

AMAZON FUNDO

The world sponsors it. Brazil tends to it. We all win.



THE AMAZON FUND CONTEXT AND HISTORY



The **Brazilian** government's original proposal was presented in **Bali, Indonesia**, in **Dec/2007**, to create a mechanism to support efforts in **reducing deforestation** in the **Amazon**. **AMAZON FUND**



Brazil and **Norway**
established a
partnership



to consolidate the ongoing process of
curbing deforestation



A Decree ensured the
Amazon Fund



FUNDRAISING

FIRST DONATION: NORWAY

The announced that it will provide the **Amazon Fund** with **USD 1 billion** until 2015.

Already contracted:

- 2009: USD 110 MM
- 2010: USD 138 MM
- 2011: USD 121 MM

NEW PARTNERSHIP: GERMANY

- 2009: USD 17 MM
- 2010: USD 13 MM



COMPLEMENTARY FOCUS

20% can be used on **control and monitoring actions:**

“Development of systems for monitoring and deforestation control”

Tropical rain
forests in **other
countries**



Other Brazilian
biomes



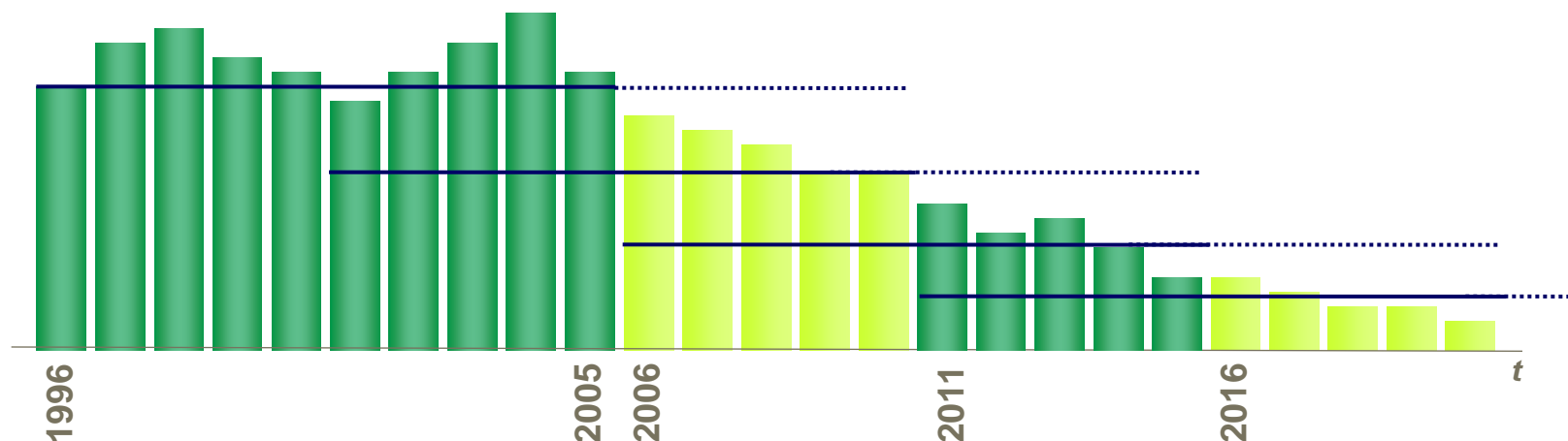
Source: Mapa de Biomas do Brasil – IBGE, 2004



FUNDRAISING

CALCULATION MODEL TO DETERMINE THE BASELINES OF EMISSIONS AND THE FUNDING CAPACITY

*Deforestation
Rate*



$(\text{Average rate} - \text{Annual rate}) * 10.000 \text{ ton C/Km}^2 * 18,35 \text{ US\$} / \text{ton C}$

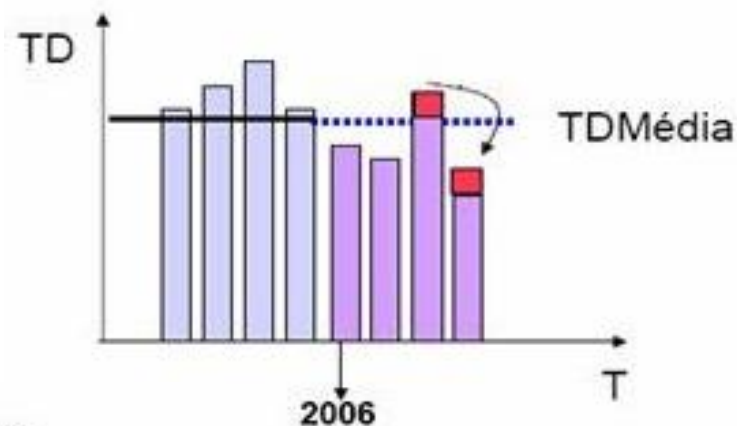


FUNDRAISING COMPLEMENTARY RULES

DEFORESTATION ABOVE THE AVERAGE RATE

If deforestation rate in the reference year is higher than the average rate, the Government:

- ◆ Will not be able raise funds in that year
- ◆ Will have to compensate the reduction in the following year



Emissions that surpass the reference line are deducted from fundraising in the ensuing years.



RECOGNITION



Donors **contribute** to the
Amazon Fund and receive a
non-transferable **Diploma**, declaring
the corresponding **amount of**
emissions that were **prevented**.

**IMPORTANT:
Donations do not generate any credit*



GOVERNANCE

- Manager **(BNDES)**
- Technical Committee **(CTFA)**
- Guidance Committee **(COFA)**





TECHNICAL COMMITTEE (CTFA)

- Composed of **six experts in S&T**, appointed by the **Ministry of the Environment**
- The committee **validates the methodology** for the fundraising
 - Annual deforestation rate (measured by the National Institute for Space Research - INPE).
 - Average historical deforestation rate.
 - Estimates of the forest carbon stock (determined by the Brazilian Forest Service).
- **CTFA's report** shall determine the **quantity of reduced emissions** and authorize **BNDES** to **raise the corresponding funds and issue diplomas.**



GUIDANCE COMMITTEE (COFA)

- Responsible for the **definition of strategic guidelines** and **criteria for the funds application.**
- The committee is **constituted by representatives of governments and society:**
 - Nine **agencies** of the **federal government.**
 - Nine **states** of the **Brazilian Legal Amazon.**
 - Six representatives of **civil society.**



CRITERIA

Priorities

GEOGRAPHIC

- Projects carried out in the Environment Ministry's assigned **priority municipalities** (48 municipalities).
- Projects in the areas of influence of **PAC** (Infrastructure Development Project).
- Projects carried out in municipalities / regions with **higher conservation** of forest cover.

THEMATIC

- Add **value** to the **standing** forest.
- Promote **territorial organization** and **land regularization**.
- Organize and **integrate** the **systems** of environmental control, monitoring, and fiscalization.



CRITERIA

Priorities

DIVERSITY OF STAKEHOLDERS

- Projects that involve cooperation among the **private** and **public** sectors, **NGOs/social movements** and **local communities**.

TARGET PUBLIC

- Projects with direct **benefits** to **traditional communities**, **agrarian reform settlements** and **small-scale farmers**.

RELEVANCE

- Projects with high **replication potential**
- Projects with high **impact** (ex: R\$/ hectare of protected forest or sustainable managed).



CRITERIA

EQUITY CRITERIA OF RESOURCE APPLICATION

- Avoid concentration of project resources in specific States.
- Avoid concentration of resources among categories of proponents.





OTHER GUIDELINES AND CRITERIA OF COFA

- **Mode of resources application**
- **Restriction and limitations of resources uses**
- **Minimum conditions to the projects:**
 - **Proponents must be national institutions for any country**
 - **Projects involving development of monitoring systems must have follow up instance, with, necessarily, the participation of government agencies and civil society**



Institutional Framework (GUIDELINES AND CRITERIA)

PROJECTS MUST BE COHERENT WITH:	
PAS	Sustainable Amazon Plan
PPCDAM	Action Plan for Prevention and Control of Deforestation in the Legal Amazon
STATE PLANS	State Plans to Combat Deforestation
COFA Guidelines and Criteria	Guidelines and criteria established by the Guidance Committee of the Amazon Fund
Amazon Fund Decree	Seven areas specified in the Decree nº. 6527/08
The BNDES' Operational Policies	BNDES' Operational Policies for the Amazon Fund



THE AMAZON FUND

Transparency

Accountability

Communication

Dialogue

TRANSPARENCY

- Public information:
 - Guidelines' framework
 - Eligible areas
 - COFA's guidelines and priorities
 - Fundamental criteria and general BNDES' procedures
 - Current portfolio
- Contracts are public

ACCOUNTABILITY

- Monitoring framework, including project level
- Annual Reports
- Independent and external financial and compliance auditing
- Diploma to donors



THE AMAZON FUND

Transparency

Accountability

Communication

Dialogue

COMMUNICATION

- Specific Website
- Advertising campaign
- “Amazon Fund” trademark
- Publicity Film
- Amazon Fund newsletter
- FAQ
- Mail Box (Contact us section)
- *Amazon under debate*

DIALOGUE

- Donors
- Multistakeholder:
 - Civil society, Brazilian and international NGOs
 - Federal, State and Municipal Organs
 - Academia and Specialized Institutions
 - Press



TRANSPARENCY AND COMMUNICATION

www.fundoamazonia.gov.br

www.amazonfund.gov.br



Fundo Amazônia / Finalidade e Gestão

- Doações
- Ações de Prevenção e Controle do Desmatamento
- Condições para Apoio Financeiro / Como apresentar projetos
- Legislação Aplicável
- Carteira de Projetos
- Rodada de Apresentações
- Links de Interesse

Fundo Amazônia

A Amazônia desempenha um papel fundamental para a estabilidade ambiental do planeta. Com sete milhões de km², é a maior floresta tropical do mundo, estendendo-se por nove países da América do Sul – Bolívia, Brasil, Colômbia, Equador, Guiana, Guiana Francesa, Peru, Suriname e Venezuela.

Maior reserva de diversidade biológica do mundo, a Amazônia é também o maior bioma brasileiro em extensão, estando presente em quase metade do território nacional. São 4,2 milhões de km² ocupando a totalidade de cinco unidades da Federação (Acre, Amapá, Amazonas, Pará e Roraima), grande parte de Rondônia (98,8%), mais da metade de Mato Grosso (54%), além de parte de Maranhão (34%) e Tocantins (9%).

Apesar de ter chegado ao século XXI com a maior parte do seu território ainda preservada, a degradação acelerada da Amazônia é hoje uma realidade preocupante. O processo de desmatamento está levando à extinção diversas espécies e elevando a quantidade de dióxido de carbono (CO₂) na atmosfera.

O Brasil, país mais industrializado da América Latina, está entre os dez maiores emissores de gases efeito estufa do mundo. Aproximadamente metade dessas emissões

Notícias

11/06/2010

I Congresso Amazônico de Desenvolvimento Sustentável

Equipe do Fundo Amazônia participou do encontro realizado em Belém, de 8 a 11 de junho, com o objetivo de discutir alternativas para o fortalecimento do Fórum Amazônia Sustentável.

02/06/2010

Fundo Amazônia debate criação de centro de sustentabilidade

Mesa-redonda realizada dia 1º de junho na sede do BNDES, no Rio de Janeiro, discutiu as bases de um



SUPPORTED CATEGORIES

To achieve its **objectives**,
the **Amazon Fund**
supports **projects**
in the **following areas**:
(specified in Decree nº. 6527/08)

- I. Management of public forests and protected areas;
- II. Environmental control, monitoring and surveillance;
- III. Sustainable forest management;
- IV. Economic activities developed from sustainable use of the forest;
- V. Ecological and economic zoning, land-use planning and land title regulation;
- VI. Conservation and the sustainable use of biodiversity and;
- VII. Recovery of deforested areas.



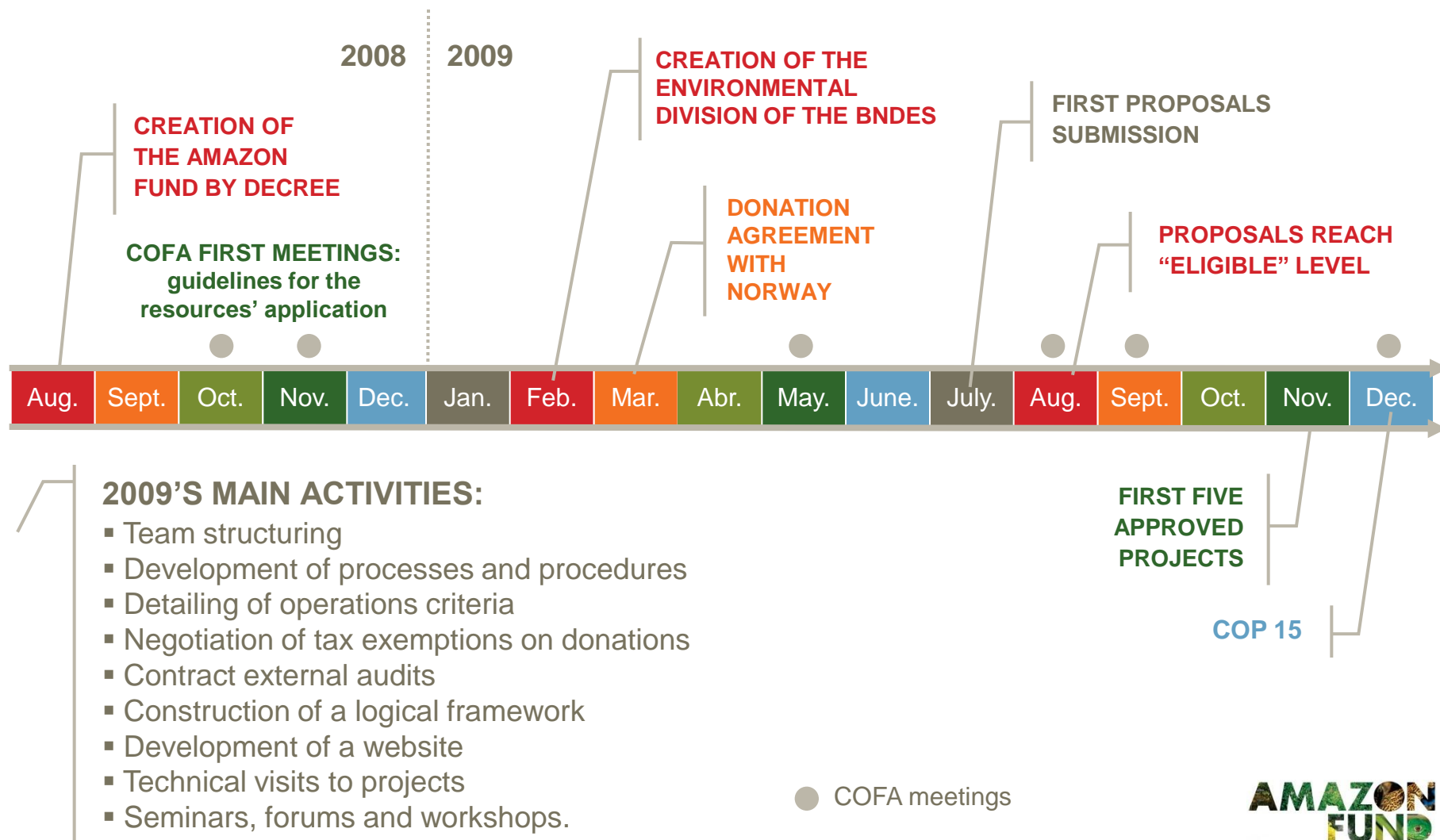
OPERATIONAL MODALITIES

The **BNDES**, to **maximize operational efficiency** classified the **seven Decree areas** into the **four main categories**:

1. Modernization and institutional development of agencies working in the Amazon Region;
2. Promotion of sustainable production activities;
3. Scientific and technological development;
4. Conservation and protection of protected areas.

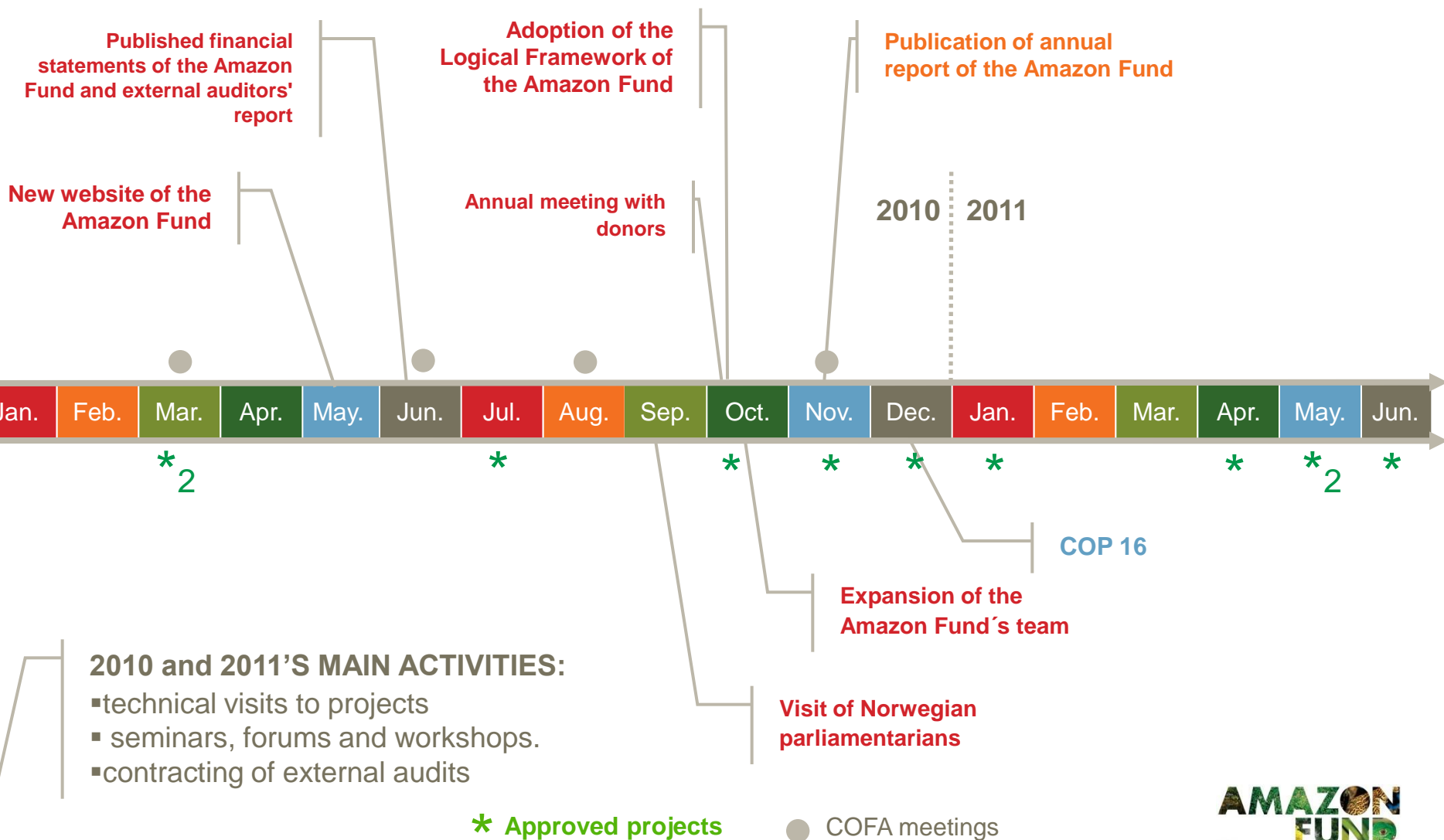


AMAZON FUND 2008-2009 TIMELINE





AMAZON FUND 2010/2011 TIMELINE





APPROVED PROJECTS (2009 – jun. 2011)

17 Projects

Total 136 USD million (2009 to 2011)

13 Projects already contracted

4 Projects aproved but not contracted yet

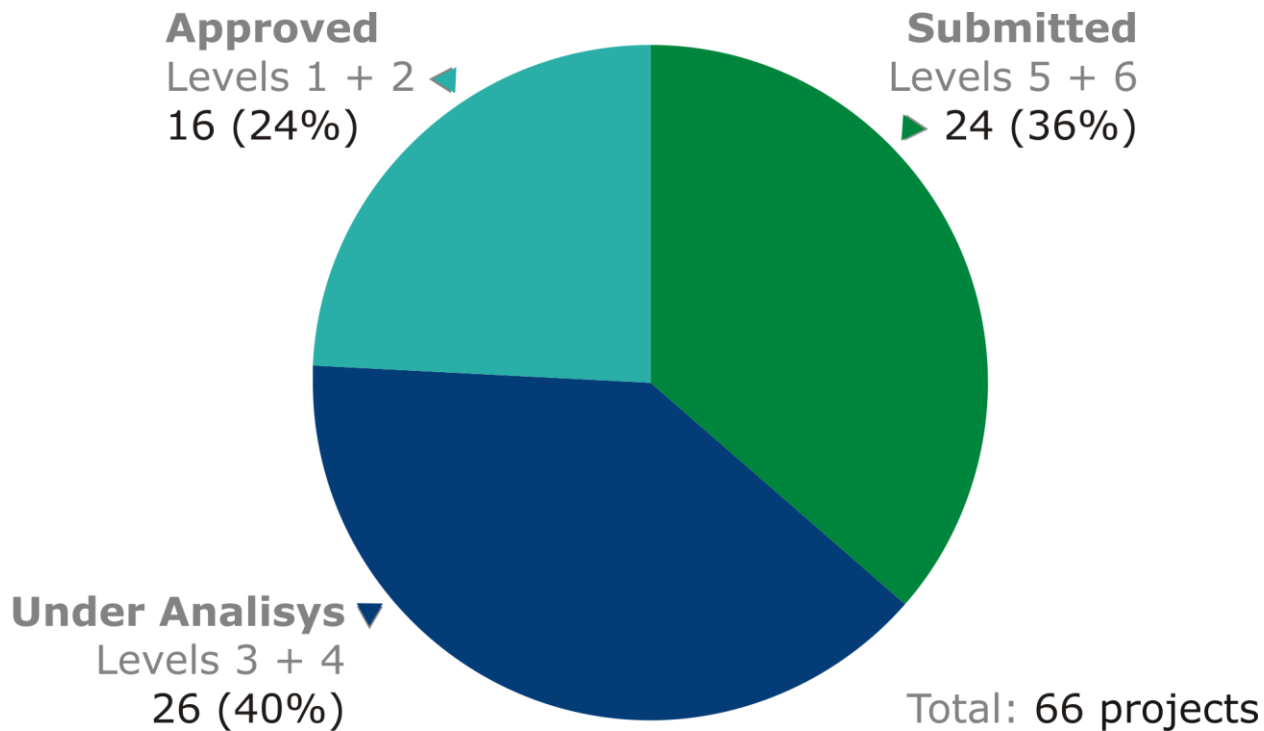
PROJECTS FOCUSING ON

- Protected areas, environmental services payments to communities, environmental rural producers registrations, monitoring, stimulation to sustainable activities, recover of degraded areas, familiar rural production.
- Time to implementation varies 2-3 years.



CURRENT PORTFOLIO

Number of Projects





CURRENT PORTFOLIO

Distribution per Operational Levels - BNDES

Level	Amount of the Support/Requested (in US\$ thousand)	Total Value of the Projects (in US\$ thousand)	Number of Projects
1 - Contracted	119,751	226,966	13
2 - Approved	5,854	5,855	3
3 - Under Analysis	41,974	50,664	13
4 - Eligible	25,818	29,638	13
5 - Consultation Letter	42,676	54,445	1
6 - In Perspective	196,985	217,864	23
Sum of the levels 1, 2, 3 & 4	193,397	313,122	42
Totals	433,058	585,432	66

* The exchange rate is calculated and published by Central Bank of Brazil on www.bcb.gov.br



CHALLENGES

- Land property conflicts and other irregularities
- Non-conforming or non-focused proposals
- Source of indicators to logical framework
- Small-sized projects
- International operations
- Multistakeholder dialogue





BACK-UP

APPROVED PROJECTS DETAILS



APPROVED PROJECTS DETAILS 2009

FAS – AMAZONAS SUSTAINABLE FOUNDATION	
AMAZON FUND	US\$ 11 million
TOTAL AREA	100,000 km2 - Equivalent to Portugal
PROJECT	Expand the Forest Allowance Program (Income and Association) in Conservation Units (UC) of Sustainable Use, in which traditional populations are permitted to remain. The Program purpose is prevent and control deforestation, by providing payment for environmental services, stimulating sustainable activities and improving the living standard of the people that live in the forest.



APPROVED PROJECTS DETAILS 2009

ARPA – PROTECTED AMAZON AREAS

AMAZON FUND	US\$ 11.4 million
TOTAL AREA	320,000 km ² - Equivalent to Norway
PROJECT	The FUNBIO-ARPA Program halts deforestation by creating and consolidating new Conservation Units. In its first phase, the project created 62 Conservation Units. The goal now is to support the creation of new Units and consolidate existing ones.



APPROVED PROJECTS DETAILS 2009

IOV – OURO VERDE INSTITUTE	
AMAZON FUND	US\$ 3.1 million
PROJECT	Stimulate the environmental recovery of degraded areas and help family farms in 6 municipalities located in the extreme North of the state of Mato Grosso, by introducing combined agricultural and forests systems. Such systems allow forest management, agricultural production and animal-raising in the same area in a sustainable way.



APPROVED PROJECTS DETAILS 2009

TNC – THE NATURE CONSERVANCY (BRAZIL)	
AMAZON FUND	US\$ 9.1 million
TOTAL AREA	120,000 km ² - Larger than Austria
PROJECT	The TNC project will encourage environmental registration of rural producers in 12 municipalities, 7 located in the state of Mato Grosso and 5 located in the state of Pará. The main productive activities in the area involve wood production, cattle-raising and soybean harvesting.



APPROVED PROJECTS DETAILS 2009

IMAZON – AMAZON INSTITUTE OF PEOPLE AND THE ENVIRONMENT	
AMAZON FUND	US\$ 5.5 million
TOTAL AREA	66,640 km2 - Equivalent to Portugal
PROJECT	Mobilization of local society, state and federal governments in 11 municipalities in the state of Pará. The goal is to collect environmental and land-related data from rural properties and to accelerate the registration of land owners at the Environmental Rural Registry.



APPROVED PROJECTS DETAILS 2010

ALTA FLORESTA MUNICIPALITY (MATO GROSSO STATE)	
AMAZON FUND	US\$ 1.5 million
PROJECT	Strengthening of environmental management in the municipality through the following actions. completing the environmental assessment, feasibility of the registration process for small farms in the Rural Environmental Register - CAR. promoting the recovery of permanent preservation areas (JPA's) degraded near the water.



APPROVED PROJECTS DETAILS

PARÁ STATE ENVIRONMENT UNIT	
AMAZON FUND	US\$ 9,0 million
PROJECT	Support the strengthening of environmental management in Para, through the provision of instruments for the issue of rural environmental record - CAR, the training resources human and physical and operational structure of the state Department of Environment and Municipal Environment.



APPROVED PROJECTS DETAILS 2010

AMAZONAS STATE	
AMAZON FUND	US\$ 11.4 million
PROJECT	Strengthening of environmental management through the implementation of actions in four municipality in the southern state of Amazonas under intense deforestation pressure: Boca do Acre, Lábrea, Apuí and New Aripuanã. Regularization in state land. Environmental licensing of Sustainable Production. Elaboration of technical standards for the Rural Environmental Registry - CAR. recovery of deforested areas.



APPROVED PROJECTS DETAILS

ACRE STATE	
AMAZON FUND	US\$ 35.3 million
PROJECT	The project aims to support the policy of public appreciation of the environmental asset in the state by strengthening the management territorial approach, fostering the chains and agro forestry and encouragement financial and technical environmental services



APPROVED PROJECTS DETAILS

MARCELANDIA MUNICIPALITY (MATO GROSSO STATE)	
AMAZON FUND	US\$ 384.5 thousand
TOTAL AREA	12.294 km ²
PROJECT	Support: (i) the strengthening of municipal environmental management, through capacity building of human resources and physical and operational structure of the Municipal Environment and Tourism, and (ii) the recovery of degraded areas around the headwaters of the 50 sub River-basin-Manissauá missu, located near the urban area of Marcelândia. Will benefit approximately 15,000 people.



APPROVED PROJECTS DETAILS

IFT - TROPICAL FOREST INSTITUTE	
AMAZON FUND	US\$ 4.3 million
PROJECT	Supporting expansion of sustainable forest management as an alternative economic, social and environmental deforestation and forest degradation in the Brazilian Amazon. This project covers the states of Pará, Amazonas and Rondônia.



APPROVED PROJECTS DETAILS

UEA – AMAZONAS STATE UNIVERSITY	
AMAZON FUND	US\$ 2.64 million
PROJECT	Promoting social mapping of 27 communities in the Amazon Biome and strengthening the network of research involved in the New Social Cartography Project in the Amazon. This project will benefit approximately 1100 people.



APPROVED PROJECTS

DETAILS

MUSA – AMAZON MUSEUM	
AMAZON FUND	US\$ 4.85 million
PROJECT	Support the implementation of the Museum of the Amazon (MUSA) and a Training Center in Água Branca settlement in Manaus, in order to disseminate knowledge contributing to the enhancement and conservation of natural resources in the Amazon and its cultural heritage through an innovative model for forest visitors.



APPROVED PROJECTS DETAILS

FASE - ORGANISMS FEDERATION FOR SOCIAL AND EDUCATIONAL ASSISTENCE	
AMAZON FUND	US\$ 5.34 million
PROJECT	Support small sustainable productive projects directed to indigenous populations in State of Pará through 8 Requests for Proposals along three years.



APPROVED PROJECTS DETAILS

MUNICIPALITY OF PORTO DOS GAUCHOS	
AMAZON FUND	US\$ 81.6 thousand
PROJECT	Support the consolidation of municipal environmental management, with the fisical and operational structuring of the Municipal Environmental and Tourism Department (Sematur).



APPROVED PROJECTS

DETAILS

MUNICIPALITY OF CUMARU DO NORTE	
AMAZON FUND	US\$ 477.5 thousand
PROJECT	Support the consolidation of municipal environmental management, with the fisical and operational structuring of the Municipal Environmental Department (Sematur). The project aims to strengthen the sustainable agriculture of the municipality, through the enlargement of the nursery seedlings.



APPROVED PROJECTS DETAILS

KAYAPÓ FUND	
AMAZON FUND	US\$ 10,56 million
PROJECT	Support projects presented by indigenous Kayapó organizations through a financial and operational mechanism called Kayapó Fund.