



SOCIALCARBON®

INDICATORS FOR LOW CARBON AGRICULTURE AND LIVESTOCK PROJECTS

PROJECT TYPE	<i>Sectoral Scope 14 - Agricultural Land Management (ALM)</i>
VERSION	V.2.
SUSTAINABLE DEVELOPMENT CONTRIBUTIONS	<i>Zero Hunger, Decent work and economic growth, Responsible consumption and production, Climate action, Life on land</i>
DATE OF SUBMISSION	<i>16- December -2022 Version 2.</i>
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OVERVIEW.

1. Identifying the project type	1
2. General orientation for Accredited Organizations	1
3. Guidelines for SOCIALCARBON® indicators	1
4. List of potential social, economic, and environmental impacts	3
5. List of significant risks for the project	9
6. List of stakeholders affected by the project	10
7. Benchmarking	14
8. Indicators	15
8.2 Human Resource	18
8.3 Financial Resource	22
8.4 Natural Resource	26
8.5 Technology Resource	29
8.6 Carbon Resource	32

1. Identifying the project type

SET OF INDICATORS	Indicators for sustainable agriculture projects
PROJECT TYPE	Low carbon agriculture
CONTACT RESPONSIBLE FOR INDICATORS	Lucas Luís Faustino, Thiago Othero and Ana Elisa Iemini
VERSION	Version 1.0
DATE OF INDICATORS	03- June -2022

2. General orientation for Accredited Organizations

- a. Inform the Social Carbon Foundation about all projects to which the SOCIALCARBON Standard will be applied.
- b. Submit all new indicators for prior approval by the Social Carbon Foundation.
- c. The Social Carbon Foundation will publish the approved indicators at www.socialcarbon.org for a 15-day consultation period.

3. Guidelines for SOCIALCARBON® indicators

Project developers should start by listing potential impacts, risks and stakeholders associated with the project activity according to the tables provided on the template.

Project developers are invited to indicate the benchmarking used as sources and/or guidelines, including other SOCIALCARBON reports or indicators.

After listing all relevant aspects of the project, the project developer must select which to be monitored through Indicators along the lifetime of the project and distribute them among the different resources of the methodology: social, human, financial, natural, biodiversity/technology and carbon.

Each of the aspects selected shall be then detailed in an indicator of this resource. The number of indicators will vary according to the needs of each project, but the SOCIALCARBON Team recommends a minimum of three and a maximum of ten indicators for each resource.

Next, the indicators receive scores ranging from the worst scenario (level 1) to the best scenario (sustainable use of resource – level 6), according to the following guidelines:

Scores	Classification	Characteristics
1 and 2	Critical	Existence of irregularities; high socio-environmental risk; significant levels of social and environmental degradation or situation of extreme hardship, which significantly compromises the quality of life of the population.
3 and 4	Satisfactory	Meets all the legal requirements related to the activities; surpasses them through the adoption of good practices and voluntary initiative in some cases; or the quality of life reaches the minimum acceptable standard but requires improvement.
5 and 6	Sustainable	Exceeds its legal obligations and/or common practice in the market, in many cases adopting the best-possible practices for the sector; or communities have reached a sustainable livelihood, with adequate access to material and social goods, are capable of recovering independently from situations of stress, and are not causing the deterioration of basic environmental resources through their activities.

4. List of potential social, economic, and environmental impacts

The description of social, environmental and economic impacts does not demand new research but must be based on other existent sources of information, for example: reports, results of consultation with stakeholders, similar projects or opinions of experts. If required by the national competent authorities, documents about the analysis of the environmental impacts and mitigation programs must be presented.

ACTIVITY	ASPECT	IMPACT	EFFECT		COMMENTS/ OBSERVATION
			beneficial	adverse	
Associativism and cooperativism	Participate in associations, cooperatives and other groups.	Strengthening the social and economic organization of rural producers achieving common goals	X		<p>Monitored by the Social Resource: Indicator: Associativism and cooperativism;</p> <p>Monitored by the Human Resource: Indicator: Work and income;</p> <p>Monitored by the Financial Resource: Indicator: Income diversity; Indicator: Access to credit</p>
Carbon Credit Project	Application of the SOCIALCARBON Methodology	Encouraging corporate social responsibility	X		<p>Monitored by the Social Resource: Indicator: Social inclusion</p> <p>Monitored by the Human Resource: Indicator: Community education</p>
Carbon Credit Project	Application of the SOCIALCARBON Methodology	Encourages improvement in	X		<p>Monitored by the Human Resource: Indicator: Work and income</p>

ACTIVITY	ASPECT	IMPACT	EFFECT		COMMENTS/ OBSERVATION
			beneficial	adverse	
		working conditions and product quality			Indicator: Health and safety Indicator: Housing conditions
Carbon Credit Project	Application of the SOCIALCARBON Methodology	Encouraging good environmental practices	X		Monitored by the Natural Resource: Indicator: Environmental compliance of the farm Indicator: Management of agrochemicals Indicator: waste and wastewater Indicator: Eco-efficiency Indicator: Environmental projects Monitored by the Technology Resource: Indicator: Assistance and technical knowledge Indicator: Biological and low-impact solutions Indicator: Crop and pasture management

ACTIVITY	ASPECT	IMPACT	EFFECT		COMMENTS/ OBSERVATION
			beneficial	adverse	
					Monitored by the Carbon Resource: Indicator: Project performance
Carbon Credit Project	Commercialization of credits	Increase in financial resources for socio-environmental projects	X		Monitored by the Financial Resource: Indicator: Income diversity Indicator: Funding for Co-Benefits Monitored by the Natural Resource: Indicator: Environmental projects
Productivity	Restoration of degraded pastures	Restoration of degraded soil	X		Monitored by the Natural Resource: Indicator: Eco-efficiency Monitored by the Technology Resource: Indicator: Crop and pasture management

ACTIVITY	ASPECT	IMPACT	EFFECT		COMMENTS/ OBSERVATION
			beneficial	adverse	
Productivity	Adoption of sustainable practices for agricultural production	Risk of decreased productivity until the producer masters the new techniques		X	Monitored by the Financial Resource: Indicator: Productivity
Efficient use of natural resources	Use of methodologies to measure eco-efficiency in the use of water, soil and fertilizers	Reduced use of natural resources	X		Monitored by the Natural Resource: Indicator: Management of agrochemicals, waste and wastewater Indicator: Eco-efficiency Monitored by the Technology Resource: Indicator: Assistance and technical knowledge Indicator: Biological and low-impact solutions Indicator: Crop and pasture management
Efficient use of natural resources	Use of agronomic prescription for pesticide use, solid waste and effluent management plan	Reducing soil contamination, reducing GHG emissions and	X		Monitored by the Financial Resource: Monitored by the Natural

ACTIVITY	ASPECT	IMPACT	EFFECT		COMMENTS/ OBSERVATION
			beneficial	adverse	
		mitigating climate change			Indicator: Management of agrochemicals, waste and wastewater Monitored by the Carbon Resource: Indicator: Emission sources and carbon stock
Efficient use of natural resources	Use of biological fertilizers	Reduction of greenhouse GHG emissions and mitigation of climate change	X		Monitored by the Natural Resource: Indicator: Eco-efficiency Monitored by the Technology Resource:
Efficient use of natural resources	Changes in management practices	Loss of productivity in livestock activity and failure to meet animal health standards or buyer requirements		X	Monitored by the Natural Resource: Indicator: Crop and pasture management
Efficient use of natural resources	Restoration of degraded pastures increases soil and pasture carbon stocks	Carbon fixation and climate change mitigation	X		Monitored by the Natural Resource: Indicator: Crop and pasture management

ACTIVITY	ASPECT	IMPACT	EFFECT		COMMENTS/ OBSERVATION
			beneficial	adverse	
					Monitored by the Carbon Resource Indicator: Emission sources and carbon stock
Efficient use of natural resources	Inadequate treatment in the management of animal wastes and lack of environmental compliance	Penalties for failure to operate the new treatment system		X	Monitored by the Natural Resource: Indicator: Environmental compliance of the farm

List of references when applicable:

(Please attach all reports, results of consultation with stakeholders, Environmental Impact Assessments or any other documents used as reference)

5. List of significant risks for the project

Present a list of significant risks for the project. For example: lack of funds, risk of scarcity of natural resources (biomass, water, degradation of soil, etc.)

Risk	Brief description of the risks
Impacts of climate change	Risks for agricultural production, variation in water availability, loss of biodiversity in the chemical, physical and biological quality of the soil and impacts on production caused by increased rainfall intensity. Risks of

	generating less verified emission reductions than expected for the project considering direct impacts on production as an effect of climate change.
Lack of funds	The carbon credit used as a financing and remuneration tool for sustainable agriculture or livestock experiencing negative variations in its market value, so the investment in the project is larger than the economic return.
Skilled labor	The use of new technologies and agricultural practices leads to the need to hire specialized labor sometimes not available in the region.
New technologies	Management demands new technologies that are not yet widespread in the market, of high value or low availability.
Loss of productivity	Change in agricultural or livestock management leads to a reduction in farm productivity.
Economic pressure for land use	Economic pressure for other uses of the land can discourage producers from the sustainable agriculture or livestock project.

List of references when applicable:

(Please attach all reports, results of consultation with stakeholders, Environmental Impact Assessments or any other documents used as reference)

6. List of stakeholders affected by the project

Present a list of stakeholders potentially impacted by the project.

STAKEHOLDER	BRIEF DESCRIPTION OF HOW THE PROJECT AFFECTS THE STAKEHOLDERS MENTIONED
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<p>Direct Workforce</p>	<p>Direct workers may be affected in terms of democratic work opportunities, job stability and improvements in working conditions, due to Social inclusion, Work and income, Health and safety, Housing conditions and Income diversity indicators; they will also be affected by the increase or decrease in labor supply, monitored by the Productivity and Access to credit indicators; in addition to the possibility of adapting the management techniques used in the field work, due to Biological and low-impact solutions, Crop and pasture management, Management of agrochemicals, Waste and wastewater and Eco-efficiency indicators.</p>
<p>Indirect Workforce</p>	<p>Indirect workers may be affected in terms of democratic work opportunities, job stability and improvements in working conditions, monitored by the social inclusion, work and income, health and safety, housing conditions and income diversity indicators; they will also be affected by the increase in demand for skilled labor, monitored by the Associativism and cooperativism, Biological and low-impact solutions, Crop and pasture management, Management of agrochemicals, Waste and wastewater indicators; will also be affected by the increase or decrease in labor supply, monitored by the Productivity and Access to credit indicators.</p>
<p>Local Community</p>	<p>The local community may be affected in terms of job creation and local development, monitored by the Associativism and cooperativism, Access to credit, Work and income and Social inclusion indicators; they will also be affected by the improvement of health and safety standards at work in the region, including the reduction of accident risks for workers in the local community, monitored by the Health and safety and Housing conditions indicators; they will also be affected due to the reduction of environmental degradation in the watershed, increasing the quality of life of the local community, monitored by the Biological and low-impact solutions, Crop and pasture management, Eco-efficiency, Emission sources and carbon stock, Environmental compliance of the farm, Environmental projects, Management of agrochemicals and waste and wastewater indicators; in addition to being affected by social projects to be developed in the community itself, monitored by the Community education and Social Projects indicators.</p>

<p>Cooperative Members</p>	<p>Cooperative members, monitored by the Associativism and cooperativism indicator, may be affected by the access to credit and possible expansion in the association or cooperative structures, leading to an improvement in the members' business, monitored by the Access to credit indicator; in addition to counting on the strengthening of the cooperative's product market, financial stability and better conditions for access to inputs, monitored by the Associativism and cooperativism indicator; they are also interested parties in accessing new production techniques of a sustainable nature and also engaged in the success of projects, monitored by the indicators Proponent engagement with the emission reduction project, Crop and pasture management, Biological and low-impact solutions and Management of agrochemicals, waste and wastewater.</p>
<p>Project Proponent</p>	<p>Project proponent is affected by strengthening its social and economic organization, achieving common goals and becoming a stronger brand in the project by being part of an association or cooperative. By becoming a farm with good safety, health and housing conditions, the project proponent is affected in attracting and retaining good professionals. Adopting sustainable production practices affects the project proponent because he is able to apply for new lines of credit. Monitored by Associativism and cooperativism, Work and income, Health and safety, Housing conditions and Access to credit indicators.</p>
<p>Suppliers and Commercial Representative</p>	<p>Suppliers and commercial representatives can be affected by the variation in productivity, where they will have to supply or sell more or less products. In addition, suppliers may be affected in terms of product availability, since new techniques and new products will be used on the project proponent's farm. Monitored by: Income and Productivity Diversity, Assistance and technical knowledge, Biological and low-impact solutions, Crop and pasture management, Eco-efficiency, Agrochemical management, Waste and effluents.</p>
<p>Final Consumer</p>	<p>The final consumer may be affected by: the access to the product or brand promoted by the association or cooperative by supermarkets, monitored by the Associativism and cooperativism indicator; the final price of the product, monitored by the Productivity and Eco-efficiency indicators; the power of consumer choice when having the option to purchase a socially and environmentally certified product.</p>

List of references when applicable:

(Please attach all reports, results of consultation with stakeholders, Environmental Impact Assessments or any other documents used as reference)

7. Benchmarking

The following set of indicators or methodological tools were used as reference for defining the proposed indicators:

1. Environmental, social and productive indicators of Produzindo Certo S/A. Available at: <https://www.produzindocerto.com.br/>
2. GAS-Agro Tool for Sustainable Development - Tools for the future of agriculture (e-book): strategies to position Brazil as a sustainable global supplier of food, bioenergy and other agro-products – coordination of Marcos Fava Neves; Allan Wayne Gray... [et. al.]. Available at: <https://doutoragro.com/wp-content/uploads/2021/07/Ferramentas-Brasil-Fornecedor-Mundial-de-Alimentos-2021-Marcos-Fava-Neves-e-autores.pdf>
3. Sustainable Development Goals for Brasil. Available at: <https://brasil.un.org/pt-br/sdgs>.
4. Indicators for REDD grouped projects in the Cerrado. Available at: https://static1.squarespace.com/static/6161c89d030b89374bec0b70/t/622f48fe6ac2e8678dc17466/1647266047078/Template+and+guidance+for+submission+of+new+SOCIALCARBON_v3+%281%29.pdf
5. Indicators for Santa Catarina Composting Project Version 1.1. Available at: <https://static1.squarespace.com/static/6161c89d030b89374bec0b70/t/618a2623ceb12e4c1b7bd919/1636443686606/Santa-Catarina-Composting-Project-Indicators-Version-1.1.pdf>.

List of references when applicable:

(Please attach all reports, results of consultation with stakeholders, Environmental Impact Assessments or any other documents used as reference)

8. Indicators

8.1 Social Resource

Social Resource is about the networks, social duties, social relationships, relationships of trust, affiliations, and associations.

Indicator	Description	Evaluation Methods
Associativism and cooperativism	Participation in associations, cooperatives and other groups.	<ul style="list-style-type: none"> - Consultation and interview with farmers - Analysis of documents on participation in associations and cooperatives - Among the evaluation methods is the identification of farm certification that cover the same aspects evaluated in each indicator

Scenarios					
1	2	3	4	5	6
The Proponent ¹ has never participated and does not intend to participate in association and cooperative groups.	The proponent plans to participate in an association or cooperative in the next 5 years.	The Proponent is affiliated to at least one group, but is not actively participating	The proponent is affiliated to at least one group, but participates only sporadically	The proponent is affiliated to at least one group and actively participates in meetings, events and exchanges of experiences.	The proponent is affiliated and actively participating in at least one group and this has shown direct positive results, such as cost reduction, better access to the market, access to productive technologies, technical assistance and

¹ Throughout this document the term “Proponent” means either the farm owner or the farm, for the situations where the farm is a legal entity.

					training or other resources that are valued by the Proponent
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Indicator	Description	Evaluation Methods
Social projects	Quality and quantity of voluntary social programs and projects in which the Proponent is involved.	<ul style="list-style-type: none"> - Consultation and interview with Proponents - Records of actions and social projects developed (photos, newsletters, reports, publications in print and digital media).

Scenarios					
1	2	3	4	5	6
The Proponent does not actively participate in social projects	1 or 2 projects were implemented but were interrupted or did not generate clear positive impacts.	1 or 2 projects were implemented and had a direct positive impact on the beneficiaries' quality of life	More than two projects were successfully implemented and resulted in positive impacts for the beneficiaries' quality of life of the.	In addition to scenario 4, at least one project is active or has ended in the previous six months. Still, the Proponent played a leadership role or essential function on the project.	In addition to the previous scenario, there are methods to objectively assess project impacts and how beneficiaries are consulted and informed about the project.

Indicator	Description				Evaluation Methods	
<p>Social inclusion</p>	<p>Evaluates the employment opportunities offered by the Proponent to social groups historically excluded, such as: women, ex-prisoners, the elderly, racialized groups, indigenous people, illiterate and disabled.</p>				<p>- Analysis of labor records to determine the degree of work opportunities granted to historically excluded social groups</p>	
Scenarios						
1	2	3	4	5	6	
<p>There are no initiatives related to the inclusion of minority groups.</p>	<p>10% of employees are from minority groups</p>	<p>11 to 20% of employees are from minority groups</p>	<p>21 to 30% of employees are from minority groups and there is wage parity between employees in the same activity</p>	<p>In addition to the previous scenario, the Proponent promotes training actions or social projects that benefit minority groups.</p>	<p>More than 50% of employees are from minority groups, including management or leadership positions. In addition to the previous scenario, there are projects and formal policies to improve the living conditions of people from minority groups.</p>	

8.2 Human Resource

Human Resource comprehends the skills, knowledge, capacities for work and good health that people have. Taken together, these become fundamental for the successful pursuit of different strategies.

Indicator	Description	Evaluation Methods
Work and income	This indicator includes issues inherent to workers such as: Hiring and registration, remuneration, Working hours, Forced labor, working conditions in the field, Freedom of association, child labor.	Evidence collected such as employment contract, payslips. Consult the slave labor list and others.

Scenarios					
1	2	3	4	5	6
The Proponent does not have any type of contract with the workers and does not guarantee them any labor rights. The working hours exceed that provided by law. The Proponent is listed in the list of Employers who have subjected workers to conditions analogous to slavery or similar registries ² .	The Proponent does not have any type of contract with the workers, but is in the process of regularization. The Proponent is not on the list of Employers who have subjected workers to conditions analogous to slavery or similar registries.	All permanent workers have an employment contract and have their labor rights guaranteed. Temporary workers do not have any type of contract.	All workers (fixed and temporary) have a work contract. All labor rights are met.	In addition to the previous scenario, workers have extra (above legal requirements) income benefits.	In addition to the previous scenario, the Proponent has an active/valid certification regarding aspects of work and income and it provides additional benefits that contribute to workers' quality of life.

² Access link < <https://www.gov.br/trabalho-e-previdencia/pt-br/composicao/orgaos-especificos/secretaria-de-trabalho/inspecao/areas-de-atuacao/combate-ao-trabalho-escravo-e-analogo-ao-de-escravo> >

Indicator	Description				Evaluation Methods	
<p>Health and safety</p>	<p>Evaluates the health and safety conditions of work, often ignored by employers. Evaluated items include: First aid kit, Re-entry plate in recently sprayed fields, Personal Protective Equipment - PPE, Work safety training, etc.</p>				<p>Interviews and evidence such as photos, records, farm documents and work related accident registries.</p>	
Scenarios						
1	2	3	4	5	6	
<p>The farm did not carry out actions or activities to promote safety to employees.</p>	<p>Campaigns, training, or partnerships with entities linked to occupational safety occur occasionally, but they are considered not to be effective, (accidents have occurred despite them.</p>	<p>Campaigns, training, or partnerships with entities linked to occupational safety occur occasionally and are effective (no accidents have occurred in the monitoring period)</p>	<p>Campaigns, training, or partnerships with entities linked to occupational safety occur frequently (monthly or bimonthly) and are effective (employees use the acquired knowledge and no accidents have occurred in the monitoring period)</p>	<p>In addition to scenario 4, the Proponent has safety plans and goals that are satisfactorily executed.</p>	<p>In addition to the previous scenario, the Proponent has an active/valid certification regarding health and safety aspects, fully complies with legislation and provides additional benefits that contribute to health and safety at work.</p>	

Indicator	Description	Evaluation Methods
Housing conditions	Evaluates housing conditions for rural workers or for the Proponent and family. Aspects include: origin of drinking water, water treatment, access to water, quality of water for human consumption, housing/accommodation for employees or partner, canteen and facility for food and meal preparation, access to electricity and adequate food storage conditions.	Questionnaires, interviews with residents, photos and farm records.

Scenarios					
1	2	3	4	5	6
Housing conditions are not adequate and do not comply with legislation.	Housing conditions comply with 0 to 33% of the requirements evaluated in the housing conditions checklist ³ .	Housing conditions comply with 34 to 66% of the requirements evaluated in the housing conditions checklist.	Housing conditions comply with 67 to 100% of the requirements evaluated in the housing conditions checklist.	In addition to scenario 4, housing conditions are considered adequate and there is an open channel to accept suggestions for improvement.	In addition to the previous scenario, the Proponent has an active/valid certification that attests to good housing conditions for employees. Furthermore, there are additional benefits that promote the well-being of workers who use the accommodation.

³ Regulatory standards to be used in the checklist – NR 24 Access link <https://www.gov.br/trabalho-e-previdencia/pt-br/composicao/orgaos-especificos/secretaria-de-trabalho/inspecao/seguranca-e-saude-no-trabalho/ctpp-nrs/norma-regulamentadora-no-24-nr-24> NR 31 Access link <https://www.gov.br/trabalho-e-previdencia/pt-br/composicao/orgaos-especificos/secretaria-de-trabalho/inspecao/seguranca-e-saude-no-trabalho/ctpp-nrs/norma-regulamentadora-no-31-nr-31>

Indicator	Description	Evaluation Methods
Community education	Evaluates the relevant education program promoted by the Proponent, including additional programs for stakeholders. The following major areas are considered: - Education: basic, technical and extension courses to children and/or adults; environmental awareness-raising, etc.	Interview with Proponent and project area supervisors, questionnaires, interviews with communities, site visits.

Scenarios					
1	2	3	4	5	6
The Proponent does not offer any education activities	The Proponent plans to provide education activities for workers and/or other people in the community.	The Proponent offers access to education for workers and/or other people in the community.	In addition to the previous scenario, the Proponent offers an additional course for the beneficiaries	The Proponent, in addition to offering access to education for workers and communities, offers more than one additional course for beneficiaries.	In addition to the previous scenario, the Proponent offers a space (office, classroom or similar) for complementary classes/study.

8.3 Financial Resource

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Indicator	Description	Evaluation Methods
Productivity	Evaluates the productive efficiency of the farm for agriculture and/or livestock activities.	Farm documents and internal records. The average values of regional productivity will be evaluated according to the Brazilian National Supply Company (CONAB). The difference between the degradation levels will be measured according to the publication "Pasture degradation what it is and how to avoid it" by Moacyr Bernardino Dias-Filho ⁴

Scenarios					
1	2	3	4	5	6
Totally unproductive farm. Abandoned and highly degraded production areas.	Farm largely unproductive. Abandoned or inefficiently cultivated production areas; There is a medium level of degradation.	Farm productivity levels are below the regional (where available) or national average. The farm does not present levels of degradation in the areas of cultivation or livestock management.	Productivity is equal to the regional (where available) or national average. The farm does not present levels of degradation in the areas of cultivation or livestock management.	Farm productivity is above the regional (where available) or national average. Farm rotation practices allow production during all 12 months of the year	Farm productivity is above the regional (where available) or national average. The farm adopts integrated production systems and the farm has received certification and/or awards from outstanding productivity.

⁴Dias-Filho, Moacyr Bernardino. Grassland degradation: what it is and how to avoid it / Moacyr Bernardino Dias-Filho. — Brasília, DF : Embrapa, 2017. Available in <<http://www.infoteca.cnptia.embrapa.br/infoteca/handle/doc/1070416>>

Indicator	Description	Evaluation Methods
Income diversity	Evaluates the Proponent income diversity, including how diverse are available income sources and perceived financial risks. Define as a source of income the activity arising from an operation (Example: Planting and marketing of grains).	Interviews, farm documents and internal records.

Scenarios					
1	2	3	4	5	6
The Proponent has only one source of income and has experienced financial losses or faced market instabilities in the last 2 harvests/ yields.	The Proponent has only one source of income, but has not experienced losses or financial instability in the last two harvests/ yields.	The Proponent has more than one source of income, but secondary sources represent less than 10% of annual income.	The Proponent has more than one source of income, but secondary sources represent between 10 and 15% of annual income.	The Proponent has more than one source of income, but secondary sources represent between 15 and 25% of annual income.	The Proponent has more than one source of income and secondary sources represent more than 25% of annual income.

Indicator	Description				Evaluation Methods
Access to credit	Evaluates the Proponent ease of access to credit, including financing sources such as banks, loans and green/sustainability related funding.				Interview with the project proponent.
Scenarios					
1	2	3	4	5	6
The Proponent has credit restrictions or legal issues with financing agents.	The Proponent has limited access to credit, and crediting conditions are not favorable and restrict the financing of the farm's activity.	The Proponent has access to sufficient credit to allow farm self-sufficiency, but with conditions that involve significant risks or costs.	The Proponent has access to sufficient credit to allow the farm to be self-sufficient, with conditions considered appropriate by the Proponent.	The Proponents access to credit or capital to allow growth and/or improvement of farm activities	In addition to the previous scenario, the Proponent invests its own capital to diversify its sources of income.

Indicator	Description				Evaluation Methods	
Funding for Co-Benefits	Evaluates the percentage of income generated from the sale of carbon credits that is reverted to socio-environmental benefits.				<ul style="list-style-type: none"> - Consultation and interview with the Proponent and other project participants. - Analysis of records and reports from the Proponent and other project participants 	
Scenarios						
1	2	3	4	5	6	
No revenue has been reversed by the Proponent to generate socio-environmental benefits, or there are no clear controls over revenue allocation.	Less than 10% of the revenue generated from carbon credits was reverted to socio-environmental benefits by the Proponent.	Between 10 and 20% of the revenue generated from carbon credits was reverted to socio-environmental benefits by the Proponent.	Between 20 and 30% of the revenue generated from carbon credits was reverted to socio-environmental benefits by the Proponent.	Between 30 and 50% of the revenue generated from carbon credits was reverted to socio-environmental benefits by the Proponent.	More than 50% of the revenue generated from carbon credits was reverted to socio-environmental benefits by the Proponent.	

8.4 Natural Resource

Indicator	Description	Evaluation Methods
<p>Environmental compliance of the farm</p>	<p>Evaluates structured/certified environmental management initiatives and systems regarding waste, water, air, soil, energy and nature conservation management.</p>	<p>Consultation to the Rural Environmental Registry (RER). Questionnaires, interviews, photos, site visits. Complementary or supplementary evidence may include receipts, invoices, partnership contracts, statements among other documents. Documents of possession, title or lease, infraction notices, embargoed area, overlap with indigenous lands and conservation units.</p>

Scenarios					
1	2	3	4	5	6
<p>The farm does not have environmental management documents. The Proponent does not know how to comply with existing regulation and has no interest in doing so.</p>	<p>The farm has environmental management documents, but there are disorganized and/or missing documents (such as an active RER).</p>	<p>The farm has environmental management documents and its documents are organized, but with some expired documents.</p>	<p>In addition to the previous scenario, the farm manages the documents properly and all are active and valid.</p>	<p>In addition to the previous scenario, there is one or more people formally in charge of managing the environmental compliance of the farm.</p>	<p>In addition to the previous scenario, the farm has active/valid certification that attests to good environmental conditions.</p>

Indicator	Description	Evaluation Methods
Management of agrochemicals, waste and wastewater	Evaluates if farms have a Solid Waste Management Plan, whether the Proponent follows agronomic and veterinary prescriptions and the procedures to manage wastewater and control the use of agrochemicals	Evaluation of Agrochemicals and Waste Management Plan. Evidence of waste and wastewater treatment (photos, spreadsheets, internal records).

Scenarios					
1	2	3	4	5	6
The Proponent does not have a management plan for agrochemicals, waste and effluents. It uses agrochemicals without an agronomic prescription.	The Proponent does not have a management plan, but is committed to implementing the required procedures.	The Proponent has a self made agrochemical management plan. At least 50% of waste and wastewater are destined/treated correctly (according to current law).	The Proponent has a self made agrochemical management plan. 100% of waste and effluents are destined/treated correctly (according to current law).	The Proponent has management plans for agrochemicals, waste and effluents, made by experts. Agronomic prescriptions were developed by licensed professionals.	In addition to the previous scenario, the Proponent has an active/valid certification that attests to good agrochemical, waste and wastewater management practices.

Indicator	Description	Evaluation Methods
Eco-efficiency	Evaluates efficient use of land and other natural resources. Topics to be evaluated are: <ul style="list-style-type: none"> - Animal unit per hectare (Animal Units per hectare); - Average productivity of forest plantation (volume of wood per hectare); - Efficiency in the use of fertilizers (quantity of product produced per unit of applied nitrogen, phosphorus and/or potassium); - Water efficiency (quantity of product produced per unit of water used). 	Questionnaires, interviews, photos, internal records, site visits.

Scenarios					
1	2	3	4	5	6
The Proponent does not monitor its eco-efficiency	The Proponent has a structured and feasible plan to monitor its eco-efficiency over the next 12 months.	The Proponent monitors his eco-efficiency, but the latest available results indicate low eco-efficiency.	The Proponent monitors his eco-efficiency, and sporadic or limited improvements have been observed.	The Proponent monitors its eco-efficiency and continuous improvement was observed in its last two harvests/yields.	In addition to the previous scenario, the Proponent has an active/valid productivity certification audited by a third party.

Indicator	Description	Evaluation Methods
Environmental projects	Quantity and efficiency of voluntary environmental programs and projects in which the Proponent is participating, other than the carbon project	Interviews, internal documents and records, publications in digital and printed media.

Scenarios					
1	2	3	4	5	6
The Proponent does not actively participate in voluntary environmental projects	1 or more projects were implemented but were interrupted or did not generate clear positive impacts.	1 or 2 projects were implemented and had a direct positive impact on local natural resources.	More than two projects were successfully implemented and resulted in positive impacts on local natural resources.	In addition to scenario 4, the Proponent played a leadership role or essential function on the project.	In addition to the previous scenario, there are methods to objectively assess project impacts and how stakeholders are consulted and informed about the project.

8.5 Technology Resource

Indicator	Description				Evaluation Methods	
Assistance and technical knowledge	Evaluates whether the Proponent has access to professional technical assistance.				Questionnaires and interviews, on-site visits.	
Scenarios						
1	2	3	4	5	6	
The Proponent has no access to technical assistance (TA) for its activities.	The Proponent has access to TA, but not regularly and not for all its activities.	The Proponent has access to TA regularly, but not for all its activities.	The Proponent has access to TA regularly for all its activities.	In addition to the previous scenario, the Proponent makes use of digital platforms for management and monitoring of farm operations.	In addition to the previous scenario, positive results were observed in terms of productivity, eco-efficiency and/or profitability in the last two harvests.	

Indicator	Description				Evaluation Methods	
Biological and low-impact solutions	Evaluates the use of biological products (for pest and disease control, plant nutrition, etc.) and precision farming techniques (to increase efficiency in the use of farm inputs and procedures).				Interviews, internal documents and records (Example: Interviews, internal documents and records, publications in digital and printed media).	
Scenarios						
1	2	3	4	5	6	
The Proponent does not use biological products nor precision	The Proponent does not use biological products nor agriculture	The Proponent uses biological products but does not document it.	The Proponent uses exclusively biological products and	In addition to the previous scenario all management plans are properly documented and the Proponent adopts 3 or more	In addition to the previous scenario, the Proponent has active/valid certification that attest to its	

<p>agriculture practices.</p>	<p>practices, but has a structured and feasible plan to adopt these procedures in the next 12 months.</p>	<p>It also uses chemical/conventional products, but has been reducing the use of agrochemicals.</p> <p>And/or: The Proponent uses Integrated Pest Management (IPM) or Integrated Disease Management (IDM) techniques, but the management plan is not properly documented</p>	<p>documents the reduction in the use of agrochemicals.</p> <p>And/or: The Proponent uses IPM or IDM techniques and documents them properly;</p> <p>And/or: The Proponent adopts 1 or 2 precision agriculture practices.</p>	<p>precision agriculture practices.</p>	<p>good agricultural practices.</p>
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Indicator	Description	Evaluation Methods
Crop and pasture management	Adoption of management practices with potential CO ₂ removal (the definition of CO ₂ removal here is understood to be those that fix carbon in the soil). Grassland quality levels, how much the pasture is degraded or conserved. Evaluates good animal management practices ² .	Visit the site, management history documents. Degradation rates according to the literature (presence of termites, exposed soil, low stocking, etc...)

Scenarios					
1	2	3	4	5	6
<p>CROP: The Proponent does not adopt CO₂ removal practices.</p> <p>And/or:</p> <p>PASTURE: The pasture has a predominance of bare soil, with evident signs of erosion (biological degradation).</p> <p>The Proportion of forages is very low or non-existent. Support capacity drops above 80% (compared</p>	<p>The Proponent intends to adopt CO₂ removal practices in future management practices.</p> <p>Pasture shows an excessive presence of weed infestation (agricultural degradation) or in the percentage of bare soil.</p> <p>There is a very low proportion of foragers. Support capacity drops between 60% and 80%</p>	<p>The Proponent started to adopt some CO₂ removal practices less than 18 months ago. Pasture shows an increase in weed infestation or in the percentage of bare soil. Support capacity drops between 30% to 50% (compared to non-degraded pasture)</p>	<p>The project proponent adopts CO₂ removal practices but reports having difficulties in carrying out such practices and ends up carrying out some CO₂ release activity. The pasture has areas of bare soil or weeds. Grass regrowth after grazing is slow. Support capacity drops by about 20% (compared to non-</p>	<p>The Proponent adopts CO₂ removal practices and gains in productivity are observed. The pasture has good forage coverage (no exposed soil or biological degradation). The support capacity is above regional (where available) or national average.</p>	<p>In addition to the previous scenario, the Proponent has certification of low emission or carbon neutral activities.</p>

to non-degraded pasture).	(compared to non-degraded pasture)		degraded pasture)		
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²Dias-Filho, Moacyr Bernardino. Grassland degradation: what it is and how to avoid it / Moacyr Bernardino Dias-Filho. — Brasília, DF : Embrapa, 2017. Available in <http://www.infoteca.cnptia.embrapa.br/infoteca/handle/doc/1070416>

8.6 Carbon Resource

Indicator	Description		Evaluation Methods		
Emission sources and carbon stock	Analysis of procedures to assess and/or monitor the main sources of emissions or carbon reservoirs on the farm.		Farm areas management plan; Soil analysis (preferably with carbon and/or organic matter results).		
Scenarios					
1	2	3	4	5	6
The Proponent does not have records that allow assessing the main sources of GHG emissions and carbon reservoirs (such as the use of fossil fuels, agricultural practices and conservation status of	There are partial records to assess the main sources of GHG emissions and carbon reservoirs	The main activities affecting the GHG emissions and carbon reservoirs are recorded. GHG emissions from sources not included in the Project or significant losses of carbon reservoirs	In addition to Scenario 3, the Proponent develops a GHG emissions inventory and GHG emissions are stable or decreasing; And/or: the Proponent develops activities to reduce GHG emissions beyond the project.	In addition to scenario 4, the Proponent adopts more than one low GHG emission practice or offsets/neutralize s their emissions.	In addition to the previous scenario, GHG inventories or other emission reduction projects are audited by a Third Party and published.

soils and pastures)		were not identified			
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Indicator	Description					Evaluation Methods
Project performance	Evaluates project performance in relation to verified emissions reductions, as compared to expected emission reductions.					Documentation regarding the emission reduction project (Project Design Document, monitoring reports and equivalent documents)
Scenarios						
1	2	3	4	5	6	
0% of carbon credits predicted for the period were generated.	Between 1% and 25% of carbon credits expected for the period were verified.	Between 26% and 50% of carbon credits expected for the period were verified.	Between 51% and 75% of carbon credits expected for the period were verified.	Between 75% and 95% of carbon credits expected for the period were verified.	More than 95% of carbon credits expected for the period were verified.	

Indicator	Description					Evaluation Methods
Proponent engagement with the emission reduction project	Evaluates the Proponent perception about the results of the project, considering the generation and sale of carbon credits and also other aspects of the project.					Site visit, questionnaires, documents, certifications, interviews.
Scenarios						
1	2	3	4	5	6	
The Proponent does not know the requirements for	The Proponent is aware of project requirements and	The Proponent is aware of project requirements and current status, and it	The Proponent is aware of project requirements and	The Proponent recognizes the project as an	The Proponent recognizes the project as an important part of the farm's activities and promotes the	

participating in the project and/or the current project status.	current status, but does not act directly to ensure a proper performance of the project.	has a limited involvement to ensure a proper performance of the project.	current status, and it is consistently involved to ensure a proper performance of the project.	important part of the farm's activities but does not publicize the project	project to other farmers in the region.
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Document revision history

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Version	Date	Remarks
2.0	Dec 2022	Second version
1.0	June 2022	First version