



FIP: Environmental regularization of rural lands in the Cerrado of Brazil (P143334)

LATIN AMERICA AND CARIBBEAN | Brazil | Environment, Natural Resources & the Blue Economy Global Practice |  
 Recipient Executed Activities | Investment Project Financing | FY 2016 | Seq No: 10 | ARCHIVED on 25-Jun-2020 | ISR41868 |

Implementing Agencies: Federative Republic of Brazil, Ministry of Agriculture, Livestock and Food Supply

## Key Dates

### Key Project Dates

Bank Approval Date: 21-Jul-2015

Effectiveness Date: 18-Aug-2017

Planned Mid Term Review Date: 28-Aug-2020

Actual Mid-Term Review Date:

Original Closing Date: 28-Feb-2020

Revised Closing Date: 31-Dec-2021

## Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective is to enhance the capacity of the Borrower's MMA and nine SEAs to receive, analyze and approve rural environmental cadaster entries and link them to SICAR; and support, in selected municipalities, landholding registration in the CAR.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

Yes

Board Approved Revised Project Development Objective (If project is formally restructured)

The Project Development Objective is to enhance the capacity of the Federative Republic of Brazil's Ministry of Agriculture, livestock and Food Supply, through Brazilian Forest Service, and nine SEAs to receive, analyze and approve rural environmental cadaster entries and link them to SICAR; and support, in selected municipalities, landholding registration in the CAR.

## Components Table

Name

Strengthening State Environmental Agencies' Capacity to Implement the CAR.:(Cost \$7.50 M)  
 Registration of Landholdings in Selected Municipalities.:(Cost \$15.75 M)  
 Project Management, Monitoring and Evaluation.:(Cost \$1.23 M)

## Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

## Implementation Status and Key Decisions

The Brazil Investment Plan (BIP), endorsed by the Forest Investment Program Subcommittee in May 2012, seeks to promote sustainable land use and forest management improvement in the Cerrado, contributing to reducing pressure on the remaining forests, reducing GHG emissions and increasing CO2 sequestration. The BIP coordinates efforts by the Ministries of Environment (MMA); Science, Technology and Innovation (MCIT);



and Agriculture, Livestock and Food Supply (MAPA), with the aim to maximize impact of sectoral policies to reduce deforestation in the Cerrado biome by improving environmental management in anthropized areas and producing and disseminating environmental information.

The FIP: Environmental regulation of rural lands in Cerrado of Brazil (FIP CAR Project) acts in synergy with the other BIP projects and contributes to the achievement of objectives of the BIP. The Project supports the implementation of the Brazilian Forest Code (Law 12.651 of 2012), which requires private rural landholders to maintain a percentage of native vegetation as Legal Reserves (Reservas Legais, RLs), as well as keep Areas of Permanent Preservation (Áreas de Preservação Permanente, APPs), such as riparian forests along watercourses, steep slopes and mountain tops. The Forest Code also obliges landholders to be registered in the Rural Environmental Cadaster (Cadastro Ambiental Rural, CAR), an electronic register maintained by environmental agencies that monitors private rural land use and compliance with reforestation requirements. The FIP CAR Project includes three components:

**Component 1: Strengthening the environmental agencies' capacity to implement the CAR system.** This component aims to: (i) empower the State Agencies to receive, analyze and approve rural environmental cadastre entries and link them to the national electronic system (SICAR); and (ii) establish the necessary conditions to implement or connect to the SICAR, in terms of staff training, maps, imagery and thematic bases, and operational infrastructure, including equipment and technical tools.

To date, the SICAR is equipped to report in any detail on registration of holdings in all states and the country as a whole, and enables the states to monitor registries of holdings, and, in principle, to analyze and validate these entries. SICAR is composed of several modules and sub-modules: one for the user/landholder to prepare his cadaster entry, a reception module (that receives the registry file and emits a receipt), a central platform for the landholder to accompany the process and receive communications from the state agency, a module to issue reports, a module for the general public to access CAR information, and an analysis module. The latter is scheduled to be upgraded to permit automated analysis in combination with geographical data and satellite images. This progress is based on acquisition of hardware, software and consulting services, was achieved mainly through use of domestic funds. The project has provided some training to state agencies staff on analysis of CAR entries and to landholders in Brazil on registration in CAR, through the Federal University of Lavras and distance learning, not only in the Cerrado states, but to all states in Brazil.

SFB has contracted a diagnostic study of institutional capacity in the states, delivered in November 2019, with timely and useful information on the strengths and shortcomings in state agencies dealing with CAR. The diagnostic study also described the situation in the participating SEAs with regard to personnel and its link and integration into their state government's organization, to physical infrastructure and available information technology.

**Component 2: Registration of Landholdings in the Selected Municipalities.** This component aims to obtain up-to-date environmental cadastral data that contains information about smallholders, their landholdings, and their enrollment in the CAR system of the State Agencies, focused on selected municipalities.

Until December 2019, the project managed to have 190,072 small landholdings registered in CAR as "direct beneficiaries". This number is based on the registration of smallholders in CAR in eleven states and 163 municipalities between 2017 and 2019, as recorded in SICAR. The ongoing contracts in three states are expected to produce eventually 43,000 registries. With the pandemic Corona virus, field work to register communities has become difficult. Since March 2020, field activities have been stopped. The actual scope of the project has so far not included assistance to small farmers to prepare plans to make good for shortfalls of legal reserve or APP in their holdings, called "Project for Restoration of Degraded or Altered Areas" (PRADA). Thus the corresponding indicator still reports the number of holdings as zero.

**Component 3: Project Management, Monitoring and Evaluation.** This component is supporting the management and administration of the project, including financial management, procurement, by the SFB. The project is studying up on ways to supervise activities in the field during social distancing times.

**Gender Aspects.** There are two aspects of gender that are of interest in the project: the participation of female staff of the state agencies responsible for CAR in training imparted by the project. SFB reports 210 women among the 451 staff trained, or 47%, whereas the target is . The other aspect is the participation of women owners/landholders registering their holdings in CAR. Unfortunately, this data is not available from the SICAR system.



**Risks**

**Systematic Operations Risk-rating Tool**

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	High	Moderate
Macroeconomic	--	Substantial	Substantial
Sector Strategies and Policies	--	Low	Low
Technical Design of Project or Program	--	Moderate	Low
Institutional Capacity for Implementation and Sustainability	--	Substantial	Moderate
Fiduciary	--	Moderate	Moderate
Environment and Social	--	Low	Low
Stakeholders	--	Moderate	Low
Other	--	--	--
Overall	--	Substantial	Substantial

**Results**

**PDO Indicators by Objectives / Outcomes**

Enhance the capacity of the Federative Republic of Brazil's Ministry of Environment (Ministério do M				
▶ Govt institutions provided w/ capacity buildg to improve mgt of forest resources (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	11.00	12.00	9.00
Date	22-May-2015	25-Nov-2019	31-Dec-2019	31-Dec-2021
Comments:	<p>The Following Sates are being supported with training activities and technical assistance: Federal District (DF), Goiás (GO), Maranhão (MA), Mato Grosso (MT), Mato Grosso do Sul (MS), Minas Gerais (MG), Tocantins (TO), São Paulo (SP), Parana (R); Bahia (BA); Piaui (PI). In addition, the Brazilian Forest Service (SFB) is being strengthening.</p> <p>The project addresses explicitly the strengthening of institutions so as to enable them to implement a specific public policy, the Forest Code with its land use provisions and a specific instrument, CAR. The project has also addressed the identification of further capacity building needs. Some R\$24 M of counterpart and bilateral funds were invested in the development and interconnection of SICAR. The system was obviously instrumental and successful in allowing the registry of more than six million landholdings in Brazil, more than were first expected in the country.</p>			



Support, in selected municipalities, landholding registration in the Rural Environmental Cadastre (C)				
► Land area where sustainable land mgt. practices were adopted as a result of proj (Hectare(Ha), Corporate)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	35,553,005.00	35,553,005.00	30,000,000.00
Date	22-May-2015	25-Nov-2019	31-Dec-2019	31-Dec-2021
Comments:	Tthe land area registered in the SICAR system, regarding the selected municipalities is 35553005 hectaresThis indicator was revised during project restructuring to better reflect project achievements. Original end target was 6,653,472.			
► Direct project beneficiaries (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	190,072.00	190,072.00	160,600.00
Date	22-May-2015	25-Nov-2019	30-Mar-2020	31-Dec-2021
Comments:	Cerrado Biome 190, 072 small landholdings were enrolled in he SICAR, regarding the selected municipalities. This indicator description target and description was revised to include project beneficiaries from rural territories of traditional people. An innovative aspect of the CAR registries is the inclusion of rural territories of traditional peoples and communities in Cerrado States. These communities, historically marginalized by federal government programs, include quilombos (rural Afro-descendant communities) and babassu coconut gatherers and processors, whose territories are collectively managed and recognized by Brazilian law. Original end target was 57,942.			
► Medium and large landholdings registered in the CAR system (Number) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	23,241.00	23,241.00	20,000.00
Date	22-May-2015	25-Nov-2019	31-Dec-2019	31-Dec-2021
Comments:	Original end target was 9,403.			

### Overall Comments

The project shows impressive results, both in terms of registration of rural land holdings and in terms of and improved SICAR system. The project managed to have 190,072 small landholdings registered in CAR as “direct beneficiaries”, against an original target of 57,942 and a revised target of 146,600. The larger number is based on the registration of smallholders in CAR in eleven states and 163 municipalities between 2017 and 2019, as recorded in SICAR. However, it has not yet demonstrated much success in strengthening state agencies to perform the analysis, validation and approval of CAR entries.

### Intermediate Results Indicators by Components



<b>Strengthening State Environmental Agencies' Capacity to Implement the CAR.</b>				
<b>► SICAR implemented and integrated to the SEA's systems (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	11.00	11.00	9.00
Date	22-May-2015	25-Nov-2019	25-Nov-2019	31-Dec-2021
Comments:	<p>The Following States are being supported with training activities and technical assistance: Federal District (DF), Goiás (GO), Maranhão (MA), Mato Grosso (MT), Mato Grosso do Sul (MS), Minas Gerais (MG), Tocantins (TO), São Paulo (SP), Parana (R); Bahia (BA); Piauí (PI). The States of Piauí and Bahia are additional and they were not part project target.</p> <p>Assessment and monitoring of governance are essential tools for promoting reforms to achieve better forest governance. SFB and GIZ are developing a framework for assessing and monitoring the OEMAs' capacity to implement the CAR. A consultant was hired to assess the CAR implementation pace in the selected States.</p>			
<b>► Staff in targeted SEAs trained to use SICAR and to analyze and validate data (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	451.00	451.00	451.00
Date	22-May-2015	25-Nov-2019	31-Dec-2019	31-Dec-2021
Comments:	<p>Training activities are being supported including: workshops, technical meeting, technical assistance and platform on the internet where the SEAs officer have access to the knowledge produced by SBF on CAR process.</p> <p>SFB reports integration of SICAR into state systems to have occurred in all eleven SEAs and 451 staff in agencies having been trained, more than double the target of 200. Almost half of these were women.</p>			
<b>□ Female staff targeted SEAS trained to use SICAR and to analyze and validate (Number, Custom Breakdown)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	210.00	210.00	210.00
Date	22-May-2015	25-Nov-2019	31-Dec-2019	31-Dec-2021
<b>Registration of Landholdings in Selected Municipalities.</b>				
<b>► Small landholdings' applications to enroll in the CAR system (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	190,072.00	190,072.00	160,600.00
Date	22-May-2015	25-Nov-2019	25-Nov-2019	31-Dec-2021
Comments:	<p>CAR registration field activities are successfully being implemented. Firms were contracted to works directly with landholders to undertaken 72,000 new cadasters in selected municipalities. The field activities are being closely monitored by SFB team and State Agencies.</p>			



As this indicator is already surpassed, it WAS revised during the project restructuring. The CAR system, SICAR, does not allow for the landowner to identify him/herself, which will prevent SFB from reporting on this supplemental indicator. Original end target was 57,492.

► Small landholdings with liabilities provided with support to prepare plans to rehabilitate degraded areas (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	500.00
Date	22-May-2015	25-Nov-2019	31-Dec-2019	31-Dec-2021
Comments:	These activities have not yet started.			

Project Management, Monitoring and Evaluation

► Share of landholders satisfied with services provided by the project. (Percentage) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	60.00
Date	22-May-2015	25-Nov-2019	31-Dec-2019	31-Dec-2021
Comments:	To be measured in 2021.			

### Overall Comments

The project is being successful both in terms of capacity building and in achieving registration of rural holdings. By working with and strengthening existing federal and state policies such as the CAR, the project is being to move directly into actions for the expansion of adherents to the rural environment cadaster and its consolidation as a primary source of Cerrado land use information on privately-held lands.

### Performance-Based Conditions

#### Data on Financial Performance

#### Disbursements (by loan)

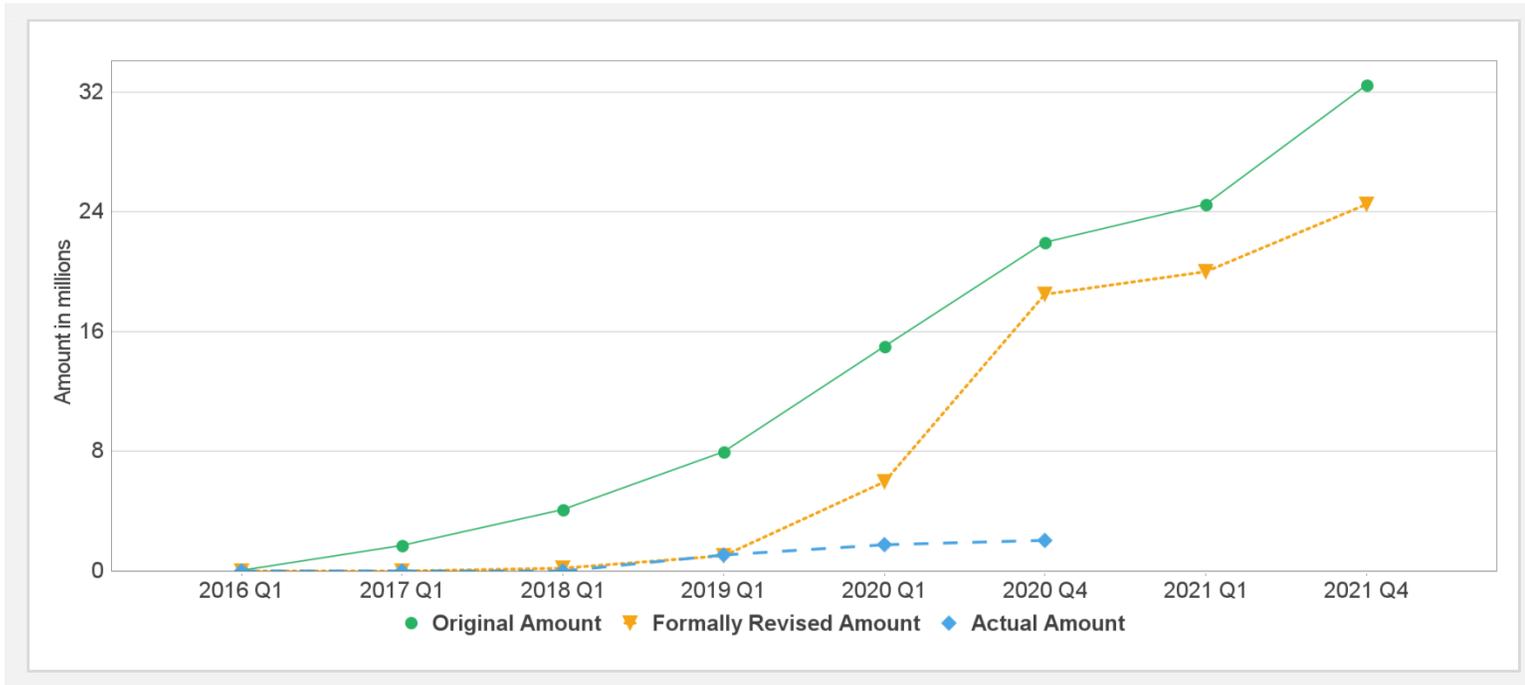
Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P143334	TF-19211	Effective	USD	32.48	24.48	8.00	2.01	22.47	8%

#### Key Dates (by loan)



Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P143334	TF-19211	Effective	21-Jul-2015	22-May-2017	18-Aug-2017	28-Feb-2020	31-Dec-2021

Cumulative Disbursements



PBC Disbursement

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC
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Restructuring History

Level 2 Approved on 14-Sep-2019 ,Level 2 Approved on 30-Dec-2019

Related Project(s)

There are no related projects.