# 2020 IMPACT REPORT

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opening letter
2020 was an intense year in many ways. The Covid-19 pandemic raged like wildfire and brought economic, political, trade, and health consequences for everyone. Once again, the Amazon found itself at the center of the torment, amid the collapse of the health care system, the emergence of a new variant of the virus, and the brutal increase in deforestation and fires that profoundly affect the Brazilian economy and our international relations.

At the core of this crisis are the imbalance in the relationship between human beings and natural ecosystems and social and economic inequality, whether between countries or between regions or people within the same country.

Efforts were made on several fronts of government, by the private sector, individuals, and civil society organizations to fight the pandemic and mitigate its effects on the population.

The Social and Environmental Impact Businesses (SEIBs) were also heavily affected and stood out in the search for innovative solutions for a greener and more equitable economic recovery. This is a movement that has been gaining strength in Brazil over the last decade and a half and seeks to use the innovative capacity and scale of business models to address the social and environmental challenges we face.

The formation and strengthening of an impact ecosystem in the Amazon have been the objective of the Partnership Platform for the Amazon Acceleration and Investment Program since 2018.

The pandemic posed additional challenges to the Program and made the region’s contrasts even more evident, but it also intensified the lessons learned and demonstrated how some supported businesses can contribute to filling these gaps.

An example is NavegAM, which promotes the integration between river and road transport modes for transporting people and cargo. In 2020, the company saw the demand for cargo transportation soar and
its solution - which increases the predictability of logistical services in countryside cities - became essential for people to be able to stay in their communities without giving up access to essential goods.

Mobility restrictions, whose objectives are to preserve the health and life of the region’s most vulnerable populations, made it impossible to operate projects that depend on physical presence to provide training, collect products, and strengthen bonds of trust with indigenous and riverside communities.

Some of these businesses, such as community-based indigenous tourism in the Serras Guerreiras de Tapuruquara, had their activities completely suspended, and others, such as Academia Amazônia Ensina, which operates with experience tourism in the region, reinvented themselves, seeking online solutions to continue generating value to customers in this new context.

The challenges of internet connectivity and digital fluency of groups living far from large urban centers have made communication even more difficult. In other cases, the pandemic stimulated greater engagement with digital communication by those who still saw it with caution, such as family farmers supported by ManejeBem.

In at least seven cases, the entrepreneurs, their teams, or their families were infected by the virus, and some suffered losses. The team that supports entrepreneurs in the Acceleration Program has gone out of

1 100% Amazônia (team), NavegAM (entrepreneur), Cacauway (team), DNF (team), Taberna (family and entrepreneur), Coex Carajás (cooperative members), Coopmel (cooperative members).
its way to embrace their challenges and seek solutions to keep them healthy and engaged with the Program’s activities.

There was a transition to a digital acceleration journey model, adapting training and mentoring. Emergency funding to deal with the crisis imposed by the pandemic were made available to eight projects, totaling BRL 166 thousand.

Entrepreneurs widely recognized the care that the Program team took with their physical and mental health and with the effects of the pandemic on them as individuals, not just as business managers.

Our funders - Fundo Vale, ICE, Instituto Humanize, ICS and USAID/CIAT - were flexible in relation to the allocation and reallocation of resources for the emergency plan to confront covid-19. In one of the plan’s actions, for example, BRL 156,500.00 in working capital was allocated to eight accelerated companies (2019 and 2020 groups).

New partners have joined the Program to strengthen these ventures and support them with knowledge, access to markets, and financial resources. For this, together with Climate Ventures and several partners, we created the #AmazôniaEmCasaFlorestaEmPé (Amazon at Home, Forest Standing, page 31) movement, which supported the recovery of sales, dissemination activi-
ties, and strongly expanded the connection and markets for several companies in our portfolio. We established a strategic partnership with Mercado Livre, which, through its Empreender com Impacto (Business with Impact) program, enabled entrepreneurs to open and operate their stores on the platform and to conquer new markets, in addition to contributing with accessible conditions for sales and brand promotion.

In some cases, such as Tucum, which trains indigenous artisans and sells their products responsibly, this transition was able to offset losses from sales in physical stores. Taking advantage of the impulse to design an online training for indigenous leaders, Tucum decided to take another step towards its mission of strengthening the autonomy of these communities and supported them in the creation of their own stores in a digital marketplace. In this way, communities start to manage their online sales directly, shortening the distance between artisans and consumers.

Manioca, which, like other businesses, had a drop in sales due to the pandemic, recorded a 273% increase in sales in the last quarter of 2020, largely due to the implementation of online sales which started with the participation in the #AmazôniaEmCasaFlorestaEmPé movement - which today correspond to about 20% of the company’s revenues. And received an investment of BRL 1 million from the ABF Fund. Likewise, Peabiru Produtos da Floresta had its sales increased by almost 100% through Mercado Livre.

In the long journey of adapting to the covid-19 panorama, the challenges were many and the lessons learned even greater. The Acceleration Program, after two years of working with businesses with an impact in the Amazon, took another step. The AMAZ Impact Accelerator is born, a spin-off from the PPA Acceleration Program, the result of this entire path charted with investors, partners, and forest businesses.

Enjoy the read!
introduction
The PPA Acceleration Program began in 2018 and, since then, it has selected and accelerated 30 impact projects, of which 12 received direct investments totaling BRL 4.43 million.

Over two acceleration cycles, with 15 businesses each, it was possible to understand which business models had the greatest potential to contribute to forest conservation and the quality of life of the people who inhabit it, and who could benefit from an acceleration process and connection with investors.

Despite the challenges of 2020, the supported businesses generated benefits for more than 12 thousand people in the region and contributed to the preservation of more than 5 million hectares of forest, although 48.65% of them indirectly.

The year 2020, of course, also presented additional challenges to the collection of data on supported businesses. The focus of the entrepreneurs and, consequently, of our team, was on ensuring the safety of employees, the populations supported, and the resilience of the projects.

Therefore, the analyzes presented are based on different portfolio samples, which vary according to the level of relationship in the company (accelerated or invested) and the availability of information. Cases where the sample is equivalent to less than two thirds of the businesses supported are duly marked.

The network of partnerships established between the businesses in 2020, involving 13 of them, was essential to strengthen the Program and accelerated businesses. In addition to the network of organizations and companies in the #AmazôniaEmCasa-FlorestaEmPé movement.

2 Da Tribu with Awi and Peabiru
ONF with Instituto Ouro Verde
Serras Guerreiras with Tucum
100% Amazônia with De Mendes
Sustente with Awi and Ração+
IOV with Tucum, Seringô and Da Tribu
Cacauway with Manioca
Peabiru with Cacauway, Oka, De Mendes, Manioca and Da Tribu
Taberna with Nakau
Manioca with Cacauway, Nakau, 100% Amazônia, Peabiru
Onisafra with Nakau and NavegAMI

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Relying on these partners and working with a network of entrepreneurs who have a common purpose and face similar challenges is a factor that adds value to the Acceleration Program, according to almost all entrepreneurs, and was an important support to overcome the challenges in the last year.

On the following pages, we present a comprehensive overview of the main global results achieved by the accelerated business group, delve into the invested businesses - which are part of the portfolio - and discuss the most relevant lessons learned from the journey.

**business portfolio**
the pandemic
and the challenge
of resilience
The Covid-19 pandemic affected the supported businesses in at least five ways:

- Suspension of operations due to health risk or mobility restrictions;
- Market loss and sudden drop in revenue;
- Adjustments in operations or solutions;
- Reinvention or anticipation of new products;
- Increased demand for solutions.

Half of the businesses supported were forced to suspend operations during part of the year, due to sanitary and mobility restrictions. In most cases, the periods were short and due to mobility restrictions or contamination of a member of the team.

For one of the businesses, however, the need to take a break was fatal. Sustente Ecosoluções, accelerated by the program in 2019, was about to start processing food waste with black soldier fly larvae for the production of fertilizer when the pandemic reached Manaus.

The company had invested in machinery and in the development of larvae matrices and closed the first contract with an industrial cafeteria in the same week the quarantine was announced, in March 2020. In this new context, exposing its employees to post-consumer food represented a very high health risk. After months of uncertainty, financial loss and the loss of the matrices, the business was forced to definitively close operations.

Closing an impact business always brings frustration and some sadness to the entrepreneurs and those who support them. However, we know that failure is part of the entrepreneurial journey and affects more businesses than we would like each year. From this perspective, it is commendable that only one supported business succumbed to the covid-19 pandemic. A second business, Broto, accelerated in 2019,
How businesses were affected by the pandemic

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market loss and sudden drop in sales</td>
<td>17</td>
</tr>
<tr>
<td>Operation suspended due to mobility restrictions</td>
<td>14</td>
</tr>
<tr>
<td>Operation suspended due to health risks</td>
<td>05</td>
</tr>
<tr>
<td>Increase in demand</td>
<td>02</td>
</tr>
<tr>
<td>Adjustments to operation</td>
<td>07</td>
</tr>
<tr>
<td>Adjustments to solutions</td>
<td>00</td>
</tr>
<tr>
<td>Reinvention or anticipation of new products</td>
<td>03</td>
</tr>
<tr>
<td>Hibernation</td>
<td>01</td>
</tr>
</tbody>
</table>

3 Analysis based on interviews conducted with the businesses.

Also ended its activities, but for reasons other than the pandemic. Another 14 enterprises that suspended operations were able to resume them and continue to advance at a pace permitted by the pandemic.

Seventeen businesses saw their market shrink drastically and revenue drop. In most cases, this was due to restrictions imposed on the main distribution channel (closure of physical stores and restaurants, for example). Several of them managed to adapt to new channels, such as online sales, with the support of the Program and its partners. Seven businesses have made adjustments to the way they produce and deliver their solutions and, as a result, have been able to continue operating.

CODAEMJ, for example, which produces andiroba oil and murumuru butter in Carauari (AM), made an agreement with its members to leave the seeds in bags on the riverbank to be removed by the cooperative team, instead of delivering them personally. With this, they managed to protect the most isolated and vulnerable...
families, while maintaining production for at least part of the year.

Two other businesses had to rethink the way they impact and deliver value to their customers, whether by creating new solutions or anticipating the development of new products or services that were already on the radar.

Manaós Tech, for example, offers technology courses for children and teenagers in Manaus and migrated to a distance learning model, albeit with significant dropout rates. In addition, the company mobilized its students for a digital solutions hackathon for Covid-19 and engaged the team in the production of PPE, of which 40% were donated to hospitals and the remainder sold to companies in the region. This initiative managed to keep the company’s cash flow in 2020, as well as mitigate the effects of the pandemic on the team’s mental health and increase their involvement with the business.

Academia Amazônia Ensina, on the other hand, prepares students, entrepreneurs, and investors for the social, environmental, and economic challenges of the 21st century and its main product is an eight-day expedition along the Rio Negro. Faced with the impossibility of continuing with this activity, the entrepreneurs resorted to webinars and the launch of a documentary, which contribute to educating the public on the topics previously covered in the expedition and can be converted into new possibilities of revenue and scale for the enterprise.

Two businesses saw demand for their solutions grow during the pandemic, which underscores the importance of impact businesses in combating Covid-19 and its effects. River and land transport of cargo has soared in Amazonas, as well as the interest of boat conductors in going digital, allowing NavegAM to facilitate access to essential goods and services for those who live in the countryside of the state.
Businesses and the pandemic

- **2 businesses** had increased demand for services.
- **14 businesses** were able to resume actions.
- **7 businesses** made adjustments to the operation.
- **3 businesses** rethought how to generate impact.
- **1 business** had its activities suspended due to the social isolation imposed.
- **1 business** closed down because of the pandemic.
- **1 business** was not in operation for reasons prior to the pandemic.

Likewise, ManejeBem, which supports family farmers with online rural extension services, noticed an increase in demand and use of its platform, either by farmers, who started to use digital communication more, or by large companies that hire their solution and for whom local supply chains, especially for food, have gained new importance with the pandemic.

Finally, two businesses (2019 group) were not directly affected by the crisis imposed by Covid-19, as they were not in operation. Ecopainéis de Açaí is attracting investments for its factory of sustainable MDF panels, using the fibers of the açai seed as raw material. And Broto ended its operations in early 2020, before the pandemic reached Brazil, due to societal challenges.
impact
Throughout 2020, the businesses accelerated by the Program impacted the lives of more than 12,000 people in the Amazon, around 50% of whom are women. The 12 businesses invested were responsible for 39% of the total number of people affected and 80% of the women.

The breakdown of people impacted in indigenous populations and quilombolas is not very precise, but we can say that at least 4,000 indigenous people and 230 quilombolas, in addition to 3,400 people from rural or riverside communities, had their lives improved due to the actions of the projects supported in 2020.

Some businesses significantly contribute to the development of specific populations, such as Tucum, which accounts for 59% of

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4 Few businesses reported their data broken down into categories, which makes comprehensive analysis unfeasible. However, some businesses have their strategy specifically targeted at some of these communities and have presented the data accurately enough for us to perform the analysis presented here.
the affected indigenous people, and CODAE-MJ, with 70% of rural or riverside populations.

In addition to the populations impacted by the operation of the business, the composition of the entrepreneurial team itself can represent an important impact. The enterprises supported by the Acceleration Program are led mostly or exclusively by men (60%). Women are the majority or occupy the entire leadership in only 26% of cases. The number of men and women in leadership is equal in 13% of businesses.

A similar disparity is observed in the category of race, with 52% of businesses headed exclusively or mostly by white people, while 39% are headed exclusively or mostly by non-white people (black, brown, or indigenous). In 9% of cases, the number of white and non-white people in leadership is equal.

In environmental terms, the Program contributed in 2020 to the preservation of 5 million hectares of forest, 319,000 of which under sustainable management and 418 restored or reforested.
We believe that the impact is indirect in 92.98% of the total hectares, preserved by the Tucum, Serras Guerreiras de Tapuruquara and Coex Carajás projects. The first enables indigenous artisans to market their products fairly, in demanding markets and, recently, via the internet. The second works with community-based tourism, which values the way of life of native peoples and generates an important additional income for indigenous communities. The third is the only cooperative that legally

5 We consider that a business has a direct impact on preservation when it owns the preserved area and indirectly when the preserved area belongs to business partners or suppliers.

6 Tucum counts the number of preserved hectares based on the proportion of artisans among the population that occupy each Indigenous Land or Protected Area. If, for example, 15% of the population of a given Indigenous Land produces handicrafts and trades through the Tucum platform, 15% of the hectares of that Indigenous Land are counted as a preserved area. As these populations generally also have other sources of income, we believe that the environmental impact on the more than 2.2 million hectares covered by the company is indirect.

7 The populations that inhabit the more than 2 million hectares of indigenous lands affected by the Serras Guerreiras de Tapuruquara project have diversified sources of income and subsistence, which means that the project is just one of the factors contributing to the preservation of the area and sustainably exploits the resources of the Carajás National Forest, through the collection of seeds for reforestation and the jaborandi leaf, sold to the pharmaceutical industry.

The businesses that received investment account for 53% of the total preserved hectares, 6% of the restored hectares and 3% of the area under management.

There are significant contributions from specific businesses, two of which work with indigenous populations – Tucum and Serras Guerreiras de Tapuruquara – account for 85% of the total preserved hectares, equivalent to the indigenous lands of the populations they work with.

CODAEMJ accounts for 90% of the hectares under management, and Cacauway for 72% of the restored or reforested hectares.

8 Likewise, the activities of COEX Carajás are not the only source of income for its members, nor do they cover the entire extent of FLONA, which is why we consider their impact on preservation as indirect.
It is important to emphasize that the numbers referring to the preservation of forests were reported by few enterprises (between eight and twelve responses), which is due to the fact that many supported businesses generate direct impact only on social aspects and have difficulty in estimating the indirect environmental impact of their interventions.

**finance**

The socioenvironmental impact businesses supported by the Acceleration Program had aggregate revenues in 2020 of BRL 1.047 billion. It is important to emphasize that 100% Amazônia, an established company that works with the export of Amazonian assets extracted in a sustainable way, which participated in the first group accelerated by the program, accounts for 98% of this revenue. Excluding this business, total revenue is BRL 18 million, of which 26% was generated by the 12 businesses that received investments from the Program and its partners.
The aggregate revenue of the 30 accelerated businesses grew by 59% between 2019 and 2020, which is excellent for such a challenging year. Expressive variations came from ManejeBem (372%), which saw demand for its solution soar, and from ONF Brasil (249%), which opened a new income front in 2020 by joining the carbon credit market.

The 12 businesses invested presented an even more expressive growth, of 61%, with smaller variations between them. Six of them asked to renegotiate the payment schedule, focusing on the extension of the grace period.
acceleration
program
evolution
A common lesson in any entrepreneurship primer is: develop hypotheses about the effectiveness of your product and your market as quickly, cheaply, and thoroughly as you can.

Following this motto, still in 2018, right after the foundation of PPA together with USAID and the pioneer group of founding companies, still as executive coordinator, Idesam faced the challenge of creating an innovative and unprecedented acceleration program in the Amazon. The objective was to identify, support, and invest in businesses that would build a new economy based on valuing the standing forest and valuing Amazonian socio-biodiversity.

By supporting these ventures - which in practice helped us build the “tailored” program - we were faced with our first big test: discovering the best acceleration and impact investment model for the Amazon context and what business characteristics would most benefit from this type of support.

To answer these questions, over two years, a diverse acceleration portfolio was created in terms of business maturity, profile of entrepreneurs, sectors, and location. The learning and adaptations were constant, as well as the search for solutions to meet the demands presented by the entrepreneurs supported.
In this group, there are representatives from almost all stages of maturity among the accelerated businesses, from those that are still in the idea stage to those that are already consolidated or that have closed their doors. The greatest concentration is between the MVP (minimum viable product) and traction stages, with emphasis on the business organization phase, with 12 projects.

There is also diversity in the products and services offered by the supported businesses, which cover 14 sectors, with a significant concentration in the food and beverage sector and, to a lesser extent, in agriculture. Most businesses are headquartered in the states of Pará (13) and Amazonas (12), although several of them operate in other states.

There are also supported businesses headquartered in the states of Mato Grosso (2), Rio de Janeiro (2) and Santa Catarina (1). Following the logic of learning through experimentation, the public call for proposals that selected businesses to be supported in 2020 included those based outside the region, as long as they committed to “migrate” their operations to the Legal Amazon within a period of six months.\(^9\)

The distribution between capital and countryside of the respective states is precise, with 15 businesses headquartered in capitals and another 15 in cities in the countryside. All businesses headquartered in the countryside are in the Amazon region, in the states of Amazonas, Pará, and Mato Grosso.

\(^9\) With the Covid-19 pandemic, this requirement was lifted.
Diversity in different aspects was essential to maximize the Program’s learning about how each business and entrepreneur profile can benefit from different support strategies.

Innovations that were implemented during the flight include investments made in different formats, by philanthropic partners, international cooperation, and retail (crowdlending), reinforcement in mentoring and, in response to the pandemic, the contribution of non-refundable emergency funding, the migration to the online journey format and the partnership with Mercado Livre to seek alternative sales channels.

In addition to generating a lot of learning, the Program achieved important results in most of the goals defined in its Theory of Change for 2019. The highlights are the achievement of 101% of the goal of 5 million conserved hectares, reaching 5,030,961 (albeit 48.65% of them are indirect impact, as mentioned above), and the surpassing by 24% of the target of 10 thousand benefited families, even when excluding ManejeBem, which alone impacts more than 400 thousand people, but in its vast majority outside the Amazon region.

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Quantity</th>
</tr>
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<tbody>
<tr>
<td>Agriculture and livestock farming</td>
<td>4</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>12</td>
</tr>
<tr>
<td>Fashion</td>
<td>2</td>
</tr>
<tr>
<td>Energy</td>
<td>1</td>
</tr>
<tr>
<td>Extractivism of non-edible material</td>
<td>1</td>
</tr>
<tr>
<td>Education</td>
<td>2</td>
</tr>
<tr>
<td>Tourism</td>
<td>1</td>
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<tr>
<td>Export</td>
<td>1</td>
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<tr>
<td>Vegetable oils</td>
<td>1</td>
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<tr>
<td>Logistics</td>
<td>1</td>
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<tr>
<td>Handicrafts</td>
<td>1</td>
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<tr>
<td>Waste processing</td>
<td>1</td>
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<tr>
<td>Microcredit</td>
<td>1</td>
</tr>
<tr>
<td>Construction</td>
<td>1</td>
</tr>
<tr>
<td>Fashion</td>
<td>2</td>
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<td>Energy</td>
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<td>1</td>
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<tr>
<td>Education</td>
<td>2</td>
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</tbody>
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**Percentage of Goals Achieved by the Program**

<table>
<thead>
<tr>
<th>Goal</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>55 million hectares of forest conserved</td>
<td>101%</td>
</tr>
<tr>
<td>BRL 40 million invested</td>
<td>5%</td>
</tr>
<tr>
<td>10 thousand families befitted (excluding outlier)</td>
<td>124%</td>
</tr>
<tr>
<td>50 businesses supported</td>
<td>60%</td>
</tr>
</tbody>
</table>
2020
acceleration
journey
To support entrepreneurs accelerated in 2020, the Acceleration Program redesigned its journey with the businesses, and started operating virtually.

The first webinar, held in person with the 2020 class during a five-day immersion in Manaus, enabled a great connection between the entrepreneurs of the accelerated group and the advance in the design of the Theory of Change and the matrix of indicators for each business.

With the onset of the pandemic, the program was converted into a new methodology of digital modules, connection rounds and individualized mentoring, expanding the Program’s training and support for more months than originally planned.

In the business evaluations, face-to-face events are important for connecting, but the expansion of the content offered and its greater dilution over the months brought more time for them to assimilate and apply this content to their businesses.

The move to digital brought the possibility of the participation of more experts and mentors available to the businesses, due to the ease of reconciling schedules without the need for travel.
A voluntary mentoring program was also launched in 2020, based on a survey of the main points to be strengthened identified by the entrepreneurs. In all, 17 businesses out of the 30 accelerated companies joined the mentoring program, with online meetings held fortnightly or monthly, throughout the second half of the year.

"The mentoring program put us in contact with an excellent professional. In addition to technical quality, she is a person with whom we love to talk, exchange ideas, and build together. The result of this was the launch of one of the most outstanding products of our trajectory and which we also believe is very important for the way Amazonian products are marketed"  
Paulo Reis, from Manioca, mentored in marketing by Carol Avari.

"The mentorship has brought applicable solutions to problems, and the mentor is always concerned about listening to us and assisting us, respecting our identity. We are grateful for the attention and work dedicated to us"  
Jayne Nobre, from Coex Carajás, mentored by Fabio Deboni in agronomy.

"We are very satisfied with the mentoring, it has been essential to help us structure the areas that we had been having difficulty in leveraging, such as marketing and commercial management"  
Macaulay Souza, mentored by Matheus Wagner in marketing.

Would you say (percentage values)

- The mentorship was decisive in an important area of my business: 25%
- The mentorship added significantly to my business; it exceeded my expectation: 41.7%
- The mentorship satisfactorily added to my business; it met my expectations: 33.3%
### Main outputs of the mentoring program:

1. **Cost structure studies** ([Coex, Cacauway, and Codaemj])
2. **Governance and management models** ([Coex and Serras Guerreiras])
3. **Business plan for a microcredit institution** ([IOV])
4. **Improvement of a mobile app with 3 new functionalities** ([Maneje Bem])
5. **Plan for geographic expansion of the business and increase in staff** ([Maneje Bem])
6. **Communication plans** ([Manioca and Pratika])
7. **Marketing campaigns** ([Manioca and Pratika])
8. **Financial control system** ([Navegam])
9. **Study on logistics, tax benefits, and sources of funding for the new plant** ([Nossa Fruits])
10. **Plan for positioning and launch of a new product and distribution for the market in southeastern Brazil** ([Oka])
11. **Digital marketing plan** ([Onisafra])
12. **Business model restructuring** ([Taberna da Amazônia and Serras Guerreiras])
13. **E-commerce development** ([Taberna da Amazônia])

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> It’s a well-structured program in the process of connecting mentors and mentees, making it clear at the beginning where you want to go, but giving autonomy so that the mentor/mentee can organize and self-manage to make the best decisions.

**Hilton Meneses**, Taberna da Amazônia mentor in the area of design and administration

> A program made with care and responsibility. With a team committed to bringing great results for everyone involved, directly and indirectly, it will certainly bring fantastic growth to the entrepreneurial ecosystem. Congratulations to all of you!

**Marcelo Souza**, Maneje Bem mentor in administration and IT.
Extra activities

3 connection rounds

with recognized experts were offered throughout 2020, covering solutions for the Amazon, people management and self-care (a very important topic in the pandemic), and export of sustainable products.

Entrepreneurship and Business in the Amazon
Ricardo Abramovay

Export of sustainable products
Lucas Mendes

People management and self-care
Regina Erismann

2 thematic webinars

• Carbon credit and REDD+
• Financial inclusion and access to credit

The digital journey registered yet another important consequence for the strengthening of all accelerated businesses since 2019, as the activities, now held virtually, opened the possibility of broader participation.

24 participating businesses
13 virtual meetings

44 participants
30 hours of content
personal testimonies

“We managed to stay connected through the digital journey, after our first in-person event, just before the pandemic. We could see and feel that we were a part of a united group working for mindful and engaged entrepreneurship.”

Maria Eugênia Tezza, Academia Amazônia Ensina.

“The Program has helped us significantly in connections and knowledge, in an extraordinary way if we compare it to other initiatives and groups in which we participate.”

Joanna Martins, Manioca.

“These learnings helped us think of organizing internally first, before engaging in new efforts. The diversity of the modules was very interesting; themes such as branding and communication were very new to us.”

Saulo Thomas, ONF Brasil.

“For each activity, we organized small groups of people who identified with the themes. It was an intense journey with many learnings.”

Hélia Félix, Cacauway.
allocation of working capital

The program managed to allocate working capital to accelerated businesses facing difficulties in the pandemic.

BRL 156.5 thousand
8 companies supported and receiving investment

8 businesses received the benefit.

The resources were applied in: stock building or advance purchase from suppliers, salaries of employees, marketing services or related services to the increase in sales, the company’s fixed costs (rent, energy, etc.) and other items related to emergency plan prepared by the business itself, such as a donation of hygiene products and food to indigenous populations, for example.
Initiated in June last year, the movement was one of the solutions developed for Amazonian businesses to continue their sales during the pandemic, encouraging the adoption of e-commerce strategies.

As a result, businesses that had a drastic reduction in sales in 2020 (a drop of 70% to 90% in sales) began their journey in e-commerce and reaped good results, whether in sales or visibility.

10 businesses participated in the movement.
strategies and actions:

Logistics/storage:
- Consolidation of shared supply in São Paulo
- Logistics coordination, handling, and deliveries to the final consumer
- Deliveries in 48h Brazil, 24h SP (Full Market)
- Shipping allowance, fees, storage (30 days free at SADA)
- Free goods transfer Manaus - São Paulo (cabotage)

Commercial:
- Exclusive B2B commercial strength
- Creation of catalog and commercial materials
- Corporate and B2C baskets
- Boosting exclusive B2C e-commerce channels
Communication/marketing:
- Activation of influencers, with Amazonian entrepreneurs
- Announcements, media, and press assistance
- Development of the movement’s identity and website
participating businesses

realization

co-accomplishment

partners

institutional support
Innovative experience in a commercial guide

JORNADA DA ESTRATÉGIA COMERCIAL: UM GUIA PARA NEGÓCIOS DE IMPACTO

Ampliando impactos positivos

O movimento “Amazônia em Casa, Floresta em Pé” traz um bom exemplo de como uma estratégia de vendas pode alavancar impactos positivos. Resultado da união de um grupo de empresas, organizações e marcas, a iniciativa nasceu com o objetivo de ampliar a visibilidade de marcas amazônicas que contribuam para a geração de renda e a preservação ambiental na região e facilitar o acesso aos itens que elas produzem.

Entre as ações, foi criado um hotsite que viabiliza a compra dos produtos online, unindo negócios de artesanato e moda sustentável amazônicos. Durante a Green Friday de 2020, 10% das vendas foram revertidas para o Serras Guerreiras de Tapuruquara, negócio acelerado pelo Programa de Aceleração e Investimento de Impacto da PPA que atua com turismo indígena de base comunitária em Santa Isabel do Rio Negro, norte do Amazonas, e que devido à pandemia de Covid-19 teve suas atividades paralisadas. Com isso, o grupo pretende experimentar novos canais, modos de comercializar e de ampliar visibilidade, estabelecer novas parcerias e buscar soluções em logística que de fato contribuam para esses negócios.

Saiba mais em: https://amazoniaemcasaflorestaempe.com.br/
theory of change
**GOALS**

1. 5 million hectares of forest preserved
2. BRL 40 million invested
3. 10 thousand families benefited
4. 50 businesses supported

**IMPACT**

Sustainable businesses generating income for local populations and ensuring forest and biodiversity conservation in the Amazon

- Businesses with increased income and financial sustainability
- More consumers valuing and buying Amazon products and services
- Local communities with increased income and capacity
- Actors in the chain of production operating in a more sustainable and efficient manner
- Businesses measuring and communicating impact
- More businesses

**RESULTS**

Business legal and accounting aspects structured
Entrepreneurs better managing their business
Producers mobilized for biodiversity conservation
Investors with access to more sustainable businesses
Businesses with better access to markets
More direct investments in startups and local entrepreneurs

**INTERVENTION**

Financial investment in partnership with the private sector
Capacity-building, mentoring, and assistance for impact entrepreneurs
Events and meetings for networking and mobilization (forums, roadshows, meetings)
Mapping and selection of impact businesses
Content production/dissemination (technical, analytical, for the press)

**Program Governability**

1 year/1 year and a half greater
9 months
3 months
0

- Businesses receive investments
- Entrepreneurs strengthen their business models
- Investors and donors engaged with PPA
- Entrepreneurs expand their network of strategic connections
- More visibility for PPA impact businesses

**2020 THEORY OF CHANGE**

- More consumers valuing and buying Amazon products and services
- Local communities with increased income and capacity
- Actors in the chain of production operating in a more sustainable and efficient manner
- Businesses measuring and communicating impact
- More direct investments in startups and local entrepreneurs

**Greater**

Program Governability

- Entrepreneurs better managing their business
- Producers mobilized for biodiversity conservation
- Investors with access to more sustainable businesses
- Businesses with better access to markets
- More direct investments in startups and local entrepreneurs

**Less**

- Entrepreneurs better managing their business
- Producers mobilized for biodiversity conservation
- Investors with access to more sustainable businesses
- Businesses with better access to markets
- More direct investments in startups and local entrepreneurs
visibility and futures
The Program’s impact measurement strategy goes beyond the impacts generated by the supported businesses. In 2020, there were 20 mentions in the national media and in the local media, always covering the agenda of the economic viability of the standing forest and the promotion of socio-biodiversity.

The newspaper O Estado de São Paulo inaugurated the series ‘Retomada Verde’ [similar to the Green New Deal], highlighting the Program and some supported businesses, which were also prominent in the homonymous eBook published by the media group. The published material was also reproduced by the online platform Pequenas Empresas Grandes Negócios (Small Companies Bug Business), which highlighted, in its printed edition, the formulation of the digital journey specially designed by the Program to support businesses during the pandemic.

The Amazônia em casa, Floresta em pé (Amazon at home, Forest standing) movement, important for consolidating a network of partners, investors, supporters, and businesses in the search for new markets and ways of approaching B2B and B2C for Amazon products, which several accelerated businesses are part of, and the program is one of the supporters, was also featured in five articles.

In addition, a partnership was signed with Grupo Rede Amazônia (GRAM), a local affiliate of Rede Globo, which involves the dissemination of successful cases of conservation and sustainable development, in addition to the provision of free media space for selected businesses in the portfolio.

The Program was highlighted in important forums to debate and build philanthropy strategies in Brazil articulated by GIFE (Group of Institutes, Foundations, and Entreprisers), and also occupied relevant platforms for elaborating public policies for the sector, such as public hearings convened by the Supreme Federal Court (STF) on the Amazon and a seat in STF’s Environmental Observatory.

With these achievements and the two-year experience of accelerating businesses
of different profiles, Idesam and other founding partners and funders agreed to make it an independent organization.

With the experience accumulated from testing different strategies and learning about the specifics of doing business with an impact in the Amazon during one of the most challenging times that the region is facing, we now have **AMAZ impact accelerator**, a spin-off of the PPA Acceleration Program dedicated to support businesses that contribute to ensuring the economic viability of the standing Amazon forest and that value the region’s socio-biodiversity to improve the quality of life of its inhabitants.

The new organization was born from the collaboration of different actors, with which it continues to work closely to strengthen the ecosystem of impact investments and businesses in the region.

The next pages present more details on how 2020 was for the invested businesses, which are now part of AMAZ’s portfolio.
OS POÇOS DA FAUNA CONTRA O VIRUS

NEGÓCIOS

O ESTADO DE S. PAULO

44
overview of the portfolio of businesses invested
Summary

Academia Amazônia Ensina Teach prepares people for the economic, social, and environmental challenges of the 21st century, bringing together professors and recognized professionals and putting them in contact with Amazon communities and the environment. Its main product is an eight-day expedition along the Rio Negro that always includes scholarship students from local communities.

Support needed for 2021:

- Attracting international students.
- Funding a campaign to launch the movie “O Rio Negro São As Pessoas” (Rio Negro is its People).
- Developing digital products (webinars and augmented reality) that allow them to reach their objectives through more viable paths during the pandemic.

2020 Highlights:

- Four expeditions carried out between 2019-2020 (before the pandemic), involving different audiences: university students, startups, and investors.
- Suspended the expeditions after the start of the pandemic and were able to maintain those that had already signed up and attract new people interested in future expeditions.
- Decided to focus on other products, specifically the release of a short film that had already been recorded and the development of an augmented reality solution, in partnership with a local company and with funding resources encouraged by the Brazilian Information Technology Law.
- The revenue generated from the film will be used to finance the development of three projects with riverside communities on the Rio Negro. The goal is to raise BRL120,000 for each project.
- The film also serves as a gateway to the discussion of themes such as female leadership, youth protagonism, and protected areas.

year joined program: 2020
Impact:

<table>
<thead>
<tr>
<th>Thesis</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>The educational system is inefficient in preparing people for the</td>
<td>• Level of knowledge about the Amazon.</td>
</tr>
<tr>
<td>economic, social, and environmental challenges of the 21st century.</td>
<td>• Intensity of exchange between participants.</td>
</tr>
<tr>
<td>It is necessary to make this topic more interesting and promote</td>
<td>• Change of behavior with regard to environmental awareness</td>
</tr>
<tr>
<td>transforming experiences for different audiences.</td>
<td></td>
</tr>
</tbody>
</table>

• Counted 60 students since the start of operations in 2019.
• Has observed important initiatives and connections between alumni, such as an entrepreneur who decided to expand his activities to Manaus after participating in an expedition, two alumni who joined in business and received financing from a third party, and an alumnus from the region that went to work at the UN.
• Current metrics apply to expeditions, which are on hold due to Covid, so data for 2020 was never collected.
Acceleration Program Contributions
Entrepreneurs identified significant improvements in business management from the support offered by the Program and are confident in the thesis developed, even though the strategies have to be adapted to the new context. The contribution of BRL150,000 was essential for them to survive 2020.

Next steps:
- Becoming a reference educational institution in sustainability in the Amazon, through the development of other services.
- Two new classes in 2021, one in company.
- Expected to launch a series of sponsored webinars on sustainable development in the 21st century in the first half of the year as a pilot for a new product.
- Win over international students, willing to pay a higher ticket

Overall evaluation:

Points of attention:
There is room to make financial management more robust. Circulation restrictions due to the pandemic may make new expeditions unfeasible. There is a risk of losing focus, with many initiatives being managed simultaneously by a small team.

Opportunities:
Solid local partner network, with a lot of potential to be developed. Digital product development is promising and has greater scale potential.

Contribution to Portfolio results

<table>
<thead>
<tr>
<th>Profit</th>
<th>Hectares preserved</th>
<th>People benefitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.14%</td>
<td>0%</td>
<td>1.53%</td>
</tr>
</tbody>
</table>
Summary
Extractive cooperative that operates in the Carajás National Forest, PA, whose main products are the jaborandi leaf, used in the pharmaceutical industry, and native seeds, used in the production of seedlings for reforestation. The main client is Vale, which buys seeds for reforestation and accounts for 80% of the cooperative’s revenue, followed by Grupo Centroflora, the only buyer of jaborandi leaves.

2020 Highlights:
• Activities were suspended for three months due to the worsening of the pandemic and restrictions on the renewal of licenses for extractive workers.
• The cooperative mobilized itself to support members, especially the most vulnerable, with the distribution of food baskets and hygiene kits to those who had their activities suspended.
• Management activities were also affected due to the impossibility of holding meetings.
• Demand for jaborandi leaf fell to 16 tons. Demand for seeds was not affected.
• Despite these challenges, the cooperative came out stronger, due to the unity of members to face this difficult moment.
• Carried out their first service provision, with the mapping of jaborandi bundles (reboleira), for the Instituto Tecnológico Vale, which points to a potential in revenue diversification.

Support needed for 2021:
• Engage more women and youth in the cooperative.
Impact:

<table>
<thead>
<tr>
<th>Thesis</th>
<th>Indicators</th>
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</thead>
<tbody>
<tr>
<td>Monetizing forest assets in a sustainable way is fundamental to</td>
<td>• Profitability of members.</td>
</tr>
<tr>
<td>guaranteeing quality of life for the population that takes care of</td>
<td>• Seed diversity.</td>
</tr>
<tr>
<td>the forest and lives in it.</td>
<td>• Amount of jaborandi leaves and seeds collected.</td>
</tr>
</tbody>
</table>

• 80% of the municipality’s area is covered by protected areas and the main economic activity in the region is mining. In this context, the work carried out by the cooperative becomes even more relevant, as it provides a decent income and quality of life for the 36 cooperative families, while keeping the forest standing.
• The list of seeds produced by the cooperative includes more than 300 species, although not all are collected every year.
• In addition to monitoring the profitability of each member, there are prizes for quantity and quality of production.
• Both the quantity and diversity of seeds has increased, as required by customers and regulatory agencies.
Coex Carajás

**Acceleration Program Contributions**
Being selected to participate in the Program was an important recognition for the cooperative. The follow-up process contributed to strengthening the management and control of operations, especially the monitoring capacity. The contribution of BRL 256,000 was essential to keep activities running during the pandemic.

**Next steps:**
- Diversify sources of income, with the diversification of seeds and prospecting for new opportunities to provide services.
- Increase the number of members.

**Overall evaluation:**

**Points of attention:**
Dependence on two customers for almost all billing is an important risk.

**Opportunities:**
Diversification of revenue sources is promising. Inspirational leadership should make it easier for more women and young people to join the organization.

**Contribution to Portfolio results**

<table>
<thead>
<tr>
<th>Profit</th>
<th>Hectares preserved</th>
<th>People benefitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>30.52%</td>
<td>14.66%*</td>
<td>2.07%</td>
</tr>
</tbody>
</table>

*We considered the impact in this area to be indirect. The total area of the Carajás National Forest is 391,263, explored exclusively by Coex Carajás, but with its preservation guaranteed by a series of other mechanisms.*
Summary
Manioca translates the flavors of the Amazon to consumers in other regions of Brazil, offering processed foods for food services and end consumers and, in the process, benefits small producers who contribute to forest conservation. Its objective is to find a balance between the needs of consumers and the forest.

Support needed for 2021:
• Find a partner for the production of snacks with Amazon ingredients at a competitive cost.
• Seek investment to grow, launch products already developed, and develop new ones.

2020 Highlights:
• Demand for food service has fallen sharply, from 50% of sales in early 2020 to around 30% by the end of the year.
• This movement was partially offset by the increase in online direct-to-consumer sales, which increased starting in August and ended the year representing 20% of sales.
• Decided to focus on developing products for the end consumer, with their own brand, and invested in it despite the pandemic.
• Decided to look for a partner for production in Southeastern Brazil. Initial idea was to produce in the Amazon, but costs and the challenge of finding labor are prohibitive.
• Maintained supplier development activities, although they only managed to do so for six months of the year.
• Local supply chain was not affected by the pandemic, but outside inputs such as packaging became scarce in the market. Operation was suspended for two months (April and May).
Impact:

<table>
<thead>
<tr>
<th>Thesis</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promoting Amazonian culinary culture will increase interest in local products that, if produced sustainably, can contribute to the preservation of the forest and the quality of life of the people who inhabit it.</td>
<td>Number and type of local suppliers.</td>
</tr>
</tbody>
</table>

- Attention to the supply chain is key to ensuring the sustainability of the business. They offer advice and training directly to suppliers around Belém and to suppliers in other regions through partnerships with third parties, such as Imaflora.
- In 2021, they plan to invest in cassava production in agroforestry systems. Cassava is an important input, and they need to guarantee a sustainable supply, on a medium and long-term scale.
Acceleration Program Contributions
Funding together with other investors in 2019, totaling BRL 252 thousand in convertible debt. Now recognizes itself in an impactful business ecosystem in the Amazon and has the support of an organization with knowledge of the local context. Expanded its understanding of impact and its management.

Contribution to Portfolio results

<table>
<thead>
<tr>
<th>Metric</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit</td>
<td>16.43%</td>
</tr>
<tr>
<td>Hectares preserved</td>
<td>0.06%</td>
</tr>
<tr>
<td>People benefitted</td>
<td>19.67%</td>
</tr>
</tbody>
</table>

Next steps:
- Manioca wants to be “Mother Earth of the Amazon”. For this, it plans on joining the market of seasonings and healthy processed foods, especially snacks.
- It works on the development of processed products, with high durability and without additives, which should be launched in 2021.
- Develop online direct sales channels to end consumers and expand existing channels with retailers. They are aware of the challenge of introducing new ingredients and flavors to the consumer.
- Prepare to take advantage of the resumption when the pandemic ends.
- In advanced conversations to receive a contribution of BRL1 million from an impact investment fund.

Overall evaluation:
Points of attention:
There is room to make financial management more robust. The need to develop the supply chain and the consumer market simultaneously must require large investment and long payback period.

Opportunities:
Started exploring the international market in 2020, which may represent an opportunity for good margins in the short term. “Products that keep the forest standing” have increased their appeal, both in Brazil and abroad.
Summary

Produces and sells chocolates and other cocoa derivatives purchased from 32 families that grow it in agroforestry systems. The focus is to ensure the economic viability of the standing forest. Today 70% of its market is in the city of Manaus, especially in the hospitality sector.

Support needed for 2021:

- Raise BRL 400 thousand in working capital in the short term.
- Search for a partner with commercial and finance expertise.

2020 Highlights:

- Technical assistance for producers in agroecological transition was suspended due to mobility restrictions imposed by the pandemic.
- With technical assistance lacking for some periods throughout 2020, there has been no growth. The business purchased only 6 tons of cocoa throughout the year, when the expectation was to reach 7.5 tons per month.
- Planned increase in production capacity could not be implemented due to delays in importing machinery.
- A combination of a drop in the volume produced and investment made in machinery that is not yet in operation resulted in a lack of working capital needed to finance the advance purchase of cocoa, which usually takes place until April or May.
### Impact:

<table>
<thead>
<tr>
<th>Thesis</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are more than 26 thousand families involved in cocoa production in the state of Amazonas alone. Na Floresta aims to process and sell this and other products that contribute to keeping the forest standing, remunerating producers fairly, ensuring decent income and conservation.</td>
<td>• Number of partner producers. • Income generated for producers. • Premium paid to producers for the quality of cocoa. • Preserved acres.</td>
</tr>
</tbody>
</table>

- Cocoa represents 70% to 90% of the income of the producers with whom Na Floresta works.
- They pay between 120% and 150% of the market price, in recognition of the high quality of the cocoa produced.
- They managed to enable the installation of water and sewage and photovoltaic energy management systems for some families, through public bidding processes. They would like to generate enough income for families to purchase them directly.
- They widely communicate the impact generated on the forest and on the people involved in its production on the product packaging.
Next steps:
- Seek philanthropic funding to purchase cocoa in advance, through Fapeam (Amazonas State Research Foundation) public biddings and international cooperation with the Japanese government.
- Finalize installation of machines to increase production in 2021.
- Structuring the commercial area in São Paulo to increase sales.

Overall evaluation:

Points of attention:
Significant cash risk in the short term can threaten continuity of operations or, at the very least, compromise the quality of the cocoa and, consequently, of the final product.

Opportunities:
Partnership with Nestlé with guaranteed purchases once machines are installed. Increase exports, especially to Japan, which currently do not reach 10% of sales.

Acceleration Program Contributions
Investment of BRL 450 thousand, directly and via partners, allowed the expansion of production capacity, from 400 kg per month to 7,500 kg per month.

Contribution to Portfolio results

<table>
<thead>
<tr>
<th>Profit</th>
<th>Hectares preserved</th>
<th>People benefitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.76%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>
Summary
NavegAM promotes the integration between road and river modes for transporting people and cargo in the Amazon, allowing the tracking of vessels, and providing a platform for the online sale of tickets and freight. Thus, it increases predictability and facilitates access to transport between the capital and the countryside.

Support needed for 2021:
• Seeking an investment of BRL 3.5 million to develop the integration of production chains between the countryside and capital. It is in advanced conversations with investors.

2020 Highlights:
• Until the first quarter, the company was booming. With the pandemic, demand for tickets dropped dramatically, reaching zero for five months.
• Demand for cargo transportation, on the other hand, has increased and now represents 70% of revenue.
• With the drop in ticket sales, they had to hire developers to accelerate the launch of the logistics solution.
• Suspended fee collection from vessels between March and December. They resumed in January 2021.
• They ended the year with 12 people on the team, including the 3 partners.
• Today it has 55 vessels that use its ticket and freight sales system and 22 companies as active customers in cargo transportation.

year joined program: 2020
Impact:

<table>
<thead>
<tr>
<th>Thesis</th>
<th>Indicators</th>
</tr>
</thead>
</table>
| Mobility in the North region is low, which imposes a high cost to access basic services and markets. NavegAM promotes the integration of modes and their connection with those who demand them, facilitating the flow of people and cargo. | Under review with possible investor. Currently they are:  
  - Ticket sales. 
  - Amount of freight carried out/requested per vessel. 
  - Salary of the external ticket seller. |

- 70% of NavegAM’s land transport today takes place within the capital.
- In 2020, they handled approximately BRL 100 million in freight, with three vessels.
- Large companies in the region see them as enablers of access to inland markets and, since they learned about them, they have started to advertise in these markets.
- More than 180 self-employed ticket sellers have already registered, but the operation is still in the pilot phase due to the pandemic.
Next steps:
• In 2021, they intend to launch an end-to-end logistics service, integrating different modes (today they sell road and river transportation separately). Should start pilot Manaus-Parintins until May.
• Today it has drivers as employees. It intends to evolve to a model similar to Uber in 2021. It already has 62 registered drivers and 30 motorcyclists, who carry out 45% of deliveries. The goal is to reach 100% by March 2021.
• Provide logistics services in the North region for large digital retailers such as Amazon, Mercado Livre, and Magalu. Win at least one of them by the end of the year.

Overall evaluation:
Points of attention:
Regulation and corruption can represent important barriers and need to be constantly monitored. It is important to mitigate the risk that the platform will unintentionally increase illegal activities related to river transport, such as drug trafficking and sexual exploitation.

Opportunities:
Integration of supply chains and access to markets has the potential to unlock income and consumption generation opportunities for communities in the countryside of Amazonas, with important results in financial terms and impact.
year joined program: **2020**

**Summary**
The company offers juices with healthy and sustainable flavors from the Amazon, by reducing the use of preservatives and using less processed sugar, in addition to buying inputs from cooperatives. The current presentation is in plastic bottles of 300 ml and 900 ml, with monthly production of 5 thousand bottles distributed in cafeterias, bars, and restaurants. Aims to implement a reverse packaging logistics program.

**2020 Highlights:**
- Raised funds with PPA to start filling in cans, which would increase the shelf life of the product, from 1 to 12 months. A company from Minas Gerais would be hired to carry out the filling.
- During the pandemic, the prices and minimum quantities for the purchase of cans and filling services increased significantly, doubling the value of the contract, from BRL 80 thousand to BRL 160 thousand.
- Commercial misunderstandings led to the departure of one of the partners, who was responsible for the operation.
- The pandemic caused sales to drop sharply, reaching 15% of expectations for the second quarter. As a result, they had to lay off some employees and drastically reduce costs.

**Support needed for 2021:**
- Review strategy and implementation plan.
- Develop reverse logistics.
Impact:

<table>
<thead>
<tr>
<th>Thesis</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>It is necessary to make human coexistence with the forest more harmonious, which involves reducing the production of waste. Oka proposes to strengthen farmers’ cooperatives that help preserve the forest and, at the same time, implement the reverse logistics of the packaging used.</td>
<td>• Volume of purchases from cooperatives. • Volume of collected packages</td>
</tr>
</tbody>
</table>

- Increase in the number of farming families that supply raw materials, from 30 to 80, and supported them in the transition from predatory extractivism to agroforestry systems.
- Supported the implementation of a seedling nursery in a partner cooperative, using post-consumer packaging as pipettes for the development of the seedlings.
- Uses metrics to communicate impact to partners, investors, and customers. This was a key point in the partnership with Amazônia Hub, for example.
Acceleration Program Contributions
Contribution of BRL 181 thousand in debt format. Close mentoring was essential to explore new opportunities and adjust the business model. Visibility for partners that enable expansion.

Next steps:
• Obtain necessary health permits to market the product out of state.
• Start a pilot in partnership with Amazônia Hub and Instituto Baru, with the sale of 3 thousand pet bottles in the Southeast region of Brazil.
• Evaluate two strategies: expand the factory in Belém, to maximize impact on the local economy, or set up a factory in the Southeast region, to reduce input costs.

Overall evaluation:
Points of attention:
There is room for improvement in management, especially financial. This is an important step for the business to start generating enough revenue to pay the two partners.

Opportunities:
Market opening in the Southeast region of Brazil.

Contribution to Portfolio results

<table>
<thead>
<tr>
<th>Profit</th>
<th>Hectares preserved</th>
<th>People benefitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.77%</td>
<td>0%</td>
<td>4.97%</td>
</tr>
</tbody>
</table>
Summary
Platform that connects small rural and urban food producers and small retailers to final consumers, ensuring transparency and fair compensation in the chain. They have been operating since 2019 in the surroundings of Manaus, using the model of virtual fairs.

Support needed for 2021:
- Acquire new customers. Recurrence is common among current customers, and some have adhered to the subscription model, but gaining new customers is still a challenge. It has the structure to handle 500 orders per month and now serves between 100 and 200.
- Investing in technology to ensure traceability.

2020 Highlights:
- In 2020 they transacted BRL 200 thousand on the platform, almost tripling the amount transacted in 2019 (BRL 70 thousand).
- Abandoned the sales model for restaurants and small businesses due to restrictions imposed by the pandemic.
- Prohibition of holding street fairs negatively impacted the operation, which relied on vendors as distribution partners.
- On the other hand, the pandemic has reduced farmers’ resistance to online communication. For some of them, with the ban on fairs, Onisafra has become an important alternative for transporting production and generating income.

year joined program: 2019
Impact:

<table>
<thead>
<tr>
<th>Thesis</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shortening the food sales and distribution chain, ensuring traceability and transparency, allows for a fairer distribution of value throughout this chain, increasing the income and quality of life of the most vulnerable links, such as small-scale producers.</td>
<td>• Number of farmers trading on the platform.</td>
</tr>
<tr>
<td></td>
<td>• Number of families benefited by the donation campaign.</td>
</tr>
<tr>
<td></td>
<td>• Purchase recurrence</td>
</tr>
</tbody>
</table>

- During critical moments of the pandemic, they allowed customers to buy food to donate directly through the platform. More than 20 tons were donated in this way to 270 families.
- The number of farmers trading on the platform was 30 before the pandemic. With mobility restrictions, this number dropped to 10 and returned to 30 when they started working with donations.
**Acceleration Program Contributions**

Investment of BRL 100 thousand, in partnership with USAID, and raising the equivalent of BRL 125,000 in media with Grupo Rede Amazônica, a local affiliate of Rede Globo. The Acceleration Program was essential for the business to mature its vision of impact, in addition to providing access to investors and strategic partners. Entrepreneurs seek to be competitive against any other business in this market, regardless of their focus on impact, and mentoring helped them to align the impact vision with the business model and with a competitive perspective.

**Next steps:**
- Develop traceability system.
- Gain efficiency in distribution.
- Improve the end-customer experience.
- Open B2B market, with medium-sized restaurants and produce.

**Overall evaluation:**

**Points of attention:**
The business still needs to reach a volume of recurring sales that guarantees its operational sustainability. Mobility restrictions due to the pandemic can compromise operational capability.

**Opportunities:**
Increased demand for delivery of produce. Growing attention from the final consumer to the origin of products, traceability and shortening of the chain. The donation campaign contributes to maintaining the income of producers, supporting the most vulnerable families, and clearly positioning the company’s social commitment to customers.

**Contribution to Portfolio results**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit</td>
<td>3.29%</td>
</tr>
<tr>
<td>Hectares preserved</td>
<td>0%</td>
</tr>
<tr>
<td>People benefitted</td>
<td>6.21%</td>
</tr>
</tbody>
</table>
Summary
The company’s majority partner is the Peabiru Institute, whose activities include technical assistance to producers who value Amazonian socio-biodiversity in the states of Pará and Amapá. The company is responsible for the aggregation, processing, packaging, and sales of stingless bee honey produced by communities supported by the institute.

Support needed for 2021:
• Improve sales strategies.

2020 Highlights:
• Production dropped from around 2 tons in 2019 to around 700 kg in 2020. The pandemic made it impossible to visit communities during the months of March to June, which was responsible for the decrease. Another factor was the engagement of local leaders with municipal elections, which shifted the focus away from honey production.
• In the second half, they accelerated the digitization of operations, in order to continue supporting producers.
• Piloted the development of other chains, such as Bragança manioc flour and chocolate, and learned that these products generate greater group identity among producers, as well as enabling them to absorb processing and sales activities, increasing their income.
• They closed the physical store in Belém due to the pandemic.
• They are in conversations with Amazônia Hub to distribute the product in Southeastern Brazil.
Impact:

<table>
<thead>
<tr>
<th>Thesis</th>
<th>Indicators currently monitored:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support stingless bee honey producers in the processing, packaging,</td>
<td>• Deforestation rate close to</td>
</tr>
<tr>
<td>and distribution of honey, with a view to developing autonomy to</td>
<td>meliponaries.</td>
</tr>
<tr>
<td>directly access the consumer market, helping to reduce deforestation.</td>
<td>• Number of communities and</td>
</tr>
<tr>
<td></td>
<td>families benefited.</td>
</tr>
<tr>
<td></td>
<td>• Number of bee species under</td>
</tr>
<tr>
<td></td>
<td>management.</td>
</tr>
</tbody>
</table>

- Peabiru encourages honey producers to sell their production locally and provide the company with only what is left over, increasing the community’s income.
- Bees need a range of 3km to produce honey. Peabiru’s strategy is to promote the dispersion of meliponaries to maximize the preserved area.
- Impact management is rigorous, and data is used for decision making and to communicate value to demanding consumers.
Next steps:
• Refine commercial strategy.
• Close partnership for distribution in Southeastern Brazil.
• Boost digital media adoption by partner communities to reduce costs and maintain relationships during the pandemic.

Overall evaluation:
Points of attention:
Weak financial management, lack of expertise or priority by leadership. Possible conflict of interest in the relationship between institute and company, as in other hybrid impact business models. Product is not the first need and a differential for valuing sociobiodiversity, and specific attributes may be less valued if the country’s economic context worsens.

Opportunities:
Expand market, both in southeastern Brazil and abroad. Rigorous impact management can generate non-reimbursable fundraising opportunities with national and foreign actors.
PRÁTIKA ENGENHARIA

Summary
Prátika sells, installs, and provides technical support for solar energy generation systems in mostly indigenous and quilombola communities that are not connected to the electricity grid (off grid). The company was founded in 2019 in Oriximiná, PA, and has already installed more than 100 photovoltaic systems in surrounding communities, replacing diesel generators.

Support needed for 2021:
• Reduce logistical costs by purchasing parts that come from Southeastern Brazil.

2020 Highlights:
• Suspension of new store opening plans.
• Partial suspension of face-to-face service at the physical store in Oriximiná, which originated around 70% of sales.
• Installation of new photovoltaic systems was suspended as of September, when mobility restrictions became stricter in the region.
• Basic photovoltaic system costs BRL 7,200, which is usually paid in one down payment (50%) and eight installments. The impossibility of circulation in the region led to an increase in defaults, as most payments are made in cash.
• Parts and inputs of photovoltaic systems had a price increase between 25% and 43% in 2020.
Impact:

**Thesis**

Off-grid photovoltaic systems can provide access to electricity to communities that are not connected to the distribution network, allowing for an increase in comfort, quality of life, and income.

**Indicator**

• Number of photovoltaic systems installed.
• Number of communities and families supplied.
• Reduction in diesel consumption by families.
• Carbon that is no longer emitted with the replacement of diesel by the photovoltaic system.

• The most common kit will supply energy for a refrigerator, four light points and a television on all day.
• In less than 2 years of operation, they installed more than 100 systems, having benefited 120 people in 2020 alone.
• They estimate that the diesel that was not burned due to the installation of photovoltaic systems in 2020 is equivalent to what approximately 400 trees absorb in the same period.
• Indicators are used to report results to investors and for decision making within the company.
Next steps:
• Resume operations once the pandemic permits.

Overall evaluation:
Points of attention:
Mobility restrictions imposed by the pandemic make the operation unfeasible. If the restrictions are prolonged, the business could be seriously threatened. There are opportunities for improvement in financial management.

Opportunities:
Demand and willingness to pay for the solution seem plentiful. The impact is easily perceived by consumers and investors. Possibility of expanding to other regions of the state of Pará and entering the on-grid market.

Acceleration Program Contributions
The Program allowed access to non-reimbursable emergency funding and loans, which were essential for the company to remain alive during the pandemic. The exchange of experiences with other entrepreneurs was very rich.

Contribution to Portfolio results

<table>
<thead>
<tr>
<th>Profit</th>
<th>Hectares preserved</th>
<th>People benefitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.34%</td>
<td>0%</td>
<td>2.48%</td>
</tr>
</tbody>
</table>
Summary
Produces fish feed using materials that cooperatives in the region would discard, such as açai seeds, nut residues, tucumã, etc. as alternative inputs. It is developing organic feed, which is cheaper and adds value to the fish for the final consumer.

Support needed for 2021:
• Raise BRL 200,000 to purchase a truck and implement a fish processing warehouse, benefiting farmers throughout the region.

2020 Highlights:
• Investment made by the Acceleration Program allowed to increase production capacity, from 600 kg to 3 tons per day, which meets the demand in the region. The new equipment was only installed in early 2021, due to restrictions imposed by the pandemic.
• Operations were suspended for three months.
• Mobility restrictions made it difficult to collect inputs and deliver the product to customers.

year joined program: 2019
### Impact:

<table>
<thead>
<tr>
<th>Thesis</th>
<th>Indicators</th>
</tr>
</thead>
</table>
| Developing an organic fish feed adds value to the product of riverside communities in the region, increasing their income and quality of life, while reducing the production of waste by cooperatives and industries in the region by using it as an input. | • Demand for alternative feed.  
• Amount of material diverted from the landfill. |

• The entrepreneur’s focus is to contribute to the development of the Presidente Figueiredo (AM) community, especially its most vulnerable members, by adding value to the fish they produce.  
• Establishment of a warehouse would increase the sale price of products by 150%, increasing the income that remains for small-scale producers.
**Next steps:**
- Get a license to pack the fish.
- Create a warehouse for processing and packaging, which would take meatpackers out of the chain and increase the income of small-scale producers.

**Overall evaluation:**

**Points of attention:**
There is room for improvement in management, especially financial.

**Opportunities:**
Excellent strategic vision, market knowledge and focus on impact. Deploying the warehouse and obtaining the necessary licenses, as well as developing organic feed, have the potential to leverage the business and its impact.

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**Acceleration Program Contributions**

Investment of BRL 400,000 from the Program and partners in 2019 allowed for the expansion of production capacity in 2020. The visibility provided increased the entrepreneur’s feeling of accomplishment and increased his confidence in the mission.

**Contribution to Portfolio results**

<table>
<thead>
<tr>
<th>Profit</th>
<th>Hectares preserved</th>
<th>People benefitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.13%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>
business invested SERINGÔ

year joined program: 2019

Summary
Has its own technology that allows extractivists to vulcanize latex, increasing the quality of rubber and the income of rubber tappers. Seringô operates with a hybrid model, with a cooperative and an NGO. The cooperative has more than 500 member families, who supply vulcanized rubber, transformed into shoes. In addition, it buys and distributes latex crafts. The NGO is financed by the cooperative to provide technical assistance and inputs to rubber tappers, whether for the production of vulcanized rubber or handicrafts.

2020 Highlights:
• At the beginning of the year, they signed a contract with Alpargatas, which involved a guarantee for the purchase of sandals. With the onset of the pandemic, the company terminated the contract. The value of the termination fine was used to develop the sneakers in partnership with a company from Rio Grande do Sul, in addition to adapting the factory and buying machinery.
• Operations were suspended for eight months, a period that was used to carry out renovations and installation of machines at the factory.

Support needed for 2021:
• Launch and distribute the organic latex sneakers.
**Impact:**

<table>
<thead>
<tr>
<th>Thesis</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>The revitalization of the rubber industry and the addition of value by rubber tappers make it possible to supplement the income of these communities and reduce incentives for illegal logging.</td>
<td>• Amount paid for the kilo of rubber, exceeding market value.</td>
</tr>
<tr>
<td></td>
<td>• Amount of rubber produced by members.</td>
</tr>
<tr>
<td></td>
<td>• Infrastructure improvements in the members’ homes, such as installation of photovoltaic systems, harvesting and treatment of rainwater and adequate sanitary installations.</td>
</tr>
</tbody>
</table>

• The sale of rubber is an income supplement for the cooperative families, which balances the seasonality of açai and reduces the pressure for illegal logging.
• Estimates show, on average, that members have annual income from rubber sales of BRL 3,000.
• Pays BRL 3 more than the market per kilo of rubber, due to higher quality. For producers with organic certification, it adds another BRL 2 per kilo.
Next steps:
• In discussion with investors to expand sneaker production and start exporting to Europe.
• Expects to increase the number of members, from 500 to 3,000 in three years, and reach 10,000 in 10 years.
• Develop more high value-added products, such as sneakers.
• Transform NGOs into organic production certifiers to reduce costs and facilitate access to members.

Overall evaluation:
Points of attention:
Fashion market can be volatile, and entrepreneurs lack industry expertise. There is room to make financial management more robust.

Opportunities:
Product development with greater added value can be an opportunity to significantly increase the income of members and scale the impact to the entire region.

Acceleration Program Contributions
Access to approximately BRL 300 thousand in loans, directly through the program and through partners, in 2019.

Contribution to Portfolio results

<table>
<thead>
<tr>
<th>Profit</th>
<th>Hectares preserved</th>
<th>People benefitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.19%</td>
<td>1.69%</td>
<td>9.32%</td>
</tr>
</tbody>
</table>
year joined program: **2020**

**Summary**
Tucum trains indigenous artisans to market their products and helps them reach end consumers through online sales and physical stores in Rio de Janeiro. In addition to developing this chain, the organization promotes the appreciation of indigenous art and crafts by the consumer market.

**2020 Highlights:**
- Ongoing model change, from distributor to connection platform between producers and final consumers.
- Structuring the business model around two services: technical assistance, sold directly to indigenous communities or their strategic partners, with a view to training communities in topics such as financial management, logistics and brand positioning; and market access, initially through the distribution of indigenous arts and crafts and, recently, through a marketplace that directly connects communities with end consumers.
- Transition from the distribution model to the marketplace. Three partner communities already operate in this format.
- The pandemic forced the postponement of in-person training and the migration to the online format, which made it impossible for some communities to participate. Despite this, the increase in online sales offset the drop in sales in physical stores.

**Support needed for 2021:**
- Reduce logistical cost. There are cases where the freight is more expensive than the product.
- Design an internationalization strategy for Europe and the USA.
Impact:

**Thesis**
The promotion of indigenous art and crafts requires adequate access to strategic markets and allows the generation of income and quality of life for communities that contribute to preserving the forests and their people.

<table>
<thead>
<tr>
<th>PhD Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preserved acres.</td>
</tr>
<tr>
<td>Income generated.</td>
</tr>
<tr>
<td>Number of sellers qualified to sell online.</td>
</tr>
</tbody>
</table>

- Impact indicators are used for internal decision making, communication with buyers, and also to build trust and have a transparent relationship with the partner indigenous communities.
- They are preparing to be certified as a B and Fair-Trade company, which recognizes the impact generated and helps access international markets.
- The long-term vision is to transfer the management of the business to the indigenous peoples who sell on the platform, so that they can fully gain from the benefits generated by access to markets.

- The preserved area is equivalent to the proportion of the inhabitants of each Indigenous Land or Protected Area that produce handicrafts and sell them through the Tucum platform. Thus, if, for example, artisans account for 15% of the population in a given Indigenous Land, Tucum considers that it has contributed to the preservation of 15% of the territory of that Indigenous Land.
- We [the PPA] believe that the impact on the more than 2.2 million hectares preserved is indirect, as the artisans who sell through the Tucum platform also have other sources of income.
**Overall evaluation:**

**Points of attention:**
The business needs to substantially increase its sales in the short term in order to be able to honor the financing contracted without harming its development. The continuation of the pandemic can make it difficult to connect and empower communities with less access to the internet. The economic situation in Brazil and abroad may reduce demand for their products.

**Opportunities:**
Conscious consumption and the Amazon is on the rise, both in Brazil and abroad. Exchange situation and visibility (albeit negative) in the Amazon region may favor access into European and US markets.

**Next steps:**
- Create an advisory board with representatives of the indigenous communities they work with, so that they take ownership of the business and can take the lead in the future.
- Export to Europe and USA, possibly with a distribution center.

---

**Acceleration Program Contributions**
The acceleration program brought access to BRL 466,000 in awards and impact financing with favorable conditions, in addition to enabling Tucum to advance in online sales through a partnership with Mercado Livre.

**Contribution to Portfolio results**

<table>
<thead>
<tr>
<th></th>
<th>Profit</th>
<th>Hectares preserved</th>
<th>People benefitted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6.69%</td>
<td>83.59%</td>
<td>51.57%</td>
</tr>
</tbody>
</table>

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**Next steps:**
- Create an advisory board with representatives of the indigenous communities they work with, so that they take ownership of the business and can take the lead in the future.
- Export to Europe and USA, possibly with a distribution center.
PPA Acceleration Program 2020 Impact Report

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