

I. GCF Member name: Acre State Government**II. GCF Member's Profile**

1. Area (km²): 164,221.36 Km²
2. Population:
 - Total: 655,385 ²
 - Rural: 190,705 ¹
 - Social groups (name/number): white (23,9%), black (3,2%), pardos (mix black and white) (71,5 %), Indigenous (1,1%) ³
 - o 15 indigenous groups, 12.720 people ⁴
 - o Extractivists = 133.601 people ⁵
 - o Families in Settlement Projects: 21,044 families in 108 Settlement Projects ³
3. GDP: R\$ 5.7 billion ¹
 - Forest sector: 7,1%
 - Agricultural sector: 11,9 %
 - Main income products: Agriculture, Forestry (brazil nut, rubber and timber), Meat and Fishing.
4. Per capita income: R\$ 8,789 ¹
5. HDI: 0.751 ⁶
6. Forests (Typologies and Status):
 - Total forest area: 147,262.74 km² ³
 - Forest Typologies (type/area):
 - o 11 forest typologies ³
 - o 5 main typologies covering 72% of state's Forest cover: ³
 - Open Forest with Bamboo + Open Forest with palms: (40,546 km²- 24.69%)³;
 - Open Forest with Bamboo (16,455 km² – 10.02%) ³;
 - Open Forest with palms + Open Forest with bamboo (22,416 km²- 13.65%) ³;
 - Open Forest with palms + Open Forest with bamboo + Dense Forest (21,579 km² – 13.14%) ³;
 - Open Forest with palms + Dense Forest (16,964 km² – 10.33%) ³;

Obs: The order of the typology determines that the first typology is more predominant than the following ones.

- Status of Forests:
 - o Original forest area (pre-human disturbance): 164,221 Km², 100%
 - o Fully protected forests (strict use): 16,159km², 9.8% ³
 - Federal: 9,205 km (5.6%) ³
 - State: 6,954km² (4.2%) ³
 - o Conserved forests (managed by traditional or indigenous peoples)⁶: 50,245 km², 30.6%

¹ Filled out by Luis Meneses in August 10, 2010 and reviewed by Monica De Los Rios in August 28 and October 2, 2010.

² IBGE. Coordenação das Contas Nacionais- CONA. Censo Demográfico; Contagem Populacional, 2007

³ IBGE. Pesquisa Nacional por Amostra de Domicílios. In: Síntese de Indicadores Sociais: Uma Análise das condições de vida da população Brasileira, 2009 .

⁴ ZEE- Zoneamento Ecológico Econômico do Acre, Fase 2, Documento Síntese, 2006

⁵ Governo do Estado do Acre, Secretaria de Estado de Planejamento- SEPLAN, Acre em números, 2009

⁶ Environment Protection Areas – APA - are not included in the data above as it is considered low level of conservation.

- Federal:
 - Extractive Reserve: 27,043 km²; 16.5% ³
 - Indigenous Territories: 23,202m² ; 14,1% ³
 - Sustainably managed forests: 15,708 km², 9.6%
 - Federal:
 - National Forests: 9,923 km², 6 % ³
 - State
 - State Forests: 5,524 km², 3.4 % ³
 - Private areas licensed for timber management: 260 km² ⁷
 - Forests without protection: 89,241.88 km²

Components / Elements of REDD Action

III. Component 1: Environmental Service

1. Deforestation dynamics monitoring

1.1 Deforestation is known? Yes

1.2 Deforested area (km²): 19,769, 12% (PRODES, 2009)⁸; 20,679, 12,59% (UCEGEO, 2009)

1.3 Average deforestation rate (km²/year):

- 1995-1999: 595 (PRODES); 686 (UCEGEO)
- 2000-2004: 731 (PRODES); 761 (UCEGEO)
- 2005-2009: 319 (PRODES); 630 (UCEGEO)

1.4 Characterization of deforestation dynamics (direct and underlying causes and drivers of deforestation)

The majority of the deforestation in Acre occurs along primary and secondary roads as well as rivers. The main deforestation driver in the Acre is cattle breeding (70% of deforested are in 1989 and 81% in 2004). Factors such as land speculation, lack of zoning and destination of public lands, profitability of cattle breeding and subsidized credit loans have incentivized deforestation in the Amazon. Deforestation agents were historically mid and large landowners/farmers, although in the last years small household farmers have contributed significantly with the deforested area in Acre. The conclusion of the pavement on BR 317 in 2007 and BR 364 (2011) will connect the southwest Amazon to the Peruvian harbors and will definitely increase business as usual deforestation. The threat will be more intense mainly along BR 364 from Sena Madureira to Cruzeiro do Sul.

1.5 Monitoring methodologies and accuracy

The PRODES methodology developed by the National Institute for Space Research - INPE is the source of official data on deforestation estimates in the Brazilian Amazon since 1978. The method uses PRODES Digital Landsat and was developed with the objective of computerizing PRODES analog. The method analyzing analog color images on a scale of 1:250,000, with the minimum area of 6.25 ha mapped. In the digital version, the minimum area mapped is 5.76 ha. These data allowed to create a mask for subsequent image analysis, allowing to analyze only the increments of deforestation.

Geoprocessing techniques such as linear spectral mixture model (SLMM), the degradation of spatial resolution to 60 m pixel unsupervised classification ISOSEG are used by this methodology to generate information on deforestation on a scale of 1:250,000.

⁷ Instituto de Meio Ambiente do Acre - IMAC, 2008. Disponível em:

http://www.agencia.ac.gov.br/index.php?option=com_content&task=view&id=10604&Itemid=287

⁶ Programa das nações Unidas para o Desenvolvimento - PNUD/Fundação João Pinheiro, Ranking do IDH dos Estados Brasileiros, 2005

⁸ INPE, 2009. Desflorestamento da Amazônia Legal para o ano de 2009.

<http://www.dpi.inpe.br/prodesdigital/prodesmunicipal.php> acessado em 29 de setembro de 2010.

Furthermore, a study by AMAZON on deforestation of Acre using the methodology SAD (Souza, 2006), we show that a large percentage of deforestation polygons smaller than 5 ha, which are not mapped by PRODES annually.

Acre State's Center for Georeferencing has improved SAD methodology using a scale of 1:50.000, keeping Landsat images' spatial resolution of 30 m, adopting PRODES' classes, but defining a minimum mapped deforestation area of 0.54 ha.

1.6 Needs identified for deforestation monitoring?

Currently the Environment Assets Policy through its programs and projects has a crescent need of environmental monitoring and of georeferenced data at the small land holds level, which account for 90% of the total land holds in the State. The deforestation carried by small households requires the use of satellite imagery able to identify deforestation at land hold level. Therefore, the State has the intention to acquire a high resolution FORMOSAT image (4m2) receiver station to monitor deforestation in small land holds and also use them to monitor deforestation in critical areas.

2. Forest degradation dynamics monitoring

2.1 Degradation is known? Partially

2.2 Degradation level (km²; categories of degradation): No official data available but according to INPE's Amazon Assessment had 122.8 km² of degradation in 2007 and 121.34 km² in 2008.

2.3 Characterization of degradation dynamics (direct and underlying causes and drivers of forest degradation)

Logging and mainly forest fires (aggravated by extreme droughts such as 2005 and 2010).

The main cause of forest degradation in the state of Acre is forest fires that occur as a result of the practice of burning to clean pastures and crops in times of severe drought, fires penetrate the forest causing severe degradation.

2.4 Monitoring methodologies used and accuracy

DEGRAD method from INPE:

- LANDSAT and CBERS images (minimum scale 6.25 hectares) are enhanced for contrast
- images classified in fairly arbitrary way described above
- 86% of degradation/deforestation detected was confirmed, but false negatives (non-detection) is common at low and medium degradation
- Levels of degradation assessed:
 - o low degradation: predominance of green pixels with some small purple pixels found in low density and frequency
 - o medium degradation: dominance of green pixels with slightly larger purple pixels in a mid-level density and frequency
 - o high degradation: dominance of purple pixels, or smooth green ones, with spots of forest

2.5 Needs identified for degradation monitoring?

Capacity building in Forest degradation monitoring methodologies using LIDAR

3. Forest Carbon Stocks quantification

3.1 Carbon stocks are known? Yes

3.2 Carbon stocks in forests:

- Aboveground: 123 ± 45 t C / ha
- Underground: 25,8 ± 9 t C / ha

3.3 Method used and accuracy:

Simple methodology based on vegetation mapping and ground-based samples, with a more technically demanding method based on remote sensing. Aerial biomass stocks were estimated by applying allometric equation (Brown, 1997) using measured above-ground biomass of trees >10 cm DBH determined by measurement of 44 plots throughout the state (ranging from 1 to 10 ha each). The plots were located in relation to each of the 18 forest types existing in the State.

Only half of the forest types had sample plots to calculate biomass, estimates for the other forest types were extrapolated. Underground biomass was estimated using a dimensionless factor (Malhi et al, 2009) of 0,21 in relation to aerial biomass.

3.4 Needs identified for forest carbon quantification?

- Need to increase the accuracy of this information. Therefore, the State is currently looking for funding to acquire a tool that could help carbon stock monitoring such as LYDAR sensor.
- Increase staff number and their capacities to quantify carbon stocks.

4. Baseline definition and emissions reduction targets

4.1 Baseline references used in REDD Program, methods used: **historical, period 1996-2005, 602 km², reviewed every 5 years**

4.2 CO₂ Reduction Goals for the state and for REDD program: **82% reduction in deforestation rate (96-05) by 2020**

4.3 Estimated CO₂ savings per period: **164 mi ton CO₂ by 2020 (using average carbon stock 123 tC/ha)**

4.4 Needs identified to improve baseline definition?

Refinement of baseline and emissions reduction targets will be addressed with Getulio Vargas Foundation analysis.

IV. Component 2 : Implementation mechanisms for REDD

5. Structural policies in place for reduction of deforestation

Policy	Objective	Target public	Goal	Proponent	Relation with REDD action
EEZ Ecological- Economic Zoning	To guide the implementation of structural policies and programs To establish specific zones for environmental conservation and protection and areas for agriculture and forest management	Whole state and rural and urban population	June 2007 EEZ became law 2001- 1 st version in scale 1:1.000.000 2006 – 2 nd version in scale 1:250.000	State Government in wide process of consultation with society	Definition of priority areas for agriculture, forest production, land tenure regulation and protected areas
Policy for Valuing Forest Assets	Created in September 2008, this policy is implemented by several Secretaries and Agencies is intended to consolidate deforested areas with insertion of sustainable practices and to increase the value of standing forests by developing forest supply chain sustainably sourced.	Rural and Forest populations	Consolidation of clean, competitive and fair forest-based economy	State Government	Mechanisms for compensation for Environmental Services provided by the forest owners are an important aspect designed originally in the Valuing Forest Assets Policy
PPCD – Deforestation Prevention and Control Plan	To guarantee expressive, consistent and lasting reductions in deforestation rates through strengthening Government's capacity for environment management and consolidation of clean, competitive and fair forest-based economy.	Mid and large landowners Small household in settlement projects Riverine populations Extractivist populations in Extractive Reserves and State Forests	82% reduction of average annual deforestation rate (period 1996-2005) focusing in 3 approaches: 1. Territory zoning and tenure regulation 2.Sustainable Agriculture and Forest supply chain 3. Monitoring, control and surveillance	Proposed by Federal Government and elaborated by State Government in 2009	REDD Program is embedded within PPCD
Small landholders certification project	To establish a social environmental certification of small household properties, in order to create an opportunity for social and economic inclusion as well as sustainable use of natural resources and adequate management of the territory	First phase is focused on small households in Settlement Projects and Extractive Reserves	Phase out deforestation and burnings in 16,000 (out of 21,000) small households properties in 9 years and increase sustainable production in these properties.	State Government since 2008	The certification program is part of the IES Program mechanisms to achieve REDD.

6. REDD strategy concept

6.1 GCF Member has a REDD Program now? Yes

6.2 GCF Member has been planning a REDD Program ? Yes

6.3 REDD strategies conceived or in process of conception to reverse deforestation and degradation

The State of Acre is developing the Program of Incentives for Environmental Services – Carbon (IES-Carbon Program). The Program is being designed to approach the whole state territory and it allows regional and thematic sub-programs as well as special REDD projects. Regional Subprograms are related to REDD actions. To do this, the program suggests Priority Areas in most threatened areas for deforestation, 8 areas identified so far encompassing 5.4 million hectares. Thematic subprograms will be designed in order to address REDD actions in indigenous territories or protected areas, depending on the priorities identified by the government. Special REDD projects are associated with REDD actions carried in smaller areas such as private properties or one protected area or land category.

The IES-Carbon Program is guided by interventions such as: 1. Structural Actions such as Technical Assistance, Community Organization, Fire control and improvement of surveillance and control mechanisms and, 2. Incentives for Environmental Services directed to productivity improvement in deforested areas; sustainable use of forests and protection of forests to stakeholders such as indigenous people, extractivist families and small households in settlement projects. The Program Governance is based on a multistakeholder commission to supervise the program; one government institute for regulation, monitoring and carbon registry; and one agency for environmental services development, private-public business to fundraise and implement the IES Carbon Program.

7. Target population and rights recognition

7.1 Social groups reached by the REDD Program and number of people directly benefited

To be identified in each subprogram or project developed by the Institute and Agency.

Within the 8 Priority Areas identified do far: 12,000 families being 1,200 indigenous, 5,800 extractivists and 5,000 small households in settlement projects.

7.2 Procedures taken by proponent and evidence that REDD Program acknowledges the rights and role of indigenous peoples and local communities

- Meetings with NGOs in order to collect ideas for REDD intervention during elaboration phase
- Consultation process with potential beneficiaries identified guidance for REDD intervention. Based on recommendations, the program establishes that beneficiaries the service providers who preserve, conserve and restore environmental services as stated in the Environmental Services System Law.
- REDD intervention activities are different for each stakeholder group trying to respect their way of life and organizational structure
- The government has been developing important structural policies associated to territory zoning called Community Development Plan (applied to Settlement Projects and Extractive Reserves) and Territory Management Plan (applied to Indigenous Territory). These plans are elaborated in a participatory process based on cultural aspects of communities addressing their concerns and needs for the future, while linking them to public policies.

7.3 Needs identified for rights recognition improvement?

Analysis of current legal framework to address rights recognition and carbon properties and rights.

8. Transparency and participation mechanisms

8.1 What actions have been taken to guarantee free, prior and informed consent?

The minute of the Environmental Services Incentives System's law creates an institutional arrangement that includes a Hearing Body to receive claims and mediate conflicts. Other level of participation and social control is the Follow-up Commission formed by government and non-government representatives chosen among members of the 3 State Councils (Environment, Forest and Rural Development).

8.2 Briefly describes mechanisms for consultation and continuous participation addressed

- Meetings with key NGOs in elaboration phase
- Consultation process:
 - Invitation letters for the consultation process: 120 persons from more than 72 local, national and international organizations
 - Meetings: 5 meetings with 40 people from local organizations
 - Workshops: 3 3-day workshops gathering 80 beneficiaries
 - Seminar: 32 people of 10 national and international civil society's organizations and 7 Government Secretaries
 - Written feedbacks: 3 written feedbacks sent by email
- Implementation phase (in process of elaboration):
 - IES Program Follow up Commission: program supervision
 - IES Program Hearing Body: claim and complaints on program execution

The consultation process will be a continuous process. Therefore, the subprograms and projects of the IES Program shall be elaborated in a participatory manner with the beneficiaries and shall be supervised by a Local Follow up Committee integrated by the beneficiaries.

8.3 Information on transparency of REDD program:

- Available information:
 - o Document with the first version of the program (printed and digital)
- Medias used:
 - o Email (invitation for participating in consultation process)
 - o Government website
- Public access:
 - o Government website (removed after the third month and did not return to the site)

8.4 Needs identified for improvement in participation and transparency?

- Strengthening of the Follow-up Commission with the Incentives for Environmental Services System with regards to capacity building on the theme in order to be able to fulfill the expected role (approval of REDD subprograms and norms).
- Webpage for publication of information of the Carbon program and Incentives for Environmental Services System.

9. Benefit sharing mechanisms

9.1 Describe the broad picture of how REDD program addresses social and economic well-being of forest dependent communities

The main concept of IES Carbon Program is the **Incentives for Environmental Services (IES)** defined as the costs of actions and interventions that result in the maintenance and increase of environmental services. The Program believes that this approach is essentially dealing with poverty reduction. Incentives are designed to increase the income and productivity of agricultural and forestry production systems, which, in conjunction with increased command-and-control measures, will lead to reduced pressure on forests, thereby assuring their continued provision of environmental services.

The Incentives for Environmental Services (IES) differs from the Payments for Environmental Services (PES) concept because the service provider is not being remunerated for the environmental service. The service provider is receiving resources that allow his/her land use into a more sustainable pattern.

9.2 Description of the PES or benefit sharing mechanisms currently in place or planned (concrete elements)

The Program has defined guidelines for the development of REDD actions within the state that differ from the distinct social groups. The Incentives for Environmental Services (IES) are proposed to cover either entirely or partially the costs of actions to:

1. Increase the productivity of degraded areas as a way to reduce pressure on forestlands and generate income.
2. Sustainable use of forests as a form of conserving forestlands and generating income.
3. Protection of forests as a strategy to diminish the risks associated with forest degradation.
4. Recuperation of degraded areas through reforestation and establishment of agroforestry systems, restoring environmental services and producing economically valuable forest assets.

The value of the incentives will be decided regarding the context of each subprogram or project in a process of consultation and collective elaboration with the stakeholders.

9.3 Describe evidences for participation of stakeholders in the development of the mechanisms

The consultation process discussed the possible activities that could be supported in each of the incentives as well as the range of value these incentives should be. It is hoped that the Institute, responsible for regulating and elaborating the ToR for the development of the subprograms and projects consider these references.

9.4 Needs identified?

- Analysis of benefit sharing mechanisms, analyzing the different realities of the potential beneficiaries.

10. Institutional framework and arrangement for REDD program and Government's capacity to implement REDD

Name	Responsibilities	Relation with REDD Program
SEF – State Forest Secretary	Forest Management: proposition of policies related to forest sector and management of State Production Forests	Supervision of the Agency for Environmental Services Development and potential beneficiary of REDD benefits in State Forests
SEAP – Cattle breeding and Agriculture Secretary	Agricultural Sector: proposition of policies related to agriculture and cattle ranching	Mobilization of mid to large land owners in the Program
SEMA – Environment Secretary	Coordination of IES Carbon Program Control of fires through the Department of Global Changes Management of State Protected Areas	Coordination of IES Carbon Program Extreme importance on avoiding severe degradation of forests under REDD Program
Civil Defenses	Control of forest and accidental fires on the ground. Coordinated by Firemen Departments	Extreme importance on avoiding severe degradation of forests under REDD Program
UCEGEO – Geoprocessing Unit	Supervised by SEMA is responsible for store, integrate, manage, update and make	Deforestation monitoring in REDD areas

	available the database generated within the Ecological Economic Zoning, as well as studies, research and projects relating to aspects of cartography, land, deforestation, soil cover, image processing, statistical and related topics within the State of Acre	
IMAC – Environment Institute	Law enforcement and licensing production activities	Enforcement in REDD areas
FUNAI	Federal Agency responsible for Indigenous Territories management	Indigenous territories belong to the Union. FUNAI will have to agree with state-ran REDD activities in these areas
Chico Mendes Institute	Federal Agency responsible for federal Protected Areas management	Extractive Reserves belong to the Union. Chico Mendes Institute will have to agree with state-ran REDD activities in these areas

10.2 Legal Framework that enables structural policies and REDD Program

Name / Number / Date	Objectives	Status *
Law 1022 (Jan 21, 1992) - Environment, Technology and Science State System	It creates the System composed by IMAC, SEMA and FUNTAC and the Environment, Science and Technology Council	Fully functional and modifications addressed by other laws
Law 1117 (Jan 26, 1994) – State Environmental Policy	It creates the fundamentals of the environmental policy	Fully functional
Law 1235 (Jul 9, 1997) – Biodiversity Law	It regulates the access to biodiversity establishing control instruments for genetic resources access.	Depending on federal regulation
Law 1277 (Jan 3, 1999) – Chico Mendes Law	It establishes the environment services payments to extractive families through subsidy payments on rubber and other extractive products	Fully functional
Law 1426 (Dec 27, 2001) – Forest Law	It rules over conservation and management of forests, creating the State Protected Areas System, the Forest Council and Forest Fund, addressing the forest concessions as well	Fully functional
Law 1904 (Jun 5, 2007) - ZEE	It creates the Ecological Economical Zoning as guidelines for development	Fully functional
Law 2025 (Oct 20, 2008) – Small household properties certification program	It rules over environmental services incentives for sustainable managed small households properties, creating a bonus for families that phase-out the use of fires and deforestation.	Fully functional
Decree 3414 (Sept 12, 2008) – Forest recovery	It rules over the demanding forest recovery for activities that are based on the forest exploration	Fully functional
Decree 3416 (Sept 12, 2008) – Environment Liability of private properties	It defines the mechanisms for environmental liability of private properties in Acre	Fully functional
Environmental Services System Law	It creates the Environmental Services System, the Environmental Services – Carbon Program associated to REDD	Law minute approved by the 3 Councils (Forest, Environment and Rural Development) and sent to the Assembly

10.3 For the REDD Program, was an institutional capacity needs assessment made? No

10.4 Functioning and institutional framework (existing and to be created) related to the governance of REDD program, (include organizations responsible for monitoring, reporting and verification (MRV)):

Name	Responsibilities	Status
SEMA – Environment Secretary	Coordination of IES Carbon Program Supervision of the Institute	Fully functional
Institute for Regulation, Control and Registry	Establishment of Program norms; pre-registry and registry of REDD actions plan and projects; issuing and register emission reduction certificates; control and monitor Program	To be created
State Commission for Validation and Control	Composed by 4 members of civil society and 4 members of State Government (composition under review) is responsible for analyze, supervise and approve the Institute's work.	To be created
Agency for Environmental Services Development	Company composed by private and public capital with the responsibility to develop fundraising strategies for the Program; elaborate and execute (after approval of Commission) REDD action plans and projects; establish partnership to implement action plans; manage and sell carbon credits in the markets.	To be created
Science Committee	Composed by notable national and international scientists is responsible for giving opinion on strategic subjects of the Program	To be created
IES Carbon Program Hearing Body	Related to SEMA is responsible for receiving and proceeding with claims, suggestions and proposals for the Program	To be created

10.6 Needs identified for improving capacities of REDD Program organizations?

- Creation of the carbon registry that may be flexible and adjustable to international and national regulation when defined.
- Government staff capacity building on procedures to design REDD projects (competence of the Agency), to elaborate norms, criteria for pre-registry and registry approval and issue of emissions reduction certificates.
- Definition of methodologies of REDD project elaboration and accreditation of REDD projects certifiers.

11. Land/forest tenure administration and relation with REDD

11.1 Legal support and protection of forest tenure

In federal areas such as Extractive Reserves (Resex), the Interministerial Decree No. 13, published on September 19, 2002, aimed to recognize the traditional population in RESEX, as recipients of the National Plan for Agrarian Reform - PNRA, following the operational procedures adopted by INCRA and IBAMA. Based on Norm #40 of March 30, 2004, residents of RESEX were declared as beneficiaries of agrary reform, with full right to credits designated to any household family in a Settlement Project.

The Land Institute of Acre - ITERACRE, created by Law #1373 of 04 March 2001 is the agency responsible for agrarian policy of the State, in charge of land tenure regulation and destination, elaboration of the State's Land Registry and mediation of conflicts over land ownership in areas of jurisdiction of the state.

Forest management in Acre has been ruled by Law #1426 (December 27, 2001) known by Forest Law. Currently the Federal Law #11284 of March 2, 2006 (Forest Management Act) and the State Forest law authorize Forest Concessions, under the obligation to draw

up an Annual Plan for Forest Concession - PAOF. The main objective of Acre PAOF in 2009 was the availability of two state forests for concessions. The communities living in the state forests had their land rights recognized and a title for real right to use was granted to these communities.

Regarding Indigenous People's rights to land, the Brazilian Constitution defines the rights of indigenous peoples over their land as a right acquired prior to the existence of the Brazilian State and also assures them the respect to their social organization, customs, languages, beliefs and traditions.

11.2 Clear responsibilities, capacity and authority for forest tenure administration

Considering that most of Acre territory is located in the range of Peruvian and Bolivian border, only 14.6% of the land is under State's jurisdiction (ITERACRE). In the nearly 85% remaining, the responsibility for land tenure regulation is INCRA's (National Institute for Land Reform and Colonization).

FUNAI (National Indian Foundation) is a federal institution under the Ministry of Justice, in charge of public policies directed to indigenous peoples, with the prerogative to promote the protection and demarcation of their territories but also the protection of the inheritance of these peoples.

11.3 Actions planned or developed by governments to solve issues related to land tenure uncertainties within REDD priority areas

After the Agreement between State Government and INCRA in 2008, the relationship of state environmental and territory agencies has been evolving with the regional INCRA office in Acre into a more effective collaboration for the settlement projects regulation. The cooperation has strengthened the elaboration of management plans for these areas and enabled access to credits for the settled communities.

Agrarian Development Ministry and the government of Acre announced an agreement of \$ 13.5 million from the Legal Land Program, for actions of land tenure regulation of rural properties in the state of Acre and public areas located along BR-364 rod between Sena Madureira and Cruzeiro do Sul.

The Environmental Licensing of Rural Properties (MLAPR) in charge of the Environment Institute of Acre – IMAC, is an instrument of Rural Environmental Register that can be used as a tool for land tenure regulation. Through the Certification of Sustainable Rural Property Project, which provides incentives (bonuses and inputs) to adopt more sustainable production practices, eliminating the use of fire and deforestation, is also intended to promote the environmental legalization of farmers. Through this project, on a voluntary basis, the small household farmer makes a multi-year land use plan for his property, receiving technical assistance and an annual incentive called bonus.

11.4 Relation of forest tenure solving and REDD objectives/actions

11.5 Recognition of communities and indigenous peoples' rights

The State of Acre has advanced in terms of land tenure regulation within Extractive Reserves as well as granting real right of use to residents in state lands.

By 2009, it had been recognized in the state of Acre 28 Indigenous Territories (TI) to fourteen (14) people with a estimate population of 12,720 persons, and other 6 areas are under identification process, totaling an area of 2,320,232 ha (14.1% of the territory).

11.6 Participation of communities and indigenous peoples in forest tenure definition

In order to create protected areas (conservation units and indigenous territories), public consultation is undertaken in order to define the cession of use of public land to local population. As the land title belongs to the State but right of use is conceived to dwellers.

In Land Agrarian Reform Settlement Projects, INCRA (National Institute for Land Reform and Colonization) is responsible. There are not only consultation processes but landless

families' registry. INCRA defines a process where the cession of use is given for a transition period of time in order to receive the definite title of the land, depending on the performance of the settled family.

11.7 Definition of legal aspects related to property and rights to forest carbon in REDD project areas.

Underway.

11.8 Conflict resolution measures in place.

Among the instruments that help conflict mediation related to land tenure currently in use, we highlight the Zoning and its land use guidelines as well as land uses defined by the Policy Councils (Environment, Science and Technology Council ; State Council for Forests and Sustainable Forest and Rural Development Council)

11.9 Needs identified?

Although there is in place the environmental monitoring and licensing of rural properties (MLAPR), it is still necessary to carry on land tenure regulation in large scale.

12. REDD MRV systems

12.1 Does the State/Province have a GHG emissions inventory? No

12.2 If yes, is the inventory performed or validated by an independent party?

12.3 Strategies thought by the State/Province for monitoring, reporting and verification

IES Program is currently part of a field test (18 months period) for the Social Environmental REDD+ Standards, initiative led by Care and CCBA.

Government is studying possibilities for Program verification and certification. Law defines third party auditing over the Program.

Program defines C-REDD as one ton of CO₂ equivalent reduced and it will be registered and issued by the Institute of Regulation, Control and Registry. The State Registry system indicates that Federal Government will receive information on the registries carried by the Institute.

12.4 Protocols being used to validate and certify state-wide REDD programs

Care and CCBA

Acre is the field test for the application of Social Environmental REDD+ Standards developed by CCBA and Care. The agreement between CARE-SEMA (18-month period) intends to define the rules of procedures to be adopted by the Incentives for Environmental Services – Carbon Program.

In parallel through a partnership with CIFOR, it will be carried out an assessment of social and environmental impacts of the ISA Carbon Program. The assessment of current situation of families who could be potential beneficiaries of the ISA Carbon program has started in July 2010.

12.5 Needs identified in order to MRV systems in REDD Program?

- Necessity to verify the methodologies for certification of emissions reductions (such as VCS)

13. REDD Projects within State/Province

No REDD projects currently being developed in Acre.

14. Relationship with National Government

What mechanisms and/or forums does the State/Province currently employ to negotiate the integration and/or harmonization of the state REDD strategies with a national one?

The Plan for Prevention and Control of Deforestation in Acre State was elaborated in close conjunction with the policies and programs of the Federal Government, and in particular the Action Plan for Prevention and Control of Deforestation in the Amazon (PPCDAM).

A Committee on Monitoring and Performance Evaluation of the Plan will be created with the participation of the State Government, civil society organizations and the federal government to prepare an annual performance report and submit it to the Environment Ministry.

The State's registry system will be of public nature and flexible to ensure interoperability with the registry systems nationally and internationally. The regulations of the IES Carbon Program law will establish the preliminary period of the program and the periods of commitment for state targets on reducing emissions from deforestation and forest degradation. In order to ensure the stability of the accounting system and the objectives of the IES Carbon program, the Regulation, Control and Registration Office must define a percentage limit of recordable units of carbon-equivalent to be effective as pre-registration in action plans and special projects, having as reference the total reductions under PPDC / AC for a given commitment period. The units not registered may, under the terms to be defined by regulation, be used for subsequent periods or programs or for meeting emission reduction goals resulting from national policies and international commitments to combat Climate Change and Environmental Services.

V. Component 3 : REDD Financing

15. Current strategies to finance REDDiness

15.1 Costs and financing sources to elaborate a REDD program

IES Carbon Program concept was elaborated from January to September 2009 by a group of consultants (Luis Meneses hired by GTZ, WWF and Acre Government; Monica de Los Rios, hired by the Government and Pedro Sales, UNDP consultant) under supervision of State Secretary of Environment and Governor's Office. Pedro has helped the elaboration of the REDD Program Development Action Plan and the Deforestation Prevention and Control Plan (PPCD Ac). After 3 months, Monica was hired as coordinator of the Global Changes Department, responsible for the IES Program in SEMA. Ludovino Lopes was hired by the Government to elaborate the Law minute. The consultation process was supported with WWF and Government resources, lasting 240 days.

Total costs for the elaboration is around US\$ 200,000 being 80% disbursed by the Government, 15% by WWF and 5% by GTZ.

16. Strategies to finance REDD implementation

16.1 Costs for the implementation of REDD Program

Costs will be defined when each subprogram and project will be designed and elaborated. A rough approach for defining costs is around US\$ 500,000.

16.2 Economic viability studies: No

16.3 Description of strategies designed and in place to finance REDD costs

Currently 2 projects are being designed or in negotiation process to support the ISA Carbon Program, one is for the Amazon Fund and the other for KfW Bank. Both projects have as goal of early investments and initial actions of the REDDiness phase in order to generate reductions in priority areas. Strategies for fundraising thought for the program are:

- Donations by national and international organizations, public and private
- Public Funds such as Amazon Fund and other international funds open to subnational strategies
- Private Investors
- Recursos provenientes de acordos bilaterais e multilaterais sobre clima
- Carbon credits buyers

16.4 Needs identified in terms of financing. Not clear