

# Pachama Originals 101: Your Questions, Answered

We started Pachama with the mission of restoring nature to solve climate change, harnessing the latest advancements in satellite data and machine learning to ensure the quality of nature-based carbon credits. But today, there simply aren't enough forest restoration and conservation projects to move at the pace the planet demands. So now we're applying our technology every step of the way to create high integrity, transparent and impactful forest carbon projects that will stand the test of time.

## 1. What is Pachama Originals?

Simply put, Pachama Originals represents a portfolio of technology-enabled reforestation and forest conservation projects developed by Pachama.

With Pachama Originals, leading companies can invest in their very own high-quality projects from the ground up, measurably sequestering real, lasting carbon to reach their Net Zero targets and making a transformative impact on communities and ecosystems for generations to come.

What's different about this new generation of nature-based projects is the focus on integrity and transparency enabled by Pachama's leading technology, as well as Original's innovative financial model and the opportunity for deep local engagement to deliver lasting climate, biodiversity, and community impact.

## 2. Why did Pachama create Originals?

Pachama's mission is to restore nature to solve climate change, and its technology stack brings transparency and integrity to forest carbon projects (read more about our technology [here](#)).

Having reviewed more than 150 forest carbon projects globally, Pachama has determined that there currently aren't enough high-quality projects to meet the demands of the increasing number of companies making net-zero commitments.

What's more, to achieve the scale of forest conservation and restoration required to meaningfully impact climate change, the world needs to accelerate the development of premium forest carbon projects.

Pachama created Originals to bring more high-quality forest carbon projects to market faster. By applying its advanced technology earlier in the process, Pachama will derive tech-enabled insights that improve project development, including optimization of location selection and carbon yield projections. In addition, Pachama will bring more transparency to how projects benefit local communities and biodiversity.

## 3. How do Pachama Originals help solve climate change?

Forests can provide up to 30% of the mitigation effort required to keep the global temperature below the Paris Accord's stated goal of a maximum 1.5°C increase, but to do so requires that the forest carbon industry solve two key challenges.

First, forest carbon projects must be unquestionably accurate, additional, and durable. In addition, projects must provide a net value to the planet (meaning they don't simply displace deforestation from one area to another), and they must deliver clear biodiversity and community benefits (see [here](#) how Pachama evaluates forest carbon projects).

Second, like the development of renewable energy in the past and cutting-edge carbon removal technology today, forest carbon projects face a financing gap: project development includes high up-front costs, yet developers only receive payment for credits after their projects are demonstrably sequestering carbon, sometimes many years after their work has begun. By investing directly in the initial stages of projects developed in collaboration with Pachama, leading companies can increase the impact of their investments and help unlock the supply of high-quality credits.

## 4. What are the benefits of investing in Pachama Originals?

For clients looking to maximize the impact of their net-zero investments, Pachama Originals is a means to exercise climate leadership by providing catalytic funding to enable the creation of high-quality forest carbon credits.

By investing in Originals, companies can develop deep connections with the regions and communities their investment is helping to support. Moreover, because customers are involved from the nascent stages of project development, they reduce risks and have more say in ensuring their sponsored projects meet the company's specific criteria or goals.

In addition, companies investing in Pachama Originals are able to guarantee a supply of credits for the long term at fixed prices. For companies with net-zero strategies, finding safe and high-quality credits can be onerous. What's more, prices for credits are always increasing. By some estimates, the cost of carbon credits will increase six-fold by 2035.

According to our models, companies that invest in origination can save up to 60% when compared to companies making yearly spot purchases of carbon credits.

Overall, Pachama Originals represents a win-win-win for Pachama's customers, local communities, and the planet.

## 5. What is an example of Pachama Originals in action?

Mercado Libre (NASDAQ: [Meli](#)) is Latin America's largest e-commerce company. Eager to go beyond investing in credits, Mercado Libre's leadership wanted to have a tangible environmental and community impact in the countries within which it operates.

Having now invested \$23.7 million USD, Mercado Libre has partnered with Pachama to identify, evaluate, develop and monitor 10 new reforestation projects across Mexico and Brazil, with more to come. In total, Mercado Libre's initial investment will restore over 15,000 hectares and sequester more than 1,100,000 metric tons of carbon dioxide equivalent through the planting and restoration of over 15 million trees. Over 20 million people will benefit from the projects through the multi-million dollar investment that will create jobs in tree planting and logistics, as well as the protection of crucial ecosystem services like watersheds.

## 6. How does Pachama's technology assist in developing new forest carbon projects?

Pachama's technology allows it to pair satellite data with machine learning to evaluate how ideal a region is for project development. Pachama's technology then tracks project progress, identifying and minimizing risks in real time. In addition, Pachama's dynamic baseline approach ensures that projects are credited based on actual rather than predicted deforestation.

Further, Pachama is building a digital platform that will take the manual processes of measurement, reporting, and verification from years to days, bringing all the rigor of traditional methods at a fraction of the cost. By making it easier and faster for projects to issue high-quality credits, Pachama will help unleash the potential of the forest carbon industry and, in doing so, enable more money to go back to local communities.

## 7. What are the benefits of Pachama Originals for project developers?

By partnering with Pachama, project developers reduce risk by ensuring they've identified the ideal region and conditions for their projects and correctly estimated their project's carbon yield. Then, Pachama helps find mission-aligned buyers for Originals projects, thus contributing upfront catalytic financing at the earliest stages of project development and allowing developers to move quickly to project implementation, including tree planting. Finally, Pachama's technology continually tracks project development, alerting partners to early signs of deforestation or other potential threats.

Pachama's technology helps project developers make the right decisions at each stage of the development process, providing them with the assurance that their project will move smoothly through the verification and certification process.

## 8. Will Pachama Originals include projects only in the US or around the globe?

Pachama Original projects will be developed around the world. Pachama's first Originals projects were developed in Brazil, Mexico, and the United States. In choosing where to operate, Pachama considers a number of factors, including where the application of our technology can make the biggest environmental impact, each country's geo-political and legal landscape, the availability of field plot data for research and model development, as well as demand signals from Pachama customers. As Pachama grows, we'll expand our reach into additional countries.

## 9. Will Pachama Originals be conservation or reforestation?

Pachama's initial Originals projects are focused on Afforestation, Reforestation, and Revegetation (ARR). However, we anticipate including Avoided Unplanned Deforestation (AUD) projects that meet our strict criteria, including additionality, permanence, and beyond carbon impact.

## 10. Why should a company invest in Pachama Originals rather than, say, tree planting?

Pachama loves tree planting, but comparing it to high-quality forest carbon removal credits is similar to equating apples to oranges. Whereas purely tree planting may be priced around the number of trees planted, carbon credits are priced based on rigorous rules around additionality, permanence, and leakage, plus the number of trees that survive over time and those trees' capacity to sequester carbon verifiably. In other words, by investing in carbon credits, companies are investing in rigorous, measured, and audited outcomes of a reforestation project rather than the inputs.

Want to learn more about how Pachama Originals can help you meet your net-zero targets?

[Contact Pachama](#)