Verification Report

Verification of Tokenize Amazon Project

Report No: SLCCS/VRR/2023/03
Version   : 02

Sri Lanka Climate Fund (Pvt) Ltd
"Sobadam Piyasa"
No. 416/C/1, Robert Gunawardana Mawatha,
Battaramulla.

TOKENIZE AMAZON PROJECT - SLCCS Version 2.0	
Client	Rainforest Token
Completion Date of the Verification Report	13/10/2023
Version No.	02
Country	Sri Lanka
Monitoring Period	28/10/2021 to 12/10/2023
Estimated SCER+ in this monitoring period	1,548,604 tCO$_2$e
Verified SCER+	1,720,672 tCO$_2$e
Contact details	Mr. Sanzio C Maciel.- Tokenize Amazon Project Rua das Manjeronas 364, District Jardim Maringá, in the city of Sinop/MT, ZipCode 78556-210, Brazil. Phone number: +55 63992032164 Email: info@Tokenize Amazon Project.io Website: www.Tokenize Amazon Project.io

Summary of the verification report	

Validation & Verification Division of Sri Lanka Climate Fund has performed the verification of the emission removals for the "Tokenize Amazon Project", situated at KM 14, of BR-174, district of Presidente Figueiredo, State of Amazonas, Brazil, since 28/10/2021.

It is our verification opinion that the GHG emission reductions reported for the project in the monitoring report (Version 03) of 13th October 2023 are fairly stated. The GHG emission reductions were calculated correctly on the basis of the approved monitoring methodologies outlined in the VCS Module VMD0007 Version 1.0, BioCarbon Registry Version 3.1 methodologies, and meets all relevant SLCCS requirements.

Sri Lanka Climate Fund is able to verify that the emission reductions from the "Tokenize Amazon" rainforest conservation project situated in Brazil during the period 28 October 2021 to 12 October 2023 is 1,720,672 tons of CO$_2$ equivalent.

Project Title	Tokenize Amazon Project		
Report No	SLCCS/VRR/2023/03		
Work carried out by	Validation & Verification Division Sri Lanka Climate Fund (Pvt) Ltd		
Work Approved by	Ms. Harshani Abeyrathna Chief Executive Officer Sri Lanka Climate Fund (Pvt) Ltd		
Version No.	02	**Date of Version**	13/10/2023
No of Pages	24		

CONTENT

ABBREVIATIONS

BE	Baseline Emissions
CAR	Corrective Action Request
CDM	Clean Development Mechanism
CEB	Ceylon Electricity Board
CL	Clarification Request
CMA	Carbon Management Assessment
CO_2	Carbon dioxide
CO_2e	Carbon dioxide equivalent
FAR	Forward Action Request
GHG(s)	Greenhouse Gas(es)
GWP	Global Warming Potential
MR	Monitoring Report
PE	Project Emission
PP(s)	Project Participant(s)
SCER(s)	Sri Lanka Certified Emission Reduction(s)
SLCCS	Sri Lanka Carbon Crediting Scheme
SLCFVAL	Validation Division of Sri Lanka Climate Fund
SLSEA	Sri Lanka Sustainable Energy Authority
VVS	Validation and Verification Standard

1   INTRODUCTION

SavePlanetEarth (SPE) and the Planetary Carbon Standard (PCS) has requested Sri Lanka Climate Fund (SLCF) to carry out the verification and certification of emission reductions reported for the Tokenize Amazon Project, situated at KM 14, of BR-174, district of Presidente Figueiredo, State of Amazonas, Brazil under the SLCCS during the period of 28th October 2021 to 12th October 2023. This report contains the findings from the verification and a certification statement for the Sri Lankan Certified Emission Reduction Plus (SCER+).

1.1   Objective

The purpose of this verification was to have an independent review of the monitoring report. The objective of this verification was to verify emission reductions reported for Tokenize Amazon Project in Brazil for the period of 28/10/2021 to 12/10/2023. The information included in the Monitoring Report and the supporting documents were reviewed against the requirements as set out by the SLCCS.

1.2   Scope and criteria

The verification scope is given as a thorough independent and objective assessment of the monitoring report including especially:

- To verify that actual monitoring systems and procedures are in compliance with the monitoring systems and procedures described in the monitoring plan.
- To evaluate the GHG emission reduction data and express a conclusion with a reasonable level of assurance about whether the reported GHG emission reduction data is free from material misstatement.
- To verify that reported GHG emission data is sufficiently supported by evidence.

The verification shall ensure that reported emission reductions are complete and accurate in accordance with SLCCS criteria.

1.3   Description of the Project Activity

Title of the Project Activity	Tokenize Amazon Project
Project Participant(s)	Rainforest Token
Host Party(ies)	Brazil
Monitoring Methodology	Quantification of GHG emissions Reductions REDD+ Projects BioCarbon Registry - Version 3.1, September 15, 2022 Approved VCS Module VMD0007 Version 1.0 REDD Methodological Module: Estimation of baseline carbon stock changes and greenhouse gas emissions from unplanned deforestation (BL-UP) As recommended by the Planetary Carbon Standard (PCS)
Project's crediting period	28/10/2021 to 12/10/2031
Period verified in this verification	28/10/2021 to 12/102023

1.4   Methodology for Determining Emission Reductions

The primary goal of the project is to safeguard 1001.4 hectares of land from the threats of deforestation and degradation in the Amazon region of Brazil. This designated land area, situated within the city of Presidente Figueiredo, State of Amazonas, Brazil, is home to numerous endemic species. It is located in the heart of the Amazon Rainforest, a region known as "the deforestation belt." The core objective of the project is to quantify the reduction of greenhouse gas emissions through the implementation of a REDD+ (Reducing Emissions from Deforestation and Forest Degradation) initiative. Encompassing an area of 1001.4 hectares, the project is dedicated to preserving the Amazon rainforest ecosystem. The intention is to register the project as a forest conservation initiative, adhering to the methodological requirements of Sectoral scope AFOLU Category: Reduced Emissions from Deforestation and Degradation (REDD+). The project is aligned with the approved VCS Module VMD0007 Version 1.0 REDD Methodological Module: Estimation of baseline carbon stock changes and greenhouse gas emissions from unplanned deforestation (BL-UP), and the Quantification of GHG emissions Reductions REDD+ Projects BioCarbon Registry, Version 3.1, September 15, 2022, as outlined under the eligibility criteria of the Planetary Carbon Standard.

According to the validated CMA, the expected annual GHG emission reductions resulting in the operation of project is774,302 tCO2e/year, and the expected total GHG emission reductions in the first monitoring period is 1,548,604 tCO$_2$e.

The reduction of emissions within the project is established through the project's adherence to its additionality criteria, which is based on the framework of REDD+ CDM (Reducing Emissions from Deforestation and Forest Degradation Clean Development Mechanism). As specified in the validated CMA, project emissions are attributed to the defined project boundary established by the project proponent. The decrease in emissions resulting from the conservation efforts undertaken by the project is accounted for, as endorsed by the Planetary Carbon Standard. It's important to note that leakage emissions do not apply to the project activity, in accordance with the validated CMA.

2   METHODOLOGY

Verification was conducted using SLCCS procedures in line with the requirements specified in the CDM Modalities and Procedures, the latest version of the CDM Validation and Verification Standard. The verification consisted of the following phases:

- Appointment of team members and technical reviewers
- Publication of the monitoring report
- Verification planning
- Desk review of the monitoring report and supporting documents
- On-Site assessment
- Background investigation and follow-up interviews with personnel of the project developer and its contractors
- Draft verification reporting
- The resolution of outstanding issues and corrective actions (if any)
- Final verification reporting
- Technical review
- Final approval of the certification

The verification of the emission reductions has assessed all factors and issues that constitute the basis for emission reductions from the project. These include:

Forest Carbon Stock Monitoring - Assessment of the carbon stock within the project area, considering both above-ground and below-ground biomass, on a periodic basis.

- Deforestation and Forest Degradation Monitoring - Tracking changes in forest cover and quality, including any instances of illegal logging or other disturbances that might lead to carbon emissions.

- Community Engagement and Indigenous Rights: Ensuring that local communities and indigenous peoples are engaged in the project and that their rights are respected, as their involvement can significantly influence the project's success and sustainability.

- Biodiversity Monitoring: Evaluating the impact of the project on local biodiversity, ensuring that conservation efforts are not only preserving carbon stocks but also the ecological integrity of the area.

- Leakage Assessment: Monitoring any unintended negative impacts outside the project boundaries, such as increased deforestation in adjacent areas due to the project's activities.

- Socio-economic Benefits: Tracking the positive impacts of the project on local communities, including job creation, capacity building, and other socio-economic benefits.

This adaptation focuses on the unique aspects of a REDD+ conservation project, emphasizing forest carbon stock, community engagement, biodiversity, and socio-economic benefits, among other relevant factors.

Verification Team

On the basis of a competence analysis and individual availabilities, a verification team, consisting of one team leader, one technical expert, two team members, as well as one technical reviewer was appointed. The list of involved personnel, the tasks assigned and the qualification status are summarized in the table in **appendix I.**

Name	Company	Role	Task Performed			
Mr. Chamara Ariyathilaka	Sri Lanka Climate Fund	TL/TE	☒DR	☒SV	☒RI	☐TR
Mr. Himarsha Rajapaksha	Sri Lanka Climate Fund	TM	☒DR	☒SV	☐RI	☐TR
Ms. Wageesha Alankara	Sri Lanka Climate Fund	TM	☒DR	☒SV	☐RI	☐TR
Ms. Harshani Abeyrathna	Sri Lanka Climate Fund	ITR	☒DR	☒SV	☐RI	☒TR

TL -Team Leader   TM- Team Member   TE- Technical Expert   ITR- Internal Technical Reviewer
SV- Site Visit   RI- Report Issuance   DR- Document Review   TR- Technical Review

2.1.   Publication of the monitoring report for public review

According to the SLCCS requirement, the draft MR as received from the project participants, has been made publicly available on the dedicated SLCF website and Planetary Carbon Standard (PCS) website prior to the verification activity commenced. Stakeholders have been invited to comment on the MR within the 30 days public commenting period.

No comments were received for the monitoring report.

2.2.   Desk review of monitoring report and supporting documents

The monitoring reports (Version 01) the emission reduction calculations, provided in the form of spreadsheets submitted by Tokenize Amazon, were assessed as a part of the verification.

In addition to the monitoring documentation provided by the project participants, verification team reviewed:
1. The registered Carbon Management Assessment, the monitoring plan contained in the CMA as well as the validation report.
2. The applied monitoring monitoring methodologies, BioCarbon Registry Version 3.1, dated September 15, 2022. Additionally, the approved VCS Module VMD0007, Version 1.0, provides a methodological module for REDD+, as per Planetary Carbon Standard.
3. Other operational documents as evidence during the virtual site visit

2.3. On- site inspections

On 20th April 2023, SLCF carried out virtual site visit at the project site within the Amazon rainforest. SLCF verified that the actual implementation and operation of the project is as described in the CMA. During the site visit, the team appointed by SPE/PCS and SLCF collected data related to the project's carbon stocks, tree density, species composition, and other relevant ecological and carbon-related parameters. They also used field measurements, remote sensing technologies, and GPS coordinates to accurately assess the project's carbon sequestration potential.

As part of the on-site inspection, following personnel were interviewed to further verity the documented information.

Name	Designation	Organizatio n/Entity	Method (Face to face/ Telephone)	Main topics covered
Sanzio C Maciel	CEO	Tokenize Amazon	Via Zoom Technology	Project start date, commissioning date, crediting period, Procurement procedures, Issues and challenges associated with monitoring of the project, UNSDGs covered by the project, future operation and future plans, funding options and regular maintenance and operation

2.4. Independent review

Monitoring report submitted by Rainforest Token and additional background documents related to the CMA and MR was reviewed. Furthermore, the verification team used additional documentation such as documents to verify ownership and the legal compliance of the project.

Technical data was reviewed by independent reviewer based on information given in the MR, supporting documents and observations on verification site visit. Before submission of the final verification report a technical review of the whole verification procedure is carried out. The technical reviewer is a competent GHG auditor being appointed for the scope this project falls under.

The verification team and the internal technical reviewer have the collective competence

necessary to perform the verification. The verification team fulfils the following requirements:

- qualification for all technical area/s (TAs) related to the activity;
- technical experts who provide specific technical, methodological and sectoral knowledge and/or expertise and qualification for TAs can be involved;
- it includes one Team Leader that takes the responsibility to lead the team;
- it includes a Team Member/Verifier;
- at least one member who performs the site visit is qualified for all TAs related to the activity;
- at least one member who performs the site visit is qualified as Team Leader, even if he/she does not cover this role for the specific activity;
- the same person can cover more than one role.

2.5.   Reporting of Findings

A **Clarification Request (CL)** is raised where information is insufficient, unclear or not transparent enough to establish whether the applicable SLCCS requirements have been met.

A **Corrective Action Request (CAR)** is issued where:
- Non-conformities with the monitoring plan or methodology are found in monitoring and reporting, or if the evidence provided to prove conformity is insufficient;

- Mistakes have been made in assumptions, application of the methodology or the project documentation which will have a direct influence the project results,

- The requirements deemed relevant for verification of the project with certain characteristics have not been met or

- There is a risk that the project would not be registered by the SLCCS or that emission reductions would not be able to be verified and certified.

A **Forward Action Request (FAR)** is issued for actions if the monitoring and reporting require attention and/or adjustment for the next verification period.

3. VERIFICATION FINDINGS

This section describes the findings from the verification of the emission reductions reported for the Tokenize Amazon Project for the period 28/10/2021 to 12/10/2023.

3.1. Remaining issues (FARs) from previous validation or verification

According to the validation report (version 02) no issues were required to be closed out during the initial verification. This has been confirmed from the validation report and registered CMA and during the site visit.

3.2. Monitoring report

The monitoring report for the project activity, Tokenize Amazon Project, Version 02 of 13/10/2023 submitted by Rainforest Token, has been the basis for the verification process. Verification Team confirms that the above MR is based on the currently valid MR template of SLCCS version 03.0 and is completed in accordance with the applicable CDM methodology.

3.3. Project implementation

It was confirmed that the Tokenize Amazon Rainforest Conservation Project was implemented on 28/10/2021. First monitoring period (28/10/2021 to 12/10/2023) was within the eligible crediting period.

The registered project activity involves the actual implementation of conserving and preserving a 1001.4-hectare area situated at KM 14 of BR-174, in the Presidente Figueiredo district, State of Amazonas, Brazil, as per the CMA Version 03. The verification assessment confirmed that this project's nature is distinct as it does not involve reforestation or afforestation activities. Rather, its purpose is to be classified as a conservation project under the REDD+ Category. Its primary objective is to protect the 1001.4 hectares of land from the threats of deforestation and degradation within the Brazilian Amazon region. This area holds a significant presence of endemic species, further emphasizing the importance of its conservation efforts.

Official data underscores a concerning trend: deforestation in Brazil's Amazon Rainforest has reached its highest level in over 15 years. Despite these alarming statistics, effective interventions to curb this issue have proven elusive.

The specifications of the rainforest conservation project regarding its size and location have been confirmed to align with the description provided in the CMA. The execution of the project during this verification period was validated by cross-referencing the dates indicated in the deed and assessing their accuracy. It is worth noting that the project site had been subject to intensive monitoring by the project owner for over three months prior to the formal acquisition of the land.

3.4. Post registration changes

During this verification period no post-registration change is observed. The monitoring and verification of the project activity is as per the CMA revision 03 of 13.10.2023.

3.5. Methodology for determining Emission Reductions

3.5.1. Applicability

The project falls under the remit of the AFOLU Category, specifically focusing on Reduced Emissions from Deforestation and Degradation (REDD+). It complies with the established criteria for rainforest conservation initiatives.

All criteria for applicability of selected methodology are fulfilled. The project involves the conservation of a rainforest, preserving an expanse of 1001.4 hectares located within the core of the Amazon rainforest, situated in the area recognized as the "deforestation belt." The project's actions are in accordance with emission reduction strategies, focusing on avoiding deforestation, which align with the principles of Reduced Emissions from Deforestation and Degradation (REDD+). These efforts are in keeping with the standards outlined for rainforest conservation projects as stipulated in the REDD+ Clean Development Mechanism (CDM) framework and the Planetary Carbon Standard.

3.5.2. Compliance of the monitoring plan with the monitoring methodology and applicable methodological tools

During this monitoring period, the validated and registered CMA was found to be in accordance with the applied methodology, specifically the AFOLU Category: Reduced

Emissions from Deforestation and Degradation (REDD+), the approved VCS Module VMD0007 Version 1.0 REDD Methodological Module: Estimation of baseline carbon stock changes and greenhouse gas emissions from unplanned deforestation (BL-UP), and the Quantification of GHG emissions Reductions REDD+ Projects BioCarbon Registry, Version 3.1, dated September 15, 2022. All monitoring parameters, monitoring and calibration procedures follow the methodology requirements. No recommendation was made during this verification.

3.5.3. Compliance of monitoring with monitoring plan

The following parameters have been monitored in accordance with the monitoring plan in the registered CMA and the monitoring report.
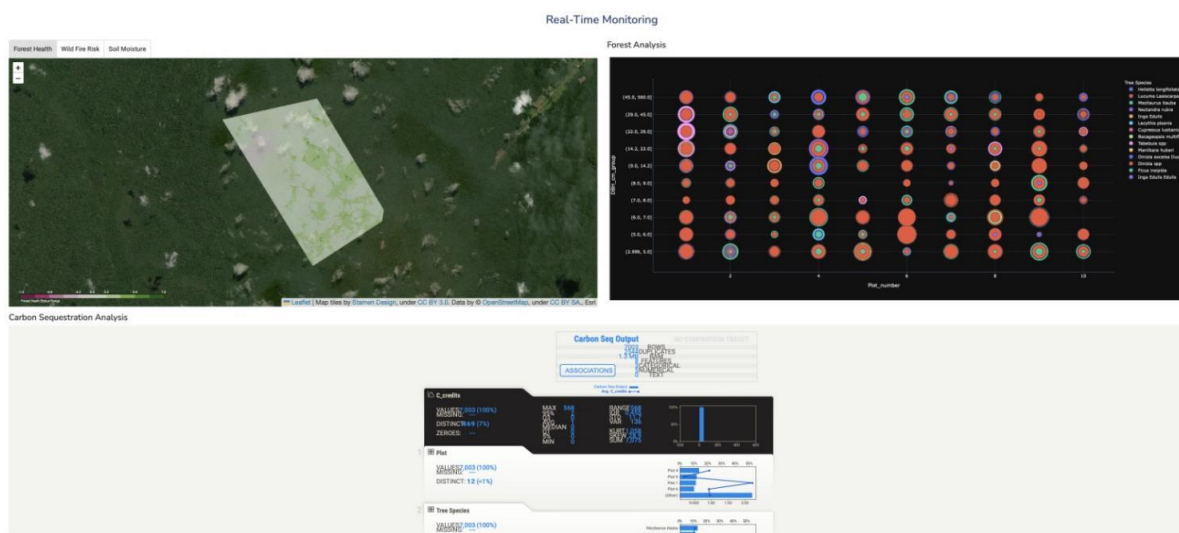
Data/ Parameter	Source of Data	Reported value for the project period
The reduction of tCO2e emissions through deforestation reduction in the Project Area	Utilizing satellite imagery, remote sensing mechanisms, and ground truth data to observe changes in the forest cover.	1,720,672 tCO$_2$e for the period of 28/10/2021 to 12/10/2023
Biodiversity Conservation Monitoring	Regular field surveys and Changes in key habitat features	Indicator Species and Habitat Health

Socio-Economic Impact Monitoring	Through regular surveys and data collection on socio-economic indicators.	No direct impact on the tCO_2e Value.
Security and Encroachment Monitoring	Surveillance, Perimeter Breaches, CCTV Coverage	Avoided reduction and leakages

3.5.4. Data and parameters monitored ex-post

Data / Parameter	The reduction of tCO2e emissions through deforestation reduction in the Project Area
Frequency of measuring/recording	The monitoring plan is implemented on a 24/7 basis, while evaluations are conducted annually.
Is measuring and reporting frequency in accordance with the monitoring plan and monitoring methodology? (Yes / No)	Yes
Monitoring equipment	Utilizing satellite imagery, remote sensing mechanisms, and ground truth data to observe changes in the forest cover.
How were the values in the monitoring report verified?	1. By monitoring the forest cover 2. Avoiding any leakages through early detection and prevention of deforestation activities
Does the data management (from monitoring equipment to emission reduction calculation) ensure correct transfer of data and reporting of emission reductions and are necessary QA/QC processes in place?	Yes

Data / Parameter	Carbon Sequestration Monitoring
Frequency of measuring/recording	The monitoring plan is implemented on a 24/7 basis, while evaluations are conducted annually
Is measuring and reporting frequency in accordance with the monitoring plan and monitoring methodology? (Yes / No)	Yes.
Monitoring equipment	Utilizing satellite imagery, remote sensing mechanisms, and ground truth data and Artificial intelligence.

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How were the values in the monitoring report verified?	1. By monitoring the forest cover for any reductions. 2. Avoiding any leakages through early detection and prevention of deforestation activities
Does the data management (from monitoring equipment to emission reduction calculation) ensure correct transfer of data and reporting of emission reductions and are necessary QA/QC processes in place?	Yes.

3.5.5. Assessment of data and calculation of emission

The data for all the monitoring parameters have been correctly measured, recorded according to the applied monitoring methodology approved VCS Module VMD0007 Version 1.0 REDD Methodological Module: Estimation of baseline carbon stock changes and greenhouse gas emissions from unplanned deforestation (BL-UP), and the Quantification of GHG emissions Reductions REDD+ Projects BioCarbon Registry, Version 3.1, dated September 15, 2022and the registered CMA. All the data are available for this monitoring period.

Cross-check reported data

Baseline Emissions

The baseline emission for the project activity has been calculated as per the CMA version 03 dated 13/10/2023 and Quantification of GHG emissions Reductions REDD+ Projects, BioCarbon Registry, Version 3.1, September 15, 2022. As stated in the section 3.5.3 above, the net value of the emission reduction measured for the monitoring period is 1,720,672 tCO_2e and the measurement is in line with the methodology.

In accordance with the methodology outlined for the Quantification of Greenhouse Gas (GHG) Emissions Reductions in REDD+ Projects, as registered with the BioCarbon Registry, the net emission reductions have been calculated. These calculations are based on the total forest biomass, which includes both aboveground and belowground forest biomass, as specified in Section 6 of the approved Carbon Management Assessment (CMA). The Validation Team has subsequently reviewed and verified these calculations as appropriate.

The baseline emission for the project activity covering the monitoring period worked out based on the approach mentioned above is 1,720,672 tCO_2e.

Project Emissions

No emissions are identified for this project activity.

Leakage Emissions

Leakage emissions are not identified for this project activity

Emission Reductions

Therefore, the emission reductions in this monitoring period are:

$ER_y = BE_y - PE_y - LE_y$

$ER_y = 1,720,672 - 0 - 0 = 1,720,672\ tCO_2e$

3.5.6. Accuracy of emission reduction calculations

The emission reductions have been calculated in accordance with the methodologies specified in the Clean Management Area (CMA) guidelines, as well as the BioCarbon Registry Version 3.1, dated September 15, 2022. Additionally, the approved Verified Carbon Standard (VCS) Module VMD0007, Version 1.0, serves as a methodological framework for REDD+ projects. These calculations were corroborated by PCS Carbon Engineering through the use of ground truth data, satellite imagery, and artificial intelligence tools.

The data outlined in Monitoring Report Version 01 and 02 underwent a comprehensive assessment. This involved a detailed review of project documentation, the collection of monitored data, and an evaluation of established monitoring and reporting practices. The reliability of the monitoring equipment was also assessed. During the virtual site visit, it was verified that the net emission reductions for the project, covering the monitoring period from October 28, 2021, to October 12, 2023, amount to 1,720,672 tCO_2e.

3.5.7. Management system and quality control

Data collection was conducted in line with the data management procedures outlined in Version 03 of the registered CMA. The monitoring and reporting protocols adhere to well-established operational procedures. During the virtual site visit, it was confirmed that the management system for the Tokenize Amazon Project is fully operational and traceable. This includes a clearly defined organizational structure with delineated responsibilities, monitoring procedures, management oversight, training protocols for personnel involved in monitoring activities, and competence criteria for all staff engaged in the project.

The organizational structure and responsibilities are comprehensively detailed in the Monitoring Report (MR) for the project activity. These were verified and deemed adequate during the virtual site visit. Consequently, the management and operational system, including the responsibilities and authorities for monitoring and reporting, align with those specified in the monitoring plan.

3.5.8. Resolution of Findings

Type of the Finding	☐CL ☒CAR ☐FAR
Finding No	CAR-1
Ref. To MR	Section 7.2
Description of Finding	Data and parameters available at the validation are not included in the monitoring report for the verification purpose.

Summary of Project owner response	By an oversight, the monitoring parameters available at the validation have not been included in the monitoring report. The SLCCS guideline applicable to the development of CMA was referred and accordingly the parameters in validated CMA were included in the revised version of the monitoring report dated 13/10/2023
Verification team Assessment	The revised monitoring report was reviewed by the verification team to confirm whether all parameters available at the validation included in the relevant section. It was verified that the required parameters are well covered in the monitoring plan. Based on the response and corrective action, the CAR was closed by the verification team.
Conclusion	⊡To be checked during the first periodic verification ⊡Additional action should be taken (finding remains open) ⊡Project documentation was corrected correspondingly ☒ **Appropriate action was taken. The finding CAR-1 is closed**

Type of the Finding	⊡CL	☒CAR	⊡FAR
Finding No	CAR-2		
Ref. To MR	Section 4.3		
Description of Finding	The description of the monitoring plan outlined in the validation report is consistent with the content found in the validated CMA. However, the monitoring report does not provide a comprehensive account of the approach and procedures employed in the monitoring of project activity subsequent to its implementation.		
Summary of Project owner response	The monitoring plan delineated in the validated CMA was activated following the commencement of the project activity. The Chief Executive Officer (CEO) of the Tokenize Amazon Project holds the authority and responsibility for the registration and overarching monitoring of the project activity. The Project Manager is responsible for ensuring meticulous monitoring of the project site and its associated activities. Throughout the monitoring period, all parameters specified in the CMA were rigorously monitored and reported for verification purposes. The project employs advanced technological approaches for site monitoring, including the assessment of carbon stock, risk identification, and the evaluation of forest health. Any potential threats are identified in advance and promptly addressed to mitigate damage to the project site. Additionally, a robust Quality Assurance/Quality Control (QA/QC) program, as detailed in the validated CMA, is in place for the duration of the project monitoring period.		

Verification team Assessment	In response to the Corrective Action Request (CAR), the project proponent has furnished a comprehensive description detailing the successful implementation of the monitoring plan. This information is encapsulated in the revised monitoring report and is organized under several sections, including Parameters Requiring Monitoring, Demonstration of Monitoring Tools for the Verification Team, Procedures for Documentation and Storage, Procedures for Corrective Actions, Quality Assurance and Quality Control (QA/QC) Procedures, Data Storage and Archiving, and Maintenance of Equipment. Upon review of this thorough description, the verification team has officially closed the CAR..
Conclusion	☐To be checked during the first periodic verification ☐Additional action should be taken (finding remains open) ☐Project documentation was corrected correspondingly ☒ **Appropriate action was taken. The finding CAR-2 is closed**

4. VERIFICATION OPINION

Sri Lanka Climate Fund (SLCF) has performed the verification of the emission reductions that have been reported for the Tokenize Amazon Project located at KM 14, of BR-174, district of Presidente Figueiredo, State of Amazonas, Brazil for the period 27/10/2021 to 12/10/2023.

The project participants of the Tokenize Amazon Project are responsible for:

- the preparation of greenhouses gas emissions data and the reported greenhouse gas emission reductions from the project on the basis set out in the monitoring plan contained in the registered CMA version 03.
- the development and maintenance of records and reporting procedures in accordance with that plan, including the calculation and determination of greenhouse gas emission reductions of the project

It is the responsibility of Verification Team to express an independent verification opinion about the project's conformity with the requirements of SLCCS modalities and procedures and on the reported greenhouse gas emission reductions from the project. SLCF conducted the verification on the basis of the monitoring methodologies "Quantification of GHG Emissions Reductions for REDD+ Projects" document, as part of the BioCarbon Registry Version 3.1, dated September 15, 2022. Additionally, the approved VCS Module VMD0007, Version 1.0, provides a methodological module for REDD, the monitoring plan contained in the registered Tokenize Amazon rainforest conservation project located at KM 14, of BR-174, district of Presidente Figueiredo, State of Amazonas, Brazil and the monitoring report (Version 02) dated 13th October 2023. The verification included i) checking whether the provisions of the monitoring methodology and the monitoring plan were consistently and appropriately applied and ii) the collection of evidence supporting the reported data.

Based on documented evidence and corroborated by an on-site assessment SLCFVD can confirm that:

- the project has been implemented and operated as per the registered CMA;
- the monitoring report and other supporting documents provided are complete and verifiable and in accordance with the applicable SLCCS requirements;
- the monitoring is in place as per the applied baseline and monitoring methodology;
- the monitoring complies with the monitoring plan in the registered CMA;

- the monitoring plan in the registered CMA is as per the applied baseline and monitoring methodology.

The verification consisted of the following three phases:

i.   desk review of the MR and additional background documents;
ii. follow-up interviews with project stakeholders;
iii. resolution of outstanding issues and the issuance of the final validation report and opinion.

In the course of the verification 02 Corrective Action Requests (CARs) were raised and successfully closed and no CLs and FARs were raised.

The review of the CMA and additional documents related to baseline and monitoring methodology; the subsequent background investigation, follow-up interviews and review of comments by parties and stakeholders have provided SLCF Verification Division with sufficient evidence to verify the fulfillment of the stated criteria.

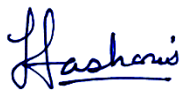In detail the conclusions can be summarized as follows:

– The project is in line with all relevant SLCCS requirements for carbon credits. Further the project activity is in compliance with the requirements set up by the applied approved CDM methodology CDM methodology Quantification of GHG Emissions Reductions for REDD+ Projects" document, as part of the BioCarbon Registry Version 3.1, dated September 15, 2022. Additionally, the approved VCS Module VMD0007, Version 1.0
– The monitoring plan is transparent and adequate.
– The calculation of the project emission reductions is carried out in a transparent and conservative manner, so that the calculated emission reductions are most likely to be achieved within the crediting period.

The conclusions of this report show, that the project, as it was described in the project documentation, is in line with all criteria applicable for the verification.

SLCF planned and performed the verification by obtaining evidence and other information and explanations that SLCF considers necessary to give reasonable assurance that reported GHG emission reductions are fairly stated.

In our opinion the GHG emissions reductions of the "Tokenize Amazon Project" for the period 28/10/2021 to 12/10/2023 are fairly stated in the monitoring report (Version 02) dated 13th October 2023.

The GHG emission reductions were calculated correctly on the basis of the approved baseline and monitoring methodology approved CDM methodology Quantification of GHG Emissions Reductions for REDD+ Projects" document, as part of the BioCarbon Registry Version 3.1, dated September 15, 2022. Additionally, the approved VCS Module VMD0007, Version 1.0 and the monitoring plan contained in the registered CMA.

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Harshani Abeyrathna
Internal Technical Reviewer

Date : 13.10.2023

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Chamara Ariyathilaka
Team Leader

Date : 13.10.2023

5. REFERENCES

Documents provided by the Project Participants that relate directly to the GHG components of the project. These have been used as direct sources of evidence for the periodic verification conclusions and are usually further checked through interviews with key personnel.

1. A copy of the Purchase Deed to confirm that the project owner has legal rights over the project site.

Background documents related to the design and/or methodologies employed in the design or other reference documents.

1. VCS Module VMD0007 Version 1.0, REDD Methodological Module:
   https://verra.org/wp-content/uploads/VMD0007-BL-UP-v1.0.pdf.

2. Quantification of GHG emissions Reductions REDD+ Projects BioCarbon Registry, Version 3.1, September 15, 2022
   https://biocarbonregistry.com/methodologies/BCR0002_Methodological-document-REDD-projects.pdf

3. Planetary Carbon Standard.
   https://planetarycarbonstandard.gitbook.io/pcs-documentation/standards/planetary-carbon-sequestration-standard-pcss

6. APPENDIX

Appendix 01: verification Team

Mr. G A M C Ariyathilaka	Sri Lanka Climate Fund	**Team Leader / Technical Expert** Educational Qualification: B.Sc. Engineering (Chemical and process) He has more than 8 year experience in GHG verification in the industrial sector ranging from service facilities to various industrial processing facilities. He has successfully completed management system ISO 14064 and has been working as the team leader for the verification team of Sri Lanka Climate Fund which has been accredited for organizational GHG verification against ISO 14064-3. Being a project specialist for the GEF funded Bio-Energy Technology Project, he has contributed to develop MRV system for commercial biomass energy generation systems. Further he has engaged in development of project design document for the Clean Development Mechanism (CDM
Mr. Himarsha Rajapaksha	**Sri Lanka Climate Fund**	**Team Member** He has a B.Sc. (Hons) degree specializes with Environmental Management and Forestry and reading an MBA degree in Brittany Université; and VERN' University.
Ms. Wageesha Alankara	**Sri Lanka Climate Fund**	**Team Member** B.Sc. (Hons) degree in Agriculture specializing in Postharvest Horticulture and engaged over 10 verification assessments conducted by SLCF
Ms. Harshani Abeyrathna	**Sri Lanka Climate Fund**	**Internal Technical Reviewer** Harshani has a Bachelor's degree in Eco-Business Management, and completed Lead Auditor training programme for ISO 14001:2015. She has completed over 65 greenhouse gas verifications of annual GHG inventories as a verifier for different industries with 5 years of experience and as an independent reviewer over 20 greenhouse gas verifications.

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