

# Environmental and Social Assessment of Brazil's Action Plan for the Prevention and Control of Deforestation in the Legal Amazon (PPCDAm)

## Table of Contents

Table of Contents .....	2
1 Introduction .....	3
1.1 Context and Purpose.....	3
2 Methodology and Scope of Assessment .....	3
3 Applicable Policies, Laws and Regulations (PLRs) .....	4
3.1 Action Plan for Prevention and Control of Deforestation in the Amazon (PPCDAm).....	4
3.2 Amazon Fund.....	5
3.3 BNDES.....	6
3.4 UNDP SES.....	6
4 Assessment of Policy-Level Alignment for Period of Achievement of Results .....	7
4.1 Comparison with key objectives of UNDP SES.....	7
4.2 Development of Legal Matrix for PLR analysis.....	7
4.3 Policy, Law and Regulations Alignment Review of PPCDAm with UNDP SES.....	22
5 Stakeholder Engagement and Grievance Redress Mechanisms.....	22
6 Project Alignment Review .....	23
6.1 Approach and Objectives .....	23
6.2 Review Indicators based on UNDP SES for Alignment Review.....	23
6.3 Amazon Fund Project Selection .....	26
7 Conclusion and Recommendations .....	27
Annexes .....	27

## 1 Introduction

### 1.1 Context and Purpose

The Green Climate Fund (**GCF**) has issued a request for proposals for the Pilot Programme for REDD-plus results based payments (Decision B.18/07). In this context, the Brazilian government and the United Nations Development Program (**UNDP**), as GCF accredited entity, are submitting a funding proposal for REDD-plus actions undertaken as part of Brazil's Action Plan for Prevention and Control of Deforestation in the Amazon (**PPCDAm**). A required element of the funding proposal is an Environmental and Social Assessment Report (**ESA**) that retroactively reviews the actions for which results-based payments are sought, in order to confirm that they were undertaken in a manner consistent with applicable GCF ESS standards.

To be accredited to the GCF, accredited entities must demonstrate that their entity-level environmental and social safeguards are consistent with the GCF's safeguard framework.<sup>1</sup> Accredited Entities apply their own environmental and social safeguards to GCF-supported activities. Therefore this ESA reviews retroactive alignment, with a focus on policy alignment, with the UNDP SES. The methodology for the assessment is further discussed below.

## 2 Methodology and Scope of Assessment

The ESA review of REDD-plus actions focuses on whether applicable policy contains adequate measures undertaken to identify, assess, and manage environmental and social risks and impacts. These environmental and social risks are all of those encompassed by the UNDP SES (which is fully coherent with GCF's Environmental and Social Standards), while highlighting policy alignment with the Cancun Safeguards, which is the lens through which Brazil currently provides its Summary of Information (**SOI**) and is developing its System of Information (**SIS**) for tracking and reporting of safeguards requirements.

The assessment includes i) a due diligence requirement (including alignment as described above which encompasses whether actions were designed and implemented in a gender responsive and inclusive manner). ii) an identification and assessment of those processes for stakeholder identification, consultation and participation in the REDD-plus actions, as well as iii) an assessment of the existence and use of grievance redress mechanisms or analogous systems,

In more detail, the GCF decision in regards to the completion of the ESA covers the following:

- i. **Due Diligence:** the AE, in collaboration with the Host Country (ies), will prepare an environmental and social assessment (ESA) report describing the extent to which the measures undertaken to identify, assess, and manage environmental and social risks and impacts, in the context of the REDD-plus proposal, were consistent with the requirements of the applicable GCF ESS standards. The Secretariat, in its second-level due diligence, will take such assessment into account as part of its overall consideration of the funding proposal against the scorecard. This, along with the country's own assessment of how the Cancun safeguards were addressed and respected during the REDD-plus activities, will provide the basis for recommending the proposal to the Board for approval.
- ii. **Stakeholder Engagement:** Description of stakeholder engagement will form part of the information provided by the countries through the UNFCCC summary of information as well as the ESA prepared by the AEs. The assessment by the AE described in section (i) shall include a description of how the stakeholders were identified, informed, and consulted and how they have participated in the

---

<sup>1</sup> GCF's Environmental and Social Policy is available at <https://www.greenclimate.fund/safeguards/environment-social> and the GCF's interim environmental and social safeguards are available at <https://www.greenclimate.fund/documents/20182/818273/1.7 - Environmental and Social Safeguards.pdf/e4419923-4c2d-450c-a714-0d4ad3cc77e6>. GCF's Indigenous Peoples Policy is available at <https://www.greenclimate.fund/safeguards/indigenous-peoples>.

activities. The description by the AE shall also include summaries of consultations highlighting the concerns and issues that were put forward by the stakeholders and how these were responded to.

- iii. **Grievance Redress:** The ESA will include a description of the grievance redress mechanisms, or analogous system whether established as part of the REDD-plus activities or as integral to the system of the country. The ESA will also specify how the mechanisms were accessed, the complaints that were received, and how these were resolved.

The due diligence assessment (including stakeholder consultations and available grievance mechanisms) is focused on the umbrella policy that led to the results for which Brazil is seeking payments, constrained to the Amazon Biome (states of the Legal Amazon), under PPCDAm. The assessment covers the Policies, Laws and Regulations (**PLRs**) under PPCDAm, which have been implemented in a phased approach, as well as broader applicable national policy. This analysis has been carried out using a legal analysis matrix, which examines policy alignment, through the lens of the Cancun Safeguards, while ensuring the principles and standards of the UNDP SES. The applicable safeguards policies, as well as the way that the legal matrix includes the applicable policies of the UNDP SES is also provided below.

In addition to policy alignment, the ESA strives to give a snapshot of how these policies are applied at the project level, and how policy alignment translates to the application of those policies. Given that the Amazon Fund is one of the key financial instruments used to support the implementation of PPCDAm, it also covers an assessment of project level activities carried out under the Amazon Fund. For this project-level assessment, three representative projects were chosen to assess alignment in application of the PLRS assessed.

### **3 Applicable Policies, Laws and Regulations (PLRs)**

#### **3.1 Action Plan for Prevention and Control of Deforestation in the Amazon (PPCDAm)**

Since 2004, the Brazilian government has been implementing the Action Plan for Prevention and Control of Deforestation in the Amazon (PPCDAm) that aims to reduce illegal cutting of forests. The plan is based on a three-pillared strategy which includes: (i) territorial and land-use planning, (ii) environmental control and monitoring, and (iii) fostering sustainable production activities.<sup>2</sup>

The PPCDAm is led by thirteen ministries initially under the direct coordination of the Executive Office of the Presidency and later transferred to the Ministry of Environment. Under the plan, a wide range of measures have been implemented in the region, including: creation of protected areas, demarcation of indigenous lands, battling corruption in government agencies and companies, combating “illegal occupation” of public land (land grabbing), transparency in environmental monitoring, involving different police forces, and improvement of satellite monitoring systems.

Activities under PPCDAm has been implemented in a phased approach:

##### **Phase 1 (2004-2008)**

- **Establishment of the foundations for more coordinated action:** Laying foundations for a paradigm shift to deal with the problem, including changes in legislation.
- **Increase in the number and coverage of protected areas:** The Federal Government demarcated 114 indigenous areas totaling 44 million hectares, created 25 million hectares of conservation areas, and urged the state governments to create another 25 million hectares in state-level conservation areas.
- **Enhancements to environmental monitoring:** The existing system (PRODES) was enhanced and data on deforestation rates started to be reported in the same year, reducing time lags. This was followed by the

---

<sup>2</sup> Background information on PPCDAm relies on case study provided in International Partnership on Mitigation and MRV, Brazil: Implementing Prevention and Control Policies for Reducing Deforestation,” undated, available at <https://gpd.transparency-partnership.net/gpa/implementing-prevention-and-control-policies-reducing-deforestation> n the fourth phase of PPCDAm for the 2016 – 2020 period, an additional pillar was included: Economic and Regulatory Instruments.

creation of the “Real Time Deforestation Detection System” (DETER), which had lower accuracy than the PRODES system but was faster at issuing alerts of deforestation and forest degradation.

- **Environmental enforcement:** Enforcement agencies applied more than 41,000 fines totaling around USD 3.9 billion. They confiscated 11,000 properties and equipment, more than one million cubic meters of tropical timber and embargoed nearly one million hectares of productive land (pastures and crop-land used for growing soybeans and cotton).
- **Revised rules for rural credit:** Rules governing access to rural credit (which in Brazil is subsidized by the government and therefore highly sought after) were amended to demand proof of compliance with environmental regulations and restricted new legal logging permits for areas over five hectares in size, except in cases of public interest or when they met requirements for land registration.

## **Phase 2 (2009-2011)**

- **Creation of an inter-ministerial committee to combat environmental offenses:** Bringing together police and environmental forces, and thus speeding up integrated operations.
- **Increased involvement of sub-national governments:** All nine states in the region drew up their plans for prevention and control of deforestation and some local municipalities signed agreements to end the destruction of forests.
- **Supply chain policies:** The Federal Public Attorney began requiring beef production industries to demand from their suppliers (ranchers) proof of compliance with environmental regulations.
- **Legislation for regularization:** Land titling of federal public lands was changed to expedite the process of land titling.
- **International announcement of commitment:** The intention to decrease deforestation in the Amazon by 80% by 2020 was announced during UNFCCC-COP 15 in Copenhagen.
- **Creation of the Amazon Fund:** A fund was created with BNDES (The Brazilian Development Bank) which coordinated international finance for investing in activities preventing deforestation and promoting sustainable development.
- **DETER system enhanced:** Improving the frequency of environmental monitoring to daily alerts, instead of every fifteen days as it used to do.
- **“Terra-Class” project:** Implemented in a partnership between INPE and the Brazilian Agricultural Research Corporation (EMBRAPA), periodically quantifying the use of deforested areas in the Amazon, helping decision makers better understand the dynamics of land occupation and use.
- **Rural Environmental Registry (CAR):** A registry enabling deforestation crosschecks of satellite images with maps of the owners and leaseholders of rural properties, thus facilitating effective accountability and punishment.

## **Phase 3 (2012-2015)**

- **Expansion of financial benefits for traditional populations:** Through government purchases of products from traditional communities and family farms, together with the creation of the “Bolsa Verde”, a cash allowance for families living in protected areas and below the extreme poverty line (income per capita below approximately USD 30).
- **Implementation of a crop-livestock and forestry integration project:** To improve the productivity of open areas and make forest clearing unnecessary.
- **Addressing new deforestation drivers:** Resulting from the implementation of major infrastructure projects such as road-building, construction of dams, and the acceleration of the commodities markets and mining (especially from surface gold extraction or “garimpo”).

### **3.2 Amazon Fund**

The Amazon Fund was established in 2008, pursuant to Decree No. 6,527. It was established to raise funds for efforts to prevent, monitor and combat deforestation, as well as to promote the preservation and sustainable use of forests in the Amazon Biome, thereby contributing to REDD+. Managed by BNDES, the Fund operates

through grants focusing on the following activities: (i) forest management in public lands; (ii) management of protected areas; (iii) monitoring and enforcement on environmental laws; (iv) sustainable use of forest resources; (v) zoning and land regularization; (vi) biodiversity conservation and sustainable use; and, (viii) rehabilitation of degraded areas. The Amazon Fund is an essential instrument to support the achievement of the goals of the PPDCAm.

The Amazon Fund states that it follows the REDD+ Social and Environmental Safeguards<sup>3</sup> consolidated by the Institute of Forest and Agricultural Management and Certification.<sup>4</sup> These safeguards result from a broad discussion on the social and environmental risks of REDD+ in Brazil, based on a bottom-up approach that included representatives of indigenous peoples and local communities, smallholders, research institutions, the private sector, and environmental organizations. They are intended to be updated to align with COFA decisions. There is broad agreement on eight principles: legal compliance; acknowledgement and guarantee of rights; distribution of benefits; economic sustainability, improving standards of living and reducing poverty; environmental conservation and remediation; participation; monitoring and transparency; and governance. Project proposals are to be screened for related risks, and detail mitigation measures. This due diligence may require changes to certain aspects of the initial project design.

The Amazon Fund is also subject BNDES overarching social and environmental safeguards, and includes specific investment criteria related to free prior and informed consent of local people. The Amazon Fund lacks a specific grievance mechanism. Projects can be cancelled if circumstances change, or programs are not found to be in compliance with agreed standards.

### **3.3 BNDES**

BNDES – The Brazilian Development Bank – is a wholly owned federal government company. It is the largest provider of funding for capital investment in Brazil. BNDES has a range of policies and guidelines that address social and environmental safeguard issues. The Social and Environmental Responsibility Policy, the Socio-environmental Policy, the Social Clause, and a range of sector specific guidelines establish environmental and social standards and procedures that are to be applied to supported operations.<sup>5</sup> BNDES manages the Amazon Fund and its policies and procedures apply to Amazon Funding decisions (in addition to additional criteria applied by the Amazon Fund).

### **3.4 UNDP SES**

UNDP's Social and Environmental Standards (SES) went into effect in 2015. The SES objectives are to: (i) strengthen the social and environmental outcomes of Programmes and Projects; (ii) avoid adverse impacts to people and the environment; (iii) minimize, mitigate, and manage adverse impacts where avoidance is not possible; (iv) strengthen UNDP and partner capacities for managing social and environmental risks; and (v) ensure full and effective stakeholder engagement, including through a mechanism to respond to complaints from project-affected people.

The SES include three overarching principles (human rights, gender equality and environmental sustainability) and seven project-level standards that specify key requirements for projects that may present potentially significant adverse impacts across various issue areas: Biodiversity Conservation and Sustainable Natural Resource Management, Climate Change Mitigation and Adaptation, Community Health, Safety and Working

---

<sup>3</sup> The REDD+ Social and Environmental Standards are available at <http://www.redd-standards.org/>.

<sup>4</sup> See Amazon Fund Newsletter 28/201, at [http://www.amazonfund.gov.br/export/sites/default/en/.galleries/documents/newsletter/28Newsletter\\_jul\\_2012.pdf](http://www.amazonfund.gov.br/export/sites/default/en/.galleries/documents/newsletter/28Newsletter_jul_2012.pdf). Also see ODI, The Effectiveness of Climate Finance: a Review of the Amazon Fund, Working Paper 372 (March 2013), pp. 20-21, at <https://www.odi.org/publications/7382-multilateral-climate-finance-effectiveness-amazon-fund-brazil-development-bank>.

<sup>5</sup> BNDES social and environmental policies are available at [https://www.bndes.gov.br/SiteBNDES/bndes/bndes\\_en/Institucional/Social\\_and\\_Environmental\\_Responsibility/](https://www.bndes.gov.br/SiteBNDES/bndes/bndes_en/Institucional/Social_and_Environmental_Responsibility/).

Conditions, Cultural Heritage, Displacement and Resettlement, Indigenous Peoples, and Pollution Prevention and Resource Efficiency.<sup>6</sup>

Application of the SES principles and standards is supported by a set of procedural requirements that comprise the SES Policy Delivery Process, namely screening, assessment, and management of risks; stakeholder engagement and response; access to information; and monitoring, reporting and compliance.

## **4 Assessment of Policy-Level Alignment for Period of Achievement of Results**

### **4.1 Comparison with key objectives of UNDP SES**

As the overarching policy concerned with deforestation in the Brazilian Amazon, an analytical summary of PPCDAm has been provided, and a PLR analysis conducted, to determine the degree of alignment and areas of improvement to achieve full alignment with the UNDP SES. Additionally, a selection of representative projects in the Amazon Fund portfolio has been compared with the key objectives of the UNDP SES, through a targeted project alignment review, which also seeks to identify potential convergence and areas of improvement in project implementation. Where areas of improvement have been identified, the ESA seeks to identify whether other relevant applicable standards and/or regulations may apply (e.g. the Amazon Fund does not require that a grievance redress mechanism be created at the project level, therefore any analogous mechanisms or processes available to stakeholders have also been described). Given the time available, the ESA focus is on policy, and uses the reporting already available in regards to assessing practice, in order to reflect the UNFCCC approach to “address and respect” safeguards. The ESA therefore attempts to cover both alignment in regards to PLRs, while also highlighting institutional arrangements, and stakeholder involvement.

### **4.2 Development of Legal Matrix for PLR analysis**

UNDP’ SES specific screening questions and standards thematic areas are intended to assess risks/benefits of ‘projects’, not to assess the relevant aspects of a country’s legal framework to fulfil SES principles. Hence a legal matrix was created to better assess Brazil’s legal framework as aligned with the principles of the UNDP SES<sup>7</sup>.

Under each UNDP principle, highlighted below is how the analytical matrix used for the assessment incorporates the relevant SES thematic issues.

#### **Principle 1: Human Rights**

UNDP recognizes the centrality of human rights to sustainable development; poverty alleviation and ensuring fair distribution of development opportunities and benefits and is committed to supporting “universal respect for, and observance of, human rights and fundamental freedoms for all.”

In its Programmes and Projects, UNDP will uphold the principles of accountability and the rule of law, participation and inclusion, and equality and non-discrimination, noting that prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. UNDP will also ensure the meaningful, effective and informed participation of stakeholders in the formulation, implementation, monitoring and evaluation of Programmes and Projects.

---

<sup>6</sup> UNDP’s Social and Environmental Standards are available at <http://www.undp.org/content/undp/en/home/operations/social-and-environmental-sustainability-in-undp/SES.html>.

<sup>7</sup> The legal matrix used to analyze PLRs in light of UNDP SES while encompassing Cancun Safeguards was developed by Climate, Law & Policy (CLP).

UNDP SES	Matrix criteria and indicators
<p>UNDP requires support universal respect for, and observance of, human rights and fundamental freedoms of all. Moreover, it requires that no activities undertaken that may contribute to violations of a State’s human rights obligations and the core international human rights treaties</p> <p>To assess universal respect for HRs, is important to first understand which the relevant international obligations are, how/if they have been incorporated into national law (enforceable), and hence if implementing measures can/have been taken (e.g. regulations, protocols, etc.). The matrix indicators cover this first aspect.</p> <p>In addition, understanding what the relevant and applicable HR conventions are is key to assess if/to what extent the REDD strategy interventions violate State’s HR obligations.</p>	<p><b>Criteria A.2. Complement or be Consistent with the Objectives of Relevant International Conventions and Agreements</b></p> <p>Indicators</p> <ol style="list-style-type: none"> <li>a. Number of relevant of international agreements that the country is Party to (including HR and environmental/biodiversity conventions)</li> <li>b. How the national legal framework incorporates international law</li> <li>c. The current hierarchy of laws (the status of international agreement within the legal framework)</li> </ol>
<p>One fundamental HR is <b>access to information</b>, which is linked to accountability and participation.</p> <p>The matrix indicators assess if and to what extent country’s PLRs recognize and promote this right.</p>	<p><b>Sub-Criteria B.1.1. Right of Access to Information</b></p> <p><b>Diagnostic Question:</b> To what extent do PLRs guarantee the right to access to information?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs recognise the right to access to information</li> <li>▪ PLRs provide a definition of ‘information’ (held by public authorities/accessible to the public)</li> <li>▪ PLRs require the active distribution of information</li> <li>▪ PLRs guarantee passive access to information (access to information on request)</li> </ul> <p><b>Sub-Criteria B.1.2. Institutions to Ensure Access and Distribution of Information</b></p> <p><b>Diagnostic Question:</b> To what extent does the legal framework require public institutions to ensure the access and distribution of information?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs create dedicated institutions for distribution of information</li> <li>▪ PLRs create a central registry for gathering information related to forest management</li> <li>▪ PLRs provide clear procedures for request/access to information</li> </ul>

<p>Is intended to assess PLRs/measures in place to uphold human rights principles of accountability and rule of law</p>	<p><b>Sub-Criteria B.1.3. Accountability</b></p> <p>Diagnostic Question 1: To what extent do PLRs promote fiscal transparency in the forest sector?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs require that independently audited reports must be prepared showing clearly how public funds have been used by the forest agency</li> </ul> <p><b>Diagnostic Question 2: To what extent do PLRs adequately address corruption in the forest sector?</b></p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs provide clear measures to address corruption in the forest sector (including a definition of corruption)</li> <li>▪ PLRs foresee penalties against acts of corruption</li> <li>▪ PLRs create independent agencies mandated to fight corruption and with faculties to investigate corruption allegations</li> <li>▪ PLRs provides codes of conduct governing the engagement and behaviour of public servants</li> </ul>
<p>Everyone has the right to own property alone as well as in association with others. No one shall be arbitrarily deprived of his property.” So declares article 17 of the 1948 Universal Declaration of Human Rights.</p> <p>This aspect of the matrix is intended to assess PLRs/measures in place to uphold this human right. In addition, the matrix incorporates all issues covered under SES’s Displacement and Resettlement.</p>	<p><b>Sub-Criteria B.2.1: Clear Land Tenure Rights</b></p> <p>Diagnostic Question: To what extent do PLRs recognise and protect different types of forests tenure (ownership and access)?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs recognise different types of rights over forest land and forest resources (Statutory and customary ownership, use rights)</li> <li>▪ PLRs provide clear legal procedures for the recognition of land (and forest land) tenure rights</li> <li>▪ PLRs provide clear land titling and registration procedures. These are accessible (not cost prohibitive)</li> <li>▪ PLRs establish fair procedures to govern the expropriation of forest land by the state. No forced evictions, allowing evictions only in exceptional circumstances meeting lawful criteria</li> <li>▪ PLRs seek to avoid, and where avoidance is</li> </ul>

	<p>not possible, minimize and mitigate physical or economic displacement from land or resource acquisition or restrictions on land or resource use</p> <ul style="list-style-type: none"> <li>▪ PLRs ensure that any displacement activities carried out in fully participatory manner.</li> <li>▪ PLRs ensure that livelihoods of any displaced persons enhanced or at least restored through compensation at full replacement costs and other assistance.</li> </ul>
<p>Fair distribution of benefits is also a HR principle.</p> <p>This aspect of the matrix is intended to assess PLRs/measures in place to uphold this human right.</p>	<p><b>Sub-Criteria B.2.2: Fair Distribution of Benefits</b></p> <p>Diagnostic question 1: to what extent do PLRs recognise and protect the fair distribution of benefits?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs guarantee the right to fair distribution of benefits arising from the use of forest resources (including environmental services)</li> <li>▪ PLRs regulate benefit sharing arrangements (contracts, covenants, agreements)</li> </ul>
<p>Respect and protection of human rights can be guaranteed only by the availability of effective judicial remedies. When a right is violated or damage is caused, access to justice is of fundamental importance for the injured individual and it is an essential component of the rule of law.</p> <p>This aspect of the matrix is intended to assess PLRs/measures in place to uphold this human right</p>	<p><b>Sub-Criteria B.2.4: Adequate Access to Justice</b></p> <p>Diagnostic Question: To what extent do the PLRs guarantee adequate access to justice in the context of forest management?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs recognise the right to access to justice</li> <li>▪ PLRs provide dispute resolution mechanisms to address disputes at all levels (describe these)</li> <li>▪ PLRs provide mechanisms for resolving disputes that are not cost prohibitive (legal aid, access to legal services and other support for the poor)</li> <li>▪ PLRs provide access to appeals</li> <li>▪ PLRs provide special consideration for vulnerable groups in guaranteeing their right to access to justice</li> </ul>
<p>The United Nations human rights system—its mechanisms, laws and policies—recognize and protect indigenous peoples.</p>	<p><b>Criteria C.1. Defining Indigenous Peoples and Members of Local Communities</b></p> <p>Diagnostic Question 1: Do PLRs define who are</p>

<p>Indigenous peoples' rights under international law have evolved from existing international law, including human rights treaties, to address the specific circumstances facing indigenous peoples as well as their priorities, such as rights to their lands, territories and resources, and self-determination.</p> <p>This aspect of the matrix is intended to assess PLRs/measures in place to uphold these human rights. In addition, the matrix incorporates all issues covered under SES's Indigenous Peoples, Cultural Heritage and Displacement and Resettlement Standard.</p>	<p>indigenous peoples and local communities?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs clearly define or provide clear criteria for defining who are indigenous people and these definition/these criteria is/are consistent with international law</li> <li>▪ PLRs clearly define who are local communities</li> </ul> <p><b>Criteria C.2.: Definition of traditional knowledge of indigenous peoples and local communities</b></p> <p>Diagnostic Question: To what extent do PLRs define what constitutes traditional knowledge of indigenous peoples and local communities?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs define traditional knowledge of indigenous peoples</li> <li>▪ PLRs define traditional knowledge of local communities</li> <li>▪ PLRs protect/regulate traditional knowledge of local communities and indigenous peoples</li> </ul> <p><b>Criteria C.3. Recognition and Implementation of Rights in Accordance with International Law</b></p> <p>Sub-criteria C.3.1.: Non-Discrimination</p> <p>Diagnostic Question: to what extent do PLRs recognise and protect the right to non-discrimination of indigenous peoples and local communities in accordance with international law?</p> <ul style="list-style-type: none"> <li>▪ PLRs recognise and protect the right of indigenous peoples and local communities to non-discrimination in accordance with ILO 169 and UNDRIP (if applicable)</li> </ul> <p><b>Sub-criteria C.3.2.: Self-Determination</b></p> <p>Diagnostic Question: To what extent do the PLRs recognise and protect the right to self-determination of indigenous peoples and local communities in accordance with international law?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs recognise and protect indigenous peoples and local communities' right to self-determination in accordance with ILO 169 and UNDRIP (if applicable)</li> <li>▪ PLRs recognise traditional decision-making structures (including dispute resolution</li> </ul>
---	---

	<p>mechanisms, if applicable)</p> <p><b>Sub-criteria C.3.3.: Rights Associated with Culture</b></p> <p>Diagnostic Question: To what extent do PLRs recognise and protect rights associated with culture of indigenous peoples and local communities in accordance with international law?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs protect indigenous peoples and local communities' rights associated with culture, including respect for customs and traditions</li> </ul> <p><b>Sub-criteria C.3.4.: Collective Land Tenure</b></p> <p>Diagnostic Question: To what extent do PLRs recognise and protect rights associated with land tenure of indigenous peoples and local communities in accordance with international law?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs recognise collective forest ownership/use/management rights of indigenous peoples and/or local communities</li> <li>▪ PLRs establish transparent and fair procedures to address circumstances where rights need to be extinguished or diminished</li> </ul> <p><b>Sub-criteria C.3.5: Benefit-Sharing</b></p> <p>Diagnostic Question: To what extent do PLRs recognise and protect benefit-sharing arrangements specific to indigenous peoples and local communities in accordance with international law?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs define mechanisms for equitable sharing of the benefits (specific to indigenous peoples/local communities) arising out of the utilisation of forest resources and the utilisation of traditional forest-related knowledge</li> </ul> <p><b>Sub-criteria D.3.2.: Free, Prior and Informed Consent</b></p> <p>Diagnostic Question: to what extent do PLRs recognise and regulate the right to FPIC in consistency with relevant international law?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs recognise the right to FPIC in consistency with international law (if</li> </ul>
--	--

	<p>applicable)</p> <ul style="list-style-type: none"> <li>▪ PLRs regulate the right to FPIC in consistency with international law, especially ILO 169 (if applicable)</li> <li>▪ PLRs prohibit relocation of indigenous peoples without FPIC and only after just and fair compensation, with option of return where possible.</li> </ul>
<p>Basic human rights instruments recognize the right to participate as a fundamental human right. They are supplemented and complemented by many international legal instruments that specifically address the right to political participation in the context of the environment.</p> <p>In addition, we note that this is linked to Stakeholder Engagement objectives:</p> <ul style="list-style-type: none"> <li>▪ Promote effective stakeholder engagement throughout the project-cycle</li> <li>▪ Ensure stakeholders have access to relevant and timely information</li> <li>▪ Ensure stakeholders may communicate project concerns</li> </ul> <p>This aspect of the matrix is intended to assess PLRs/measures in place to uphold these human rights</p>	<p><b>Criteria D.1.: Definition and Regulation Meaningful Full and Effective Participation</b></p> <p>Diagnostic Question: To what extent do PLRs guarantee effective public participation in forest related policymaking?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs recognize the right to public participation in decision-making (policy process and/or development projects)</li> </ul> <p><b>Sub-criteria D.2.1.: Identification of Relevant Stakeholders</b></p> <p>Diagnostic Question: To what extent do PLRs identify or require the identification of relevant stakeholders in the decision-making process?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs require a mapping of relevant stakeholders prior to consultations</li> <li>▪ PLRs define relevant stakeholders that should participate in the decision-making process</li> <li>▪ PLRs require engagement/representation of local communities and/or indigenous peoples in relevant forest decision making processes</li> </ul> <p><b>Sub-criteria D.2.2. Providing Access to Information</b></p> <p>Diagnostic Question: to what extent do PLRs require and regulate the provision of relevant and appropriate information as part of the consultation process?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs clearly define the types of information that should be provided during consultations</li> <li>▪ PLRs require the distribution of information in a timely manner (prior to consultations)</li> </ul> <p><b>Sub-criteria D.2.3: Appropriate Participatory</b></p>

	<p><b>Mechanisms</b></p> <p>Diagnostic Question: to what extent do PLRs define a clear and meaningful process/mechanism for public participation in environmental decision-making?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs define a clear process for public authorities to carry out consultations (institutional responsibilities, procedural guidelines, time-frames)</li> <li>▪ PLRs define the process for addressing inputs received from the consultations</li> <li>▪ PLRs regulate how public authorities should react if consultations are overwhelmingly negative (right to refuse a policy/project)</li> <li>▪ PLRs require disclosure of how public input was reflected into the final decision</li> </ul> <p><b>Sub-criteria D.2.4. Access to Justice/Conflict Resolution Mechanisms in Environmental Decision Making</b></p> <p>Diagnostic Question: to what extent do PLRs require and regulate access to justice in environmental decision making processes?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs clearly define/create dispute resolution mechanisms relevant to environmental decision making</li> </ul> <p><b>Sub-criteria D.3.1. Creating an Enabling Environment</b></p> <p>Diagnostic Question: to what extent do PLRs create an enabling environment for the meaningful participation of indigenous peoples and local communities?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs include specific provisions that require engagement/representation of local communities and/or indigenous peoples in relevant forest decision making processes</li> <li>▪ PLRs define a culturally appropriate manner to distribute relevant information (non-technical, accessible)</li> <li>▪ PLRs require the incorporation of traditional/community structures for decision-making processes</li> <li>▪ PLRs provide technical or financial</li> </ul>
--	---

	assistance to strengthen the capacities of local communities and indigenous peoples to participate in environmental decision making
--	---

## Principle 2: Gender Equality and Women’s Empowerment

The promotion of gender equality and the empowerment of women are central to the mandate of UNDP and intrinsic to its human rights-based approach to development programming. This effort includes advocating for women and girls’ human rights, combating discriminatory practices, and challenging the roles and stereotypes that create inequalities and exclusion.

UNDP Programmes and Projects will be gender-responsive in their design and implementation. UNDP will seek to identify and integrate the different needs, constraints, contributions and priorities of women, men, girls and boys into its programming.

UNDP will ensure that its Programmes and Projects do not discriminate against women or girls or reinforce gender-based discrimination and/or inequalities.

UNDP SES	Matrix criteria and indicators
The matrix seeks to identify what PLRs recognize and promote gender equality	<p><b>Sub-Criteria B.2.3: Gender equity</b></p> <p><b>Diagnostic Question: To what extent do PLRs promote and protect gender equality?</b></p> <p>Indicators</p> <ul style="list-style-type: none"><li>▪ PLRs promote and enhance gender equality and women’s empowerment, especially with regards to benefit sharing, participation, and land tenure</li><li>▪ PLRs address gender discrimination</li><li>▪ PLRs require public institutions to raise awareness on gender equity (through programmes for gender sensitization, focal points, etc.)</li></ul>

### Principle 3: Environmental Sustainability

Sustainable management, protection, conservation, maintenance and rehabilitation of natural habitats and their associated biodiversity and ecosystem functions are fundamental to UNDP's efforts to develop and implement sustainable development pathways. UNDP seeks to address poverty and inequality while maintaining and enhancing natural capital.

UNDP will ensure that environmental sustainability is systematically mainstreamed into its Programmes and Projects. In designing development cooperation activities, UNDP will seek to support Programme Countries and Implementing Partners to address the environmental dimensions (both opportunities and constraints) of major development issues and to strengthen environmental management and protection.

UNDP SES	Matrix criteria and indicators
<p>Environmental sustainability can be best achieved with the integration of social and economic considerations and cross sectoral coordination.</p> <p>This aspect of the matrix is intended to assess PLRs/measures in place to uphold this principle in the context of the implementation of REDD interventions. In addition, the matrix deals with issues concerning SES Community Health, Safety and Working Conditions.</p>	<p><b>Sub-Criteria B.2.5: Integration of Social, Economic and Environmental Considerations into policy-making</b></p> <p>Diagnostic Question: To what extent do PLRs require/promote the integration of social, economic and environmental considerations in forest management?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs require that policy-making takes into consideration their potential environmental impacts (including environmental impact assessments prior to their implementation)</li> <li>▪ PLRs require EIAs of investment projects (forestry sector, infrastructure)</li> <li>▪ PLRs require regular monitoring of social economic and environmental impacts of policy implementation</li> <li>▪ PLRs address potential adverse risks to communities and workers from construction and other interventions, including measures to prevent or minimize health risks and spread of infectious diseases</li> <li>▪ PLRs promote non-discrimination, equal opportunity and fair treatment of workers, and prohibit the use of forced labour or child labour, consistent with relevant ILO conventions.</li> </ul> <p><b>Sub-Criteria B.2.6: Cross-Sectoral Coordination</b></p>

	<p>Diagnostic Question: to what extent to PLRs require/promote effective coordination between various agencies that play a role in forest management?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs define concrete mechanisms to support and encourage coordination (inter-ministerial committees, working groups, cross cutting teams, etc.)</li> <li>▪ PLRs define effective mechanisms for information sharing across different sectors and levels of government for forest management</li> </ul>
<p>Sustainable management, protection, conservation, maintenance and rehabilitation of natural habitats and their associated biodiversity and ecosystem functions are fundamental to UNDP's efforts to develop and implement sustainable development pathways.</p> <p>In addition, we note this is linked to SES Biodiversity and Sustainable Natural Resource Management key objectives:</p> <ul style="list-style-type: none"> <li>▪ Conserve biodiversity</li> <li>▪ Maintain and enhance benefits of ecosystem services</li> </ul> <p>The matrix seeks to identify which PLRs recognize and promote biodiversity conservation and ecosystems. In addition, the matrix deals with issues concerning SES Pollution Prevention and Resource Efficiency</p>	<p><b>Sub-criteria E.1.1. Defining Natural Forest, Biological Diversity and Ecosystem Services</b></p> <p>Diagnostic Question: to what extent do PLRs define the term natural forests, biological diversity and ecosystem services?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs provide a clear definition for the term natural forests (or primary, untouched forests)</li> <li>▪ PLRs clearly distinguish between plantations and natural forests</li> <li>▪ PLRs provide a clear definition for the term biological diversity in accordance with relevant international law (especially CBD)</li> <li>▪ PLRs provide clearly define the term ecosystem services in accordance with relevant international law</li> </ul> <p><b>Sub-criteria E.1.2. Prohibiting the Conversion of Natural Forests</b></p> <p>Diagnostic Question: do PLRs prohibit the conversion of natural forests?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs clearly prohibit the conversion of natural forests to other land-uses, or other types of forests (such as plantations)</li> <li>▪ If conversion is not prohibited, PLRs set controls on conversion in both public and private forests, through environmental</li> </ul>

	<p>impact assessments and mitigation</p> <p><b>Sub-criteria E.2.1. Identifying Natural Forests and Biodiversity</b></p> <p>Diagnostic Question: do PLRs promote or require the identification/mapping of natural forests and biological diversity?</p> <p><b>Indicators</b></p> <ul style="list-style-type: none"> <li>▪ PLRs require mapping of natural forests (i.e. development and updating of natural forests inventories this could be part of a broader NFI)</li> <li>▪ PLRs require mapping of biological diversity (including ecosystem services)</li> </ul> <p><b>Sub-criteria E.2.2: Measures to Protect Biodiversity and Natural Forests</b></p> <p>Diagnostic Question: Do PLRs regulate the protection of biodiversity and natural forests?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs contain provisions for the protection of natural forest areas</li> <li>▪ PLRs contains provisions for the protection of biodiversity (BD strategy, creation of protected areas etc.)</li> <li>▪ PLRs contain provisions for the protection of endangered species</li> <li>▪ PLRs regulate/control the market and trade of endangered species</li> <li>▪ PLRs contain clear regulations regarding the planting of invasive species and pest management?</li> <li>▪ PLRs define clear penalties for non-compliance with the above measures</li> <li>▪ PLRs promote sound environmental management and sustainable use of public/private forests (preparation of management plans, guidelines, process)</li> <li>▪ PLRs regulate industry-specific sustainable resource production/management practices applied, including credible certification systems where appropriate</li> <li>▪ PLRs regulate sustainable practices</li> </ul>
--	--

	<p>supported for small-scale producers</p> <ul style="list-style-type: none"> <li>▪ PLRs require the monitoring and evaluation management forests (M&amp;E of implementation of management plans)</li> </ul> <p><b>Sub-criteria E.2.3: Supporting Conservation Research and Awareness-Raising</b></p> <p>Diagnostic Question: do PLRs support/promote conservation research and awareness raising over forest and biological diversity protection?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs promote conservation research for science-based biodiversity conservation</li> <li>▪ PLRs promote the implementation of programmes that aim to improve public knowledge of the value of biodiversity</li> </ul> <p><b>Sub-criteria E.2.4: Integration of Biodiversity in Cross-Sectoral Policies</b></p> <p>Diagnostic Question: Do PLRs require/promote the integration of biodiversity consideration in cross-sectoral policies?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs require the consideration and measuring of the possible impacts of forest and land use policies on biodiversity</li> <li>▪ PLRs provide clear guidance on how to assess trade-offs between development (livelihoods, infrastructure, food production) and biodiversity (including modification/cancellation of the policy if potential impacts are too high)</li> </ul> <p><b>Sub-criteria E.2.5: Enhancement of Other (non-carbon) Benefits</b></p> <p>Diagnostic Question: do PLRs promote the enhancement of multiple benefits?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs seek to maintain and increase the ecological, biological, climatic, socio-cultural, and economic contributions of forest resources</li> <li>▪ PLRs regulate access to, and fair and equitable sharing of benefits derived from forest biological resources (non-timber</li> </ul>
--	--

	<p>forest products)</p> <ul style="list-style-type: none"> <li>▪ PLRs promote the development of alternative livelihood in forests (eco-tourism, agroforestry)</li> </ul>
<p>Not contemplated in SES specifically, but we understand these aspects are encompassed in the environmental sustainability principle.</p>	<p><b>Criteria: Monitoring and Assessment</b></p> <p>Diagnostic Question: to what extent do PLRs require regular monitoring and measurement of risks to forest permanence</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLR s require the development of detailed land use and forest inventories (forest cover, forest cover change), monitoring of land-use and land-use change (including monitoring system)</li> <li>▪ PLRs require monitoring of entire forest product supply chain</li> <li>▪ PLRs provide law enforcement bodies with adequate mandates, resources and expertise to conduct routine monitoring</li> <li>▪ PLRs require regular monitoring and reporting on social and environmental impacts of forest programmes</li> </ul> <p>Diagnostic Question: to what extent do PLRs aim to minimise the risks related to deforestation and forest degradation?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs require adverse impacts (direct and indirect) to natural resources, biodiversity, ecosystem services are identified, assessed, mitigated and managed</li> <li>▪ PLRs promote sustainable utilisation and conservation of forests and other relevant resources</li> <li>▪ PLRs implement effective law enforcement to combat and eradicate illegal forest-related practices</li> <li>▪ PLRs seek to detect and reduce forest fires and other disturbances</li> <li>▪ PLRs promote alternative livelihoods and income diversification from forest management</li> </ul>

<p>In addition, the matrix deals with issues concerning SES Pollution Prevention and Resource Efficiency</p>	<p>Diagnostic Question: to what extent do PLRs aim to avoid/minimize adverse impacts on human health and environment from pollution?</p> <p>Indicators</p> <ul style="list-style-type: none"> <li>▪ PLRs seek to avoid, minimize and mitigate risks posed to human health and the environment from pollutants, wastes, and hazardous materials</li> </ul> <p>Ⓜ</p>

**4.3 Policy, Law and Regulations Alignment Review of PPCDAm with UNDP SES**

Attached in **Annex A** is the “Matrix for Policy, Law and Regulations Analysis alignment with UNDP SES Standards and Cancun Safeguards” (**PLR Analysis**).

The PLR review has determined that during the 2014-2015 period for which results-based payments is sought, the umbrella policy PPCDAm, responsible for the achievement of results, **shows a good level of alignment with UNDP’s SES**. Overall, the suite of comprehensive policies, which make up PPCDAm, were consistent with key objectives of UNDP SES, without significant shortcomings. As noted in Annex A, there were a number of areas identified for future improvement, but even in such cases, positive alignment with UNDP SES dominated and most of these to be strengthened were covered by other elements of Brazil’s national REDD+ strategy (ENREDD+) at that time or planned for future phases of the policy.

**5 Stakeholder Engagement and Grievance Redress Mechanisms**

As stated in the FP, and in Brazil’s 2<sup>nd</sup> SOI, ensuring the full and effective participation, voice and leading role of stakeholders, including the public and private sectors and the third sector, especially indigenous peoples, traditional peoples and communities, and traditional and family farmers, is a principle objective of the ENREDD+ strategy and fulfillment of the safeguard requirement for full and effective participation.

The governance of the CONAREDD+ and the creation of Thematic Advisory Boards (including the CCT-Safeguards advisory board) by the CONAREDD+, are key mechanisms for ensuring representative stakeholder engagement in the achievement of results to date and in the implementation of Floresta+ an the SISREDD+ going forward.

CONAREDD+, as well as CCT-Safeguards advisory board itself, include representatives from state and local governments, indigenous peoples and traditional peoples and communities. Civil society representatives have also been elected by the Brazilian Forum of Climate Change, which also appointed the representatives from indigenous peoples and traditional peoples and communities to be part of CONAREDD+.

Attached in **Annex B** is the “Overview of Stakeholder Engagement.”

The “Overview of Stakeholder Engagement”, in conjunction with the information on stakeholder engagement found in the FP, and the information provided in Brazil’s 2<sup>nd</sup> SOI, collectively **demonstrate how stakeholders were identified, informed, and consulted, and how they have participated in the activities of ENREDD+ design and implementation**. Given the long history of stakeholder consultations in the establishment of ENREDD+, as well as the development and implementation of jurisdictional REDD+ systems, the participatory process of designing the SISREDD+ and its indicators has been highlighted, by providing brief summaries of the most recent consultations that have taken place in the CCT-Safeguards advisory board meetings.

In regards to available Grievance Redress Mechanisms, the ENREDD+ recognizes the need to develop procedures to record complaints and to develop a clear conflict resolution mechanism under the monitoring and transparency system of the national REDD+ strategy, with support by the relevant bodies. The relevant bodies in Brazil are the Federal Attorney General's Office and Federal Prosecutor General's Office. Furthermore, establishing an Ombudsman on the violation of safeguards in REDD+ initiatives is focus of the CCT-Safeguards advisory group's work, including exploring the formats of offices of the ombudsman in Brazil and considering its integration with other existing ombudsman arrangements, directed to specific audiences.

Although the establishment of a ENREDD+ specific GRM, which ties to the work of the CCT-Safeguards advisory board and the SISREDD+ implementation is an ongoing process, Brazil has recent relevant experience in establishing a GRM for a jurisdictional REDD+ program in Acre, specifically in regards to Acre's State System of Incentives for Environmental Services (SISA). The federal ombudsmen systems, to receive grievances through the Office of the Attorney General, as well as state-level ombudsmen systems, are also extensive, and in place.

Attached in **Annex C** is the "Overview of Grievance Redress Mechanisms."

The "Overview of Grievance Redress Mechanisms", in conjunction with the information provided in Brazil's 2<sup>nd</sup> SOI, collectively **demonstrates the functioning of GRMs in Brazil.**

## **6 Project Alignment Review**

### **6.1 Approach and Objectives**

As mentioned above, in addition to policy alignment, the ESA strives to give a snapshot of how these policies are applied at the project level, and how policy alignment translates to the application of those policies. Given that the Amazon Fund is one of the key financial instruments used to support the implementation of PPCDAm, it also covers an assessment of project level activities carried out under the Amazon Fund. For this project-level assessment, three representative projects were chosen to assess alignment in application of the PLRS assessed.

Thereby complementing the PLR Analysis, the **Project Alignment Review** assesses the extent to which the implementation of project activities (in the context of the applicable legal and policy framework) was consistent with the UNDP SES (and consequently, the Cancun Safeguards as demonstrated above). Where lessons can be learned to strengthen future REDD+ activities, these will be incorporated into relevant Environmental and Social Management Frameworks and Plans (**ESMF/ESMP**).

For the Project Alignment Review, the following were considered:

- Project documentation for evidence of integration of applicable safeguard issues
- Reports describing stakeholder consultations as available
- Monitoring reports as required by the project's mandate, including mid-term and final evaluations
- Environmental and social impact studies as available
- Documents detailing and disaggregating project beneficiaries
- Third party analysis where available
- Tracking of grievances received and addressed as available

### **6.2 Review Indicators based on UNDP SES for Alignment Review**

For the project-level alignment reviews, the ESA utilizes the following table that summarizes the key objectives of UNDP's SES by thematic area. The table also includes review indicators that have been utilized in assessing whether the relevant safeguard objective is addressed.

<b>UNDP SES Key Objectives by Thematic Area</b>	
<b>Human Rights</b>	
<i>Key objectives:</i>	<i>Review indicators:</i>
Support universal respect for, and observance of, human rights and fundamental freedoms of all	<ul style="list-style-type: none"> <li>▪ Measures in place to uphold human rights principles of accountability and rule of law, participation and inclusion, and equality and non-discrimination</li> <li>▪ No activities undertaken that may contribute to violations of a State's human rights obligations and the core international human rights treaties</li> </ul>
<b>Gender Equality and Women's Empowerment</b>	
<i>Key objectives:</i>	<i>Review indicators:</i>
Promote gender equality and women's empowerment	<ul style="list-style-type: none"> <li>▪ Activity does not discriminate against women or girls or reinforce gender-based discrimination</li> <li>▪ Activity designed in gender responsive manner (e.g. address both women's and men's needs, interests and concerns)</li> <li>▪ Equitable access to opportunities, benefits, and resources</li> <li>▪ Meaningful and equitable participation of women and men</li> </ul>
<b>Social and Environmental Assessment and Management</b>	
<i>Key objectives:</i>	<i>Review indicators:</i>
Potential social and environmental risks and impacts are identified, assessed, managed, and monitored	<ul style="list-style-type: none"> <li>▪ Systematic process in place to identify, assess, mitigate and manage potential social and environmental risks and impacts</li> <li>▪ Assessment and management conducted in manner proportionate to significance of risks</li> <li>▪ Impact mitigation measures follow mitigation hierarchy</li> <li>▪ Mitigation measures monitored in manner proportionate to risks and corrective actions are taken as required</li> </ul>
<b>Stakeholder Engagement</b>	
<i>Key objectives:</i>	<i>Review indicators:</i>
Promote effective stakeholder engagement throughout the project-cycle	<ul style="list-style-type: none"> <li>▪ Stakeholders and engagement process identified</li> <li>▪ Stakeholders, in particular project-affected groups, involved in planning, implementation, monitoring</li> <li>▪ Vulnerable or disadvantaged groups identified and consulted</li> <li>▪ Stakeholders views taken into account and considered in project design and implementation</li> </ul>
Ensure stakeholders have access to relevant and timely information	<ul style="list-style-type: none"> <li>▪ Information on project opportunities and risks disclosed in timely, accessible, appropriate manner, language, form</li> <li>▪ Environmental/social reviews and assessments disclosed</li> </ul>
Ensure stakeholders may communicate project concerns	<ul style="list-style-type: none"> <li>▪ Stakeholders have access to effective grievance redress mechanism or process</li> </ul>
<b>Biodiversity and Sustainable Natural Resource Management</b>	
<i>Key objectives:</i>	<i>Review indicators:</i>
Conserve biodiversity	<ul style="list-style-type: none"> <li>▪ Adverse impacts (direct and indirect) to natural resources, biodiversity, ecosystem services identified, assessed, mitigated and managed</li> <li>▪ No conversion of natural forests</li> <li>▪ No measurable adverse impacts to critical habitats</li> <li>▪ Adverse impacts to other habitat types avoided, minimized and managed</li> </ul>
Maintain and enhance benefits of ecosystem services	

	<ul style="list-style-type: none"> <li>▪ No reduction in endangered species</li> <li>▪ No introduction of known invasive species</li> </ul>
Promote sustainable management of living natural resources (e.g. forestry, agriculture, livestock, fisheries)	<ul style="list-style-type: none"> <li>▪ Ensure sustainable resource management that protects biodiversity and ecosystem services</li> <li>▪ Appropriate industry-specific sustainable resource production/management practices applied, including credible certification systems where appropriate</li> <li>▪ Sustainable practices supported for small-scale producers</li> <li>▪ Equitable benefit sharing arrangements reached for utilization of genetic resources</li> </ul>
<b>Climate Change Mitigation and Adaptation</b>	
<i>Key objectives:</i>	<i>Review indicators:</i>
Ensure projects sensitive to climate change risks	<ul style="list-style-type: none"> <li>▪ Project components reviewed for sensitivity and vulnerability to potential climate change</li> <li>▪ Social and gender risks and differentiated impacts related to climate change addressed</li> </ul>
Reduce project-related GHG emissions	<ul style="list-style-type: none"> <li>▪ Feasible alternatives considered and adopted for reducing project-related greenhouse gas emissions (GHGs)</li> </ul>
<b>Community Health, Safety and Working Conditions</b>	
<i>Key objectives:</i>	<i>Review indicators:</i>
Avoid adverse health and safety impacts	<ul style="list-style-type: none"> <li>▪ Risks to communities and workers from construction and other interventions prevented or minimized and managed</li> <li>▪ Measures adopted to prevent or minimize health risks and spread of infectious disease</li> </ul>
Respect and promote workers' rights	<ul style="list-style-type: none"> <li>▪ Measures in place to promote non-discrimination, equal opportunity and fair treatment of workers</li> <li>▪ No use of forced labour or child labour, consistent with relevant ILO conventions</li> </ul>
Provide safe and healthy working conditions	<ul style="list-style-type: none"> <li>▪ Measures adopted to ensure healthy and safe working conditions</li> </ul>
<b>Cultural Heritage</b>	
<i>Key objectives:</i>	<i>Review indicators:</i>
Protect, manage, conserve cultural heritage	<ul style="list-style-type: none"> <li>▪ Cultural heritage protected from adverse risks and impacts</li> <li>▪ Qualified experts utilized for risk management and conservation</li> <li>▪ Chance find procedures in place</li> </ul>
Promote equitable benefit sharing from utilization of cultural heritage	<ul style="list-style-type: none"> <li>▪ Inform affected communities of rights and proceed only if good faith negotiations provide for fair and equitable benefit sharing</li> </ul>
<b>Displacement and Resettlement</b>	
<i>Key objectives:</i>	<i>Review indicators:</i>
Avoid adverse impacts from land or resource acquisition or restrictions on land/resource use. Minimize adverse impacts where avoidance not possible	<ul style="list-style-type: none"> <li>▪ Measures in place to avoid, and where avoidance is not possible, minimize and mitigate physical or economic displacement from land or resource acquisition or restrictions on land or resource use</li> <li>▪ Any displacement activities carried out in fully participatory manner</li> </ul>
Recognize and respect the prohibition on forced evictions	<ul style="list-style-type: none"> <li>▪ No forced evictions, allowing evictions only in exceptional circumstances meeting lawful criteria</li> </ul>
Enhance or at least restore livelihoods of all displaced persons, and improve living standards of displaced poor and other displaced groups	<ul style="list-style-type: none"> <li>▪ Livelihoods of any displaced persons enhanced or at least restored through compensation at full replacement costs and other assistance</li> </ul>
<b>Indigenous Peoples</b>	

<i>Key objectives:</i>	<i>Review indicators:</i>
Recognize and foster full respect for indigenous peoples' human rights	<ul style="list-style-type: none"> <li>▪ Indigenous peoples' rights recognized and protected</li> <li>▪ No actions supported that violate indigenous peoples' rights</li> </ul>
Ensure projects designed in partnership with full, effective indigenous peoples' participation, and securing FPIC where IP rights, lands, resources, territories of traditional livelihoods affected	<ul style="list-style-type: none"> <li>▪ Culturally appropriate meaningful participation undertaken for all activities that affect indigenous peoples</li> <li>▪ Free Prior and Informed Consent (FPIC) obtained for activities that affect the rights, interests, lands, resources, territories, traditional livelihoods of affected indigenous peoples</li> <li>▪ No relocation of indigenous peoples without FPIC and only after just and fair compensation, with option of return where possible</li> </ul>
Promote greater indigenous peoples' control and management of developments affecting their lands and resource, aligning with their visions and priorities	<ul style="list-style-type: none"> <li>▪ Measures recognize indigenous peoples' collective rights to own, use, develop, control lands, resources, territories they have traditionally owned, occupied, otherwise used or acquired</li> </ul>
Avoid adverse impacts, mitigate residual impacts, ensure just equitable benefits and opportunities in a culturally appropriate manner	<ul style="list-style-type: none"> <li>▪ Adverse impacts on indigenous peoples are avoided, and where avoidance is not possible, minimized and mitigated</li> <li>▪ Measures in place to ensure equitable benefit sharing from project activities in culturally appropriate manner</li> </ul>
<b>Pollution Prevention and Resource Efficiency</b>	
<i>Key objectives:</i>	<i>Review indicators:</i>
Avoid/minimize adverse impacts on human health and environment from pollution	<ul style="list-style-type: none"> <li>▪ Measures in place to avoid, minimize and mitigate risks posed to human health and the environment from pollutants, wastes, and hazardous materials</li> <li>▪ Integrated Pest Management (IPM) approaches utilized to reduce reliance on synthetic pesticides.</li> <li>▪ Least toxic effective pesticides utilized and pesticides handled per FAO Code of Conduct</li> </ul>
Promote more sustainable use of resources, incl energy, land and water	<ul style="list-style-type: none"> <li>▪ Feasible measures implemented to improve efficiency in consumption of inputs (e.g. raw materials, energy, water)</li> <li>▪ Use of water resources does not adversely impact others or sensitive ecosystems</li> </ul>

### 6.3 Amazon Fund Project Selection

A sample of Amazon Funded projects was selected to confirm whether the applicable safeguard measures were implemented. During Phase 3 of the PPCDAm (2012-2015), the Amazon Fund supported approximately 60 projects. With an attempt to cover the most representative areas of intervention of PPCDAm, a small review sample of projects that include various project types and locations was chosen. The three projects were selected to represent key activities, which are representative of the larger PPCDAm, as well as ENREDD strategies, as well as ensuring the independent, third-party terminal evaluations of these projects were available for desk review. The three projects chosen cover the three main pillars of the strategy including (i) territorial and land-use planning, (ii) environmental control and monitoring, and (iii) fostering sustainable production activities. The projects also involve ongoing Indigenous lands titling process, as well the environmental registry process (Cadastro Ambiental Rural or CAR) which are vital processes for the achievement of the ENREDD+ strategy and the roll-out of Floresta+ going forward, as described in the FP. Geographically, the projects, have a wide-ranging geographic scope, covering the either the Legal Amazon, or key states that have been approved to received REDD+ results-based payments, such as Mato Grosso. In terms of stakeholders, they also cover both key primary stakeholders (municipalities, family farmers, and indigenous peoples) and representative implementation partners (local and international NGO's, as well as the National Foundation for Indigenous Affairs (FUNAI).

Attached in **Annex D** are the three "Project-Level Alignment Reviews" for the following projects:

- 1) The **“Going Green Project”**, executed by The National Conservancy (TNC) worked with 12 municipal governments in the states of Para and Mato Grosso to strengthen institutional capacity to promote environmental adjustment of rural properties through adherence to the Rural Environmental Registry (CAR);
- 2) The **“Catalyzing the Contribution of Indigenous Lands to the Conservation of Brazil’s Forest Ecosystems”**, a GEF project with the long-term goal to consolidate Indigenous Lands (ILs) as essential protected areas for the conservation of biodiversity in Brazilian forests and as constituent parts of the National Protected Areas Plan (PNAP). The National Foundation for Indigenous Affairs (FUNAI), the Executing Agency, worked in 32 IL references areas in various states, in close consultation with relevant government agencies, Indigenous Peoples’ (IP) organizations and NGOs.
- 3) The **“Amazon Portal Seeds Project”** executed by the Instituto Ouro Verde (IOV) in 6 municipalities as well as on the Terena Indigenous Land. Working with family farmers as direct beneficiaries, IOV promoted sustainable production through the recovery of degraded land and planting of Agroforestry Systems (SAFs), as well as the establishment of a cooperative to collect and market seeds.

The project-level reviews have concluded that the social and environmental standards addressed through these projects was aligned with the country’s current regulatory, legal, policy and institutional framework, and contributes to the effective implementation of PPCDAm, while continuing to show alignment with the UNDP SES.

## **7 Conclusion and Recommendations**

The Environmental and Social Assessment Report describes the extent to which the safeguard measures applied in the context of the REDD-plus actions were consistent with the key objectives of UNDPs SES. The report includes necessary due diligence including (i) a review and alignment analysis of PPCDAm, (ii) a project review summary from a small sample of Amazon Fund-supported projects that examined whether the selected project activities were undertaken in a manner consistent with the key objectives of UNDPs SES. It also includes overviews of stakeholder engagement and national/jurisdictional GRMs.

As noted above, the ESA demonstrates that overall, the Brazilian PLRs, and particular those of PPCDAm, which led to the achievement of REDD+ results was implemented within a over-arching legal and policy framework that provided an enabling environment for achieving consistency with the UNDP SES and in practice, a selection of projects carried out under the Amazon Fund, were also implemented with significant alignment with the objectives of the UNDP SES. Results achieved were also done through broad stakeholder engagement at many levels, as well with national and state-level GRMs available to affected parties.

Considering the conclusions of the ESA (including its PLR Analysis and Project Alignment Reviews), as well as extensive document reviews, and recommendations from this due-diligence exercise, several opportunities for improvement were recognized. These opportunities, as well as the areas of improvement identified in Brazil’s 2<sup>nd</sup> SOI, and those discussed in ongoing CCT-Safeguards advisory meetings, as well as from the Acre SISA consultations, have informed the Environmental and Social Management Framework (ESMF), also included as an Annex of the FP.

### **Annexes**

**Annex A:** Matrix for Policy, Law and Regulations Analysis alignment with UNDP SES Standards and Cancun Safeguards.

**Annex B:** Overview of Stakeholder Engagement.

**Annex C:** Overview of Grievance Redress Mechanisms.

**Annex D:** Three Project-Level Alignment Reviews.

