



Promoting implementation of the Brazilian Forest Code

Activities 2012-2021



The opportunity created by the Brazilian Forest Code

The Brazilian Forest Code is a national legislation with **transformation potential** in the rural landscape of Brazil. If fully implemented, it **can result in the storage or sequestration up to 100 gtCO₂e¹**.

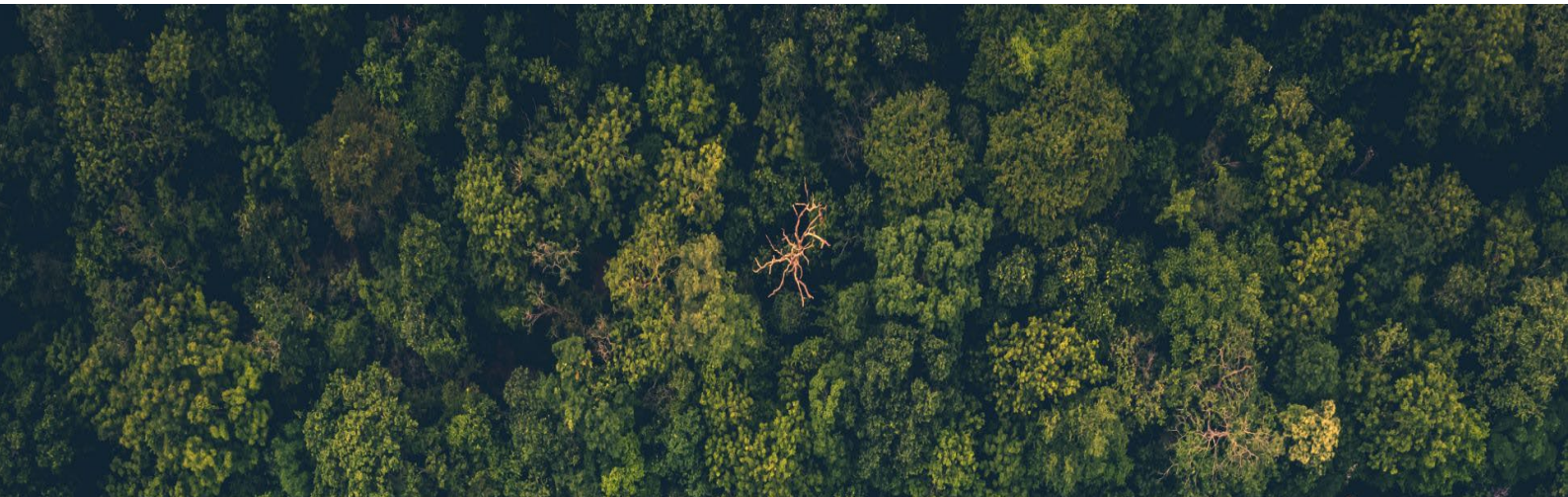
Context

- The Forest Code requires that all rural properties in the country (~7 million) maintain a certain amount (between 20 and 80%, depending on the biome) of land under native vegetation (as Legal Reserve).
- It is estimated that 4 million properties do not comply with the sufficient area of Legal Reserve.
- This national law also created market mechanisms to allow farmers to compensate for the deficit of Legal Reserve in their landholdings.

BVRio's approach

- Since 2012, when the Forest Code was published, BVRio has been deeply involved in promoting compliance with the Forest Code.
- Our initial focus was to promote the use of the offset mechanisms predicted by law (Legal Reserve Credits and Conservation Area Offsets).
- In addition, BVRio has also worked on advocacy, market development, development of monitoring tools, awareness raising, and landholder engagement.

¹. equivalent to 50 years of emissions of the entire European industrial sector



Legal Reserve Credits (CRAs) market development

The **Legal Reserve Credits (CRAs)** is an **innovative market mechanism** created by the Forest Code. BVRio has been instrumental in promoting its use since 2012.

BVRio's work with CRAs:

- Development of a trading platform, including standardised contracts to facilitate the negotiation of Legal Reserve Credits among landowners in the Brazil.
- Promotion of the use of CRAs by landowners that have deficit of legal reserve in their lands.
- Established partnerships with rural organisations, government agencies, and rural credit banks to promote engagement of landowners with the platform.
- Support to government agencies in regulating the legislation, and to enforcement agencies implementing the law.



The screenshot shows the 'Plataforma' (Platform) interface with a table of transactions. The table columns are: ID, LOCALIZAÇÃO (Biom, Estado, TI, UC, RRM, Veg Nat, Marc Dist, CAR, Lau), PROCESSO (CAR, Lau), OFERTAS DE VENDA (CRA Total, CRA Preço (R\$/ha), R\$ CRA), OFERTAS DE COMPRA (CRA Total, CRA Preço (R\$/ha), R\$ CRA), and COMANDOS (Comprar).

| ID | LOCALIZAÇÃO | DADOS DO IMÓVEL | PROCESSO | OFERTAS DE VENDA | OFERTAS DE COMPRA | COMANDOS |
|---------|--------------|---|----------------|--|--|-------------------|
| | Biom, Estado | TI, UC, RRM, Veg Nat, Marc Dist, CAR, Lau | CAR, Lau | CRA Total, CRA Preço (R\$/ha), R\$ CRA | CRA Total, CRA Preço (R\$/ha), R\$ CRA | |
| 9536/6 | MAT RJ | PRR N N N N N N N N | 4 4 5 | 2,500 600 | 150 1,500 10 4 | 6,000 Comprar |
| 9697/72 | FAM PA | PRR N N N N N N N N | 4,900 4,900 PP | 6,000 - | 100 1,000 10 4,900 | 4,900,000 Comprar |
| 9662/11 | CER MG | PRR N N N N N N N N | 13 13 5 | 3,000 600 | 100 2,000 20 13 | 26,000 Comprar |
| 9638/8 | CER MG | PRR N N N N N N N N | 13 13 5 | 2,000 400 | 100 2,000 20 13 | 26,000 Comprar |
| 9640/9 | CER MG | PRR N N N N N N N N | 13 13 5 | 3,000 600 | 100 2,000 20 13 | 26,000 Comprar |
| 9641/16 | CER MG | PRR N N N N N N N N | 24 24 5 | 3,500 700 | 125 2,500 20 24 | 60,000 Comprar |
| 9663/12 | CER MG | PRR N N N N N N N N | 13 13 5 | 2,000 400 | 100 2,000 20 13 | 26,000 Comprar |
| 9661/10 | CER MG | PRR N N N N N N N N | 13 13 5 | 3,000 600 | 100 2,000 20 13 | 26,000 Comprar |
| 9645/53 | FAM AM | PRR N N N N N N N N | 1,936 1,936 PP | 1,900 - | | |
| 9644/73 | MAT RJ | PRR N N N N N N N N | 530 530 5 | 3,000 600 | | |
| 9677/17 | MAT MG | PRR N N N N N N N N | 25 25 NE | 3,000 - | | |
| 9668/40 | MAT SP | PRR N N N N N N N N | 422 422 5 | 3,500 700 | | |



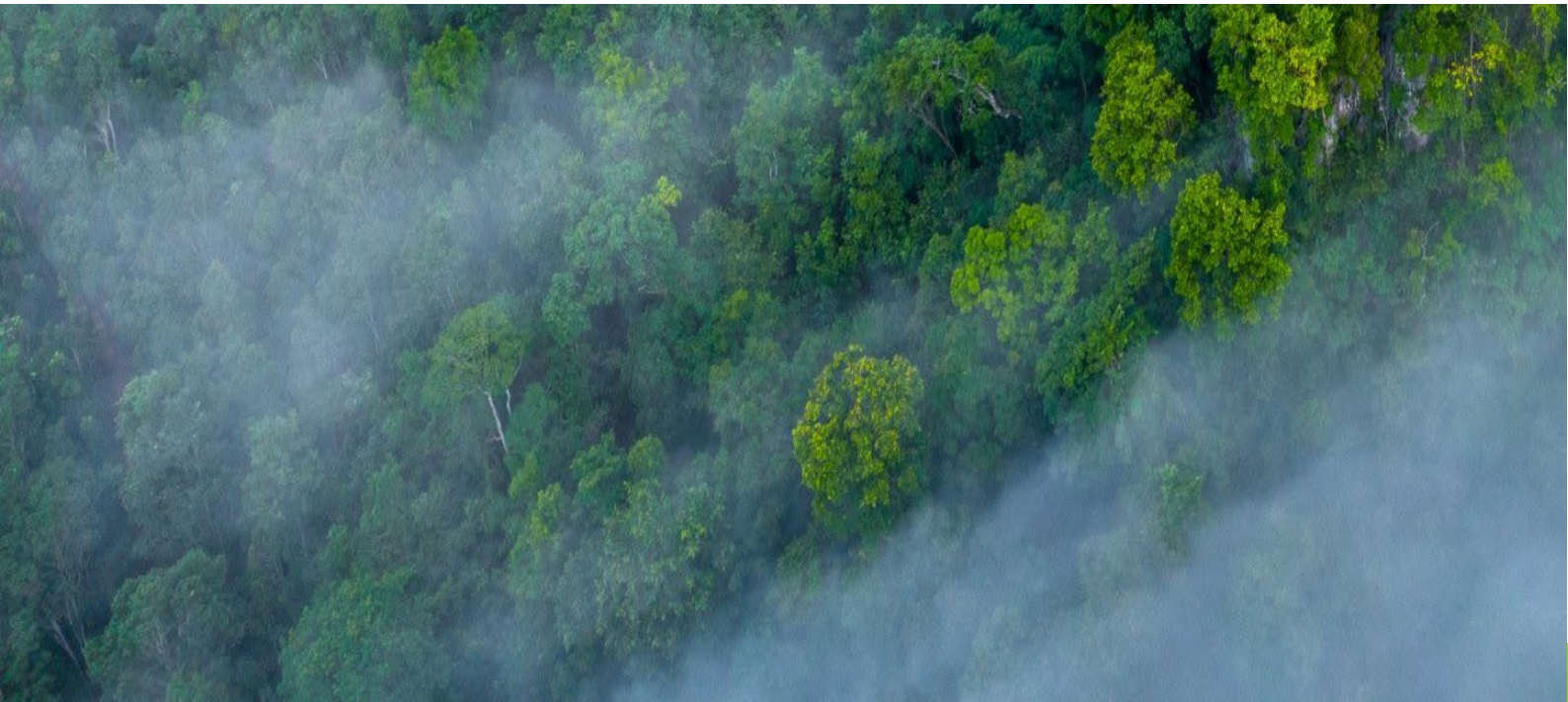
Conservation Area Offsets

Another option for landowners to compensate deficit of Legal Reserve is by **acquiring and donating privately owned land within public conservation areas.**

The Conservation Area Offsets mechanism has **great potential in the consolidation of protected areas** managed by the government.

BVRio has promoted this activity by:

- Collaborating with state and federal environmental agencies to develop procedures to promote this instrument.
- Identifying areas that can be consolidated to Conservation Area Offsets in various states (e.g., Amazonas, Pará, Mato Grosso do Sul, etc.)
- Developing a trading platform customised for Conservation Area Offsets, launched in 2014, and promoting its use among private landowners with land inside priority conservation areas.



Awareness raising among landowners

In order to promote compliance with the Forest Code, since 2012 BVRio has conducted a series of awareness raising and information dissemination efforts with landowners in different parts of Brazil.

Activities include:

- BVRio Circuit, a roadshow to raise awareness about the Forest Code and its obligations among landowners, that resulted in the engagement of thousands of farmers.
- Participation in more than 150 conferences, seminars, and workshops in more than 50 municipalities all over Brazil.
- Hosting workshops with state government teams including Amazonas, Pará, Pernambuco, Minas Gerais, São Paulo, and Rio Grande do Sul.
- Organising a series of side events at the Rio+20 conference, straight after the publication of the law.




Venha participar no município de sua preferência:

Paragominas - 31/01
 Tailandia - 05/02
 Marabá - 11/02
 Redenção - 14/02
 Tucumã - a definir
 Santarem - a definir
 Altamira - a definir

Veja mais em: www.bvrio.org

A BVRIO é uma bolsa de valores ambientais de âmbito nacional que tem como objetivo prover soluções de mercado para a promoção do desenvolvimento sustentável. Acreditamos que mecanismos de mercado provenham um meio ágil e eficiente de facilitar o cumprimento de leis ambientais.

colaborador apoio institucional apoio de imprensa

Imazon SAGRI PROGRAMA VERDES AGRANJE IAG

apoio financeiro MOORE Climate and Land Use Alliance
 Cultivating solutions for people and the planet



Impacts

The combination of our activities has resulted in a large number of landowners joining BVRio's platform and/or willing to offer their surplus of Legal Reserve for other landowners to comply with the Forest Code.

Since 2012, BVRio's Legal Reserve Credits platform attracted:

More than 1600 participants



Over 580 offers of CRAs in the biomes of Amazonia, Cerrado, and Atlantic Forest.

5 million hectares of protected areas, storing more than 1.9 Gt CO₂ stocks.



In addition, our Conservation Area Offsets platform attracted:

- Over 70 landholdings inside public conservation areas
- Areas located in 13 states totalling 660,000 ha, of which 465,000 in the Amazon region

Supporting enforcement agencies

With a view to strengthening the enforcement of the Forest Code, BVRio established a partnership with the Brazilian Association of Environmental Public Attorneys (ABRAMPA).



A series of activities were conducted jointly with ABRAMPA:

- Training courses for public attorneys involved with the enforcement of the Forest Code.
- Annual workshops to discuss advances in the implementation of the law.
- Webinars about the legal challenges of implementing the Forest Code in different states and biomes.



Legislative process and advocacy

In addition to its work with landowners and enforcement agencies, BVRio also worked closely with state and federal government agencies to assist in the process of regulating the Forest Code.

Activities involved:

- Collaborating with state-level legislators to develop implementing regulation.
- Elaborating and reviewing guidance, decrees, and normatives for the regulation of the Code.
- Engaging and training stakeholders involved in the regulation of the Forest Code.



Partnerships signed with various state governments

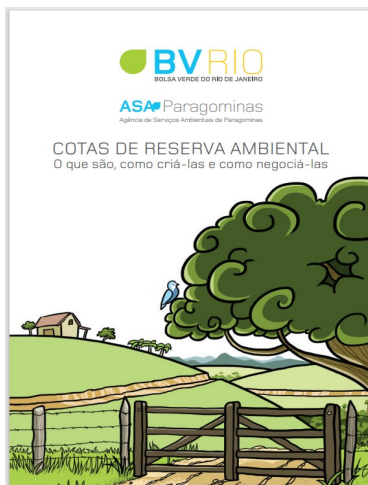


BVRio collaborated with the state governments of Pará, Amazonas, Mato Grosso, Paraná and Rio de Janeiro, as well as federal government, for the process of regulating the Forest Code

Awareness raising: publications

In order to disseminate information about the Forest Code to a wide range of stakeholders, both in Brazil and abroad, BVRio has developed a large number of informational materials:

- More than 130 articles and leaflets published in various languages, including Chinese.
- Articles about the Legal Reserve Credit market published in over 40 magazines focused on the agricultural sector.
- Videoclips about the Legal Reserve Credits market, with over 5,000 views to date.
- Radio programmes for regional and local radio stations, explaining the CRA mechanism and how to use them.
- Press releases viewed by more than 100,000 people and republished by a large number of national and regional media outlets.



Transparency: Forest Code Observatory and Portal

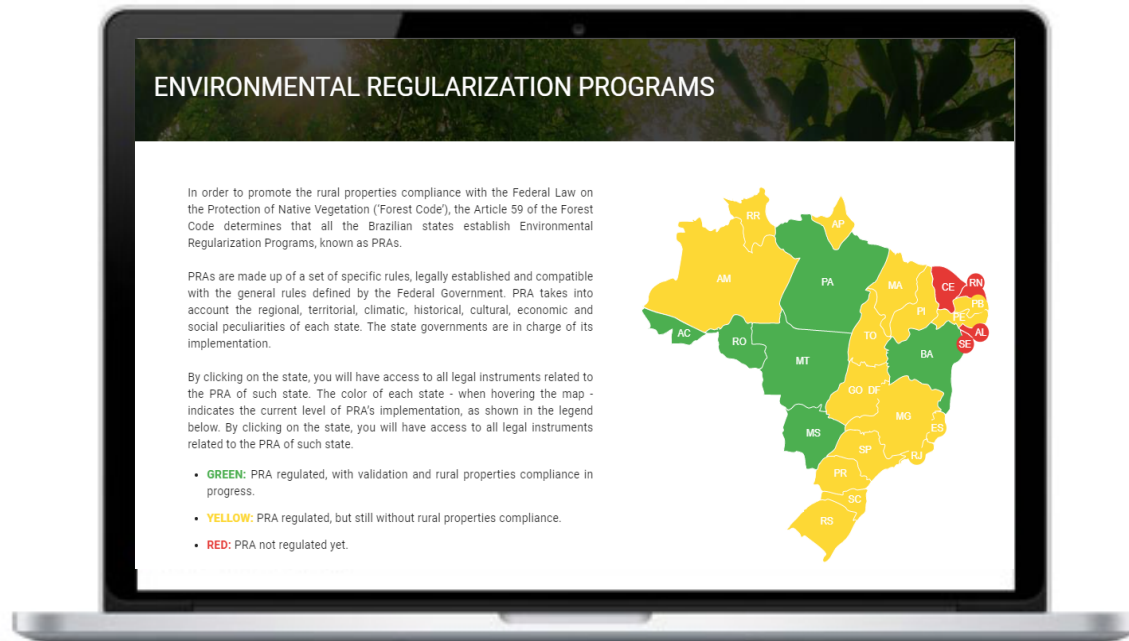
To assist civil society in overseeing implementation of the Forest Code, BVRio developed the Forest Code Portal in partnership with the Forest Code Observatory.



- This online portal was designed to inform, analyse, promote transparency, and help civil society in monitoring the implementation of the Brazilian Forest Code.
- It consolidates in one place all the relevant information sources for verifying compliance with the Brazilian Forest Code.
- It includes dashboards on the status of State Environmental Regularization Programs and about the engagement of private companies in the implementation of the Forest Code.
- Available in English and Portuguese.



portaldocodigo.org



The future: PlanaFlor

A Green New Deal based on implementation of the Forest Code

Implementation of the Forest Code, if properly coordinated and integrated with other national social and environmental objectives, could have a transformational impact in the economy and sustainability of the rural landscape of Brazil.

PlanaFlor is a National Plan for the Implementation of the Forest Code, conceptualised by BVRio and currently under elaboration by a consortium of organisations.



PlanaFlor

The process of development of this plan involves:

- An initial diagnostic on the main potential and needs related to the implementation of the Forest Code, with specific focus on different productive sectors.
- An assessment of the potential impact of the Forest Code implementation at a macroeconomic level.
- Recommendations and guidance on measures needed for full implementation of the Forest Code.
- A consultation process, through workshops and meetings, with representatives from civil society organizations, private sector, academia and other stakeholders, to gather inputs and contributions.
- Collaboration with federal and state government agencies to promote the adoption of PlanaFlor as a strategic driver for public policies.



The future: SIMFlor Financing the implementation of the Forest Code

Recognising the importance of the conservation and restoration obligations of the Forest Code, BVRio and partners created SIMFlor - a programme to provide financial support to landowners to conserve native vegetation in private landholdings.

The objectives of the SIMFlor programme are:

- Acquire Legal Reserve Credits (CRAs) from a large number of landowners.
- Ensure the long term conservation of their forests.
- In an initial phase, funding is already secured to conserve over 300,000 hectares of surplus of Legal Reserve in the Amazon region.
- In the long term SIMFlor aims to conserve over 3 million hectares of forests, with significant benefits for biodiversity and carbon stocks.



Partnerships

BVRio worked in **collaboration** with many public and private organisations to promote implementation of the Brazilian Forest Code.



BVRio is grateful to the various partners that provided **financial support** to our work for the implementation of the Brazilian Forest Code.





Find out more at bvrio.org