

# Concept Note

## REDD-plus results based payments

### Version 1.0

Accredited entities are expected to develop a concept note, in close consultation with the relevant national designated authority and REDD-plus entity/focal point, in response to the request for proposals for the Pilot Programme for REDD-plus results based payments (Decision B.18/07). The concept note should follow the terms of reference of the approved Board decision and will be assessed per Stage 1 of the scorecard also included in the same Board decision.

Programme Title:	<u>Brazil REDD+ Results-Based Payments for results period 2014-2015</u>
Country:	Brazil
Results period:	2014-2015
National Designated Authority:	Ministry of Finance
REDD-plus entity/focal point	Ministry of the Environment
Accredited Entity:	United Nations Development Programme
Date of first submission/ version number:	<u>[2018-07-27][V.001]</u>
Date of current submission/ version number	<u>[2018-07-27][V.001]</u>



GREEN  
CLIMATE  
FUND

## A. Eligibility criteria

### A.1. Warsaw Framework for REDD-plus requirements

National REDD-plus Strategy or Action Plan

Link to document (s): English Version available at <https://goo.gl/YHBcGQ> and <https://goo.gl/pXb3Ld>  
Portuguese version available at: <https://goo.gl/ogpHeT>

(or provide attached and indicate in the comments below where the information is made publically available)

Comments (max 500 words):

*Provide further information indicating the period for which the strategy was developed, the scale at which the National REDD-plus Strategy or Action Plan was designed and implemented, and any other relevant information*

Between 2004 and 2017, deforestation rates in the Brazilian Amazon were brought down to 75% compared to the historical average 1996-2005. Deforestation rates in the Cerrado biome have been reduced by 53% compared to the historical average 1999-2008. Brazil's success is largely credited to coordinated measures undertaken by the Federal government, along with states and municipalities, through the Action Plan for the Prevention and Control of Deforestation in the Legal Amazon (PPCDAm), launched in 2004, and the Action Plan for the Prevention and Control of Deforestation and Forest Fires in the Cerrado biome (PPCerrado), launched in 2010.

Throughout four implementation phases (2004 to 2008; 2009 to 2011; 2012 to 2015; 2016-2020), PPCDAm, in particular, has been playing a key role in dramatically reducing deforestation in the Amazon biome, tackling issues such as monitoring, command and control policies, land tenure issues, sustainable agriculture and economic and legal instruments.

PPCDAm and PPCerrado, which cover about 73% of Brazil's territory, are the main instruments to coordinate existing REDD+ initiatives and halt deforestation in the Amazon and Cerrado biomes on an operational level. Both plans are periodically reviewed to reflect the latest developments, including analysis of land tenure issues, forest governance, indigenous peoples and traditional communities, and the dynamics and main drivers of deforestation.

Based on the successful experiences of PPCDAm and PPCerrado in curbing deforestation, Brazil launched the National REDD+ Strategy (ENREDD+) in 2015. ENREDD+ was the result of a participatory process with the aim of enhancing Brazil's successful experience in and policies for curbing deforestation. ENREDD+ communicates to society as well as to Parties to the UNFCCC how the federal government has been structuring its efforts since 2004 and how it expects to enhance them up to 2020. ENREDD+ focuses on coordinated actions to prevent and control deforestation and forest degradation, foster forest recovery and promote sustainable development.

The ENREDD+'s overall objective is to contribute to climate change mitigation by eliminating illegal deforestation, promoting conservation and restoration of forest ecosystems and fostering a low-carbon and sustainable forest economy, delivering environmental, social and economic benefits. In order to achieve the overall objective, the following **specific objectives** have been defined:

- **to improve the monitoring and impact assessment of public policies for REDD+**, in order to maximize their contribution to global climate change mitigation, while observing the social and environmental safeguards agreed under the UNFCCC;
- to integrate the governance structures of climate change, forest and biodiversity related policies, seeking to promote **consistency and synergies among them at the federal, state and municipal levels**;
- **to contribute to the mobilization of resources at a scale that is compatible with the voluntary national commitment to mitigate greenhouse gas emissions in the Brazilian biomes by 2020**, as established by the National Policy on Climate Change.

The Strategy consists of three action lines:

1. Coordination of climate change, biodiversity and forest-related public policy, including safeguards;
2. Measuring, Reporting and Verifying (MRV) of results; and
3. Fundraising for REDD+ Results-Based Payments and benefit-sharing.

National Forest Monitoring System

Link to document / information on the UNFCCC REDD+ Web Platform or in the technical annex to the Biennial Update Report (BUR): [https://unfccc.int/files/national\\_reports/non-annex\\_i\\_parties/biennial\\_update\\_reports/application/pdf/bur2-ing-02032017\\_final.pdf](https://unfccc.int/files/national_reports/non-annex_i_parties/biennial_update_reports/application/pdf/bur2-ing-02032017_final.pdf) (or provide attached and indicate in the comments below where the information is made publically available)

Comments (max 500 words):

*Provide any additional relevant information of the national forest monitoring system, including on monitoring and reporting of emission displacement at the national level, if appropriate, and reporting on how displacement of emissions is being addressed, and on the means to integrate subnational monitoring systems into a national monitoring system.*

Brazil's NFMS includes remote sensing and ground-based data. Historically, with the development of geoprocessing and remote sensing technologies, Brazilian policies have become a benchmark in the development and deployment of land cover and land-use monitoring technology systems. The resulting information on the dynamics of land-use change has been a key policy element for curbing deforestation in the Amazon. For the Amazon biome, the information is produced by the National Institute for Space Research (INPE) under projects aiming at monitor different activities (e.g PRODES<sup>1</sup>, DETER<sup>2</sup>, QUEIMADAS<sup>3</sup>, DEGRAD<sup>4</sup> and TerraClass<sup>5</sup>). In 2017, to provide information in a user-friendly manner, INPE launched the Terra Brasilis Plataforma<sup>6</sup>.

Regarding monitoring of displacement of emissions at a national level and the integration of subnational monitoring systems into a national monitoring system, the Brazilian Biomes Environmental Monitoring Program (PMABB) was established in 2015. The Program aims to mobilize resources and offer greater coherence to ongoing federal monitoring efforts in the country, in addition to extending the monitoring of vegetation cover to all Brazilian biomes<sup>7</sup>. The PMABB is unifying various mapping initiatives, seeking to monitor deforestation through: continuous detection across all biomes, annual deforestation estimates for the Amazon<sup>8</sup> and the Cerrado<sup>9</sup>, land use/cover for all biomes every 2 years, as well as forest recovery for the Amazon, Cerrado and Atlantic Forest every 2 years, continuous monitoring of forest fire occurrences, and estimate of burnt areas for all biomes.

Monitoring of degradation has also been consistently improving. In 2007, INPE developed a system (DEGRAD), to map the occurrence of selective logging and forest fires in the Legal Amazon using satellite imagery. Monitoring of native vegetation restoration, forest fires and selective logging throughout the national territory is being upgraded and strengthened, to meet dual objectives, both monitoring as well as addressing forest degradation adequately through public policies. In addition to the monitoring of deforestation and degradation, INPE has developed DETER B, it identifies and maps in near real-time, deforestation and other changes in forest cover with a minimum area of 1 ha.

Concerning the ground-based data, the National Forest Inventory (NFI)<sup>10</sup> has been developed since 2007, with an area of 228 million hectares already inventoried. The field data collection is completed for 13 of the 27 Brazilian states. Brazil has been presenting the results of the NFI for each state, as the corresponding datasets have been completed, in a series of technical reports. Once the complete dataset is available, the NFI data will be used to validate the estimates of biomass and associated carbon density for all biomes.

FREL/FRL that is applied to the results period for which payments are requested has been submitted to the UNFCCC and Technical Assessment finalized.

Links to FREL/FRL: For the period 2014 – 2015: <https://goo.gl/ageR3W>

<sup>1</sup> For information about PRODES, access <https://goo.gl/KxcgKh>

<sup>2</sup> For information about DETER, access <https://goo.gl/kn59NJ>

<sup>3</sup> For information about BDQueimadas, access <https://goo.gl/R65TCW>

<sup>4</sup> For information about DEGRAD, access <https://goo.gl/h8wfvX>

<sup>5</sup> For information about TerraClass, access <https://goo.gl/CnCn1j>

<sup>6</sup> For more details, access <https://goo.gl/cdv2pP>

<sup>7</sup> For more details, see table on page 18 of the Strategy of the Environmental Monitoring Program for Brazilian Biomes: <https://goo.gl/JyLCaV>

<sup>8</sup> For information about deforestation in the Amazon, access <https://goo.gl/cokQwi>

<sup>9</sup> For information about deforestation in Cerrado, access <https://goo.gl/oJPkkw>

<sup>10</sup> For information about the National Forest Inventory, access <https://goo.gl/7cYLvd>

Link to Technical Assessment report: For the period 2014 – 2015: <https://goo.gl/mFa9We>

For the period 2016 – 2018: Brazil has also submitted a *FREL C* to the UNFCCC for the period 2016 – 2018 in January 2018 (<https://goo.gl/7N1k7N>). A modified version was submitted in May 2018 (<https://goo.gl/rciCRu>), during the UNFCCC Technical Assessment, which is expected to be completed by September, 2018.

Comments (max 500 words):

*If applicable, provide any relevant additional information not included in the FREL/FRL submission.*

In 2014, Brazil submitted a dynamic FREL to be applied for emission reduction results achieved in the Amazon biome in the period 2006-2010 (FREL A) and in the period 2011-2015 (FREL B). The dynamic FREL was technically assessed by LULUCF experts from the UNFCCC roster of experts in November of the same year. The submission of FREL C, for results achieved in the period 2016-2020, was presented in 2018 and maintains methodological consistency with the construction approach applied to both FREL A and FREL B. The FREL C submission is an update of the first submission for the Amazon biome, consistent with Decision 12/CP.17. FREL C submission also clarifies the status of suggested improvements from the technical assessment of the first FREL and includes new information in an effort to continuously improve the transparency and clarity of the submission.<sup>11</sup>

A safeguards information system (SIS) to inform how the safeguards are addressed and respected

Link to document/information: <http://sisredd.mma.gov.br>

*Temporarily available in Portuguese only. Description of the main content of SIS is provided in the summary of information on safeguards*

(or provide attached and indicate in the comments below where the information is made publicly available)

Comments (max 500 words):

*Provide any relevant information regarding the system for providing information on how the safeguards referred to in appendix I of COP Decision 1/COP.16 are being addressed and respected during the results period (period when the results that are requested for payment were achieved)*

The approach adopted by the Brazilian Government to design its safeguards information system (SIS) includes the governance arrangements, stakeholder engagement processes on safeguards, development of an interactive online interface for safeguards information, and an ombudsman mechanism. These are based on the principles of consolidating and integrating systems to the full extent possible and building upon institutional arrangements that already exist.

<sup>11</sup> Key information on the modified version of FREL C submitted to the UNFCCC following the March 2018 review process can be found at <https://goo.gl/SdGCMB>. For the full document of the modified FREL C see <https://goo.gl/8j4PX2>.

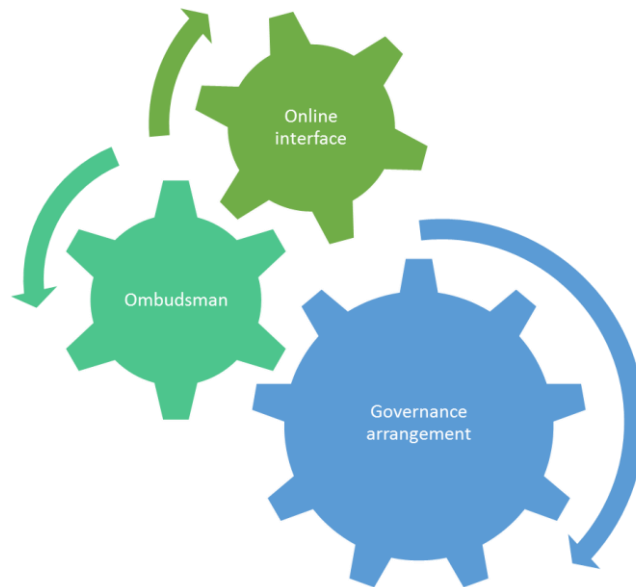


Figure 1 - Components of the Brazil's Safeguards Information System.

Brazil started developing its Safeguards Information System (SISREDD+), in 2012, by assembling a technical panel of national experts in REDD+ safeguards with the objective of identifying information sources and systems to feed the SISREDD+. Relevant inputs were produced and integrated into a system combining governance arrangements and a computational tool. This process enabled Brazil to prepare its First Summary of Information on Safeguards<sup>12</sup>, submitted to the UNFCCC in 2015.

After the launching of the ENREDD+ and the creation of its governance mechanism – the National REDD+ Commission (CONAREDD+), the development of SISREDD+ gained momentum, with a focus on strengthening governance arrangements. With that aim, CONAREDD+ established in 2016 the Thematic Advisory Chamber on Safeguards (CCT-Salv). CCT-Salv and its 30 members were tasked with the development of the interpretation of the Cancun safeguards to the Brazilian context and with providing inputs to the development of the Second Summary of Information on Safeguards.

After successfully completing those tasks, CCT-Salv is now entirely dedicated to SISREDD+ enhancement, including the development of indicators to be compiled/monitored in the improved interactive online interface for safeguards information. Through the portal <http://sisredd.mma.gov.br>, Brazil aims to publicize detailed information on the implementation of Cancun safeguards and on plans for the constant improvement of its system. Detailed information about all the participative process to the development of indicators of SISREDD+ also can be found through this portal (only in Portuguese) and in the second summary of information on safeguards.

A summary of information on how all the Cancun REDD-plus safeguards were addressed and respected during the period for which payments are being requested

Link to document: <https://goo.gl/ap9sd3>  
(or provide attached)

Comments (max 500 words):

*If applicable, provide any relevant information not included in the safeguards information summary.*

The Second Summary of Information on Safeguards presents information on addressing and respecting REDD+ safeguards in Brazil throughout the implementation of initiatives to reduce emissions from deforestation in the Amazon biome, aligned with REDD+ Technical Annex to the Second Brazilian Biennial Update Report (BUR), submitted to the UNFCCC in March 2017. It was developed building on inputs provided by the CCT Salv and approved by CONAREDD+, as the result of a participatory and transparent process that also included a public call for comments on the internet.

<sup>12</sup> The First Summary of Information on Safeguards can be accessed in <https://goo.gl/HQMbKX>

The second summary contains information on how the safeguards have been addressed and respected by Brazil since 2011, during the performance period that led to achieving REDD+ results. This includes both policies (covered by the Action Plan for the Prevention and Control of Deforestation in the Legal Amazon and its associated policies) and in the use of results-based payments raised through the Amazon Fund<sup>13</sup>. The second summary provides the most up-to-date information at the time of its submission, therefore covering the period 2011- to mid-2018.

In accordance with Decision 17/CP.21 of the UNFCCC, the second summary also lays out information about the national circumstances, describes each safeguard according to the Brazilian context, as well as the relevant systems and processes to implement the safeguards and the safeguards information system. The Second Summary of Information on the Safeguards is the result of a progressive approach adopted by Brazil, enhancing information and processes used to elaborate the first summary, while acknowledging that further enhancements are yet to come, given the increasing awareness about the topic in the country and with the full implementation of the safeguards information system.

### A.2. BUR Technical Annex

REDD-plus results for which payment is being requested reported in the technical annex to the BUR

Link to BUR: <https://goo.gl/g5kpvJ>

Technical Analysis been completed  Yes \*  No

If yes, link to Technical Analysis report: <https://goo.gl/Te4tFi>

If no, expected date of completion: DD/MM/YY

### A.3. Scale

National  Subnational

If subnational, provide a definition below:

*Any subnational program proposal should be of significant scale, one political or ecosystem level down from national scale and defined by each country, demonstrating that an aggregation of such subnational scales can constitute the national level (e.g. states, provinces, biomes, etc.). Any subnational level proposal should also demonstrate ambition to scale up to national level, including information on when the country expects to do so, and should demonstrate a contribution to national ambition for emissions reductions, for example, the NDC and/or the implementation of the national REDD-plus strategy.*

In accordance with Decision 12/CP.17, a subnational FREL may be developed as an interim measure, while transitioning to a national FREL. Brazil is implementing its REDD+ MRV system in stepwise approach at the biome level.

Results presented to the GCF are measured against a subnational FREL for the Amazon biome, which comprises approximately 4,197,000 km<sup>2</sup> and corresponds to 49.29% of the national territory<sup>14</sup> (Figure 2). The presentation of the FREL by biome allows the country to assess and evaluate the effect of policies and measures developed at the biome level, like the Action Plan to Prevent and Control Deforestation in the Legal Amazon.

<sup>13</sup> The [Amazon Fund](#) is a REDD+ mechanism created by Brazil in 2008 (Federal Decree n 6527/ 2008) to raise donations for non-reimbursable investments in efforts to prevent, monitor and combat deforestation, as well as to promote the preservation and sustainable use in the Brazilian Amazon. The fund compiles in a transparent and complete manner all the information about the [donations](#) received since 2009.

<sup>14</sup> As presented in Figure 2, in addition to the Amazonia biome, the national territory has five other biomes: Cerrado (2,036,448 km<sup>2</sup> – 23.92% of the national territory), Mata Atlântica (1,110,182 km<sup>2</sup> – 13.04% of the national territory), Caatinga (844,453 km<sup>2</sup> – 9.92% of the national territory), Pampa (176,496 km<sup>2</sup> – 2.07% of the national territory), and Pantanal (150,355 km<sup>2</sup> – 1.76% of the national territory) (BRASIL, 2010, Volume 1, Table 3.85).



Figure 2 - Distribution of the six biomes in the Brazilian territory. Source: IBGE, 2004.

According to the III National GHG Inventory<sup>15</sup>, part of the III National Communication of Brazil to the UNFCCC, LULUCF accounted for 42.01% of the total net emissions of Brazil in 2010. Due to the importance of emissions from deforestation in the Amazon and Cerrado biomes, Brazil deemed appropriate to first focus its mitigation actions in the forest sector on “reducing emissions from deforestation” in the Amazon and Cerrado biomes as an interim measure, while transitioning to a national level that will include all biomes, consistent with the policy efforts made by Brazil through the National REDD+ Strategy. It is relevant to note that the Amazonia and Cerrado biomes cover approximately 73% of the national territory, and individual FRELs for both biomes have already been submitted. The four remaining biomes that cover the remaining 27% of the territory will be subject to the development of a national FREL.

Since the first FREL submitted by Brazil to the UNFCCC in 2014, the approach to construct the national FREL for reducing emissions from deforestation has been transparently informed. The goal is to have a national FREL submitted to UNFCCC by 2020, consisting of the sum of FRELs for each of the six biomes. Advancing on this explanation, Brazil indicates here that this approach does not imply, however, that the same pools and/or gases will be included in each individual FREL, due to the extremely different characteristics and dynamics of REDD+ activities in each biome. The main principles such as the reference period and the main activities will be kept the same.

In terms of the specific details on the future inclusion of forest degradation into monitoring and reporting efforts, Brazil included specific information on this in Annex 3 of its most recent FREL submission (FREL C)<sup>16</sup>.

#### A.4. Support from REDD-plus national entity/focal point to the UNFCCC

Has written consent for participation in the RFP provided by the REDD-plus national entity/focal point to the UNFCCC where a national entity/focal point has been nominated by a country been provided?

Yes  No

#### B. Is funding from the project preparation facility required to develop this concept note into a full funding proposal?

Yes  No

*If PPF support is being sought, please submit a request and attach to this concept note.*

<sup>15</sup> The III National GCG Inventory can be accessed in <https://goo.gl/AVTPPi>.

<sup>16</sup> For the full document of modified FREL C see <https://goo.gl/FW32aA>.

### C. Supporting documents

Written consent for participation in the RFP provided by the REDD-plus national entity/focal point to the UNFCCC where a national entity/focal point has been nominated by a country;

Additional supporting documentation: *(Please list here the attached documents as annexes)*

- Annex 1:
- Annex 2:
- ...