

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

BRAZIL

**LOW CARBON AGRICULTURE FOR AVOIDED DEFORESTATION AND POVERTY
REDUCTION PHASE II – STRENGTHENING SUSTAINABLE VALUE CHAINS IN
THE AMAZON**

(BR-T1462)

TECHNICAL COOPERATION DOCUMENT

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TC Document

I. Basic Information for TC

▪ Country/Region:	BRAZIL
▪ TC Name:	Low Carbon Agriculture for Avoided Deforestation and Poverty Reduction Phase II - Strengthening Sustainable Value Chains in the Amazon
▪ TC Number:	BR-T1462
▪ Team Leader/Members:	Octavio Damiani (RND/CBR), Project Team Leader; Barbara Brakarz (CCS/CBR), Alternate Team Leader; Francy Dianela Avila (CSD/HUD); Vanessa Callau Ferreira (CSD/CCS); Carlos Ignacio Carpizo Riva Palacio (VPC/FMP); Cristina Celeste Marzo (LEG/SGO); Daniel Hincapie Salazar (ORP/REM); Luis Hernando Hintze (CSD/RND); Robert Peter Langstroth (VPS/ESG); Gustavo Custodio Matsubara (CSD/RND); Judith Anne Morrison (SCL/GDI); Lisa Sofia Restrepo (CSD/RND); Julio Andres Rojas Lara (VPS/ESG); David Agustin Salazar (VPC/FMP); Maja Schling (CSD/RND); Paula Valente Lins (CSC/CBR)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	n/a
▪ Date of TC Abstract authorization:	27 Aug 2020
▪ Beneficiary:	Federative Republic of Brazil, through the Ministry of Agriculture, Livestock and Food Supply of Brazil (MAPA)
▪ Executing Agency and contact name:	Instituto Brasileiro De Desenvolvimento E Sustentabilidade – IABS
▪ Donors providing funding:	Phase II: Low-carbon Agriculture for Avoided Deforestation and Poverty Reduction Fund
▪ IDB Funding Requested:	US\$9,630,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes execution period):	51 months (48 months of execution)
▪ Required start date:	November 2021
▪ Types of consultants:	Consulting firm and individual consultants
▪ Prepared by Unit:	CSD/RND-Env, Rural Dev & Disaster Risk
▪ Unit of Disbursement Responsibility:	CSC/CBR-Country Office Brazil
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Productivity and innovation; Environmental sustainability

II. Objectives and Justification of the TC

- 2.1 The objective of this Technical Cooperation (TC) is to mitigate Greenhouse Gas (GHG) emissions in the Amazon biome by promoting nature-positive solutions based on the development of sustainable agricultural value chains. It will support: (i) the adoption of sustainable production systems and technologies by small farmers and rural communities that prioritize nature, and replacement of traditional practices associated with deforestation; and (ii) the strengthening of farmer organizations to facilitate the access of farmers to markets, information, and services, demonstrating the value of ecosystem protection and restoration.

- 2.2 **The need for Nature-Based Solutions for the Amazon.** Around half of the world's Gross Domestic Product is dependent on nature (WEF, 2020), with forest and environmental degradation directly impacting the economy and livelihoods. Activities, such as agriculture and livestock, have converted a significant part of the Amazon into crops and pasture lands, with unsustainable production systems leading to further land use change and degradation. At the same time, these activities rely on natural capital (Quiroga, 2019) and the provision of ecosystem services, including healthy soils, fresh water, and stable climate. Therefore, tackling the main drivers of Amazon Forest loss is crucial not only to reduce greenhouse gas emissions, but to protect and restore nature and ensure economic development and new sustainable and inclusive business opportunities.
- 2.3 **Deforestation in the Amazon biome.** As the largest tropical forest in the world, the Amazon rainforest is an important carbon sink, sequestering 76 billion tons of carbon from the atmosphere (GRI, 2019) and providing habitats for more than a third of the world species (WWF, 2020). Practices that lead to illegal deforestation in the Amazon pose a risk to its natural capital base, in addition to increasing long-term climate risks. Approximately, 17% of the Amazon's original area has been cleared in the past 50 years (WWF, 2020). Deforestation rates and forest fires have increased in the past 3 years. In 2018, an area equivalent to Northern Ireland (1.3 million hectares) was lost in the Brazilian Amazon due to deforestation and forest fires (Gibbins, 2019). Moreover, in August 2019, forest fires increased by almost 200% compared to the same period in 2018, further increasing by 28% in 2020 (INPE, 2020). More comprehensive analyses suggest that more than half of the environmental services in the biome may have been compromised (Costa, 2020).
- 2.4 While illegal logging, mining, urban expansion, and infrastructure construction play an important role in deforestation in the Amazon (Diniz et al., 2019), the expansion of the agricultural frontier has been a major driver, especially the conversion of forests into pastures and crops (Rivero, Sergio et al., 2009). While this partly relates to large commercial farmers, some traditional practices used by small and medium size livestock farmers also contribute do deforestation, especially the slash and burn of new areas of the rainforest to convert them into pastures (SA, Denise et al., 2015; Garcia et al., 2020). This practice is also common among land grabbers, who clear areas of undesignated public lands to signal land occupation and claim land rights. It is estimated that about 11.6 million hectares are currently in this situation in the Amazon (Azevedo, Moutinho, 2020). Small farmers and rural communities also engage in logging as a way of generating income. It is estimated that 70% of deforestation in the Amazon, in the last decade, took place at the farm level, with 43% being small farms (Garcia et al., 2020).
- 2.5 **Impact to local population.** The Amazon also faces great development challenges, being the region with the second lowest Municipal Human Development Index (HDI) in Brazil (PNUD, 2016). More than 25 million people live in Brazil's tropical rainforest (EMBRAPA, 2020). Despite the rate of economic growth, in the region, doubled the national average over the past 20 years, family income still falls 23% short of Brazil's national average (Trevizan, 2018). Small farmers, many of them producing for their subsistence, are predominant in the Amazon, accounting for 83% of the total farmers (IBGE, 2017). In addition, the Amazon biome is home to most of Brazil's indigenous population (approximately 200,000 people), including more than 180 tribes and several isolated groups living in the biome. They occupy an area of 108 million hectares that represents 21.5% of the Amazon's official territory. During 2020, the

population of the Brazilian Amazon region was the most affected by the COVID-19 pandemic in Brazil, increasing its high economic vulnerability.¹

- 2.6 **Leading agriculture producer.** Brazil has become a global leader in agricultural production and one of the main exporters of agricultural commodities, such as soybean, beef, coffee, sugar, and cotton, among others. With 32% of its territory dedicated to agricultural production, the sector is responsible for 20% of domestic GDP (Assad, E. D., et al., 2019). Although agriculture has played an important role in Brazil's economy, it has been associated with deforestation in most biomes, including the Amazon. As a result of the continued expansion of the agricultural frontier, emissions in Brazil derived from agriculture, land use and land use change (LULUCF) amounted to 25% and 43% of Brazil's GHG emissions, respectively, adding up to more than two thirds of the country's total emissions in 2018 (SEEG, 2018). Thus, one of the challenges that Brazil faces is to promote a sustainable and inclusive model of agricultural development, compatible with the preservation of Amazon's rainforest and a reduction of GHG emissions.
- 2.7 **Production-based strategies to reduce deforestation.** Reducing deforestation involves interventions in several dimensions, such as establishing and effectively implementing legal provisions to protect forests and effectively controlling their compliance; expanding legally protected areas; strengthening information systems and institutions for monitoring deforestation; expanding land regularization; raising the population's awareness of the relevance of forests for the environment and climate, and creating incentives for farmers and rural communities to avoid deforestation.
- 2.8 **Barriers faced by rural and indigenous communities.** Extractivism or collection of native products from forests and rivers is an important source of income for rural families in the Amazon. The main challenges faced by small producers and indigenous peoples, Afro-descendants and traditional communities in the Amazon to adopt sustainable models of production that reduce deforestation and encourage preservation are: (i) lack of information and knowledge about low-carbon production models and technologies, and limited of access to adequate technical assistance services to learn from them; (ii) lack of access to financing to implement the changes in their production systems and technologies; (iii) limited access of individual producers (small farmers and extractivists) to markets, making it difficult to obtain good product prices, and thus an economic return from adopting improvements in production; (iv) lack of storage or processing infrastructure that serve to reduce losses associated with the transportation of fresh products to distant markets; and (v) weak producer associations, which usually have limited managerial skills and limited storage, processing and marketing infrastructure.
- 2.9 **Access to information and technical assistance.** Despite progress in the availability of technologies to reduce deforestation and GHG emissions, small farmers in the Amazon lack awareness about them and have little access to information and technical assistance to help them know about these practices and adopt them. Studies show that 90% of farmers would like to receive a better technical assistance (Castro & Pereira, 2017). Private technical assistance is costly and only accessible by a small proportion of producers.
- 2.10 **Relevance of extension services and training.** Extension services and agricultural training have shown to accelerate the diffusion process of improved technology,

¹ The Human Development Index (HDI) for all Amazon States is at levels well below the national Brazilian average (0.750 versus 0.778, IPEA 2019).

thereby bringing about a faster growth of yields and rural incomes, while protecting natural resources from degradation (Birkhaeuser et al., 1991) (Waddington et al., 2014). An evaluation carried out in 2020 showed that 74% of beneficiaries of the phase I of the LCA Programme responded that receiving technical assistance alone, i.e., no support to finance inputs or equipment, was sufficient for them to adopt low carbon technologies. Technical Assistance (TA) was instrumental in behavioral changes amongst farmers, with 98% of farmers having adopted low carbon technologies after project completion, as compared with 17% before the project.

- 2.11 **Access to markets and the strength of organizations.** Small agricultural producers elsewhere often face obstacles to access markets and obtain good prices for their products, mainly due to their insufficient information about prices and markets, their lack of connections with potential buyers, and their small quantities that they can supply individually. Studies show that access to social capital through organizations facilitates the adoption of environmentally sustainable technologies and practices, improves access to inputs, and increases technical efficiency and crop yields (Abdul-Rahaman, A., & Abdulai, A., 2018) (Munasib, A. B. A., & Jordan, J. L., 2011). Several indigenous communities in the Amazon have created their own organizations/associations to develop economic activities, such as handicrafts and natural products, resulting from subsistence activities - hunting, fishing, extractivism and agriculture. While they can have great impact, farmer organizations frequently suffer from weak organizational and managerial capacities (Schmith et al., 2018). For example, Brazil nut exports average over 10,000 tons each year, but the number of exporters has decreased consistently, as production and exports have become more concentrated among larger producers, with smaller suppliers suffering from weak organizational capacities (Oliveira et al., 2019).
- 2.12 **Access to financing.** The implementation of low-carbon production systems and technologies require investments that small producers cannot afford. Empirical evidence finds that access to credit boosts the productivity and income of small-scale agricultural producers as well as their propensity to invest and expand their sales, while reducing environmental impact and vulnerability to climate risks (Sekyi, 2020). Although small farmers in Brazil increased their access to government credit lines in recent years, they face difficulties, and they still account for less than 14% of the funds made available by government credit lines (Plano Safra, 2020). In addition, the COVID-19 pandemic aggravated the already difficult access to credit. A survey to small enterprises in Brasil in 2020 reported that 58.9% of them had closed their operations temporarily, 87.5% suffered from lower revenues, and 54.9% reported the need for financing to stay active and avoid reducing their number of employees. However, only 11.3% of the small enterprises that looked for loans had been successful, and 59.2% had already received a negative response (SEBRAE, 2020). Afro-descendants have also limited access to credit. The share of micro-entrepreneurs who did not have their credit demand met was 44.6% among blacks, 35.1% among pardos/browns and 29.4% among whites. Afro-descendants seek smaller loans compared to whites or mestizos and receive loans that are smaller than requested; 37% of African descendants have their requests for loans denied, while the rates among whites stand at 29%. When African descendants do obtain loans, they pay higher interest rates (Paixao, 2017). There is a documented financial inclusion gap in the region, with only 21% of indigenous peoples and African descendants using or accessing banking services in large countries of the region like Mexico (Rojas et al., 2019).

- 2.13 **Strengthening of value chains.** Several studies show that interventions that strengthen the production-distribution-retail chain and provide technical and financial support to smallholder farmers improve farmers' welfare, as measured by farmer income, yields, and gross margins (Cavatassi et al., 2011) (Bene et al., 2019). In addition, value chain interventions have shown to improve an efficient use of inputs, such as fertilizers, thereby contributing to environmental sustainability (Khan & Silva 2019). Several IDB-financed projects currently under implementation, including in the Amazon biome, use a value chain approach. In the Amazon state of Acre, the IDB has financed the Sustainable Development of Acre Project phase II–PDSA II (BR-L1289), which has been implemented since 2013 and has promoted the development of value chains based on native products as an alternative to deforestation for illegal logging or to expand areas of pasturelands for livestock. It has provided training, technical assistance, and investments to finance plans presented by farmers and their productive organizations on priority value chains, which serve to improve management, storage, processing, and marketing capacities. The project has also provided support to strengthen the cooperatives' managerial capacities. This has already resulted in significant changes, especially by introducing sustainable practices and development of market access, for value chains such as Brazil nuts, Açai berry, and other non-timber products. As an example, the PDSA II introduced new practices for farmers to collect and store Brazil Nuts and supported investments to improve the storage and processing facilities of the COOPERACRE cooperative, consequently increasing the end product's quality and sales price. COOPERACRE has been able to obtain the organic certification of its products and to sell its new "Premium Brazil Nuts" in the international market, so it purchases nuts from farmers at higher prices than the middlemen who used to be their traditional buyers of Brazilian nuts. It also provides farmers advance payments that serve to finance their activities and delivers technical assistance and training to improve production and product quality. All the process is under the technical supervision of the cooperative, which increases project sustainability after project completion.
- 2.14 **Gender issues.** Additionally, the growing participation of women in the countryside has gained importance in the sector, especially when they are responsible for rural properties. According to the latest data from 2017, women manage approximately 18.7% of the properties in Brazil, and 20% in the Amazon region. Studies also show that these women are often more qualified than men. With technological advances in production, there are even more opportunities for women's participation to grow, but this distribution should be encouraged through specific training programs tailored to their productive inclusion, as foreseen in this TC.
- 2.15 **Effects of the COVID-19 pandemic.** The COVID-19 outbreak that started in early 2020 had negative impacts in the Amazon region in several dimensions (economic, environmental, and social). The closure of local markets, lack of transportation, and reduction in already limited public services, such as technical assistance and rural extension, greatly affected rural and traditional communities. The lack of storage and processing facilities led to production loss and drop in its price. In line with IDB studies (IDB 2021) pointing out that 67% of farmers in Latin America and the Caribbean sold their products below the expected price during the pandemic in 2020, the prices of Amazon products, such as Brazil Nuts, fell more than 50% compared to 2019.² Family

² EMBRAPA – Pandemia do Coronavírus afeta mercado da castanha-do-brasil. Accessed on 19 August, 2021, available at: <https://www.embrapa.br/en/busca-de-noticias/-/noticia/53129176/pandemia-do-coronavirus-afeta-mercado-da-castanha-do-brasil>

consumption fell by an estimated 47%.³ Moreover, while federal and state governments' attention and resources were directed to fighting the pandemic, deforestation rates soared in the Amazon, reaching close to 10,600 km² in 2020, which represented an 8% increase compared to 2019, and 30% compared to 2018.⁴

- 2.16 **Project focus.** Based on the identified problems and potential for low-carbon agriculture practices to promote nature-based solutions for the Amazon, the Ministry of Agriculture, Livestock and Supply (MAPA) of Brazil requested in June 2020 the Bank's support to finance a TC focused on developing production-based solutions to reduce deforestation. In response to that request, the Bank prepared this TC, aimed at supporting sustainable models of using the standing forest based mainly on extractivism,⁵ the recovery and sustainable increase in productivity of lands that were deforested in the past, and the development of alternative sources of income to replace the income from deforestation. In addition to promoting sustainable models, the project will also focus on raising awareness of the importance of preserving the forests.
- 2.17 The TC will promote farmers' learning of low-carbon production systems and technologies, in value chains such as coffee and cacao, and facilitate the access to financing to make possible their adoption. It will also strengthen extractivist activities in value chains, such as Brazilian nuts, açai and fish, as an attractive alternative to deforestation for income generation. Instead of focusing solely on individual farmers and production technology, the project will use a value chain approach to address constraints that individual farmers and rural communities face to access markets, storage and processing facilities, information, financial services, and government programs, delivering nature positive outcomes. The TC will also finance activities to increase awareness of farmers and rural communities about the benefits of reducing deforestation, including its effects on climate change, and of the existence of other alternatives that can effectively help increase their income, linked to deforestation-free and forest conservation.
- 2.18 **Value chains strategies.** At the level of agricultural production and technology, the project will pursue two main strategies to strengthen value chains and nature based solutions for agriculture: (i) promote the adoption of agroforestry systems (interplanting crops and forest species) and agro-ecological practices that serve to restore and increase productivity of degraded lands, and contribute to the recovery of biodiversity and critical ecosystems; and (ii) support the improvement of the sustainable extraction and marketing of non-timber products, generating an alternative source of income. Both strategies are expected to increase productivity and incomes of farmers, rural and indigenous communities, and at the same time the use of sustainable practices thereby contributing to the development and increased resilience of communities. Those activities will also increase productivity in a sustainable manner, contributing to more robust, strengthened, and extended supply chains. In addition, project activities (awareness raising, technical assistance) will ensure farmers comply with environmental laws and induce long-term behavioral change amongst rural

³ Agência Brasil – Economia do Amazonas se acomoda em patamar ainda baixo, diz Banco Central. Accessed on 19 August, 2021, available at: <https://agenciabrasil.ebc.com.br/economia/noticia/2021-03/economia-do-amazonas-se-acomoda-em-patamar-ainda-baixo-diz-bc>

⁴ INPE – INPE consolida 7.536KM² de desmatamento na Amazônia em 2018. Accessed on 19 August 2021, available at http://www.inpe.br/noticias/noticia.php?Cod_Noticia=5138

⁵ Extractivism is a traditional activity performed by rural communities in the Amazon that obtain an income from the collection and sale of native products like acai berry, Brazil nuts, native cacao, cupuaçu, and fish, among others.

communities. Besides supporting policies to avoid the expansion of agricultural commodities into native forests, this TC will explore sustainable agriculture practices aligned with sustainable exploitation of forest-based products.

- 2.19 This TC will be the fourth project⁶ financed under the *Phase II: Low Carbon Agriculture for Avoided Deforestation and Poverty Reduction Fund* (LCA Fund), funded by the Department for Environment, Food and Rural Affairs (DEFRA) of the Government of the United Kingdom of Great Britain and Northern Ireland. The purpose of the LCA Fund is to finance operations that promote sustainable land use and low-carbon agriculture on small and medium properties by encouraging technological progress, ensuring that production continues to develop while conserving natural resources, reducing deforestation, and reducing GHG emissions in Brazil's largest biomes.
- 2.20 **Lessons from other IDB projects.** Lessons from the experience of other IDB projects supporting low carbon agriculture in Brasil (BR-X1028, BR-T1378 and BR-T1409) that have been applied in the preparation of this TC including the following: (i) the key role of providing technical assistance to farmers to make possible the adoption of low carbon technologies and sustainable production practices; (ii) the need to avoid providing direct subsidies to farmers, which demonstrated to pose operational challenges and did not ensure the sustainability of technology adoption; (iii) relevance of strengthening existing farmer organizations to improve the marketing of production; (iv) the effectiveness of business production plans to provide beneficiaries the services and investments supported financed by the project, as well as for obtaining complementary funding; and (v) the need to prepare detailed Operating Regulations before the start of the project.
- 2.21 The TC is consistent with the Second Update to the Institutional Strategy UIS (AB-3190-2) and is aligned with the development challenge of Productivity and Innovation, as it promotes the adoption of low-carbon agricultural technologies and production systems by small-scale farmers and traditional communities. It is also aligned with the cross-cutting issues of climate change, and gender equality and diversity, as it focuses on supporting the adoption of climate change and adaptation technologies, as well as the participation of women in production value chains. It contributes to the IDBG Corporate Results Framework 2020-2023 (GN-2727-12), specifically in the number of beneficiaries of improved management and sustainable use of natural capital. The TC is also consistent with the Integrated Strategy for Climate Change Adaptation and Mitigation, and Sustainable and Renewable Energy (GN-2609-1), the Climate Change Sector Framework Document (GN-2835-8), and the Agriculture Sector Framework Document (GN-2709-10). Furthermore, the TC will contribute to the Strategic Development Program for Sustainable Development in the Amazon (GN-3036-4), as it will promote the sustainable and inclusive management of agriculture and forests that benefit its communities in the Amazon.
- 2.22 The TC is also aligned with two cross-cutting pillars of the Country Strategy with Brazil 2019-2022 (GN-2973): environmental sustainability and climate change, and diversity and gender. In addition, the TC is aligned with the strategic objective of supporting the international and national integration of the less developed regions, by supporting the development of value chains in Brazil's North region with potential for export and national markets. According to the multilateral development banks' joint methodology

⁶ The three previous projects are: (i) BR-T1378 (ATN/LC-17432-BR) PRS Caatinga; (ii) BR-T1409 (ATN/LC-17408-BR) PRS Cerrado; and (iii) BR-T1410 (ATN/LC-17427-BR) Phase II - Monitoring, Impact Assessment and Knowledge Management.

for tracking climate finance, 100% of this TC's resources are invested in climate change mitigation and adaptation activities.

- 2.23 This project was designed in partnership with MAPA to enhance policy outcomes for the region. The Ministry is developing a policy called AGRONORTE, aimed at increasing the Amazon's region development, by strengthening sustainable supply chains, and integrating logistic systems. In addition, it will also support the implementation of the Low Carbon Agriculture - ABC Plan of Brazil's Federal Government, currently extended until 2030. In addition, synergies will be promoted with the TC projects focused on promoting low carbon agriculture in the biomes Caatinga (BR-T1378; ATN/LC-17432-BR) and Cerrado (BR-T1409; ATN/LC-17408-BR), as well as other projects in Amazon states, such as the Acre Sustainable Development Program (PDSA-II) (BR-L1289; 2928/OC-BR).

III. Description of activities/components and budget

- 3.1 **Component 1. Development of Sustainable Business Models (US\$5,755,000).** This component will finance the preparation and implementation of Production Business Plans (PBP) as the planning tool that serves to organize the investments financed by the project to farmers and their organizations, with a focus on income generation that promotes social and environmental benefits for women, indigenous, Afro-descendants and traditional communities and effective protection of critical forest areas. Tentatively, the project will finance about 15 PBPs.
- 3.2 The project will first identify and select rural producer organizations that promote collective benefits (socio-productive organizations–SPO) that meet project criteria. An assessment will then be carried out in each SPO to find their main bottlenecks and obstacles, as well as the best strategies to address them. A PBPs will be formulated for each organization, including training, technical assistance, and small investments in equipment for both the beneficiary organizations and their members.
- 3.3 In addition to the general overview provided above, a slightly more detailed description of the main activities in this component is provided next:
- a. **Organization identification and selection.** The PBPs will be targeted to small farmers' organizations (associations and cooperatives). The criteria for selecting the organizations, which will be presented in more detail in the Project Operating Regulations will be: (i) be part of the prioritized chain with activities in one or more of the selected municipalities for that chain; (ii) number of involved small farmers/extractivists whose profiles fit project requirements; (iii) women's participation in productive and organization aspects; (iv) youth participation; (v) participation of indigenous, Afro-descendants, and traditional communities; and (vi) alignment with sustainable development and Amazon conservation, with emphasis on certification, qualification, diversification and value added.
 - b. **Design of PBPs.** For each selected organization, a diagnosis will be developed at both organization and producer level. This will be achieved by means of a participatory process and it will take into account several social, environmental, technical and economic aspects, such as main features of production systems and technologies applied, opportunities for forest conservation (e.g., protection or reforestation), farmers' access to technical assistance, financial services and markets, and characteristics of the farmer organization, main features of the supply chains. The diagnosis will provide key information for the participatory preparation

of market-oriented Production Business Plans, adapted to the specific requirements of each organization and group of farmers. In these PBPs, the project will finance technical assistance (TA) and small investments to improve productive capacity at the farm and the organization level (such as improvement of storage, processing, and marketing facilities). The specific TA activities, such as courses, training, sessions, and field days will be defined during the design of each PBP and tailored to the farmers' and organization's specific needs (at collective and individual level). PBPs will include specific measures to promote the participation of women, youth, indigenous, Afro-descendants and traditional communities.

- c. **Implementation and monitoring of PBPs.** TA will support the selected organizations along all PBPs implementation stages, aiming to: (i) increase production efficiency and product quality throughout the implementation of the PBP; (ii) provide capacity building and specific technical assistance to the organization's members, primarily in implementing low carbon technologies and promoting forest conservation, including training and professional qualification of producers; (iii) strengthen each organization's capacities (particularly in management and administration) in all stages -from production to marketing; and (iv) support implementation of planned investments in the PBP to adapt and improve productive capacity at farm and organization level. During implementation, TA will also provide specific training and direct support on strategic topics such as: (i) requirements to access existing credit lines; (ii) environmental registration as required by Brazil's legislation; and (iii) identification and support for the implementation of certification schemes, labels, and origin labelling (organizations, properties, and products, including deforestation-free products).
- d. **Capacity building.** To achieve efficiency and quality regarding PBP implementation, this component will also support capacity building and training as a cross cutting activity, mainly addressed at technical assistance agents. Thus, the project will also strengthen professional qualification in the region, disseminating key information and knowledge to strengthen supply chains with innovative and sustainable LCA practices, from production to commercialization. Other key stakeholders in the selected value chains will also benefit from this capacity building such as public managers, organization leaders and researchers.

3.4 **Component 2. Market Development (US\$1,407,000).** This component will promote the demand and market access for Amazonian products of the prioritized value chains. It will finance studies to better understand the current and potential markets at the national and international levels, campaigns to increase consumers' awareness and demand for Amazon products, creation and consolidation of "Amazonian" brands, development of certification schemes, studies to identify potential financial and tax incentives, and connections among organizations to increase negotiating power. Current and potential stakeholders in each of the steps of selected value chains will be mapped, and market studies should provide a clear identification of the current bottlenecks and potential. The project will search for opportunities for coordination with other initiatives at the local level. The main activities planned for this component include:

- a. **Analysis of current and potential markets.** The analysis will consider data on prices, products, flows, current markets, opportunities, and bottlenecks. It will also consider the identification of new products and new markets, certification processes, qualification, legal and sanitary issues, value added and manufacturing

products and processes. This will contribute to establishment of strong market access strategies for each value chain prioritized in the project and will also support development of the BP to define adequate investments and TA.

- b. **Creation and/or strengthening of productive and market networks, including actors from the supply chains.** Collaborative connections and integration among the actors in each supply chain will be promoted, as well as knowledge exchange, partnerships, and trade agreements. Knowledge will be drawn from more robust and established organizations in how they meet environmental and sanitary legislation, product quality and traceability, and certification processes. The activities will also involve the products' marketing campaigns, including awareness-raising, creation, and consolidation of "Amazonian" brands, including those that incorporate products produced by women, indigenous, Afro-descendants, and traditional communities; dissemination and opening of local, regional, national, and foreign markets, considering the marketing potential of the Amazonian Biome regarding sustainable and inclusive productive processes. Certification mechanisms will also be developed for sustainable practices, properties, and/or products. Additionally, relevant financial, tax incentive, credit and other mechanisms will be identified, and organizations will be encouraged to establish connections amongst themselves that will boost their negotiating power.

3.5 **Component 3. Knowledge management and dissemination (US\$1,348,500).** This component will focus on systematizing, giving the appropriate structure and form to all knowledge generated and lessons learned concerned to the activities in the previous components, leading to scale and sustainability. The greatest potential impact this project can offer lies in the replicability of the innovations in business models that it will promote. Furthermore, continuous innovation is desired, making it a priority of this component to keep track of cutting-edge developments that may provide adjustments to existing methods and protocols to improve processes and products in both the value chains promoted by the project and others with similar objectives.

3.6 To this end, studies aimed at innovation and knowledge dissemination will be commissioned, in addition to implementation of an international observatory,⁷ gathering best practices from all Amazon countries. Since not all best practices are necessarily known or sufficiently publicized yet, a Best Practices Award initiative is foreseen, which will provide an additional push to reach the desired capillarity, with the added benefit of providing international visibility to the project. The following list contains descriptions for some of the main activities in this component:

- a. **Knowledge management.** This activity will gather information generated by project activities and specific research on low-carbon practices, conservation and restoration, gender and youth inclusion, and the development of sustainable supply chains in the Amazon. This will include awards, identification and registration of these practices and lessons learned in the project. It will also include studies to assess the potential of new value chains, especially those linked to bioeconomy and nature-based solutions.
- b. **Knowledge dissemination and good practices observatory.** This activity will include knowledge exchange and dissemination of information (such as learning

⁷ The international observatory will be a virtual platform with a compilation of a database of programmes, projects, publications, scientific articles, training initiatives and events related to low-carbon agriculture technologies.

routes, exchange visits, videos, systematization, studies, reports and webinars) involving government organizations (municipal, state and federal), organizations, communities, technicians, researchers, beneficiaries and other actors of prioritized, complementary and innovative supply chains, including national workshops and one international workshop for exchange with neighboring countries of the Amazon Basin (South-South cooperation). Dialogues and seminars are also planned to maximize the exchange of knowledge and lessons learned in the project, including among others the effectiveness of sustainable agriculture practices and other project interventions in reducing deforestation, climate change mitigation, and other environmental benefits; the role, effectiveness, and obstacles of working with rural organizations; results and lessons of the application of a value chain approach. In addition, information and lessons learned from the project will be included in the Agriculture Observatory, a web portal created by the Ministry of Agriculture to provide open access to the public of available agriculture and climate databases. The project will also compile information and lessons learned, including the contribution of women and traditional communities in the supported chains, to be shared with national and international stakeholders. This will disseminate project results and support the scaling up participation of women and traditional communities, especially with regards to management of productive activities and organizations (cooperatives, associations, etc.), ensuring that awareness about low carbon activities and how they impact on agriculture is aligned with the Brazilian policy and disseminated. This will lead to a management of landscapes and enable the development of the agriculture sector, based on reduced degradation of ecosystems, balanced use of natural capital, restoring degraded land and reducing deforestation for the adoption of production systems that mitigates and are resilient to the impacts of climate change.

- 3.7 **Project Management, auditing, and other administrative costs (US\$1,119,500).** Includes project management, monitoring and evaluation costs; two (2) yearly and one (1) final external audit; equipment, office structure, personnel costs, among others.
- 3.8 The cost of the TC is US\$9,630,00 which is financed by the Phase II: Low Carbon Agriculture for Avoided Deforestation and Poverty Reduction Fund (LCA).

Indicative Budget (US\$)

Component	IDB/LCA Fund	Total Funding
Component 1. Development of Sustainable Business Models	5,755,000	5,755,000
Component 2. Market Development	1,407,000	1,407,000
Component 3. Knowledge management and dissemination	1,348,500	1,348,500
Project Management	677,500	677,500
Auditing	105,000	105,000
Other admin costs	337,000	337,000
Total	9,630,000	9,630,000

- 3.9 **Project area and project beneficiaries.** The project will operate in all the states of the Amazon biome and its target population will be small farmers, traditional communities and their cooperatives and associations. However, the components that include activities supporting producers and their organizations will focus on priority value chains and territories that have been preliminary [selected](#), while the components

that support studies, policy dialogue and other actions to promote dissemination of lessons learned and scaling up will cover all Amazonian states. The preliminary selection of priority value chains was based on the following criteria, which will also be applied to evaluate other value chains that could be incorporated during the first year of implementation: (i) potential to contribute to reducing deforestation and GHG emissions; (ii) existence of products' market potential, either in national or international markets; (iii) strong presence of small farmers and extractive producers; (iv) volume of products sufficient to ensure potential development of the value chain; (v) presence of organizations (cooperatives, associations, etc.) that can play a key role in production and marketing; (vi) possibility of achieving sustainable results during the project execution period; (vii) possibility of production intensification in a sustainable way; and (viii) potential to increase income for producers/extractivists. The selection of farmer organizations will be based on the following criteria: (i) focus on the selected supply chains and presence in the project's target municipalities; (ii) large number of members; (iii) women's participation; and (iv) readiness to implement sustainable practices.

- 3.10 Project beneficiaries include about 1,500 small producers, 120 technical assistance providers and 440 people (including professionals and managers in public sector agencies in Brazil and in neighbouring countries in the Amazon basin). Small producers include farmers and traditional communities (riverside dwellers, rubber tappers, forest dwellers, quilombo settlements, babassu nut breakers, extractivists, fishermen, and indigenous communities).
- 3.11 It is also important to highlight that some indigenous communities have already been identified as part of the producing or supplying non-indigenous organizations within the project area. For instance, in the states of Rondônia and Amazonas, the Suruí, Aruá and Tupari communities produce coffee and the Apurinã, Jamamadi and Paumari communities produce Brazilian Nut, respectively. The participation of indigenous communities in project activities will be subject to Brazilian Law and IDB safeguard policies.
- 3.12 **Expected results.** The main expected results include: (i) 15 strengthened productive organizations, eight (8) of which will work with female, indigenous, and Afro-descendant farmers as well as traditional communities; (ii) two (2) new markets opened for Amazonian products, with a focus on products supplied by female, indigenous, and Afro-descendant farmers as well as traditional communities; (iii) six (6) supply chains strengthened; (iv) 300 farmers with increased capacity to access available credit lines, 100 of which will be women, indigenous, Afro-descendant farmers and farmers from traditional communities; (v) 600 small farmers adopting sustainable practices, including 480 women, indigenous, Afro-descendant farmers and farmers from traditional communities; (vi) 6,000 hectares of land under sustainable management, including 3,000 hectares of traditional (quilombo and riberinhos) land; (vii) directly avoid the deforestation of 2,000 hectares; and (viii) mitigate 400,000 tons of GHG by the end of the project derived from avoided deforestation. In addition, the improvement of productive practices will lead to an increased income by 15% among the producers directly assisted, as well as a 10% increase in productivity. The project will also increase the capacity of 1,500 individual producers, including 900 women, indigenous, Afro-descendant farmers and farmers from traditional communities, 120 technical assistance agents and 440 people involved in the value chains (including public managers).

- 3.13 The project will work with and benefit women, indigenous, Afro-descendants, and traditional indigenous communities present in the priority areas interested and willing to work with the project. Project activities will be aligned with government policies to ensure that activities are prepared jointly with the community and authorized and supervised by the National Indian Foundation (FUNAI).

IV. Executing agency and execution structure

- 4.1 The Executing Agency (EA) will be the Brazilian Institute of Development and Sustainability (IABS), a non-governmental and non-profit organization (NGO) based in Brasilia, with teams and offices in other states of Brazil, specialized in the financial and operational management of environmental projects.
- 4.2 Since its creation in 2003, IABS has implemented over 265 projects, having as its main partners bilateral and multilateral organizations such as the Inter-American Institute for Cooperation on Agriculture (IICA), the Spanish Cooperation Agency (AECID), the United States Agency for International Development (USAID), the United Nations Development Program (UNDP), the IDB, universities (e.g. Technical University of Madrid and the University of Brasilia), as well as private sector organizations. It has substantial know-how on rural development and social technologies, having built over 15,000 rainwater catchment cisterns and promoted low-carbon agriculture and social technologies in rural properties. IABS has a track record in designing, implementing, delivering and monitoring low-carbon and sustainable agricultural practices in different Brazilian biomes. IABS has participated in the execution of the first phase of the Low-Carbon Agriculture Project (BR-X1028), having played a key role in the acceleration of its implementation, and it is currently executing the LCA Cerrado (BR-T1409).
- 4.3 The Bank carried out an evaluation of IABS's institutional capacity using the Institutional Capacity Assessment Platform (PACI), which concluded that IABS has a satisfactory experience in project management and established procurement rules acceptable to the Bank, while it needed to strengthen its financial systems and its technical team. IABS is also a member of the IDB Civil Society Consultation Group (ConSoC) in Brazil.
- 4.4 **Execution mechanism.** IABS will be responsible for the technical, financial, and fiduciary execution and administration of the TC. A steering committee will be created including representatives of DEFRA, IDB, MAPA and IABS. It will have a consultative role, serving to discuss progress of implementation, review annual work plans, and provide strategic guidance. MAPA, which played an active role in the preparation of the TC, will participate jointly with IABS in the supervision of field activities, the quality review of goods and services provided by contractors and vendors, and the monitoring of implementation progress,. A technical committee will also be created to provide technical advice, including EMBRAPA (the national agricultural research agency), universities, key government agencies and experienced NGOs working in the Amazon region.
- 4.5 IABS will execute the project using its administrative, technical, organizational, and internal control capabilities in line with the results of the IDB institutional capacity assessment. To strengthen its role as technical executor, IABS will create a Project Management Unit (PMU) within its organizational structure and allocate the necessary human and technical resources for project implementation. The execution of the TC will make use of existing IABS systems for integrated project planning, procurement processes, financial management, internal controls, and monitoring

reports, ensuring compliance with the Bank's standards, procedures, and control systems. The PMU will include seven full-time technical staff fully dedicated to the TC: (i) a general coordinator of project activities; (ii) an operational coordinator or technical analyst to support project management; (iii) a financial coordinator of the project; (iv) a legal assistant; (v) an administrative manager; (vi) an assistant for planning and management; and (vii) an accounting assistant.

- 4.6 **Project management, monitoring and evaluation.** IABS will create a field team comprised of three (3) state coordinators and six (6) professionals, each of whom will be responsible for a production chain and its local networking. These teams will be responsible for articulating and mobilizing producers and other actors involved in the supply chains, as well as coordinating and monitoring the execution of activities with productive organizations while strengthening the value chains, among other actions. In addition, IABS will oversee the monitoring, evaluation and reporting on Key Performance Indicators—KPIs agreed with the donor,⁸ to ensure accurate data on the sustainable and low-carbon practices. Progress reports will be submitted to the steering committee every six months, including KPIs. Further details on the roles and responsibilities of each committee/working group under the project will be described in the Operating Regulations Manual of this TC. A [quantitative impact evaluation](#) will assess the effects of the project on the productivity and income of project beneficiaries.
- 4.7 **Contractual conditions prior to the first disbursement.** According to the terms and conditions previously agreed with the Bank: (i) evidence of the establishment of the PMU within IABS organizational structure; (ii) hiring of the PMU technical staff; and (iii) preparation and non-objection of the Bank of TC Operating Regulations (see paragraph 4.8).
- 4.8 **Operating Regulations.** The TC's Operating Regulations will describe the execution arrangements for the operation, including: (i) organizational structure; (ii) technical and operational arrangements for program execution; (iii) operating procedures; and (iv) detailed description of the expected results.
- 4.9 **Procurement and financial management.** Procurement administration of the project will take place in accordance with established private sector and commercial practices acceptable to the IDB, as per the terms of the Policies for the Procurement of Goods and works financed by the IDB (GN-2349-15) and Policies for the Selection and Contracting of Consultants Financed by the IDB (GN2350-15). Use of private sector procurement regulations is warranted due to IABS' private sector nature. The procurement of goods and services, including the selection and contracting of consultants with resources from the IDB, will follow the norms and procedures of IABS, as contained in the IABS procurement manual. IABS and the Bank have agreed on a procurement plan for the duration of the TC. Any change or revision of the procurement plan by IABS will be submitted for the Bank's non-objection. Except for auditing, the supervision of the procurement function by the IDB will be based on the ex-post modality. The Bank will advance funds to IABS based on the TC real cash flow needs, as established in the TC financial plan. All advances, except the first one, will be

⁸ KPI indicators have been included in the Indicative Results Framework of the Administrative Agreement, signed between IDB and the Government of the United Kingdom: KPI 6: net change in Greenhouse Gas Emissions (tCO₂e) – tons of GHG emissions reduced or avoided; KPI 8: number of hectares where deforestation and degradation have been avoided through ICF support; KPI 10: value of ecosystem services generated or protected as a result of ICF support; KPI 15: extent to which ICF intervention is likely to have a transformational impact; and KPI 17: Hectares of land that have received sustainable land management practices as a result of ICF.

subject to a minimum 80% justification of all accumulated unjustified balances from previous advances. The Bank will initially advance resources to cover 120 days of TC expenditures; throughout project execution, although the Bank could increase this funding-period up to a level of 180 days if deemed appropriate. The disbursements of the project will be subject to ex-post supervision by the Bank and by the external auditors. At the end of each fiscal year, IABS will submit the project's financial statements audited by an eligible audit firm in accordance with IDB terms of reference and regulations.

V. Major issues

- 5.1 The main risks identified in the implementation of this TC are:
- 5.2 **Macroeconomic Risk.** The evolution of the economic environment could affect this TC, since it interferes directly with the production capacity, economic viability and, above all, consumer purchasing capacity, both domestically and internationally. Therefore, the executing agency and other stakeholders will seek to mitigate these risks mainly through the collective business plans, by establishing instruments for increasing the resilience of priority productive organizations. It will also consider the economic context, including both domestic challenges (i.e., fiscal and tax situation) and the international context (i.e., exchange rate variation, risks of investments in Brazil). The functioning of the supply chains, considering their added value, certifications and sustainable characteristics regarding protection of the Amazon will be essential to ensure their long-term resilience.
- 5.3 **Implementation risks.** One of the risks of the TC relates to potential difficulties in the interactions with local organizations and elicit their interest in the project. To mitigate this risk, the project will take advantage of existing networks with local institutions and organizations and emphasize on the communication activities, so that clear messages are portrait about the proposed project activities and their expected benefits.
- 5.4 **Political risks.** The project and its expected results could be affected by public policies and interventions at different levels (federal, state, municipal) related with deforestation, such as weakening of government institutions responsible for monitoring and control. In this regard, it is expected that the project team, jointly with DEFRA, and the executing agency, will maintain a permanent and strong dialogue with the beneficiary (the Ministry of Agriculture), which has set as priority the implementation of policies to reduce deforestation in the Amazon by promoting the development of sustainable production alternatives in the lands already in use, land regularization, and compliance with the Forest Code.
- 5.5 **COVID-19 related risks.** Measures will be taken to minimize impacts from Coronavirus contamination. The Brazilian food production sector in general has been relatively unaffected, especially when compared to other commodities since there has been no interruption or sharp drop in demand for food globally. However, the potential impact on these chains might come mainly through new requirements that may arise from buyers to ensure product quality and traceability, both factors that will be considered mainly in the activities of Components 1 and 2 of the project; both in terms of development of production business plans and actions to access existing and open new markets.
- 5.6 **Risk of increasing deforestation ("leakage").** The risk of project activities increasing deforestation is low since the project will promote solutions that are evidenced based and have worked in other contexts. This will be done through the adoptions of

sustainable agriculture and management practices that has proved to increase production and resilience without the need to convert native vegetation, as well as mitigate emissions. There is knowledge and a series of studies demonstrating the contributions of agroforestry systems to avoided deforestation. According to a recent study from FAO, the most effective way to fight deforestation is to align a sustainable way to produce food along with a legal and sustainable forest supply chains (FAO, 2020). In addition, the ABC Plan has mitigated between 110.21 and 154.38 million Mg CO² eq. from 2010 to 2018 (*Ministerio da Agricultura*, 2020).

VI. Exceptions to Bank policy

- 6.1 No exceptions to Bank policy are expected.

VII. Environmental and Social Strategy

- 7.1 In accordance with the Policy OP-703, this TC is classified as “Category C” due to the low risk of any significant adverse environmental or social impacts with the implementation of an appropriate environmental and social management plan ([Safeguard Screening Form](#) and [Safeguard Policy Filter Report](#)). In order to generate environmental benefits, the project will need to develop environmental management guides for producer and establish environmental eligibility criteria for participating producers, including a cut-off date for deforestation of land under production. Participating producers will not be allowed to deforest existing forested land in areas qualifying as critical natural habitats under IDB OP-703. Uses of lands deforested prior to the project cut-off date (to be established) will be used in accordance with applicable legal restrictions. Some of the selected municipalities (such as Itamarati, Sao Miguel do Guaporé, and Altamira) include large areas of indigenous lands and it will be important to understand how benefits of the project will be made available to indigenous peoples in these areas. If indigenous communities are identified as potential project beneficiaries, the project will apply OP-765, including the implementation of socio-cultural analyses, the identification of risks that the project could pose to their values, cultures, and ecosystems, and the consultation with the concerned communities so that they make a free and informed decision about their willingness to join the project. Worker occupational health and safety, including COVID-19, will be improved through education and access to appropriate personal protective equipment.

Required Annexes:

- Annex I: Results Matrix
- Annex II: Procurement Plan

Required electronic links

- [Request from the client](#)
- [Terms of Reference](#)



Operation Number: BR-71462
TCM Cycle: TCM Period 2021
Last Update: 8/26/2021

Inter-American Development Bank - IDB

Results Matrix

Outcomes

Outcomes											
1 Development of Sustainable Business Models											
Indicators	Flags*	Unit of Measure	Baseline	Baseline Year	Means of verification	2021	2022	2023	2024	2025	EOP
1.1 Number of producer's organizations strengthened	#Organizations	0.00	2021	Increase in sales price, increase in the number of products marketed through the organization, increase in the number of producers	P	0.00	0.00	15.00	15.00	0.00	15.00
					P(a)	0.00	0.00	15.00	15.00	0.00	15.00
					A						
1.2 Number of women, indigenous, Afro-Brazilian and traditional communities strengthened	Organizations	0.00	2021	Indigenous and quilombo organizations experiencing an increase in sales price, increase in the number of	P	0.00	0.00	8.00	8.00	8.00	8.00
					P(a)	0.00	0.00	8.00	8.00	8.00	8.00
					A						
1.3 Producers/quilombo families adopting or preserving sustainable production practices	#Families	0.00	2021	Increase in the number of families	P	0.00	100.00	300.00	500.00	600.00	600.00
					P(a)	0.00	100.00	300.00	500.00	600.00	600.00
					A						
1.4 Number of women headed households, indigenous, Afro-Brazilian and traditional families adopting or preserving sustainable production practices	#Families	0.00	2021	Female-headed, indigenous, Afro-Brazilian and traditional families preserving and adopting sustainable production	P	0.00	60.00	180.00	400.00	480.00	480.00
					P(a)	0.00	60.00	180.00	400.00	480.00	480.00
					A						
1.5 Hectares of land brought under sustainable management	#Ha	0.00	2021	Increase in the number of hectares	P	0.00	0.00	0.00	3,000.00	3,000.00	6,000.00
					P(a)	0.00	0.00	0.00	3,000.00	3,000.00	6,000.00
					A						
1.6 Hectares of traditional (quilombo and riverine) land brought into sustainable management	#Ha	0.00	2021	Increase in the number of hectares of traditional land brought into sustainable management practices	P	0.00	0.00	0.00	1,500.00	1,500.00	3,000.00
					P(a)	0.00	0.00	0.00	1,500.00	1,500.00	3,000.00
					A						
1.7 Number of producers with increased knowledge on sustainable practices and low carbon agriculture	#Producers/ Extractivists	0.00	2021	Increase in the number of producers	P	0.00	200.00	1,000.00	300.00	0.00	1,500.00
					P(a)	0.00	200.00	1,000.00	300.00	0.00	1,500.00
					A						
1.8 Number of women, indigenous, Afro-Brazilian, and traditional producers with increased knowledge of sustainable practices and low-carbon agriculture	#Producers	0.00	2021	Increase in number of producers as shown in progress reports	P	0.00	120.00	600.00	180.00	0.00	900.00
					P(a)	0.00	120.00	600.00	180.00	0.00	900.00
					A						
1.9 Number of technical agents trained on low carbon production/extension	#Technical assistant agents	0.00	2021	Increase in the number of technical agents	P	0.00	75.00	45.00	0.00	0.00	120.00
					P(a)	0.00	75.00	45.00	0.00	0.00	120.00
					A						
1.10 Number of producers with increased capacity to access to rural credit	#Producers/ Extractivists	0.00	2021	Increase in the number of producers	P	0.00	0.00	0.00	200.00	100.00	300.00
					P(a)	0.00	0.00	0.00	200.00	100.00	300.00
					A						
1.11 Number of women, indigenous, Afro-Brazilian, and traditional communities with increased capacity to access rural credit	#Families	0.00	2021	Number of families that access credit	P	0.00	0.00	0.00	60.00	40.00	100.00
					P(a)	0.00	0.00	0.00	60.00	40.00	100.00
					A						
1.12 Number of stakeholders with increased capacity in sustainable supply chains, including public sector's managers	#People	0.00	2021	Increase in the number of stakeholders	P	0.00	10.00	300.00	120.00	0.00	430.00
					P(a)	0.00	10.00	300.00	120.00	0.00	430.00
					A						
1.13 Number of women, indigenous, Afro-Brazilian and traditional communities with increased capacity to participate in sustainable supply chains	#People	0.00	2021	Progress reports	P	0.00	5.00	150.00	60.00	0.00	215.00
					P(a)	0.00	5.00	150.00	60.00	0.00	215.00
					A						
Outcome: 2 Market Development											
Indicators	Flags*	Unit of Measure	Baseline	Baseline Year	Means of verification	2021	2022	2023	2024	2025	EOP
2.1 New markets for Amazonian products accessed	#Markets	0.00	2021	Increase in the number of new markets	P	0.00	0.00	1.00	2.00	2.00	2.00
					P(a)	0.00	0.00	1.00	2.00	2.00	2.00
					A						
2.2 New markets of Amazon products for women suppliers	Markets	0.00	2021	Progress reports	P	0.00	0.00	1.00	1.00	0.00	1.00
					P(a)	0.00	0.00	1.00	1.00	0.00	1.00
					A						
2.3 New markets for Amazon products accessed by indigenous, Afro-Brazilian and traditional communities	Markets	0.00	2021		P	0.00	0.00	1.00	2.00	2.00	2.00
					P(a)	0.00	0.00	1.00	2.00	2.00	2.00
					A						
2.4 Number of supply chains with an increase in sales price and/or an increase in the number of by-products	#Supply chains	0.00	2021	Increase in the number of supply chains	P	0.00	0.00	0.00	3.00	3.00	6.00
					P(a)	0.00	0.00	0.00	3.00	3.00	6.00
					A						
Outcome: 3 Knowledge Management and dissemination											
Indicators	Flags*	Unit of Measure	Baseline	Baseline Year	Means of verification	2021	2022	2023	2024	2025	EOP
3.1 International stakeholders increased awareness on sustainable supply chains	#Individuals	0.00	2021	Increase in the number of international stakeholders	P	0.00	0.00	0.00	0.00	50.00	50.00
					P(a)	0.00	0.00	0.00	0.00	50.00	50.00
					A						
3.2 Institutions actively engaged in the knowledge exchange and dissemination activities	Institutions	0.00	2021	Increase of institutions	P	0.00	0.00	0.00	2.00	3.00	
					P(a)	0.00	0.00	0.00	2.00	3.00	
					A						

CRF Indicator

Outputs: Annual Physical and Financial Progress

1 Development of Sustainable Business Models						Physical Progress										Financial Progress					Theme	Fund	Flag
Outputs	Output Description	Unit of Measure	Baseline	Baseline Year	Means of verification	2021	2022	2023	2024	2025	EOP	2021	2022	2023	2024	2025	EOP						
1.1 Action plans designed	Number of business plans designed	Action Plans (P)	0	2021	Business Plans	P	0	15	0	0	0	15	P	27037.57	162225.42	81112.71	0	0	270375.7	Agricultural Productivity and Food Security	LCA		
						P(a)	0	15	0	0	0	15	P(a)	27037.57	162225.42	81112.71	0	0	243338.13				
						A							A										
1.2 Institutions trained	Organizations supported with technical assistance and/or collective benefits	Institutions (P)	0	2021	List of participants	P	0	15	15	15	15	60	P	46403.59	556843.11	742457.48	510435.52	0	1856143.7	Agricultural Productivity and Food Security	LCA		
						P(a)	0	15	15	15	15	60	P(a)	46403.59	556843.11	742457.48	510435.52	0	1850740.11				
						A							A										
1.3 Individuals Trained	Producer's families supported with technical assistance	Individuals (P)	0	2021	List of participants	P	0	100	400	100	0	600	P	28856.89	214855.14	375996.49	402853.38	53713.78	1074235.68	Agricultural Productivity and Food Security	LCA		
						P(a)	0	100	400	100	0	600	P(a)	28856.89	214855.14	375996.49	402853.38	53713.78	107418.79				
						A							A										
1.4 Workshops organized	Organizations' network state events delivered	Workshops (P)	0	2021	Events	P	0	1	2	0	0	3	P	0	31638.59	44294.03	44294.03	6327.72	126554.37	Agricultural Productivity and Food Security	LCA		
						P(a)	0	1	2	0	0	3	P(a)	0	31638.59	44294.03	44294.03	6327.72	126554.37				
						A							A										
1.5 Training workshops delivered	Field days delivered	Workshops (P)	0	2021	Field Report	P	0	10	50	15	0	75	P	4365.93	52391.16	60654.89	48025.23	0	174637.21	Agricultural Productivity and Food Security	LCA		
						P(a)	0	10	50	15	0	75	P(a)	4365.93	52391.16	60654.89	48025.23	0	170271.28				
						A							A										
1.6 Seminars organized	Awareness building and training sessions delivered (apart from field days)	Seminars (P)	0	2021	Training sessions	P	0	5	20	13	0	38	P	10767.53	107675.3	172280.49	139977.9	0	430701.22	Agricultural Productivity and Food Security	LCA		
						P(a)	0	5	20	13	0	38	P(a)	10767.53	107675.3	172280.49	139977.9	0	419953.69				
						A							A										
1.7 Individuals Trained	Participation of producers in the awareness building, training sessions and field days	Individuals (P)	0	2021	List of participants	P	0	400	2000	600	0	3000	P	0	72100.3	115360.49	100940.43	0	288401.22	Agricultural Productivity and Food Security	LCA		
						P(a)	0	400	2000	600	0	3000	P(a)	0	72100.3	115360.49	100940.43	0	288401.22				
						A							A										
1.8 Participants attending events	Participation of technical assistance agents in capacity building and training sessions	Individuals (P)	0	2021	List of participants	P	0	150	90	0	0	240	P	0	215230.73	141680.49	0	0	354201.22	Agricultural Productivity and Food Security	LCA		
						P(a)	0	150	90	0	0	240	P(a)	0	215230.73	141680.49	0	0	354201.22				
						A							A										
1.9 Participants attending events	Participation of stakeholders (including public managers) in capacity building and knowledge dissemination on sustainable supply	Individuals (P)	0	2021	Number of participants	P	0	30	900	360	30	1320	P	0	18490.12	110940.73	55470.36	0	184901.21	Agricultural Productivity and Food Security	LCA		
						P(a)	0	30	900	360	30	1320	P(a)	0	18490.12	110940.73	55470.36	0	184901.21				
						A							A										
1.10 Training workshops delivered	Technical network relations between organizations and producer's communities delivered	Workshops (P)	0	2021	Number of missions	P	0	1	1	1	0	3	P	5476.05	32856.31	38332.36	32856.31	0	103921.03	Agricultural Productivity and Food Security	LCA		
						P(a)	0	1	1	1	0	3	P(a)	5476.05	32856.31	38332.36	32856.31	0	104044.98				
						A							A										
1.11 Diagnostics and assessments completed	Studies on certification, financial/credit/fiscal instruments and payment for environmental services delivered	Diagnostics (P)	0	2021	Studies	P	0	2	1	0	0	3	P	37833.97	208086.83	132418.89	0	0	378309.69	Agricultural Productivity and Food Security	LCA		
						P(a)	0	2	1	0	0	3	P(a)	37833.97	208086.83	132418.89	0	0	340505.72				
						A							A										
1.12 Workshops organized	Network and dissemination workshops on financial and non-financial incentives delivered	Workshops (P)	0	2021	Number of workshop	P	0	3	6	3	0	12	P	7296.05	43776.31	58368.41	36485.26	0	145921.03	Agricultural Productivity and Food Security	LCA		
						P(a)	0	3	6	3	0	12	P(a)	7296.05	43776.31	58368.41	36485.26	0	138624.98				
						A							A										
1.13 Training products developed	Communication and technical materials developed	Products (P)	0	2021	Materials	P	1	4	3	1	1	10	P	10568.29	42273.14	31704.86	10568.29	10568.29	105682.97	Agricultural Productivity and Food Security	LCA		
						P(a)	1	4	3	1	1	9	P(a)	10568.29	42273.14	31704.86	10568.29	10568.29	95114.58				
						A							A										

1.14 Training products developed	Dissemination and technical advice produced	Products (P)	0	2021	Videos	A	P	0	8	15	4	1	28	A	P	15852.43	42273.14	31704.86	10598.29	5284.14	105682.86	Agricultural Productivity and Food Security	LCA		
						PI(a)	PI(a)	0	8	15	4	1	28	PI(a)	PI(a)	15852.43	42273.14	31704.86	10598.29	5284.14	89830.43				
1.15 Policy dialogue events organized	Technical Board/Committees established	Events (P)	0	2021	Reports	A	P	0	6	0	0	0	6	A	P	7483.05	44898.31	44898.31	44898.31	7483.05	145961.03	Agricultural Productivity and Food Security	LCA		
						PI(a)	PI(a)	0	6	0	0	0	6	PI(a)	PI(a)	7483.05	44898.31	44898.31	44898.31	7483.05	142177.98				
2 Market Development						A	Physical Progress							A	Financial Progress										
2.1 Procurement plan prepared	Plans to strengthen increase and diversify supply chain's markets developed	Plans (P)	0	2021	Reports		P	2021	2022	2023	2024	2025	EOP		P	2021	2022	2023	2024	2025	EOP	Theme	Fund	Page	
							PI(a)							6	P	45495	318465	272970	181980	90900	909000	Biodiversity and Ecosystem Conservation	LCA		
														6	PI(a)	45495	318465	272970	181980	90900	864405				
2.2 Seminars organized	Events to promote sustainable supply chain products delivered	Seminars (P)	0	2021	Number of events	A	P	0	0	3	3	0	6	A	P	0	24855	198840	223695	49710	497100	Agricultural Productivity and Food Security	LCA		
						PI(a)	PI(a)	0	0	3	3	0	6	PI(a)	PI(a)	0	24855	198840	223695	49710	497100				
3 Knowledge Management and dissemination						A	Physical Progress							A	Financial Progress										
	Outputs	Output Description	Unit of Measure	Baseline	Baseline Year	Means of verification		2021	2022	2023	2024	2025	EOP			2021	2022	2023	2024	2025	EOP	Theme	Fund	Page	
3.1 Seminars organized	International Seminar to disseminate knowledge on Amharic's sustainable supply chain delivered	Seminars (P)	0	2021	Number of seminars	A	P	0	0	0	0	1	1	A	P	0	0	0	60909.33	91364	152273.33	Agricultural Productivity and Food Security	LCA		
						PI(a)	PI(a)	0	0	0	0	1	1	PI(a)	PI(a)	0	0	0	60909.33	91364	152273.33				
3.2 Climate study completed	Research, development and innovation projects developed	Studies (P)	0	2021	Reports	A	P	0	0	6	6	0	12	A	P	50717.67	101435.33	355023.67	405741.33	101435.33	1014353.33	Agricultural Productivity and Food Security	LCA		
						PI(a)	PI(a)	0	0	6	6	0	12	PI(a)	PI(a)	50717.67	101435.33	355023.67	405741.33	101435.33	963035.66				
3.3 Institutions trained	Producers/organizations assisted with best practice prize	Institutions (P)	0	2021	Event of award	A	P	0	0	0	0	10	10	A	P	0	0	0	0	181873.33	181873.33	Agricultural Productivity and Food Security	LCA		
						PI(a)	PI(a)	0	0	0	0	10	10	PI(a)	PI(a)	0	0	0	0	181873.33	181873.33				

Other Cost
Administration Costs
Annual Auditing
Project Management Unit

Total Cost

2021	2022	2023	2024	2025	Cost
P	\$28,083.33	\$84,250.00	\$84,250.00	\$84,250.00	\$56,166.67
PI(a)	\$28,083.33	\$0.00			\$0.00
A					
P	\$0.00	\$26,250.00	\$26,250.00	\$26,250.00	\$105,000.00
PI(a)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
A					
P	\$56,438.33	\$169,375.00	\$169,375.00	\$169,375.00	\$112,916.67
PI(a)	\$56,438.33	\$169,375.00	\$169,375.00	\$169,375.00	\$621,041.67
A					
2021	2022	2023	2024	2025	Total Cost
P	\$380,695.68	\$2,567,534.24	\$3,208,114.16	\$2,589,572.97	\$794,982.98
PI(a)	\$380,695.68	\$2,457,034.24	\$3,187,614.16	\$2,479,072.97	\$711,666.31
A					\$8,835,387.68

Project Title: Low-carbon Agriculture for Avoiding Deforestation and Poverty Reduction, Phase II: Sustainable				Executing Agency: IABS – Brazilian Institute of Development and Sustainability				Public or private sector: Private Sector - NGO			
Execution period: 54 months (60 execution months)											
Threshold for ex-post review of procurements:											
Item WP	Ref. WP	Description (1)	Procurement	Contract estimated cost (US\$)	Procurement method (2)	Review of Procurement (3)	Source of funding and percentage 100/FMP %	Estimated date of the procurement review or start of the contract (month)	Others (US\$)	Technical review by the PTA (4)	Comments
1		Component 1		5,755,000.00							980,000.00
1-G		Goods		40,000.00							
1-G-1	1.8.6	Equipment acquisition - to run the server, field visits and support.	Purchase of equipments (server, printers, tablets, notebooks, plotter, camera, GPS, others)	40,000.00	IABS Method		100	4			
1-NCS		Non consulting services		814,880.00							
1-NCS-1	1.4.2.A; 1.5.2.A; 1.6.2.A; 1.8.4.A; 1.8.4.B; 1.8.4.C; 1.8.5.A; 1.8.5.B	Designing, editing, registration and printing of publications/documents and audiovisual production to carry out activities in the organizations	Contracting of specialized services for the design, editing and printing of institutional and technical material, including website, social media, informes, booklets, giveaways and audiovisual production for organizations' TA	224,480.00	IABS Method		100	9			
1-NCS-2	1.8.3.B	Implementation of communication campaign, to mobilize producers and raise awareness. It will also, support dissemination of results on TA activities.	Contracting media services to advertise project actions and mobilize actors: radios, printed newspapers, social media and local television	40,000.00	IABS Method		100	7			
1-NCS-3	1.2.2.B; 1.3.1.A; 1.4.1.D; 1.4.2.B; 1.5.1.D; 1.5.2.D; 1.6.1.D; 1.6.2.D; 1.7.1.B; 1.8.5.C	Organization and implementation of events with organizations	Contracting services to deliver events: organization, logistics and execution (including facilitators, space, equipment, transportation, lodging, food, audiovisual recordings and execution)	316,000.00	IABS Method		100	8			
1-NCS-4	1.4.5.G; 1.8.1.B	Logistic and travel expenses to deliver activities with organizations, including participation in fairs and events	Contracting logistics services to carry out project activities (travel, fuel, accommodation and meals)	182,400.00	IABS Method		100	4			
1-NCS-5	1.4.1.E; 1.4.3.H	Organization and execution of technical missions, including exchanges between organizations	Contracting of facilitation services (instructors) and logistics for the execution of technical missions, including space rental, equipments, transportation, accommodation and meals	52,000.00	IABS Method		100	14			
1-CS		Consulting services		4,000,320.00							
1-CS-1	1.1.1.A; 1.2.1.A; 1.3.2.A; 1.3.3.A; 1.3.4.A; 1.4.1.A; 1.5.1.A; 1.7.2.A	Development and monitoring of the portal, IT tools and apps to deliver activities with organizations	Contracting specialized technical programming services for the development of the webportal, IT tools and apps.	157,480.00	IABS Method		100	3			Toft number 14
1-CS-2	1.4.4.F; 1.8.2.A; 1.8.2.B; 1.8.2.C; 1.8.2.D; 1.8.2.F	Implementation of communication, awareness and dissemination campaign	Contracting technical services to conduct communication, dissemination and mobilization actions	103,392.00	IABS Method		100	5			Toft number 7
1-CS-3	1.4.3.C; 1.4.4.D; 1.4.5.C	Development of the educational, technical and supporting material	Contracting specialized technical services to prepare the technical, educational and support materials' content	212,000.00	IABS Method		100	7			
1-CS-4	1.5.3.B; 1.5.1.C; 1.6.1.A; 1.6.1.B; 1.6.1.C	Analyses of different certification models, financial instruments, credit lines and other incentives to promote sustainable supply chains	Contracting specialized technical services to carry out analyses and studies about certification models, financial instruments & credit lines, as well as other incentives to promote sustainable supply chains.	166,400.00	IABS Method		100	3			
1-CS-5	1.1.1.G; 1.1.1.B; 1.1.1.C; 1.1.1.E; 1.1.1.F; 1.2.1.B; 1.2.1.C; 1.2.2.A; 1.4.1.B; 1.3.2.D; 1.3.2.E; 1.3.3.D; 1.3.4.D; 1.3.2.B; 1.3.3.B; 1.3.3.E; 1.3.4.B; 1.3.4.E; 1.7.2.B; 1.7.1.A	Development of organizations' diagnosis and their respective business plans (one for each organization)	Contracting specialized technical services for the development of selected organizations diagnosis and the development of specific business plans tailored for each organization.	803,392.00	IABS Method		100	6			
1-CS-6	1.3.2.C	Delivering technical assistance for producers/extractivists, aligned with Business Plans definitions	Contracting specialized technical services to deliver technical assistance for producers/extractivists	720,000.00	IABS Method		100	13			Toft number 13
1-CS-7	1.3.3.C; 1.5.2.C; 1.6.2.C	Delivering TA for organizations, aligned with each Business Plan	Contracting specialized technical services to deliver TA to organizations, as identified in the specific business plans. This might include: managerial procedures, consulting, leadership, capacity building, gender inclusion, legal compliance, sanitary adjustments, product suitability, certifications and others.	600,000.00	IABS Method		100	13			Toft number 13
1-CS-8	1.4.1.B; 1.4.1.C; 1.4.3.A; 1.4.3.B; 1.4.3.D; 1.4.3.E; 1.4.3.F; 1.4.3.G; 1.4.4.A; 1.4.4.B; 1.4.4.C; 1.4.4.G; 1.4.4.H; 1.4.4.I; 1.4.5.A; 1.4.5.B; 1.4.5.D; 1.4.5.F	Delivering training and capacity building. This includes, technical agents training, gender empowerment within organizations and families, field days and online courses.	Contracting specialized technical services for organizing and executing training and capacity building, including facilitation services, instructors and logistics (location, equipment, transportation, lodging and meals, when necessary)	931,456.00	IABS Method		100	8			
1-CS-11	1.8.1.A	Coordination, follow-up, monitoring and reporting of field activities	Contracting specialized technical services for coordination, follow-up, monitoring and recording of field activities	306,000.00	IABS Method		100	2			Toft number 8
1-OA		Others: Agreement		900,000.00							
1-OA-1	1.3.4.C	Investments in Collective Benefits to support the structuring of productive organizations, aligned with Business Plans definitions		900,000.00	IABS Method		100	13			
2		Component 2		1,407,000.00							
2-G		Goods		14,000.00							
2-G-1	2.4.6	Equipment acquisition - to run the server, field visits and support.	Purchase of equipments (server, printers, tablets, notebooks, plotter, camera, GPS, others)	14,000.00	IABS Method		100	4			
2-NCS		Non consulting services		666,240.00							
2-NCS-1	2.1.2.A; 2.2.3.A; 2.3.2.A; 2.4.4.A; 2.4.4.B; 2.4.4.C; 2.4.5.A; 2.4.5.B	Designing, editing, registration and printing of publications/materials and audiovisual production to increase market access and give scale to supply chain	Contracting of specialized services for the design, editing and printing of institutional and technical material, including website, social media, informes, booklets, giveaways and audiovisual production to increase market access and scalability	175,100.00	IABS Method		100	13			
2-NCS-2	2.3.2.C; 2.4.3.B	Delivery of communication campaign to advertise, raise awareness and disseminate activities for increased market access and scale-up actions	Contracting media services to advertise project actions and mobilize actors - radios, printed newspapers, social media and local television	171,004.00	IABS Method		100	12			
2-NCS-3	2.1.2.B; 2.2.3.B; 2.3.1.C; 2.3.2.B; 2.4.5.C	Events organization and delivery to increase market access and give scale to supply chains	Contracting services of organization, logistics and execution of events (including facilitators, space, equipment, transportation, lodging, food, audiovisual recordings and execution)	207,000.00	IABS Method		100	10			
2-NCS-4	2.3.2.D	Logistical and travel expenses for market access actions and supply chains scale, including participation in fairs and events	Contracting of logistics services to deliver project activities (travel, fuel, accommodation and meals)	72,000.00	IABS Method		100	6			
2-NCS-5	2.1.2.C; 2.2.3.C	Organization and delivery of technical missions on market access and supply chain scale-up	Contracting of facilitation services (instructors) and logistics for the delivery of technical missions, including renting, equipments, transportation, accommodation and meals	40,000.00	IABS Method		100	12			
2-CS		Consulting services		727,896.00							
2-CS-1	2.1.1.A; 2.2.1.A	Development and monitoring of the webportal, IT tools and apps related to market access and scale-up activities	Contracting specialized technical programming services for the development of the webportal, IT tools and applications.	40,800.00	IABS Method		100	8			Toft number 14
2-CS-2	2.7.2.A; 2.7.2.B; 2.7.2.C; 2.7.2.D; 2.7.2.E	Implementation of communication, dissemination and awareness campaigns for market access and scaling-up activities	Contracting technical services specialized to conduct communication, dissemination and mobilization actions	46,296.00	IABS Method		100	7			Toft number 7
2-CS-3	2.1.1.B; 2.1.1.C; 2.1.1.E; 2.1.1.D; 2.1.1.F; 2.2.1.B; 2.2.1.C; 2.2.2.B; 2.2.2.C; 2.2.1.D; 2.2.2.D; 2.3.1.B	Delivery of activities to strengthen supply chains, promote products and consolidate markets	Contracting technical services to deliver and monitor activities for strengthening productive chains, promoting products and consolidating markets	640,800.00	IABS Method		100	5			Toft number 12
3		Component 3		1,348,500.00							
3-G		Goods		20,000.00							
3-G-1	3.1.6	Equipment acquisition - to run the server, field visits and support.	Purchase of equipments (server, printers, tablets, notebooks, plotter, camera, GPS, others)	20,000.00	IABS Method		100	4			
3-NCS		Non consulting services		243,214.00							
3-NCS-1	3.1.4.A; 3.2.2.F; 3.4.4.A; 3.4.4.B; 3.4.4.C; 3.4.5.A; 3.4.5.B	Designing, editing, printing, registration of publications/materials and audiovisual production for development and dissemination of knowledge exchange activities	Contracting of specialized services for layout and editing of institutional, publicity and technical material, including website, social media, printed materials, giveaways and audiovisual production for development and dissemination of knowledge exchange activities.	103,400.00	IABS Method		100	4			
3-NCS-2	3.3.3.B	Implementation of communication campaigns to advertise, raise awareness and disseminate project's actions for knowledge generation and exchange	Contracting media services to advertise the project actions and mobilize actors - radios, printed newspapers, social media and local television	10,924.00	IABS Method		100	18			
3-NCS-3	3.1.1.F; 3.1.4.B; 3.1.4.C; 3.2.5.C	Planning and delivery of events related to the knowledge development and dissemination	Contracting services to plan and deliver the events (including facilitators, space, equipment, transportation, lodging, food, audiovisual recordings and execution)	99,000.00	IABS Method		100	8			
3-NCS-4	3.1.2.B; 3.1.3.E	Logistical and travel expenses for knowledge development and dissemination, including participation in fairs and events	Contracting of logistics services to deliver field activities (travel, fuel, accommodation and meals)	16,000.00	IABS Method		100	6			
3-NCS-5	3.1.1.G	Organization and delivery of technical missions on knowledge development and dissemination	Contracting of facilitation services (instructors) and logistics for the delivery of technical missions, including renting, equipments, transportation, accommodation and meals	14,000.00	IABS Method		100	15			
3-CS		Consulting services		1,005,176.00							
3-CS-1	3.1.1.A; 3.2.1.B; 3.2.2.B; 3.3.1.A	Development and monitoring of the webportal, IT tools and apps related to knowledge development and dissemination	Contracting specialized technical programming services for the development of the webportal, IT tools and applications.	36,600.00	IABS Method		100	4			Toft number 14
3-CS-2	3.3.3.F; 3.4.2.A; 3.4.2.B; 3.4.2.C; 3.4.2.D; 3.4.2.E; 3.1.1.C; 3.1.1.D; 3.1.1.B; 3.1.1.C; 3.1.1.D; 3.1.1.E; 3.1.2.A; 3.1.3.A; 3.1.1.C; 3.1.2.D; 3.1.2.E; 3.1.2.F; 3.1.3.F	Delivery of communication and dissemination campaigns for knowledge development activities	Contracting technical services specialized to deliver communication, dissemination and mobilization actions	46,296.00	IABS Method		100	7			Toft number 7
3-CS-3	3.1.1.C; 3.1.1.D; 3.1.1.E; 3.1.2.A; 3.1.3.A; 3.1.1.C; 3.1.2.D; 3.1.2.E; 3.1.2.F; 3.1.3.F	Development of research and innovation initiatives	Contracting specialized technical services for delivering the research, development and innovation projects	853,680.00	IABS Method		100	8			
3-CS-4	3.2.2.D; 3.2.1.C; 3.2.1.A; 3.2.2.A	Implementation of a good practices observatory, including the organization of a best practices award	Contracting specialized technical services for implementing a good practices observatory, including the organization of a best practices award	68,600.00	IABS Method		100	11			
3-OA		Others: Agreement		80,000.00							
3-OA-2	3.2.2.E	Resources for Good Practice Award winners	Payment of awards	80,000.00	IABS Method		100	33			
4		Management and administration		1,119,500.00							
4-G		Goods		26,000.00							
4-G-1	4.2.7	Equipment acquisition - to run the server, field visits and support.	Purchase of equipments (server, printers, tablets, notebooks, plotter, camera, GPS, others)	26,000.00	IABS Method		100	2			
4-NCS		Non consulting services		113,000.00							
4-NCS-1	4.2.3	Logistical and travel expenses for management and administration actions, including missions and participation in fairs and events	Contracting of logistics services to carry out project activities (travel, fuel, accommodation and meals)	78,000.00	IABS Method		100	1			
4-NCS-2	4.2.1	Physical and support structure (includes headquarters, states and municipalities)	Rental, general and support services, secretarial services, energy, telephone, office supplies and other (includes headquarters, states and municipalities)	233,000.00	IABS Method		100	1			
4-CS		Consulting services		782,500.00							
4-CS-1	4.1	Core technical team for project management (Project Management Unit)	Contracting specialized technical services for project coordination	677,500.00	IABS Method		100	1			Toft numbers: 1, 2, 3, 4, 5, 10, 11
4-CS-2	4.2	Annual auditing	Contratação de serviços de auditoria	105,000.00	IABS Method		100	10			
Total				9,630,000.00	Prepared by:			Date:			

(1) Grouping together of similar procurement is recommended, such as computer hardware, publications, travel, etc. If there are a number of similar individual contracts to be executed at different times, they can be grouped together under a single heading, with an explanation in the Comments column indicating the average individual amount and the period during which the contract would be executed. For example, an report

(2) **Goods and works:** CR: Competitive bidding; PC: Price comparison; DC: Direct contracting

(3) **Consulting:** CDB: Selection Based on the Consultant's Qualifications; CDBS: Quality and cost-based selection; CDS: Least Cost Selection; FBS: Selection under a Fixed Budget; SDB: Single Source Selection; QBS: Quality Based Selection

(4) **Individual consulting:** CDS: International individual Consultant Selection Based on Qualifications; SDB: Single Source Selection

(5) **Country system:** include selection Method

(6) **Ex-ante/ex-post review:** In general, depending on the institutional capacity and level of risk associated with the procurement, ex-post review is the standard modality. Ex-ante review can be specified for critical or complex process.

(7) **Technical review:** The PTA will use this column to advise those procurement capable consider "critical" or "complex" that require ex-ante review of the terms of reference, technical specifications, reports, outputs, or other items.

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-____/21

Brazil. ATN/ ____ - _____-BR. Nonreimbursable Technical Cooperation. Low Carbon Agriculture for Avoided Deforestation and Poverty Reduction – Phase II – Strengthening Sustainable Value Chains in the Amazon

The Board of Executive Directors

RESOLVES:

1. That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such contract or contracts as may be necessary with the Federative Republic of Brazil, through its Ministry of Agriculture, Livestock, and Food Supply (MAPA), as Beneficiary, and with the Brazilian Institute of Development and Sustainability (IABS), as the executing agency, and to take such additional measures as may be pertinent for the execution of the project proposal contained in document AT-____ with respect to the technical cooperation “Low Carbon Agriculture for Avoided Deforestation and Poverty Reduction – Phase II – Strengthening Sustainable Value Chains in the Amazon”.

2. Such nonreimbursable technical cooperation will be for an amount of up to US\$9,630,000, chargeable to the resources of the Low-carbon Agriculture for Avoided Deforestation and Poverty Reduction Fund – Phase II – as per the terms of the Administrative Agreement signed between the Bank and the Government of the United Kingdom on December 16th, 2016.

(Adopted on ____ 2021)