

**Meeting of FIP Pilot Countries
Yogyakarta, Indonesia
September 24-26, 2013**

Progress Updates from FIP Pilots

BRAZIL

What activities have been undertaken to review progress and coordinate implementation of the FIP investment plan at the country level since the last Pilot Country Meeting? With what regularity do such reviews take place?

Inter-agency

Periodic meetings have been held between the agencies involved in the Investment Plan, with the participation of the coordinators of each project (from the Ministry of Environment, Ministry of Science and Technology, Ministry of Agriculture and the Brazilian Forest Service), the national focal point (Ministry of Finance) and the Investment Plan Coordinator (Executive Secretariat of the Ministry of Environment).

In order to consolidate and provide adequate support for the coordination of the IP, the Interministerial Committee will be formally established to monitor the implementation of projects and ensure synergy between activities carried out by each agency. The Committee will be backed by an Investment Plan Management Unit, responsible for the operation of the IP monitoring system and the implementation of the evaluation process. An Interministerial Ordinance is being finalized to establish this institutional framework.

In addition to that, the following activities have been undertaken on the project level:

The FIP-ABC Project received recently its second WB mission, for an evaluation and final adjustments to the Project proposal. The evaluation included field visits to some farms in the Cerrado region, participation in some activities of one of the implementation agencies, Senar, to get acquainted with its strategies and working capacities. The Mission enabled better understanding about the execution capacity of Brazilian institutions, in particular the Ministry of Agriculture (Mapa) and Banco do Brasil.

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| | <p>The Forest Information Project (FIP – IFN/SNIF and Forest Inventory) proposal has been finalised by the Brazilian Forest Service (BFS) and IDB teams. During the preparation phase, the IDB has conducted a fiduciary analysis of the BFS, indicating its qualification, expertise, human and material resources to execute the project.</p> <p>The Cerrado - CAR-FIP Project is currently being reviewed by the Investment Plan Coordinator (Executive Secretariat of the Ministry of Environment). Its Framework Document for Environmental and Social Management Projects - GMES has also been completed and is being evaluated by the World Bank. And it should be available soon for public consultation through the internet.</p> <p>The “Project Implementation of an early-warning system for preventing forest fires and a system for monitoring the vegetation cover” is in preparation. Consultants have been hired to support the development of the proposal, and the agencies involved are in constant coordination to design and approve the institutional arrangements that will provide a basis for the systems.</p> |
| Multi-stakeholder | <p>Each Project undertook several activities to engage stakeholders. As projects are still in the preparation phase, the engagement has taken place mostly through public consultations and workshops, which provided relevant inputs for improving the proposals and reaching out to potential implementation partners. A brief description of the consultation process follows.</p> <p>Sustainable production in areas previously converted to agricultural use – FIP-ABC: The consultations with the major stakeholders included: a workshop with representatives of the Sub-national Management Groups (Grupos Gestores Estaduais) from the ABC Plan in the 11 involved States; a workshop with the representatives from Senar’s regional units; an internal meeting at Embrapa to negotiate the participation of the research units and of the experts that will be directly involved in the project.</p> <p>Forest information (FIP – IFN/SNIF and Forest Inventory): During the Project Proposal preparation phase, two consultation workshops were carried out: i) a workshop with representatives of institutions, based in the Cerrado biome, related to the project goals and from from the states government institutions, NGOs and private sector; ii) a workshop with representatives of the</p> |

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| | <p>federal institutions and decision makers based in Brasilia. It is also relevant to point out that 20 previous consultation events, related to the national IFN and SNIF processes have also served as reference for the project proposal.</p> <p>Rural Environmental Cadastre – FIP-CAR: During the project’s preparation, four information workshops and public consultations were held with the project’s stakeholders. That included: State governments representatives; states environmental agencies; agriculture and rural technical assistance institutions; land reform institutes; environmental police; city/town representatives; agribusiness’ private sector; ABC Plan’s states managers; Family farming and traditional populations representative bodies; non-governmental organizations that work with rural Environmental Registry and other projects for sustainable rural development; research institutions and; representatives of other Ministries and federal government institutions. These workshops had the following objectives: (a) Present and clarify the CAR laws and regulation, according to the new Forest Act, (b) present and discuss the CAR-FIP project, the expected results, the stages of development and implementation.</p> |
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Please provide an update on activities carried out, challenges encountered, and progress made to set up the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities in your country.

- Several meetings between World Bank, country focal point (Ministry of Finance), Ministry of Environment (MMA) and Indigenous Affairs Agency (FUNAI) have been held and the institutions have been very supportive of project design/preparation.
- A preliminary concept note has been prepared to be discussed and further elaborated during consultations with Indigenous Peoples and Traditional Communities.
- Two consultants have been hired to organize and carry out the consultations and to draft the Project’s document.
- Three planned regional consultations with Indigenous Peoples and Local Communities (at the states of Maranhão, Mato Grosso, and Minas Gerais) have been carried out. Nearly 150 representatives from IPLCs have been convened and provided broad support to DGM main guidelines as well as suggestions and recommendations that have been incorporated to the proposed Project’s design. After final revision of the Project Concept Note, it will be discussed on a Final Workshop with representatives chosen from the regional meetings and other nationwide IPLCs representatives and NGOs.
- Criteria for selecting the implementing agency have also been submitted to these public consultations and agreed upon. The selection of the implementing agency will be carried out on a competitive basis.
- Preparation funds have been requested and received from SCF.

- The Concept Stage package (PCN, ISDS, ORAF) has been drafted and the PCN Meeting will be held early October 2013.

The agreed overall objective of Brazil DGM is to enhance capacity building and support specific initiatives of Indigenous Peoples and Local Communities in Brazil in order to strengthen their participation in FIP and other REDD+ processes at the local, national and global levels.

The main agreed goals are: (a) to maximize the participation of Indigenous Peoples and Local Communities in promoting sustainable land use and improving natural resources management (with priority in the Cerrado Biome), helping to reduce pressure on the remaining forests, decrease greenhouse gas emissions, increase CO₂ sequestration and improve livelihoods; (b) to expand and strengthen the capacity of cooperation networks between representative organizations of IPLCs with regards to policies of forest conservation and natural resources sustainable management; and, (c) to benefit IPLCs by supporting small-scale community initiatives that contribute to reducing pressure on natural resources, fostering traditional and low impact livelihood strategies, ensuring food security and income generation, and promoting forest conservation and natural resource sustainable management.

To foster synergies with the Brazil FIP Investment Plan and address the challenges posed by the geographical dispersion of IPLCs, the Brazil DGM will prioritize its actions in the Cerrado Biome. Nevertheless, capacity building and training activities in strategic issues will have the whole country as its geographical area.

The innovative character of DGM as an operation imposes some challenges in its preparation procedures. In Brazil, it decided to focus initial activities in a broad consultation with IPLCs at the focus geographical area, the Cerrado biome, to set the project as participatory as possible. Coordination with Federal agencies (FUNAI and MMA) have been key for successfully articulate and convene IPLCs.

What are the opportunities and challenges you have encountered, or expect to encounter, with the implementation of the FIP results framework in the context of your country?

The indicators presented in Brazil's Investment Plan will be used for monitoring implementation of its activities. One of the main objectives of the Investment Plan is to lead an effort to consolidate information systems that can better assess deforestation and forest coverage, as well as GHG emissions and carbon stocks in the Cerrado biome.

A key challenge has to do with the timetable for the provision of consistent results on GHG emission reductions/enhancement of carbon stocks. Three of our projects - Forest information, Rural Environmental Cadastre and Implementing a Forest Fire Prevention System and a Forest Coverage Monitoring System, are mainly focused on data collection and monitoring activities whose expected outcomes, regarding GHG, can only be reliably measured if you have a longer timeframe. The assessment of impacts on GHG emissions would also require full implementation of such systems, rendering annual target setting and reporting virtually impracticable. That's also the case for the measurements of forest carbon stocks when you take processes such as vegetation regeneration and soil carbon build up into consideration, as the intrinsic dynamics of forest development call for a longer assessment timespan.

Please provide an update on the status of your country's FIP projects involving the private sector (note: this includes public sector projects with a private sector focus).

Three Projects that present a focus on the private sector are described below (FIP-CAR, Forest Information project and FIP-ABC).

1) Environmental regularization of rural lands (based upon the CAR)

Project description (brief):

The project will contribute to strengthen partnerships between public and private actors. The implementation process will bring public institutions, federal, state and city level, and the rural sector's representative organizations together in order to achieve the registration goals the resulting Lessons Learned and Best Practices will feedback to the implementation of CAR in other regions.

The project, its products ("outputs") and activities were organized into two main components. The first component involves the structuring and strengthening state capacity to implement the Rural Environmental Cadastre (CAR), the second involves mobilizing actions and supporting CAR registration in priority municipalities, engaging landholders and special beneficiaries (including family farmers and traditional communities) to comply with environmental requirements in order to enable them to access financial resources and other types of support for adopting the sustainable technologies enshrined in the ABC Plan.

Findings of preparatory studies / outcomes of implementation activities:

The Framework for Environmental and Social Management (GMES) Project has been developed, including a diagnosis with the Environmental and Socioeconomic Characterization of the region covered by the project and the Social-environmental Impact Evaluation.

The GMES evaluated the positive and negative impacts of the environmental regulation process, considering the current Federal Forest Law, the State Laws, IBRD safeguards, the expected results of the project, analysis of the results of public consultations and data provided by the states used for planning Project actions. This document must be issued to provide guidance for all project execution phases, providing guidance especially for managers at the state and local levels.

Transfer/application of knowledge/lessons/experience beyond FIP activities:

Through the Project management component, to be implemented by the MMA, in close coordination with the states management teams, will be held shares of monitoring, control and evaluation, including: supporting training programs in the states; conducting local meetings, regional and state, to exchange experiences, assess and disseminate learned lessons.

2) "Forest Information to Support Public and Private Sectors in Management Initiatives"

Project description (brief):

The project aims at producing and disseminating accurate and updated information and data on forest resources and their use. The project has three components: i) implementation of the

National Forest Inventory in the Cerrado biome; ii) Consolidation of the National Forest Information System as the main platform for dissemination forest information on the Cerrado's forest resources, and; iii) implementation and management of the project.

Findings of preparatory studies / outcomes of implementation activities:

Lack of information on forest resources and Cerrado's forestry sector, updated and in an appropriate format for decision making by the private sector.

Challenges encountered and approaches to address them:

During the preparation phase a comprehensive risk analysis has been done by the consultant team and a Risk Management Plan is part of the project proposal.

Transfer/application of knowledge/lessons/experience beyond FIP activities:

The information generated by the project is expected to feed important national and sub national agendas, related to climate change, biodiversity and sustainable forest management.

3) "Sustainable production in areas previously converted to agricultural use"

Project description (brief):

The overall objective of the Project is to help reduce deforestation and degradation of forest on rural landholdings, reduce emissions and increase carbon sequestration in private landholdings. The project, together with a wider set of initiatives and resources, seeks to contribute to the success of the broader adoption of the ABC Plan by the private sector.

Please highlight any additional advances, challenges, lessons, or impacts you want to share from your FIP activities that have not otherwise been addressed in this update.

The current status of Brazil's Projects is:

The FIP-ABC Project Proposal has been finalized and is currently waiting for the final approval by the National authorities as well as by the World Bank. The evaluation by the World Bank's Mission has been positive, and we expect to have the project proposal approved and ready for FIP's appraisal very soon.

The Forest Information Project proposal has been finalized and is currently waiting for the final approval by the National authorities. The IDB QRR -Quality and Risk Review process was concluded on 19th August. We expect to have the project proposal approved and ready for the FIP's appraisal soon.

Rural Environmental Cadastre Project (FIP-CAR) is currently being reviewed by and the Investment Plan Coordinator (Executive Secretariat of the Ministry of Environment). Its Framework Document for Environmental and Social Management Projects - GMES has also been completed and is being evaluated by the World Bank. And it should be available soon for public consultation through the internet.