Second Participants Meeting Commends Pilot Program Progress

The second meeting of the Pilot Program’s Participants took place in Belém on July 6-7, hosted by the Ministry of the Environment, Water Resources and the Legal Amazon (MMA). Representatives of Canada, the European Union (EU), France, Germany, Japan, the United Kingdom and the United States, as well as representatives of the Amazon Working Group (GTA) and the International Advisory Group (IAG) attended the two-day meeting, which was chaired by Mr. Gobind T. Nankani, the World Bank’s Country Director for Brazil.

Opening addresses were given by Mr. Gustavo Krause Gonçalves Sobrinho, Minister of MMA, and Mr. Almir Gabriel, Governor of the State of Pará, who emphasized Brazil’s commitment to the principles of sustainable development in the Amazon and the need for closer integration of social and environmental issues in order to achieve this goal. They also drew attention to the government’s policy for decentralizing environmental management to the states, municipalities and civil society in general.

Keynote and other speakers expressed satisfaction with Pilot Program progress. The meeting provided the occasion for the signing of several Pilot Program financing agreements, which included:

- The grant agreement for US$2.1 million from the Rain Forest Trust Fund (RFT) for the Indigenous Lands Project (see related article);
- The grant agreement between the Banco do Brasil and Germany’s Kreditanstalt für Wiederaufbau (KfW) for US$14.3 million (DM20 million) for Demonstration Projects;
- The cofinancing agreement for US$22.4 million (ECU 16.7 million) between the World Bank as Rain Forest Trust Fund administrator and the European Commission (EC) for the Natural Resources Policy Project; and
- The financing agreements for R$3.3 million and R$2.5 million respectively between the Brazilian Agency for Financing of Studies and Projects (FINEP), the National Institute for Amazon Research (INPA) and the Goeldi Museum (MPEG) for the Science Centers and Directed Research Project.

(continued on page 4)

About the Pilot Program

The Pilot Program to Conserve the Brazilian Rain Forest supports an integrated set of projects that will contribute to a reduction in the rate of deforestation of Brazil’s rain forests in a manner consistent with the sustainable development of the area’s natural and human resources, and that will provide lessons for designing future activities. The Pilot Program was launched at the request of the Group of Seven (G-7) industrialized countries and also enjoys financial support from the Commission of the European Communities and the Netherlands. The total volume of financial and technical assistance pledged to the Pilot Program to date, including associated bilateral projects, is about US$290 million. The Pilot Program is coordinated by the World Bank, in accordance with agreements reached by the Pilot Program Participants (the donors and Brazil).

The Pilot Program is designed to address the underlying causes of deforestation in Brazil’s rain forests through a three-pronged approach. Projects will help strengthen the capacity of the public sector to set and enforce sound environmental policy; improve management of special protected areas, including parks, extractive reserves, national forests, and indigenous reserves; and increase the knowledge base on conservation of the rain forest and sustainable utilization of its resources.
The project will be funded by the Rain Forest Commission. Conditions of effectiveness for the RFP grant agreement stipulate that the grant will be used to support the project. The goal is to work on the national implementation of the RFP. The project will be coordinated by the Rain Forest Commission.

REGULARIZING INDIGENOUS LANDS

Recent and ongoing developments in the Amazon region have raised awareness of the need for regularizing indigenous lands. The government of Brazil has implemented several initiatives to address this issue. The Amazon region, which covers an area of approximately 3.2 million square kilometers, is home to a diverse range of indigenous populations. The goal of these initiatives is to secure the rights of indigenous peoples and promote sustainable development.

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INDIGENOUS LANDS PROJECT

Evaluation of the project.

Support and improvement of the project.

Coordination of the project.

ANNEX

AND SIGNED
Project Updates

DEMONSTRATION PROJECTS

A series of training sessions in proposal preparation were held throughout the Amazon and Atlantic Forest regions from April to June. Local groups interested in applying for funding under the small grants program were trained in groups of approximately 30 participants on how to develop a project idea into a project plan, and then to fill out the program’s application form. Applications for funding will be accepted continuously, but the first round of proposals is scheduled to be considered by the Executive Commission in August.

ENVIRONMENTAL EDUCATION

A follow-up participatory planning workshop was held May 30 - June 2 in Brasília with approximately 20 representatives chosen from the participants who worked on detailed planning during the March workshop in Manaus. The group, consisting of representatives of MMA, the Brazilian Institute for the Environment and Renewable Natural Resources (IBAMA), and state-level Secretariats of Education, IBAMA superintendencies, and environmental entities (OEMAs), as well as NGOs and research institutions, reviewed the work of the first workshop and continued detailing project activities. The Brazilian government will produce a project proposal based on the results of the two workshops, which it plans to send to the Bank and the donors in August.

EXTRACTIVE RESERVES PROJECT

Project implementation began during the second quarter of 1995. In April, the National Center for Sustainable Development of Traditional Populations (CNPT) project management unit held a series of local workshops in each reserve with representatives of the associations, CNS representatives and other interested parties to discuss the implementation of individual association work plans, and the operating agreements between CNPT and local associations. These operating agreements were finalized in May and June.

Your questions and comments are welcome. Write us at:

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The Project Consultative Commission (PCC), which includes representatives of government, local associations, National Rubbertappers Council (CNS) and the Amazon Working Group (GTA), held its first meeting in Brasília on July 6-7. The PCC expressed satisfaction with the project’s initiation and emphasized the importance of rapid start-up of local institutional strengthening and productive activities. The group also noted the need to build inter-institutional linkages to help address cross-cutting issues related to health, education, transportation and marketing systems in extractive reserves.

NATIONAL FORESTS PROJECT

A Consultative Commission was recently established to work with IBAMA in the preparation of the National Forests Project (FLONAS). Composed of key leaders in the field of forest policy and management, the Commission held its first meeting in Belém on June 6-7 to discuss the strengths and weaknesses of the FLONAS proposal. The meeting was attended by representatives from the private sector, forest research agencies, NGOs, consulting firms, local communities, IBAMA, MMA, KfW, IAG and the World Bank, who analyzed project concepts and assessed the interest of public and private sectors in project participation. Based on the input from the meeting, the World Bank, MMA and IBAMA agreed that a technical team selected from within the membership of the Consultative Commission would review the proposal. The next draft project proposal will be widely discussed at a series of meetings to be held in mid-September, with the goal that project appraisal will take place in November.

SCIENCE CENTERS AND DIRECTED RESEARCH PROJECT

The first deadline for proposals to the Directed Research Program closed on May 31. A majority of the 110 research proposals received were submitted by research institutions in the Amazon region, and included 26 proposals for research on Amazonian ecosystems’ structure and function; 56 on natural resource management; and 15 on socio-economic and cultural systems. A total of US$3.4 million is available for funding selected research projects, which is far below the US$33.4 million total of the proposals received. The evaluation of the proposals is currently taking place, and announcement of results will be made on July 31. The deadline for requests for reconsideration is September 15. It is expected that many research projects will begin by November. Provided additional funding can be obtained, a second round of proposals will be called for next year.

The Science Centers component to institutionally strengthen INPA and the Goeldi Museum has begun. In early May, the Goeldi Museum completed detailed plans for procurement, fund-raising, administrative and financial management training, and a short-term English course. These activities should begin shortly. Similar detailed plans are currently being prepared by INPA.
Second Participants Meeting (Cont. from page 1)

The donors emphasized the importance of focusing attention on the implementation of approved projects. They agreed that the transfer of World Bank and donor staff to Brasilia would serve to facilitate effective project coordination, and they expressed their support for more participatory approaches to project preparation, such as ongoing efforts to include non-governmental organizations (NGOs) and others in the preparation of the Environmental Education, National Forests and Recuperation of Degraded Lands Projects. They authorized additional funds (up to US$200,000) to provide support for GTA's offices.

The Participants agreed on the priority of strengthening MMA's integrated management of the program, and on supporting improved monitoring and evaluation activities to derive lessons learned from the Pilot Program and other related projects. They also endorsed the inclusion of fisheries management in the Pilot Program portfolio.

While no new resources were committed during the meeting by the donors, the EU pledged continued financial support to the Pilot Program, and the United Kingdom's Overseas Development Administration (ODA) is considering additional funding. The German government agreed to the reallocation of eventually undisbursed funds from the ongoing (non-Pilot Program) National Environment Project to the proposed Parks and Reserves Project, for both the Amazon and the Atlantic Forest regions. During discussions of current Pilot Program financing, several Participants, including Germany, the EU and Brazil, urged a more equitable distribution of financing responsibilities among all donors: to date, 60% of all program funds paid or committed come from Germany, 25% from the EU and 15% from the remaining seven donors.

The Participants commended the successful efforts of the Government of Brazil and the World Bank in the preparation and implementation of innovative projects. It was agreed that the next Participants Meeting will be held in June 1996 and will focus on implementation and lessons being learned, and include consideration of a possible Phase II of the Pilot Program.

INTERNATIONAL ADVISORY GROUP MEETS

The International Advisory Group (IAG) held its fourth meeting in Brazil from May 29 to June 9. The IAG is composed of individuals from around the world with a broad range of expertise and experience in the Amazon, and serves as a source of independent advice and evaluation of the Pilot Program. The nine IAG members met for two days with government officials in Brasilia before dividing into three groups to spend the following week on visits to existing and proposed project sites throughout the Amazon region. The IAG reconvened in Belém to analyze the projects and to prepare a report summarizing their findings for presentation to the Second Pilot Program Participants Meeting (see related article).

In their report, the IAG emphasized that the success of the Pilot Program will ultimately be measured in terms of the lessons learned and disseminated, and recommended support for a monitoring and evaluation unit toward this end. The IAG commended the reduction in "bureaucratic" delays and the significant progress in the preparation and implementation of projects, which included five grant agreements approved and signed, of which four have become effective, in the nine months since the last IAG meeting. The group also urged the donors to reaffirm their commitment to the Pilot Program.

Key recommendations of the IAG included the need to provide additional support to the Amazon Working Group (GTA); the importance of strong and committed project implementation units; and the need for better coordination of the Pilot Program with associated bilateral projects. The IAG also emphasized the importance of accelerating the regularization of indigenous lands, and the need to reach a clearer definition of zoning with respect to the Natural Resources Policy Project. The IAG's recommendations were accepted at the Participants Meeting. The next meeting of the IAG was provisionally scheduled for March 4-8, 1996.

NEWS BRIEFS

NATURAL RESOURCES POLICY PROJECT

A workshop to review and propose appropriate methodologies for the ecological-economic zoning activities under the Natural Resources Policy Project will be held in Brasilia on August 29 - September 1. The proposals coming out of the workshop will be further discussed in subsequent meetings in October and November with representatives of the nine states of the Legal Amazon.

PILOT PROGRAM MOVED TO BRAZIL

The World Bank coordination unit for the Pilot Program moved as of July 1 to the Bank's Resident Mission in Brasilia. Mr. Robert Schneider, formerly of the Environment Division of the Bank's Latin America Technical Department, has assumed his responsibilities as the new Pilot Program Manager.