdiction, please specify) ☑ 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 APT.

□ Recognized indigenous communities (TBC – depending on inclusion under the finalized ART TREES 2.0)1

Please check applicable category that best defines

Please confirm that:

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) of at least 2.5 million hectares;
- □ The national acvernment will provide the participant with a letter from the relevant national entity authorizing the Participant capplication 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.

<sup>&</sup>lt;sup>1</sup> 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 3 .0.

Date of submission

may be revised by 31st December 202

#### General:

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

Please provide a narrative and applicable links, outlining Supplier's forest goals related to emission reductions from REDD+<sup>21</sup>, for example, 2030 zero deforestation goals.

The State of Maranhão is known for its cultural and natural diversity. Located in a region where three biomes meet - Amazon, Cerrado and Caatinga - it has natural wealth, scenic beauty and a great diversity of ecosystems.

The basis of its economy lies in industry (aluminum), services, extractivism, agriculture, and livestock. The port of Itaqui<sup>2</sup>, in São Luís, is a strategic differential and logistical protagonism, with a vocation for handling grains and oil products. The economy of Maranhão has been boosted by exports of agricultural and mineral commodities and, consequently, there are large-scale enterprises that significantly influence the wealth produced in the state (IMESC, 2020)<sup>3</sup>. Despite the economic growth derived from the occupation of the territory and the increase in agricultural production, the population of Maranhão has a per capita income (R\$ 597/month) well below the national average (R\$ 1,268/month), providing it with the second lowest HDI in the country (IBGE, 2010).

To reverse this situation, the Government Plan for the state of Maranhão - the Mais IDH Plan<sup>4</sup> is designed to overcome extreme poverty and social inequalities in Grban and rural areas, through a strategy of sustainable territorial development. The Mais ID': Plan provides environmental support for the Maranhão Verde, Maranhão Verde Indígena, and Maranhão Sem Q eimadas programs, among others. In social terms, it is also important to highlight that the state is compited to conclude the Ecological-Economic Zoning (ZEE), as the main instrument to subsidize the medicine and long term planning to define public policies. The ZEE of the Amazon Biome has already been concluded and the studies for the ZEE of the Cerrado and the Coastal Zone are being prepared.

In 2011, Maranhão implemented its Action Plan for the Prevention and Control of Deforestation and Slashand-burn activities in the State - PPCDQ-MA<sup>5</sup>, setting targets for reducing deforestation in the Amazon biome by 80% and in the Cerrado biome by 50% by 2020, compared to the average from 1996 to 2005, together with intermediate targets for average deforestation in the 2011-2015 and 2016-2020 five-year periods, projecting a 42% reduction between each period for the Amazon biome and 30% for the Cerrado. As a result, the state achieved an important reduction in deforestation in the Amazon biome and a somewhat more modest reduction in the Cerrado. These reductions allowed the state to perform positively according to the methodology established in the ART TREES Environmental Excellence Standard for the period from 2016 to

<sup>&</sup>lt;sup>1</sup> reducing emissions from deforestation and forest degradation in developing countries, and the role of conservation, sustainable management of forests, and enhancement of forest carbon stocks in developing countries.

<sup>&</sup>lt;sup>2</sup> https://www.emap.ma.gov.br/porto-do-itaqui/operacoes-portuarias/movimentacao-de-carga

<sup>&</sup>lt;sup>3</sup> http://imesc.ma.gov.br/portal/Post/noticias/853

<sup>&</sup>lt;sup>4</sup> State Decree No. 30,612, January 2, 2015. http://stc.ma.gov.br/legisla-documento/?id=3768

<sup>&</sup>lt;sup>5</sup> Decree 27.317, de 14 de abril de 2011. http://stc.ma.gov.br/legisla-documento/?id=4910

2020. However, the year 2020 showed a slight increase in deforestation in the Amazon forest and, in the Cerrado, the highest deforestation rate of the last decade.

The State, engaged in the valorization of its environmental assets, is structuring its Jurisdictional System of Reduction of Emissions from Deforestation and Degradation (REDD+) and Payments for Environmental Services (PES) and is confident that, with the investment of resources from structuring projects and fundraising from the emission of carbon credits in the past, it can achieve reduction targets of 15% per year in the Amazon biome and 10% per year in the cerrado, in the period from 2022 to 2026, the timeframe of the LEAF Coalition.

Regionally, Maranhão is part of the Governors' Task Force for Climate and Forests<sup>6</sup>, and is an effect ve member of the Interstate Consortium for Sustainable Development of the Legal Amazon<sup>7</sup>, of which Governor Flávio Dino is currently President. The governors of the 9 states of the Legal Amazon signed the Rio Branco Declaration, by which they pledge to reduce illegal deforestation to zero by 2020, renegotiated within the scope of the Consortium. Recently the Green Recovery Plan (PRV) was launched, with the objective of combating illegal deforestation and contributing to the reduction of greenhouse gas emissions, as well as opposing against socio-economic inequalities through the generation of sustainable economic growth. This regional plan is of utmost importance to ecablish a Low Carbon Emissions Development strategy for the Amazon.

<sup>6</sup> https://www.gcftf.org/

preiminal. Preedby

<sup>&</sup>lt;sup>7</sup> https://consorcioamazonialegal.portal.ap.gov.br/

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

Please provide a summary of the Supplier's progress towards preparing/submitting a concept note, and/or registration document for ART, including expected timelines for submission (e.g. estimated date by which a registration document might be submitted). Please include links to any relevant documentation that has already been submitted to the ART secretariat, if applicable.

Please provide an overview of the steps taken to align with non-safeguards requirements of ART/TREES, and Supplier's ability to meet such requirements. If this proposal is selected by the Coalition participants, this information will be accepted as indication of commitment towards meeting ART/TREES requirements.

Maranhão submitted its TREES Concept Note<sup>8</sup> in December 2020, based on its performance in the reduction of emissions between 2016 and 2020. The presentation of preliminary information had the technical and scientific support of the Environmental Research Institute of the Amazon - IPAM, with the preparation of a Compliance Plan for compliance (a tached) with ART TREES criteria. An additional assessment was conducted by WayCarbor experts at the request of UNDP to identify gaps and potential generation of carbon credits with the ART TREES standard. In this assessment, the state meets various of the requirements under the standard. However, it is understood that there are more actions underway that were not identified by the survey that was carried out.

As for ART TREES requirements, the state means the eligibility criteria:

## • Subnational Jurisdiction

The State of Maranhão is one of the 27 federative units in Brazil. Located in the Northeast Region, part of its territory is located in the geopolitical boundaries of the Legal Amazon. With an area of 331,937.450 km<sup>2</sup> and 217 municipalities, it has a population of 7,114,598 inhabitants<sup>9</sup> and is the 11th most populous state in the country.

## Forest Coverage

Currently, 66% of Maranhão is preserved in its natural native vegetation, 57% of which is made up of forest areas (Amazon and Cerrado) and 8% of non-forest natural areas. One third of the state area is used for agriculture and cattle-raising (about 29% of the original native vegetation area).)<sup>10</sup>.

8

https://art.apx.com/mymodule/reg/TabDocuments.asp?r=111&ad=Prpt&act=update&type=PRO&aProj=pub&tablename=doc &id1=103

<sup>&</sup>lt;sup>9</sup> IBGE, 2020. https://sidra.ibge.gov.br/pesquisa/censo-demografico/demografico-2010/inicial

<sup>&</sup>lt;sup>10</sup> PRODES, 2020. http://terrabrasilis.dpi.inpe.br

#### • Alignment of National REDD+ Strategy and Safeguards

Maranhão's Jurisdictional System of RREDD+ and Payments for Environmental Services (PES) is being elaborated nested in Brazil's National Strategy for REDD+. Its regulatory framework is currently being evaluated by Maranhão's Legislative Assembly to become part of Maranhão's environmental legal system. This system proposed by the state is aligned with the federal regulation established through the National REDD+ Strategy (ENREDD+)<sup>11</sup>, the Thematic Advisory Board on Safeguards under the National REDD+ Commission (CONAREDD+), which is developing the Brazilian Safeguards Information System (SISREDD+). It is also aligned with international agreements signed under the UNFCCC - Paris Agreement and Sustainable Development Goals.

## • Forest cover monitoring and carbon quantification

The state uses PRODES<sup>12</sup> as the official database for monitoring deforestation. Its methodology contemplates the mapping of a minimum mapping area of 6.25 hectares, but does not provide information on regeneration and forest degradation. It complements the mapping of land use and land cover with information from Mapbiomas<sup>13</sup> and understands the possibility of using this monitoring methods ogy, so as to meet the criteria established by the Fourth National Communication to the UNFCCC<sup>17</sup> (minimum area of 0.5 hectares) and the ART TREES standard of environmental excellence.

As for the availability of official data on greenhouse gas (GHG) emissions, Maranhão should use the National Inventory of GHG Emissions and Removals<sup>15</sup> to men tor the REDD+ Jurisdictional System, which provides a complete overview of emissions in the country, including the ristorical series of GHG emissions from anthropic activities, which are accounted for in five sectors. Agriculture and Livestock, Energy, Industrial Processes, Land Use Change and Forestry, and Waste.

There is also the possibility of using CarbonCal (CCAL)4, a carbon calculator developed by the Amazon Environmental Research Institute (PAM), to support public managers, especially those linked to state REDD+ programs, in developing strategies to reduce emissions from deforestation and forest degradation. The CCAL provided information on carbon sinck in Maranhão's vegetation as input for the development of the state's REDD+ strategy.

The State of Maranhão demonstrates its effort and commitment to address possible gaps in meeting ART TREES requirements and expects to submit the Program Registration Document and the First Monitoring Report by 2022, and and the conceptual note for the period 2022-2026. The following are the main demands of structuring the REDD+ Jurisdictional System.

<sup>&</sup>lt;sup>11</sup> <u>http://redd.mma.gov.br/pt/</u>

<sup>&</sup>lt;sup>12</sup> <u>http://www.obt.inpe.br/OBT/assuntos/programas/amazonia/prodes</u>

<sup>&</sup>lt;sup>13</sup> https://mapbiomas.org/

<sup>&</sup>lt;sup>14</sup> https://antigo.mctic.gov.br/mctic/opencms/ciencia/SEPED/clima/Comunicacao\_Nacional/Comunicacao\_Nacional.html

<sup>&</sup>lt;sup>15</sup> https://www.gov.br/mcti/pt-br/acompanhe-o-mcti/noticias/2020/10/inventario-nacional-de-gee-subsidia-planos-do-governo-na-area-ambiental

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

If applicable, please summarize the capacity gaps and needs for support identified as necessary to meet ART/TREES requirements, and plans to address these gaps before submitting validation/ verification documents to ART. This information will be critical for planning purposes.

The main results of the project executed in Window A of the Governors' Climate & Forests Task Force Jurisdictional Strategies and Investment Plans funding include the political adherence to the anvelopment of the REDD+ Jurisdictional System in the scope of a Low Emissions Development strategy. The mobilization of several secretaries around the Interinstitutional Working Group on REDD+<sup>16</sup>, making the theme transversal and integrated in several state policies and programs. The structure and content of the REDD+ draft law, proposed institutional arrangement and established governance were built in the GT REDD+. This draft is under evaluation by the Legislative Assembly of Maranhão. To strengther gove mance and social participation in the discussions around climate policies, the reactivation of the Maranhão Climate Change Forum was encouraged and supported. There is still a need for:

- prepare drafts of infra-legal norms for the regulation of REDD-,
- draft protocols and requirements for the operation of the institutional arrangement
- build capacity to strengthen governance and social participation in the design and monitoring of REDD+ strategy implementation

At the strategic level, the state needs to develop a long-term vision for Low Emissions Development and update the PPCDQ. At the tactical operational level, it is necessary to elaborate a REDD+ Implementation Plan, following the programmatic structure that will be established in the law, sub-programs and projects to be developed, in a manner integrated to be actions already carried out by the state.

As for safeguards, Maranhão has several actions in progress that guarantee compliance with social safeguards (detailed in question 13) and only needs to integrate them into the REDD+ strategy. For this, it will be necessary to develop a Socio-environmental Safeguards Information System and elaborate a matrix of safeguards indicators, through public consultations with indigenous populations and traditional communities. These public consultations will also be important for the elaboration of the REDD+ Implementation Plan and for the definition of benefit sharing.

With regard to the quantification and accounting of carbon credits, the state's forest coverage surveillance systein needs strengthening of its infrastructure in order to achieve active monitoring of forest coverage and further reduce deforestation. To comply with the requirements of ART TREES implementing adequate Monitoring, Reporting and Verification for carbon quantification and accounting requires technical support to guide the application of specific methodologies and protocols for carbon quantification and double accounting

<sup>&</sup>lt;sup>16</sup> Decreto Estadual nº 34.916 de 4 de Junho de 2019. https://www.sema.ma.gov.br/matriz-de-metas-para-odesenvolvimento-economico-sustentavel-do-estado-e-apresentado-em-sao-luis/

in order to comply with the requirements of the ART TREES Registration Document. Also, training courses for the technical team that will carry out these protocols will be important, in order to guarantee the continuity of their technical execution. At this point, the structuring of the technical-scientific committee in the scope of the REDD+ institutional arrangement will be of utmost importance for the necessary technical orientations and validations.

To solve these and other technical demands for compliance with the ART TREES criteria for the Registration Document, the State will count on resources from the regional GCF Task Force B Window Innovation Financing project, to be executed in partnership with IPAM, other structuring projects that can be raised and preinvestment resources for the structuring of its deforestation reduction plan (DRCP) and REDD+ strate 3y.

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

Please indicate whether the Supplier expects to qualify as HFLD according to the criteria in the draft TREES 2.0 and whether the Supplier property to make available emission reductions under LEAF according to a future , approved HFLD -methodology in TREES . Please note that expressing expectation to do so is not binding.

Does not apply.

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

Please provide an estimate of the ART/TREES crediting level, including annual estimates used to develop the crediting level, and links to further methodological descriptions of these estimates. We understand that these estimates are based on assumptions and will not be final.

Please indicate a tentative selection of baseline years, consistent with the ART-TREES standard.

Please indicate the assumptions made in the emission reduction volume calculations.

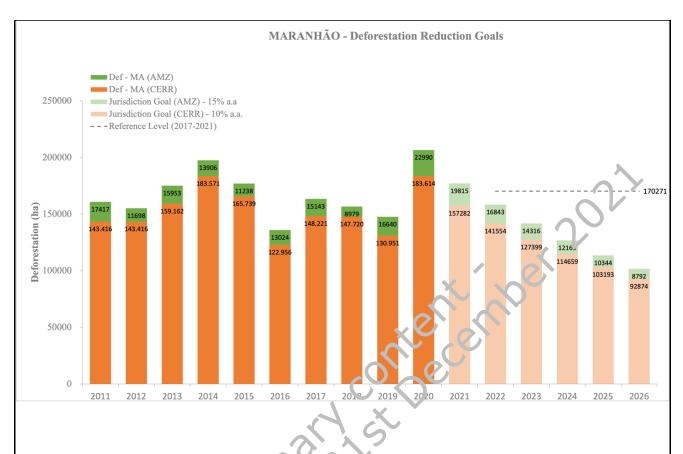
Please provide a link to relevant public documentation or reporting (e.g. National Communications, REDD+ strategy/action plan).

The estimates of the generation of credits from emission reductions for the State of Meranhão when applying the eligibility criteria of the ART TREES standard for the period established in the CFP of the Leaf Coalition, between 2022 and 2026, were made using the database of the Program for Monitoring the Deforestation of the Brazilian Amazon Forest by Satellite (PRODES), which provides official deforestation data for the Brazilian Amazon.

The mapping done by PRODES has a minimum area of 6.25 hectaies and corresponds to the period from August to July of each year. The data are available in two formers rate and increment. For the scope of the analyses of the volume of credits, the values of increment were used, available up to the year 2020. Thus, the deforestation of 2021 was considered to be equal to that of 2020.

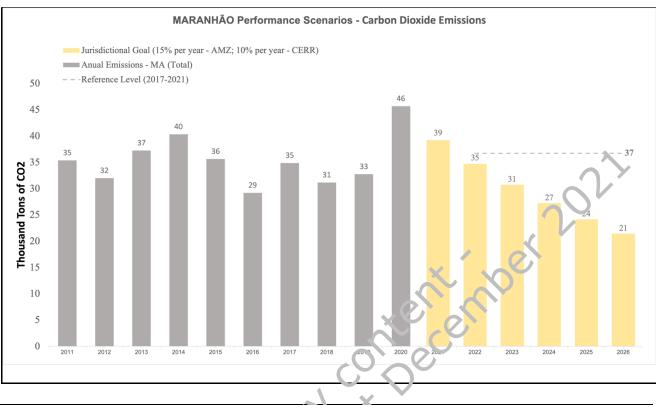
To calculate emissions between 2022 and 2026, the reduction targets defined by the jurisdiction of Maranhão were used for the Amazon and Cerrado piones. These reduction targets were based on deforestation in 2021 (average of deforestation in 2019 and 2020 from PRODES) so that, for the Amazon biome, a 15% reduction per year was applied as of 2022 and, for the Cerrado biome, a 10% reduction.

The reference level, represenced by the average deforestation between 2017 and 2021, according to the methodological criteria established by ART TREES, was calculated from the annual deforestation increment of PRODES, combining Amazonia and Cerrado, resulting in the annual targets from 2022 to 2026 expressed in the graph below, together with the reference level obtained for the period in question (170,271 hectares).



The conversion of annual deforestation into CO2 emotions was done by multiplying the deforested area by the average carbon stock of the biome in which it occurred and by the conversion factor from tons of Carbon to CO2 equivalent, defined in 44/12. The average stocks found for the Amazon and Cerrado were 160.77 and 47.73 t/ha, respectively, having teen calculated by means of weighted average according to data made available by the Fourth National Communication, reference report of the Land Use and Forest Sector (https://sirene.mctic.gov.bu/ portal/expert/sites/sirene/backend/galeria/arquivos/2018/10/11/RR\_LULUCF\_II\_CN.pdf).

The annual deforestation vas converted to tons of carbon, and compared to the reference level from the 2017-2021 average emissions (36.7 million tons of CO2 equivalent) to estimate the volumes of annual credits generated from avoided deforestation.).



6. Annual target ERs<sup>17</sup> (non-binding)

Please provide an estimate of the ART/TREES expected volumes of ERs that may be delivered annually in the 2022-2026 period. We understand that these estimates are based on assumptions, and will not be final.

The estimated volume of emission's reductions for the state of Maranhão are expressed in the table below. The annual credits provided total 45.4 million tons of CO2 equivalent. After removing the deductions related to leakage (20%) and buffer (20% in the case of Maranhão, where mitigation factors #3 are applied), we obtain the net volume of credits of 27.2 million tons of CO2 equivalent. It is worth mentionizing that these net volume estimates do not include any discounts defined in CONAREDD Resolution 6, which provides for the distribution of the capitation limits of payments for emission reduction results between the Federal Government and the states of the Amazon biome. At the time of the transaction, these emission reductions will be consolidated in the ART TREES Registration Document and must be aligned with the CONAREDD methodologies and definitions, integrated and "nested" with the Nationally Determined Contribution (NDC) targets and made

<sup>&</sup>lt;sup>17</sup> Note that this is an initial estimate. The LEAF Coalition does not expect the figures to be exact at this stage.

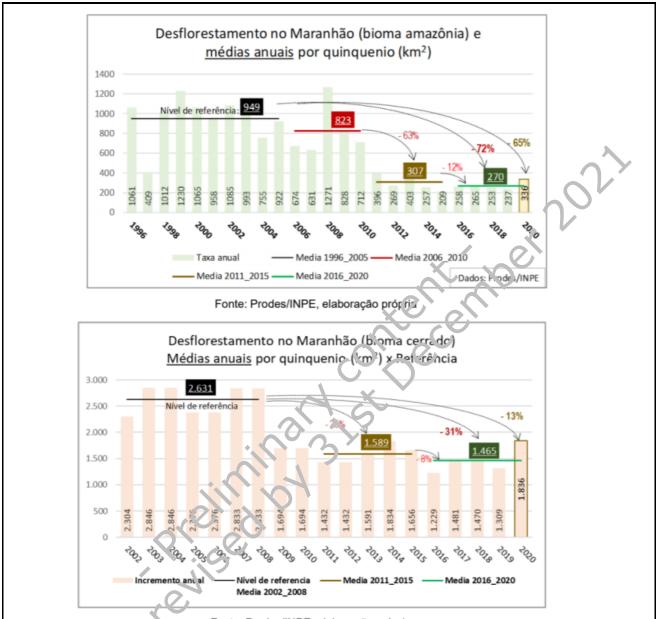
compatible with the Infohub.

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Delivery by	Quantity (range, in metric	Crediting year (please specify in Lrackers if	
the end of (	tonnes CO2 equivalent)	emissions from forests are accounted for	
year)		according to timelines that aeviate from	
		calendar years (e.g. Aug 1 <sup>st</sup> –Ju′y 31 <sup>s.</sup> )	
2022	1,214,791.68	2022	
2023	3,594,984.35	2023	
2024	5,692,474.92	2024	
2025	7,542,236.03	2025	
2026	9,174,737.69	2026	

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

Please provide a summary of existing oclicy measures, regulations, enforcement and public finance instruments (taxes, transfers, subsidies) the Supplier determines are adequate to achieve the ERs, and a reference to where chis information is publicly provided. If applicable, please describe other interventions ("eyond policies and measures) Supplier has taken, or will take, to reduce deforestation and forest degradation, and enhance sequestration in order to provide ERs under LEAF (e.g. forest fire prevention). If the interventions are not yet operational, please provide a time!'re with milestones.

The task of reducing deforestation and eliminating illegal suppression in a jurisdiction as heterogeneous and large as Muranhão is complex. As mentioned, based on the goals of its PPCDQ(2011-2015), the state achieved deforestation reduction in the last five-year period, but recent dynamics show a risk of increasing deforestation in the Cerrado.



Fonte: Prodes/INPE, elaboração própria

A more robust strategy must go beyond command and control, but must also include actions for land planning, land tenure regularization, technical assistance, promotion and valorization of sustainable production activities, among others.

The programs, plans or actions implemented, in some measure, contribute to mitigate the causes of deforestation. The challenge ahead is to articulate and integrate the actions of the various sectoral policies in favor of socioeconomic development on sustainable bases, advancing as little as possible over forests, other types of native vegetation and local communities.

Accordingly, the implementation of the PPCDQ-MA, has the fundamental role of articulating and guiding the

actions around this common objective, among which we can mention:

- **Monitoring of Forest Coverage Deforestation:** the monitoring of areas with authorization for suppression of vegetation through the SIGLA system (System for Management of Licensing and Authorization for Suppression of Vegetation) and by alert indexes of deforestation and degradation of Planet and Mapbiomes, which allow the identification of the area authorized for suppression and analysis of whether suppression is in compliance, resulting in monitoring bulletins of authorization for suppression of vegetation.
- Maranhão without Slash-and-burn activities: focused on awareness-building campaigns for producers and society, fostering the reduction of fires and slash-and-burn outbreaks, which are frequent during the dry season.
- Maranhão against fire (to be launched next week): focus on fighting forest fires and controlling slash and burn activities in the state. The main activity is the establishment of Fire Brigades in each municipality, with a forecast of 30 Brigades between 2021 and 2021. Sesides the formation of the brigades, training is carried out in order to instruct the involved entities about the negative environmental impacts resulting from fires and forest fires, as well as to present alternatives to the use of fire.
- <u>Maranhão Verde</u>: actions to support environmental conservation and recovery allied to the promotion of citizenship and income elevation of the population in extreme poverty, prioritizing the female public and conservation units. The program involves training on the forest restoration chain, offering a grant called "Bolsa Maranhão Vorde" as financial support to the beneficiaries of R\$ 300 bimonthly.
- <u>Maranhão Verde Indígena (Green Indigenous Maranhão)</u>: coordinated by the State Secretariat for Human Rights and Popular Participation (SEDIHPOP) and guided by the strategy of " preserving, training and producing" linked to the Plans for Territorial and Environmental Management of Indigenous Lands (FGTAs) Actions are carried out for environmental recovery and restoration, with reforestation of deforesceu areas, courses for training indigenous technicians, increasing the sustainability of productive projects and creating opportunities for income generation. Sixteen indigenous lands and one reserve and seven ethnic groups are benefited, which also count on Technical Assistance and Rural Extension (ATER) serving approximately a thousand indigenous families.
- <u>Maranjão Quilombola:</u> based on five guiding pillars in promoting the access of these communities: i) to land; ii) to infrastructure; iii) to productive inclusion and local development; iv, to health and education; v) to citizenship. It aims to guarantee better living conditions for the traditional quilombola population. Young Environmental Agent Program (AJA): The objective is to promote the social and environmental inclusion of young people, encouraging them to participate in sustainable socio-environmental projects, aiming to contribute to the preservation and conservation of the environment. Thus, stimulating the juvenile protagonism and the development of competencies and skills that provide the construction of environmental citizenship, besides expanding the opportunities for income generation and improvement in the

quality of life. These young people, after the training course, will act in the promotion of socioenvironmental actions in their locality, thus working together with the above-mentioned Programs (e.g. Maranhão Verde).

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

Please acknowledge the eligible uses of proceeds as established in the CFP, and provide initial thinking on the focus of a high-level investment framework describing the plans or arrangements in place for investing the proceeds of a transaction with LEAF Coalition contributor. This plan should be consistent with achieving the Supplier Country's NDC and sustainable economic development with a priority for forest protection and forest restoration, including its REDD+ strategy/action plan. The plan must also explain how benefits from such a transaction will be distributed to stakeholders. This plan should demonstrate equity, inclusivity, and transportency, and it should reach local communities and support wider climate goals. Suppliers may indicate whether future payments will be used to leverage up-front investments, if applicable. In other words, proceeds may be used to repay bonds or loans that were used specifically to finance activities that are consistent with the guidance on use of proceeds.

Maranhão has several social demands and limited public resources, which are primarily used to meet the primary needs of the ropulation, such as fighting poverty. The resources from projects such as LEAF are essential sources for expanding the state's ambitions to combat deforestation, which tend to leverage its actions and enhance its results.

For this reason, part of the resources potentially raised under this proposal should be invested in institutional strengthening for the implementation of social and environmental programs of the Government of Maranhão, as well as integrate the actions of the new PPCDQ, which should be finalized in 2021. The potential resources obtained from the past carbon transaction, from the credits of emissions reduced in the period 2016-2020 will be added to these purposes, thus ensuring concrete and structuring actions for the State of Maranhão.

Additionally, the Maranhão REDD+ Jurisdictional System should prioritize the respect for social and environmental safeguards, in order to ensure the maintenance of biodiversity, the conservation of natural

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forests and native vegetation, the improvement of the quality of life and the rights of Peoples and Traditional Communities and Indigenous Peoples, including the guidelines contained in the Cancun Safeguards. To do this, it will have to ensure that resources are effectively, efficiently and equitably allocated to forest communities, guaranteeing proper benefit sharing. This will require ensuring integration between government policies, monitoring the flow of resources, and establishing the necessary institutional arrangements and policy instruments to organize the flow of resources.

In order to guarantee the social and environmental benefits distribution, the benefit sharing methodology should reach the beneficiary public, directly rewarding emission reduction activities, or indirectly, through the improvement of environmental services or even the improvement of infrastructure and tools necessary for the REDD+ operation. Therefore, it strives to achieve the distribution of benefits to indigenous communities, riverine populations, family growers, and governmental institutions that need to be strengthened, through a mechanism that is robust, effective (that is, it should generate results), efficient (at a low cost,, and equitable (in a fair and just manner).).

The stock-flow (EF) approach to benefit sharing (Moutinho et. al 2017) combines these two criteria and can be calibrated to favor those categories that historically contribute to environmental preservation, and also those that recognize the efforts of other categories that have contribute to deforestation in the past and managed to reduce deforestation.

The EF approach is widely used in jurisdictional initiatives in Brazil (such as Acre and Mato Grosso) and in establishing fund raising limits and distribution of REDD+ results to states under the National REDD+ Strategy (ENREDD). This approach is guided by two variables: deforestation data and forest stocks, measured in the different categories of land occupied by the territory thidigenous groups, large private producers, rural settlers, extractivists, etc.). The EF mechanism is therefore carried out by calculating the forest carbon stock and the reduction of the flow, that is, of carbon emissions.

For an equitable distribution, it is rendamental to guarantee the effective participation of beneficiaries and ensure their qualified participation, which vill require a long-term training effort. The institutions participating in the governance of the PEOD+ Jurisdictional System (to be established) and that will implement REDD+ and share its benefits also need investment for readiness, which means having a strong financial management mechanism, a defined legal framework, and appropriate conditions for conducting emissions reductions monitoring.

It is worth mentioning that the institutional arrangement planned in the REDD+ draft law under analysis by the Legislative Assemply prioritized strengthening the instances of social participation in its structure. In this sense, it integrates the committees representing the indigenous peoples of Maranhão (State Commission of Public Policies for Indigenous Peoples of Maranhão - COEPI), traditional populations and rural agriculture (State Council for Sustainable and Solidary Rural Development of Maranhão - CEDRUS) in a coordinated way with the State Secretariats of Human Rights and Popular Participation (SEDIHPOP) and of Family Agriculture (SAF), in order to integrate the REDD+ actions to the policies, programs and projects executed by the State

In this sense, the next steps towards the consolidation of the REDD+ policy in Maranhão are: i) structure the monitoring of the implementation of the REDD+ policy, ii) support the implementation of an ongoing training program with government and civil society stakeholders, and a communication plan, that subsidizes the evaluation and decision making on benefit sharing; iii) conduct training on climate change and REDD+ targeting specifically the state's indigenous and traditional populations and defining and applying consultation

protocols so that their demands are considered; iv) encourage actions related to environmental and territorial governance and land-use planning and regularization as a way to reinforce the maintenance of standing forest, thus reducing the risk of reversion; v) strengthen the monitoring of forest cover and REDD+ MRV, capable of efficiently monitoring, registering and verifying the maintenance of forest cover, prioritizing areas most vulnerable to deforestation; and vi) develop, in a participatory manner, a statewide information system on socio-environmental safeguards.

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

Please explain how payments received under LEAF would contribute to achieving the targets established in the Supplier Country's NUC.

Please also indicate how it is envisioned that the payments will contribute to raising the level of

NDC ambition over time. Please note that it is not expected that potential Supplier Countries will be able to commit to increasing ambitions by the July 30<sup>th</sup> deadline. Rather, a simple narrative about how this is envisioned is welcomed.

The State of Maranhão is committed to the implementation of the Brazilian NDC, considering the targets set by it, and will allocate its efforts and application of revenues among others for the following purposes: Regarding the forestry and land use change sector the resources will directly and indirectly benefit the following NDC targets:

- i) Strengthening compliance with the Forest Code, at the state level:
- Maranhão implements the Forest Code in line with the federal regulation of law no. 12 651/2012, with use of the National Information System on CAR SICAR;
- Aiming to increase the number of analysis and validation of the Rural Environmental Cadastre (CAR) is carrying out the standardization of procedures and technical and physical structuring such as hiring more technicians;
- In order to increase the number of CAR registrations in the tate, it is executing projects in partnership with public and private institutions.
  - ii) Strengthening policies and measures siming to achieve, in the Brazilian Amazon, zero illegal deforestation by 2030 and the compensation of greenhouse gas emissions from the legal suppression of vegetation by 2030 namely by updating and implementing the state's Plan for Prevention and Control of Deforestation and Burning (PPCDQ-MA) through a working group and structuring the REDD+ proposal by the established Working Group.
  - iii) Restoration and reforestation of 12 million hectares of forests by 2030, for multiple uses namely through the following actions to promote the recovery of degraded areas and the strengthening of the forest restoration chain, such as through the Green Maranhão Program.

Regarding the agricultural sector, the resources will directly and indirectly benefit the following NDC goals

- i) Strengthening of the Low Carbon Emission Agriculture Plan (ABC Plan) as the main strategy for sustainable development in agriculture, contributing to:
  - The additional restoration of 15 million hectares of degraded pastures by 2020 starting by training 32 technicians from government agencies and secretariats and partner institutions with a focus on Recovery of Degraded Pastures and Crop-Livestock-Forestry Integration System, who will act as multipliers of this knowledge on small properties in the state.

Increasing 4 million hectares of crop-livestock-forest integration systems (iLPF) by 2020 through the More Production Program with the implementation of Crop-Livestock integration units in nine municipalities in the state.

These actions will also have unfoldings and application of resources in the scope of impact measures and economic-social development, namely in:

- (a) Implementation of policies of respect for human rights, in particular for vulnerable communities, indigenous populations, traditional communities through the creation of instances such as the State Commission for the Articulation of Public Policies for Indigenous Peoples of the State of Maranhão - COEPI and Programs such as Maranhão Green Indigenous and Maranhão Quilombola.
- (b) Implementation and reinforcement of support and development policies for family farmers and workers in sectors affected by climate change policies and plans through the actions of the State Secretary of Family Agriculture that strengthen family agriculture such as the Food Acquisition Program, Fresh Water Program and the linking of the State Council for Sustainable and Solidary Rural Development CEDRUS to this State Secretary.

In the scope of the long-term actions, the resources will be applied equally in programs and projects that can contribute to reach the global reduction goal of 37% below the 2005 level in 2025 and 43% below the 2005 level in 2030, as well as the Carbon Neutral goal to be reached until 2060

10. Nesting (500 words excluding links and appendices)

If applicable, please describe Supplier's initial approach for how nouble counting from relevant activities with overlapping geographical scope will be avoidea. This should include Supplier's approach to accounting for incorporation of a tivities either crediting, or seeking results-based payments for emission reductions from forests in the same geographical area (e.g. emission reduction or sequestration projects).

The State of Maranhão in the score of control and management of its territory has been developing policies to implement the following topics

- (i) implementation and strengthening of the Forest Code contributing to the integral mapping of its territory and identification of its forest cover such as the implementation of CAR Rural Environmental Registry;
- (ii) Creation of a REDD+ and PES Jurisdictional System that will contain clear rules about nesting private projects in the public policy, when necessary;
- (iii) Implementation of the Ecological-Economic Zoning (ZEE) of the Amazon biome and preparation of the ZEE of the Cerrado a territorial ordering instrument that contributes to greater legal, environmental and social security in the development of the state;
  (iv) State Plan for the Control of Deforestation and Burning PPCDQ (being updated)
  - Use of national instruments for calculating emission reductions FREL to calculate the national and state emission reductions that allow for the structuring and definition of a robust and integrated methodology at the national and subnational levels;
- (vi) Use of national instruments for the identification of emission reductions INFOHUB which allows the accounting and quantification of emission reductions attributed to the state and consequently the discounting (write-off) of emission reductions used for "payment by results" purposes.

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

The State of Maranhão is interested in paths [#1], [#2], [#3] and [#4] whenever and as long as they are legally feasible and admissible under current legislation. With regard partially to path #3 (in relation to the specific issue of transfer of ownership) and path #4 (transfer of ownership and use for the corresponding internal commitments of the buyer), the actions to be carried out under the UNFCCC and Paris Agreement by virtue of a formal declaration and expressly inserted in the NDC will be subject (as a general rule) to the prior and formal consent of the Federal Government regarding the transfer of units:

- Excerpt from NDC 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 the State of Maranhão understands that always and whenever 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 use of paths #3 and #4.

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

Please indicate Supplier's willingness to consider ERs with corresponding adjustments, per pathway #4 outlined in the terms of the CFP.

If applicable, please indicate the portion of total FRs (if any) for which the Supplier proposes to make a corresponding adjustment to the national account.

Please refer to CFP document term "nature of transactions" for detailed explanation of options under CFP related to corresponding adjustments.

The Brazilian NDC expressly states that transfers of units related to emission reductions are subject to the prior and formal consent of the Federal Government for transfer purposes: Excerpt from the NDC (Page 2): "The Brazilian Government comphasizes 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 consent of the subject to the prior and formal consent of the subject to the prior and formal consent of the subject to the prior and formal consent of the Federal Government".

Thus, in the scope of its competencies as a federative entity under the terms of articles 22, 23, 24 and 225 of the Federal Constitution, as well as the provisions in the law that established the National Climate Change Plan - Law 18.107/2009 and its respective regulating decree - Decree 9.578/2018, the State of Maranhão intends to consider the future application of corresponding adjustments, contingent on the regulation of Article 6 of the farks Agreement within the scope of the UNFCCC negotiations and the alignment with the Federal Government to achieve the Brazilian NDC.

Being prepared for the application of corresponding adjustments can be an important step to access international carbon markets in the future under Article 6 of the Paris Agreement, as well as through bilateral agreements as is already being done, for example, between Switzerland, Ghana and Peru.

It is worth noting that the state has been closely following the formalities and discussions regarding the Bill (PL) No. 528/2021. The PL is intended to regulate the Brazilian Emissions Reduction Market, determined by the National Policy on Climate Change (PNMC; Law no. 12.187/2009). Besides confirming Certification Standards, the National System for Greenhouse Gas Emissions Inventory Registration (SNRI-GEE) seeks to harmonize the jurisdictional system between the Union and the States and, consequently, avoid double counting and allow the country to advance in its nesting strategy.

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

Please provide a brief description of the steps taken to assess safeguer, do requirements of ART/ TREES and Supplier 's ability to meet such requirements. The Supplier should outline how all the TREES safeguards (Section 12 of the standard) will be addressed and respected, and how a national system for providing information on safeguards, or subnational equivalent, will inform TREES safeguards conformity.

Your response should include an outline of key current gaps in TREES safeguards conformance and plans for gap-filling actions. Subnational Supplier: should outline how safeguards tracking and/or monitoring tools are consistent with national tracking or tools, in particular with the national system for providing information on sefectionals.

Please provide links to relevant publicly available information (e.g. summaries of information on safeguards as submitted to the UNFCCC and/or provide a link to, or describe, the either digital or analog system for providing information on safeguards).

The State of Maranhão has a proposal for a jurisdictional system on REDD+ , which is being evaluated by the Legislative Assembly. Thus, the set of actions and tools that will contribute to the establishment of the legal and institutional framework and the necessary structures to ensure safeguards at the subnational level has already been analyzed..

## Consistency among State Policies

Mara hao has the State Forest Policy, State Law 8.528/2006, which went through a review process in the year 2019, with the participation of the State Environmental Council of Maranhão - CONSEMA, as well as the general population, through public hearings. Currently the new proposal of the State Forest Policy is in the Legislative Assembly to be approved and published.

The state also has the Plan for Prevention and Control of Deforestation and Slash-and-burn activities in the State of Maranhão (PPCDQ-MA) which was implemented for the period 2011-2015 by State Decree No. 27,317/2011, and had the objective of reducing deforestation in the Amazon part of the state by 80% (baseline 1996-2005), reducing Cerrado conversion by 50%, and zero illegal deforestation by 2020. The Plan is under review and formulation of its new stage, under the leadership of SEMA, with other government agencies.

Maranhão also has the State Environment System and the appropriate use of natural resources in the State of Maranhão (State Ordinary Law No. 5.405/1992); Environmental Compensation in the State of Maranhão (Ordinary Law No. 9.412/2011); SEMA Ordinance n. 18 of January 31, 2020 on analysis and validation of the Rural Environmental Registry - CAR above 4 fiscal modules; Decree No. 36. 235 of October 2, 2020 on management and analysis of actions involving the registration of rural properties up to 4 rural modules and of traditional peoples and communities in the CAR, SEMA Ordinance n. 13 of 2013 - environmental licensing of agricultural-livestock-forest activities and alternative land use; SEMA Ordinance n. 73 OF June 25, 2020 that provides for controlled slash-and-burn activities; SEMA Ordinance n. 17 of 2018 that Provides for the regulation regarding the procedures and procedural instructions of acministrative and environmental infractions in the state of Maranhão.

#### Governance and Transparency

The state governance structure occurs in different instances, namely: Maranhio Climate Change Forum; State Environment Council - CONSEMA; State Council for Sustainable Rural Development - CEDRUS; State Commission for Articulation of Public Policies for Indigenous Peoples of the State of Maranhio - COEPI; Management Councils of Conservation Units; River Basin Committees; Interinstitutional Commission for Environmental Education - CIEA, State Council for Racial Equality; Human Rights Nucleus; State Council for Humar, Rights. SEMA also has a procedure on Free, Prior and Informed Consultation - FPIC and its application during the environmental licensing process in the State of Maranhão (SEMA Ordinance No. 76 of 05/22/2019).

On the issue of transparency, the state has the Transparency Portal of the State of Maranhão, a portal that provides access to all citizens about the accounts of the Executive Power through the State Secretariat of Transparency and Control (STC). There is also the State General On backman Office (OGE), which is responsible for receiving, examining and forwarding compliments, suggestions in formation requests, denunciations and complaints regarding the performance of the activities of public agents at encies, autarchies and foundations, and there is a specific Ombudsman Office for the State Secretariat of Environment and Natural Resources (SEMA), which can also be accessed through the E-Ouv system (Ombudsman System of the Executive Power of the State of Maranhão). SEMA/MA has a Portal (https://www.sema.ma.gov.br/), where information on the activities developed, such as monitoring bulletins, technical notes, reports, manuals, amorg others, is available.

#### Rights and participation of Indigenous and Traditional Populations

Maranhão has framed its agenda on the inclusion and involvement of indigenous and traditional populations, contemplating them in Plans and in instances of dialogue, such as: State Ten-Year Plan of Public Policies for Indigenous Peoples in Maranhão (State Decree No. 34.557/2018) which provides for structuring actions and strategies for the realization of the social rights of indigenous peoples in the State of Maranhão with regard to state competence; State Commission for the Articulation of Public Policies for Indigenous Peoples in the State of Maranhão - COEPI; Commission for the Articulation of Public Policies for Indigenous Peoples in the State of Maranhão - COEPI; Commission for the Prevention of Violence in the Countryside and in the City - COECV (State Law No. 10. 246 of May 29, 2015); Indigenous Advisory Nucleus - NASSIN under the State Secretariat for Human Rights and Popular Participation - SEDIHPOP; Racial Crimes, Intolerance Offenses and Agrarian Conflicts Police Station; Quilombola Desk for land and

<sup>&</sup>lt;sup>18</sup> https://transparencia.sema.ma.gov.br/

agrarian issues of Maranhão of the Institute of Colonization and Lands of Maranhão - ITERMA (ORDINANCE/ITERMA/GABINETE/ no. 238/2017); State Fund to Support Indigenous Peoples - FEAPI; Task Force for the Protection of Indigenous Life (FT VIDA); Maranhão Green Indigenous Program; Program + IDH with specific focus on indigenous population; Specific Licensing for Traditional Populations and Communities (Ordinance SEMA 76 of May 22, 2019).

In order to guarantee the inclusion of these populations and the respect for safeguards, it is necessary to elaborate, in a participative way, a statewide information system on socio-environmental safeguards, including discussions on benefit sharing.

#### Forest Resources Conservation

The conservation of forest resources is guided by the Forest and Biodiversity Protection Policy (Law No. 8.528/2006) and through the Maranhão State System of Nature Conservation Units - SEUC (Law No. 9.413/2011). As well as by the environmental regularization of rural properties (CAR - SEMA and SAF); licer sing of activities (SEMA Ordinance No. 13/2013), which establishes the procedures for environmental licenses for activities linked to agriculture, livestock, and forests, cutting of Isolated Trees, Forest Replacement Credits, Controller, Slash-and burn activities, Use of Forest Raw Material and Sustainable Forest Management Plan; Regulation of Private Natural Heritage Reserves - RPPN and the creation of programs to encourage the creation of RPPNs (Decree No. 26.415 of December 18, 2020); Provision on the management of Brazilian and exotic wild fauna, which establishes guidelines and standards aimed at the sustainable use, protection, preservation, and conservation of Brazilian and exotic wild fauna (Law No. 10,535/2016).

#### 14. Financial Intermediary (FI)

Before an ERPA can be finalized, an accreate a FI must be identified as a channel for disbursement of funds. FIs will ensure that robust monitoring and reporting procedures on the use of proceeds are in place<sup>4</sup>. If available, please provide the mame of the proposed institution(s). Please note there may be multiple candidates institutions.

The Maranhão REDD+ Jurisdictional System, whose draft law is currently under consideration by the State Legislative Assembly, presents as its financial arrangement the following agencies and institutions with attributions and competences for fundraising and management via REDD+:

- Maranhão Portnerships (MAPA) as the Commercialization, Markets, Development and Financial Management Body, will conduct the financial arrangement of the Jurisdictional REDD+ and PES System of the State of Maranhão, guided by administrative efficiency and the precepts of the control bodies established by Federal Larv no. 13. 303/2016 which provides on the legal status of the public company, the mixed economy society and its subsidiaries, within the scope of the Union, the States, the Federal District and the Municipalities, as well as the Federal Law No. 6.385/1976 which deals with the securities market and creates. The main purpose of MAPA will be to manage and sell, to the extent of its powers, the assets and credits resulting from environmental services and products and reducing emissions from deforestation and degradation (REDD+) arising from programs, subprograms, plans and projects, especially from the creation of financial arrangements, economic and green investments and development of strategies aimed at mobilizing and attracting financial resources and investments.

The process of management and disposal of environmental assets to be implemented by MAPA will adopt mechanisms, instances, and practices of governance, with emphasis on timely and innovative solutions that converge with the purposes, objectives, principles, and guidelines of the Jurisdictional REDD+ and PES System of the State of Maranhão, and for stability and consistency with the legal system. In the case of potential negotiations in relation to the regulated carbon market, MAPA will have all the necessary qualification for the transactions and sales, both of current credits and credits generated in the future.

- State REDD+ and PES Fund as one of the financial and economic mechanisms, whose purpose is to promote climate change mitigation, adaptation to its impacts and the recovery, maintenance and improven ent of environmental services, as well as the execution of programs linked to the Maranhão State REDD- and PES Jurisdictional System.

- The Secretary of State for Environment and Natural Resources - SEMA, even as the Regulatory, Control, Monitoring, Inventory and Registration Body that will have the main purpose of monitoring the reduction of greenhouse gas emissions, regulating the registration of ecosystem services and following up the fulfillment of goals and objectives established in each of the programs, sub-programs, and/or projects; may be able to receive resources in the voluntary carbon market. In this case, the management will be subject to the norms and laws that govern public administration, especially Law 8.666/23 and other related laws.

- State Fund for Support to Indigenous Peoples created by State Law 11.317/2020 and managed by the State Secretary of Human Rights and Popular Participation - SEDIHPOP, nas the purpose of raising and managing resources for the promotion of conservation and production activities for indigenous peoples in the State of Maranhão.

The FEAPI resources will be used to finance 🤇

I - Activities focused on conservation and production that are related to food security and income generation for indigenous families in the State of Vieranhãe;

II - Actions aimed at the implementation of it estate Ten Year Plan of Public Policies for Indigenous Peoples in Maranhão - PPPI (2018-2028);

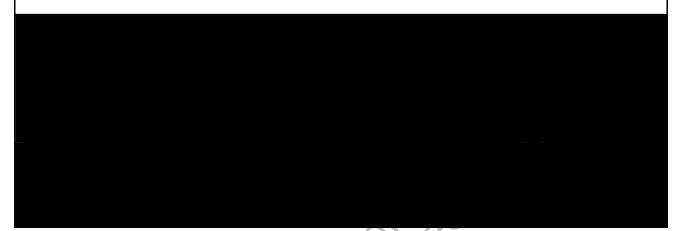
III - Environmental and territorial management actions for indigenous lands, namely: a) territorial and natural resource protection; b) provention and recovery of environmental damage; c) sustainable use of natural resources and indigenous productive initiatives; d) intellectual property and genetic heritage; e) environmental education.

The governance of FEAP! is composed of the Management Council of the State Fund for Support for Indigenous Peoples, a consultative and deliberative body, linked to the State Secretariat for Human Rights and Popular Participation SEDIHPOP, whose composition will include representatives of the state government and Indigenous Proples.

Within the concollance deadline for the implementation of the actions for ART-TREES adherence and for the reduction of deforestation in LEAF eligibility levels, the State of Maranhão commits to adopt all measures and diligences compatible with the criteria required by the Green Climate Fund (GCF) and Global Environment Facility (GEF) for accreditation of the Financial Intermediaries, so that both obtain a self-degree of conformity, compliance, legal security and transparency. In exceptional cases, other entities may be included as Financial Intermediaries.

15. Contacts and Implementation Arrangements

Please describe the key jurisdictional contacts and government entities managing the jurisdictional program and indicate preferences for how subsequent correspondence with your jurisdictions should be handled.



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