

## **BRAZIL INVESTMENT PLAN**

### **FOREST INVESTMENT PROGRAM**

Kinshasa, June 2015



Projects target area:
Cerrado biome

### Why?

- Connects all other biomes
- Key for biodiversity
- Key for agriculture





## Main Project Aspects

- Drivers of deforestation:
  - Agriculture and livestock area expansion
  - Low productivity on vast parts of Cerrado
  - Forest fires
  - Infrastructure development
- Focus on
  - sustainable use and management of agricultural land
  - Production and management of forest information



### FIP - Brazil Investment Plan

Sustainable use and management of areas under anthropic influence

Enhance access to financial and technical resources for Low Carbon Agriculture – LCA Implement the Rural Environment Registry – RER (CAR) in the prioritised municipalities of Cerrado

Production and management of Forest Information

Generate Forest Information and make it all readily available through the Forest Inventory – NFI (IFN) in the Cerrado

Remote monitoring system to prevent forest fires, monitor vegetation cover and estimate GHG emissions in the Cerrado

Project RER - FIP Projeto LCA - FIP Project NFI Cerrado - FIP Projeto FIP- MCTI

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#### **DISTRIBUTION OF RESOURCES**

#### Values in millions of dollars

| Project                      | MDB          | Loan  | Donation | Counterpart | Total  |
|------------------------------|--------------|-------|----------|-------------|--------|
| RER – FIP<br>CAR – FIP       | IRDB         | 32,50 | -        | 17,50       | 50,00  |
| FIP - LCA<br>FIP - ABC       | IRDB and IFC | _     | 11,00    | 25,00       | 36,00  |
| NFI Cerrado<br>IFN – Cerrado | IDB          | _     | 17,00    | 8,00        | 25,00  |
| FIP - MCTI                   | IRDB         | -     | 9,50     | 6,50        | 16,00  |
| Coordination                 | -            | -     | 1,00     | -           | 1,00   |
| TOTAL                        | 32,50        | 32,50 | 38,50    | 57,00       | 128,00 |



### Landmarks

- May 2012: Brazil Investment Plan approved FIP subcommittee
- March 2014: Estabilished governance structure for the implementation of the program
  - Interministerial Executive Committee, composed by the Ministries of Finance, Environment, Agriculture, Science and Technology
- October 2014: Monitoring and Reporting Plan Submited



## Project RER-FIP



- Law nº 12.651/2012 New Forest Code (creates the CAR, Art. 29)
- Information provided by rural producer (size, location, land use, natural assets – "income tax like")
- Registration is mandatory (it will affect the access to licenses and credit lines of public institutions)
- Leverage the level of information about the land use (control, plan and monitor environmental and economic issues)



### **Project RER-FIP**



**Resources**: US\$ 32.5M loan + US\$ 17.5M from Federal Gov

**Execution**:

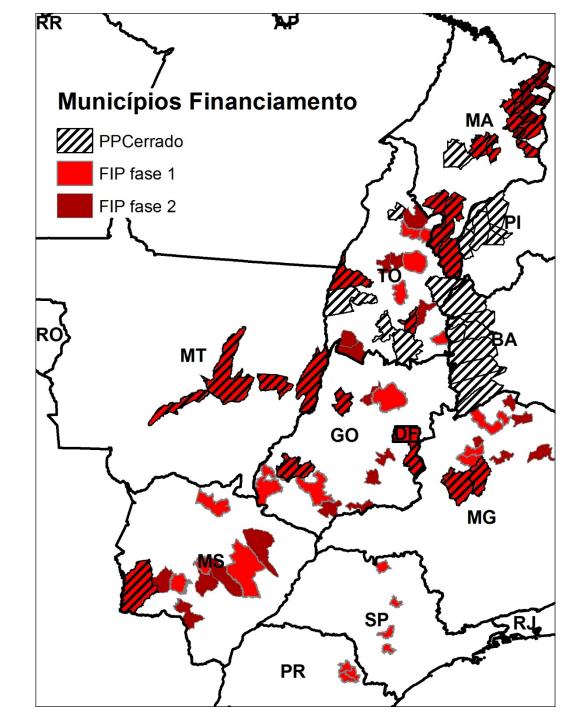
Ministry of Environment

**Área of intervention**: States de Minas Gerais, São Paulo, Goiás, Mato Grosso do Sul, Mato Grosso, Tocantins, Maranhão e o Distrito Federal.



Project RER-FIP







# Project RER-FIP – Implementation Strategy



- MMA: coordination, guidelines and compliance
- Training to all 27 state environmental agencies (500 technical staff)
- Partnership with rural associations and stakeholders (small and large scale farmers – 10 national institutions and 220 technical staff)
- E-learning (cooperation with Federal University of Lavras to capacitate 30.000 people)



### **Project CAR-FIP**



### **Main Targets:**

- Register over 56 Thousand small rural properties.
- Register over 13 thousand midsized and big rural properties
- Registered area: 7 million Hectares.



### Project FIP-LCA





**Resources:** US\$11M donation + US\$25M from Federal Government

**Project Monitoring Committee:** 

MAPA

**EMBRAPA** 

**SENAR** 

:

Executive Agency:

SENAR (Serviço Nacional de Aprendizagem Rural) (National Rural Learning Service) Technical support: EMBRAPA



### Projeto FIP-LCA – Challenges to Agriculture



- World: Population growth
- Brazil: Increasing agricultural exports
- Consumption standard x Production standard

- Recovery of Degraded Areas
- Elimination of illegal deforestation
- Rational and efficient use of water resources



### Projeto FIP-LCA – Challenges to Agriculture



- Compensation for environmental services;
- Carbon Credit;
- Demand for a safe and certified food;
- Sustainable Agriculture;
- Greenhouse Gases (GHGs);
- Global warming and climate change; and
- Adaptation and Vulnerability Reduction.



### Project FIP-LCA



#### Aims:

- Promote the adoption of low carbon emission technologies for midsized producers in Cerrado
- Capacity building of rural technical assistance professionals and institutions
- Technical Assistance to rural producers
- Collect, systematise and diffuse knowledge associated with low carbono Technologies among all stakeholders



### Project FIP-LCA



#### **Main Targets:**

- Offer 56 hour courses to 12,000 rural producers and managers in mid sized properties.
- Offer 142 hour courses to 160 rural technical assistance professionals
- Promote the adoption of LCA Technologies in 900,000 hectares
- Provide better financial conditions to those who adopt LCA Technologies:



### Project FIP-LCA – Financial Conditions



### 2015/16 Agriculture and Livestock Plan

| Resources    | R\$3bn (USD 1bn)  |
|--------------|---|
| Credit Limit | R\$2M (USD 0.7M) for agriculture and livestock R\$5M (USD 1.7M) for planted forests |
| Terms        | Up to 15 years First payment due after 3 years                                      |
| Rates        | 7,5% (Baseline interes rate is 15%)   |

### Since 2010/11:

- R\$ 10bn disembursed (USD 3.2bn)
- 30,000 contracts



### **Project IFN-Cerrado**



#### Aims:

- Implement the Forest Inventory in the biome
- Consolidate the National Forest Information System
- Collect, systematise and diffuse crucial and high quality information about forest resources to public and private sectors
- Contribute to the promotion of sustainable programs to mitigate GHG emissions in the Cerrado
- Capacity building of professionals and institutions (public and private sectors, 3 levels of government)



### **Project IFN-Cerrado**



### **Targets:**

- Collect data and forest information in 5,000 data points in the Biome
- Surveys with inhabitantes located near the sample data points to collect data and qualitative information of traditional knowledge of the biome.
- Capacitate 260 professionals and academics in the related areas of expertise



Development of systems to prevent forest fires, monitor vegetation cover and GHG emissions in the Brazilian cerrado

#### **Project Development Objective:**

 To enhance Brazil's institutional capacity to monitor deforestation

Provide instant information on fire risks

Estimate related GHG emissions in the Cerrado.



Development of systems to prevent forest fires, monitor vegetation cover and GHG emissions in the Brazilian cerrado

#### **Project Components:**

- (i) deforestation monitoring;
- (ii) improvement of the information system on forest fire risk and GHG emissions; and
- (iii) project management, monitoring and evaluation. The Project will be implemented over four years. The Project will not support direct firefighting activities or purchase of equipment for them.
- Focused on system development



Development of systems to prevent forest fires, monitor vegetation cover and GHG emissions in the brazilian cerrado

**Resources**: US\$9.5M grant + US\$6.5M conterpart from Federal Gov't

Implementation:

Coordination MCTI

Executive Agency FUNDEP

### **INPE**

National
Space
Research
Institute

## Technical Implementation:

CRS

Remote
Sensoring
Center
/UFMG

**LAPIG** 

Image Processing Lab and GIS/UFG

#### **IPAM**

Amazon Env. Research Institutte



Development of systems to prevent forest fires, monitor vegetation cover and GHG emissions in the brazilian cerrado

#### Aims:

- Improve institutional capacity to monitor deforestation, make fire risk information readily available
- Estimate GHG emissions in the Cerrado
- Development of a data generating system about deforestation activity



Development of systems to prevent forest fires, monitor vegetation cover and GHG emissions in the brazilian cerrado

#### **Targets**:

- Design and implemente a deforestation monitoring system
- Make available to the public more accurate information to predict risk fires in real time
- Implement a system, on-line and off-line, to predict the risk of forest fires propagation/dissemination
- Adapt e operacionalize the Emissions Estimates System INPE-EM.
- Provide stakeholders with information for decision making regarding public policies towards fire prevention, deforestation control, landscape management











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#### Thank You

Roque Tumolo Brazilian Ministry of Science and Technology roque.neto@mcti.gov.br

Henrique Dolabella Brazilian Forest Service henrique.dolabella@florestal.gov.br