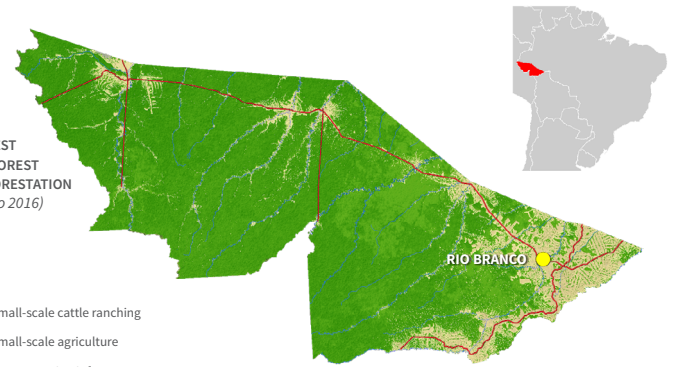




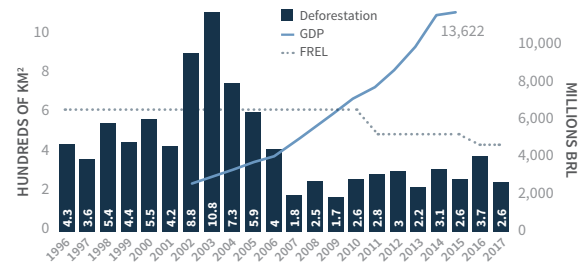
### LOW-EMISSION RURAL DEVELOPMENT (LED-R) AT A GLANCE

- 40-year history of grassroots environmental movements
- 1st state to receive performance-based payments through KfW REDD+ for Early Movers program (REM)
- Statewide SISA program creates incentives for ecosystem service conservation for indigenous peoples (IP), local communities (LC), smallholders, & others
- Long-term multi-stakeholder consultations with active participation of key actors in policy design & implementation
- Early success increasing incomes of traditional agro-extractive communities & IP
- Acre Business Agency (ANAC) supports innovative low-carbon public-private-community enterprises (e.g., rubber, aquaculture, livestock)



<b>DRIVERS OF DEFORESTATION</b>	<ul style="list-style-type: none"> <li>Small-scale cattle ranching</li> <li>Small-scale agriculture</li> <li>Transportation infrastructure</li> </ul>
<b>AVERAGE ANNUAL EMISSIONS FROM DEFORESTATION</b>	14.47 Mt CO <sub>2</sub> (2010-2015) <i>Includes above-ground biomass, below-ground biomass, &amp; litter</i>
<b>AREA</b>	164,124 km <sup>2</sup>
<b>POPULATION</b>	847,327 (2018)
<b>HDI</b>	66.30 (2010)
<b>GDP</b>	USD 3.74 billion (2015, Base year 2010)
<b>GINI</b>	0.500 (2015)
<b>MAIN ECONOMIC ACTIVITIES</b>	<ul style="list-style-type: none"> <li>Public Services</li> <li>Agriculture</li> <li>NTFPs</li> <li>Trade</li> </ul>
<b>RURAL/URBAN POPULATION</b>	29%/71%

Data sources: Socio-economic: IBGE; Deforestation: PRODES

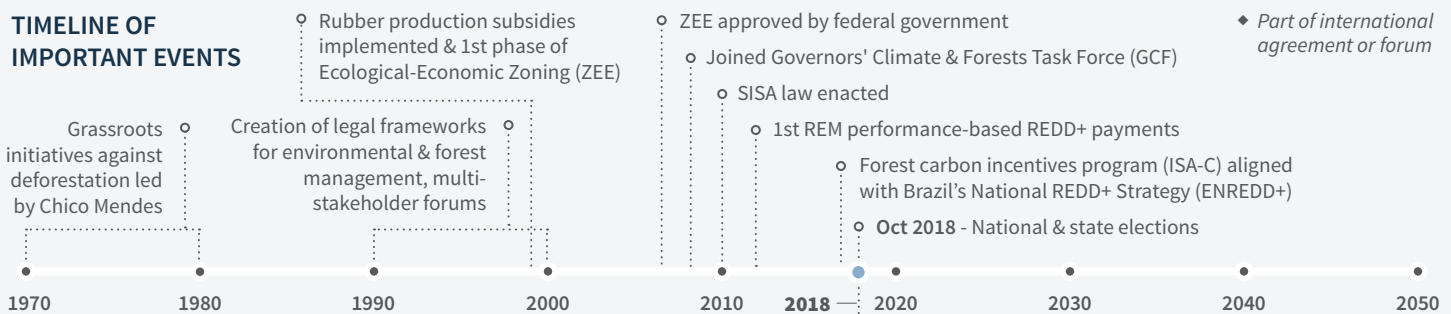


### SPOTLIGHT ON INNOVATION

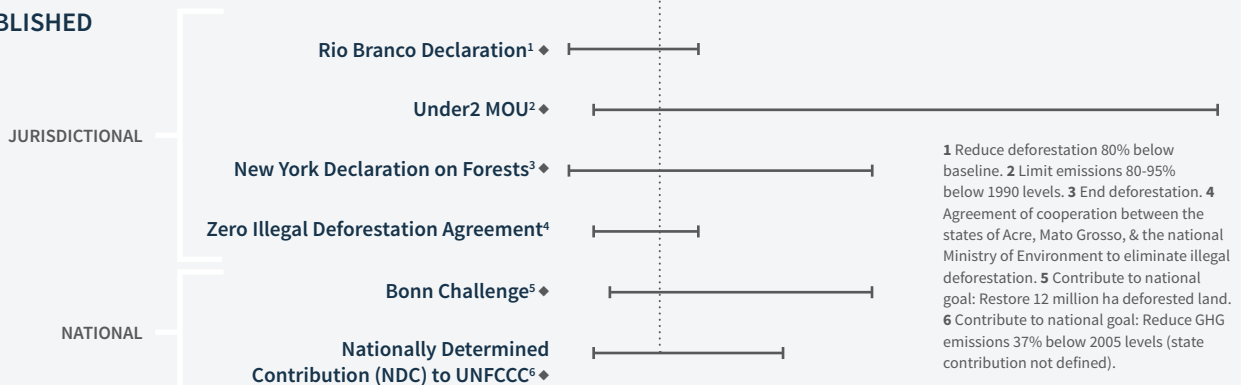
The Acre Central Extractivist Trade Cooperative (Cooperacre) is a community-based initiative aimed at strengthening Acre's sustainable forest economy at the producer level. Focused primarily on Brazil nut, member producers participate actively in every stage of the supply chain. Established in 2001 with three member cooperatives, Cooperacre now includes 39 cooperatives from 14 municipalities, involving 2,500 farmer households. Cooperacre was developed from the need to increase market access, income, and technical capacity for rural producers and populations with forest-based livelihoods. Producers

receive a 40% advance payment (provided by buyers) and technical training. Members benefit financially through the cooperative's elimination of middlemen and guaranteed purchase of products. It is currently the largest producer of Brazil nut in the country and has expanded to include fruit pulp and rubber. Future goals are to include producers from all municipalities of Acre, increase production capacity to become the largest Brazil nut producer globally, and increase investment in member training to further improve product quality.

#### TIMELINE OF IMPORTANT EVENTS



#### FORMALLY ESTABLISHED COMMITMENTS



1 Reduce deforestation 80% below baseline. 2 Limit emissions 80-95% below 1990 levels. 3 End deforestation. 4 Agreement of cooperation between the states of Acre, Mato Grosso, & the national Ministry of Environment to eliminate illegal deforestation. 5 Contribute to national goal: Restore 12 million ha deforested land. 6 Contribute to national goal: Reduce GHG emissions 37% below 2005 levels (state contribution not defined).

# KEY INTERVENTIONS

DISINCENTIVES ENABLING MEASURES INCENTIVES



1 REM. 2 Institute for Climate Change & Regulation of Environmental Services (IMC), Commission for Validation and Monitoring (CEVA), Environmental Services Development Company (CDSA), Secretary of Environment (SEMA), among others. 3 State government, Investment Fund for Participation in Sustainable Enterprises (FIP Amazônia), National Development Bank (BNDES). 4 Public-private-community partnerships through the Acre Business Agency (ANAC). 5 Part of Multi-Year Governance & Sustainable Economy Plan 2016-2019 (PPA). 6 Inter-American Development Bank. 7 Secretary of Planning (SEPLAN) & other state entities. 8 World Bank. 9 BNDES/Amazon Fund

## PROGRESS TO JURISDICTIONAL SUSTAINABILITY

EARLY INTERMEDIATE ADVANCED

<b>Integrated LED-R Strategy</b>		<ul style="list-style-type: none"> <li>Multi-Year Plan (PPA) includes ZEE, programs to engage IP &amp; women, improve MRV, finance low-carbon economy via innovative mechanisms</li> <li>PPA addresses deforestation via programs for supply chain, infrastructure &amp; urban development</li> </ul>
<b>Spatial plan</b>		<ul style="list-style-type: none"> <li>Phase III ZEE revision, currently underway, considers environmental, economic &amp; demographic changes since Phase II</li> </ul>
<b>Performance targets</b>		<ul style="list-style-type: none"> <li>Statewide goals for forest conservation, deforestation &amp; emission reductions, sustainable agriculture &amp; livestock farming defined via multi-stakeholder processes</li> <li>State FREL aligned with national FREL</li> </ul>
<b>Monitoring, reporting &amp; verification (MRV)</b>		<ul style="list-style-type: none"> <li>National large-scale deforestation data publicly available (PRODES &amp; DETER); state-level system for internal use (UCEGEO)</li> <li>Acre Produce Protect Platform monitors progress towards performance targets</li> </ul>
<b>Policies &amp; incentives</b>		<ul style="list-style-type: none"> <li>48,000 properties registered in Rural Environmental Registry (CAR), exceeding target</li> <li>Prevention &amp; Control of Deforestation, Burning &amp; Forest Fires Plan (PPCDQ) under revision for 2017-2020</li> </ul>
<b>Multi-stakeholder governance</b>		<ul style="list-style-type: none"> <li>Specific working groups represent IP &amp; women in regional decision-making processes</li> <li>Public, private, productive &amp; non-profit sectors represented in SISA Board of Trustees</li> </ul>
<b>Sustainable commodity production</b>		<ul style="list-style-type: none"> <li>ISA-C (SISA sub-program for forest carbon) promotes zero-deforestation beef</li> <li>Federal low-interest loan program (ABC) offers finance for sustainable practices, but regional distribution of funding leaves Acre with inadequate access</li> </ul>
<b>Indigenous peoples &amp; local community rights</b>		<ul style="list-style-type: none"> <li>Significant investment in IP capacity via Indigenous Agroforestry Agent program</li> <li>SISA incorporates REDD+ Social &amp; Environmental Standards (SES), aligned with Cancun Safeguards</li> </ul>
<b>LED-R finance</b>		<ul style="list-style-type: none"> <li>REM agreement expanded in 2017, with new investments from Germany (€10 million) &amp; UK (£17 million)</li> </ul>

**CITATION** | M. Leal, O. David, C. Stickler, D. Nepstad. 2018. "Acre, Brazil" in C. Stickler et al. (Eds.), *The State of Jurisdictional Sustainability*. San Francisco, CA: EII; Bogor, Indonesia: CIFOR; Boulder, CO: GCF-TF.

**COMPLETE REFERENCES & DATA SOURCES PROVIDED AT** [www.earthinnovation.org/state-of-jurisdictional-sustainability](http://www.earthinnovation.org/state-of-jurisdictional-sustainability)

## CHALLENGES & OPPORTUNITIES

### CHALLENGES

- Ensuring adequate, continued financing for SISA & other LED-R programs
- Low technological capacity for improving sustainability of forest products
- Low market access for sustainable commodities & lack of incentives to drive change from productive sector
- Strengthened monitoring & evaluation needed to ensure benefit-sharing mechanisms are equitable across sectors & effectively reduce emissions
- Acre's contribution to meeting national targets (e.g. NDC) is not defined

### OPPORTUNITIES

- Intensification of beef production is viable with improved carbon finance & credit programs
- Detailed Phase III ZEE update will improve state implementation of national Forest Code
- New media such as the Produce Protect Platform & GCF Impact Platform publicize Acre's LED-R initiatives to prospective donors & investors

### TECHNICAL TEAM



### SUPPORTED BY



based on a decision of the German Bundestag