



C-AGG/Brazil Collaboration on the Development of a Measurement, Reporting, and Verification (MRV) System for the ABC Plan: Proposal Presentations

October 2015

Executive Summary

C-AGG's Brazil Team made their fifth trip to Brazil October 18-21, 2015 at the request of the Bank of Brazil (BB) to present C-AGG's proposal for the development of a measurement, reporting, and verification (MRV) system for the ABC Plan to the Ministry of Finance, the Ministry of Agriculture, Livestock, and Food Supply (MAPA), and EMBRAPA. C-AGG's primary goals and objectives for this trip included:

- Continuing to socialize the proposal for an MRV system with key stakeholders within the Brazilian government including the Ministry of Finance and EMBRAPA's Director of Research;
- Reengaging with the Instituto of Confederação da Agricultura e Pecuária do Brasil (ICNA) to discuss their proposed potential role in the MRV proposal after a change in staff;
- Providing updates to partners at the Climate and Land Use Alliance who have been unable to participate in meetings during C-AGG's last three trips; and
- Meeting with additional NGOs who are working in the space to explore additional collaborative opportunities.

Meetings and discussions with the BB, Ministry of Agriculture (MAPA), Ministry of Finance and Embrapa continue to be positive and supportive towards the development of a robust MRV system for Brazil's ABC Plan. The BB has agreed to continue leading internal discussions with key government stakeholders (MAPA, Finance, and Embrapa) to determine if one of these organizations has the capacity to develop, host, and maintain such an MRV system. Representatives of Brazilian Ministries indicate that the development of a Brazilian carbon market is 2-5 years in the future, and C-AGG's Brazil team continues to remind the ministries that laying the foundation for a system including the developing of the necessary infrastructure required to support such a market can take years. Most ministries do seem to support the development of sustainability certifications for agriculture products that could result in expanded export opportunities. Private sector momentum for sustainable supply chains coupled with the government's desire to increase export opportunities is one path C-AGG will continue to pursue in the short term, since development of a scaled down MRV system that can meet the short term goals of the private sector can be further developed in the coming years to meet the longer term goals of a more rigorous carbon trading system.

While the government continues to discuss the merits of a rigorous MRV system that could contribute to the development of carbon credits, C-AGG will continue to pursue private sector engagement opportunities through the development of a pasture recovery pilot project and accompanying MRV system. Over the coming months C-AGG will discuss plans for this pilot project with established project partners and advisors including Marfrig, ICNA, and Lapig and will draft a more detailed project proposal to circulate with potential funders. C-AGG plans to return to Brazil in the Spring of 2016.

C-AGG Brazil Team Delegates who participated in the trip:

- Debbie Reed, Executive Director, C-AGG, USA
- Monica McBride, Project Manager, C-AGG, USA
- Bill Salas, President, Applied Geosolutions (AGS), USA
- John Kadyszewski, Winrock International, USA

Executive Summary: Trip Outcomes

The Bank of Brazil hosted a meeting with the Ministry of Finance and the Ministry of Agriculture to allow C-AGG to present its proposed MRV system. BB actively promoted the proposal during C-AGG's presentation to the other ministries, and continues to be supportive of C-AGG's proposal. The BB agreed to continue hosting discussions with MAPA, the Ministry of Finance and potentially Embrapa and ICNA to move the conversation forward in C-AGG's absence. During C-AGG's meeting with Embrapa, Dr. Ladislau Martin Neto, Director of Research, invited a more formal collaboration with C-AGG through the development and signing of an MOU. C-AGG provided Embrapa with copies of the MOUs currently in place with Marfrig and ICNA as background. C-AGG hopes to negotiate the language of the MOU in advance of the group's next trip with the goal of signing a finalized MOU during C-AGG's next meeting with Embrapa.

C-AGG also met with a new member of the sustainability team at ICNA, Albano Araujo who offered to engage in a smaller pilot project with other C-AGG partners such as Lapig, Marfrig, and EMATER to build out a pilot scale MRV system that can provide proof of concept to the government and lay the foundation for the larger proposed system. C-AGG will begin to develop a more concrete proposal for a pilot project in the coming months and will work with our partners in country to secure the necessary resources to implement the project.