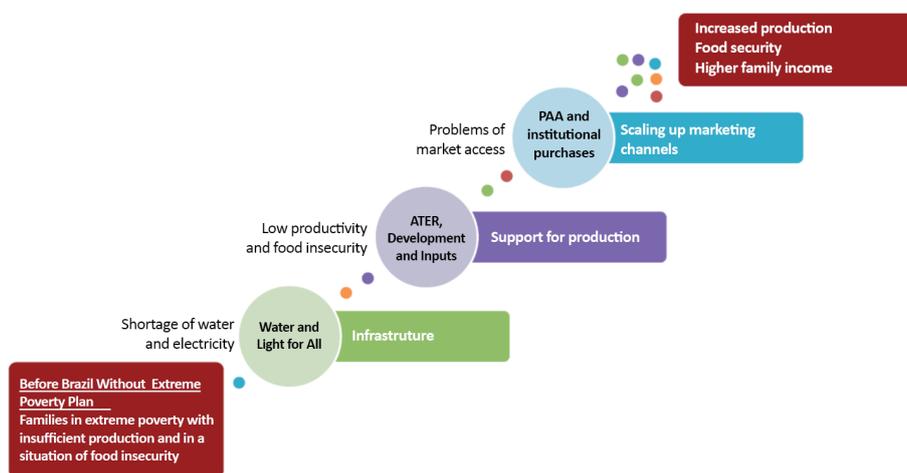


The high incidence of poverty in rural areas¹ means that the “Brazil Without Extreme Poverty” Plan has had to adopt specific strategies that reflect, and incorporate into all the Plan’s actions, the social and economic diversity of these areas. To achieve this, the Plan has taken the unprecedented step of correlating data from the Unified Registry for Social Programs with the databases of programs focused on the rural population. This has made it possible to redirect and refocus the programs designed to support the productive structure of family farms. It is also led to the systemic involvement of the “Brazil Without Extreme Poverty” Plan in one or more actions related to the rural productive inclusion package. The “package” referred to in this text consists of the basic tripod of basic infrastructure, production structure and scale-up of marketing channels.

ROADMAP OF RURAL PRODUCTIVE INCLUSION IN THE “BRAZIL WITHOUT EXTREME POVERTY” PLAN



Source: MDS.

PROGRAM TO SUPPORT RURAL PRODUCTIVE ACTIVITIES

The main problems faced by the poorest farmers arise from, on the one hand, the lack of technical support to upgrade, improve or even initiate their productive activities and, on the other hand, the shortage of financial resources to invest in improving production.

¹ The 2010 Census data indicated that one in four people living in rural areas were in a situation of extreme poverty. This means that 25% of the rural population lived on less than R\$70 reais per capita per month, while in urban areas the percentage of people in the same situation was 5%.

To improve family farming production, the Rural Productive Activities Development Program, established under the aegis of the Plan, provides individualized and continuous assistance by agricultural technicians who share their knowledge on increasing the production, quality and value of farming products. The program also provides development funding.

Adapting technical assistance to the poorest family farmers

In the early stages of the “Brazil Without Extreme Poverty” Plan, it was necessary to redirect the technical assistance and rural extension (*Ater*) services (previously focused on the better structured family farming sectors) towards poorer farmers, most of them typified by scarce technical support, lack of productive inputs, insufficient diversification of production and a low level of associatship/cooperativism. Thanks to the Plan, a different model was formulated in which technical assistance and the provision of non-reimbursable funds were brought together to support the productive activities of the poorest farmers.

In the context of the “Brazil Without Extreme Poverty” Plan, this task involves several stages. First, the *Ater* extension agent produces an assessment, together with the family, of the existing production conditions, identifying strong points and opportunities. Second, the family and the agent jointly prepare a detailed project for organizing and/or increasing production, producing a phased roadmap for improving the family’s productive structure. Finally, the extension agent monitors project implementation to ensure that it is carried out in the best way possible. The agent can also provide advice to the farmer on ways to market surplus produce. In the rural extension context, the *Ater* agents also help to draw attention to other public policies to benefit families, such as the Food Acquisition Program (PAA), the National Rural Housing Program (PNHR), etc.

Public calls for tender to hire technical assistance services are organized by the Ministry of Agrarian Development (MDA). By December 2014, technical assistance services² had been hired to provide help for 354,000 farming families in Brazil’s semi-arid region - the focus of most of the rural productive inclusion initiatives in the “Brazil Without Extreme Poverty” Plan.

Development funding

The Rural Productive Activities Development Program (PFAPR) also provides funding for investing in the productive structure of farms already receiving technical assistance and rural extension services. The target audience, as in the case of technical assistance provision, consists of family farmers, maroons, indigenous groups, miners, and artisan fishermen living in extreme poverty (i.e. with a monthly household income of up to R\$77 per person), enrolled in the Unified Registry for Social Programs, and possessing the *Pronaf* Aptitude Declaration (DAP) (see box below).

2 In the North, Northeast (including the semi-arid region of north Minas Gerais) and the Center-West regions, this procedure involves tender calls for specific target audiences. The Ministry of Agrarian Development (MDA) publishes public notices (calls) to select parties interested in providing technical assistance services. The choice of winning bidders takes into account their experience and the quality of their technical bid, as well as the qualifications of the proposed team. Public entities and non-public entities can bid. In the South and Southeast regions and the Federal District, the Federal Government has agreed to State or municipal companies providing *Ater* services directly).

Each family receives R\$2.400, in two installments. Unlike normal credit, the PFAPR resources are non-refundable. Each installment is only released after a report by the agricultural technician monitoring the family proving that the agreed project for organizing production has been complied with. The visit of the technicians, in addition to enabling release of the funds, is also an opportunity to verify how the money has been used. The length of time between the installments varies from family to family, but in general this is just over six months.

The money can be used to buy equipment and inputs such as seeds, fertilizers, tools and animal hardware, or to hire small services needed for implementing the project. Payments are made by the Ministry of Social Development and Fight against Hunger (MDS) directly to farmers, via presentation of the *Bolsa Família* card or the *Cartão Cidadão*³.

187,400 families received funds from the PFAPR scheme between January 2012 and September 2015.

What is DAP?

The Statement of Aptitude to Pronaf (DAP) is a kind of identity document for family farmers which enables families to access public policies benefits such as rural credit, the Food Acquisition Program (explained below) and the National School Meals Program. The DAP contains details of both the man and the woman in the family ('double titularity'). In order to obtain the DAP, the family has to approach the rural syndicate or the Technical Assistance and Rural Extension Company (*Emater*) of the state or municipality where they live. In the event of the family being an Agrarian Reform beneficiary or receiving assistance from the National Land Credit Program (PNCF), they are required to approach the National Institute for Colonization and Agrarian Reform (*Incra*) or the State Technical Unit (UTE). The National Indian Foundation (*Funai*), the Palmares Cultural Foundation, and Ministry of Fishing and Aquaculture are other places where the DAP can be obtained.

FOOD ACQUISITION PROGRAM (PAA)

One of the biggest challenges of the rural productive inclusion strategy of the "Brazil Without Extreme Poverty" Plan was to ensure the marketing of surplus production from the poorest family farms. To face this challenge, the Plan selected one of the main marketing channels of family farming products, the Food Acquisition Program (PAA). This is a MDS/MDA initiative which, since 2003, has purchased the surplus produce of family farmers with no need for a bidding process. The PAA suppliers in this case are the family farmers themselves, agrarian reform settlers, foresters, fish farmers, artisan fishermen, miners, indigenous groups, members of remaining rural maroon communities and other traditional peoples and communities who possess a DAP. These people can belong to the PAA as individuals or as members of cooperatives and other types of associations.

³ The *Cartão Cidadão* (citizen card) was created by the federal government to enable the user to draw benefits (FGTS, cash transfer programs, salary allowances, PIS, and unemployment payments) and to obtain other data. The card is issued free of charge by the Caixa Econômica Federal (Federal Mortgage Bank), is personal, non-transferable and can be used in Caixa outlets all over Brazil.

The PAA involves various modalities (simultaneous donation, PAA Leite, direct purchase, stock formation support, institutional purchasing, seeds procurement), each with annual sales ceilings ranging from R\$6,500 to R\$16,000, depending on the modality, for individual farmers and from R\$500,000 to R\$6 million for associations.

Of the more than 3000 items purchased by the PAA, the most heavily purchased are milk and dairy products (26%), vegetables (19%) and fruit (14%), followed by beans, rice, cereals, nuts, manioc, meat, fish, eggs, juices and fruit pulp.

Although the PAA was a consolidated program before the “Brazil Without Extreme Poverty” Plan, it underwent a series of improvements to meet the needs of the Plan’s target audience. In 2012, for example, a new PAA modality was created called ‘Institutional Purchasing’, which increased sales opportunities for family farms by enabling the federal government, states and municipalities to buy, without the need for bidding procedures, the production of small-scale producers in order to supply public institutions such as universities, hospitals, military barracks and prisons.

The results of the PAA within the “Brazil Without Extreme Poverty” Plan are threefold:

- » Sales to the PAA by the poorest family farmers increased: in 2010, for example, 32% of the products were sold by family farmers enrolled in the Unified Registry (in 2013 this figure was around 50%);
- » The Northeast region, containing Brazil’s highest rates of extreme poverty, was the main supplier of products for the PAA between 2011 and 2014, benefiting 45% of all the small-scale family farmers ;
- » The percentage of women in the PAA scheme increased from 26% in 2011 to 36% in 2014.

In addition to improving farmers’ incomes and the quality of food in recipient public institutions, the PAA helps to diversify and improve the supply of products from family farms and provides an opportunity for these farmers to access the private market, encouraged by the “Brazil Without Extreme Poverty” Plan.

WATER FOR ALL

The semi-arid northeast region, the core of the rural productive inclusion strategy, is well known for its water vulnerability. There was a need therefore to enable families to access water for domestic consumption as well as to make farming production viable by maximizing the investments in technical and development assistance⁴.

Since 2003, the MDS has run projects aimed at constructing systems for domestic water consumption, in partnership with a civil society organization — the Brazilian Semi-Arid Articulation (ASA Brazil) — and states and municipalities. Known as the *Programa Cisternas*, this initiative resulted in the construction of around 330,000 tanks for storing water for human consumption.

⁴ Water tanks for human consumption guarantee water for drinking, cooking and personal hygiene, while water technologies for agriculture involve production of food and the raising of animals, both of which can be consumed or generate surpluses for sale, thus providing income and improving families’ lives.

With the “Brazil Without Extreme Poverty” Plan, this project adopted a new approach, beyond the issues of food and nutritional security, which directly benefited the ‘productive inclusion’ area: the *Agua para Todos* (Water for All) program, coordinated by the Ministry of National Integration (MI). This program has amalgamated and boosted the water access-related actions that were already underway in a number of different agencies, as well as creating new initiatives and partnerships⁵.

Better MDS and MI contracting methods resulted in quicker delivery of the water tanks. These methods involved, for example, the MDS launching a register of agencies eligible to sign partnership agreements, while the Ministry of National Integration consolidated the processes for manufacturing and installing water tanks. The new approach by the two ministries reduced delivery times: for example, between 2003 and 2010, the average number of tanks delivered annually as a result of federal government efforts was 41,000; and, by the end of 2014, after just over three years of existence of the “Brazil Without Extreme Poverty” Plan, 782,000 potable water tanks (and 102,000 for agricultural production purposes)⁶ were delivered - over five times the average number recorded previously. In the course of 2014, over 1000 tanks were delivered per day on average, destined for human consumption and agricultural production.

Use of the Unified Registry was vital for the tanks and other water-based technologies to reach the target audience of the “Brazil Without Extreme Poverty” Plan that had precarious access to water, and ensured that the *Agua para Todos* program was focused on the right people.

Before receiving tanks, 89% of all families were forced to walk around 2km to fetch water (taking an average of 50 minutes). Most of these people had to fetch water five times or more per week. However, with the installation of the tanks, 87% of these families no longer need to fetch water, resulting in them having five hours free per week to dedicate to other activities. Moreover, the tanks saved families around R\$100 a month in purchased water, and helped them to profit from selling their surplus food products.

LUZ PARA TODOS (Light for All)

In addition to access to water, the “Brazil Without Extreme Poverty” Plan also promotes access to electricity through the *Luz para Todos* (Light for All) program run by the Ministry of Mines and Energy (MME). Using data from the Unified Registry, the “Brazil Without Extreme Poverty” Plan contributed significantly to the fieldwork done by the electricity utility companies, by helping to locate the poorest families (the future beneficiaries of the *Luz para Todos* program) living in rural areas.

A total of 460,000 families enrolled in the Unified Registry were connected to electric power from the outset of the Plan up to April 2015, with 326,000 of them being *Bolsa Familia* beneficiaries. Of these, 322,000 were in a situation of extreme poverty before the Plan. In addition to improving families’ living conditions, access to electricity has also enabled them to increase agricultural production by using, for example, electric water pumps for irrigation.

⁵ In addition to the MI and MDS, the National Health Foundation (FUNASA), the Ministry of Environment (MMA), the Bank of Brazil Foundation (FBB), Petrobras and the National Social and Economic Development Bank (BNDES) undertake actions in partnership with states, public consortia, private non-profit organizations and public banks such as the Banco do Nordeste.

⁶ 847,000 potable water tanks and 117,000 systems for agricultural production were in operation in June 2015.

The two programs (Water for All and Light for All) are the key to rural productive inclusion of the “Brazil Without Extreme Poverty” Plan, given that they provide the necessary infrastructure for farming families in Brazil’s semi-arid region to take advantage of other social programs such as the Technical and Development Assistance Program, thus enhancing the productive structure needed to strengthen families’ autonomy.

PROGRAMA BOLSA VERDE (Green Grant)

One of the major innovations of the “Brazil Without Extreme Poverty” Plan was the creation of the *Bolsa Verde* (Green Grant) program, which benefits the families of miners, settlers and riverine communities to undertake sustainable activities in areas with important environmental assets. Coordinated by the Ministry of Environment (MMA), the *Bolsa Verde* program promotes improved living conditions and better incomes for these populations, while encouraging them to conserve the ecosystems. The program signalled a fresh approach to the environmental policies developed by the MMA by incorporating social protection as one of the pillars for strengthening care of the environment. The poorest families in the Bolsa Familia Program are the target audience of the *Bolsa Verde* program.

The areas served by the *Bolsa Verde* currently include the Sustainable Use Conservation Units (managed by ICMBio, an institute linked to the MMA), Settlement Projects (established by the National Institute of Colonization and Agrarian Reform (*INCRA*), linked to the MDA), and the lands occupied by riverine dwellers (managed by the Federal Government’s Heritage Department and the Ministry of Planning).

Efforts to expand the *Bolsa Verde* by the above-mentioned agencies, in partnership with the MDS, the states and municipalities, contributed to the ‘active searching’ of poor families in the areas where the program was active. This resulted in the inclusion of more families in the Unified Registry, which led to their insertion in a number of different programs in addition to the *Bolsa Verde* and *Bolsa Familia*.

Families who participate in the *Bolsa Verde* program receive quarterly transfers of R\$300, for a period of two years (extendable). Most families draw the cash with the *Bolsa Familia* card, but they can also do this with the *Cartão Cidadão*. In counterpart, the families undertake to preserve the vegetation cover and to make sustainable use of the natural resources of the areas where they live.

The *Bolsa Verde* benefits 73,000 households across the country. The highest concentration is in the North region, with 78% of the beneficiaries, especially in the states of Pará (60%), Amazonas (10%), Acre (3%) and Tocantins (3%). The next region with the highest number of beneficiaries is the Northeast, with 16%, mainly concentrated in the states of Bahia (8%) and Maranhão (3%).

AGRARIAN REFORM SETTLERS AND ACAMPADOS

An important initiative of the “Brazil Without Extreme Poverty” Plan focused on the Agrarian Reform settlers and the *acampados* (campers) families demanding action by Incras’ National Agrarian Reform Program (PNRA).

In the case of the *acampados*, the actions are focused on the ‘guaranteed income’ component of the Plan, involving the inclusion of families in the Unified Registry and the *Bolsa Familia* Program, as well as aspects of food and nutrition security such as food distribution. As for

the settlers, given that they are occupying productive agricultural land, the type of actions are similar to those concerned with productive inclusion focused on traditional family farming groups, albeit with some differences.

'Active searching' to include families in the Unified Registry and cross-referencing with the Agrarian Reform Projects Information System (*Sipra*) led to an assessment on the socio-economic situation of these families. As a result, different active searching strategies were worked up and implemented. The results of this partnership can be verified by the increase in the number of settlers and *acampados* enrolled in the Unified Registry, particularly in 2013 and 2014.

In 2014, over 630,000 settler and *acampado* families were registered in the Unified Registry, with around 400,000 receiving *Bolsa Família* payments. Other programs such as *Mais Médicos*, *Minha Casa Minha Vida*, and *Água para Todos*, also focused priorities on the Agrarian Reform beneficiaries: 20,000 families were already in line to receive new homes; 350 settlements received doctors, and 30,000 families in the semi-arid region will be benefited with communal supply systems. Technical assistance services reached 350,000 families, the Rural Productive Activities Development Program provided financial support to 12,600 families, and the *Bolsa Verde* benefited more than 40,600 settler families. In addition, the PAA and the National School Meals Program (PNAE) now purchase food products from more than 30,000 Agrarian Reform families.

CHALLENGES

The main rural productive inclusion initiatives - access to water, support for productive structuring and marketing - have gradually been adapted and reorganized. Increased resources have been made available for other actions and new partnerships have emerged. Many programs currently benefit from new management tools. As a result of these changes, the rural productive inclusion strategy has succeeded in creating opportunities for beneficiary families, enhancing their skills and improving their self-esteem. The big challenge now is to scale up the actions, given that, although positive outcomes have been achieved in terms of reducing rural poverty and inequality between rural and urban areas, the percentage of poor people is still greater in rural areas. This points to the need for broadening the hitherto successful strategies focused on overcoming rural poverty.

This text is based on the following article:

MELLO, Janine; ANDRADE, Bruno Teixeira de; Melchiori, Cíntia Ebner; OLIVEIRA, Ysrael Rodrigues de. A inclusão produtiva rural do Brasil sem Miséria: estratégias e primeiros resultados. In: CAMPELLO, Tereza; FALCON, Tiago; COSTA, Patricia Vieira da (Eds.). **Brasil sem miséria**. Brasília: MDS, 2014.