

**Pilot Program to Conserve the Brazilian Rain Forests  
Resolution of the Participants Meeting  
Cuiabá , June 1, 2001**

**1. Introduction**

The Participants Meeting focused on the shared interest in the achievement of the Program's objectives. With a view to a second phase, the Participants note:

- a) The Program will continue to contribute particularly to these long-term goals:
  - Sustainable development of the Amazon region
  - Conservation of Biodiversity;
  - Reduced emission of greenhouse gases;
  - Continuing reduction of the deforestation rate.
- b) The Program covers the Brazilian Amazon and Atlantic Rain Forests.
- c) Brazil owns and leads the Program.
- d) International support should continue based on a strategy for the second phase to be developed during the transition phase and subsequently adopted.
- e) States, municipalities, civil society and private sector should play as important a role as the Federal Government in the Pilot Program.
- f) The Program will remain participatory and transparent in its decision making and implementation.
- g) Roles and responsibilities will, for the time being, remain as defined at and after the 5th Participants Meeting (1999)<sup>1</sup>.

Donors affirm that, wherever appropriate, sustainable development be oriented towards the alleviation of poverty among the inhabitants of the rain forests. Moreover they agree to further examine the potential for application of the example of this international cooperation to other countries and regions.

**2. Mission of the Program**

Subject to the results of the transition phase, the participants agree on the following mission for the second phase of the Pilot Program:

**To contribute to policies that promote conservation and sustainable development of Brazil's Amazon and Atlantic rain forests, including due attention to the livelihoods of local populations, by pursuing the following objectives:**

- Generating, validating and disseminating knowledge within Brazil and the Amazon and Atlantic Forest regions
- Catalyzing the adjustment of policies and mobilizing political support for their adoption and their effective implementation
- Promoting and selectively supporting the mainstreaming and scaling-up of successful experiences and models

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<sup>1</sup> For the time being refers to possible changes in the institutional arrangements that may be proposed or decided during the upcoming transition phase.

- Strengthening capacity in public, private and civil society institutions to implement such policies and apply new knowledge

### 3. Character of the Program

The Participants agree that the Pilot Program will undergo a gradual shift from its earlier focus on piloting, learning and catalyzing effort to progressive mainstreaming. Accordingly, it supports mainstreaming by: a) providing inputs for better policies; b) using its catalytic, convening and mobilizing powers; and c) learning lessons. While the Program itself implements mainstreaming only selectively, its contribution should be measured by its impact on policies across all sectors that affect rain forests .

### 4. The Second Phase

Taking into account the need for speedier and more efficient implementation of the first phase, the Program is expected to enter its second phase in 2003, after a transition phase of 18-24 months, concluding with the proposal of a revised strategy to be adopted by the participants of the Program, and should run for a period of about four years. During the transition, emphasis should be placed on making available lessons learned, replicable models, policy proposals, and mainstreaming recommendations.

The Second Phase will be characterized as follows:

- Guidance by a shared Brazilian vision of the long-term future of the Amazon;
- Overall concentration on the support to mainstreaming of new or improved policies, instruments, and programs;
- Strengthening the program approach and the integration with other projects and programs in the rain forest;
- Stronger integration of policy development with other federal ministries and state governments;
- Concentration on generation and application of knowledge gained, lessons learnt, and models validated;
- Adoption of thematic lines of action possibly with a modified funding structure;
- Inclusion of issues that need greater attention in the future, *such as* land settlement, land titling, extensive farming practices, transmission of know-how to end-users through technical assistance and extension services, regional policies and plans for infrastructure;
- Striving for specific results in terms of policy impact for each line of action;
- Stronger focus on the areas with the highest risk of deforestation and degradation;
- Emphasis on financial sustainability of Pilot Program financed initiatives;
- Strengthened integration with other forest relevant projects and programs in the Amazon and Atlantic Forest regions;
- Continued strengthening of civil society organizations;
- Stronger private sector involvement;
- A clear strategy for improved monitoring and analysis, learning and dissemination;
- Gradual increase in domestic funding ;
- Attraction of a greater array of sources of funding; and
- Institution capacity strengthening of federal and state agencies .

## **5. Future Funding Arrangements**

With the aim of increasing agility in the contracting and use of funds and minimizing transaction costs, alternative funding arrangements for thematic lines should be examined and discussed during the transition phase, taking into account the advantages and disadvantages of said arrangements.

All funded activities, whether projects or others, shall have explicit, verifiable, time-bound results. Where concrete results have been committed to, implementing entities should have flexibility in deployment of resources for achieving their results.

## **6. The Rain Forest Trust Fund**

Donors will consider contributions to the Rain Forest Trust Fund to finance activities under the transition phase. Use of the RFT in the second phase will be subject to the definition of the funding mechanisms undertaken during the transition phase.

New contributions to the RFT from governmental or other sources should be sought starting immediately. In the absence of additional funds, priority for the use of remaining uncommitted RFT resources should be given to the agreed role of the World Bank, the Brazilian coordination of the Program, functioning of the IAG, and support to the civil society networks.

## **7. Program Coordination**

Program coordination should aim at improving efficiency and effectiveness in the implementation and should include a strategic function and go beyond the operational activities of project cycle management. It should include particularly those of the current Analysis and Monitoring Project (AMA), as well as others such as analytical services relevant for policy advice and formulation, analysis of trends in the rain forest regions, building of new alliances, dissemination, internal communications, and strategic communications towards the public.

Program Coordination will be funded by the federal budget, the RFT and bilateral sources. Government funding of the Program Coordination will be at a 50% level. Further increases in this proportion will depend on the arrangements to be established during the transition phase.

## **8. Institutional Framework**

New institutional arrangements may be considered and proposed during the transition phase, provided that they maintain a strong role for the federal government in the Program, specifically of the Ministry of the Environment as lead agency, as well as the roles of states and municipalities, and that they have stronger impact on government policies affecting rain forests across all sectors.

Alternatives considered or proposed should take into account the following criteria:

- higher efficiency and effectiveness,

- accelerated Program implementation,
- leadership of the Ministry of Environment with respect to the Program,
- appropriate involvement of civil society and other relevant actors, and
- higher impact on formulation of improved policies and programs for mainstreaming.

The Brazilian Government may review the structure and functioning of the Brazilian Coordinating Commission (CCB) with a view to (i) making it more representative of other important actors and (ii) increasing its influence on policies that affect the rain forests (as a discussion forum, for integration and the pursue of coherence among actions).

### **9. Role of the World Bank**

The World Bank should continue to exercise the functions assigned to it through the matrix of responsibilities approved by the JSC in February 2000 for the duration of the transition phase. As long as the RFT is maintained, the Bank should:

- a) continue to act as fiduciary of the Rain Forest Trust Fund and leader of supervision of projects funded by the RFT;
- b) assist Government with the further formulation of Program strategy, with the activities of the transition phase activities and the design of the Second Phase, analytical advice regarding policies, and the promotion of mainstreaming;
- c) collaborate in stronger involvement of the private sector;
- d) help coordinate with related activities funded or to be funded by the Global Environment Facility (GEF); and
- e) assist Government with fundraising from governmental or other sources.

### **10. Suggestions for Involving Actors outside the Program**

The Participants suggest that:

- a) the Pilot Program be included as a separate line in the Government's multi-year plan (PPA);
- b) other existing funding lines, for example the *Fundo Nacional do Meio Ambiente*, the *Programa Nacional do Meio Ambiente II*, and *FUNBIO*, be reviewed by Government with regard to enhancing the coordination among these programs and the Pilot Program;
- c) a systematic exchange of experiences and lessons be envisaged among the eight Amazon countries; and
- d) Program results and lessons be presented at the Rio+10 conference and at the G-8 summit in 2002.

### **Other Matters**

The Participants have no objection to the nomination of Mr. Manfred Nitsch and Mr. John Forgach to the International Advisory Group.

The Participants also agreed that in the future the Joint Steering Committee will give the no-objection to further nominations to the IAG in behalf of the Participants.

### Tasks during the Transition Phase

The following tasks will be discussed/endorsed at the next JSC Meeting:

Activity	Responsibility	Deadline for Methodology	Completed by
0. Evaluation of the expected goals of PPTAL to determine the need for extending RFT/UNDP contract			Immediately
1. Logical framework for the second phase	Coordination	July 15, 2001	December 2001
2. Restructuring Brazilian Coordinating Commission and participation of new actors	BCC		December 2001
3. Establishment of a strategic program coordination which would include cross-cutting programmatic services, preparation and appraisal (October 2001) of a Program Coordination Project (see further below).	SCA	October 2001	January 2002 (project startup)
4. Improving the dialogue on a Brazilian vision (macro mosaic of land use) for the future of the Amazon, with technical inputs, as appropriate, from the Pilot Program	Coordination		Immediately
5. Definition of eventual new funding mechanisms for the second phase	JSC	Proposal: November 2001	September 2002
6. Adjustments to the Framework Agreement between the World Bank and Brazil, including provisions for increased counterpart funding, followed by Senate approval (if necessary in order to raise funding ceiling)	Coordination and World Bank		March 2002
7. Update knowledge gaps and demands, to guide areas of study, learning of lessons and directed research, including creation of a mechanism that helps identifying such demands in a participatory way, beyond the academic sector (by November 2001).	Coordination		March 2002
8. Provisions for an increase of domestic funding of the Pilot Program. Brazilian Program Coordination should be funded to at least 50% (average during the transition phase) by the Brazilian Government.	SCA		May 2002
9. Strategic selection of a subset of relevant policies for more detailed work. Elaboration of concrete proposals for adjusting or complementing selected policies (by June 2002).	SCA	October 2001	June 2002
10. Definition of possible institutional arrangements, if proposed by Government	Coordination	Proposal by December 2001	June 2002
11. Fund raising for Atlantic Forest sub-program and for RFT for transition phase	MMA and World Bank		June 2002
12. National Program Meeting with participation of local actors	SCA		June 2002
13. Generation and dissemination of relevant and credible lessons and models from current experiences, analysis. With special priority, a study of lessons learned, policy recommendations and replicable models from the <i>Demonstration Projects</i>	Coordination		June 2002
14. Negotiation and contracting of funds for second phase	SCA and World Bank		November 2002
15. Present results of transition phase and second phase plan to Participants Meeting and then to G-8 meeting	SCA		Autumn 2003

The Joint Steering Committee will review progress in the implementation of this agenda at every meeting. This will include presentation of a proposed budget for the transitional phase at an early meeting of the JSC. It may propose changes in the agenda and approve specific proposals resulting from the transition.