

# Challenges and opportunities to fund the protection of the Amazon

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## Money talks: what is at stake for the Amazon rainforest and people?

### Protecting the Amazon on-the-ground bears costs

- Funding the Amazon: a decisive factor
- Already in deficit + higher management costs for the Amazon (larger areas)
- Estimation of future costs for creating conservation areas and management costs

J.M.C.d. Silva, et al.

Land Use Policy 100 (2021) 104926

**Table 1**  
Management costs, funding and funding deficits in Brazilian federal protected areas according to region and management groups.

Regions and management groups	Number of protected areas	Total area (km <sup>2</sup> )	Total management costs (US \$/year)	Total public spending (US \$/year)	Total funding deficit (US \$)	Average funding deficit (%)
<b>Amazon</b>						
Strict Protection	38	296,234	141,482,798	10,717,329	130,765,469	90.8
Sustainable Use	79	303,492	199,448,606	10,400,225	189,048,380	89.2
All	117	599,726	340,931,405	21,117,554	319,813,850	89.7
<b>Savannas and Drylands<sup>a</sup></b>						
Strict Protection	37	52,829	48,515,492	12,188,071	36,327,357	54.4
Sustainable Use	30	44,509	29,002,700	5,990,542	23,012,157	52.4
All	67	97,338	77,518,130	18,178,614	59,339,515	53.5
<b>Atlantic Forest</b>						
Strict Protection	50	10,186	15,725,598	21,236,426	- 4,820,249	19.3
Sustainable Use	48	34,530	33,754,552	13,297,222	20,457,329	30.6
All	98	44,716	49,480,151	33,533,648	15,946,502	24.8
All PAs	282	741,782	467,929,686	72,829,815	359,099,869	58.6

<sup>a</sup> This region includes Caatinga, Cerrado, Pantanal, and Pampas.

Silva, et al. (2022) estimated that establishing 1.3 million km<sup>2</sup> of new conservation areas would cost USD **1-1,6 billion** plus an annual cost of 3.5 million km<sup>2</sup> is USD **1.7-2.8 billion** (for the Brazilian Amazon only – 80%)

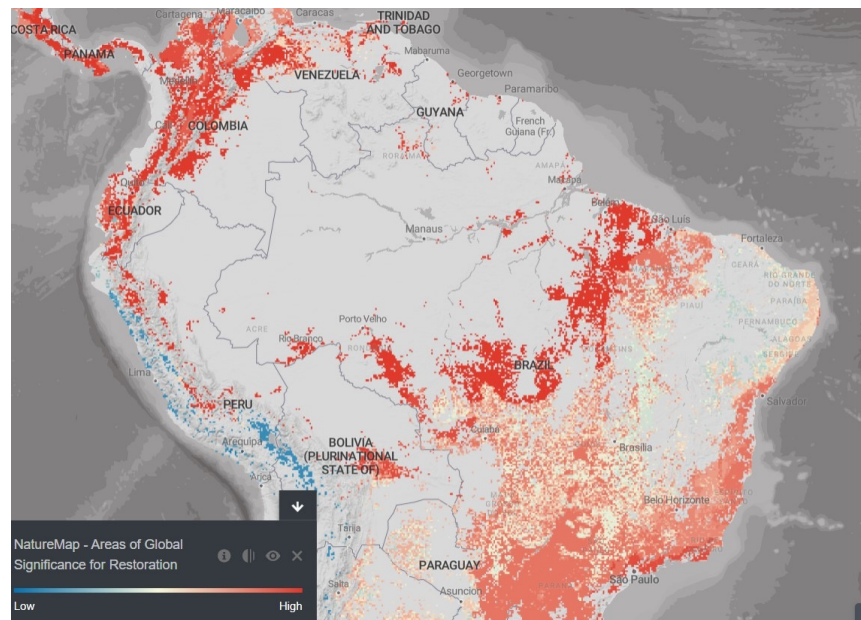
Table 2. Estimated costs (in million USD) for maintaining the existing conservation areas (indigenous lands and conservation units) and creating new conservation areas in the undesignated public lands and priority conservation areas that are not undesignated public lands.

Groups	Area (km <sup>2</sup> )	Annual management costs	Establishment costs	System-wide costs	
				15%	20%
<b>Indigenous lands</b>	1,088,149	461.8–738.8			
<b>Conservation units</b>	1,119,021	474.6–759.3			
<b>Undesignated public lands</b>	594,924	251.4–402.2	452.5–724.0		
<b>Priority conservation areas</b>	780,416	305.6–488.9	550.1–880.0		
<b>Total</b>	3,582,510	1,493.2–2,389.2	1,000.6–1,604.0	224.0–358.4	299.7–477.8

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Manu National Park - Peru



Source: Significance for restoration - UN Biodiversity Lab (2023)

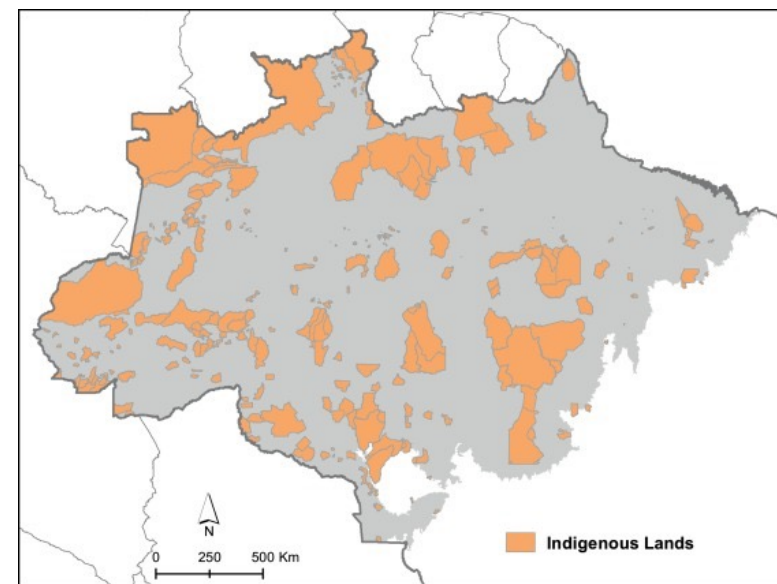
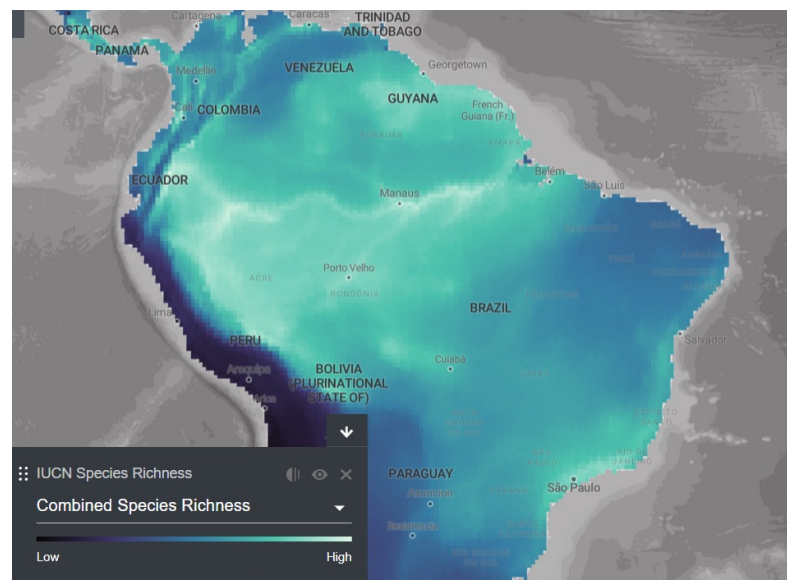
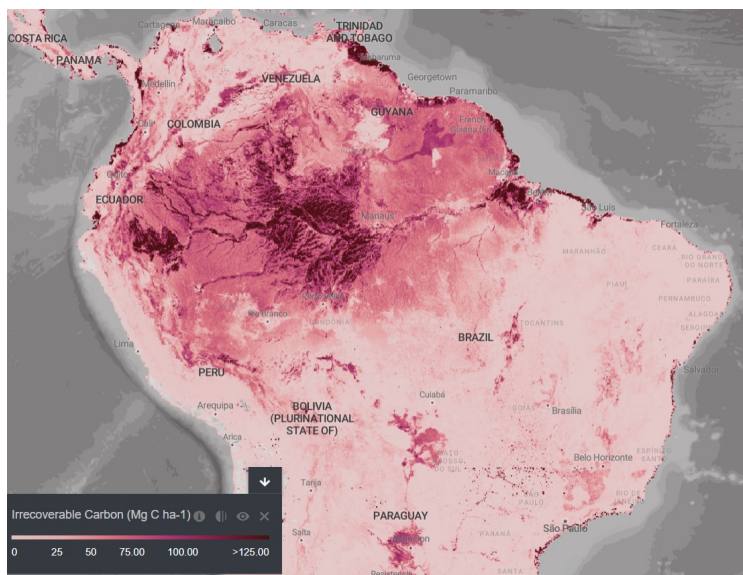


Source: EarthTrack – February 2022

### A multifaceted problem: diverse situations require diverse solutions

- A diversity of territories to protect (remote areas, indigenous lands, threatened areas, etc...) and to fund with tailored financial solutions
- A holistic approach to resource mobilization: mobilizing more resources won't be enough, harmful finance should be reduced

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Source: UN Biodiversity Lab (2023) & Silva, et al. (2022)

### A climate, biodiversity and development (finance) issue

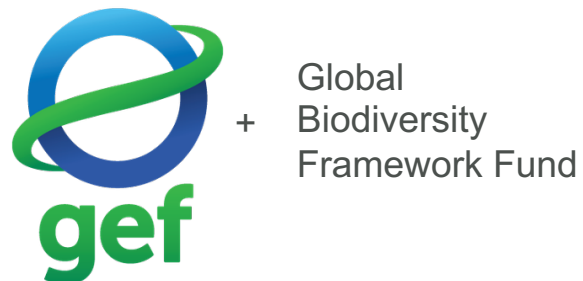
- Funding carbon sinks: deforestation and afforestation
- Biodiversity: conservation and sustainable use funding programs and projects
- Indigenous peoples and local communities (IPLCs) in the Amazon: supporting IPLCs to fight forest deforestation and degradation, securing their governance over land, supporting their livelihoods, etc.
- Future risks, including for water supply and food security in the region, implying higher costs in the future !

### Current and future financial mechanisms and instruments: necessary and multi-scale joint efforts

#### International **climate** financial mechanisms



#### International **biodiversity** financial mechanisms



Others (multi-stakeholder initiatives, philanthropies...)



#### National and federal mechanisms:

- National and federal budgeting, subsidies and incentives
- Jurisdictional REDD+ frameworks at the state level
- National development banks (such as BNDES)
- PPCDAm
- Fundo Clima

#### Types of financial instruments or incentives

Grants

Concessional loans

Non-concessional loans

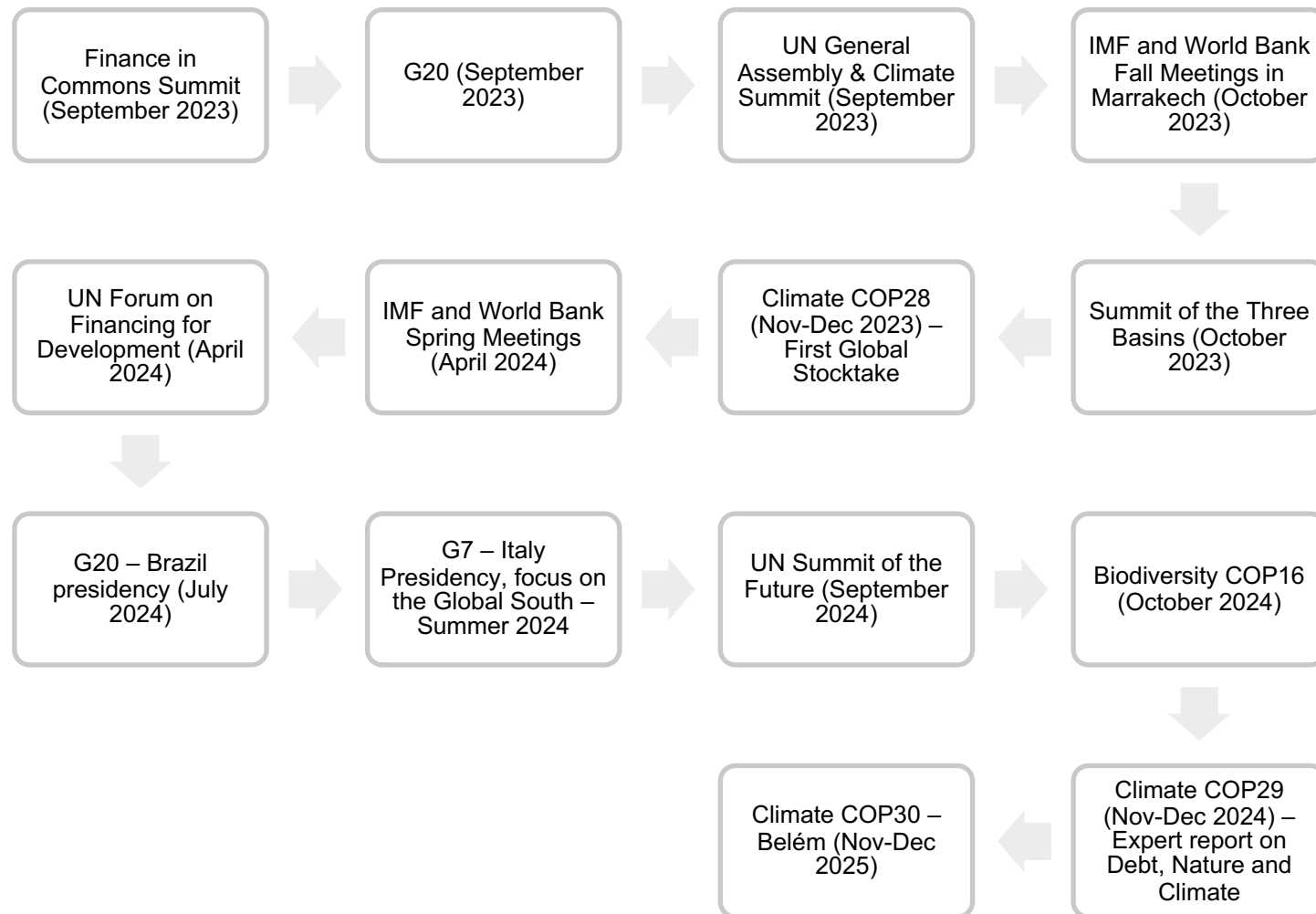
Taxes

Markets (commodities, credits, assets...)

Debt-for-nature/climate/adaptation swaps

Etc...

**How is the Amazon Summit connected to other multilateral processes?**  
 Linking the necessity to avoid the tipping point to macro and thematic meetings



Thank you for your attention

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