



PDD STRUCTURING TOOL, V2.0  
CERTIFICATION PROGRAM  
TERO CARBON AVALIAÇÕES E CERTIFICAÇÕES S.A.



**PDD STRUCTURING TOOL**

**VERSION 2.0**

**CERTIFICATION PROGRAM**

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**TERO CARBON AVALIAÇÕES E CERTIFICAÇÕES S.A.**

## IDENTIFICATION

<b>DOCUMENT</b>	PDD Structuring Tool
<b>VERSION</b>	2.0
<b>INTEGRAL PART OF THE</b>	Certification Program
<b>STATUS</b>	Under Public Consultation
<b>PUBLICATION DATE</b>	04/01/2025
<b>STANDARD</b>	Tero Carbon Avaliações e Certificações S.A. ( <a href="mailto:contato@terocarbon.com">contato@terocarbon.com</a> )
<b>PROGRAM</b>	All
<b>SECTOR</b>	All
<b>TYPE</b>	All

## LIST OF ACRONYMS

<b>BAU</b>	Business as usual
<b>CAR</b>	Rural Environmental Registry, in Portuguese, <i>Cadastro Ambiental Rural</i>
<b>CNPJ</b>	National Registry of Legal Entities, in Portuguese, <i>Cadastro Nacional de Pessoa Jurídica</i>
<b>CPF</b>	Individual Registry, in Portuguese, <i>Cadastro de Pessoa Física</i>
<b>KPI</b>	Key Performance Indicator
<b>MRV</b>	Measurement, Reporting, and Verification
<b>NBS</b>	Nature-based Solutions
<b>PDD</b>	Project Design Document
<b>QA/QC</b>	Quality Assurance and Quality Control
<b>SDG</b>	Sustainable Development Goals
<b>TBS</b>	Technology-Based Solutions



## LIST OF PROGRAMS

Certification Program
Methodologies Program
Assets Program



## LIST OF SUPPORTING DOCUMENTS

NAME	PROGRAM
Definitions	All



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## 1. INTRODUCTION

The **PDD Structuring Tool** was developed to support project developers in organizing and systematizing the information required in the Project Design Document (PDD). This tool serves as a practical guide to ensure that all essential requirements are clearly and objectively addressed, facilitating compliance with the Tero Certification Program.

In addition to ensuring the standardization of information, the proper structuring of the PDD prevents rework, reduces inconsistencies, and makes the project validation process more agile and efficient within the voluntary carbon market.

## 2. OBJECTIVE

Provide a standardized framework for drafting the PDD, assisting project developers in presenting the required information for certification in a clear, coherent, and complete manner.

## 3. STRUCTURING: PROJECTS FOR CARBON CREDITS

This checklist represents the minimum recommended structure for the PDD of projects aiming to generate carbon credits. However, the proponent is free to suggest modifications or include additional information they deem necessary, as long as coherence and compliance with the requirements of the Tero Carbon Certification Program are maintained.

### 1. Cover Page:

- Project name.
- Developer and/or proponent logo.
- Document version (e.g., v1.0, Jan/2024).
- Date of preparation.

### 2. Identification Table:

- Project name.
- Methodology and version used.
- Developer (name, CNPJ, email, phone).

- Principal proponent (name, contact).
- Other proponents (names, contacts).
- Location (city, state, country).
- Program.
- Sector.
- Type.
- List of project activities.
- Generated asset.

### 3. List of Acronyms:

- Table of acronyms used in the document.

### 4. Table of Contents:

- Document structure with page numbering.

### 5. List of Figures:

- List of maps, graphs, and other illustrations with page numbering.

### 6. List of Tables and Charts:

- List of tables and charts present in the document with page numbering.

### 7. Basic Project Information:

- Description:** Introduction, participants, location, objectives, etc.
- Project activities:** Description and details of the activities to be carried out (use photos, references, etc.).
- Timeline milestones:** Table with key years and phases (e.g., start of planting, project initiation, etc.).

### 8. Proponents:

- Principal proponent:** Name, background, experience, contact.
- Roles and responsibilities:** Clear division (at a minimum, the Developer, Generator, and Implementer must be identified).



- Other proponents:** Names, backgrounds, experiences, contacts, and detailed descriptions (if applicable).

## 9. Other Participants:

- Descrição:** Nome, identificação (CNPJ/CPF), endereço, contato.
- Papéis:** Ex: desenvolvedores, parceiros técnicos, comunidades locais.
- Descrição:** Breve descrição da experiência, histórico etc.

## 10a. Rural Properties (for NBS projects):

For each Rural Property:

- Property information:** Name, CAR, central coordinates, total area, contact.
- History:** Land use over the past 15 years.
- Maps:** Location, macro-zoning (e.g., preservation areas, legal reserves, multiple-use areas, project area), and land use history.

## 10b. Enterprises (for TBS projects):

For each enterprise:

- Enterprise information:** Name, address, central coordinates, contact.
- History:** Enterprise background.
- Technical description:** Description of the technology used (e.g., CO<sub>2</sub> capture, fuel switching, etc.).
- Scalability:** Replication potential.
- Licenses:** Operational and environmental.
- Local impact:** Job creation, sectoral emissions reduction, etc.
- Map:** Location.

## 11. Eligibility:

- Criteria:** Summary demonstrating compliance with the selected methodology.

## 12. Baseline:

- Project boundary definition:**
  - Physical boundaries:** Presentation of project and surrounding area limits, grouped map with areas, boundaries, surroundings, etc.
  - Temporal boundaries:** Project start/end date (including commitment period in years).
- Carbon reservoirs:** Presentation of reservoirs, sources, and gases used in emissions accounting for project stages and activities.
- Additionality:** Summary of demonstration using the tool.
- Scenarios:** BAU vs. Project emissions (quantitative data).
- Permanence:**
  - Risk of non-permanence:** Approach, analysis method (e.g., qualitative/quantitative assessment).
  - Tonne-per-Year:** Equivalence factor (if applicable).
  - Buffer reserve:** Approach,  $\alpha$  defined based on risk (if applicable).
- Leakage:** Mitigation measures (if applicable).
- Quantification:** Estimate of total net annual reductions/avoidances and/or removals.
- Scale:** Project scale definition.

## 13. Socio-Environmental Safeguards:

- Socio-environmental study:** Study of the project area and its surroundings.
- Mitigation mechanisms:** e.g., community consultations, compensation plans.
- Criteria:** Detailed compliance with safeguards.

## 14. Contribution to the SDGs:

- SDG 13:** Demonstration of mandatory contribution to SDG-13.
- Co-benefits:** Description of at least two other relevant SDGs.
- Indicators:** Indicators and results to be monitored according to the Monitoring Plan.

#### 15. Governance:

- Governance structure:** Project organization and hierarchy.
- Clear establishment of roles and responsibilities:** Matrix of roles and responsibilities of stakeholders.
- Governance indicators:** KPIs to be monitored in the Monitoring Plan.

#### 16. Monitoring Plan:

- Methodology:** Definition of monitoring methodology, indicators to be collected, responsible parties, etc., according to the selected methodology.
- Frequency:** Interval between verification periods.
- MRV (Measurement, Reporting, and Verification):** Tools and protocols.
- QA/QC:** Quality control.

#### 17. References:

- List of sources and references used in the preparation of the PDD.

## 4. STRUCTURING: PROJECTS FOR CARBON STOCK

This checklist represents the minimum recommended structure for the PDD of projects aiming to generate carbon stock. However, the proponent is free to suggest modifications or include additional information they deem necessary, as long as coherence and compliance with the requirements of the Tero Carbon Certification Program are maintained.

#### 1. Cover Page:

- Project name.
- Developer and/or proponent logo.
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- Date of preparation.

## 2. Identification Table:

- Project name.
- Methodology and version used.
- Developer (name, CNPJ, email, phone).
- Principal proponent (name, contact).
- Other proponents (names, contacts).
- Location (city, state, country).
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## 6. List of Tables and Charts:

- List of tables and charts present in the document with page numbering.

## 7. Basic Project Information:

- Description:** Introduction, participants, location, objectives, etc.
- Project activities:** Description and details of the activities to be carried out (use photos, references, etc.).
- Timeline milestones:** Table with key years and phases (e.g., start of planting, project initiation, etc.).

## 8. Proponents:

- Principal proponent:** Name, background, experience, contact.
- Roles and responsibilities:** Clear division (at a minimum, the Developer, Generator, and Implementer must be identified).
- Other proponents:** Names, backgrounds, experiences, contacts, and detailed descriptions (if applicable).

## 9. Other Participants:

- Descrição:** Nome, identificação (CNPJ/CPF), endereço, contato.
- Papéis:** Ex: desenvolvedores, parceiros técnicos, comunidades locais.
- Descrição:** Breve descrição da experiência, histórico etc.

## 10. Rural Properties:

For each Rural Property:

- Property information:** Name, CAR, central coordinates, total area, contact.
- History:** Land use over the past 15 years.
- Maps:** Location, macro-zoning (e.g., preservation areas, legal reserves, multiple-use areas, project area), and land use history.

## 11. Eligibility:

- Criteria:** Summary demonstrating compliance with the selected methodology.

## 12. Baseline:

- Project boundary definition:**
  - Physical boundaries:** Presentation of project and surrounding area limits, grouped map with areas, boundaries, surroundings, etc.
  - Temporal boundaries:** Carbon stock quantification start/end date.
- Carbon reservoirs:** Presentation of reservoirs, sources, and gases used in emissions accounting for project stages and activities.

- Quantification:** Estimation of carbon stock quantification in the project area (total and per area, if multiple areas).

### 13. Socio-Environmental Safeguards (Optional):

- Socio-environmental study:** Study of the project area and its surroundings.
- Mitigation mechanisms:** e.g., community consultations, compensation plans.
- Criteria:** Detailed compliance with safeguards.

### 14. Governance (Optional):

- Governance structure:** Project organization and hierarchy.
- Clear establishment of roles and responsibilities:** Matrix of roles and responsibilities of stakeholders.
- Governance indicators:** KPIs to be monitored in the Monitoring Plan.

### 15. Monitoring Plan (Optional):

- Methodology:** Definition of monitoring methodology, indicators to be collected, responsible parties, etc., according to the selected methodology.
- Frequency:** Interval between verification periods.
- MRV (Measurement, Reporting, and Verification):** Tools and protocols.
- QA/QC:** Quality control.

### 16. References:

- List of sources and references used in the preparation of the PDD.



## VERSION HISTORY

VERSION	DATE	NOTES
2.0	04/01/2025	Change of document name, layout, and DCP structure, as well as the incorporation of the checklist for carbon stock projects.
1.0	08/19/2024	Initial version approved by the Board and released for public consultation.