

***DISCUSSION DRAFT***

**Governors' Climate & Forests Task Force (GCF)**

**TASK 1 REPORT: GCF Design Recommendations for Subnational REDD Frameworks**

**APPENDIX 3**

**Multi-Stakeholder Processes in Brazil  
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**September 2, 2010**

This document aims to provide basic information on multi-stakeholder processes in Brazil related to the implementation of REDD frameworks or guidelines. Given the fact that a thorough evaluation of all multi-stakeholder processes regarding that matter is not within the main scope of the Task 1 established at the GCF Aceh meeting, only a few processes are presented:

- Acre State legislation on Environmental Services;
- Mato Grosso State legislation on REDD;
- Policy for Environmental Services in the State of Amazonas;
- Brazilian national proposed legislation on REDD
- Principles and Criteria for REDD+.

### **1) Acre State legislation on Environmental Services**

The State of Acre has been working since 2008 in structuring its state policy for Environmental Services, aiming, for now, at the carbon-related services. In this sense, a statewide mechanism of incentives for the conservation or restoration of environmental services is envisaged, making use of both public and private funds and base on a spatial planning which defines priority areas for action in the State<sup>1</sup>. The aim is to reduce emissions from deforestation by about 164 million tons of CO<sub>2</sub> by 2020. Currently, the law establishing such a policy has not yet been enacted.

Regarding the involvement of stakeholders in the process, the state of Acre has been really intent in involving the civil society in the process of construction of such policy. This can be attributed to the State's tradition of strong forest-related social movements, which gained international projection with Chico Mendes<sup>2</sup> and which have a crucial and influential role in the State's politics and government<sup>3</sup>.

In this sense, the main guidelines for the program were made available on the Internet and was made open for comments by any person from February to March 2010. However, to ensure greater participation from stakeholders, a process of consultations with various groups, such as traditional communities, farmers, indigenous peoples and others were conducted, starting in the second semester of 2009 and finishing by May 2010. In total, 5 meetings and 3 workshops were convened, 174 persons were involved

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<sup>1</sup> There was a previous effort, in 2006, to enact a law on Payments for Environmental Services in Acre, which produced a proposed legislation and opened it for public consultations. However, the proposed legislation was never converted into law.

<sup>2</sup> Chico Mendes was a rubber tapper and union leader from Xapuri who performed a key role in raising awareness about the environmental and social problems related to deforestation in the Amazon. He was assassinated on December 22<sup>nd</sup>, 1988, at the age of 44. But his legacy remains until today, particularly in the State of Acre.

<sup>3</sup> An example of this was the election of Marina Silva, a former rubber tapper, as a senator representing the State of Acre in 1994. She was appointed Brazil's Environment Minister in 2003, resigned in 2008 and is currently running for the Brazilian presidency.

in the consultation process, being 30 indigenous persons, 50 persons from traditional communities, 85 persons belonging to Civil Society Organizations and 9 representatives from class organizations. Also, written feedbacks by e-mail were received from WWF Network, EMBRAPA (A Brazilian public company focused on agricultural research) and Katoomba Group/Forest Trends. Overall, 357 recommendations were received during the process.

Simultaneously with the discussions with stakeholders, a legal team worked on the drafting of the law. The results of such consultations and the comments received through the Internet were compiled and were taken into account in the drafting process. Furthermore, given that the proposed law, if enacted, will establish a framework to be regulated over time through other laws, decrees or administrative orders, such compiled results will also be of use in the process of complementing this eventual law.

## **2) Mato Grosso State legislation on REDD**

The efforts by Mato Grosso to establish a state legislation encompassing REDD date back from 2007, when its governor at the time (Blairo Maggi) started to advocate for payments for conservation in the State, given the fact that the State's economy is based on agricultural activities and that conservation is perceived by many as a burden imposed on its producers.

However, it was only in 2009 that Mato Grosso drafted a concept paper on a state-wide policy for REDD, which would be based on mixed approach in which projects would be nested into a State framework and the State itself would be responsible for some initiatives against deforestation not limited specifically to defined areas. According to the document, consultations would be held to discuss the concept.

Therefore, in May 2010, a first step was taken, within the Mato Grosso State Forum on Climate Change, when a technical workshop was held to discuss various issues regarding REDD and to turn the concept more familiar to the Forum's members, such as social movements, environmental NGOs, the Brazilian Bar Association in Mato Grosso, rural producers etc. More consultations and debates are supposed to be performed throughout 2010.

## **3) Policy for Environmental Services in the State of Amazonas**

The State of Amazonas was the first state in Brazil to enact a law on climate change<sup>4</sup> and to provide a framework for REDD projects. However, the current provisions are applicable only to REDD projects in State protected areas<sup>5</sup>, therefore leaving other types

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<sup>4</sup> Law # 3135/2007, June 5<sup>th</sup>, 2007.

<sup>5</sup> It must be emphasized that building a framework for REDD in State Protected Areas was a strategic option adopted by the State at a time of great uncertainty at the national and

of land areas unregulated and raising criticisms from various sectors, such as social movements and rural producers.

Therefore, in 2009, the State started to discuss the need for a State Policy for Environmental Services within the State Forum on Climate Change, which would complement the State REDD framework and would also provide for incentives related to other environmental services, such as water provision and biodiversity conservation. However, it was only in 2010 that the process started to take shape. Given the criticism by many actors regarding the drafting of the State's climate change policy, which, according to them, lacked an open debate, the decision was taken to make the process of discussion and drafting of a law regarding a State Policy on Environmental Services as open and transparent as possible.

Therefore, the State Forum on Climate Change, which is composed by various social actors, such as representatives of environmental NGOs, representatives of social movements, representatives of various economy sectors and representatives of municipal, the State and federal governments, was recognized as the appropriate *locus* for the discussion and construction of such policy. In this sense, the Chamber of Forests and Environmental Services, a specific technical chamber within the Forum, was made responsible for conducting the process, which will also be followed by a scientific and academic committee and assisted by a legal consultancy firm.

Furthermore, a process of consultations with social movements, government sectors, the private sector and NGOs is schedule to happen throughout the drafting of the first version of the law, in a process that is scheduled to last until the end of 2010. After that, the first version will most likely be the object of various public assemblies performed throughout the state, in a process which most likely will happen in the first semester of 2011<sup>6</sup>.

#### **4) Brazilian national proposed legislation on REDD**

In 2009, congressman Lupércio Ramos, from the State of Amazonas, proposed a legislation (proposed legislation # 5586/2009) providing for the creation of a security entitled "Certified Emission Reduction from Deforestation and Degradation", which would be tradable and based on emissions reductions from deforestation and degradation. However, the proposal did not provide for any details regarding the

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international levels. Therefore, given that the land tenure situation is clear in state protected areas and that REDD could be a tool for the implementation and management of such areas, this decision was made at the time, although knowing that, at a later date, it would be necessary to also provide the framework for REDD in other types of land.

<sup>6</sup> However, another strategy may be adopted, as defined by the Forum, if there is a major change in the government after the October 2010 elections in Brazil.

issuance of such securities, the verification of those emission reductions, the registration of projects, thus being a fairly vague proposition.

In 2010, when the proposal was sent to the Commission on Environment and Sustainable Development from the Chamber of Deputies, congressman Rebecca Garcia, also from the State of Amazonas, was assigned as the proposal's rapporteur within the Commission. Therefore, initially, a first draft substitution<sup>7</sup> to the original text was produced. Then, given the congressman's origin, informal contacts were made with NGOs from or acting in Amazonas and with the Amazonas State Center for Climate Change.

However, given the perception, by the rapporteur, that the subject was immensely complex and involved interests from various sectors, an unusual process of discussions with stakeholders started to take place. Therefore, since March 2010, meetings started to be convened in Brasília with various environmental NGOs, state and federal government representatives, the private sector and representatives from social movements in order to obtain contributions for drafting the substitution to the original proposed legislation. So far, the discussions have evolved into the creation of a national system for REDD+ in Brazil, which would be flexible enough to allow both public and private financing for REDD and would also permit the creation of subnational REDD systems, which would benefit from a system of benefit-sharing at the national level<sup>8</sup>.

However, the process did not proceed without criticism. The Climate Observatory, and watchdog composed by institutions such as Conservation International, Imazon, Boticário Foundation, The Nature Conservancy and WWF-Brazil, publicized a letter addressed to the rapporteur in June 2010 congratulating for the improvements in the text but arguing that the drafting process was not transparent and systematic enough. The letter led to an open letter written by Congressmen Carrera and Rebecca Garcia clarifying the role of civil society in the process and the status of the discussions, emphasizing that it was quite unusual to have such a process in the drafting of a law and that they were trying their best to ensure the broadest participation possible, given the complexities of REDD. Overall, 15 meetings and teleconferences were officially organized. On July 30<sup>th</sup>, Congressman Rebecca Garcia has presented her considerations and the substitution draft to the Commission on Environment and Sustainable Development<sup>9</sup>.

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<sup>7</sup> Whenever a proposed legislation is evaluated by a Commission, it can be simply approved or it can be substituted by another one, which then has to be approved by the Commission in order to be voted by the Chamber.

<sup>8</sup> Regarding the legal nature of REDD credits, the discussions have evolved into considering them intangible assets tradable through contracts, instead of securities.

<sup>9</sup> The considerations, the dates of the meetings and the draft presented on July 30<sup>th</sup> can be accessed at <<http://www.camara.gov.br/sileg/MostrarIntegra.asp?CodTeor=791239>>.

## **5) Principles and Criteria for REDD+**

Various pilot initiatives in Brazil regarding REDD arouse fears that social guarantees and the rights of traditional and indigenous peoples might not be respected. Therefore, various non-government organizations<sup>10</sup> established and initiative to create a set of principles and criteria for REDD+ in Brazil. The goal was not to invent a new standard for validation and certification, such as CCB or VCS, but to institute a minimum set of principles and criteria to be followed in all REDD+ projects and initiatives in Brazil. Although not legally binding, the broad participation in the drafting of such set of guidelines has created a social legitimacy which most likely will need to a diffuse social control on its actual application.

The first version of the Principles and Criteria was written by a committee composed by representatives of such institutions. It was subsequently made available online for public consultation for a period of 150 days. Furthermore, local gatherings to discuss the principles took place, in which there was the participation of indigenous peoples, traditional populations and other social actors. The inputs obtained from the online consultation and from the public meetings were compiled and used in the consolidation of the second (final) version of the set of Principles and Criteria<sup>11</sup>.

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<sup>10</sup> The organizations and movements involved were: National Council of Rubber Tappers (*Conselho Nacional de Seringueiros - CNS*); National Confederation of Agricultural Workers (*Confederação Nacional dos Trabalhadores da Agricultura - CONTAG*); Amazonian Workgroup (*Grupo de Trabalho Amazônico - GTA*); Coordination of the Indigenous Organizations of the Brazilian Amazon (*Coordenação das Organizações Indígenas da Amazônia Brasileira - COIAB*); Forest People's Network (*Rede Povos da Floresta*); Biofílica (a private venture company aimed at Environmental Services projects); National Agriculture Confederation (*Confederação Nacional da Agricultura - CNA*); Amazon Certified Forest Producers Group (*Grupo de Produtores Florestais Certificados da Amazônia - PFCA*); Center of Life Institute (*Instituto Centro de Vida - ICV*); Social-Environmental Institute (*Instituto Socioambiental -ISA*); Greenpeace; WWF; AVINA Foundation; World Agroforestry Centre (ICRAF); Amazon Man and Environment Institute (*Instituto do Homem e Meio Ambiente da Amazônia - IMAZON*); Amazon Environmental Research Institute (*Instituto de Pesquisa Ambiental da Amazônia - IPAM*); Brazilian Fund for Biodiversity (*Fundo Brasileiro para a Biodiversidade - FUNBIO*); Conservation Internacional (CI); The Nature Conservancy (TNC); Amazonas Sustainable Foundation (*Fundação Amazonas Sustentável - FAS*).

<sup>11</sup> This version can be found (only in Portuguese) at

[http://www.reddsocioambiental.org.br/PC%20Socioambientais%20de%20REDD+\\_versao%20FINAL\\_Julho%202010.pdf](http://www.reddsocioambiental.org.br/PC%20Socioambientais%20de%20REDD+_versao%20FINAL_Julho%202010.pdf).