

To:
Instituto Black Jaguar
Rua Joaquim Eugênio de Lima, 187
São Paulo, Brazil

Cc:
Stichting Black Jaguar Foundation
H.J.E. Wenckebachweg 123
Amsterdam, Netherlands

Cc:
Commission of Control
Mr. Eurico José de Albuquerque Toledo (President)
Av .Beira Mar, 216/602 -Centro
Rio de Janeiro, Cep 20.021-060

Anticipated by e-mail - Delivered by courier

Genoa, 21th December 2023

Dear President Mr. Ben Valks,

following our field visit held during the last week of November, and while waiting for the official report issued by the external Commission of Control appointed as per our Partnership Agreement dated 30th June 2023 (report that could be finally issued only after the completion of the field inspection and having obtained answers to certain further questions raised by the Commission, which you are partially providing in these hours), it seems right to us to bring to your attention some critical aspects that have already emerged and on which we ask for your action in order to be resolved shortly.

In particular:

- 1) The project narrative of the of the <<Araguaia Biodiversity Corridor – 2,600km long and 40km wide>> should be modified to make it more objective with respect to what is actually achieved and how the project is effectively conducted in the identified territory. We therefore believe that the current storytelling of the project should be adjusted to objectively describe which interventions can concretely be implemented in the short term by the organization and its people, to be adherent to reality even in a long-term vision which must however be distinguished, so as not to create false illusions in those who rely on good faith to the project representation.
- 2) Considering the actual strengths of the field staff members we met, and whose skills and passion we appreciated, we believe that it is necessary to revisit the short-term objectives plausibly achievable by the BJB organization. Today the creation of a biodiversity corridor along 2,600km of the Araguaia river is just an ambitious hypothesis, and it does not correspond to an achievable objective, not only due to a question of available financial means, but due to the planning impossibility of creating an ecologically continuous corridor even along a short portion of the river.

Fondazione Capellino

The foundation is financed by 100% of the revenues, minus costs and taxes, of the dog and cat food company **Almo Nature**, which it owns.

"**Reintegration Economy**" is the definition of this economic model, created in 2018 with the donation of Almo Nature to the foundation by Lorenzo and Pier Giovanni Capellino.
Via de Marini, 1 | 16149 Genoa | ITALY | PEC fondazionecapellino@legalmail.it | C.F. 95205020100 | VAT IT02569000991

fondazionccapellino.org



3) After 6 months of activity by the Control Commission, which requested this type of detail from the first moment and was again requested during Pier Giovanni's stay in November, it is still not clear how the BIF team exactly assesses and communicates the number of trees planted and how it exactly traces that info. The same uncertainty is valid as well for the assessment of the total number of restored hectares. We therefore ask once and for all, to receive a detailed account of the total number of trees and hectares that have been planted since the beginning of the operations of the project, and how you have registered them. We need in particular a complete proof of what you claimed (297 hectares restored and 497,000 trees planted) showing the ex-ante and ex-post intervention conditions. The 3 modest areas you showed us cannot be a proof of what you claim, in addition the showed areas are far to be considered as a "corridor" connecting something with an ecological interest. We hope that the documentation released only yesterday - 4 days before Christmas - contains the requested information and above all objective evidence of the renaturation activities carried out: to this end, we will send members of our team to carry out field spot checks to physically ascertain what is alleged. So please avoid delivering any unverified information.

4) The accounting verification process did not allow the Control Commission to fully and transparently reconcile the funds entering and leaving the cash of Instituto Black Jaguar and Stichting Black Jaguar. Also in this case, since the beginning, you received the request to acquire the bank statements without following up. This cannot allow us to understand how the money received by the donors has been spent. We therefore ask you to provide the requested evidence of the bank statements of all the bank accounts opened in 2020, 2021, 2022 and 2023 by the two institutions.

Beyond what is stated above, we must point out that the management of the relationship is burdensome, and the documents which are contractually required to be shared in transparency are systematically lacking and must be requested several times to achieve the level of detail that our responsibility requires checking. This signals a lack of control by the project's leaders which we must point out, and which we hope will change quickly.

Part of the answers are coming those days – culpably late – in an uncoordinated way, although the requested information should already be present in your record and therefore releasable immediately upon request. In light of the upcoming holidays and the suspension of your and our work, we will grant you time to answer ranging from now to January 12, 2024 to provide the full set of info and addressing the requests above.

After January 12th we will analyse what we will have received, and we will close the first contractual assessment by end of January, based on the evidence provided. In the meantime, as stated by the contract, payments are suspended until the positive conclusion of the assessment by the Commission of Control.

Kind regards,

Pier Giovanni Capellino

