

Case Study

CREATING PPI COMPACTS IN MATO GROSSO, BRAZIL

Mato Grosso in Brazil has set ambitious targets for the intensification of livestock production, expansion of conservation of the forest and the Cerrado area, and the improvement of living conditions of smallholder farmers. Goals for 2030, include recovering 2.5M ha of degraded pasture, expanding 3M ha of sustainable forestry, eliminating illegal deforestation (by 2020) and sustaining 60% native vegetation, as well as increasing the internal market share from 20% to 70%.

These targets will be delivered through Production, Protection, Inclusion (PPI) Compacts, referred to in Portuguese as *PCI - Produzir, Conservar, Incluir*. Three *PCI* Compacts are currently in place in Sorriso, Juruena Valley and Barra do Garças. PPI Compacts are carried out in five key steps:

1. Scope and convene local parties in the selected area.
2. Build a coalition of stakeholders across public, private, and civil-society sectors to define a sustainable vision for the territory.

3. Translate this vision into quantifiable targets and goals formalized through the signing of an Memorandum of Understanding (MoU).
4. Develop a joint implementation roadmap based on targets and goals, fleshing out each of the stakeholders' roles and contribution, including integration into policy.
5. Monitor and evaluate based on the agreed means of verification through a post-compact agenda. This builds an investment pipeline, assesses the status of the compact, and strengthens local governance.

Setting these common goals and formalizing them through the signing of an MoU has been critical to driving the Compact work forward. The IDH Brazil Landscapes team also co-fund projects in parallel with the compact building process to deliver fast results from investment.



The unique environmental characteristics of the livestock industry in Brazil make it possible to combine production with nature conservation. Furthermore, pasture grazing, on the whole, allows the possibility to combine livestock, forest, and crops in production systems, thereby making production methods more efficient in terms of emissions. For this, it is also essential that there is support for producers, and an inclusive perspective is always taken. All of these factors motivate us to invest in projects and partnerships with IDH and the PCI Institute, in Mato Grosso.

Paulo Pianez

Director of Sustainability and Communication

ACHIEVEMENTS & FUTURE GOALS



Mato Grosso is part of REDD Early Movers (REM) and can benefit from resources of 44 million euro on the condition of maintaining deforestation at or under the 'performance trigger' rate of 1,788 Km² per year, according to a contract with the German government through the German Development Bank and the UK government, through the British Department for Energy and Industrial Strategy.



Co-funding of €3 660 220 million by 2021 for Sustainable Production of Calves Program, €26 655 for the Nosso Leite program, and €1.7m of co-funding by CAT Sorriso by the end of 2021.



Sustainable Production of Calves Program set up to make beef production more sustainable produce deforestation-free calves in partnership with Carrefour Brazil and Carrefour Foundation, implemented by local partners NatCap, Agrojacarezinho, and Acrimat. By 2021, through the program, 457 farmers in 5 municipalities will protect a total conservation area of 153 000 ha of tropical forests with a total pasture area under the program of 102 464 ha.