

# Amazon Fund for Forest Conservation and Climate Protection

## Context

The Amazon Fund is a pioneering climate financing initiative. It provides funding for measures to prevent, control and combat deforestation and to conserve and sustainably utilise forest areas in the Brazilian Amazon. In this way, it contributes to reducing emissions from deforestation and destructive forest use in line with REDD+.

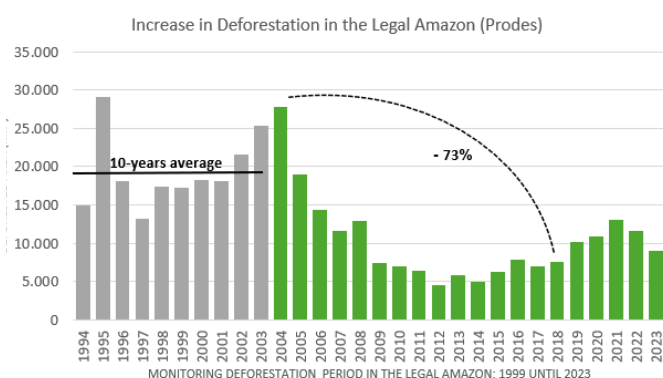
The fund was launched by the Brazilian government in 2008. The fund manager is the Brazilian development bank BNDES. To date, the fund has raised USD 1,321,200,000 based on the successes achieved in reducing deforestation in the Brazilian Amazon. In the spirit of REDD+ benefit sharing, the fund aims to contribute to achieving the goals of the Brazilian National Forest and Climate Change Policy (PNMC).

With a portfolio currently totalling 112 projects, the fund contributes to the following areas of action, which are provided for in the Plan of Action to Prevent and Control Deforestation in the Amazon (PPCDAm): a) promotion of sustainable production, b) environmental monitoring and control, c) spatial planning and protected areas and d) science, innovation and research. The main beneficiary is the Amazon biome. Norway is the largest donor to the fund with USD 1,212,400,000. The German Federal Ministry for Economic Cooperation and Development (BMZ) provided around USD 90,000,000 via the German

<b>Title</b>	Amazon Fund for Forest Conservation and Climate Protection
<b>German Partner</b>	German Federal Ministry for Economic Cooperation and Development (BMZ)
<b>Country</b>	Brazil
<b>Partner</b>	Brazilian Development Bank (BNDES)
<b>Financing of the cooperation</b>	German Government: EUR 5,500,000 Norwegian Government: EUR 4,500,000 (co-financing since 2015)
<b>Duration</b>	2016-2024

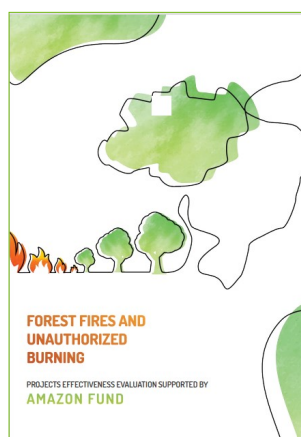
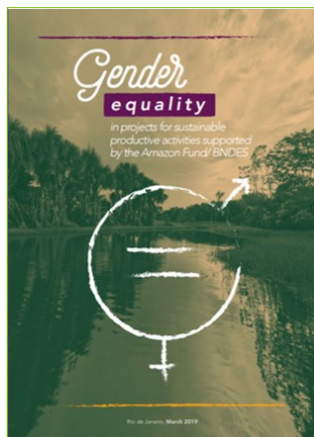
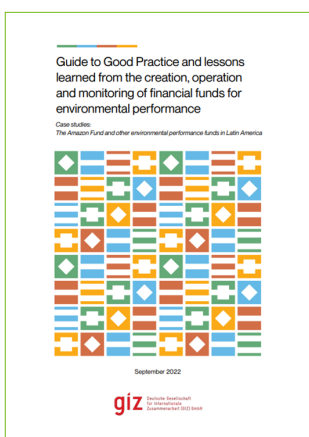
development bank KfW. The Brazilian oil company Petrobras has invested USD 7,700,000 to date. In addition, Switzerland (USD 5,690,000), the USA and Japan (USD 3,000,000 each) have been added as new donors in 2024. The UK has also contractually pledged GBP 80,000,000. On behalf of BMZ, GIZ advises the BNDES team responsible for implementing the Amazon Fund as well as project implementers and future project applicants.

The deforestation rate in the Amazon fell by 73% between 2004 and 2018 - from 27,772 km<sup>2</sup> to 7,536 km<sup>2</sup> (see graph). Under the Bolsonaro government, Brazil's average annual deforestation rate was 11,399 km<sup>2</sup>, 60% higher than the average of the previous four years. With the change of government at the beginning of 2023, deforestation has fallen back to 9,001 km<sup>2</sup>. Brazil is still aiming to end illegal deforestation in the Amazon region by 2030, while greenhouse gas emissions are to be reduced by 43%.



## Goal of the cooperation project

Technical cooperation with the Amazon Fund aims to significantly improve the implementation of Brazil's national and international commitments to sustainable development and to curbing deforestation.

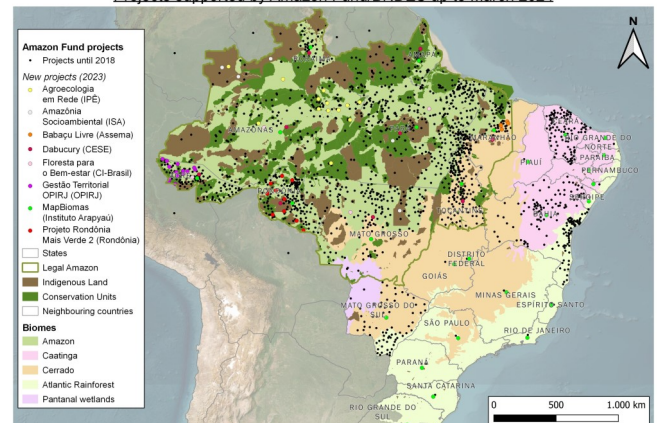


Some publications developed by the project and made available on the Amazon Fund website can be found at: <http://www.fundoamazonia.gov.br/en/home/>

## Impacts — What has been achieved so far

- With the **reactivation of the fund at the beginning of 2023**, future **project applicants** also moved back into the focus of BNDES. The TC TC module therefore developed a strategy to support potential applicants in the development of new project proposals. As part of this measure, 33 workshops were organised with 180 participants from mainly state and federal institutions, e.g. the Brazilian Ministry of Development, ICMBio and the state environment ministries. Nine of these institutions then submitted project proposals to the BNDES. Seven Amazonian states were supported in adapting their PPCDQ fire-fighting plans. This resulted in four project proposals. A further consultation led to the submission of a proposal on sustainable coffee (cooperation with the private sector).
- **41 evaluations of Amazon Fund projects** were carried out in thematic areas such as i) science, innovation and technology, ii) state environmental authorities, iii) military fire brigades, iv) indigenous peoples' projects, and v) sustainable value chains. The ex-post evaluations take into account the evaluation criteria of the Organisation for Economic Co-operation and Development (OECD), REDD+ safeguards and the United Nations Sustainable Development Goals (SDGs) to analyse the project's impact. The evaluation reports can be viewed on the Amazon Fund website [here](#).
- A **mid-term evaluation of the Amazon Fund** was prepared together with the United Nations Economic Commission for Latin America and the Caribbean (ECLAC). The evaluation covers the period from 2008 to 2018. Key findings were that civil society participation and transparency in the management of the fund are explicit success factors. Cooperation with NGOs and small organisations, such as those from indigenous communities, were crucial to increasing the fund's reach.
- In the area of **gender mainstreaming**, research for a future Gender Action Plan (GAP) for the Amazon Fund was developed with the University of Manchester in 2023. A [study on gender equality](#) and a corresponding [video](#) were produced in 2018. From 2024, the „Inclusive and Non-Sexist Language - LINS“ course developed by the module will be offered via GIZ's e-learning platform Atingi.
- During the **COVID pandemic**, **BMZ emergency aid was provided to seven NGOs working for indigenous peoples** to ensure the continuation of project activities. A total of USD 230,000 was used for protective equipment, food security measures and logistics at the beginning of the pandemic.
- **14 federal projects were advised directly**. This type of advice contributed to an average 30% increase in the speed of implementation and drawdown of resources from the fund.
- **189 project implementers have been trained**. Topics included project management and impact monitoring. Skills development has taken place virtually via the e-learning platform Atingi and through face-to-face workshops.
- The **international visibility and sustainability** of the fund have been constantly promoted. A proven lever for this is supporting the participation of the BNDES in international events and networks. [A guide on the experiences of climate financing mechanisms in Latin America](#) was designed and published via the regional network GaderAlc.
- **One aim of the project is to help accelerate implementation and consolidate the fund's project portfolio**. In March 2024, the fund supported 112 projects (see map). A total of USD 616,000,000 was disbursed to these projects.

Projects supported by Amazon Fund/BNDES up to March 2024



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