

# annual report 2017



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# a year of great stories

From the strength of Amazonian women to a helping hand from the blue-winged macaw mentors in the Caatinga: here you can surf through some of the most transformational and moving stories Funbiosupported projects helped create in 2017.

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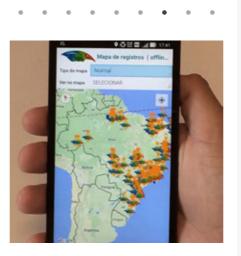
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# letter from the chairman

# Continuity in an accelerating world

#### Álvaro Antônio Cardoso de Souza PRESIDENT OF DELIBERATIVE BOARD

In 2017, the world's largest tropical-forest conservation program turned 15. It was a time to celebrate the continuity and results achieved by ARPA, the Amazon Region Protected Areas Program: exceeded targets, an additional USD 30 million for the Transition Fund, and studies that show how the program's support boosted the effectiveness of Protected Area management. These past 15 years were commemorated at an event at the Museum of Tomorrow in Rio de Janeiro, which brought together domestic and foreign donors, managers, and representatives from the government and from Funbio, ARPA's financial manager since day-one.

During the first phase of the program, from 2003 to 2010, ARPA created Protected Areas

(PA) on 24 million hectares of tropical forest, exceeding its initial target of 18 million. In 2017, ARPA expanded its total area receiving program support to 60.7 million hectares, 700 thousand over target.

ARPA's stability and track record prove the efficacy of the federal government program, coordinated by the Ministry for the Environment with private sector and civil society involvement. ARPA is already a benchmark, and its benefits will be felt by future generations around the world in the form of carbon sequestration, reduced deforestation and lower CO2 emissions. Its impact has already led to its adoption as a conservation model in the Peruvian and Colombian Amazon. ARPA is incontrovertible proof of PA efficiency as a barrier to illegal logging and of the importance of ongoing conservation programs with solid, resultsoriented governance structures. At the 15th anniversary celebrations, emotion set the tone, with voices and faces that believed in and supported the program finding vindication in its legacy and potential for future achievement.

PA creation and strengthening is part of the bedrock of the Marine and Coastal Protected Areas Project (GEF Mar) too. A quarter of Brazil's population lives along the country's coasts, and this density puts the coastline under immense pressure. While 2017 was the year pictures of trash islands in the oceans and of sealife choked to death on plastics would cause commotion on social media, it also saw the project extend protection to an area almost one and a half times the size of Ireland. GEF Mar is a federal government initiative under Funbio's financial management, and in 2017 it enjoyed a significant increase in execution (over 100%) and results that will replicate at sea the impact ARPA has obtained in the Amazon.

In a volatile, fast-transforming world, ongoing programs like ARPA and new initiatives like GEF Mar evince the importance of scale, governance and continuity, with the solidity to ensure a safe crossing in an accelerating universe.



# perspectives

# Knowledge and technology for two more decades

Rosa Lemos de Sá FUNBIO CEO

Speaking at a meeting with environmentalists about what makes a story appealing and universal, filmmaker Fernando Meirelles explained that conflicts and their overcoming are key ingredients. Meirelles was there to share techniques for the efficient transmission of information in a world in which the dispute for people's attention is fierce. If we consider the history of environmental conservation in Brazil, there is no doubt that it is peppered with constant and surmounted challenges. Over the last twenty years, we at Funbio have learned that conquests are intrinsically linked to commitment, dedication, partnership and a will to succeed, but that they also depend upon a solid knowledge base, continuous

learning, ongoing training and leading-edge technology.

For that reason, in 2017, we focused on the capacitation of Funbio's collaborators: refreshing and/or acquiring knowledge in such priority areas as project management, ethics, and gender issues. In-house courses and seminars and working groups ensured that we accomplished our mission of aligning the organization with the rapid global transformations bringing these new issues to light and which demand reflection and quick responses if we are to ensure a contemporary, transparent, results-oriented management approach. That is also why, in 2018, we are preparing to take a technological leap forward. When Funbio became operational in 1996, Internet access was very limited and CDs and floppy discs were still in common use. Perhaps more so than any other revolution, technology has wrought fast and deep-rooted change in the way we live and work.

Today, the world is in a hurry, which is no bad thing when we consider the urgent need for biodiversity conservation. However, therein lies the paradox: we're more rushed, but less patient. Yet we know that conservation requires continuity with perseverance rather than knee-jerk reactions. 5



With over 250 projects under our belt, we believe that upscaling our management and procurement systems allied with solid training and tempered partnerships will result in immense benefit for the initiatives we support, yielding closer follow-up, greater speed and better results.









# MISSION

To provide strategic resources for biodiversity conservation

VISION

To be the benchmark in enabling strategic resources and solutions for the conservation of biodiversity

# VALUES

Funbio is guided by the following values:

+ Effectiveness + Ethics Independence Intellectuality + + Innovation + Receptiveness + Transparency

FUNBIO ANNUAL REPORT 2017 —

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# goals and contributions

Conservation initiatives supported by Funbio furthered progress towards the 17 Sustainable Development Goals (SDGs) and Nationally Determined Contributions (NDCs). In this report, projects with a bearing on these targets carry the SDG and Brazilian NDC logos.

#### Sustainable Development Goals (SDGs)

In 2015, the United Nations (UN) announced the adoption of 17 SDGs designed to protect the planet, eradicate poverty, and ensure prosperity for all. The SDGs build on the success of the Millennium Development Goals (2000) and maximize effort towards achieving those that remain unfulfilled. The set of measures will guide Brazil and the other 192 signatories in national policymaking and in orchestrating international cooperation over the next 15 years.



#### Nationally Determined Contribution (NDC)

Also in 2015, Brazil presented its Nationally Determined Contribution (NDC), its express commitment to the Paris Accord. Taking 2005 rates of greenhouse-gas emissions as its reference, the country committed to a 37% reduction by 2025 and a 43% drop by 2030. Among the other targets are the restoration of 12 million hectares and zero illegal deforestation in the Amazon.

#### NDC



\* This is not an official icon, but one Funbio took the liberty of creating to represent its projects' collaboration with the Nationally Determined Contribution.

# goals and contributions

	1 <sup>NO</sup> ₽verty <b>Æ*##</b> #	2 JERU HIMARK	3 GOOD HEALTH AND WELL-BEING 	4 education	5 EDITER EDITALITY	6 CLEAN MATER AND SAMPLATION	7 AFTOROMALE AND CLAN ENERGY	8 BECENT WORK AND ECONOMIC GROWTH	9 ADJUSTIC MONITOR	10 REDUCED INEQUALITIES	12 ESPONENT AND INCOMPTEN AND INCOMPTEN	13 CLIMATE	14 BELOW WATER	15 UFE LAND	16 PLACE JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS	
ARPA Program		•			•	•						•		٠		•	•
GEF Mar		•			•			•					•			•	
TFCA		•			•			•				٠		•		•	•
Probio II		•			•	•	•					•		•		•	•
Kayapó Fund		•			•							•		٠		•	
BFN		•			•									•		•	
A million trees for the Xingu					•	•						٠		•		•	•
Atlantic Forest												٠		•		•	•
Atlantic Forest Fund – FMA/RJ						•						٠	•	•		•	•
Franciscana Conservation													•			•	
Marine and Fisheries Research					•						•		•			•	
Fauna Brazil Portfolio													•	•		•	
Support for PAs												•	•	•		•	•
Environmental Education in Rio de Janeiro		•			•								•			•	
CRAS Rio de Janeiro													•			•	
Caçapava														٠		•	
Project K														•		•	





#### JANUARY

#### A further R\$ 3 million earmarked for Kayapó projects

The Kayapó Fund supports three other projects designed to further the socioeconomic, territorial, institutional and cultural wellbeing of the Kayapó Indians. The funding went to the Kabu and Raoni institutes and to the Protected Forest Association, selected through Funbio's third call for project proposals.

#### FEBRUARY

#### Guaratuba EPA starts its bid to become a Ramsar Site

The Guaratuba Environmental Protection Area in Paraná is about to become a designated Ramsar Site. The proposal is to convert 40 thousand of its 199 thousand hectares into a designated wetland of international importance, preserving the aquatic habitats of various species. In terms of birdlife alone, the area is home to 350 species, 12 of which are listed as endangered. With support from TFCA/Funbio, the NGO Mater Natura ran diagnostics for the implantation of a Conservation Plan for the marsh antwren, a key factor in the EPA's Ramsar bid.

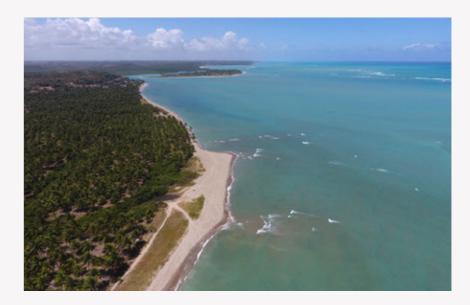
#### MARCH

#### GEF Mar extends support to state-run PAs

In March, the Protected Marine and Coastal Areas Project (GEF Mar) extended support to six state-run Protected Areas (PAs) and added one more research center to the six already backed. This brings the number of PAs receiving support to 17, covering a combined 1.6 million hectares (an area almost 13 times the size of municipal Rio de Janeiro).







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Kayapó Indians. Archive: Instituto Raoni

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Female marsh antwren (Stymphalornis acutirostris), by Ricardo Belmonte Lopes/Mater Natura

Mouth of the Manguaba River (AL), by Iran Normande. Archive: Coral Coast Environmental Protection Area/

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#### **APRIL**

#### Friend of the Environment Trophy

Funbio received an award from the Brazilian Association of Members of the Environmental Prosecutors' Office — Abrampa. The trophy recognizes the work of institutions that promote, divulge and hone the efficient use of natural resources, the preservation of the environment, adoption of best practices and support for sustainable socio-environmental projects.



#### MAY

#### **ARPA:** a transformational initiative

The first phase of ARPA, the world's largest tropical-forest protection program, was considered one of eight key transformational change projects backed by the Global Environment Facility (GEF), selected from a list of 156 nominees put forward by GEF implementing agencies. The GEF selected engagements that "help achieve deep, systemic, and sustainable change with large-scale impact in an area of global environmental concern".

#### **Biodiversity Prize**

Two Funbio-backed projects— Wildlife Health and Digital Inclusion and Two Endangered Parakeets from Araucaria Forests—were among the winners of the Ministry for the Environment's Biodiversity Prize.



# <section-header>

From left to right: Helio Hara, from Funbio, Luis Fernando Cabral Barreto Junior, president of Abrampa, and Manoel Serrão, from Funbio, by Cristiana Marques/ Abrampa



From left to right: Maria Lúcia de Macedo and Marcia Chame, coordinators of the project "Wildlife health and digital inclusion" and Rola Lemos de Sá, Funbio CEO, by Gilberto Soares/ Ministry of the Environment

#### JUNE

#### **GEF Agency Funbio undertakes its first project**

Pro-Species, Funbio's first project as a GEF implementing agency, is approved by the institution's CEO and is scheduled to begin in 2018. The initiative, a partnership with the Ministry for the Environment, Ibama, the ICMBio and the Botanical Gardens of Rio de Janeiro, will integrate the protection of critically endangered species from the Red Book for Brazilian Fauna with existing public environmental policies, including the Rural Environmental Register (CAR) and the Bolsa Verde (Green Stipend).





#### JULY

#### Report lists the TFCA's benefits to three biomes

Assessment of the TFCA Program, of which Funbio is executive secretary, indicates concrete conservation gains in the Atlantic Forest, Caatinga (scrubland) and Cerrado (savanna). One of the highlights among the 82 projects supported is the initiative that helped take the Red-tailed Amazon off the endangered species list.

#### Rio de Janeiro fire-brigade receives a water tender

In July, State parks in Rio received a heavyweight reinforcement in their constant struggle against forest fires: a water tender that can service four helicopters engaged in aerial firefighting for up to nine hours straight. The vehicle was purchased by Funbio through the FMA-RJ and was donated by the INEA to the state fire brigade's Aerial Operations Unit.



Brazilian merganser (Mergus octosetaceus). Funbio Archive



Red-tailed Amazon (Amazona brasiliensis), by Zig Koch/SPVS



#### AUGUST

#### Funbio contributes to the Blue Initiative

Funbio was in Chile to help present the Brazilian Blue Initiative at the IV Marine Areas Congress. Blue Brazil is a Federal government strategy to increase the area of marine and coastal environments under protection from the present 1.5% to 10% overall. Funbio is part of the working group in charge of designing a financial mechanism capable of ensuring the initiative's strategic sustainability and effective use of resources.

#### Federal Compensation Project for the Amazon

Backed by the Gordon and Betty Moore Foundation, the project will enable Funbio to assist the ICMBio in planning for the swift use of resources deriving from federal environmental compensation payments at Amazonian PAs. ICMBio data shows that, in the Amazon alone, some R\$260 million in Federal funds has gone unexecuted.

#### SEPTEMBER

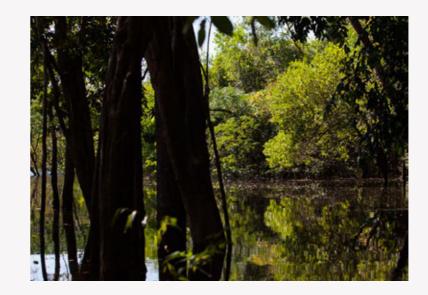
#### Amazonia rocks

"Our conversations about Amazonian restoration began with Funbio. We asked straight up: how can we go about planting a million trees?" It was with that question that Roberta Medina, from Rock in Rio (RIR), began her interview with Funbio CEO Rosa Lemos de Sá at the opening of RIR. Amazonia Live was rolled out in 2016, when Funbio, the Socio-environmental Institute (ISA) and Rock in Rio created a RIR-funded partnership to plant a million trees in the Amazon.

#### Sustainable Dialogs in Brasília

Sustainable Dialogs flew into Brasília for a gathering of representatives from NGOs, government, companies, donors, and members of the Public Prosecutors' Office. The aim of the encounter was to identify new funding sources for environmental conservation and unlock access to existing resources. Prior stops on the Sustainable Dialogs trail were in Belém (Pará), Cuiabá (Mato Grosso) and Manaus (Amazonas).









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Fernanda Marques, coordinator of Funbio's National and International Donations Unit, at the IV Marine Areas Congress. Funbio Archive

Uatumã Sustainable Development Reserve (AM), by Marizilda Cruppe/ Funbio

From left to right: Karen Oliveira, from TNC, Aline Salvador, from Abrampa, Danielle Moreira, from PUC-RJ, Elisa Romano, from the CNI and Silvana Canuto, from the ICMBio, by Sérgio Amaral/ Funbio

#### **OCTOBER**

#### ARPA Program: ongoing support for community projects

Between 2010 and 2016, the ARPA Program supported some 30 community projects in the Amazon. Thanks to the success of these initiatives, ARPA has decided to extend support into 2018, covering the following projects: "Formation and Capacitation", "Integrated PA and Indigenous Territory Management", "Conservation and Management of Natural Resources" and "Strengthening Community Organization".

#### NOVEMBER

#### **REDD in Mato Grosso**

Funbio was chosen to manage R\$150 million from the REDD Program for investment in Mato Grosso. The agreements with the KfW (German Development Bank) and the British Government were signed during Amazon Bonn, a parallel event to the COP23 Climate Change conference in Germany. The funds are related to the REDD Early Movers (REM) Global Program and the investments are conditioned on good results in forest conservation and reductions in deforestation-generated CO2 emissions.

#### DECEMBER

#### ARPA celebrates its 15th anniversary, exceeds its targets and receives USD 30 million from the ASL

ARPA, the world's largest tropical-forest conservation initiative, turned 15 at an event with donors, civil society and government representatives at the Museum of Tomorrow in Rio. Among the results announced is the surpassing of the original target (60.7 million hectares are already receiving ARPA support), greater management efficacy and a significant contribution toward reducing CO2 emissions. That same month, the ARPA Transition Fund received a further USD 30 million from the Amazon Sustainable Landscapes Project (ASL).

#### Novo ano, novo site

Funbio put the finishing touches to its new website, launched in January 2018. More user friendly, it draws on enhanced visual resources and curates all the knowledge the institution has amassed over its 21 years of activity.





From left to right: Christiane Ehringhaus, coordinator of REDD Early Movers KfW, Rosa Lemos de Sá, Funbio CEO, Pedro Taques, governor of Mato Grosso, and José Sarney Filho, Minister for the Environment, by Helio Hara/Funbio



CD Link to new site



FUNBIO ANNUAL REPORT 2017 - 1.3

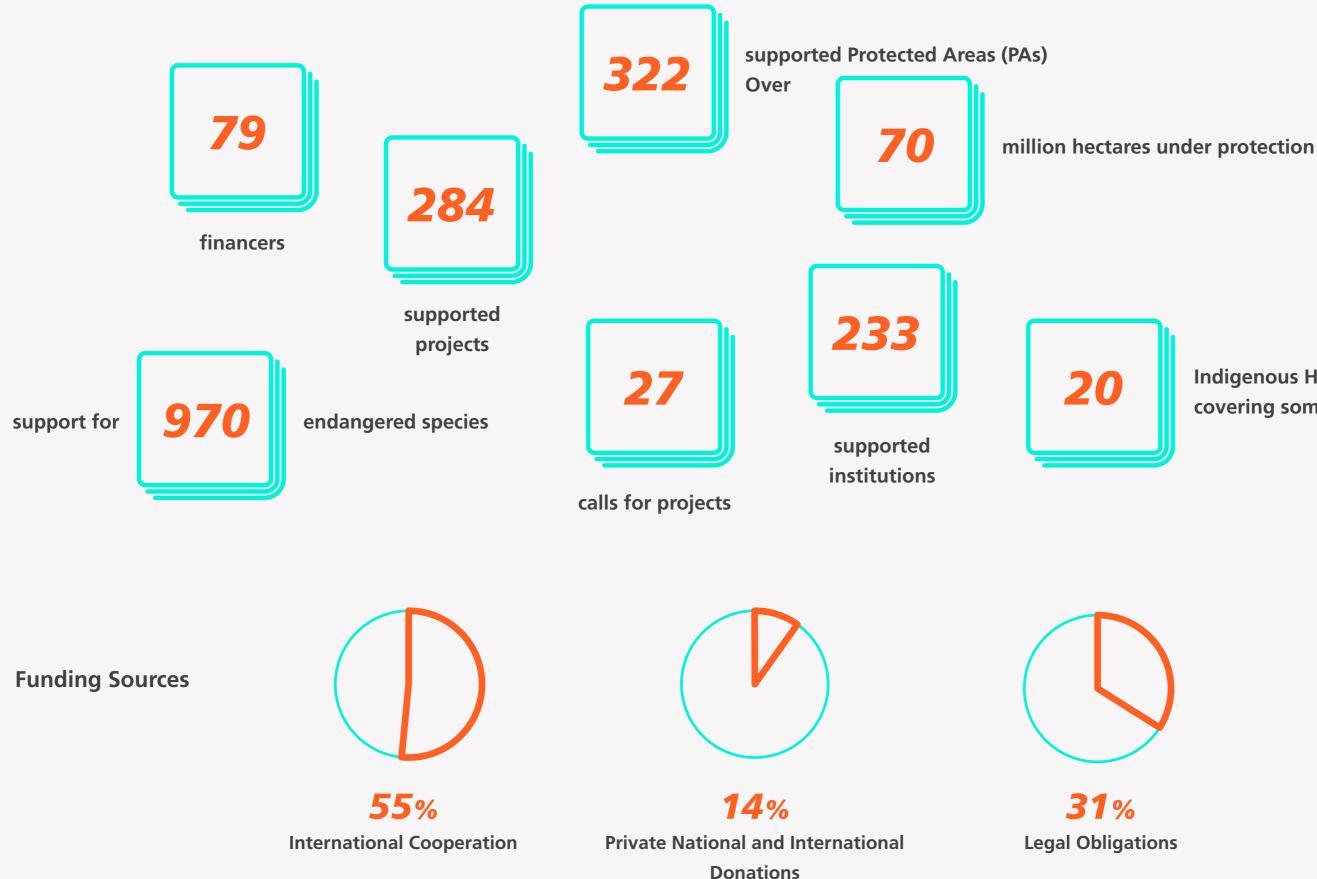
Costus sp. Amazon National Park (PA), by Marizilda Cruppe/ Funbio

Amazon Boon Event at the COP 23 Climate Change Summit, Germany, by Helio Hara/Funbio

Chairman of Funbio's Deliberative Board, Alvaro de Souza, at the ARPA 15 Years awards ceremony, by Lucas Veloso/Funbio







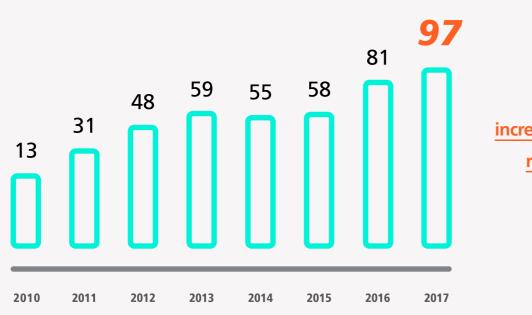
FUNBIO ANNUAL REPORT 2017 - 14



Indigenous Homelands, together covering some 12 million hectares

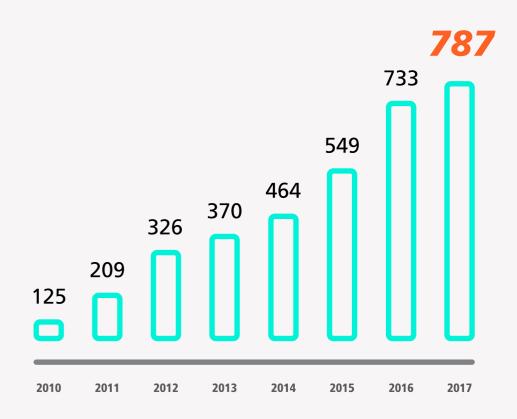


# in numbers

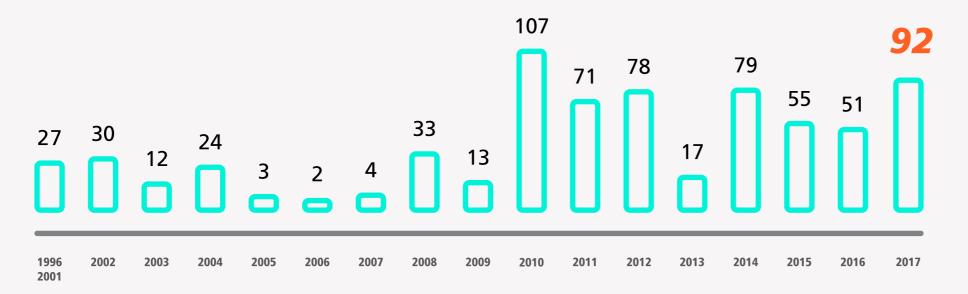


Total executed — in R\$ million





sinking funds



Sum contracted per year — in USD million

FUNBIO ANNUAL REPORT 2017 — 15

#### Total assets managed between 2010 and 2017 — in R\$ million, including long-term endowment and



According to a United Nations Development Program — UNDP report released in 2017, Brazil ranks 92nd on the 159-country Gender Inequality Index, which considers empowerment, economic activity and access to health care. Here, over half of the population is female. Norway took the top spot, and comparison with this benchmark shows that Brazil still has a long way to go.

#### CD Link to UNDP report

For Funbio, gender issues are a priority, both internally and externally:

#### (=)

In 2014, we adopted an internal Gender Integration Policy

#### (=)

We are members of the GEF Gender Partnership, a group of Global Environment Facility implementing agencies that discusses and proposes actions to promote gender equity and equality on GEF-backed projects

#### (=)

We are part of the group tackling gender issues through an online English course set up by the GEF Gender Partnership

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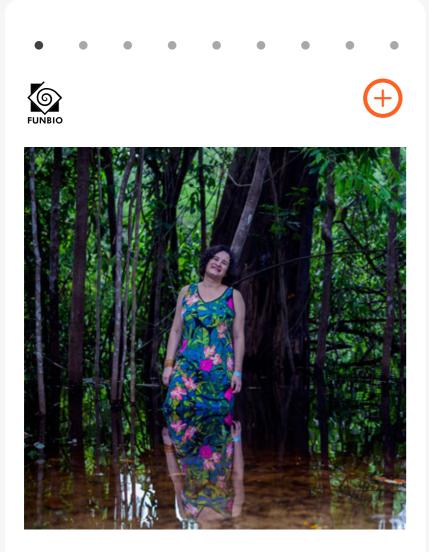
In 2017, we organized a managerial-level in-house training workshop on gender issues so that our managers can be mindful of and include gender-sensitive aspects in our projects in order to ensure equity and equality.

In 2017, Funbio's employment application form ceased to be binary with the inclusion of the options "transgender" and "I don't identify as any of the above"

Also in 2017, our annual report included progress on gender issues among the focal points of the projects Funbio supports

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"Generating income was one goal, but empowerment, quality of life and social balance were the main aims."

Dionéia Ferreira was manager in 2017 of the Igapó-Açu Sustainable Development Reserve (SDR) in Amazonas

#### "Amazonian Women are Strong"

Dionéia Ferreira was manager in 2017 of the Igapó-Açu Sustainable Development Reserve (SDR) in Amazonas, which has been receiving ARPA support since 2012. Ferreira, born in a rubber forest in Humaitá, southern Amazonas, where part of her family still lives today, trained as an economist, but swapped her career at a multinational to devote herself full time to the Amazon. She had been managing the SDR since 2009. The Program pursues income-generation and empowerment actions involving some 120 women living along the BR-319 highway. Arts and crafts were the kick-off point, but today their activities include beekeeping and production of natural medicines: "Amazonian women are strong. Working and surviving in the forest makes you strong physically, spiritually and psychologically",

Long undervalued arts and crafts were the ideal place to start. Fundamental support from the NGO Casa do Rio was facilitated by the ARPA Program (for more on ARPA, see page 36). Under the guidance of a designer, the forms and formats were adjusted to suit the consumer market in the Southeast, the largest in the country. Today, the work produced by the collective Teçume has found a niche in the luxury market, making it onto the catwalks of São Paulo Fashion Week and attracting partnerships with actresses like Grazi Massafera.

25% of the income generated is invested in education (90% of the craftswomen were illiterate at the start), with the collective's first literacy class graduating in 2016. Teçume was, in a sense, the embryo of the Tupigá group, formed by the craftswomen's sons and daughters, who are currently in charge of the collective's financial and logistical management. Production has increased the women's incomes by over 200%.

"Generating income was one goal, but empowerment, quality of life and social balance were the main aims. Violence and prejudice against women always existed, but they were not always brought to light. As these issues come to the fore, people are becoming less likely to tolerate being submitted to certain situations", says Dionéia. In some cases, this emancipation also translated into divorce.

<image><image><image><image>

"My husband shares the domestic chores and child-rearing, and that has strengthened me as a woman and a businesswomen. With this increase in income I can buy what I want with my own money."

Vilzoneide Batista, grower on the Backland

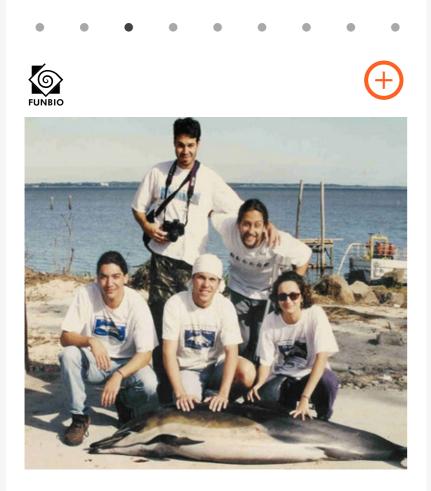
#### In Pajeú, the backlands belong to the women

The sun comes up and the land awaits. At seven in the morning, she hugs her kids and heads off to work picking ombú, the pulp of which is used to produce sweets, juices and the local umbuzada (a scrubland shake made with milk and sugar). She also harvests berries from the ashleaf startree to make herbal soap. The sale of these products generates subsistence income. At the end of the day, at around six in the evening, she arrives home full of smiles, eager to spend time with her children. This routine, previously the preserve of men in the backlands, is now the workaday life of Vilzoneide Batista, 43, participant on the Backland Women Project run by the Women Growers of the Pajeú Network in Pernambuco, supported by the Tropical Forest Conservation Act – TFCA, of which Funbio is executive secretary (on the TFCA, see page 48).

In just 11 months, she and 450 other women have almost doubled their monthly incomes, which leapt from R\$ 500 to close to R\$ 900 thanks to the sale of ombú and ash leaf startree derivatives. Vilzoneide is proud of her achievement:

"I can go pick and sell the produce because I know that when I get home my house and kids will have been well looked after. My husband shares the domestic chores and child-rearing, and that has strengthened me as a woman and a businesswomen. With this increase in income I can buy what I want with my own money".

The project has grown considerably in a short span of time, as has the number of women joining the 20-something associations that make up the network regionwide. "For the institution, TFCA support is immensely important. It has made a significant contribution to the process of training these women. Keeping them interconnected and engaged so they can continue to carry the torch of women's struggle for a fairer and more solidary balance between the sexes", says Elizabeth Nobre, a social educator on the project.



"During the first years of my career, and it's still largely the same today, I realized that there are activities in marine mammal research that are logistically difficult for women to carry out. So I decided to look for a 'niche' alternative."

Larissa Rosa de Oliveira, with GEMARS colleagues

#### **Niches and Opportunities**

In 1994, Larissa Rosa de Oliveira was the only woman on the Aquatic Mammals of Rio Grande do Sul Study Group (GEMARS), created in 1991 by five biology students. In 2017, she was invited to speak at the workshop "Women in Marine Mammal Science: Breaking Down Barriers to Success" in Canada, part of one of the world's most important events on the theme. It was then that she realized the gender issues her professional area involved, and how it is possible to extract opportunity from adversity.

"During the first years of my career, and it's still largely the same today, I realized that there are activities in marine mammal research that are logistically difficult for women to carry out. For example, monitoring for small cetacean by-catch aboard fishing boats off the coast of Rio Grande do Sul. Depending on the time of year, the fishermen can spend days at sea on small vessels with no separate accommodation or restrooms. Moreover, they have neither the habit nor the training to deal with female researchers. Since 1994, when I joined GEMARS, the most I could do was accompany the offloading of the catch and gather data at port. So I decided to look for a 'niche' alternative", says Larissa, from the Franciscana Project, the most So she started studying dead Franciscana washed up or beached along the coast, analyzing everything from stomach contents to anatomy. She also did an internship in Peru, where she studied sealion behavior and examined their DNA. Though capturing sea-lions requires technique and physical strength, there were no restrictions on female involvement. This voluntary work led to a research project that resulted in the discovery of a new species of sea-lion in Peru. "The difficulties I experienced at the start of my career made me 'focus' more on my goals as a researcher, always on the lookout for possible alternative niches. It's a little like we see happening today, as people try to eke out work opportunities in these times of crisis", she says.

complete coordinated study ever conducted on the Brazilian coast's most endangered dolphin species (for more on the project, see page 63).



"The communitarian plot brought visibility to the womenfolk and changed the dayto-day routine at the village. Where before only men attended village assemblies, now the women also take part and help in the decision-making."

Karina Paço, Project coordinator

#### The Women's Smallholding continues to grow

A year has gone by since the Raoni Institute began its Menire Nhô Puro /Women's Smallholding project, a 13-hectare plot where 67 women aged between 16 and 48 grow their own food. The project has led to an improved diet at the Capoto settlement in Mato Grosso, home to roughly 600 Mebengokrê Indians. At Capoto, food shortages had led to a rise in the consumption of processed foods. Thankfully, this is a reality that has begun to change. The project's success urged Chief Raoni to call for the creation of another communitarian women's smallholding, this time at Metuktire, 30 kilometers from Capoto, where 62 women make up 22% of the population.

Kayapó women from the

Capoto settlement dance

before the planting

At these hamlets, 2017 was a year of resilience: once the long dry season was over, the women planted two thousand banana trees, a hundred soari nut saplings and 610 fruit trees, including orange, avocado, soursop, açaí, cashew, guava and baru. On another five hectares, the women planted cassava, corn and potato. These foodstuffs are grown exclusively for village consumption.

Photo: Instituto Raoni

"The communitarian plot brought visibility to the womenfolk and changed the day-to-day routine at the village. Where before only men attended village assemblies, now the women also take part and help in the decision-making, says the Raoni Institute's Karina Paço, project coordinator.

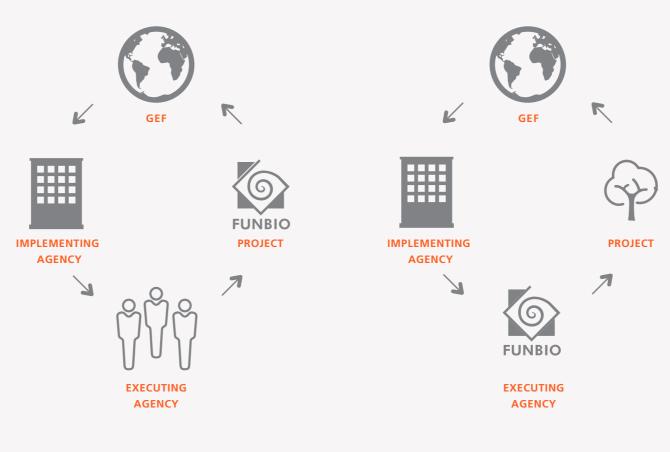
In 2018, the project plans to step up production and sell the surplus to generate income. To do this, a new plot will be cleared to grow rice and work will get underway on a process to obtain sugar from water hyacinth. The project, named Dietary and Nutritional Sustainability of the Mebengokrê/ Kayapó, is coordinated by the Raoni Institute with support from the Kayapó Fund (see page 54) and Ekos Institute Brazil.



In 1996, a USD 20-million donation from the Global Environment Facility (GEF) led to the creation of Funbio. Since 2002, Funbio has been a GEF executing agency receiving and executing GEF funds. In 2015, Funbio became the Facility's first accredited national implementing agency in Latin America, one of only 18 in the world. We are the only civil society institution in the Southern Hemisphere to receive GEF Agency accreditation.

Funbio's first project as a GEF Agency was approved by the Facility's CEO in July 2017 and is scheduled to begin in 2018. The Pro-Species project is a partnership between Funbio and the Ministry for the Environment, Ibama, the ICMBio and the Botanical Gardens of Rio de Janeiro. The project aims to integrate the protection of critically-endangered species listed in the Brazil Red Book of Threatened Species of Fauna with wider national environmental policies, including the Rural Environmental Registry (CAR) and the Bolsa Verde (Green Stipend). 1996 – 1999

2002



The GEF donates USD 20 million to the Brazilian government to foster the creation of a mechanism to support conservation projects in the country. The World Bank was the implementing agency and the Getulio Vargas Foundation (FGV) was the executing agency In the following years, Funbio was the executing agency of several GEF projects in Brazil. Funbio provided financial management and procurement for the projects FUNBIO ANNUAL REPORT **2017** — 21

## 2015







R





In February 2015, Funbio was accredited as a GEF implementing agency. It is the first national implementing agency in Latin America

AGENCY



# funbio

The Brazilian Biodiversity Fund (Funbio) is an innovative financial mechanism created to drive the implementation of the Convention on Biological Diversity (CBD) in Brazil. Active since 1996, Funbio was created by a multidisciplinary group consisting of representatives from the Federal Government, academia, civil society and the business world on the strength of a USD 20 million donation from the Global Environment Facility (GEF). For the last 21 years it has been a strategic partner of these sectors and has administrated USD 614 million in disbursements to 282 projects across all of Brazil's biomes.

# how we work



Grande Sertão Veredas National Park (MG and BA), by Marizilda Cruppe/Funbio

#### National and International Donations

Projects financed with private donations and resources from bi and multilateral agreements with the Brazilian government. Among the projects are the Amazon Region Protected Areas Program (ARPA), the largest tropical forest protection initiative. Project management is conducted in accordance with specific rules contractually agreed with the donors.

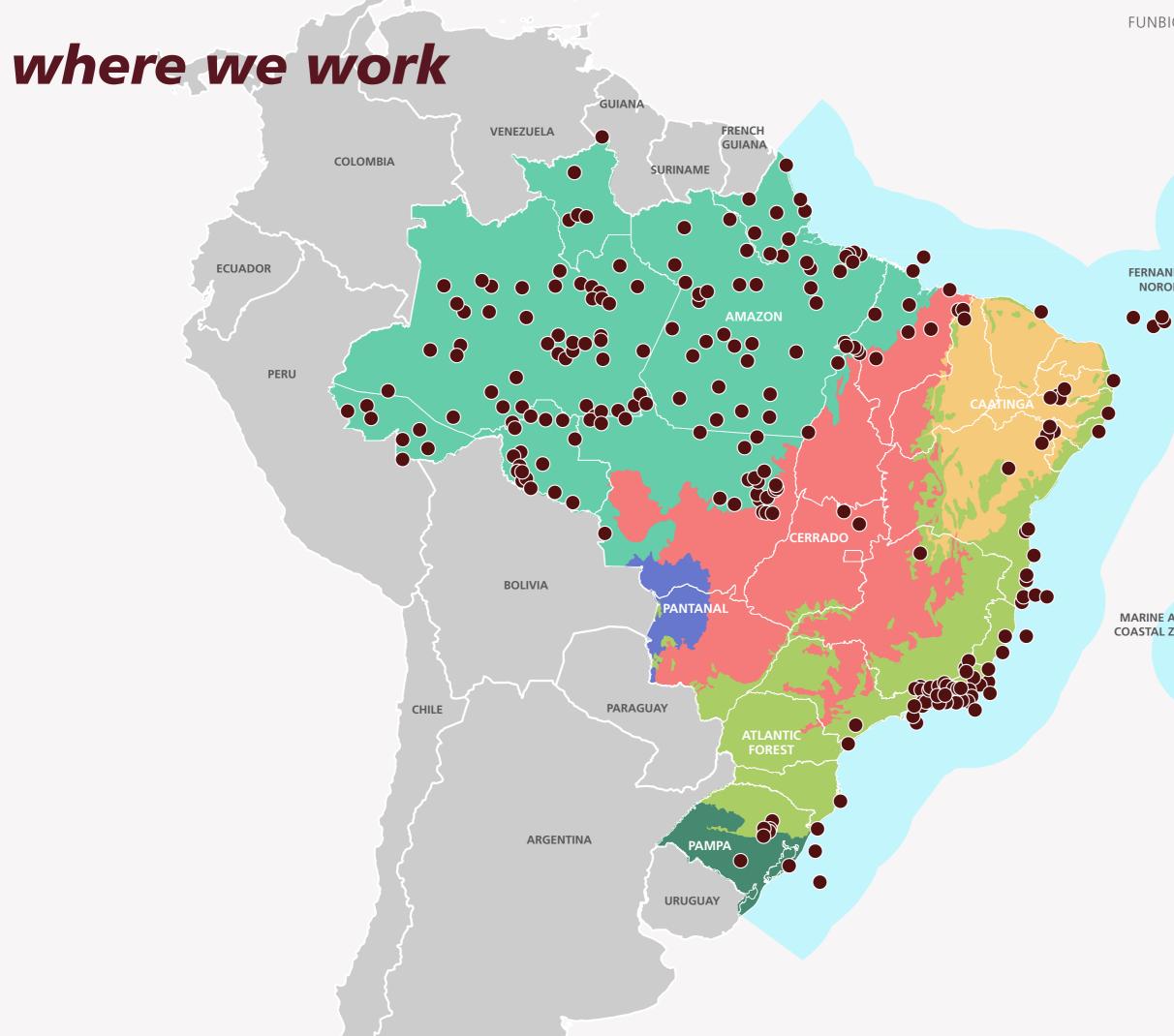
#### Legal Obligations

Projects financed through legal obligations, such as environmental compensation deposits, offset measures, commuted fines, and environmental licensing conditions formalized through terms of commitment or conduct adjustment agreements (consente decrees). Among the initiatives managed are the Mechanism for Biodiversity Conservation in the State of Rio de Janeiro – FMA/RJ.

#### **Special Projects**

This area Works with financial environment diagnoses and the design of mechanisms and instruments that enable access to new and otherwise limited-access funding sources. Among the initiatives developed by the Special Projects Unit is the Atlantic Forest Fund for the State of Rio de Janeiro (FMA/ RJ), which ensured access to funds deriving from stateagreed environmental compensation payments. These sums represent an important extra-budgetary source of funding for environmental projects.

#### FUNBIO ANNUAL REPORT 2017 — 22



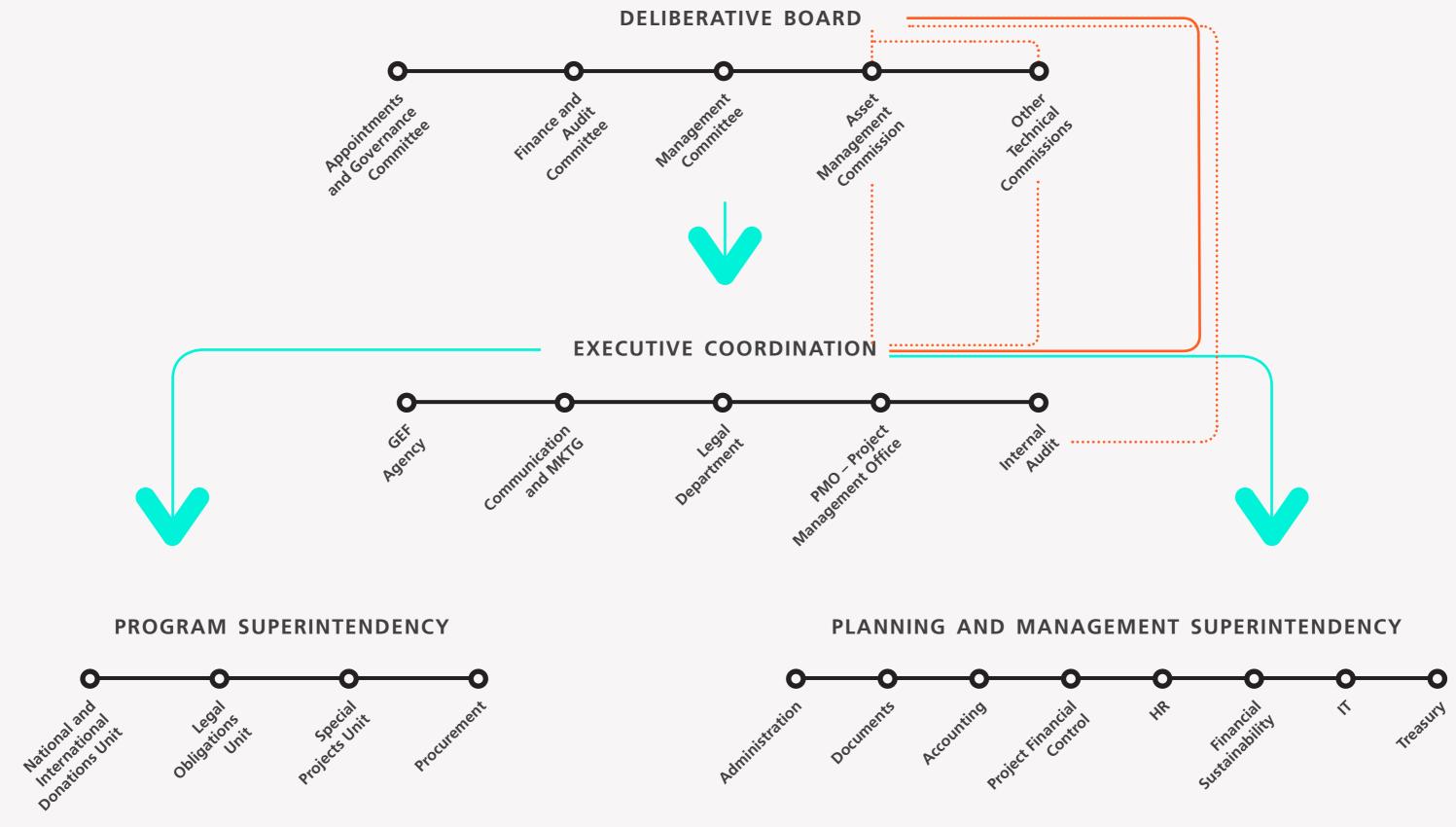
funbio annual report **2017** — *23* 

FERNANDO DE NORONHA

MARINE AND **COASTAL ZONE** 



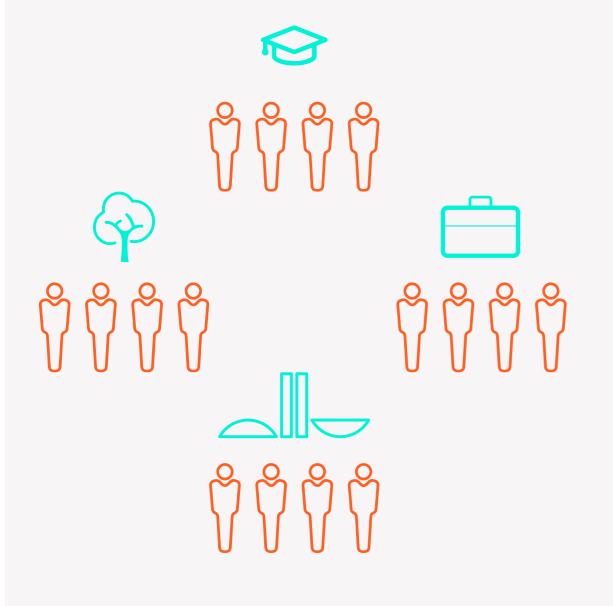
# organogram



# governance

The deliberative Board – DB consists of 16 members drawn from the academic, environmental, corporate and governmental sectors. It steers Funbio's strategy and meets three times per year.

In 2017, Marianne von Lachmann, from Lachmann Investimentos Ltda., and Flávio Castro, from FSB Comunicação, joined the DB as representatives from the business world.



Chairman Álvaro de Souza

Vice-Chairwoman Danielle de Andrade Moreira

ACADEMIC SECTOR Danielle de Andrade Moreira Pontifical Catholic University of Rio de Janeiro (PUC-Rio)

Fabio Scarano Brazilian Sustainable Development Foundation (FBDS)

**Ricardo Machado** University of Brasília (UnB)

Sergio Besserman Vianna Botanical Gardens of Rio de Janeiro

ENVIRONMENTAL SECTOR Adriana Ramos Socio-environmental Institute (ISA)

Maria José Gontijo International Education Institute of Brazil (IIEB)

Miguel Serediuk Milano Life Institute

Paulo Moutinho Amazonian Environmental Research Institute (IPAM)

Comunicação

José de Menezes Berenguer Neto JP Morgan

**GOVERNMENTAL SECTOR** Andrea Ferreira Portela Nunes Ministry for Science, Technology, Innovation and Communications

Marcelo Cruz (as of April 2017) - Ministry for the Environment

José Pedro de Oliveira Costa (as of April 2017) - Ministry for the Environment

Marcelo M. de Paula Ministry for Planning, Development and Management

Ricardo Soavinski Chico Mendes Institute for Biodiversity (ICMBio)

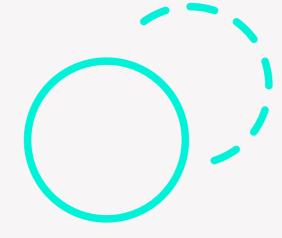
CORPORATE SECTOR Álvaro de Souza Ads Gestão, Consultoria e Investimentos Ltda.

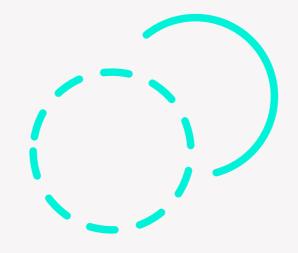
Flavio Ribeiro de CastroCastro (as of August 2017) - FSB

Marianne von Lachmann (as of April 2017) - Lachmann Investimentos Ltda.



# transparency





#### **External Audit**

Funbio has been audited by independent external auditing firms every year since its creation, and its statements have always been approved without qualification. All of Funbio's statements of account, complete with external auditor's reports and explanatory notes, are available for download from the Funbio website.

**Internal Audit** 

Since 2013, Funbio has also conducted an annual internal audit in order to thoroughly examine its controls and the integrity of its accounting and financial data. The internal audit is an instrument that pervades the organization's every level, developing an adequate working relationship between those areas and supporting and approving process improvements. It is a benchmark for the implantation of and engagement with the best practices of organisational governance.

#### C Link to the audit reports



# ethics committee

Funbio's Ethics Committee, established in 2013, was created to ensure the transparency and probity of the activities pursued or supported by the institution. The Committee consists of four members appointed by the secretary-general: one from the Legal Department, one from Human Resources, and two from other Funbio departments. The group is tasked with drafting the Code of Ethical Conduct, which it must submit to the Deliberative Board for approval.

In 2017, for the second year running, the Committee conducted its annual ethics training, which, up until 2015, had been administered by external consultants.

Funbio has two channels through which collaborators can raise doubts or lodge complaints, and these can both be accessed on the Funbio website.

C Link to Funbio's channels

# policies and safeguards

In 2013, Funbio adopted safeguards and institutional policies that set clear principles for our work. The documents related to these safeguards are available on our website:

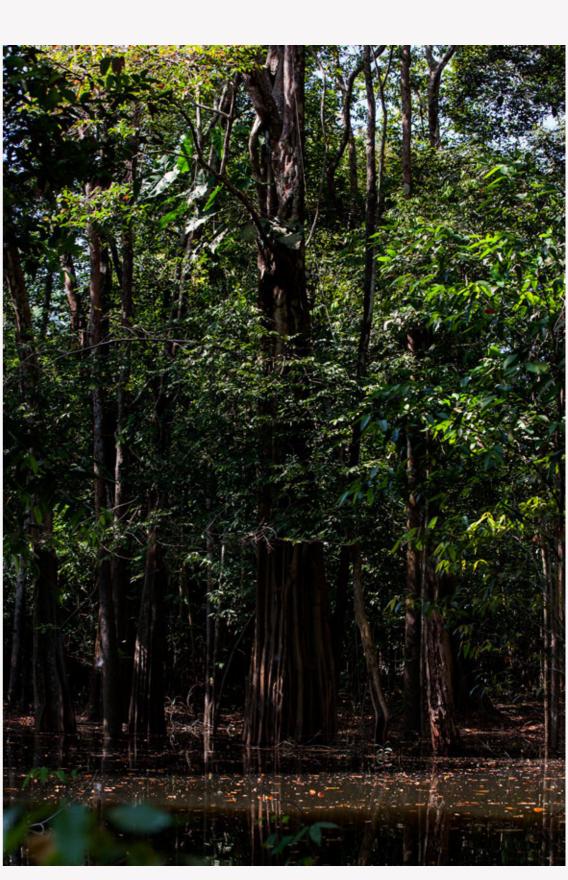
#### **Environmental and Social Safeguards for:**

- Indigenous Peoples
- Environmental and Social Impact Assessment
- Natural Habitat Protection
- Material Cultural Resources
- Involuntary Resettlement
- Pest and Blight Management
- Complaints, Controls and Responsibility System.

#### **Gender Integration Policy**

They can be accessed on the Funbio website

Uatumã Sustainable Development R



Uatumã Sustainable Development Reserve (AM), by Marizilda Cruppe/Funbio



# who we are

Secretary-general's Office Rosa Lemos de Sá (CEO) Ana Lucia de Azevedo Salles (assistant) – up until july 2017 Zeni Pinheiro (assistant) – as of september 2017

**GEF Agency** Fábio Leite

Internal Audit Alexandra Viana

**Legal Department** Flavia Neviani (Legal Manager)

**TEAM** Mateus de Castro Almeida Paulo Miranda

Communication & Marketing Helio Hara (Communication and Marketing coordinator)

#### TEAM

Flávio Rodrigues Samira Chain

**Projects Management Office (PMO)** Mônica Aparecida Mesquita Ferreira

63%

**TEAM** Olívia Soares Mendonça Smiderle

**Programs Superintendency** Manoel Serrão (superintendent)

**National and International Donations Unit** Fernanda Figueiredo Constant Marques (coordinator)

37%

**TEAM** Alexandre Ferrazoli Clarissa Scofield Pimenta – up until december 2017 Daniela Leite Danielle Calandino da Silva – up until august 2017

#### Fabio Ribeiro – as of december 2017 Heliz Menezes da Costa – as of december 2017 Ilana Nina de Oliveira Maria Rita Olyntho Machado – up until february 2017 Mariana Gogola – as of august de 2017 Mayne Assunção Moreira Nathalia Dreyer Paula Vergne Fernandes Thales Fernandes do Carmo

**Legal Obligations Unit** Erika Polverari Farias (coordinator)

TEAM André Aroeira Pacheco – as of august 2017 João Ferraz Fernandes de Mello Laura Pires Petroni Mary Teixeira Natalia Paz Rodolfo Cabral Marçal





FUNBIO ANNUAL REPORT 2017 — 28

#### **Special Projects Unit**

Leonardo Geluda (coordinator)

#### TEAM

- Andreia Mello
- Anna Beatriz de Brito Gomes
- Carine Szneczuk de Lacerda up until november 2017
- Leonardo Bakker
- Suelen Jorge Felizatto Marostica

#### **Procurement Unit** Fernanda Jacintho (coordinator)

#### TEAM

- Alessandro Jonady Oliveira
- Alvaro Pacheco de Oliveira up until november 2017
- Ana Lucia Santos
- Flavio Miguel
- José Mauro Filho
- Juliana La Terza Penna up until february de 2017
- Luisa Brandt





# who we are

Marcelo Bitencourt da Fonseca Maria Bernadette Lameira Nara Anne Brito do Nascimento – as of december 2017 Vinicius Chavão Viviane Silva Willian dos Santos Edgar

**Planning & Management** Aylton Coelho (superintendent)

Administration Flávia Mol Machado (supervisor)

TEAM Cláudio Augusto Silvino Luciana Bresciani Dejard Mendonça – up until november 2017 - in memoriam Marcio de Vasconcelos Maciel Matheus Duarte Ramos Vanessa Ravaglia Cohen – as of december 2017

Centro de Documentação (Cedoc) Danúbia Moura Cunha (supervisor) – up until october 2017

TEAM Natália Corrêa Santos

Accounting Daniele Soares dos Santos Seixas (coordinator)

TEAM Ana Maria Rodrigues Ramos – up until march de 2017 Flavia Fontes de Souza Priscila Pontes de Brito Thais dos Santos Lima

**Financial Control of the Project** Marilene Viero (coordinator)

TEAM Ana Paula Lopes Andreia Lopes de Oliveira – up until december 2017

Felipe Camello Felipe Dias Mendes Serra Leandro Pontes Luis Fernando Freitas Farah Mayara do Valle Bernardes de Lima Priscila Ribeiro Larangeira da Silva Vitor da Silva Vieira

Treasury Roberta Martins Thais Medeiros

Human Resources Andrea Pereira Goeb (coordinator)

TEAM Barbara Santana da Silva Chagas Heloisa Henriques

**Financial Sustainability** Marina Machado

IT.

2017 2017





FUNBIO ANNUAL REPORT 2017 — 29

Vinicius de Souza Barbosa (coordinator)

#### TEAM

Alessandro de Assis Denes Caroline Cavalcanti de Oliveira Jacobina – as of february Deywid Carvalho Dutra Gilles Villeneuve Alfredo de Mello Ferreira – up until january

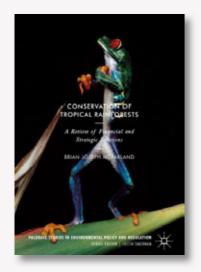
#### Interns

- Bruno Teixeira da Rocha
- Julia Lopes Clacino
- Priscila Ribeiro Marques Corrêa
- Victor Hugo Gatto

Photos Flávio Rodrigues/Funbio



# library



#### Conservation of Tropical Rainforests

The publication, launched in the USA by Palgrave Macmillan, presents the ARPA Program as a success story in tropical forest conservation. The author, Brian McFarland, interviewed Rosa Lemos de Sá, Funbio's secretary-general, and Manoel Serrão, Superintendent of Programs, for the chapter on tropical forest conservation.



#### Major Construction Works in the Amazon

"Grandes obras na Amazônia, aprendizados e diretrizes" (Major Construction Works in the Amazon, lessons and directives) is a 254-page Fundação Getúlio Vargas publication packed with diagnostics, practical tools and directives covering six thematic fronts: Territorial Planning and Ordinance; Financial Instruments; Institutional Capacities; Indigenous Peoples, Traditional Populations and Quilombolas; Children, Teens and Women; and Authorized Suppression of Vegetation. 300 people from 130 institutions worked for over a year to compile this volume. Leonardo Geluda and Andréia Mello, from Funbio's Special Projects Unit, co-wrote a chapter for the book.





"Present or Potential Economic Value – Plants for the Future - the Midwest" was published in 2017 by the Ministry for the Environment. The publication was supported by the project "Conservation and Sustainable Use of Biodiversity for Improved Human Nutrition and Wellbeing", of which Funbio is financial manager. 144 specialists from various Brazilian institutions collated data on 177 species of flora native to the Brazilian Midwest found to possess dietary, aromatic, medicinal and/or ornamental properties of present or potential economic value.





#### **Our Planet**

"Our Planet" is a monthly global publication by the United Nations Environment Program. Its September 2017 issue featured a 2-page article by Rosa Lemos de Sá, Funbio's secretarygeneral, on the efficacy of protected areas in Amazonian conservation. Among the magazine's other collaborators were the actor and director Edward Norton (of Fight Club fame), Peter Bakker, Chairman of the World Business Council for Sustainable Development, and Tshering Tobgay, Prime Minister of Bhutan.

Link to publication

C Link to publication



#### The Impact of the ARPA Program on the Effectiveness of Protected Area Management in the Amazon

The book was a joint effort by WWF-Brazil and Funbio, with support from the Gordon and Betty Moore Foundation. It presents RAPPAM (Rapid Assessment and Prioritization of Protected Area Management) findings that show that management effectiveness at ARPAbacked protected areas increased by 17% between 2005 and 2015.

Contents

C Link to publication

# in the news

A Crítica

11/05/2017

Event discusses the challenges

and opportunities for

conservation funding



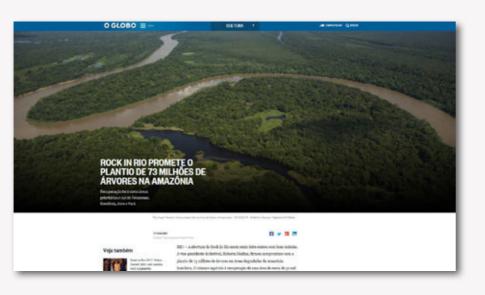
#### **Band Amazonas**

12/05/2017

Manaus hosts the 3rd meeting on the Sustainable Dialogues program







#### O Globo

15/09/2017 Rock in Rio promises to restore 73 million trees in the Amazon

#### \* ESTADÃO

#### Rock in Rio promete recuperar 73 milhões de árvores na Amazônia

As àreas prioritárias são o sul do Amazonas, Rondônia, Acre e Pará Roberta Pennafort, O Estado de S.Paulo 15 Setembro 2017 | 17h20



# 15/09/2017

#### O Globo 15/09/2017

Gisele Bündchen is moved to tears at the launch of the Rock in Rio social project

O Estado de S. Paulo Rock in Rio promises to plant 73 million trees in the Amazon



# in the news

Markets Insider 15/09/2017 Word's Largest Tropical Reforestation

Project to Take Place in the Amazon Rainforest

NUSINESS INSIDER	MARKETS PORTFOLIO Q. MARK
	World's Largest Tropical Reforestation Project to Take Place in the Amazon
	Rainforest
	retust ten Local Procession To use a first a status BDD DE JANEEJRO, Sept. 23, 2027 / PRNewardse-USNewardse-USNewardse-USNewardse-USNewardse- Conservations Instrumenticational (C1) is taking part in a massive reference taking effort in the Broadlian region of the Annauen. The official announcements happens today at the "Brock in Kio zoney" global monie festival held in Rio- de Anneue, Barth.
	The project is the result of a partnership between CI, the Benzilian Ministry of Environment, the Calobal Environment Facility (GEP), the World Back, <b>the Benzilian Bodiversity Fund (Fundio)</b> and Rock in Rio's



Dum H Can	DIARIO DE CUIABA am	Política
Últimas Noticias	Terça feira, 30 de janeiro de 2018	Edição nº 14859 15/11/2017
Primeira Página	COP 23	Anterior   Indice   Próxima
Politica	-	
Economia	MT recebe R\$ 178 mi em i	nvestimentos
Cidades		
Policia	Da Reportagem	
Esportes	-	
Drasil	<ul> <li>O Estado de Mato Grosso recebeu R\$ 178 m</li> </ul>	
Mundo	<ul> <li>combate ao desmatamento, reflorestamento</li> </ul>	
DC Ilustrade	familiar e comunidades tradicionais. O recurs	
Colunistas	KFW e foi formalizado nesta quarta-feira (14) Bonn Alemanha.	, na cuter za, realizada em
Cuiabă Urgente		
Editoriais	<ul> <li>O contrato foi assinado pelo governador Ped</li> </ul>	ro Taques e o vice-governador
Artigos	Carlos Favaro, secretário de Estadual de Me	
E-Mail	Amazon Bonn, que reuniu governadores dos	
ndice	Amazônia, instituições e ONGS ambientalista	is debater ações e estratégias
Classificados	para a redução da emissão de carbono.	
Ediçtes Antoriores	<ul> <li>Foram dois contratos. O primeiro, no valor de acordado para ser celebrado durante a COP.</li> <li>Grosso negociou com o governo de Reino IU financeiro. A ministra do Meio Ambiente daqui investimento de mais 23,0 milhõos de libras, R\$ 155 milhões. O recurso será operacionali.</li> <li>Grosso, o Acre também recebeu 30 milhões</li> </ul>	Durante a conferência, Mato nido o aumento do aporte sele país anunciou o totalizando aproximadamento rado via Funbio Além de Mato
Pesquise Busce Google	O dinheiro é um prémio e o reconhecimento i carbono. Mato Grosso chamou a atenção da quando apresentou em 2015, na COP 21, en Conservar e Incluir (PCI) que tem o objetivo ( carbono o zerar o desmatamento ilegal até 2)	comunidade internacional 1 Paris, a estratégia Produzir, geral de reduzir as emissões de 020.
	<ul> <li>O governador Pedro Taques reafirmou peran compromisso do Estado na contribuição na re e lembrou que as metas só serão alcançadas estratégia PCI fci criada e é gerida pelo gove ambientalistas e também o setor produtivo dr</li> </ul>	odução da omissão de carbono s com apoio de parceiros. A rno do Estado, ONGs

Gestão do Parque Chandless é premiada durante 0 celebração dos 15 anos do Arpa • ..... MARIA MERELLES 04.12 2017 O 11.10 a •

Neticial

Notícias do Acre 04/12/2017

The management of Chandless Park receives an award at ARPA'S 15th anniversary celebrations

#### Diário de Cuiabá 15/11/2017 MT receives R\$ 178 million in investment

FUNBIO ANNUAL REPORT 2017 — 32

Valor Econômico 15/09/2017 Rock in Rio arrives in the Amazon with the restoration of 73 million trees



Contents

#### 19/12/2017

GERAL

Istoé

The Government seals an international agreement on the creation of Protected Areas in the Amazon.

# financers

- Anglo American Minério de Ferro Brasil S.A.
- Banco Interamericano de Desenvolvimento (BID)
- Banco Nacional de Desenvolvimento Econômico e Social (BNDES)
- BP Brasil Ltda.
- Bundesministerium für Umwelt (BMU)
- Centro Empresarial Aeroespacial
- Incorporadora Ltda. (C.E.A.)
- Chevron Brasil Upstream Frade Ltda.
- Conselho Juruti Sustentável (Conjus)

- Conservação Internacional CI-Brasil
- Conservation International Foundation
- Diversas empresas
- Engie GDF Suez Energy Latin America Participações Ltda.
- Fonds Français pour l'Environnement Mondial (FFEM)
- Forest Trends
- Fundação BioGuiné
- GITEC Consult GmbH
- Global Environment Facility (GEF)
- Gordon & Betty Moore Foundation

- KfW Bankengruppe
- Linden Trust for Conservation
- Mava Fondation pour la Nature
- Natura Cosméticos S.A.
- O Boticário Franchising Ltda.
- OGX Petróleo e Gás Participações S.A.
- Patrimonio Natural Fondo para la Biodiversidad y Áreas Protegidas
- Petróleo Brasileiro S.A. -(Petrobras)
- Rock World S.A.

- The Food and Agriculture Organization of the United Nations (FAO)

- United Nations Environment Programme (UNEP)

- US Agency for International Development (USAID)

- Vale S.A.

- Votorantim Industrial (VID)

- World Bank (Banco Mundial)

- WWF-Brasil

- WWF-US



# new projects

#### REDD Early Movers (REM) Global Program – Mato Grosso

In November, Funbio and the State Government of Mato Grosso signed off on the REDD Early Movers Program (REM), on which Funbio will manage R\$ 150 million in funds from Germany and Britain. The agreements were signed during Amazon Bonn, a parallel event to the COP23 Climate Change conference in Germany. The investments are conditioned on good results in forest conservation and reductions in deforestation-generated CO2 emissions. In addition to financial management, Funbio will also support Mato Grosso in devising an investment plan, take care of program-related procurement and hiring, and disburse the funds required for execution. The program will support initiatives in the areas of agriculture (including family smallholdings), cattle-ranching, traditional populations and communities and institutional strengthening.

### Sustainable Funding of Protected Areas in Colombia

In December, Funbio and the German consultancy GITEC were invited by Colombia's Natural Heritage Fund (a fellow RedLAC member) to conduct studies on sustainable funding for Colombian protected areas. The aim is to ensure the longterm financial health of the country's PAs through a strategy along similar lines to the ARPA Transition Fund, designed to gradually increase government support for Brazil's Amazonian PAs in order to ensure 100% funding within a period of 25 years. This model is one of the features that has made ARPA a benchmark among neighbouring nations. The project, supported by the Gordon Agiand Betty Moore Foundation, is part of the Funding for Permanence Program (FPP Colombia). FPP is a WWF initiative to encourage governments to create long-term financing mechanisms for PA management.

Federal Compensation in the Amazon

Also in December, Funbio and the Gordon and

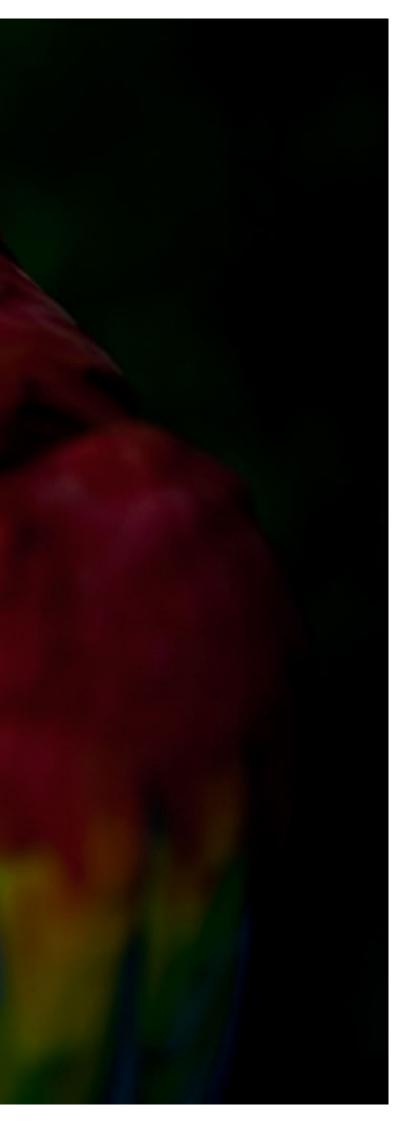
Betty Moore Foundation signed a contract on the project entitled Federal Compensation in the Amazon, created to help the ICMBio efficiently plan for the swift application of environmental compensation funds. Offset measures are an important source of complementary funding for Protected Areas (PAs) and, according to the ICMBio, some R\$ 260 million in federal compensation funds earmarked for the Amazon remains unused. Funbio has a proven track record in executing environmental compensation funds, on such projects as FMA/RJ, run in partnership with the state of Rio de Janeiro. Funbio will develop an online management system, identify and fill demands and gaps in PA financial coverage and work towards enhancing the ICMBio's technical and operational capacity through improved processes and instruments. Disbursements are expected for 39 PAs selected by the ICMBio, 27 of which are supported by ARPA.

In December, ARPA's Transition Fund received reinforcements in the form of USD 30 million from the GEF's Amazon Sustainable Landscapes program, implemented by the World Bank. In addition to support for ARPA, the initiative will also work towards policymaking for sustainable productive landscapes and the recovery of native vegetation cover, and buttress protection-related biome restoration action plans.

#### Amazon Sustainable Landscapes Program



# National and International Donations Unit



FUNBIO ANNUAL REPORT 2017 — 36National and International Donations Unit

# ARPA program

# ARPA Programe Areas Providence de Areasona

#### Amazon Region Protected Areas Program

The Amazon is made of superlatives: its 4.1 million square kilometers are vital to the planet's climatic balance. The world's largest tropical forest, it holds 20% of the Earth's fresh water. Extending across nine countries, it is home to some 34 million people, including 350 indigenous and riverine ethnicities. Sixty per cent of the Amazon lies within Brazil, where the world's largest tropicalforest conservation initiative, the Amazon Region Protected Areas Program (ARPA), is now in its sixteenth year. In December, donors, managers and partners gathered in Rio de Janeiro to celebrate ARPA's anniversary.

In 2017, the program's 15th anniversary was celebrated in grand style, with some major milestones: in August, the program surpassed its original target of supporting the conservation of 60 million hectares (15% of the Amazon), an area twice the size of Germany. Three more PAs were integrated: the Guaporé Biological Reserve, the Monte Roraima National Park, and the Pacaás Novos National Park, together adding a further million hectares.

Also in 2017, a study using the RAPPAM (Rapid Assessment and Prioritization of Protected Area Management) methodology indicated that Protected Areas supported by the program had enjoyed a 17% increase in management effectiveness between 2005 and 2015, versus only 6% over the same ten-year period at PAs not covered by the Program.

As the longest-standing continuous tropical-forest conservation program in the world, ARPA has had proven global impact on climate: a study conducted by Professor Britaldo Silveira Soares Filho from the Federal University of Minas Gerais found that Amazonian PAs reduced total deforestation in the biome between 2005 and 2015 by 30.3%, avoiding the emission of somewhere between



Cruppe/Funbio Uatumã Sustainable Development Reserve, by Marizilda Cruppe/

#### Total Funding: USD 267 milhões\* Total Duration: 2002 to 2039

\* Project sums converted into US dollars (exchange rate as of the last day of the month of the contract's signing)

















Governos Esta da Amazônia Br Acre, Amapá, An Mato Grosso, Ro Roralma, Pará e Tr







MINISTÉRIO DO MEIO AMBIENTE





Temporary island in Lake Erepecu, Rio Trombetas Biological Reserve (PA), by Carlos Augusto. ARPA Program Archive

#### Sustainable Amazon Landscapes Program

In December, ARPA's Transition Fund received reinforcements in the form of USD 30 million from the GEF's Amazon Sustainable Landscapes program, implemented by the World Bank. In addition to support for ARPA, the initiative will also work towards policymaking for sustainable productive landscapes and the recovery of native vegetation cover, and buttress protection-related biome restoration action plans.

1.4 and 1.7 gigatons of C02. ARPA PAs were responsible for 25% of that reduction, which is basically equivalent to total annual global transport emissions. This shows just how effective the program is, and how vital not only to the Amazon, but to the world as a whole.

In October, as recognition for its example in management, revitalization and environmental preservation, ARPA won the Hugo Werneck prize, granted by Revista Ecológico in partnership with the Industrial Federation of the State of Minas Gerais. In its eighth edition, the 111 past prizewinners include the filmmaker Fernando Meirelles and Pope Francis.

ARPA's results have been possible thanks to an innovative arrangement combining the different levels of government, civil society and the business sector, resulting in a model that is a benchmark for similar conservation programs in the Peruvian and Colombian Amazon. Funbio has been ARPA's financial manager from the very start and the executive secretary of its Transition Fund since 2014. The aim of the mechanism is to create a depletable fund so that total government investment in the PAs can be gradually phased in. In 2017, Funbio trained 75 PA managers in the use of Funbio's Cérebro (Brain) procurementrequest system.





30

FUNBIO ANNUAL REPORT 2017 — 37 National and International Donations Unit

protected areas backed

hectares protected

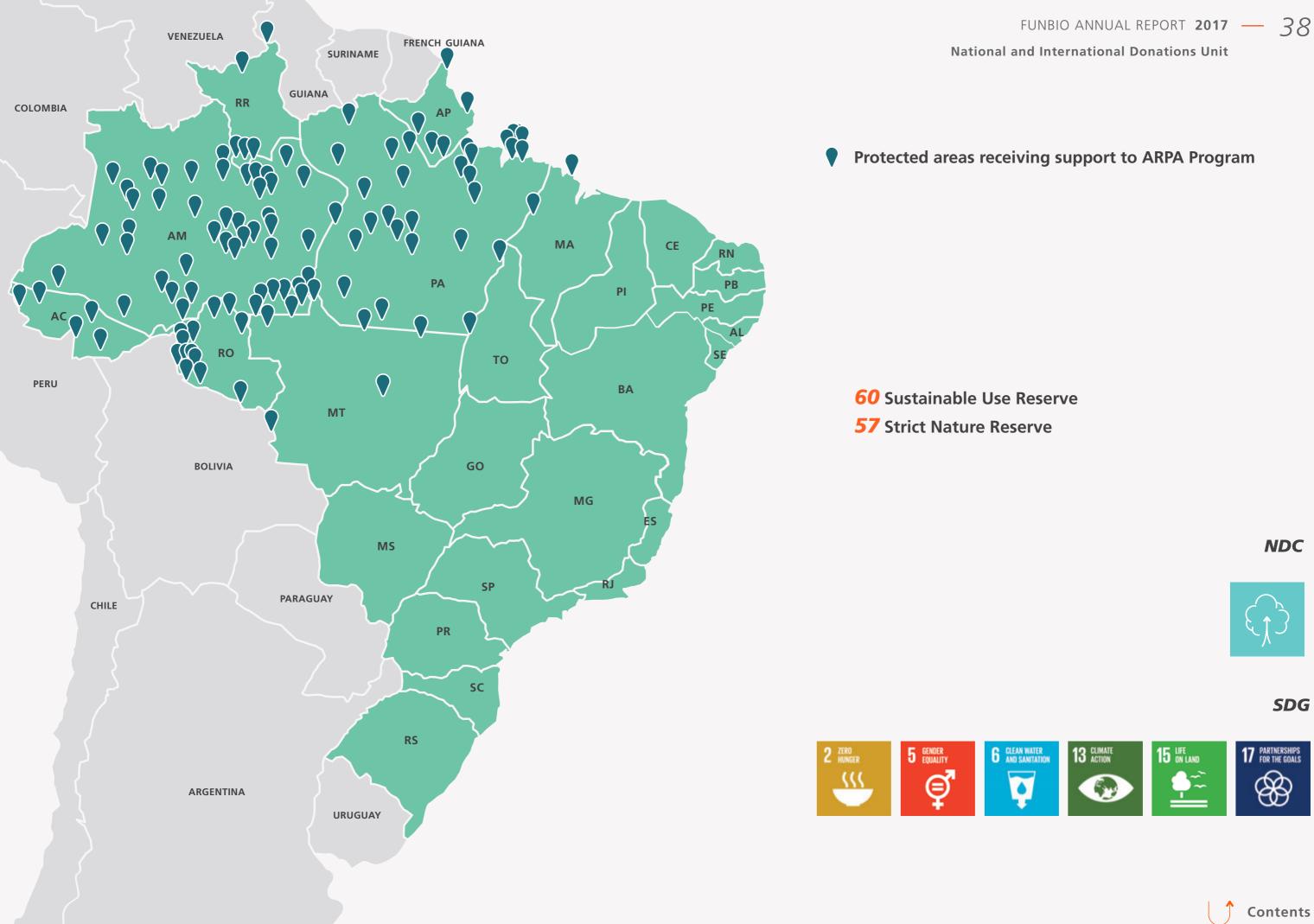
of the Brazilian Amazon

federal PAs

state PAs

community projects supported

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### 66

If Brazil has the world's largest protected area system today, we hope to build on that in the years to come, consolidating the management of ARPAsupported protected areas and incrementing the value attributed to standing forests and the role of traditional peoples."

José Sarney Filho Minister of Environment (2017)



Uatumã Sustainable Development Reserve, by Marizilda Cruppe/Funbio





#### Superlative in conservation

And so ARPA turns 15. To celebrate the date, on 1/12, at the Museum of Tomorrow in Rio de Janeiro, we gathered together the friends and partners whose passion and determination have turned the program into a benchmark and the world's largest tropical-forest conservation initiative. It was a night to see and hear those who believed in ARPA from the beginning and made it a reality. Those four little letters capture an all-round superlative program: the ARPA that has extended protection to 60.7 million hectares; the ARPA of two Italys. The ARPA of concrete results driven by people, hard work and emotion. When asked about what they hope ARPA's legacy

will be for the next 100 years, our partners expressed their thoughts and feelings.

C Link to program video

"An innovative, revolutionary, efficient and transparent program. At Chandless State Park the change was from water to wine in the last five, maybe six years. Today we've got hardware, a management process, a mobilization drive, bringing in involvement and funds, and that's all thanks to the program. If we hadn't had ARPA, I have no doubt that Chandless wouldn't exist. It'd be a paper park at best".

Jesus Souza Manager of Chandless State Park, Acre

FUNBIO ANNUAL REPORT 2017 — 40**National and International Donations Unit** 





Contents



Awards ceremony at the ARPA 15 Years event, by Lucas Veloso/Funbio



We've made a dream come through. I hope that ARPA serves as a conservation and development benchmark for our fellow nations."

Rosa Lemos de Sá Secretary-general of Funbio



ARPA is a challenge, a success, an example of permanence and perseverance. ARPA's legacy is for the whole planet, as it has proved that the most efficient and productive way to curb emissions is to conserve tropical forests."

#### Adriana Moreira

The World Bank's Senior Environment Specialist for Latin America



Without ARPA at the Amazon's Protected Areas, we'd be shorn of all our strength. The initiative is the engine behind the creation and consolidation of the state's protected areas. The program's arrival at the Igapó-Açu Sustainable Development Extractive Reserve has given us far more agility in process implementation and unit management."

**Dionéia Ferreira** Manager of the Igapó Açu Sustainable Development Extractive Reserve in 2017, Amazonas

#### FUNBIO ANNUAL REPORT **2017** — **4**1 **National and International Donations Unit**











It's superlative. In terms of value and protected areas, it makes me proud to have been a part of this partnership as a representative of German cooperation. I hope that, twenty years from now, these trees will still be standing and Brazil still has the will to protect them."

**Christian Lauerhass** Senior Projects Manager with the KfW

"Continuity. We've been working nonstop for 15 years on a program that is a partnership with the Federal government, state governments and donors. ARPA has a very strong governance structure that knew just how to build a relationship that deserves to be maintained over the long term."

Paulo Sodré Chairman of the WWF-Brazil Board



ARPA is a genuine public/private partnership that has obtained incredible success. ARPA-supported protected areas are a fortress for the Amazon, a real development mosaic. People will come to value ARPA as part of their heritage."

Avecita Chicchon Moore Foundation



Transformative. ARPA has been a transformative initiative in tropical-forest and biodiversity conservation in Brazil, the Amazon and the world. I hope the ARPA model can be replicated in 10, 20 other countries with important biomes in need of conservation."

**Meg Symington** WWF Managing Director, Amazon



"Invaluable support for PA management. With ARPA, we've secured major advances and great efficiency in PA implementation. With the support we've been given, we've been able to achieve exceptional results in biodiversity research and knowledge, and that has resulted in the park's recognition as a Ramsar Site."

**Beatriz Ribeiro** Manager of Viruá National Park, Roraima



Success. Few projects have achieved this sort of success in terms of project management, impact and results. I hope it consolidates as a solution that can be replicated on other continents."

**Barbara Brakarz** 

Program Director, Andes-Amazon with the Gordon and Betty

Senior Climate and Development Specialist with the BID

I'm very proud to have been involved in this effort. It's become

crystal clear that the reduction in deforestation has been much

larger at ARPA-supported PAs than at others that don't have this

Institutional Relations Manager for the BNDES/Amazon Fund



backing."

Angela Albernaz



An enormous program that has made a vital contribution to preserving the planet's most precious gift. When we create, we create for the long haul. People come and go, but the PAs will remain, and that legacy is without doubt one of the greatest ARPA could possible leave to the planet in terms of biodiversity conservation."

#### **Ricardo Soavinski**

Chairman of Chico Mendes Institute for Biodiversity Conservation - ICMBio in 2017



I think that ARPA is a sign of maturity, for the Federal Government as much as for civil society and the donors. It showed us that all we need for a protected Amazon is to pool our forces, and that's what ARPA has done."

José Pedro de Oliveira Costa Ministry for the Environment Biodiversity Secretary



Duration, longevity and success. Looking forward, what we hope for is that society may, in some way, rally behind environmental conservation in protected areas."

Álvaro de Souza Chairman of Funbio's Deliberative Board



Success. A grandiose program that reached its target within its first 15 years. ARPA thinks ahead. Efficiency in the use of resources where the PAs need them most. I have no doubt that a hundred years from now the program will still be contributing to a preserved Amazon."

Aldo Souza Sustainability Director with Anglo American



Partnership, challenges and nature conservation. I hope that ARPA leaves a legacy in biodiversity conservation, in partnership with its communities, and valuing the PA managers and the administrative organs."

**Moara Giasson** Department



Director of the Ministry for the Environment's Protected Areas





Protected Marine and Coastal Areas Project

The rich biodiversity of Brazil's coastal and marine zone is still little known, but the number of fish species catalogued so far already tops a thousand, sharing the waters with 57 marine mammals (53 cetaceans), not to mention 100 different seabirds. According to the Ministry for the Environment, Brazil's waters are also home to five of the seven knowns species of sea turtle. The creation and consolidation of protected areas (PAs) is a conservation strategy of proven efficacy, and the main aim of the Protected Marine and Coastal Areas Project (GEF Mar), financed by the Global Environment Facility (GEF), is to extend the protection currently spanning 1.5% of the marine and coastal area to 5% overall.

In 2017, GEF Mar financed research for the expansion of the National Marine Park of Abrolhos, home to the greatest marine biodiversity in the South Atlantic. The idea is to increase the area under protection from the current 87.9 thousand hectares to 891.8 thousand hectares. The project also supported studies underpinning proposals for the creation of four new marine PAs: Albardão, in Rio Grande do Sul; The





Total Funding: USD 18,2 milhões Duration: 2014 a 2019







VERNOS ESTADUAIS





Humpback Whale (Megaptera novaeangliae) at Abrolhos National Marine Park, by Enrico Marcovaldi/Instituto Baleia Jubarte







Red-tailed tropicbird (Phaeton rubricauda) at Abrolhos National Marine Park, by Enrico Marcovaldi/Instituto Baleia Jubarte

Amazon River Estuary Corals, in Pará; the Doce River Estuary, in Espírito Santo; and the Vitória Trindade Mountain Range, also in Espírito Santo. The last-mentioned of these is part of what will eventually become the largest mosaic of marine PAs in Brazil, of vital importance to the conservation of a marine zone that is home to no fewer than 150 endangered species.

In its monitoring and assessment component, GEF Mar supported the evaluation and definition of an implementation strategy for four National Action Plans for the Conservation of Endangered Species and Speleological Heritage: (1) Wading and Migratory

Birds; (2) Sea Turtles; (3) Albatrosses and Petrels; (4) Sharks. Also financed was the collation and systemization of data for two new National Action Plans (NAPs), one for the Southern Lakes and the other for the dugong. NAPs are public policies that identify and target conservation hotspots for endangered species.

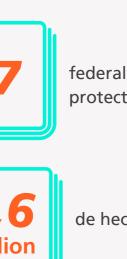
Monitoring and research also received fresh impetus in 2017 with the selection of 65 grant holders through the GEF Mar Research Grants Program. Among the activities carried out by these researchers is the overseeing of catch offload at port, species monitoring, and systems development.

Support for

million

over HUNDRED

FUNBIO ANNUAL REPORT 2017 — 45National and International Donations Unit



federal and state protected areas



de hectares



federal research centres



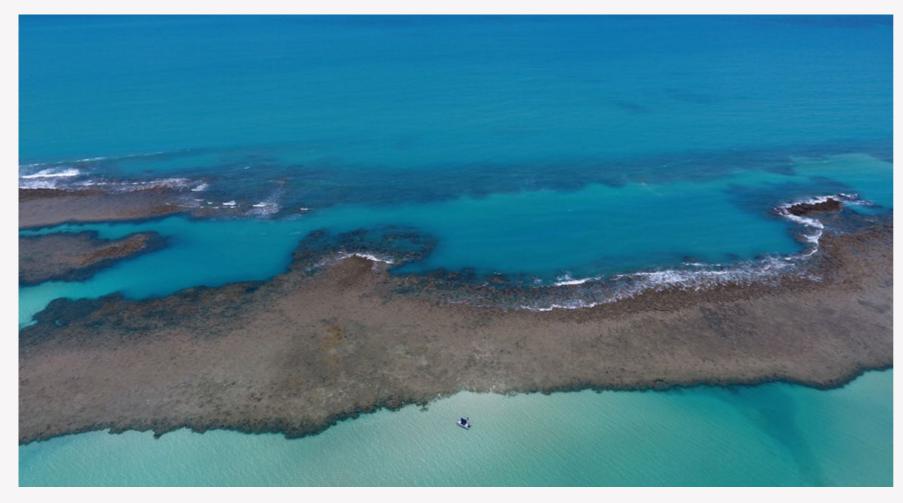
grant holders



men and woman on PA deliberative and advisory



### **GEF** mar



Natural swimming pools, Japaratinga (AL), the Coral Coast Environmental Protection Area, by Iran Normande/ICMBio

In 2017, approximately R\$ 1.5 million was disbursed for projects to engage local communities in marine conservation through field visits and study. Four initiatives were launched in the south of Bahia, and another three are underway at the Coral Coast Environmental Protection Area in Rio Grande do Sul, the environs of the Ilha dos Lobos Wildlife Reserve, also in Rio Grande do Sul, and at the Baleia Franca Environmental Protection Area in Santa Catarina. The projects have afforded new opportunities for traditional activities and helped foster small business creation and gender equality.

Also in 2017, GEF Mar supported the Ministry for the Environment on two strategic fronts opened in 2014, namely specialist knowledge, and data processing technologies geared towards the revision of the current list of Marine Area Biodiversity Conservation Hotspots. This endeavour made it possible to collate fisheries data of pivotal importance to the identification of Species Reproduction and Conservation Areas (SRCAs).

#### The Brazilian Blue Initiative

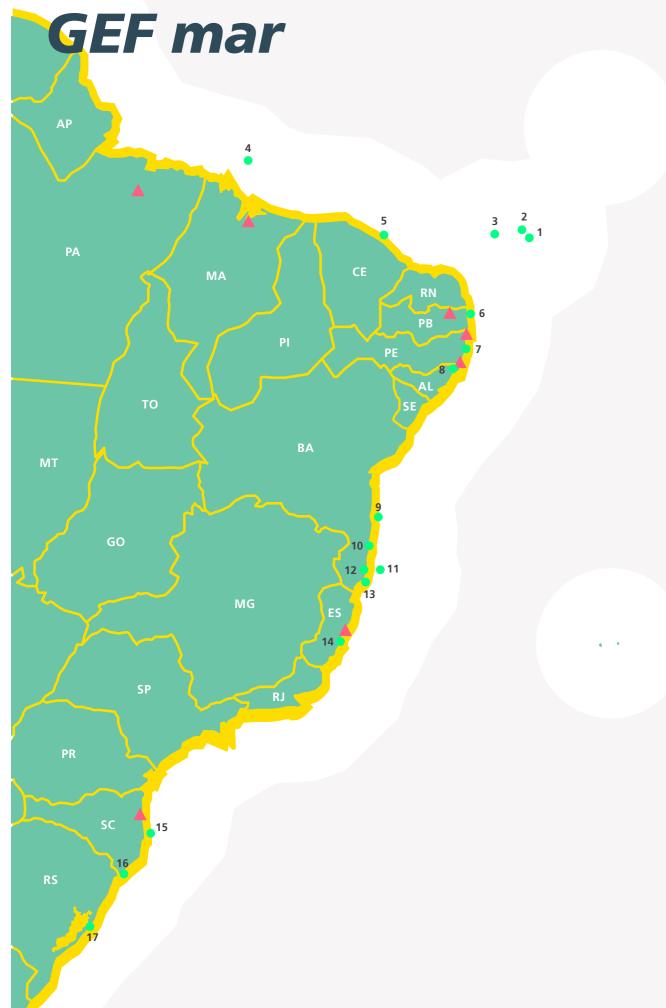
The Brazilian Blue Initiative is the Ministry for the Environment and ICMBio's new strategy for expanding the total area of protected marine and coastal environments. Scheduled for launch in 2018, the BBI plans to raise USD 140 million in funds to bankroll the first third of its 15-year duration. Among the main accomplishments targeted during this initial phase is the establishment of directives for the creation of new conservation projects for the biome.

Funbio is involved in developing the initiative and led the working group exploring the project's financial sustainability through the use of GEF Mar funding and backing. In 2017, Funbio assisted on the construction of a governance and funding model to support marine and coastal conservation, including the creation and maintenance of PAs, sustainable-use initiatives, climatechange abatement measures and marine biodiversity conservation.

The BBI's partners include the Word Bank, UNDP, Conservation International Brazil, WWF and the IUCN.







#### • protected areas backed

Fernando de Noronha Marine National Park	10. C
Fernando de Noronha Environmental Protection Area	<b>[</b> ♥] 8
10,9 thousand e 154 thousand hectares respectively	• A
UNESCO World Natural Heritage Site	
	11. A
Rocas Atoll Biological Reserve	<b>[</b> ♥] 8
35 thousand hectares	• A
UNESCO World Natural Heritage Site	
	12. P
Parcel de Manuel Luís Marine State Park	<b>[♥]</b> 3
45,1 thousand hectares	
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Areia Vermelha Marine State Park	
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Guadalupe Environmental Protection Area	
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	<b>[♥]</b> 3
Coral Coast Environmental Protection Area	
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	<b>[♥]</b> 1-
Canavieiras Marine Extractive Reserve	
100,6 thousand hectares	
	Fernando de Noronha Environmental Protection Area10,9 thousand e 154 thousand hectares respectivelyUNESCO World Natural Heritage SiteRocas Atoll Biological Reserve35 thousand hectaresUNESCO World Natural Heritage SiteParcel de Manuel Luís Marine State Park45,1 thousand hectaresRamsar SitePedra da Risca do Meio Marine State Park3 thousand hectaresAreia Vermelha Marine State Park260 hectaresGuadalupe Environmental Protection Area43,9 thousand hectaresCoral Coast Environmental Protection Area404,2 thousand hectaresCanavieiras Marine Extractive Reserve

7 research centres supported

#### FUNBIO ANNUAL REPORT 2017 — 47 National and International Donations Unit

#### Corumbau Marine Extractive Reserve

39,9 thousand hectares Advanced outpost of the Atlantic Forest biosphere reserve

#### brolhos Marine National Park 37,9 thousand hectares Advanced outpost of the Atlantic Forest biosphere reserve

onta de Baleia Environmental Protection Area 45,5 thousand hectares

#### assurubá Extractive Reserve

00,5 thousand hectares

#### etiba Environmental Protection Area

2,4 thousand hectares

#### aleia Franca Environmental Protection Area

54,8 thousand hectares

#### agoa do Peixe National Park

36,7 thousand hectares

#### Iha dos Lobos Wildlife Reserve

42 hectares



### **TFCA**



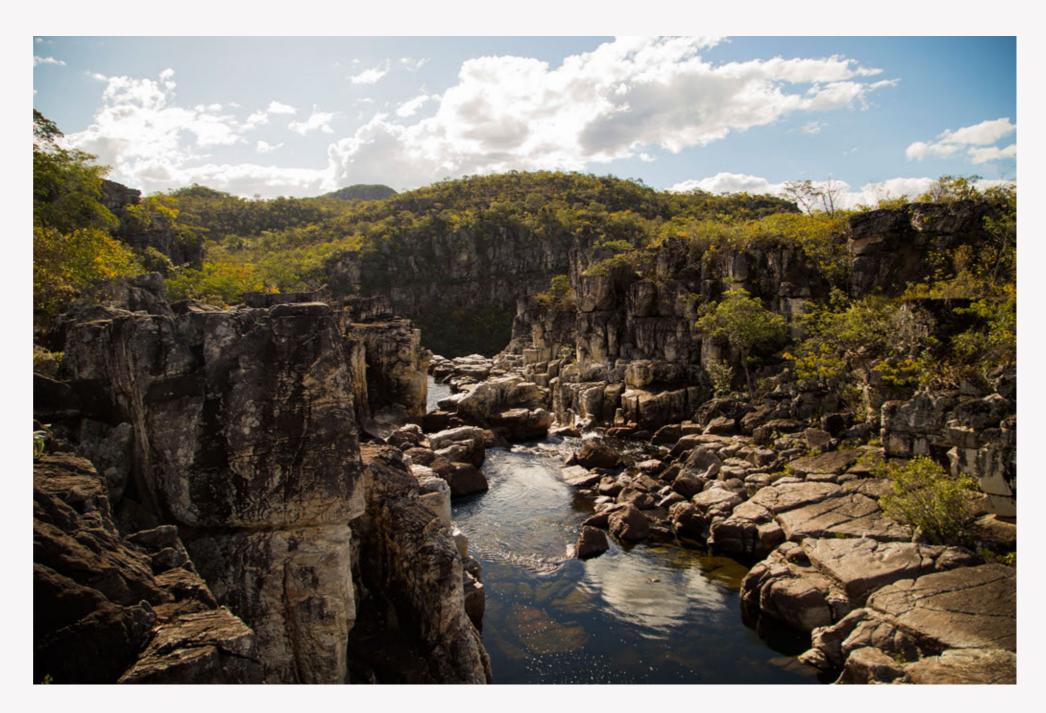
#### **Tropical Forest Conservation Act**

The TFCA is an American law promulgated in 1998 that allows countries to commute some of their national debt with the USA into investment in forest conservation and sustainable use. In Brazil, the agreement was signed in 2010 and has since seen USD 20.8 million in funding channeled into 89 conservation initiatives in three key biomes: the Cerrado (savanna), Caatinga (scrubland) and the Atlantic Forest.

Funbio is executive secretary of the TFCA Account Committee in Brazil, which is chaired by the Ministry of the Environment. It receives funding, makes disbursements to the projects and conducts follow-up, such as periodical monitoring and technico-financial reporting on how projects have fared vis-à-vis their goals.

In 2015, the TFCA completed its first phase, which extended support to 82 projects. In 2016, phase two got underway with seven new initiatives, one of which came full circle in 2017, while the other six are still in progress in ten states.

Among the main results obtained in 2017 is the Rural Environmental Register's (Cadastro Ambiental Rural-CAR) attendance of roughly 700 people from five municipalities at the Pouso Alto Environmental Protection Area in Goiás,



Total funding: USD 20.8 million Duration: 2010 to 2019

Chapada dos Veadeiros National Park (GO), by Yuri Cruvinel











### **TFCA**

resulting in the registration of nearly 400 properties. Now, among other benefits, the owners will have access to rural credit and agricultural insurance (investment for rural activities), and will be able to obtain environmental licenses and legally sell their properties.

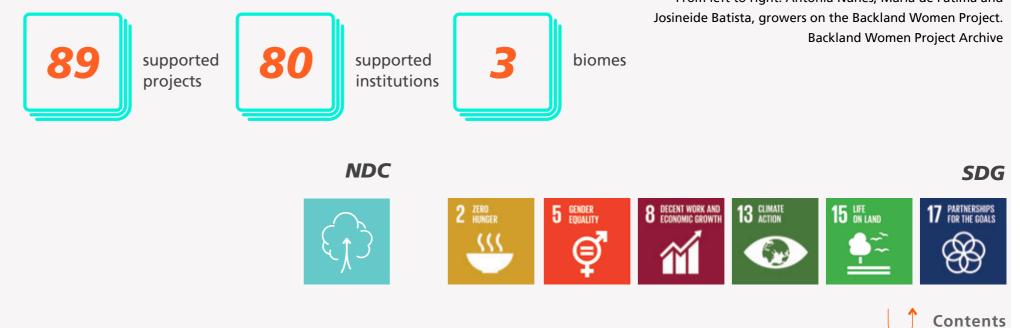
The Pouso Alto EPA is located in the environs of the Chapada dos Veadeiros National Park, which, in 2018, will receive the Integrated Fire Management project, also supported by the TFCA. The aim is to reduce wildfires inside the Park, which lost 65 thousand hectares in 2017 during the largest forest fire in the PA's history.

The Project to Support the Babassu Coconut Breakers Women's Group, which operates in three states in the Northeast (Maranhão, Piauí and Rio Grande do Norte), benefitted 400 women in 2017 through access to the Special Department for Family Agriculture and Agrarian Development's public purchases and Minimum Price Assurance Policy for Socio-biodiverse Products (PGPM-Bio). The PGPM subsidizes the shortfall between the regional market price for babassu almonds and that set by the PGPM-Bio.

In Minas Gerais, the project Strengthening Sustainable Agroextractivism supported some 45 families in rural communities, all of whom received organic certification for their produce, which includes potherbs, beans, pumpkin and honey.

In Pajeú, Pernambuco, the TFCA also supported the Backland Women Project, which, in just under a year, helped 450 rural women to increase their monthly incomes (see page 18).





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From left to right: Antônia Nunes, Maria de Fátima and

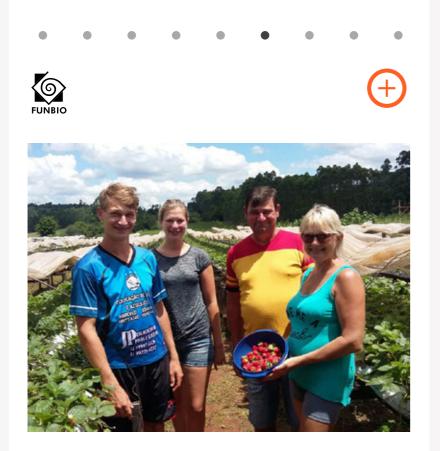
Photo: Daniela Leite/Funbio

#### Heirloom Seeds and agroecology create new opportunities for rural producers

Ten thousand years ago, when man abandoned nomadism to start growing cultivars, the first farmers began selecting the most resistant seed varieties, and these have come down to us today as heirloom seeds. These seeds constitute an invaluable genetic and cultural heritage that is not always fully appreciated. Through the Heirloom Seeds, Seeds of Life project, this age-old seed stock has become the newest and healthiest alternative for subsistence farmers in Santa Cruz do Sul, Rio Grande do Sul, in a region dominated by tobacco plantations.

The Burghardts are a perfect example. In 2011, after 15 years growing tobacco, Marcia, Rudimar, Anderson and Aline Burghardt were beset by two problems: first, Rudimar fell seriously ill, and then the family found itself in financial difficulties due to an outstanding debt. But Marcia refused to be beaten. The following year a friend introduced her to the project, and she decided to tear up the tobacco plants on her 4.75 hectare property and start growing heirloom vegetables instead.

Since 2016, the TFCA has been supporting a seed bank of over a hundred plant varieties. In addition to the bank, the project has trained 64 youths aged between 17 and 26 in agroecological techniques for the recovery and use of these seeds in Rio Grande do Sul. Anderson, 21, is one of those who has become a trained heirloom seed guardian. He studies at the Rural School for Youth, which is also supported by the project and receives financial incentives for agriculture projects.



"I'm immensely grateful. Being part of the project has brought real satisfaction to me and my family. Contrary to what many might think, heirloom corn, bean and sweet potato have brought in more income than we had before."

Marcia Burghardt and smallholder family supported by the Creole Seeds, Seeds for Life project

"I'm immensely grateful. Being part of the project has brought real satisfaction to me and my family. Contrary to what many might think, heirloom corn, bean and sweet potato have brought in more income than we had before. And all without pesticides. We're sure the project will help us even more in the future".

In 2017, thanks to the good results obtained—the project achieved an 83% project execution rate—, the project will receive extra TFCA funding through to mid-2018.

### probio II

### **Opportunity Fund of The National Biodiversity** Mainstreaming and Institutional Consolidation Project

The National Biodiversity Mainstreaming and Institutional Consolidation Project (Probio II) was created in 2008 by the Ministry for the Environment in partnership with Funbio to search for private-sector solutions for the sustainable use of biodiversity. In 2015, thanks to funding from the Global Environment Facility (GEF), it set up the Opportunities Fund, which has since been supporting sub-projects in seven territories: the South of Bahia; Juriti, Pará; Mato Grosso do Sul; the Pampas of Rio Grande do Sul; Vale do Ribeira, São Paulo; the Tapajós-Arapiuns Extractive Reserve, Pará; and Espírito Santo.

In 2017, support was given to three subprojects: The Active Forest Program, at the Tapajós-Arapiuns Extractive Reserve

in Pará; "Wildlife Health and Digital Inclusion", also in Pará (with potential nationwide impact, see page 53), and "Economic Study for Forest Restoration", in Espírito Santo.

On the Active Forest Program, executed by the Health and Happiness Project inside the Tapajós-Arapiuns Extractive Reserve in Pará, support from the Opportunities Fund made it possible to hold 15 training workshops on such themes as best practices in agroforestry systems, community-based tourism and access to credit (benefiting over a thousand people). Among the highlights are the beekeeping course (beekeeping as a source of income) and the creation of a 15-species medicinal herb garden. On the



#### Total funding: USD 7,8 million\* Duration: 2008 to 2018

\*Project sum converted into dollar (as of last day of the month the contract was signed)





#### FUNBIO ANNUAL REPORT 2017 — 51 National and International Donations Unit

Members of the community at the Tapajós-Arapiuns Extractive Reserve (PA) transporting seedlings. Health and Happiness project archive



### probio II

issues of gender and access to credit, the Health and Happiness Project advised women on how to seek credit from the Special Department for Family Agriculture and Agrarian Development's "Fostering Women" program. In all, 137 projects were approved for R\$3 thousand in funding each, as of 2018.

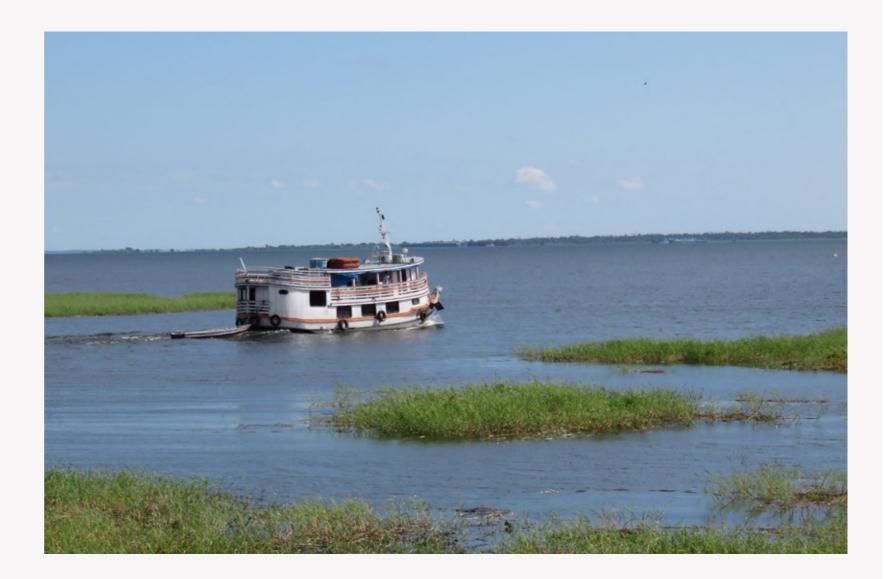
These results were achieved with the help of the Extractive Reserve's main initiative development hub, the Active Forest Experimental Center (CEFA), which was built with resources from the Probio II Opportunities Fund. CEFA also pursues a reforestation program with capacity to produce 300 thousand saplings per year. In 2017, saplings were distributed among and of 629 hectares through ecological 55 communities inside the Extractive Reserve, benefitting 650 families.

In addition to the activities underway at CEFA, the PSA also built 37 cisterns, 14 of which were paid for by Funbio, bringing water to over 3 thousand people.

The Economic Study on Forest Restoration is conducted by The Nature

Conservancy (TNC) in Espírito Santo. The state was the seventh largest deforester in the country between 2015 and 2016, and the study there was supported by the Projeto Reflorestar (Reforesting Project), a state government initiative designed to promote reforestation while generating income and opportunities for the rural producer. The Reforesting Project is part of the 20x20 global initiative to restore 20 million hectares of degraded forest in Latin America and the Caribbean by 2020.

Among the results obtained were satellite monitoring of over 3 thousand hectares of areas in the process of restoration monitoring in the field. Another output was an economic potential assessment of 31 species of tree.





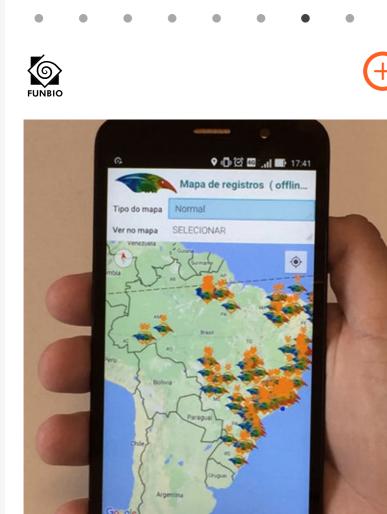




Tapajós-Arapiuns Extractive Reserve (PA), by Alexandre Ferrazoli/Funbio

**SDG** 

### probio II



"Thanks to Funbio we were able to test the app in different biomes, each with its own culture and socio-economic reality, and we could learn from the difficulties the users experienced in handling it. These observations led to 166 system improvements."

Marcia Chame lead researcher at Fiocruz

#### Technology in favor of biodiversity

It's like having a bridge capable of reducing the risk of zoonoses in the palm of your hand. The SISS-GEO application, created by the Oswaldo Cruz Foundation (Fiocruz), enables the registered user to send the institution photos and other information on suspicious-looking physical and/or behavioral conditions of live or dead animals. The data is then analyzed by Fiocruz specialists who, in the event that a risk is detected, alerts the user and relevant health authorities as to the possible existence of a zoonosis—any disease that can spread from animals to humans either directly or through vectors. Rabies and yellow fever are just two examples of zoonoses encountered in Brazil.

Between 2014 and 2017, SISS-Geo was downloaded into two thousand devices and five thousand user alerts were received nationwide, amounting to roughly three a day. The app won the Ministry for the Environment's National Biodiversity Prize and the Banco do Brasil Foundation's social technology award, supported by the United Nations Food and Agriculture Organization, among others.

The idea first arose in the 1990s, when the Fiocruz researcher Marcia Chame implemented a participative monitoring program at the Serra da Capivara National Park in Piauí. Simple questions were put to volunteer monitors, park wardens, tourism professionals and other stakeholders, who agreed to observe the routines of animals over small designated territories. Their notes were then collected and analyzed each month.

"This was the groundwork for SISS-Geo, which began to take shape in 2006, with support from Probio II", says Marcia. Before its launch in 2014, the app went through a series of modifications, the most important of which was made with help from Funbio's Opportunities Fund. The app was tested at the Tapajós-Arapiuns Extractive Reserve in Pará, and at three municipalities in the South of Bahia during 11 expeditions carried out between 2015 and 2017, with the involvement of 860 families across 56 communities.

"Thanks to Funbio we were able to test the app in different biomes, each with its own culture and socio-economic reality, and we could learn from the difficulties the users experienced in handling it. These observations led to 166 system improvements", says Chame.

Also in 2017, a query about some dead marmosets (Callithrix jacchus) sent by the owner of a guest house in São Miguel do Gostoso, Rio Grande do Norte, led to Fiocruz issuing an alert for yellow fever to the user and the local health authorities. This early warning generated orchestrated actions with neighboring towns to train health agents for a vigilance and vaccination drive.

#### **C** For more about the app, click here

# Kayapó fund

The fund supports indigenous organizations presenting projects that focus on biodiversity conservation, territorial protection, the development of sustainable production chains and the strengthening of political representation by Kayapó leaders. The area covers roughly 11 million hectares (about half the size of Britain) straddling the south of Pará and north of Mato Grosso. Started in 2011, the Fund contracted USD 13.1 million from Conservation International's Global Conservation Fund (GCF), and the Amazonian Fund, through the Brazilian Development Bank. Funbio financially manages the initiative.

In 2017, the fund began its third round of sub-project support, choosing three new initiatives to receive the combined sum of R\$ 3 million.

During the same period, the sustainable production sub-projects already supported by the Fund achieved some excellent results, including the harvesting of over a thousand kilos of tonka bean, 80 kilos of copaíba, the production of 4 thousand kilos of flour, 762 of tapioca powder and the manufacture of 15 thousand pieces of craftwork. The sale of these products yielded nearly half a million reais in income. Over a thousand Kayapó were trained in sustainable production activities and territorial protection.



#### Total funding: USD 13.1 million\* Duration: 2010 to 2019

\* Project sum converted into dollars (as of last day of the month the contract was signed)

226% increase in execution in relation to 2016









Kayapó Indians gather for the start of planting. Instituto Raoni Archive



indigenous homelands



hectares benefitted

**SDG** 

# **BFN – biodiversity for nutrition**

Mainstreaming Biodiversity Conservation and Sustainable Use for Improved Human Nutrition and Well-being



Tucumã, umbu, baru, jatobá, araticum, pequi: the list of native Brazilian fruits is vast, nutritional, tasty and pages and pages long. Brazil is home to the world's most diverse flora, with over 50 thousand species described thus far, 22% of the world's total, according to Ministry for the Environment data.

However mesmerizing that may sound, very little of this bounty actually reaches the Brazilian table, which is still monopolized by exotic species. The result is a wasted opportunity for improved nutrition: most of the 70 fruits analyzed by the Mainstreaming Biodiversity Conservation and Sustainable Use for Improved Human Nutrition and Well-being over superior nutritional value to the species most widely consumed in Brazil, such as banana,

orange, apple, papaya and watermelon. Comparatively, they are richer in vitamins, calcium, iron, fiber and other nutrients.

Another effect of this is the growing risk of these species no longer being grown and disappearing from nature altogether.

The project's aim is to amass scientific knowledge about these species and develop a market for native fruits. This drive is part of an international initiative by the Global Environment Facility— GEF, Biodiversity International and UN Environment.

2017 saw the launch of a preliminary version of the Biodiversity Nutritional Composition Database (SiBBr), which will compiles nutritional information on





Total funding: USD 1,5 milion Duration: 2012 to 2018









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Top: Pequiá, by Julcéia Camilo. Above: Arumbeva, by Lidio Coradin







# **BFN – biodiversity for nutrition**

70 selected plant, fruit and potherb species. The project also created 300 recipes created by partner universities, which commissioned them from regional chefs, tried them out and standardized their presentation. The recipes will be published in the book "Biodiversity of Brazil: Tastes and Aromas (one of the recipes on page 57). The publication is one of the 15 the project has supported since its launch.

This same year, over 100 participants gathered in Brasília for the "International Symposium on Biodiversity for Food and Nutrition", which included discussions on biodiversity and sustainable gastronomy, public policies, and an online course on the theme.

The event drew participants from the four countries involved in the initiative: Brazil, Kenya, Sri Lanka and Turkey, as well as representatives from the United Nations Food and Agriculture Organization - FAO, UN Environment and EMBRAPA. At the gathering, five chefs prepared recipes with ingredients from native species selected by the project to give some idea of the possibilities and opportunities deriving from their use.







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Photo: Julcéia Camilo



### **BFN – biodiversity for nutrition**



#### Slash pine burger, by chef Jacqueline Gonçalves de Souza

Serves 24 (55g) helpings

Ingredients	Quantity/amount (g)	Household measure
Slash pine (cooked and ground)	800	3 <sup>1</sup> ⁄ <sub>2</sub> teacups
Diced garlic	15	3 teaspoons
Diced white onion	160	1 teacup
Parsley	to your liking	to your liking
Eggs	385	7 large eggs
Refined iodised salt	to your liking	to your liking
Ground black pepper	15	5 teaspoons
Spicy paprika powder	15	5 teaspoons
Lemon zest	1	lemon's worth

#### PREPARATION

#### Slash pine

- 1. Cook the slash pine in water in a pressure cooker for 30 minutes.
- 2. Peel and mince until smooth.
- 3. Leave to stand.

#### Hamburguer

- 1. Mix the diced garlic, onion and parsley in a bowl with the eggs, minced slash pine and lemon zest.
- 2. Add salt, black pepper and paprika.
- 3. Knead into burger-sized patties (suggestion: three soupspoons of mix per burger).
- 4. Place on a greased, flour-sprinkled baking tray
- 5. Roast at 220°C for 20 minutes in a pre-heated oven

Utensils Required: 1 weighing scales or measuring cup, 1 soupspoon, 1 pressure cooker, 1 bowl, 1 kitchen knife, 1 chopping board, 1 grater, 1 ladle, 1 mincer





### a million trees for the Xingu

A million trees for the Xingu is part of Rock in Rio's socioenvironmental initiative Amazonia Live, which counts on the participation of Brazilian and foreign partners. The project's aim is to restore degraded areas around the headwaters of the Xingu River in Mato Grosso by planting one million trees. The project is run in conjunction with the Socio-environmental institute, through the Xingu Seeds Network. The technique used to plant these trees is the muvuca method, in which a mix of native seeds collected by smallholders, indigenous populations and tree nurseries are planted in such a way as to obtain sequential growth and so ensure a far higher tree yield than conventional planting.

In 2017, planting took place across 155 hectares in the Xingu River Basin, an increase on the 133 hectares replanted in 2016. Amazonia Live is currently monitoring these lands to ascertain the number of trees that are growing there and to check for invasive species and the need for soil management and enrichment.

In all, some 12 tons of seeds of 99 native forest species and green manure (created from specially-grown plants to improve soil quality) were planted.



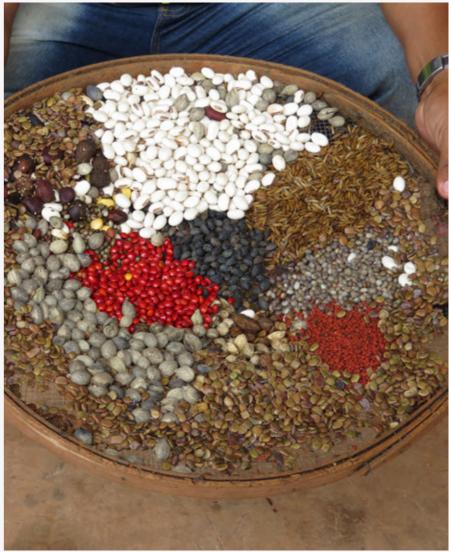
Total funding: R\$ 3 million Duration: 2016 to 2019



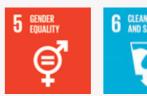
246% increase in execution in relation to 2016

**NDC** 









#### FUNBIO ANNUAL REPORT 2017 — 58National and International Donations Unit

Photos: Alexandre Ferrazoli/Funbio

seed harvesters involved



trees







**SDG** 



# atlantic forest

#### Atlantic Forest Biodiversity and **Climate Change**

Supporting Atlantic Forest conservation is a major challenge. According to the Ministry for the Environment, of the original 1.3 million km2 of Brazil's most extensively devastated biome, only 29% remains, with a mere 8.5% under Protected Area (PA) jurisdiction. The Atlantic Forest Biodiversity and Climate Change project is part of the Brazil-Germany Cooperation for Sustainable Development and the International Climate Protection Initiative.

The aim is to contribute to the conservation of biodiversity and recuperation of native vegetation in the Atlantic Forest, particularly in the vicinity of the Lagamar, Central Fluminense (MCF) and Southernmost Bahia (MAPES) mosaics.

In 2017 the project hired a company to update its priority areas for Atlantic Forest conservation. Consultancy got underway to add more properties to the Rural Environmental Register (CAR), conduct economic analyses on the productive chain in order to recover the native vegetation at the supported mosaics, draw up 7 Municipal Atlantic Forest Plans for the coast of Paraná and 14 Municipal Management Plans for towns near the Central Fluminense Mosaic in Rio de Janeiro.



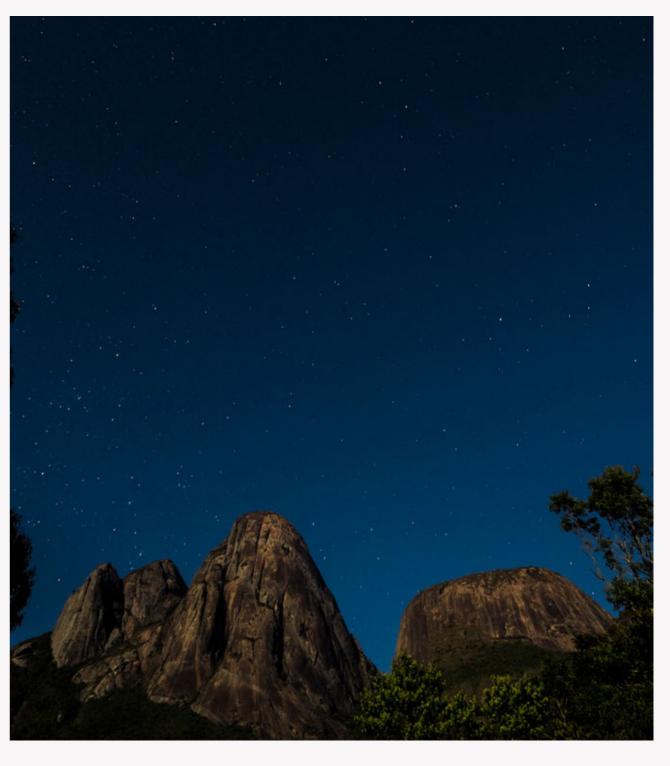


**NDC** 



**ODS** 





#### Total fundings: USD 9.6 million\* Duration: 2015 to 2020

\* Project sum converted into dollars (as of last day of the month the contract was signed)

FUNBIO ANNUAL REPORT 2017 — 59 National and International Donations Unit

> Três Picos State Park (RJ), by José Caldas/Funbio



# Legal Obligations Unit





Mechanism for Biodiversity Conservation in for the State of Rio de Janeiro

The Atlantic Forest is one of the most biodiverse and endangered biomes on the planet. Considered Brazilian National Heritage, the remaining swaths cover roughly 17% of Rio de Janeiro state territory. The Mechanism for Biodiversity Conservation in Rio de Janeiro State (The Atlantic Forest Fund-FMA/RJ) was designed by FUNBIO in 2009 in response to a Department of the Environment demand to shore up the state's Protected Areas (PAs). The resulting design became a Brazilian benchmark that fosters the effective, transparent use and management of environmental compensation payments at the state's PAs.

Legal Obligations are an important source of conservation funding for Rio's Atlantic Forest and are normally introduced as offset measures for environmental licenses (issued by the Rio de Janeiro State Institute for the Environment - Inea). The licenseissuer conducts environmental impact studies to determine the sum payable.

Between 2009 and 2016, Funbio was financial and operational manager of the mechanism's first phase, which supported 50 PAs with funds from a combined



Total funding: **R\$ 295 million** Duration: **2010 to 2021**  18% increase in execution rates over 2016



FUNBIO ANNUAL REPORT 2017 — 61 Legal Obligations Unit

Pedra Branca State Park (RJ), by José Caldas/Funbio



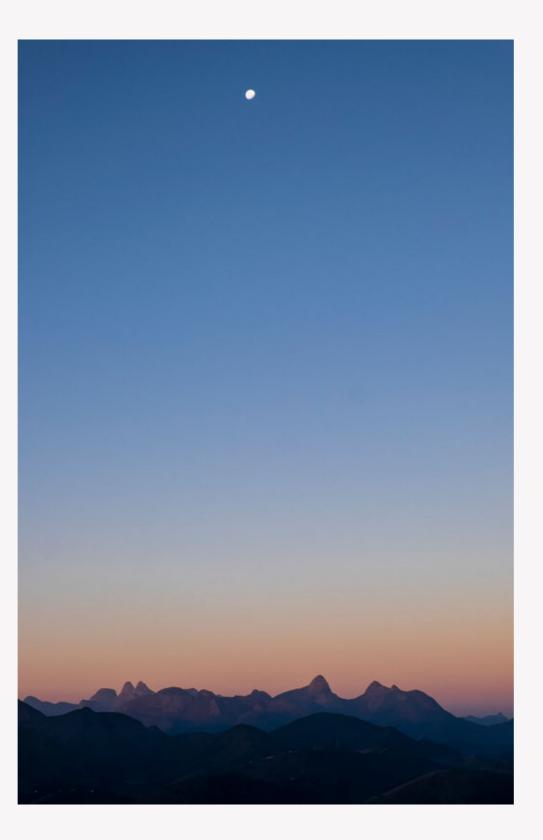


pot of R\$ 114 million. With Phase 1 complete, Funbio was selected as one of the program's operations managers through public tender issued by the Rio de Janeiro State Department for the Environment. Under the new agreement, sealed in September 2016, offset measures will be supplemented with environmental compensation payments through Consent Decrees, forest restoration orders and other sources.

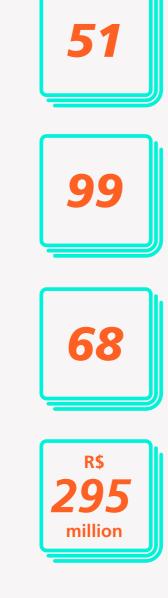
In 2017, the agreement backed 68 projects, of which 59 concerned environmental compensation. Consent decrees fielded more than R\$ 15 million for FMA/RJ funding, which helps cover PA procurement and hiring needs.

Among the actions made viable by FMA/RJ funding was the purchase of a water tender for the Fire Brigade. The vehicle can draw water from rivers, lakes or hydrants and service up to four helicopters engaged in aerial firefighting for nine hours straight, saving time in returns to base for refilling. Before the purchase of the water tender, there was only one such vehicle in the whole state.

Also funded by the mechanism was the training of 16 new park managers in the use of the prepaid debit card, which cuts red tape in servicing unscheduled needs at 16 PAs, such as vehicle maintenance and food expenses.









FUNBIO ANNUAL REPORT 2017 -----62 Legal Obligations Unit

> Protected Areas - 501 thousand hectares, **11%** of the land area of Rio de Janeiro state



undertakings onboard

projects supported 2017

managed

**NDC** 













### franciscana conservation



#### Franciscana Management Area I

12 million years ago a dolphin family emerged of which there remains only one surviving member today: the franciscana (Pontoporia blainvillei), the most critically endangered dolphin species found along the Brazilian coast. This shy and little known marine mammal inhabits a narrow strip of sea that stretches from the Brazilian state of Espírito Santo down to Patagonia in Argentina. Today, only an estimated 20 thousand franciscana are thought to exist in Brazilian waters, with the largest populations concentrated off Rio Grande do Sul. Accidental by-catch, pollution, and food scarcities due to overfishing are among the main causes of the species' decline.

The Franciscana Conservation Project is the largest coordinated effort ever launched for the species in Brazil. The research will generate reliable data on numbers, by-catch hotspots and the ages of beached or dead specimens (the inquisitive young are believed to be the most vulnerable to accidental death). This data will help inform better public decisions and policymaking.

In 2017, the program's scope was broadened to include projects across the full range of the species' distribution. Two new initiatives were selected, both focused on Rio Grande do Sul.

To gather data on by-catch, the Instituto Baleia Jubarte (Humpback Whale Institute) undertook weekly monitoring of hauls offloaded from fishing boats at nine ports along the coast of Espírito Santo and Rio de Janeiro. The questionnaires will allow monitors to make an initial evaluation of the impact



Total Funding: **R\$ 13.7 million (corrected for inflation)** Duration: **2015 to 2019** 





Franciscana dolphins in Ubatuba (SP), by Maristela Colucci/Funbio



### franciscana conservation

of the interministerial norm introduced in 2012, which established measures to reduce accidental by-catch by specifying netting materials and mesh sizes.

Like tree trunks, franciscana teeth grow in rings that make it possible to tell the animal's age. In 2017, the Noel Rosa Cultural and Research Association - MAqua/UFRG analyzed material from 44 franciscana carcasses collected along the coast of Espírito Santo between 2010 and 2015, and determined the animals' ages as varying between 1 and 22. The study also identified equilibrium between the numbers of males and females. The Association spearheads the initiative entitled "The Franciscana of Espírito Santo: Natural History, Ecotoxicology, Genetics and Trophic Ecology"

To evaluate the species' numbers and distribution along the north coast of Rio de Janeiro, the Aquatic Mammals Research Group of Rio Grande do Sul (GEMARS) aerially surveyed 3.1 thousand kilometers of ocean, clocking up 18 flying hours. The researchers spotted 31 groups with average numbers of 2.36 animals per pod. The number is almost three times larger than that found during the last aerial survey in the same area, conducted in 2011. GEMARS leads the initiative "Determining Franciscana Abundance and Distribution in Management Area 1 through Aerial Monitoring".

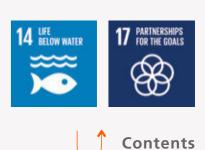
The results are preliminary so far, but they will be compared with new data as it comes in.

The research is funded with R\$ 13.7 million in compensation payments secured through a Consent Decree between Chevron Brazil and the Federal Public Prosecutor's Office, brokered by the Brazilian Petroleum Agency (ANP) and the Brazilian Institute for the Environment and Renewable Natural Resources (Ibama). Funbio financially manages the initiative.



FUNBIO ANNUAL REPORT 2017 — 64 Legal Obligations Unit

> Franciscana dolphins in Ubatuba (SP), by Maristela Colucci/Funbio



**SDG** 

# **Brazil's most endangered dolphin species**

Main food sources

#### **Franciscana** (Pontoporia blainvillei)

Pontoporia blends the Greek words "pontos" (open ocean) and "poros" (passage), in reference to the fact that the species was once believed to inhabit both fresh and salt water. Blainvillei is a tribute to the French naturalist Henri de Blainville.

#### **Behavior**

#### **Procreation**

#### The size of a dolphin

- Males: 158 cm
- Females: 177 cm
- Weight: 29 to 53 kg

#### Lifespan

21 year



URUGUAY

ARGENTINA

#### Distribution

- Coastal waters of Brazil, Uruguay and Argentina
- The populations in Espírito Santo and Rio de Janeiro are cut off from the rest
- Franciscana live at depths of up to 30 meters, at distances of 25 to 30 nautical miles from the coast

#### Threats

- Accidental by-catch
- ▲ Environmental degradation
- ▲ Food shortages due to overfishing
- Almost 3,000 deaths annually across the three countries

Source: GEMARS

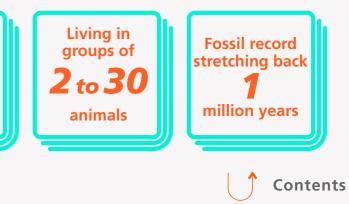
Natural predators

FUNBIO ANNUAL REPORT **2017** — 65 Legal Obligations Unit

• This species is shy and is easily spooked by boats and motors.

• Franciscana are believed to be monogamous:

• Gestation takes 11 months and each female has only one cub. The lactation period lasts roughly nine months.



### marine and fisheries research

Project to Support Marine and Fisheries Research in the State of Rio de Janeiro

MARINHA **& PESQUEIRA** 

With 25 fishing colonies, the State of Rio de Janeiro is the fourth largest fisheries producer in Brazil, according to the Fisheries Federal Public Prosecutors' Office. Brokered Institute (FIPERJ).

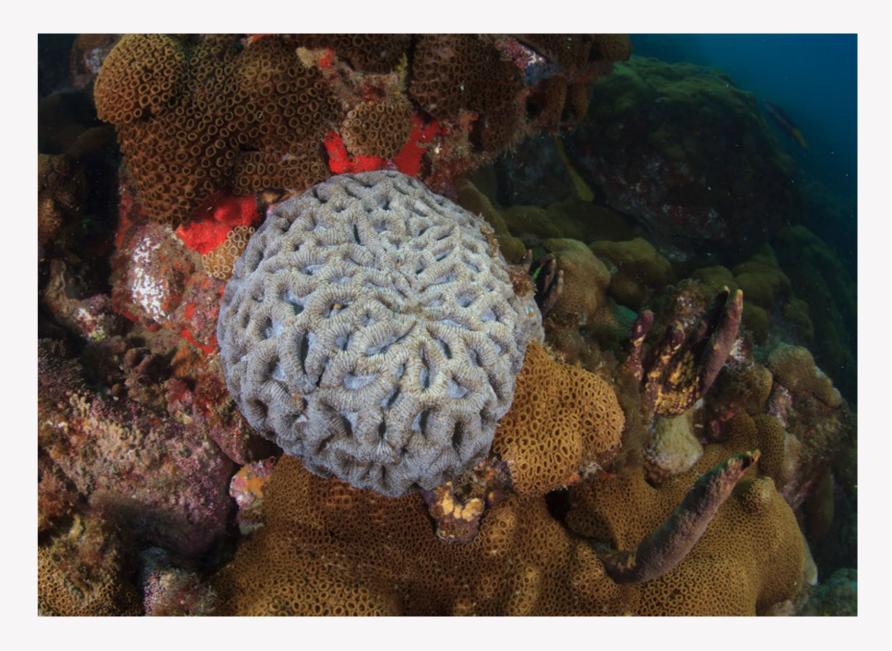
The Marine and Fisheries Project in Rio de Janeiro has consolidated as an important ally in the search for new information on the state's fisheries and marine environment. It consists of a suite of 15 initiatives studying a range of themes, including overfishing. According to the United Nations Food and Agriculture Organization (FAO), 40% of the fish species customarily consumed worldwide, such as tuna, is caught by unsustainable methods.

In addition to overfishing, other sub-projects Ecocorals is led by the Brazilian Biodiversity supported by the Marine and Fisheries Project are coral reefs and rocky coasts, invasive marine species, the social impacts of oil drilling on traditional populations, and female involvement in artisanal fishing, all funded out of a resource pool of R\$ 30.5

million obtained through a Consent Decree agreed between Chevron Brazil and the by the Brazilian Petroleum Agency and the Brazilian Institute for the Environment and Renewable Natural Resources, the CD is financially managed by Funbio.

In 2017, the Ecocorals sub-project, which strives to garner greater scientific knowledge about corals, held the 2nd edition of the SOS Mar educational campaign in Búzios, drawing nearly 100 tourists and locals over its 2-day duration. The sub-project also organized its first-ever course for 20 educators and hosted an encounter of ocean tourism professionals. Institute (BrBio), which is also in charge of the Sun Coral subproject.

The initiative is studying an invasive soft coral species first identified in Brazil's coastal waters in the 1980s, more specifically on



Total funding: approx. R\$ 30.5 million (corrected for inflation) Duration: 2015 to 2019



FUNBIO ANNUAL REPORT 2017 — 66 Legal Obligations Unit

> Brain coral (Mussismilia hispida), by Áthila Bertoncini/Ecocorals Project/BrBio



### marine and fisheries research

the undercarriages of oil rigs in the Campos Basin. Since then, the sun coral, a Xeniidae Family native to the Pacific, has spread to the South and Northeast of the country, colonizing new habitats and directly affecting the production chain by destabilizing marine communities. In 2017, the project conducted a monitoring expedition to Ilha Grande Bay, where the presence of this invasive species was confirmed. Specialists from Rio de Janeiro State University are studying possible methods system, which enables scientists to investigate of eradicating the invaders.

Food-rich rocky coasts, buffer regions between land and sea environments, are also being studied under the project. The Rocky Coast of Arraial do Cabo subproject hosted three informative events for roughly 250 students. The work undertaken by the Science and Development Educational Foundation (FECD) aims to study the reef systems at the Arraial do Cabo Marine Extractive Reserve and their interrelations with human activities in order to help draw up priority targets for Protected Area management and alert society to the importance of using marine resources sustainably, which is key to reaching the goals set forth in the National Action Plan for Corals. Environmental educational actions help boost the local populations'

understanding of the environmental relevance of the country's rocky coasts.

The Marine and Fisheries Project also supports the Otoliths Analysis subproject (otoliths are tiny calcium carbonate crystals found in the inner ear) led by the Federal Rural University of Rio de Janeiro's Foundation for the Support of Scientific and Technological Research - FAPUR. The institution purchased the "laser ablation" the movement and distribution of target fish species. Among those under analysis are corvina, mullet, weakfish and snook.

The project is also fostering discussion between fishing industry representatives and civil society on the sustainable fishing of the skipjack tuna (Katsuwonus pelamis). The species—the state's third largest catch, according to FIPERJ—is of great commercial importance in Rio de Janeiro. The Skipjack subproject is coordinated by the Federal University of Rio Grande do Sul (UFRGS).





FUNBIO ANNUAL REPORT 2017 -----67 **Legal Obligations Unit** 

Industrial fishing of the skipjack tuna (Katsuwonus pelamis), by Lauro A. Saint Pastous Madureira/Federal University of Rio Grande, RS







**SDG** 



# fauna Brazil portfolio



The Spix's Macaw in the Wild project is working toward reintroducing the species into its natural habitat by 2022. The last time Cyanopsitta spixii was seen in nature was in 2000, but thanks to this government-led drive, backed by Brazilian and foreign partners, much has been learned about the Spix's macaw from aviary-bred specimens. The project's aim is to relaunch a viable population of the macaw at the Curaçá Protected Area in Bahia.

Today, there are roughly 150 specimens in captivity, of which 11 are held in Brazil. In addition to technicoscientific knowledge, the project also involves environmental education and the restoration of habitats cleared of vegetation by grazing goat herds. Community involvement is also key if the species' former hunters are to be re-educated as its guardians in the wild. The Spix's Macaw in the Wild project is supported by the Brazilian Fauna Portfolio, which channels funds obtained through legal obligations, donations and sponsorship into conservation projects for endangered species.





Total funding: **R\$ 3,6 million** Duration: **2007 to 2018** 

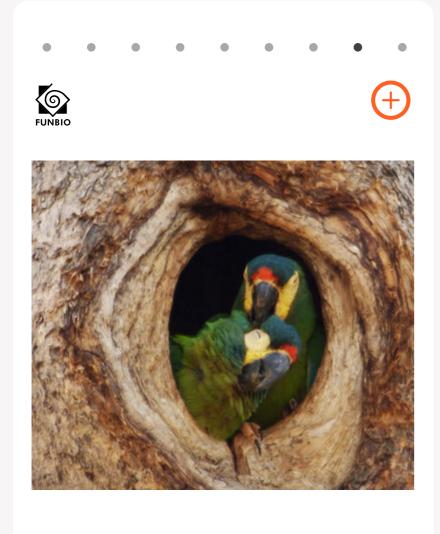


68

Spix's macaws (Cyanopsitta spixii) at the Fazenda Cachoeira Aviary, by Marcus Vinicius Romero Marques



### fauna Brazil portfolio



Click here to hear the blue-winged macaw 🔿

#### Mentoring the Spix's macaw

They are green, with a characteristic bald patch around the beak, and distinctive red splashes around the jowls, making them instantly recognizable among other small-sized macaws. However dissimilar they may look, the blue-winged macaw (Primolius maracana) will "mentor" the Spix's macaw in its return to nature, teaching released specimens how to find food and avoid predators.

It was in the company of a blue-winged macaw that the last Spix's macaw was seen in the wild. The species is biologically and ecologically very similar to its blue-winged cousin, which is why the latter was chosen as its mentor.

Between 2019 and 2020, roughly 20 aviarybred blue-winged macaws will be released into the backlands of Curaçá, Bahia. A year's monitoring will enable researchers to understand how quickly they learn to forage and recognize potential predators, such as sparrow-hawks and snakes, and underpin the Spix's macaws' reintroduction. 69

One year after the release of the first bluewinged macaws, another batch will be introduced to the wild in the company of first Spix's macaws. The idea is that these birds will be able to adapt to life in nature by learning from their sister species. Further releases will follow at regular intervals until a viable population of the species can be re-established in the Curaçá backlands.



### Support to PAs\*

Conservation and Sustainable Use of Biodiversity at Federal Coastal and Estuarine Protected Areas in the States of Rio de Janeiro and São Paulo



In 2017, the PA Support project signed a Technical Cooperation Agreement (TCA) with the ICMBio for Phase I. The initiative will benefit nine PAs and draw upon stronger management to promote biodiversity conservation, the sustainable use of fisheries resources and more robust artisanal fishing.

#### Total funding: **R\$ 23,2 million** Duration: **2016 to 2021**



Implementation of environmental education and income-generation projects geared towards environmental quality in fishing communities in the state of Rio de Janeiro



The Environmental Education project launched a selection process to hire consulting services to contribute to the future design of environmental education project calls, with emphasis on jobs and income-generation in the state's artisanal fishing communities. The project's various activities will include socioeconomic diagnostics, community strengthening and environmental education.

Total funding: **R\$ 23.2 million** Duration: **2016 to 2021** 

**ODS** 





### **Environmental Education in Rio de Janeiro\***



Contents

### **CRAS** Rio de Janeiro

Implantation and Maintenance of a Wildlife Rehabilitation Center in the State of Rio de Janeiro



The CRAS project signed a contract for the start of Phase II. The second phase will endeavor to maintain a Rehabilitation Center for the protection and conservation of the state's marine and coastal wildlife.

Total funding: **R\$ 4.5 million** Duration: 2016 to 2022

#### **ODS**



The projects Funding comes from the Conduct Adjustment Agreement (Consent Decree) between Chevron Brazil and the Federal Prosecutors' Office and brokered by the National Petroleum Agency (ANP) and the Brazilian Institute for Renewable Natural Resources (Ibama).

### Caçapava

Environmental compensation cash payment for the Aerovale development and the municipality of Caçapava/SP

The project, authorized by a Term of Judicial Agreement, earmarked R\$ 1.1 million for offset measures in the municipality of Caçapava, São Paulo. Funbio was chosen by two companies entering into an accord with the São Paulo State Prosecutor's Office to manage and execute the funds.

The compensation payment will be used to draw up management plans for, and design and instal signage at, two Protected Areas (PAs) in the municipality: the Serra do Palmital Environmental

Total funding: **R\$ 1.1 million** Duration: 2016 to 2019

Protection Area and the Mata da Represa Wildlife Reserve, covering a combined six thousand hectares. The funds will also be used to refurbish the kennels and cattery run by the Best Friends of the Animals of Caçapava Association (AMAIS), and to set up a Zoonoses Control Center in the region.

In 2017 work got underway on the two management plans, which are expected to be completed some time in 2018.

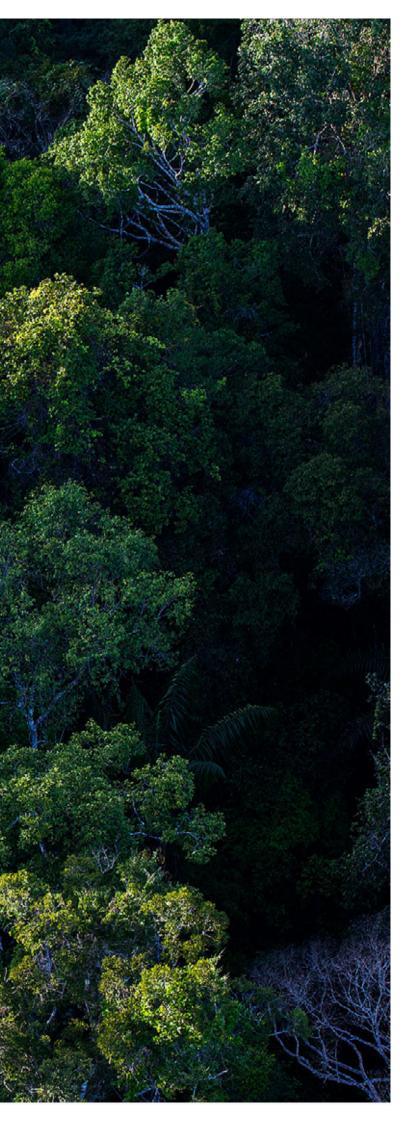
**ODS** 





Contents

# Special Projects Unit



### project k

#### **Knowledge for Action**

The creation of environmental funds in Latin America and the Caribbean from the early 90s onwards was fundamental to driving the implementation of international agreements, such as the Convention on Biological Diversity. Today, the various initiatives undertaken by REDLac, the Latin-American and Caribbean Network of Environmental Funds, which represents the main institutions in the region, include Project K—Knowledge for Action, conducted in conjunction with its younger sibling the Consortium of African Funds for the Environment (CAFÉ). Together, the two networks represent 37 funds across 27 countries.

Funbio financially manages Project K, which has four core goals: (1) stimulate innovation in the creation of financial mechanisms; (2) capacitate the funds; (3) create a web platform for pooled knowledge; and (4) strengthen the networks.

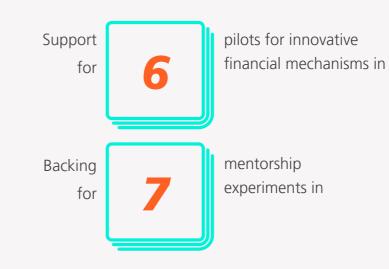
Among the many endeavors Project K supports are mentorship initiatives and innovations in financial mechanisms (see map on page 74), including the proposal put forward by Peru's Profonanpe to raise environmental funding through the sale of carbonneutral organic banana (see highlight on page 75) and Funbio's Forest Innovation Project.

The proposal was to design a financial mechanism to promote the socioeconomic development of the territory surrounding the Jirau Hydroelectric Plant based on the different phases of the forest cycle, such as restoration, reforestation, and wood and non-wood forest-product management. Among the main activities in 2017 was a seminar for 50 participants in Porto Velho and the structuring of the project's governance and financial strategy.

In 2017, in addition to its projects and mentorship actions, Project K organized a series of discussions and training opportunities intended to buttress the funds, including the Financial Sustainability Working Group and a technical workshop on Program Monitoring in Mauritania.



Total Funding: USD 2.7 million\* Duration: 2015 to 2018



#### SDG











Leonardo Geluda, coordinator of Funbio's Special Projects Area, at the CAFE Assembly in Mauritania, by Camila Monteiro



countries in Africa and Latin America.

countries in Africa and Latin America

\* Project sum converted into dollars (exchange rate as of the last day of the month the contract was signed)





### project k



#### Mentorship

A - Mentorship in program management. FondoMexicano para la Conservación de la Naturaleza(FMCN) for Natural Heritage, in Colombia

**B** - Mentorship in financial management, planning and monitoring at Protected Areas. La Fondation pour le trinational de la Sangha (Fondation TNS), in Cameroon, for the Fondation des Savanes Ouest Africaines, in Benin **C** - Mentorship in Impact Investment. Mulanje Mountain Conservation Trust (MMCT), in Malawi, for Fondo Acción, in Colombia.

D - Mentorship in how to communicate with donors.
 Fundación Natura, in Panama, for the Fondo de las
 Americas (FONDAM), in Peru

**E** - Mentorship in obtaining accreditation for climate projects. Profonanpe, in Peru, for the Malawi Environmental Endowment Trust (MEET)

**F** - Mentorship in governance models. Meso American Reef Fund (MAR Fund) for the Caribbean Biodiversity Fund (CBF), Fundación Natura, in Panama, Asociación Costa Rica por Siempre, in Costa Rica, Fondo Acción and Natural Heritage, both in Colombia

#### **Innovation in Financial Mechanisms**

**G** - Mentorship in financial mechanism design. Brazilian Biodiversity Fund (Funbio), Brazil, for the Bioguiné Foundation, in Guinea Bissau

FUNBIO ANNUAL REPORT 2017 — 74 Special Projects Unit

 Investment program to help small and large companies adapt to climate change – Asociación Costa Rica por Siempre, Costa Rica

2. Carbon fund to reduce deforestation in Sangha - La
Fondation pour le trinational de la Sangha – (Fondation
TNS) – Cameroon

**3.** Payment for ecosystem services – Mulanje Mountain Conservation Trust (MMCT), Malawi

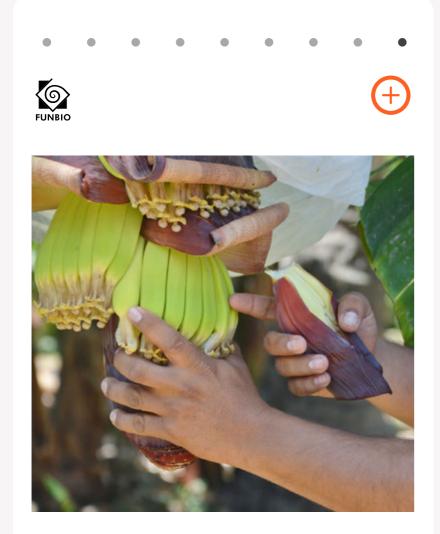
 Conservation fund based on an increase in organic banana prices through the carbon neutral seal -Profonanpe, Peru

**5.** Vegetation Suppression Authorization – Fundo Brasileiro para a Biodiversidade (Funbio), Brazil

**6.** Environmental Compensation in Mozambique – Foundation for the Conservation of Mozambique Biodiversity







Organic banana grown by smallholders in Peru: carbon-neutral seal forthcoming

#### **Carbon-neutral banana**

Peru started converting its plantations back in the 1990s	In
and today supplies 3% of the world's organic bananas	са
	No
လ Link to FAO report	of
	de
Between 2010 and 2015 production rose by 94%	or
and now represents a significant source of income for	ca
roughly seven thousand small-scale producers. During	pla

this same period, the total output of 190 thousand tons of organic banana yielded USD 147 million in revenue.

The project "Conservation Fund based on the improvement of organic banana prices through a Neutral Carbon stamp" was one of six pilot projects singled out for USD 200 thousand in funding by Project K. By the end of 2018, the Peruvian Trust for National Parks and Protected Areas — Profonanpe will complete its design for the mechanism, which will include a special fund to finance carbon neutrality and the generation of added value for the organic fruit. In 2017, the project measured the carbon footprint caused by exporting its product to seven ports across North-America and Europe (already lower than that of Ecuador, the world's leading banana exporter), developed a program to monitor that footprint and organized a user-training program. By May 2018, a carbon footprint reduction plan is expected to be in place. The work was done on an area spanning 145 hectares worked by 120 producers.

The next steps will be to compensate for the carbon emissions generated, adopt an international standard and, based on that, implement a global sales strategy for this innovative product: "carbon neutral certified organic banana".



### sustainable dialogues

It was on an afternoon in May 2017, as the rains receded in the North, that the Sustainable Dialogs project gathered in Amazonas for its first meeting. A blackout plunged the auditorium temporarily into darkness, but the enthusiasm of the hundred or so participants remained electric and resolute throughout, setting the tone for the initiative. Launched by Funbio in 2016, with the backing of the Gordon and Betty Moore Foundation, the Sustainable Dialogs Project is designed to foster dialog, partnerships and cooperation among different sectors in order to broaden the catchment for environmental funding.

In 2017, two Sustainable Dialogs gathered some 200 participants from civil society, government, the private sector, global funding organizations such as the World Bank and KfW, the Amazonas state department for the environment and the federal ministry to debate environmental compensation as a source of funding. Bottlenecks preventing these invaluable

resources from reaching the nation's Protected Areas, the legal aspects involved and possible innovations to be adopted were all key topics for the discussions, held in partnership with the Pro-PAs Coalition and the Brazilian Association of Members of the Environmental Prosecutors' Office - Abrampa.

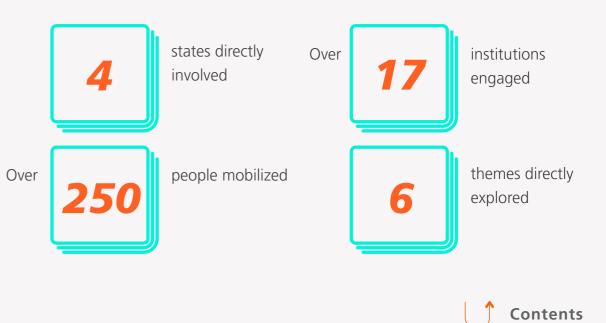
In Brasília, Funbio launched the guide Compensação ambiental: diretrizes e recomendações para a sua execução (Environmental Compensation: directives and recommendations for its execution), which compiles the available models and directives for environmental compensation. The initiative also drafted a series of base texts related to environmental funding sources, including "Termo de Ajustamento de Conduta" (Consent Decree), "Concessões florestais" (Forest Concessions) and "O uso público e as parcerias entre os setores público e privado nas Unidades de Conservação".

C Link to material in Portuguese





Total Funding: **R\$ 312 thousand** Duration: **2015 to 2017**  Sustainable Dialogs in Brasília, by Sérgio Amaral/Funbio







BID

FUNBIO ANNUAL REPORT 2017 — 76 Special Projects Unit

### support for BIOFUND

With rich biodiversity including a species list that runs to five thousand plants, three thousand insects and almost seven hundred and fifty birds, Mozambique also boasts the second-largest extension of mangroves in Africa and is the only country on the continent's eastern coast with remaining populations of dugongs (the smallest of the Sirenia, the order that includes the manatee). In 2011, the Foundation for the Conservation of Biodiversity— Biofund became the first environmental fund on the African continent. In a South-South partnership, Funbio has been providing technical assistance to the institution since 2016.

Funbio's work in partnership with the consultancies GITEC and Verde Azul includes process mapping, the development of a tool for calculating headcount requirements and the drafting of an operational manual for the managers of Biofund-supported protected areas.

In 2017, the first phase of the project reached completion. Adjudged successful by Biofund and its donor, the KfW, a contract was celebrated on phase two, to be carried out by Funbio in partnership with GITEC.



#### Total Funding: **USD 301 thousand\*** Duration: **2016 to 2018**

\* Project sum converted into dollars (as of last day of the month the contract was signed)





FUNBIO ANNUAL REPORT 2017 — 77 Special Projects Unit

Maputo Special Reserve, by José Carlos Ferreira



### oceans PES framework

In 2017, the project Analytical Framework for Brazilian Initiatives in Payment for Ecosystem Services and Economic Incentives for the Conservation of the Marine and Coastal Environment, the Oceans PES Framework, mapped pilots and experiments within the marine and coastal environment and identified roughly 70 that could be classified as PES. The project, a partnership with GEF Mar co-financed by Forest Trends, will culminate in the creation of Brazil's first PES Framework, including studies on economic tools for financing in these areas.

PES applications are instruments designed to set a monetary value on key services rendered by the world's ecosystems, such as climate regulation, air-quality regulation, water-quality regulation, the preservation of fish stocks, and provision of ecotourism and leisure destinations, among others. PES functions as a financial or nonfinancial (for example, technical support) counterpart provided by the beneficiaries or users of those services, who commit to maintaining, recuperating or strengthening their provision. Landowners, community groups and protected areas are just some target payers for ecosystem services.



Total Funding: **USD 20 thousands** Duration: **2016 to 2017** 







Photo: Marilene Viero/Funbio



### credits and acknowledgements

#### Acknowledgements

Santa Cruz do Sul Diocesan Social Action – ASDISC

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Elizabete Nobre/ Women Growers of the Pajeú Network

Enrico Marcovaldi/Humpback Whale Institute

Funbio Team

Áthila Bertoncini/Ecocorals Project/BrBio

Iran Normande/Coral Coast Environmental Protection Area - ICMBio

Julcéia Camilo

Karina Paço/Raoni Institute

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