ENVIRONMENTAL CONSERVATION SUPPORT PROGRAM



Eradicating extreme poverty and conserving the environment

HISTORY • ADMINISTRATION AND MONITORING • GENERAL REPORT





Raimundo, Leudimar, José, Jocenilda, Arlete, Marlene, Maria, Edimar e Regina:

guardians of the forest







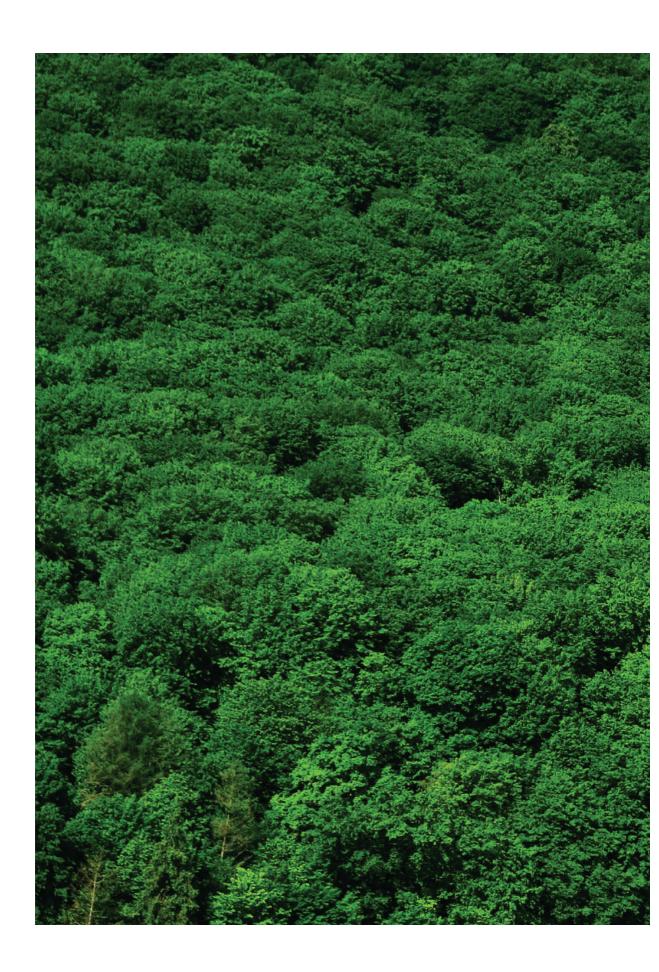
THE BRAZILIAN FEDERAL
GOVERNMENT'S PROGRAM
BENEFITS PEOPLES AND
TRADITIONAL COMMUNITIES
WHO COMMIT TO CONSERVING
NATURAL RESOURCES.











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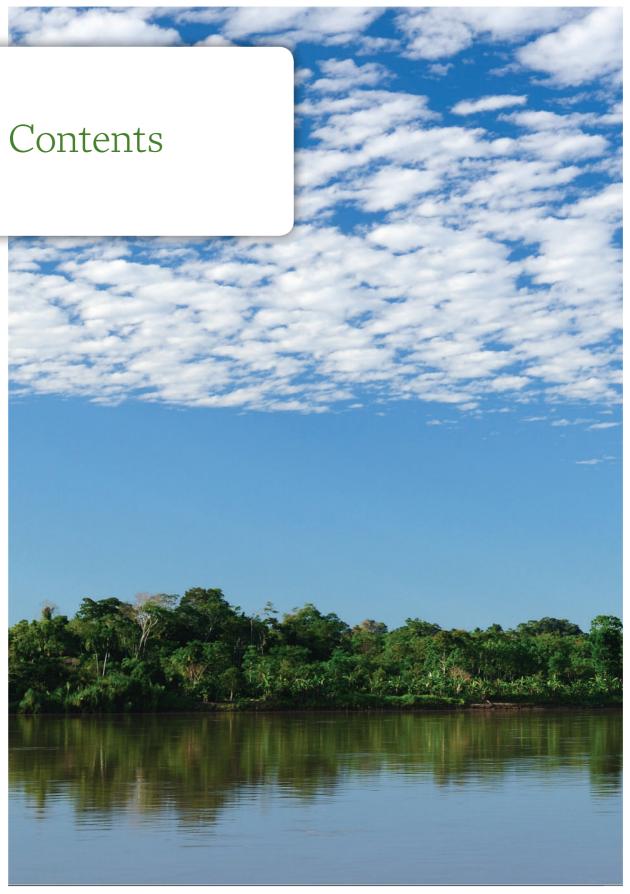
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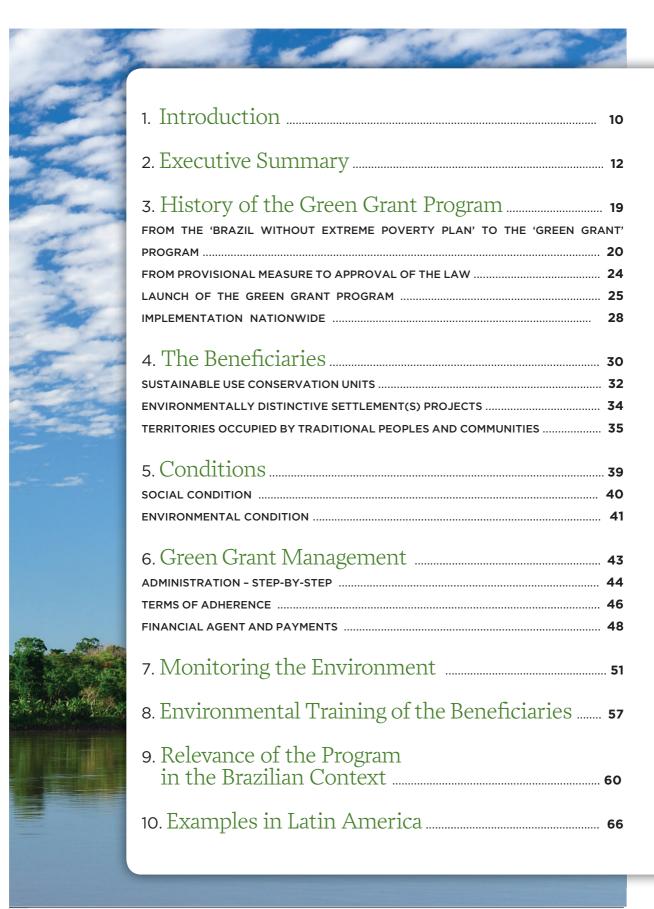
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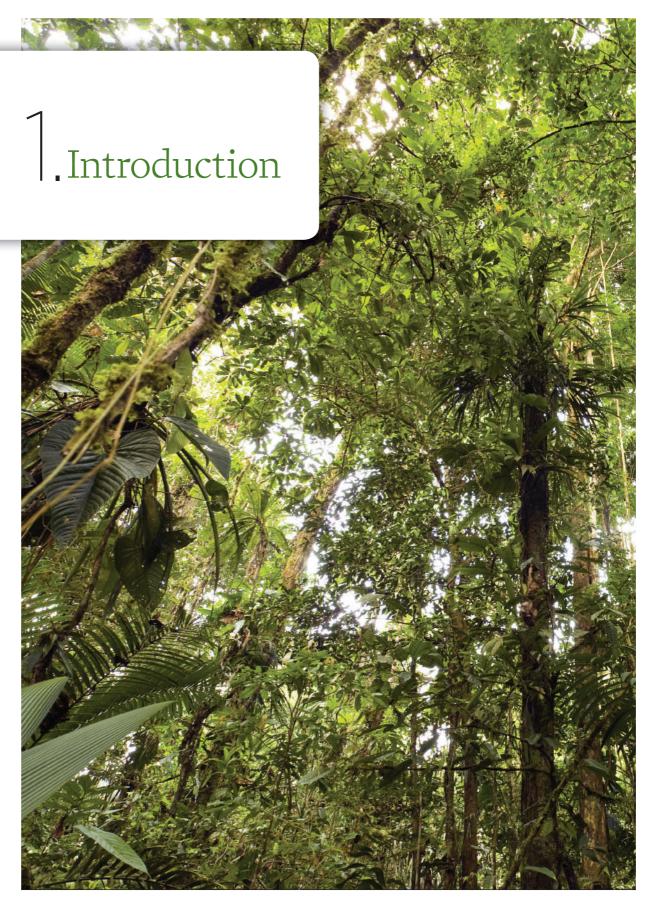
CAMILA LISBÔA

REVISION

ANDRÉA AREAN ONCALA CECILIA MANAVELLA CLAUDIA CALORIO







Environmental conservation and poverty eradication are two indispensable conditions of the sustainable development of Brazil. For this purpose, the Ministry of the Environment began a pioneering Program to unite social and environmental dimensions: the Green Grant Program, which seeks to combat poverty in rural areas while encouraging the conservation of natural resources, thereby reducing deforestation and ecosystem degradation in our vast country.

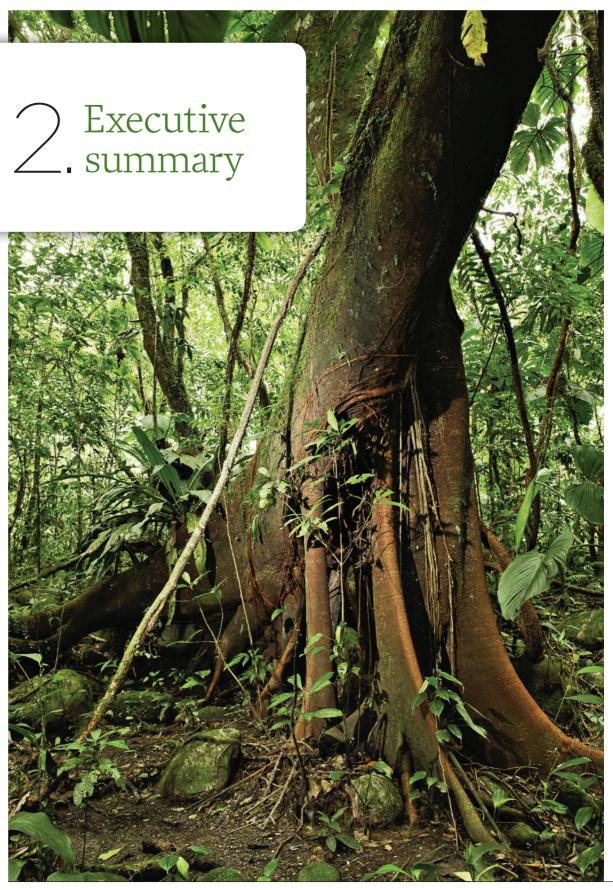
Eradicating extreme poverty is a priority for the government of President Dilma, and the Ministry of Environment contributes to this objective with its Green Grant Program, which is focused on social groups in extreme poverty who depend on the forests to live. They are traditional communities who reside in important conservation areas such as national forests. Through the Program, the government recognises the importance of the people of the forest, who now receive benefits to improve their living conditions and have an incentive to continue using the areas where they live sustainably.

This policy is extremely important: Brazil has 54% of the world's tropical forests. A variety of biomes found in these forests reflects the wealth of flora and fauna in Brazil and explains why it is the leading country among the 17 megadiverses. But despite such wealth in natural resources, large numbers of the inhabitants of these rural areas are living on the poverty line. The Green Grant provides this synergy: it both helps families to improve their lives, and the families help to conserve the forest.

In one year the Green Grant has encouraged an important alliance between the improvement of social conditions coupled with environmental conservation and is being used as a reference for future initiatives by the Federal Government.

By valuing the forest where these communities live, the benefits are mutual: the families who conserve forests benefit and the forests and their natural resources provide benefits for the whole country.

Izabella Mônica Vieira Teixeira Minister of the Environment



The Brazilian economy has grown over the last few decades and this has led to important advances in terms of social and economic development. At the same time, the country has been facing environmental challenges given the speed of its urbanization, its rising population and the exploitation of natural resources. This has made it all the more necessary to guarantee government policies that are suitably adapted from the point of view of economic efficiency, environmental integrity and social equality.

The main priorities for developing countries are still the eradication of poverty, the provision of a basic education, and the guaranteeing of food and basic water and waste disposal services. At the same time, most of the economies are dependent upon natural resources that are often vulnerable to the effects of climate change. As such, their economic development will depend upon their adaptation in time, and upon management of natural resources, a critical factor in the bases of these economies.

There still remains, therefore, the challenge of preserving valuable and important ecosystems, whilst at the same time providing better living conditions for the people in need of development; in other words, the provision of environ- mentally sustainable development, together with social inclusion.

The Green Grant Program was developed to address precisely this question. Amongst its objectives are:

- The provision of an incentive for conservation of the ecosystems, through the commitment of beneficiary families in maintaining vegetation cover and the sustainable use of natural resources;
- The promotion of citizenship, the improvement of living conditions and the raising of the income of those people in situations of extreme poverty, living in areas of environmental relevance;

 Encouraging the participation of its beneficiaries in activities focused on environmental, social, educational, technical and professional empowerment.
 The Program therefore recognizes the role of these underprivileged communities as guardians of areas of great natural wealth, providing them with financial incentives that will contribute to the improvement of their lives.

The requirements for being a beneficiary of the Green Grant Program, are that a family should be in a situation of extreme poverty and be registered with the Federal Government's Single Registry of Social Programs (CadÚnico). In addition they should live in a priority rural area, which has vegetation in accordance with environmental legislation or is in a process of environmental regularization, as defined by the Program.

Amongst the priority areas defined by the Program are:

- Sustainable Use Conservation Units within the categories Extractivist Federal Reserves (RESEX), Sustainable
 Development Federal Reserves (RDS) and National Forests (Flonas), managed by the Chico Mendes Institute for the Conservation of Biodiversity;
- Environmentally Distinctive Agrarian Reform Settlements, managed by the National Institute of Colonization and Agricultural Reform (INCRA);
- Territories occupied by riverine, extractivist (the one whose main activity developed for sustenance is the sustainable extraction of natural resources, particularly forest products) and indigenous people, the 'quilombolas' (descendants of ex-slaves), and other people and traditional communities;

Plus other rural areas defined as priority by act of the Executive Branch of the Government.

The Green Grant is an income transfer program with environmental conditions. Its focus on social inclusion lies in benefiting only those families in situations of extreme poverty who live in areas of importance to environmental conservation. In turn, it is a program that approaches the usual concept of payment for environmental services (PSA) whilst recognizing the economic value of the protection of ecosystems and sustainable uses, providing economic incentives to the communities that help to keep the forest standing.

Administration of the Green Grant Program is undertaken by a Program Administration Committee under the coordination of the Ministry of the Environment (MMA) and with the participation of the Office of the Chief of Staff of the Presidency of the Republic (CC/PR), the Ministry of Social Development and Fight Against Hunger (MDS), the Ministry of Agrarian Development (MDA), the Ministry of Planning, Budget and Management (MPOG) and the Ministry of Finance (MF). This demonstrates the scale of the institutional framework involved, which also includes participation by the federal departments responsible for administration of the areas covered by the Program, including IC-MBio, INCRA and the Federal Heritage Department (SPU/MP).

It came about as part of the 'Brasil Sem Miséria' ('Brazil Without Extreme Poverty Plan'), instrument that provides a series of measures by the Federal Government designed to raise the income and living conditions of the population and which combines the transfer of income, access to public services (in the areas of education, health, social welfare, sanitation and electrical energy) and productive inclusion (the empowerment of individuals to enter the labor market).

In the Green Grant, the compensation will take the form of R\$ 300.00 or US\$ 150 (three hundred reais or around 150 US dollars), to be paid to each eligible family once every three months through the Caixa Econômica Federal Bank (CAIXA) which will be acting as the Program's financial agent.

The following strategies have been outlined with the aim of evaluating the Program:

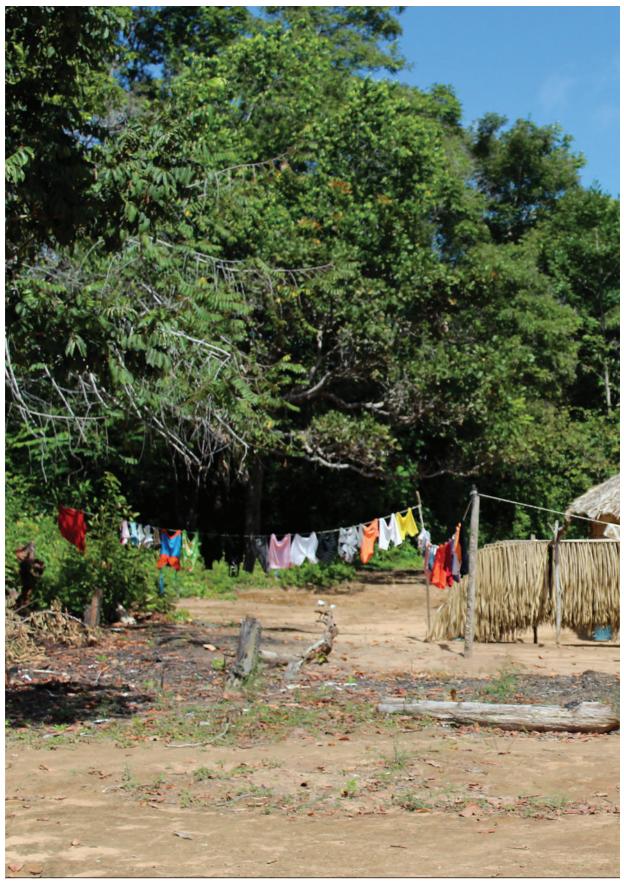
- Monitoring the vegetation by means of orbital tracking via satellite;
- Regular updates on deforestation via satellite and radar hotspots;
- On-site monitoring by means of periodic visits to families, with a view not only to evaluating the environmental effects, but also the performance of the public policy on the areas in question.

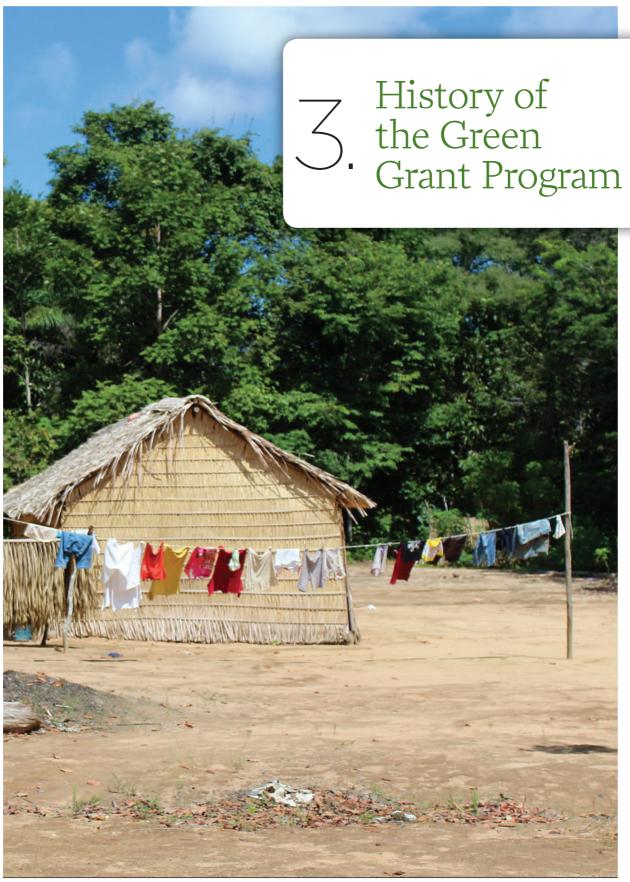
Partners in the monitoring of the areas' vegetation are the Brazilian Institute for the Environmental and Natural Resources (Ibama/MMA) and the Amazon Protection System (SIPAM/MD).

The implementation of the Green Grant began in 2011, in the Amazon region, in the north of the country, where the largest concentration of federal environmental conservation areas was identified, and with the largest eligible audience. The Amazon biome is responsible for much of the world's biodiversity and home to traditional peoples and communities as riverine, agroextractivists, and indigenous peoples from different ethnic groups that make up its cultural diversity. In 2012, the people being targeted was expanded to the whole of Brazil.

The Green Grant is a pioneering Program in expansion that combines income transfer with the concept of retribution for environmental conservation services, nationwide. The goal by 2014, is expected to be improving the living conditions of around 73.000 beneficiary families, while keeping the forests standing.







FROM THE BRAZIL WITHOUT EXTREME POVERTY PLAN TO THE GREEN GRANT PROGRAM

The Federal Government's 2010 official census reveals that over the last few years, 28 million Brazilians have been helped out of absolute poverty and 36 million have joined the middle classes. However, despite the country's economic and social development, 16.2 million people still remain in extreme poverty, with a monthly income of less than R\$ 70.00 (around US\$35). According to the Ministry of Social Development and the Fight against Hunger, some poverty is more difficult to tackle through the State's actions, as it is lost in the remote rural regions of this immense country or in obscure areas of its enormous cities. These involve people who do not form part of social programs and very often do not have access to basic services such as water, electricity, education, health or housing.

In order to reach these Brazilians in conditions of extreme poverty living in different parts of the country, the Federal Government launched the Brazil Without Extreme Poverty Plan¹ in June 2011. This was basically a set of measures focusing on the transfer of income, the increase of access to public services and productive inclusion, aimed at raising the living standards of those in the more deprived areas of society, and enabling them to benefit from the opportunities created by the strong growth of the Brazilian economy.

Among the Brazil Without Extreme Poverty strategies is the 'Busca Ativa' ('Active Search') action with the objective of reaching the most needy populations living outside the network of social protection, in order to include them in the Single Registry of Social Programs (CadÚnico) — a databank containing the family's information that serves as a gateway to the country's social programs. The Busca Ativa has been created with the use of mobile

¹ DECREE - Brazil Without Extreme Poverty Plan, June 2011. http://www. planalto.gov.br/ ccivil_03/_Ato2011-2014/2011/Decreto/ D7492.htm

teams of social assistance in the municipalities, whose mission is to reach more remote locations throughout Brazil - either on foot, by bus, truck or boat, in search of Brazilians in extreme poverty. Thanks to 'Active Search', 687,000 new households were included in the Single Registry and now receive social benefits².

The idea and design of the Green Grant Program came about during the development of the Brazil Without Extreme Poverty Plan. From January to July 2011, teams from the Ministry of the Environment (MMA), the Ministry of Social Development and the Fight against Hunger (MDS), the Ministry of Agrarian Development (MDA), the Ministry of Planning, Budget and Management (MPOG) and the Office of the Chief of Staff of the Presidency of the Republic (CC/PR), met to prepare the project. For a period of six months, the teams dedicated themselves to analyzing those public policies which already existed for fighting poverty, proposing means of perfecting them, and new actions which could be included.

In order to develop an effective plan to fight poverty, it was necessary to take into consideration the multi-faceted nature of the issue, including the different regions of the country, the disparities in work opportunities, the degree of access to services in rural and urban areas, and the profiles of the public in each location, amongst others.

In Putting Together The Plan Of Action For The Brazil Without Extreme Poverty Plan, It Was Noted That Despite Only 15.6% Of The Brazilian Population Residing In Rural Areas, These Locations Were Home To Around 7.5 Million Extremely Poor People. In Other Words, Almost Half Of Those Living In Situations Of Extreme Poverty (46.7%) Lived In The Countryside.³

Upon analyzing the country's rural land, people were identified who live in conservation areas and who contribute to the

² Source: Magazine Brazil Without Extreme Poverty - One Year

³ Source: Ministry of Social Development and the Fight against Hunger

maintenance of their natural resources, but who live in conditions of extreme poverty. This indicated a need for the creation of a new public policy, specifically for these families, incorporating an innovative angle: the alliance of the transfer of income to environmental conservation, while contributing financially to those economically fragile families who are committed to making sustainable use of natural resources.

Rural families living in situations of extreme poverty have a large part of their land registered in the federal public forests designated to traditional peoples and communities, farming families and agrarian reform settlements.



According to Brazilian law, the administration of public forests for sustainable development, with a view to conservation and the generation of income, should be carried out through the designation of public forests to local communities such as traditional peoples and communities, farming families and agrarian reform settlements, as well as by other methods.⁴

⁴ According to art. 4º Law no 11.284, dated March 2, 2006.

With this in mind, the Federal Government has made great efforts to designate areas of public forest to these families through the creation of Sustainable Use Conservation Units, Environmentally Distinctive Settlement Projects, Indigenous Lands, the transfer of ownership to communities made up of the descendants of ex-slaves ('quilombolas'), and recognition of riverines agro-extractivist areas.

Data from the 2010 National Public Forests Registry (CNFP/ SFB/MMA), shows that these areas of community public forest represent 62% of registered Brazilian public forest land, which is equivalent to 128.2 millions of hectares, divided up as follows: 76% - Indigenous Lands; 17% - Sustainable Use Conservation Units; and 7% - Environmentally Distinctive Settlement Projects. Together, these areas include 213,000 families and approximately 1.5 million people. These families are, therefore, largely responsible for the conservation of the eco-systems associated with the areas in which they live, meaning that they are decisive participants in the environmental conservation in the country.

Important policies have been introduced aimed at seeking to create and implement these forest communities, as well as stimulate the sustainable use of natural resources by these families. Amongst these policies are: the National Policy on Sustainable Development of Traditional Communities and Peoples (PNPCT)5, the National Policy on Agrarian Reform (PNRA)6, the National Policy for the Promotion of Chains of Socio-Biodiversity Products (PNPSB)7, and the Federal Program for Community and Family Forest Management (PMCF)8.

However, during the creation of the Brazil Without Extreme Poverty Plan, it was recognized that these policies do not cover all the financial incentives necessary to guarantee environmental conservation, even more so when considering a population in extreme poverty.

⁵ Instituted by Decree nr. 6.040, dated February 7, 2007. ⁶ Instituted by Law nr. 4.504. dated November 30, 1964. 7 Instituted by Interministerial (MMA/MDA/MDS) Administrative Ruling nr. 239. dated July 21. 2009. MMA/MDA/MDS nº 239, de 21 de julho de 2009 8 Instituted by Decree

nr. 6.984, dated June 5, 2009.

This is why, within the sphere of the Brazil Without Extreme Poverty Plan, Provisional Measure nr. 535 was published on June 2, 2011, establishing the Environmental Conservation Support Program, by which the Federal Government is authorized to transfer financial resources to individuals and families in situations of extreme poverty if they are developing activities aimed at the conservation of natural resources in rural areas.

FROM THE PROVISIONAL MEASURE TO THE APPROVAL OF THE LAW

On June 2, 2011, the Brazil Without Extreme Poverty Plan Decree was established. On the same day, the Provisional Measure of the Environmental Conservation Support Program was created and later regulated by Decree on September 28, 2011.

Following the National Congress' normal review procedures for the Provisional Measure, before its conversion into law, 77 parliamentary amendments were presented. The amendments focused on two important themes: a) areas which are the object of conservation activity; and b) the extension of the benefits for activities which cover not only conservation, but also environmental recovery.

Amendments were proposed with a view to the expansion of the areas contemplated in the program, in addition to the Sustainable Use Conservation Units and the Agrarian Reform Settlements, also quilombola territories, fishing colonies, indigenous lands, and riverine extractivist communities, or, in other words, all traditional peoples and communities.

Amendments were also presented to provide the extension of the benefits for environmental recovery activities. Therefore, the Program would benefit families in extreme poverty and in need, to restore their natural resources. This would directly benefit the family and indirectly benefit the whole of society as a result of

Decree http://| www.planalto.gov.br/ CCIVIL_03/_Ato2011-2014/2011/Decreto/ D7572.htm the environmental services provided.

Finally, in the law approved on October 14, 2012¹⁰, the expansion of the areas benefiting from the Program was included, aiming to expand the benefits to thousands of other traditional communities who live in situations of extreme poverty. This is the case of Indigenous Lands, which represent approximately 76% of registered public forest areas.¹¹

There are around 35,000 indigenous families in the rural zone who are beneficiaries of the 'Bolsa Família' Program. ¹² In the quilombola territories, which have now been officially founded by INCRA, there are another 4,500 families ¹³, whilst 32,500 riverine, agro-extractivist families have already been registered by the SPU/MPOG ¹⁴. Therefore there are another 72,000 families, who could potentially be included in the base public benefiting from the Green Grant, as long as they meet the social and environmental conditions.

- 10 Law nr. 12.512 which instituted the Environmental Conservation Support Program http://www. planalto.gov.br/ CCIVIL_03/_Ato2011-2014/2011/Lei/L12512.htm
- " According to the National Register of Public Forests (HFFS / SFB / MMA) of 2010
- ¹² According to the National Secretariat of Citizenship Income (SENARC), part of the Development and Fight against Hunger, responsible for implementation of the Bolsa Família Program.
- 13 Incra, June 2012.
- 14 SPU, March 2012.



LAUNCH OF THE GREEN GRANT PROGRAM

The Green Grant was initially implemented in the northern region of the country, in the Legal Amazon, where the greatest concentration of federal environmental conservation areas was identified, as well as the largest eligible section of the public. The region is home to 8.3% of Brazil's entire population. However, 16.3% of the country's population in extreme poverty resides there. More than 2.6 million of the region's residents live on less than R\$70.00 (US\$35.00) per capita per month and, according to the Ministry of Social Development and the Fight against Hunger (MDS), out of every ten people living in extreme poverty, 5.6 live in the northern region's rural areas.

The first survey of the families, along with the evaluation and registration of individuals as beneficiaries, was conducted between the months of July and September 2011; with the families receiving the 'Bolsa Família' being given priority.

In the first stage, from june to december 2011, more than 17,000 families were included in the program. The families are located in 33 conservation units and 140 environmentally distinctive settlements in the amazon, in a total area of 11.3 million hectares.

On September 27, 2011, in Manaus, Amazon State, ministers, governors, city mayors, business people and beneficiaries of the social programs, along with President Dilma Rousseff, took part in the launch of the Brazil Without Extreme Poverty Pact for the Amazon. The initiative contemplates actions for the transfer of income, the strengthening of family agriculture, partnerships with private sector, and incentives for environmental conserva-

tion - the Green Grant Program — which together aim to remove 2.65 million Brazilians living in the region from extreme poverty.

Statement by President Dilma Roussef:

We have an immense challenge and that is to end poverty throughout the country and particularly in the north, where very poor families represent 17% of the population. As well as the 'Bolsa Família', those families in forest settlements and extractivist reserves will now receive the Green Grant. In the north of the country, many families make a living by collecting fruit such as açaí and bacuri, and also from traditional fishing. The lives of these extractivist families are highly integrated with the forest and they are the greatest defenders of our Amazon Jungle. The extractivist will sign a conservation agreement for the forest where he lives and works, and he will receive 300 reais (around 150 dollars) every three months, which is 100 reais (around 50 dollars) per month. The Program has created an alliance between the creation of income and environmental preservation, combining these two things so that the country always continues to grow in a sustainable manner. 15

The launch of the Brazil Without Extreme Poverty Plan in the north of the country was not only seen in the media, but also in an advertising campaign specially created by the Federal Government. A film about the Green Grant was broadcast on local TV stations and a campaign was also carried out featuring the advertisement below in local newspapers and publications in general.

Interview with the president Dilma Roussef for the CAFÉ COM A PRESIDENTA Program on 10.03.11



IMPLEMENTATION IN THE REST OF THE COUNTRY

In 2011, the Program was structured with priority accorded to the country's northern region, and it was conducted solely in priority areas within the Legal Amazon, which includes the nine Brazilian states lying in the Amazon Basin. The Legal Amazon includes the entire land area of the states of Acre, Amapá, Amazonas, Mato Grosso, Pará, Rondônia, Roraima and Tocantins and part of the state of Maranhão, covering an area of around 61% of the entire national territory.

As of 2012, with the Program implemented and the operations in place, the Green Grant was expanded to the rest of Brazil. At this second stage, plans are being developed which aim to structure the Program as follows: development of the database; the first stages of a Program of environmental training for the beneficiaries; as well as a sample monitoring system

with local visits to the communities which are benefiting, to check that they are complying with the commitments involved in the Program.

There has also been more detailed work conducted with the 'Busca Ativa' Program, for the inclusion and updating of families in the Single Registry of Social Programs (CadÚnico) for the Government's social benefit Programs. Specific training has also been provided for the local program administrators in order for them to be able to do their job to the highest standards.

In december 2012, the north accounted for 64% of the areas covered by the program, the north-east 26%; the south-east 6% and the central west 4%.

Since the launch of the Brazil Without Extreme Poverty and the Green Grant Program, regular meetings have taken place involving all the Government organizations responsible for them in order to follow their implementation and monitor their results.



The beneficiaries of the Green Grant Program are families in conditions of extreme poverty who develop sustainable activities, using natural resources and activities focused on the maintenance of the vegetation in the following Brazilian Federal Areas:

- SUSTAINABLE USE CONSERVATION UNITS, under the administration of the Chico Mendes Institute for the Conservation of Biodiversity (ICMBio), within which are Extractivist Reserves (Resexs), National Forests (Flonas) and Sustainable Development Reserves (RDS);
- ENVIRONMENTALLY DISTINCTIVE SETTLEMENT PROJECTS, under the administration of the National Institute of Colonization and Agricultural Reform (INCRA), such as: Agro-Extractivist Settlement Projects (PAEs), Sustainable Development Projects (PDS) and Forest Settlement Projects (PAFs).
- TERRITORIES OCCUPIED BY TRADITIONAL PEO-PLES AND COMMUNITIES: such as extractivist riverine dwellers; indigenous people; and quilombolas, amongst others;
- OTHER RURAL AREAS DEFINED AS A PRIORITY BY DECREE OF THE EXECUTIVE BRANCH OF THE GOVERNMENT.



SUSTAINABLE USE CONSERVATION UNITS

The Brazilian Government has, as a strategy for protecting its natural heritage, created Conservation Units (UC), under the administration of the Chico Mendes Institute for the Conservation of Biodiversity (ICMBio), a government authority linked to the Ministry of the Environment, which was founded on August 28, 2007.

To fulfil its goal in an effective and efficient manner, the National System for Nature Conservation (SNUC) was created. The SNUC Law represented enormous advances in the creation and management of the Conservation Units at the three levels of Government (Federal, State and Municipal), allowing a joint vision of the natural areas to be preserved on Brazilian territory. In addition to this, mechanisms were established which regulated the participation of society in the administration of the UCs in order to maximize the relationship between the State, the people and the environment.

The Conservation Units are divided into two groups:

FULL PROTECTION UNITS: areas of vegetation where the regulations and norms are more restrictive. Within this group, only the indirect use of natural resources is permitted; in other words, that which does not involve consumption, collection or the damaging of natural resources. Examples of indirect use of natural resources are: recreation which involves contact with nature, ecological tourism, scientific research, and environmental education and interpretation, amongst others. The 'Full Protection Units' are: ecological center, biological reserve, national park, natural monument and wildlife refuge.

SUSTAINABLE USE UNITS: In these areas, the aim is to conciliate the conservation of nature with the sustainable use of natural resources. Within this group, activities that involve the collection

16 The SNUC Law Nr. 9.985, dated July 18, 2000. http://www.planalto.gov. br/ccivil_03/Leis /L9985.htm and use of natural resources are allowed, but only so long as they are practised in such a way that continuity of the renewable environmental resources and the ecological processes are ensured. The categories of sustainable use are: areas of important ecological interest, national forest, fauna reserve, sustainable development reserve, extractivist reserve, area of environmental protection (APA) and natural heritage private reserve (RPPN).

The Green Grant Program comprises some Federal Conservation Units in the Sustainable Use category, where families who manage the natural resources live, and where there are local administrators who coordinate the units, such as:

- SUSTAINABLE DEVELOPMENT RESERVE (RDS): natural areas where traditional populations live based upon sustainable systems involving the use of natural resources. Public visits and scientific research are allowed.
- NATIONAL FOREST (FLONA): area of vegetation where native species predominate, with a view to sustainable and varied use of the forest's resources and scientific research. Traditional populations which have lived in the areas since their creation are allowed to remain there.
- EXTRACTIVIST RESERVE (RESEX): natural areas used by traditional extractivist populations who base their activities upon extractivism, subsistence agriculture and the raising of small animals, ensuring sustainable use of the existing natural resources. This land is in the public domain with public visits and scientific research being permitted.¹⁷

¹⁷ Source: Ministry of the Environment

In these areas, the ICMBio and beneficiaries of the unit work together to set up management and regulation instruments, which control the use and occupation of the territory, whilst taking into consideration the social relations of the communities with the natural resources. These are: Management Plan, Use Plan, Fishing Agreement, Agreement for the Concession of In-Rem Use (CCDRU).

ENVIRONMENTALLY DISTINCTIVE SETTLEMENT PROJECTS

Families living in the National Institute of Colonization and Agricultural Reform (INCRA)'s environmentally distinctive settlements can also receive benefit from the Green Grant. This Federal Government authority was created on July 9, 1970, with the mission of developing and implementing an agrarian land reform policy and coordinating national land ordering. Amongst these actions are:

- FOREST SETTLEMENT PROJECTS (PAF): a type of settlement aimed at management of sustainable income from forest resources in areas suitable for forest, family, community and sustainable production, which is especially applicable to the north of the country (Incra Administrative Ruling nr. 1141/03).
- (PAE): a type of settlement designed for traditional communities for the use of extractivist resources through economically viable, socially equal and ecologically sustainable activities, introducing an envi-

AGRO-EXTRACTIVIST SETTLEMENT PROJECTS

ronmental dimension into agro-extractivists and/or extractivists' activities (Incra Administrative Ruling no 627/87)

• SUSTAINABLE DEVELOPMENT PROJECTS (PDS): a

type of settlement of great socio-economic and environmental interest, designed for communities which are either already pursuing or are willing to pursue activities with low environmental impact, based upon the suitability of the area. Above all, this would involve the natural environmental production of both wooden and non-wooden products, as well as ecological tourism, the harnessing and commercialization of carbon credits, and fish farming, amongst others (Incra Administrative Ruling no 1038/02). 18

18 Source: National Institute of Colonization and Agrarian Reform (INCRA)

Administration and regulation projects are also being planned for environmentally distinctive settlements, including: Usage Plans, Settlement Development Plans, Concession of in-rem Use Agreements and Assignment of Use Agreements.

Incra is a Government Authority tied into the Ministry of Agrarian Development, with department offices in the capital of every Brazilian state.

TERRITORIES OCCUPIED BY TRADITIONAL PEOPLES AND COMMUNITIES

Amongst the traditional peoples and communities are riverine families residing on the banks of rivers, whose principal means of subsistence are traditional fishing and extractivism, who have been identified as suitable for the project and are in the field phase of inclusion in the Program. There are more territories, involving other traditional peoples and communities, which are currently in the development phase of specific strategies for inclusion in each group in the Program.

By March 2011 there was a SPU database of approximately 32,000 families registered living on the riverside in Amazonia.

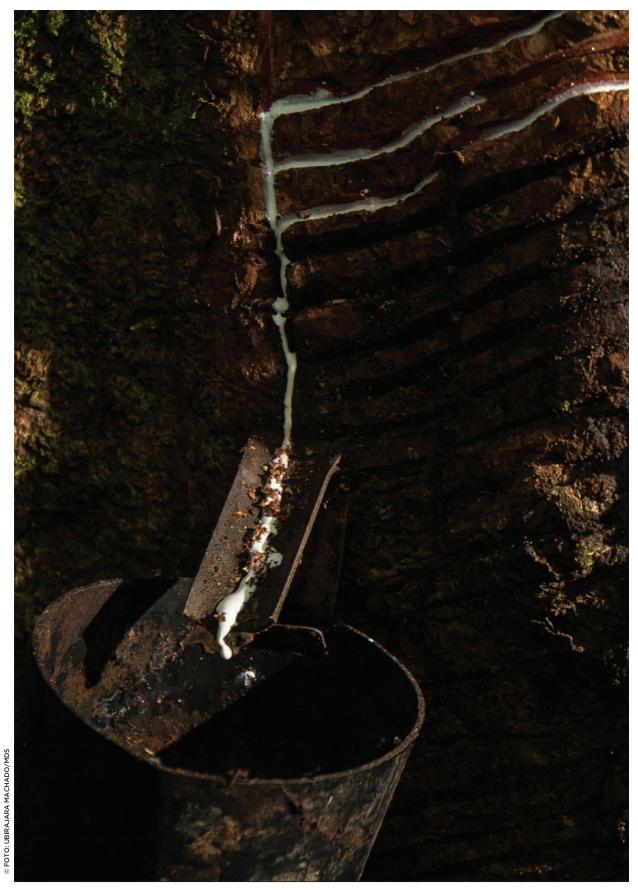
As for the extractivist riverine communities, since 2009 the Federal Government's 'Nossa Várzea' Project has been conducting a process of land regulation in connection with those families located on federal rivers in the Amazon region. This has officially recognized the families' possession of land in these areas, which are the property of the Federal Government. There is a registration process involving teams from the regional state offices of the Federal Properties Department, which go into the field and acknowledge possession. Based upon this 'Terms of Authorization for Sustainable Use' (TAUS) are issued, in which the families are given proof of address in order to claim pensions and, most importantly, to have access to federal public policies.

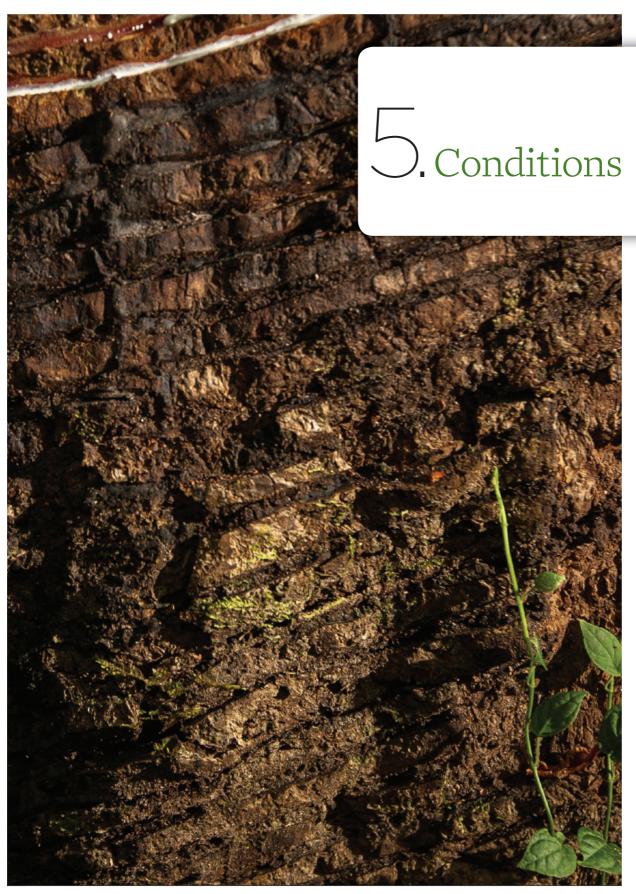
By March 2011 there were approximately 32,000 riverine families living in the Amazon State who are now registered in the SPU databank. Of these, 25,400 have signed the Terms of Authorization for Sustainable Use, TAUS. One of the criteria of the Green Grant is that a plan for sustainable activity exists in the region — in the case of the riverine, this is covered by the TAUS. Around 4,099 families have been considered suitable to receive the Green Grant, based upon social and environmental conditions.¹⁹

¹⁹ Source: Federal Heritage Department

The Green Grant has been operating in the field since May 2012, aiming to include families in the Terms of Adherence, most of them located in the Marajó Archipelago in Pará State, and others in the states of Acre, Amazonas, Amapá and Maranhão. During the introduction of the Green Grant it was assessed

that a considerable proportion of the riverine families were not registered in Cad $\acute{\text{U}}$ nico, reinforcing the need for the Active Search operation in the region.





As requirements for being a beneficiary of the Green Grant Program, a family should meet all of the following conditions:

SOCIAL CONDITIONS: be in a situation of extreme poverty; be registered with the Federal Government's Single Registry of Social Programs (CadÚnico);

ENVIRONMENTAL CONDITIONS: live in a priority rural area, as defined by the Program, which both complies with environmental legislation and develops conservation and sustainable use activities

SOCIAL CONDITIONS:

Families in extreme poverty are defined by the Federal Government as those who receive a maximum of 70 reais (around 35 dollars) per head, per month. For the implementation of the Program, a strategy was defined which selected families in situations of extreme poverty who were already registered with the Federal Government's Single Registry of Social Programs. This works with an infrastructure and operational logistics system that has been implemented by the Ministry of Social Development and the Fight Against Hunger (MDS) and is fully operational at all levels of the country's political system.

Those families in extreme poverty who already take part in the 'Bolsa Família Program' (Bolsa Família) and who live in priority areas pursuing conservation activities were at first prioritized for the Green Grant and receive both benefits.

The 'Bolsa Família' is an income-focused, direct transfer program with conditions, which benefits families in situations of poverty and extreme poverty. Under this the amount of benefit received by the family can vary between R\$ 32 and R\$ 306. The Bolsa Família payment card can also be used to receive the Green Grant payments.

ENVIRONMENTAL CONDITIONS:

To enter into the Green Grant Program, a family should be located in one of the Program's priority territories which demonstrate environmental situations that meet the percentage rate of vegetation established by the Forestry Code for each biome. According to article 12 of the new Forestry Code Law nr. 12.651, dated May 25, 2012: ²⁰

"Every rural property should maintain an area with native vegetation, as a legal reserve, without affecting the application of the norms concerning the Areas of Permanent Preservation, and observing the following minimum percentages in relation to area of the property:

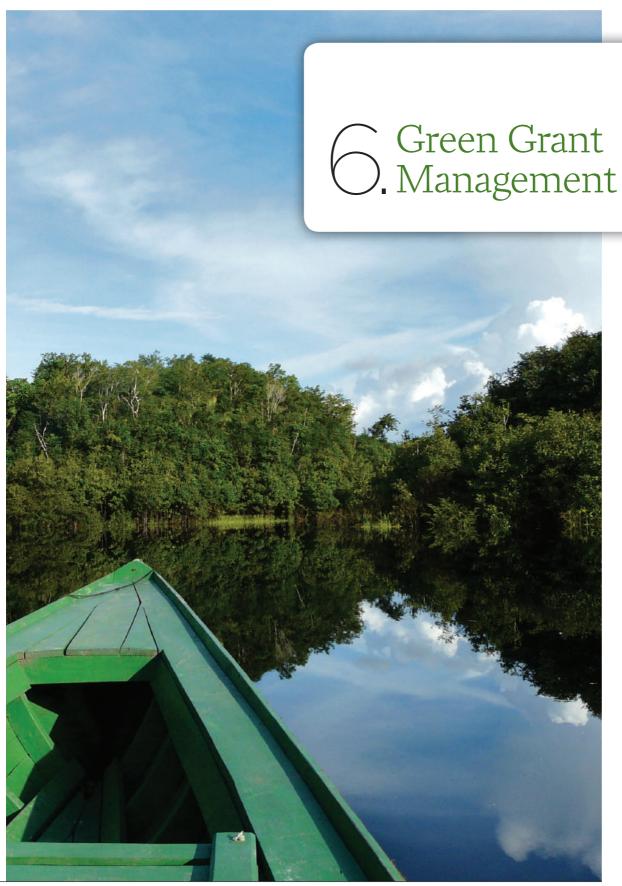
- I located in the Legal Amazon:
- a) 80% (eighty per cent) on property located in a forested area;
- b) 35% (thirty five per cent) on property located on bushland;
- c) 20% (twenty per cent) on property located on an area of general open land;
- II located in other regions of the Country: 20% (twenty per cent).";

The organizations responsible for checking the areas are IBA-MA and Censipam, as explained in detail further on. Furthermore, the environmental conservation activities developed by the families should obey the guidelines in the management or regulation publications provided for each area. These documents establish and describe the rules for use of the natural resources, and those governing the cohabitation of the beneficiaries and the occupation of the unit.

In the case of the Conservation Units, the documents are the

20 New Forestry Code Law http:// www.planalto.gov.br/ ccivil_03/_Ato2011-2014/2012/Lei/ L12651.htm Use Plans, Management Plans, the Concession of the Real Right of Use, and the Fisheries Agreements. For the Settlements projects, the documents are the Use Plans, Contracts for the Provision of Real Right of Use, and the Cession Agreement for Use. In the area with riverines registered by SPU / MP, the documents are the Terms of Sustainable Use authorization — TAUS.

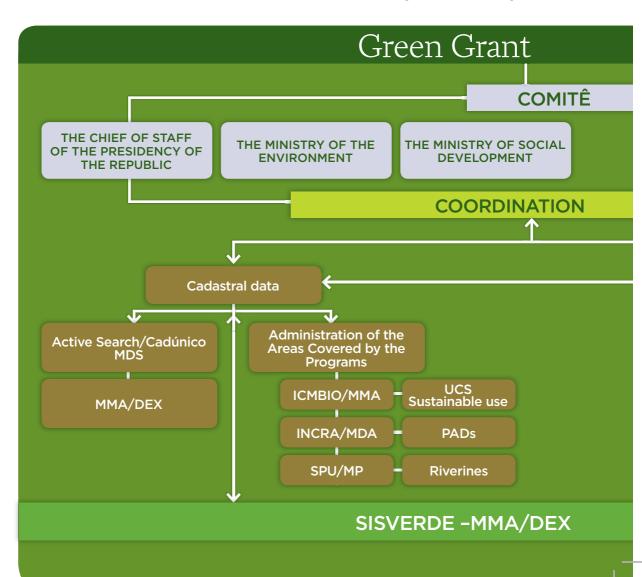
The sustainable use activities value the standing of the forest since its existence is what ensures the economic survival of forestry. It also allows peoples in the forest to live with the resources provided by it, avoiding its destruction to make room for other productive activities. All these contribute to the forest's preservation, while giving an economic value to communities. Among the activities for conservation and sustainable use are gathering fruit, the extraction of latex, artisanal fishing and the production of crafts from natural resources.



The Environmental Conservation Support Program includes an Administrative Committee made up of the Ministry of the Environment (MMA), the Chief of Staff of the Presidency of the Republic (CC/PR), the Ministry of Social Development and Fight against Hunger (MDS), the Ministry of Agrarian Development (MDA), the Ministry of Planning, Budget and Management (MPOG) and the Ministry of Finance (MF). It is coordinated by the MMA, whilst the Program is executed by the Secretariat of Extractivism and Sustainable Rural Development/Department of Extractivism.

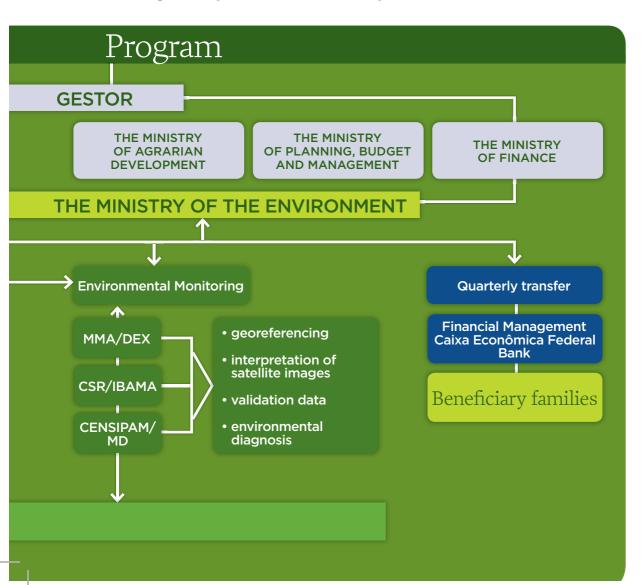
The Administrative Committee is responsible for approving and planning the Program, suggesting priority areas for the implementation of the Green Grant, articulating the actions of the Federal Government organizations involved, approving its internal organization and suggesting criteria and procedures for:

a) the selection and inclusion of the benefiting families according



to population and regional characteristics, and depending upon the availability of the budget and finance; b) monitoring and evaluating the Program; and c) renewal of the adherence by the families.

As for the local administrators of the Program — administrators of the conservation units, regional INCRA coordinators and the state-based coordinators of federal heritage — these are responsible for collecting the signatures to the terms of adherence to the Program of those families previously identified as meeting the socio-environmental conditions. In addition to this, they form part of the task force identifying families in conditions of extreme poverty who are still not included in the Federal Government's Single Registry of Social Programs (CadÚnico). This forms part of the 'Busca Ativa', and provides local support for the implementation of the Program, such as, for example, during environmental monitoring activities.





With the results of the environmental and social conditions, the MMA finalizes the list and drafts the Terms of Adhesion document to be printed up with the name of the head of the family (the same as that on the 'Bolsa Família') and the unit of which he is part.

4 **TERMS OF ADHERENCE**



IBAMA and Censipam check the vegetation according to federal legislation.

3 **ENVIRONMENTAL DIAGNOSIS**

CHECKING ON THE CADÚNICO

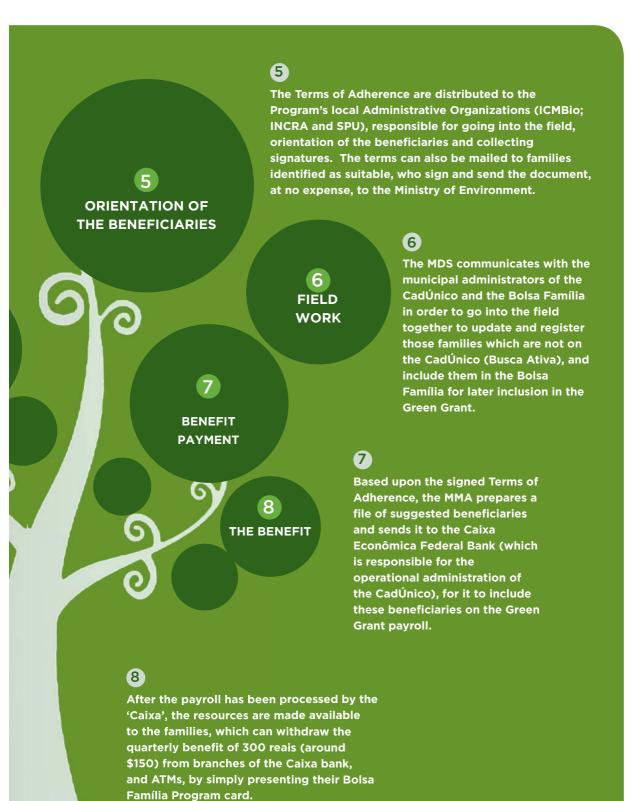
BASE OF POTENTIAL FAMILIES



The MMA receives the records of these families and sends them to the MDS, which looks up their situation on the CadÚnico: a digital record with detailed information on the situations of families in need for the receipt of social benefits. The MDS checks whether the selected families are on the CadÚnico, their situation as regards income, and whether they receive the 'Bolsa Família' benefit.



To make up the base of beneficiaries, the MMA approaches the ICMBio, INCRA and the SPU for records of families which live in priority areas and which perform conservation and sustainable use activities.



TERMS OF ADHERENCE

The family able to receive the benefit must sign the 'Terms of Adherence', a document which contains general information on the Program, its aims and operating regulations, as well as the responsibilities of the families in relation to environmental conservation and sustainable use of natural resources. The Terms of Adherence are printed with the name of the head of the family

People from the community sign the Green Grant contract terms



which has been previously registered with the Bolsa Família, since the same card is used to receive payment of the Green Grant.

The Ministry of Social Development and the Fight against Hunger prioritizes the registration of women as head of the family (the individual in the family who will receive the money), due to their being socially regarded as the one responsible for the household expenses and care of the children. In the Bolsa Família, around 98% of the heads of the households who receive the money as part of the welfare scheme are women.

The Terms of Adherence are distributed by local governing bodies, such as ICMBio, INCRA and SPU and can be also mailed (to the address provided in CadÚnico), along with a letter that introduces the Program and tells the family that it has been se-

lected. These procedures aim to achieve the highest number of potential beneficiaries.

FINANCIAL AGENT AND PAYMENTS

The Caixa Econômica Federal Bank acts as the Program's operating agent, whilst it also operates the Bolsa Família Program and manages the Federal Government's Single Registry of Social Programs (CadÚnico). The card used to withdraw the money is the same as that used for the Bolsa Família, with just a sticker bearing the Green Grant logo being stuck on to it.

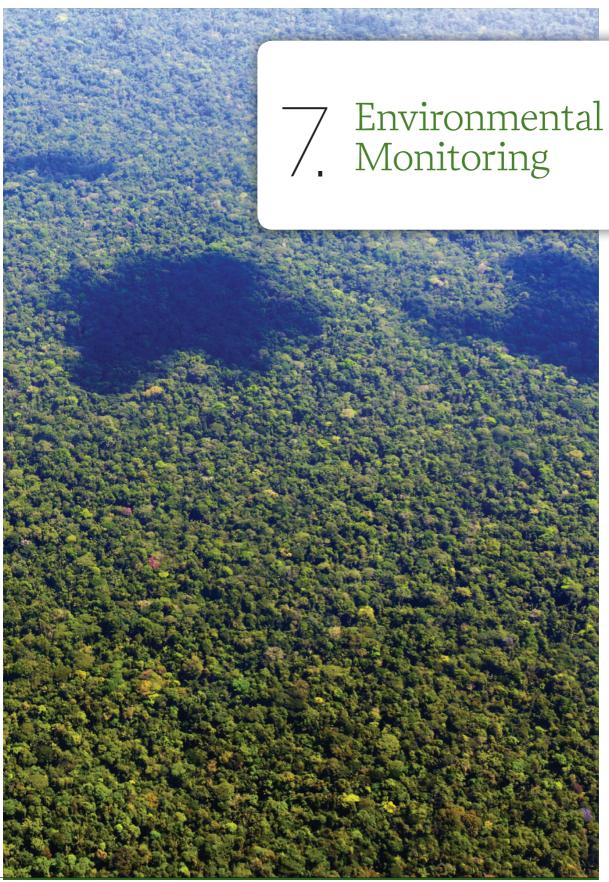
The Green Grant Program makes quarterly payments for the sum of R\$ 300 (or US\$150) by means of the Bolsa Família card, for a period of up to two years, but it can also be renewed for another two years. Payment of the benefit follows the same agenda of payments as the Bolsa Família Program. Beneficiaries of the Green Grant who are also registered with the Bolsa Família will receive the joint benefit.



ABOUT THE PAYMENTS:

- The payment will always take place during the last 10 days of each month, following the same schedule as the Bolsa Família, and will be released in accordance with the final numbering of the 'NIS' (social welfare number);
- The cash can be withdrawn from Caixa branches, and from ATM terminals, upon presentation of the Bolsa Família Program card;
- The payment is made in full, but partial withdrawals and purchases using the card are not allowed;
- Those who eventually leave the Bolsa Família Program after entering the Green Grant Program will receive a specific Green Grant card;
- The cash is made available quarterly (e.g. the families may receive payments in October 2011 and January 2012 and from then on and is valid for 150 days, but after this period, if it has not been withdrawn by the family, it will be returned to the MMA:
- A Green Grant beneficiary's cash is made available by means of a social platform, not through a bank account, since it is only made available for withdrawal.

A family will be excluded from the Program if they fail to fulfill the requirements established for participation in the Green Grant (being in a state of extreme poverty and registered with the CadÚnico); if they do not pursue the environmental conservation activities outlined in the terms of adherence; or if they qualify for another federal environmental preservation incentive program. The resources destined for the Green Grant Program come from the Ministry of the Environment (MMA)'s annual budget.



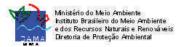
The Program developed specific strategies for monitoring the activities of the communities benefiting, and for evaluating whether they are complying with the environmental conservation agreement in the areas in which they live:

• MONITORING OF THE VEGETATION of the units where the families benefiting from the Program are located, carried out together with IBAMA and Censipam, by means of: 1) annual satellite tracking; 2) regular alerts on deforestation in these units via radar hotspots; 3) environmental diagnosis aimed at identifying areas which are within the environmental requirements.

Monitoring of the deforestation of the areas of activity of the Green Grant located in the Legal Amazon is performed by means of the Amazon Protection System (SiPAM), and is validated by IBA-MA. It uses satellite images made freely available on the website of the National Institute for Space Research (INPE) for specific practices in the verification of the deforestation zones. It is the responsibility of the Brazilian Institute of the Environment and Renewable Natural Resources (IBAMA) to conduct environmental monitoring of all the areas outside the Legal Amazon for the Green Grant Program, as well as to develop Expert Technical Reports for the ratification of reports produced using SiPAM in the Legal Amazon.

• SAMPLE MONITORING Sample monitoring will be performed by means of periodic visits to the families, with the aim of not only evaluating the result of the Program but also of adaptation to and respect for the regulations involved. The sample monitoring is also important for the checking of suspected deforestation. Before Green Grant payments to benefiting families living in the area

EXAMPLE OF ENVIRONMENTAL DIAGNOSIS



SETTLEMENT PROJECT TIRIRICA ISLAND BAGRE MUNICIPALITY, PARÁ STATE

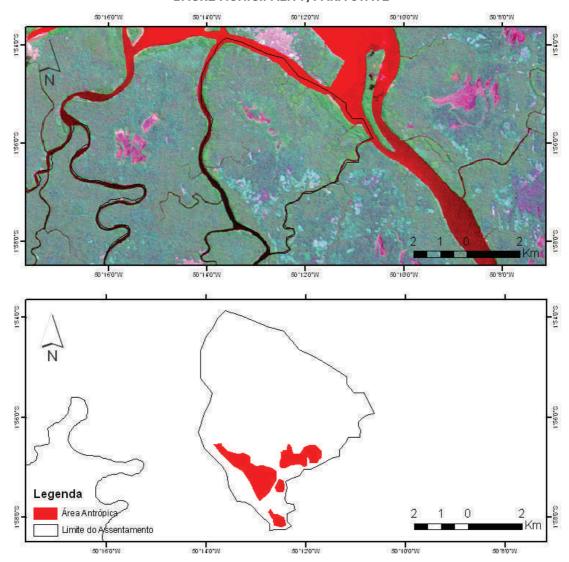


Imagem composição colorida do satélite Landsat TM de 26 de julho de 2010 (órbita = 224; ponto = 61).

SETTLEMENT AREA: 3,006, HECTARES
NATURAL VEGETATION: 80%

Processamento de imagens e cálculo de áreas realizados no Centro de Sensoriamento Remoto do IBAMA. Limite do assentamento fornecido pelo INCRA. Imagem de satélite obtido da página eletrônica do INPE. Polígonos do desmatamento derivados do PRODES/INPE de 2010.

are suspended, local agents will check on the causes and reasons for the deforestation in the area.

DATA BANK

The Program takes care of the development, improvement and maintenance of Georeferenced Information System (SisVerde) for the Green Grant Program. This system will include spatial data coverage and information about environmental monitoring of the areas; registration of families benefiting from the Program; and the payment status of each family.





ABOUT CENSIPAM

The Management and Operations Centre for the Amazon Protection System (Censipam) is a Government organ linked to the Ministry of Defense, created by means of Decree nr. 4.200/2002, to administrate the Amazon Protection System (SiPAM). SiPAM is

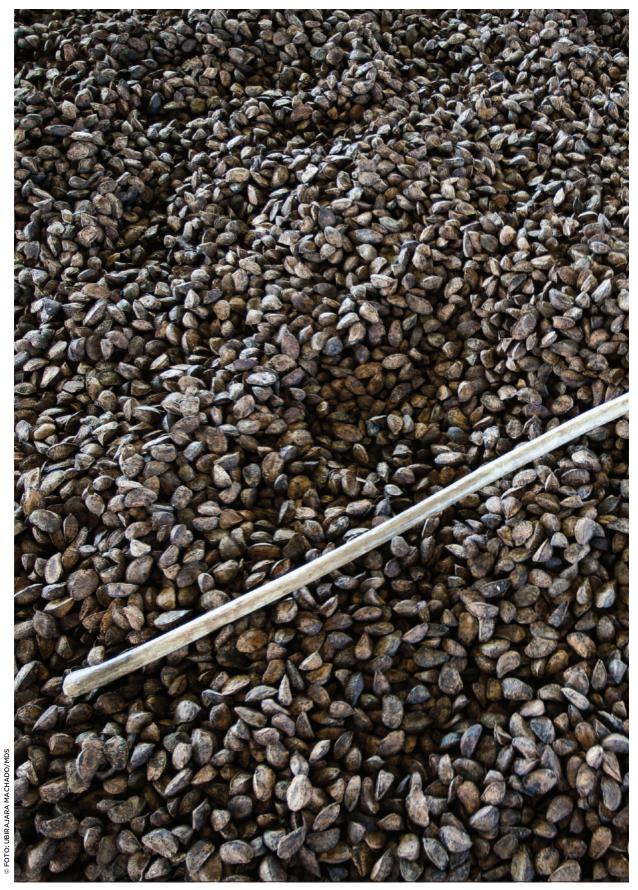
used to monitor the Amazon region, focusing on the defense and surveillance of the area. Whereas previously, the organisation's activities had focused on monitoring the territory to guarantee its domain, starting in 2002 its responsibilities were expanded to contribute to government schemes connected to the region's social and environmental issues. Since 2005, it has used images from the INPE satellite to monitor the deforestation in environmentally protected areas within the Legal Amazon. At this time, the Monitoring of Special Areas Program (ProAE) was created, based upon the wishes of the Ministry of the Environment (MMA) and Funai which sought to identify areas where people live in Conservation Units and Indigenous Areas - the original characteristics of which, such as the soil, vegetation, relief and hydro-arrangements, had been altered as a result of human activity. In addition to the deforested areas, 'carrier' trails are identified; these being trails that have been opened in the forest to allow access to enable the removal of extracted wood products. When the Green Grant was created in 2011, however, Sipam was already being used for the monitoring of a large part of the program's priority areas in the Legal Amazon. Based upon the pledge made by the Green Grant, it expanded the areas and its activity to all the regions of the Amazon Program. Censipam is responsible for producing quarterly and annual reports on the monitoring of the vegetation in the Legal Amazon.

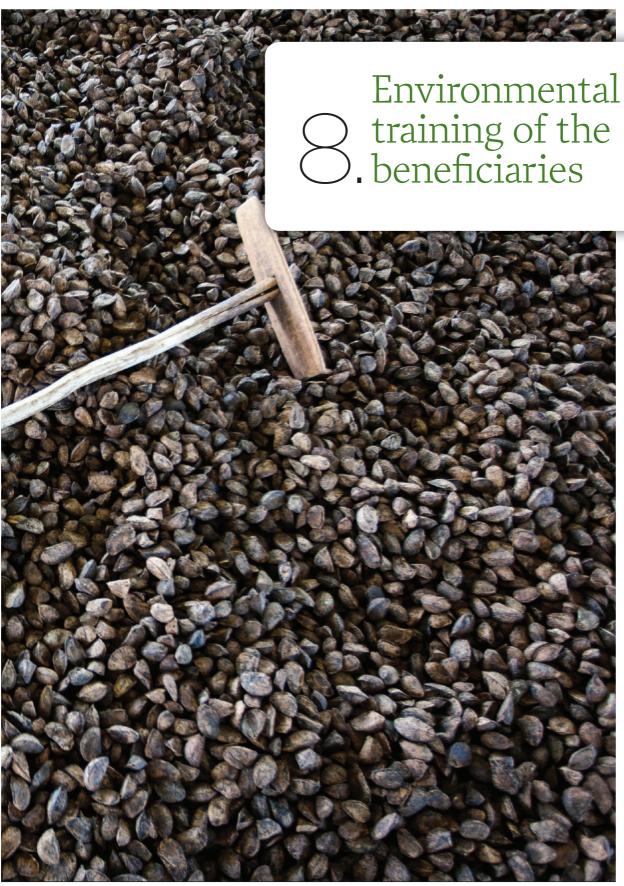


ABOUT IBAMA

Ibama is an independent federal agency that was created on February 22, 1989, and, amongst other powers, it is able to propose and create norms and standards of environmental quality; create and spread information relating to the

environment; conduct environmental control and monitoring, principally in relation to the prevention and control of deforestation, burning and forest fires, amongst others. Since 1988, INPE has produced annual reports on deforestation in Brazil based upon data provided by satellite and, as of 2002, has started to make available images, maps of deforestation and statistics, thus contributing to Ibama's activities in relation to environmental monitoring. In 2010, Ibama launched the Brazilian Biomas Monitoring Program (MBBS), using a satellite to identify the occupation and use of land, including both that covered by natural vegetation and that which has been converted into farmland. The database of the Green Grant Program – 'Marco Zero' – was used for the mapping work performed for the MBBS. Using these maps, it was able to identify the priority areas which are complying with the pledge established by law to maintain vegetation in order to receive the benefit. After every year of the Green Grant Program, new images will be used for comparison and evaluation of the deforestation.





In accordance with the aim of the Green Grant to encourage those benefiting to participate in activities focused on environmental, social, educational, technical and professional training, a methodology aimed at providing benefiting families with an environmental qualification is being developed. It is intended, at first, to give information to the beneficiary about the Program, concerning the instrument of management of their area and about issues related to environmental legislation.

It is hoped also to offer guidance and encourage learning that generates productive inclusion of these families, together with technical assistance for the production, processing and marketing.

The International Education Institute of Brazil (IIEB), a non-profit-making, civil organization focused on training and qualification in the area of environmental conservation, is responsible for the development of this methodology, and has extensive experience of working with traditional peoples and communities. The development of the methodology is being financed by the British Embassy.



Relevance of the Green Grant Program in the Brazilian context



The Green Grant brings about a major paradigm shift: to combine the eradication of poverty with environmental conservation, while reaffirming the value of forests and the benefits that can result from environmental services. The strategy is to recognize forest peoples as important agents of environmental conservation in Brazil and reinforce the importance of green areas.









Raimundo, Leudimar, José, Jocenilda, Arlete, Marlene, Maria, Edimar e Regina:

guardians of the forest









Forests provide benefits that are accepted by humans, but they are not always taken into account. These environmental services cover the provision of food, water, wood and fiber; regulator services, which affect the climate, such as carbon storage; cultural services, that provide recreational, aesthetic and spiritual benefits; and support services such as soil formation, photosynthesis and nutrient cycling.²¹

Therefore, conserving forests and their biodiversity must ensure that environmental services continue to be provided to sustain life on the planet.

Moreover, the economic potential of biodiversity conservation and the Brazilian forests is enormous. Only the production of timber in national and state forests of the Amazon, derived from sustainably managed areas, has the potential to generate annually between R\$ 1.2 billion and R\$ 2.2 billion (US\$600 millions to US\$ 1,1 billion). Already visitors to the 67 National Parks has the potential to generate between R\$ 1.6 billion and R\$ 1.8 billion per year (US\$ 800 million and US\$ 900 million).²²

It is important to note that the creation and maintenance of Conservation Units in Brazil prevented the emission of at least 2.8 billion tons of carbon, with a monetary value estimated at R\$ 96 billion (US\$48 billion). About 80% of hydroelectricity generated in the country has at least one river downstream of a Conservation Unit as a source of water.

Approximately 9% of drinking water is collected directly inside Protected Areas and 26% is taken from sources downstream of a Conservation Unit. And in 2009, the real income of Ecological ICMS (tax transferred to municipalities by the mere existence of protected areas in their territories) was R\$ 402.7 million (US\$201,3).

Therefore, the proposal of the Green Grant Program is to improve the income of residents who actively conserve forests,

- ²¹ Source: Synthesis Report of the Millennium Ecosystem Assessment http://www. millenniumassessment. org / documents / document.446.aspx. pdf
- ²² According to the study: Contribution of Protected Areas to the Brazilian National Economy http:// www.mma.gov.br/ estruturas/240/_ files / sumrioexecutivo_240. pdf

thus reducing the pressure for felling timber and creation of pastures, for example.

It is worth noting that deforestation occurs in Brazil, mainly due to cattle ranching, logging and plantation agriculture. Between August 2010 and July 2011 the Amazon had its 6,418 km square area deforested. Even though a significant amount represents the lowest rate in 23 years and a decrease of 8%, compared to the same period calculated between 2009 and 2010. Brazil reached the lowest rate of deforestation in the Amazon region, since the National Institute for Space Research (INPE) began measuring, in 1988.

The goal of the Federal Government is to continue reducing deforestation significant vegetation areas in Brazil. When the Green Grant Program financially benefits the communities that keep forests conserved (and who make sustainable use of these areas), it is encouraging the preservation of natural resources and thus valuing the environmental service that forests provide to society.



GREEN GRANT AND THE SOCIO-ENVIRONMENTAL PROTECTION FLOOR

During the Rio +20, in June 2011, one of the proposals made by the Brazilian Government (through the Ministry of Social Development and Fight against Hunger) was named as the adoption of Socio-Environmental Protection Floor.

The proposal was developed from the establishment of the concept of Social Protection Floor developed by the advisory group of the International Labour Organisation (ILO) and published in what became known as the Bachelet Report (2011) The main idea (based on the Universal Declaration of Human Rights) is that no citizen should live below a certain income level, which would be secured through cash transfers or inkind, such as pensions for the elderly and disabled people, benefits for children, income support and/or employment guarantees and services for the unemployed and working poor - and that access to basic social services such as water, sanitation, health and education at least, should be guaranteed.

The proposed Socio-Environmental Protection Floor incorpora-



tes the discussion about the environmental issue - in which all human beings should be entitled to minimum standards of a healthy environment. This is to promote the proper use of natural resources, with guidance, technical support, benefits payments for environmental conservation, credit for sustainable production, and labor warranty for generating green jobs, among others. It also includes the promotion and conservation of resources and environmental assets of the communities.

The Socio-Environmental Protection Floor is about focusing on public policies to be incorporated by countries in order to respond to each priority and resource available. However, it is a proposal with a clear focus on ensuring the rights of the poor, both in social as well as environmental issues.

Some initiatives in the world have already reconciled social protection with environmental protection, but they are still few and recent. In Brazil, the great forerunner of this alliance at federal level is the Green Grant Program, which paved the way for combining improvements of social conditions with environmental conservation. The Program has being used as a reference for other future initiatives by the Federal Government.



In recent years public policies have emerged around the world that seek to combine environmental conservation with social inclusion, especially in developing countries, where these two issues have become crucial: the fight against poverty and the conservation of natural resources. Some examples of developing countries in Latin America that have created specific programs in order to face these same challenges are listed below.



The Family Forest Wardens Program in Colombia

WHAT IS IT

A Federal Government initiative, designed with the objective of proposing alternatives to poor rural households living in areas of great environmental wealth, but who cultivate coca and poppy plantations.

Created in 2003, the Family Forest Wardens Program seeks to

OBJECTIVES

provide income and employment options to those families who agreed to keep their areas free of illicit crops. This happens by actively recovering and conserving these areas, and with the support of sustainable productive projects like coffee, cocoa, cane sugar, fish farming, bee-keeping, eco-tourism and handicrafts. The Program aims to improve the living conditions of these families, fighting harmful effects caused by the presence of the violent and illegal activities of drug trafficking. Some negative consequences include the destruction of the family, child labor, and school dropouts among others. Therefore, the Program also ac-

tively promotes the strengthening of community organizations and the family unit, carried out by bodies that perform specific

HOW IT WORKS

monitoring of beneficiary families.

Each family that decides to take part in the Program receives about US\$1,900.00 per year from the Government to make the transition to planting different crops. Women receive the financial aid as the beneficiary holders in order to bring to an end the oppression they suffered during centuries of patriarchal domination in rural areas.

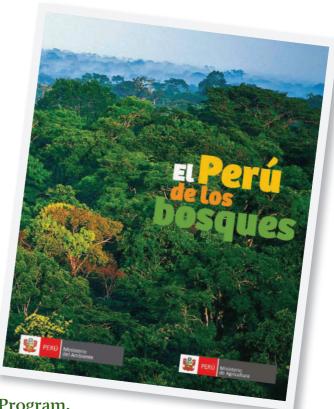
In each locality, annual action plans are held which define the activities for recovery and natural resource management. Short and long-term projects which should generate income for up to three years, are encouraged. After this period, the financial aid is discontinued. Until 2008, the Program benefited 105,494 families in 121 municipalities of Colombia.²³

LESSONS LEARNED

Social cohesion is a key criterion for reducing rural poverty. The Program focuses on addressing the social inclusion of these families, giving not only financial and technical support for rural economic development, but also support for strengthening the families. It also helps communities in their organization processes and gives them the ability to engage with local authorities and other institutions, improving community organization.

²³ Source: "Programa Desarrollo Alternativo en Colombia - Familias Guardabosques". The Giraldo; Magazine Luna Azul. N27. July-December 2008.





Forestry Program, in Peru

WHAT IT IS

The National Program for Conservation of Forests for Mitigation of Climate Change - or Forestry Program - was created by the Peruvian government in order to secure their forests and develop sustainable production initiatives in the traditional communities who live there. Peru has rainforests in over 60% of its territory. These forests are the habitat of indigenous people and a valuable source of natural resources, which play a key role in stabilizing the climate and the environment.

OBJECTIVES

Created on July 14, 2010, the Forestry Program aims to conserve 54 million hectares of Peruvian forests. Of this total, approximately 10.6 million (19.6%) are on the land of indigenous communities that have very low social and economic indicators. In 2010, 52.2% of households in the forest region, were living in

poor conditions.²⁴ For this reason, the Program designed a strategy to promote the active participation of these people in conserving the forest, while the government helped to improve their living conditions.

²⁴ Source: Newsletter 2: National Program for Conservation of Forests for Mitigation of Climate Change, July 2011

HOW IT WORKS

Transfers of public resources are made to indigenous communities and farmers who have voluntarily conserved primary forests within their territories and wish to continue preserving them. The benefit is about US\$10 annually per hectare of preserved forest. The communities that adhere to the Program must ensure that there is no illegal logging or illegal crops on their land. With the help of the Program, communities must also develop an investment plan in which at least 80% of the grant will be used to finance sustainable productive projects and at most 20% for projects of social support.²⁵

25 Source: Newsletter 2: National Program for Conservation of Forests for Mitigation of Climate Change, April 2011

LESSONS LEARNED

Through this Program, the Peruvian government began to monitor their forests better, performing demarcation and mapping for conservation. Also, it started to support the efforts of the agents related to forest management and invest in training for local staff focused on the sustainable use of its resources.²⁶

²⁶ Source: Official website of the National Program for Conservation of Forests for Mitigation of Climate Change http:// bosques. minam.gob.pe



Socio Bosque Program, in Ecuador

WHAT IT IS

An initiative of the Government of Ecuador that aims to reduce the rate of deforestation in the country and contribute to the preservation of diversity. The goal of this Program is to secure the existence of areas that generate environmental services in the country, recognizing the owners for their commitment and effort towards conservation.

OBJECTIVES

In operation since September 2008, the Program is targeted at owners of areas of native forests (individual or community) that have historically lacked incentives for conservation and whose state of poverty leads to deforestation.

HOW IT WORKS

The government gives an economic incentive to individual landowners and peasant and indigenous communities that voluntarily undertake to accomplish the conservation and protection of native forests for a period of 20 years. Secondary forests may be in the Program, provided that, in 20 years, they are in a mature state and show no interventions. The incentive paid by the government can be up to US\$30 per hectare and it varies according to the area that the owner wants to include in the Program. Payment is conditional upon fulfilment of the conservation of the areas. Areas threatened by deforestation, relevant to the generation and conservation of environmental services, or with high poverty levels have priority for admission in the Program.²⁷

LESSONS LEARNED

The Program requires long-term engagement. Regardless of any presidential changes, the contract with the beneficiary lasts for 20 years. An information system was developed using data from beneficiaries, characteristics of the land that is part of the project, and an archive of forests in the conservation process.

²⁷ Socio Bosque: Concept and Advances in Second Year of Implementation. http://www.ambiente. gob.ec / sites / default / files / users / student / Brochure% 20% 20% 202010.pdf Octubre systematization

Payment for Environmental Services Program, Costa Rica

WHAT IS IT

This Program from the Federal Government of Costa Rica provides financial compensation to property owners who maintain and recover forest coverage. The funds come from taxes and donations.

OBJECTIVES

From the 1960s, due to the expansion of cattle ranching and agricultural development, Costa Rica began to undergo rapid deforestation. In 1960, forests covered 53% of the country. That percentage dropped to 21% of the territory in 1987. To maintain high rates of deforestation in the country, since 1996 among other activities the Government developed the Payment for En-

²⁸ Source: "Costa Rica Tropical Forests: A Motor for Green Growth", report published by The National Foundation for

Forestry Financing.

vironmental Services Program, which provides financial incentives directly to owners who conserve forests rather than converting them to agricultural land. In 2010, new vegetation has spread to 2,223 acres of secondary forest in different stages of growth, representing 52.4% of coverage.²⁸

HOW IT WORKS

The Payment for Environmental Services Program in Costa Rica does not have a specific social target - payments are given to any owner who undertakes environmental conservation. However, by law, the Program should be designed to benefit the owners of small and medium forest territories, as well as indigenous communities. The payments are staggered: higher in areas of greater hydrological importance and with greater biodiversity.

LESSONS LEARNED

Institutional and legal reforms have served as key factors towards environmental progress in the country. Today, Costa Rica is one of 14 countries in the world with over 20% of the territory protected. There are 166 protected areas — from national parks to forest reserves - representing 27% of the country's territory.



The Forest Allowance Program, Brazil

WHAT IT IS

An initiative of the Government of the State of Amazonas, Brazil, specifically for residents of Conservation Units at the state level, where traditional family farmers are. The Forest Allowance Program (Bolsa Floresta) is implemented by a public-private partnership and non-governmental institution called Sustainable Amazonas Foundation (FAS), in coordination with the Department of Environment of the State of Amazonas.

OBJECTIVES

Improving the quality of life of traditional peoples in the state of Amazonas, rewarding them for their conservation work in tropical forest and providing training and support for sustainable production and strengthening of community associations.

HOW IT WORKS

The Program conducts workshops in the communities, where they work on topics such as sustainable development and climate change. After that, participants are asked to sign a formal commitment contract for zero deforestation in areas of primary forest, as well as the use of fire prevention practices and participation in the residents' association of the Conservation Unit.

The Program provides a total annual payment of around US\$ 5,440.00 per family per year, divided into four components:

- Bolsa Floresta Family, which includes direct payments to the female representative from each family in the form of monthly transfers of US\$200.00, totalling US\$2,400.00 per year;
- Bolsa Floresta Income, resulting in investments of around US\$1400.00 per family per year, targeted to generate income from sustainable use of the forest (production of fruits, nuts, fish, tourism);
- Bolsa Floresta Social, for social investments, especially education and health, to the amount of US\$1,400.00 per family per year;
- and the Bolsa Floresta Association, which plans to invest in strengthening community-based organizations, especially for offices and local mobility of managers. This means on average US\$ 120,000 a year for the Conservation Unit ²⁹. Only families who have lived in Conservation Units for more than two years can participate in the Program,a stipulation aimed at discouraging migration to these areas to take advantage of the benefits of the.

²⁹ Source: Sustainable Amazonas Foundation (FAS). http://fasamazonas.org/

The Program is funded through a public-private partnership. The government of Amazonas state contributed about one third of the resources. The rest of the money is raised through international donations and private initiatives, such as the Amazon Fund / BNDES.

LESSONS LEARNED

The environmental education and supporting community-based organizations are fundamental pillars of the Forest Allowance Program. This Program is not provisional and can be extended indefinitely, while there are environmental services from the forests that the participating communities are conserving.

