
Environmental Conservation Support Program: BOLSA VERDE (GREEN GRANT)

Thematic areas: productive inclusion; sustainable rural production; forest cover and ecosystem conservation.

1. EXECUTIVE SUMMARY

The Bolsa Verde Program has two basic purposes: to promote environmental conservation through productive inclusion and raise the income to improve the lives of families in extreme poverty. As part of the Brazil Without Extreme Poverty Plan (PBSP)¹, Bolsa Verde is a cash transfer program with environmental conditionalities aimed at improving living conditions of rural population and communities engaged in natural resource conservation.

Territories included in the program must have vegetation cover equal or higher than legally established in the Brazilian Forest Code (Law N° 12,651/12) for each biome. They must also have a management instrument² developed or validated by the area's governing body. Only families listed on the Unified Registry for Federal Government Social Programs (CadÚnico) will be eligible. They must also be participants of the Bolsa Familia Program (Family Grant) and live in extreme poverty. Furthermore, they should carry out environmental conservation activities, defined as the sustainable use of natural resources, maintenance of vegetation cover and compliance with management provisions for these areas.

Bolsa Verde Program is coordinated, implemented and operated by the Ministry of Environment (MMA), however, is subject to deliberations by the program's Steering Committee, formed by the Presidency's Chief of Staff Office (CC-PR), the Special Secretariat for Family Agriculture and Agrarian Development at the Presidency's Chief of Staff Office (SEAD-PR), the Ministry of Social Development (MDS), the Ministry of Finance (MF) and the Ministry of Planning, Development and Management (MPDG).

The program is monitored annually based on environmental and socioeconomic indicators. The first ones measure vegetation cover through satellite images of conservation units and settlement projects, checking both the increase of deforestation in program areas and the compliance vis-à-vis Forest Code provisions. Socioeconomic monitoring is based on interviews of two groups defined by sampling: a group of Bolsa Verde beneficiaries and another group of non-beneficiaries living in the same area, which serves as control group. Control group is defined as a comparison group of non-beneficiaries used to verify the impact of the program on beneficiaries.

2. OBJECTIVES

- » To encourage ecosystem conservation.
- » To promote citizenship, improve living conditions of the extremely poor and increase their income.

¹ The Brazil Without Extreme Poverty Plan (PBSP) was launched in 2011 with the goal of eradicating extreme poverty through a social protection network based on a series of public policies aimed at tackling the multiple dimensions of poverty. The plan consists of more than 120 initiatives developed by 22 ministries and is divided into three pillars: income security, access to public services and productive inclusion.

² These management instruments are usually documents elaborated in a participatory process, which establish the zoning of these particular areas and conditions for using resources.

- » To encourage natural resource conservation training for socially vulnerable populations living in rural areas and provide social, educational, technical and professional capacity building.

3. BACKGROUND

The Bolsa Verde Program was created in June 2011 during the drafting of the Brazil Without Extreme Poverty Plan (PBSM). For six months, teams from various ministries³ assessed existing public policies aimed at fighting poverty and proposed improvements as well as new actions and programs.

This process emphasized the multidimensional nature of poverty and differences between possible target audiences in urban and rural settings across different regions of Brazil, both in terms of job opportunities and access to services. It was found that although only 15.6% of the Brazilian population live in rural areas, there were still approximately 7.5 million extremely poor people in these localities, in other words, almost half of this population (46.7%).

Based on this data, poor and extremely poor people were identified living in conservation areas relevant to the maintenance of natural resources. This indicated a potential for a new public policy designed specifically for these families, which would combined income transfers with environmental conservation. This would mean granting financial contributions to economically vulnerable families committed to using natural resources sustainably.

Brazilian legislation itself⁴ establishes that the management of public forests for sustainable production aimed at conservation and income generation should be carried out by local communities, understood as traditional peoples and communities, family farmers and agrarian reform settlers. Given this legal mandate, the Federal Government has made efforts to allocate public forest areas to these families through (1) Sustainable Use Conservation Units, (2) Environmentally Differentiated Settlement Projects, (3) demarcation of Indigenous Lands; (4) transfer of land titles in favor of remaining slave-descendant (quilombo) communities and (5) the recognition of agroextractivist areas inhabited by river-side populations.

In addition to the normative framework, a set of policies had been established to create and enforce community forest units and promote sustainable use of natural resources by these families: the National Policy for Sustainable Development of Traditional Peoples and Communities (PNPCT), the National Policy for Agrarian Reform (PNRA), the National Plan for Promotion of Socio-Biodiversity Product Chains (PNPSB) and the Federal Program for Community and Family Forest Management (PMCF).

Also, according to data on the National Registry of Public Forests (CNFP/SFB/MMA) available during program design, public community forest areas accounted for 62% of registered Brazilian public forests, adding up to 128.2 million hectares, distributed as follows: 76% of Indigenous Lands, 17% of Sustainable Use Conservation Units and 7% of Environmentally Differentiated Settlement Projects, which encompassed a total of 213,000 thousand families and approximately 1.5 million people.

This evidence highlighted the importance of these families for ecosystem conservation in a considerable portion of the country's territory. However, during the creation of the Brazil With-

³ Ministry of Environment (MMA), Ministry of Developmental Social and Fight Against Hunger (MDS), Ministry of Agrarian Development (MDA), Ministry of Planning, Budget and Management (MPOG) and the Presidency's Chief of Staff Office (CC-PR).

⁴ Law N° 11,284/06, chapter III.

out Extreme Poverty Plan, it was found that existing policies did not offer financial incentives necessary to ensure environmental conservation, especially for the extremely poor.

To breach this gap, Bolsa Verde was created by the Federal Executive Power through Provisional Measure N° 535 (June 2011), approved by Congress months later into Law N° 12,512/2011.

Some challenges faced by Bolsa Verde Program are the interinstitutional coordination for sustainable productive inclusion and making other policies available to beneficiary families in terms of income growth and access to services and infrastructure.



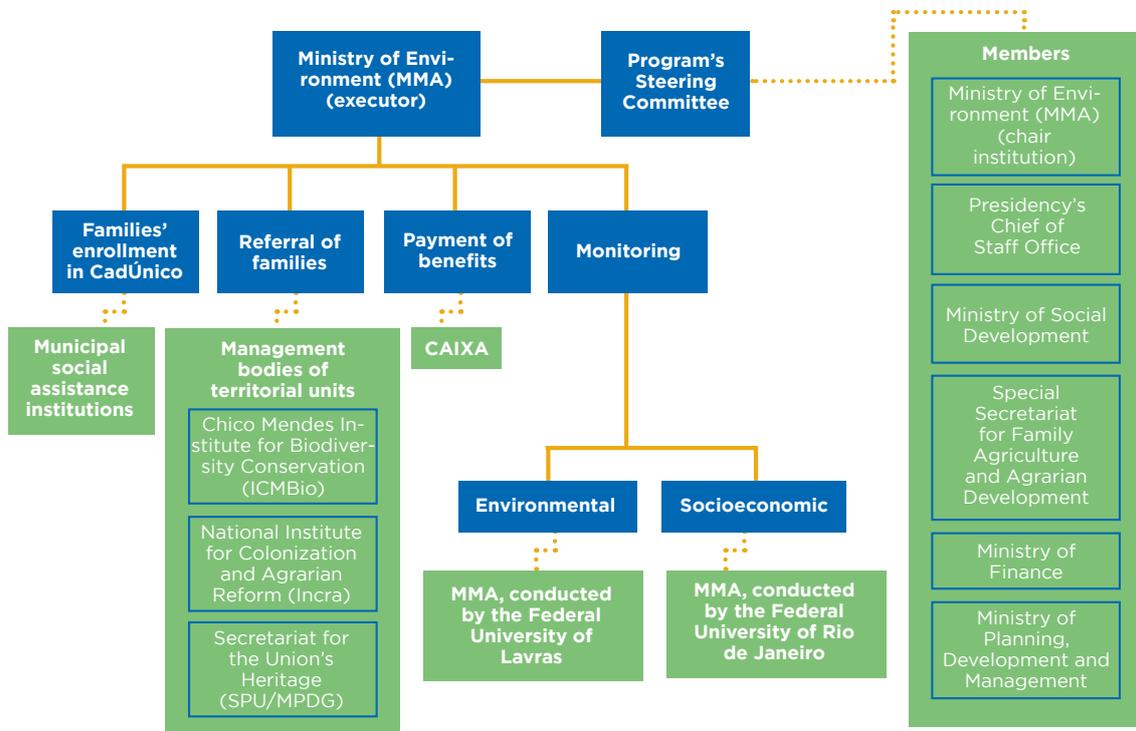
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4. KEY ACTORS AND STAKEHOLDERS

The Ministry of Environment (MMA) is the main governing body behind Bolsa Verde and also chairs the program's Steering Committee. The Committee is also composed of the Presidency's Chief of Staff Office (CC-PR); the CC-PR's Special Secretariat for Family Agriculture and Agrarian Development (SEAD-PR); the Ministry of Social Development (MDS); the Ministry of Finance (MF); and the Ministry of Planning, Development and Management (MPDG).

Caixa Econômica Federal (Caixa) is the public bank in charge of the program's financial operations. Bolsa Verde also counts on support from federal institutions that manage territorial units where beneficiary families are located: the Chico Mendes Institute for Biodiversity Conservation (ICMBio); the National Institute for Colonization and Agrarian Reform (Incra), and; the Secretariat for the Union's Heritage under the Ministry of Planning, Development and Management (SPU/MPDG).

Organization Chart of Bolsa Verde Actors and Stakeholders.



5. MANAGEMENT AND IMPLEMENTATION

The Steering Committee defines and validates Bolsa Verde's priority areas and lays down the rules relating to beneficiaries' selection, inclusion and membership renewal, as well as monitoring and assessment processes.

Program execution is undertaken by the MMA, responsible for managing beneficiary families and defining additional rules for the program. Environmental and socioeconomic monitoring also fall under the ministry's responsibilities, which currently delegates these functions to federal universities.

Based on social conditionality, the MDS identifies families referred by the management bodies of territorial units as eligible for the Bolsa Verde. It then coordinates actions with municipal social assistance institutions and plans the training of technical teams in order to promote access to social assistance services and infrastructure offered by the Single Social Assistance System (SUAS).

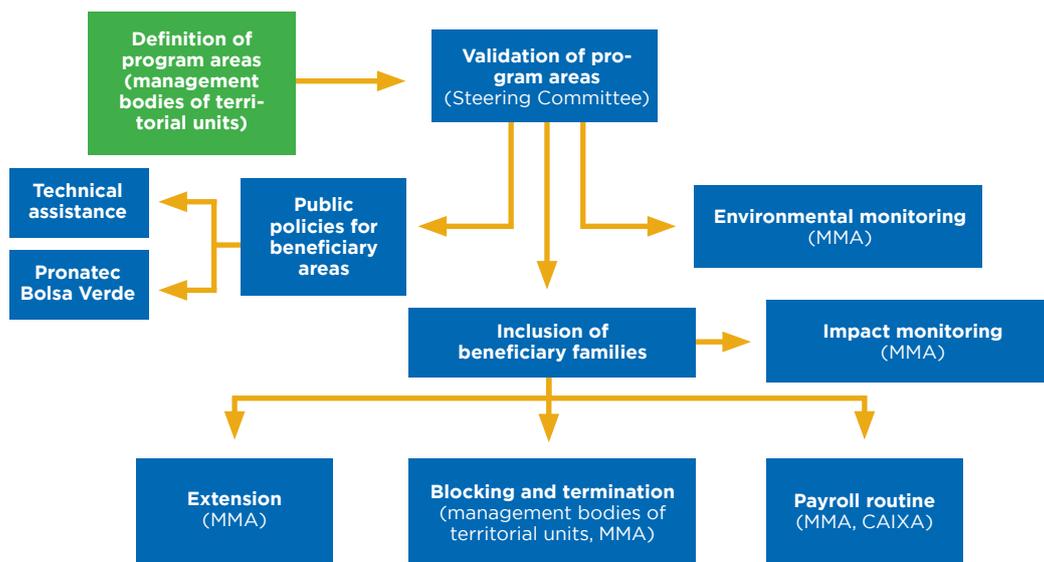
Following that, Caixa Econômica Federal carries out the transfer of Bolsa Verde funds, which involves organizing the logistics for the payment of benefits. To this end, Caixa makes use of its country-wide network of bank branches, ATMs, lottery offices and certified institutions.

At the local level, direct communication with families for Bolsa Verde implementation is done by management bodies of territorial units. These institutions refer beneficiaries, update their information and monitor compliance of environmental conditions. Non-compliance of such conditionality can lead to exclusion from the program. In addition, they are also in charge of enrolling Bolsa Verde beneficiary families and providing them with simplified technical training. These local social assistance institutions also work towards including new beneficiaries in

social programs, as well as in the Bolsa Verde program, whenever they identify families that do not benefit from government-sponsored initiatives.

As for training, other ministries have carried out complementary sustainable production actions, such as the Program for Technical, Social and Environmental Assistance to the Agrarian Reform (ATES). Although it may include others target audiences, this program intends to provide technical assistance to extractive activities in the states of Pará and Acre through the National Institute for Colonization and Agrarian Reform (Incra).

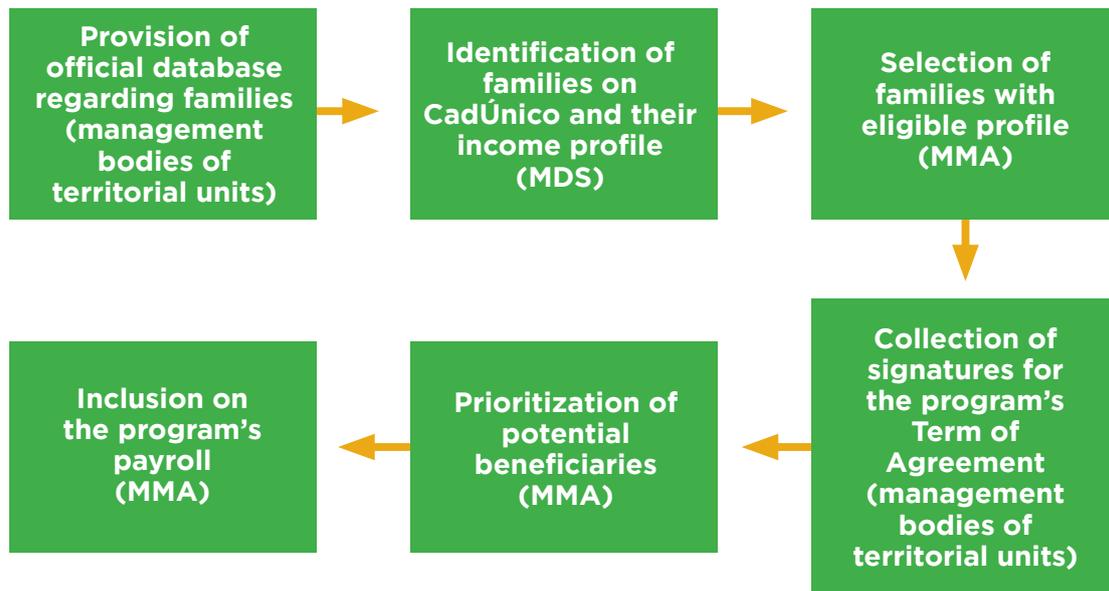
In addition, the International Institute for Education in Brazil (IEB), at the MMA's request, developed a training methodology for program beneficiaries. This methodology was based on a series of training sessions undertaken with managers of conservation units and settlements and beneficiaries from Pará, Acre and Amazonas. A specific line of training courses was also offered under the National Program for Access to Technical Education and Employment (Pronatec), also known as Pronatec Bolsa Verde. To that effect, special vacancies were made available to Bolsa Verde beneficiaries.



6. TARGET AUDIENCE AND SELECTION CRITERIA

The program's target audience are extremely poor families listed on the Unified Registry, enrolled in the Bolsa Família Program and living in areas validated by the program's Steering Committee. The main criteria for selecting program areas are vegetation cover equal or higher than legally established by the Forest Code (Law N° 12,651/12); the presence of management instruments developed or validated by the local governing body and territorial limits that allow for monitoring of changes in vegetation cover.

The chart below shows the simplified information flow for the inclusion of beneficiaries in the program and the responsible institution at each stage.



7. MONITORING

The program develops specific strategies to monitor the actions carried out by beneficiary communities annually and evaluates their compliance with environmental conservation agreements related to their locations. In order to carry that out, vegetation cover and socio-economic monitoring strategies are planned.

A deforestation monitoring method based on orbital satellite tracking was especially developed for the program together with the Brazilian Institute for the Environment and Renewable Natural Resources (Ibama), the National Institute for Space Research (Inpe) and the Amazon Protection System (Sipam). The MMA has currently delegated the monitoring activities to the Federal University of Lavras (UFLA).

Socioeconomic monitoring is carried out by a partnership with the Federal Rural University of Rio de Janeiro (UFRRJ), with the support of territorial units' management bodies when it comes to field work. Its main objective is to verify the conditions for program implementation and assess its contribution to the improvement of environmental conservation and the living conditions of beneficiaries. The methodology has been used in 2014 and 2015 and the 2016 monitoring cycle is now under development.

Thus, through both monitoring processes, it is possible to track the granting of benefits, check how the program has improved environmental conservation in the territories where beneficiary families live, define an average profile of beneficiaries and identify regions with higher deforestation pressure and other impacts on forest cover.



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General data regarding Bolsa Verde beneficiary families indicate they have a positive perception of the program in terms of their well-being and the environmental conservation of their territory. According to the 2015 monitoring data, the average profile of beneficiary families could be summarized as follows:

They usually live in rural territorial units managed by the federal government (sustainable use conservation units, special agrarian reform settlements and river-side territories). They travel about 10 km to collect benefits and spend about 10% of that value in the journey. Families have five people in average, with few elderly members and babies. Children and teenagers usually attend school. They work mainly in family farming, animal husbandry, extraction activities and/or agroforestry. Many are still poor (per capita income below R\$ 154), however, were it not for the Bolsa Verde benefit, a great portion would be extremely poor (per capita income below R\$ 77). Their productive output has improved with new equipment and the establishment of associations, but still lack capacity-building courses and equipment. In general, their houses are not connected to a water supply and sewage network nor are they served with a garbage collection system. However, they do have electricity. Although they identify deforestation and fire as threats to conservation, they usually carry out slash and burn clearances for soil preparation and extract timber for firewood. They recognize the importance and the positive impacts of Bolsa Verde to their welfare and environmental conservation.

From these results, challenges for future Bolsa Verde Program activities were identified regarding sustainable production, environmental conservation and social development, namely:

- » Increasing agroextractivist activity with improved technical assistance conditions, training and access to microcredit, as well as better production chain structures.
- » Establishing joint efforts with other federal and state programs in order to improve household infrastructure and access to public services.

- » Improving Bolsa Verde information outreach to beneficiary and non-beneficiary families and the general population.
- » Keeping a constant enrollment of families in territorial units, as well as indigenous lands, quilombola lands and other traditional population territories.
- » Developing and improving monitoring on a continuous basis, including deeper scales and perspectives of spatial analysis.



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8. SCOPE

In 2016, the area included in the Bolsa Verde Program accounted for 28.7 million hectares in total: 18.2 million hectares in conservation units and 10.5 million hectares in land reform settlements. 95.6% of the program area is in the Amazon biome.

9. SOURCES OF FUNDING

The Environmental Conservation Support Program is executed exclusively with Federal Budget resources.

10. LEGISLATION

Law N° 12,512, of October 14, 2011, establishes the Environment Environmental Conservation Support Program and the Program for the Promotion of Rural Productive Activities, which modifies Law N° 10,696, of July 2, 2003, Law N° 10,836 of January 9, 2004 and Law N° 11,326 of July 24, 2006. The program is also regulated by a set of resolutions defined by the Steering Committee and, if necessary, by ministerial ordinances.

Law	Summary	Observations
12,512 of October 14, 2011	Establishes the Environmental Conservation Support Program and the Program for the Promotion of Rural Productive Activities.	Modifies Law N° 10,696, of July 2, 2003, Law N° 10,836 of January 9, 2004, and Law N° 11,326 of July 24, 2006.
13,341 of September 29, 2016		Modifies Law N° 10,683 of May 28, 2003, which provides for the organization of the Presidency of the Republic and Ministries; Law N° 11,890 of December 24, 2008, and revokes Provisional Measure N° 717 of March 16, 2016.
Decree N° 7572 of September 28, 2011		Regulates provisions established by Provisional Measure N° 535 of June 2, 2011, converted into Law N° 12,512 of October 14, 2011, which deals with the Environmental Conservation Support Program (Bolsa Verde Program).