## **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





# FIP – Brazil Investment Plan

Sustainable use and management of areas		Production and management of Forest		
under anthropic influence		Information		
Enhance access to financial and technical resources for a Low Carbon Agriculture – LCA (ABC) Implement the Rural Environment Registry – RER (CAR) in the prioritised municipalities of Cerrado		Generate Forest Information and make it all readily available through the National Forest Inventory – NFI (IFN) in the Cerrado Remote monitoring system to prevent forest fires and monitor vegetation cover in the Cerrado		
Project	Projeto	Project NFI	Projeto	
RER - FIP	LCA - FIP	Cerrado - FIP	FIP- MCTI	
Ministério do <b>Meio Ambiente</b>	Ministério da Agricultura Pecuária e Abastecimento	SERVIÇO FLORESTAL BRASILEIRO	Ministério da Ciência, Tecnologia e Inovação	



#### **DISTRIBUTION OF RESOURCES**

#### Values in millions of dollars

Project	Loan	Donation	Counterpart	Total
RER – FIP CAR – FIP	32,50	-	17,50	50,00
FIP - LCA FIP – ABC	_	11,00	25,00	36,00
NFI Cerrado IFN – Cerrado	-	17,00	8,00	25,00
FIP - MCTI	-	9,50	6,50	16,00
Coordination	-	1,00	-	1,00
TOTAL	32,50	38,50	57,00	128,00



# **Project RER-FIP**

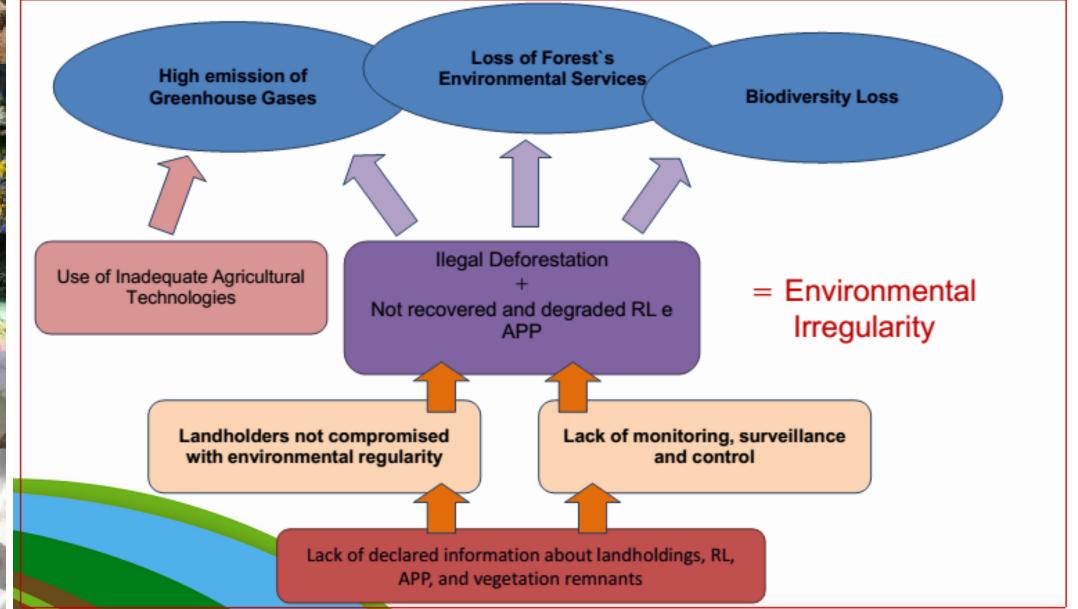


- Law nº 12.651/2012 New Forest Code (creates the CAR, Art. 29)
- Information provided by rural producer (size, location, land use, natural assets – "income tax like")
- Registration is mandatory (it will affect the access to licenses and credit lines of public institutions)
- Leverage the level of information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

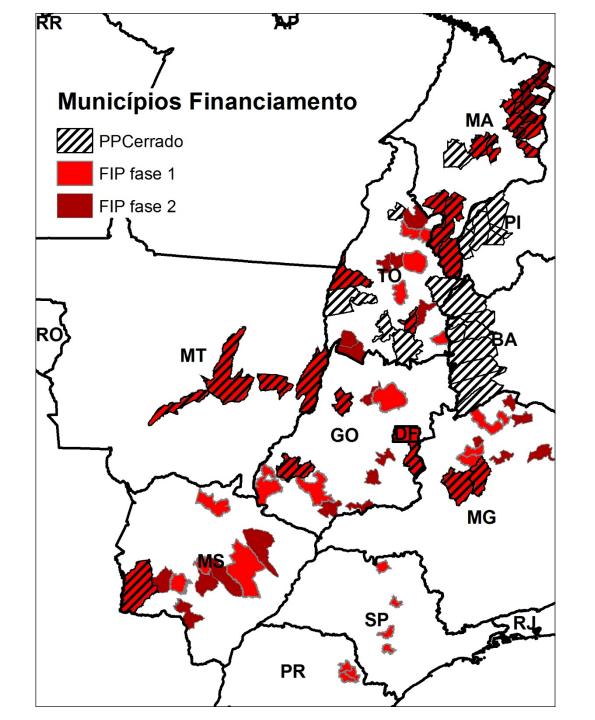


# **Project RER-FIP**











- 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 FIP-LCA

Sustainable Production of Areas converted to Agricultural Use

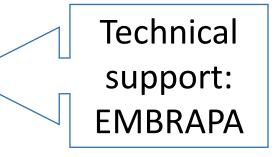


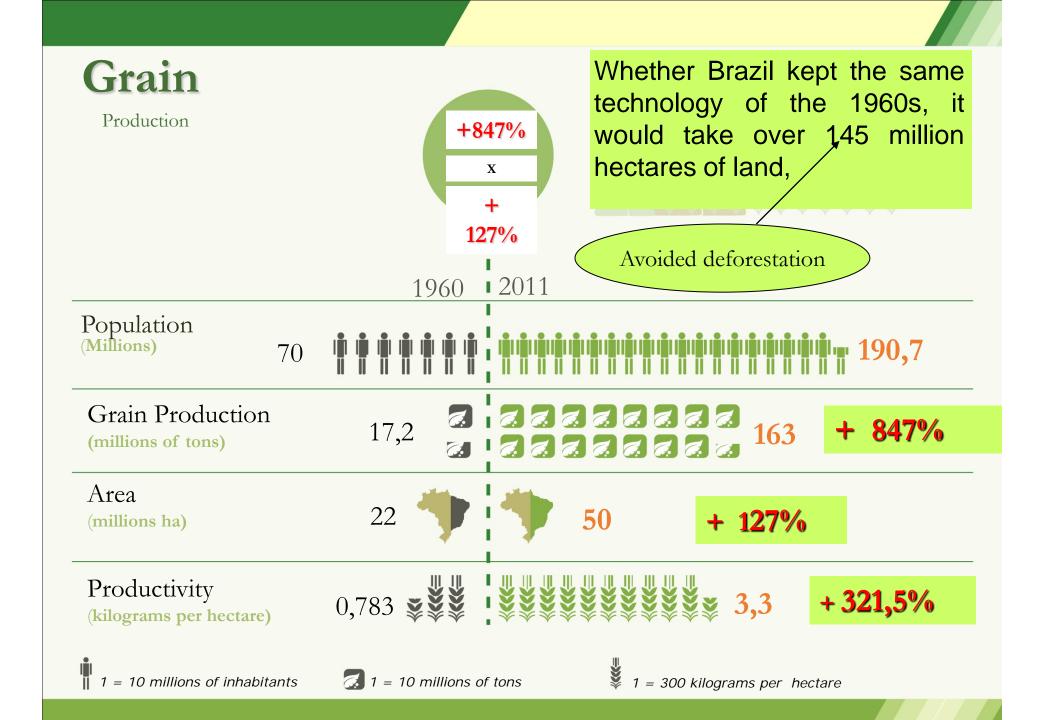
**Resources:** US\$11M donation + US\$25M from Federal Government

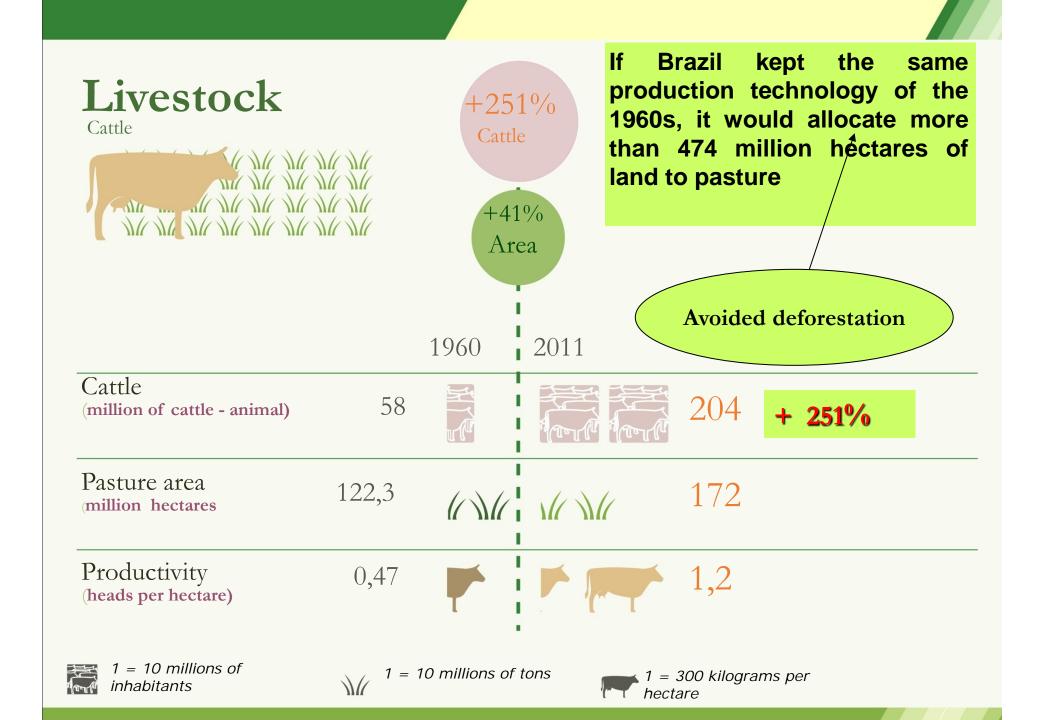
Project Monitoring Committee:

MAPA EMBRAPA SENAR

Executive Agency : SENAR (Serviço Nacional de Aprendizagem Rural) (National Rural Learning Service)









#### 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









Ministério da Ciência, Tecnologia e Inovação

Ministério do **Meio Ambiente** 



Ministério da Agricultura Pecuária e Abastecimento







### Thank You

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