

PROAMBIENTE

ENVIRONMENTAL CREDIT PROPOSAL FOR FAMILIAR AGRICULTURE IN AMAZON

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BRAZILIAN CONSTITUTION, 1988

3% OF INDUSTRIAL PRODUCTION TAX (IPI)

+

*3% OF COMMERCIAL AND SERVICES
CIRCULATION TAX (ICMS)*

=

CONSTITUCIONAL FUND

DISTRIBUTION OF CONSTITUTIONAL FUND

TOTAL OF FUND: 3% IPI + ICMS

- ***0,6 % FOR NORTH REGION (FNO)
(AMAZON FOREST REGION)***
- *0,6 % FOR CENTER-WEST REGION (FCO)*
- *1,8 % FOR NORTHEAST REGION (FNE)*

OPERATIONAL STRUCTURE OF FNO

10 PROGRAMS IN THE NORTH REGION:

5 RURAL PROGRAMS:

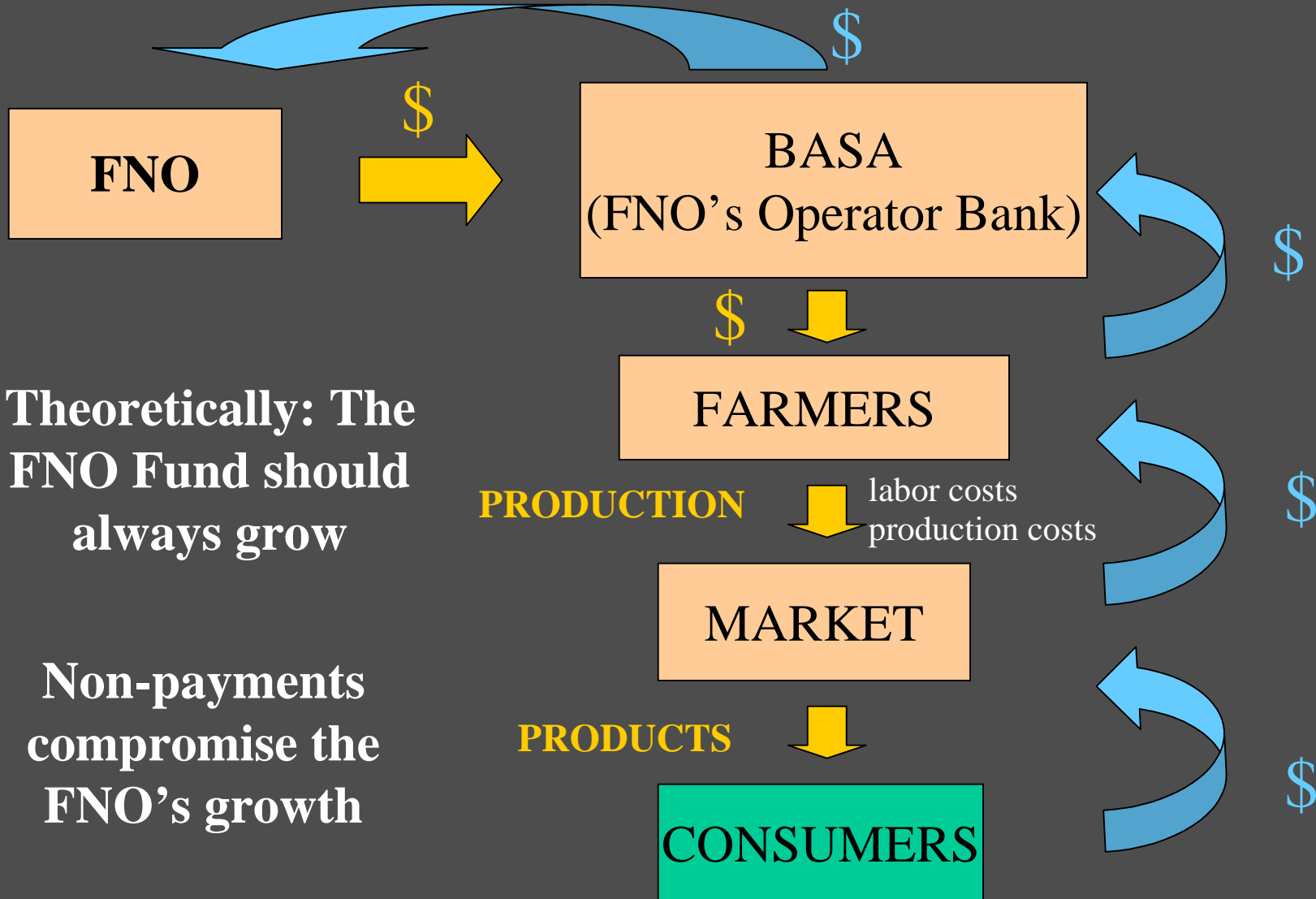
PRONAF, PRODEX, PRORURAL, PRODERUR, PROFLORESTA

5 INDUSTRIAL PROGRAMS:

PROMICRO, PRODESIN, PROAGRIN, PRODETUR, FNO-EXPORTAÇÃO

OPERATIONAL STRUCTURE OF RURAL FNO

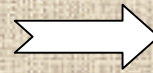
ACTUAL OPERATION AS AN **AGRICULTURAL CREDIT**



PROPOSAL FOR PROAMBIENTE

FNO (North Region Constitutional Fund)

provides



MAIN CAPITAL

as the actual system of agricultural credit

New conditions and mechanisms proposed:

**Longer grace periods
Longer payment deadlines**



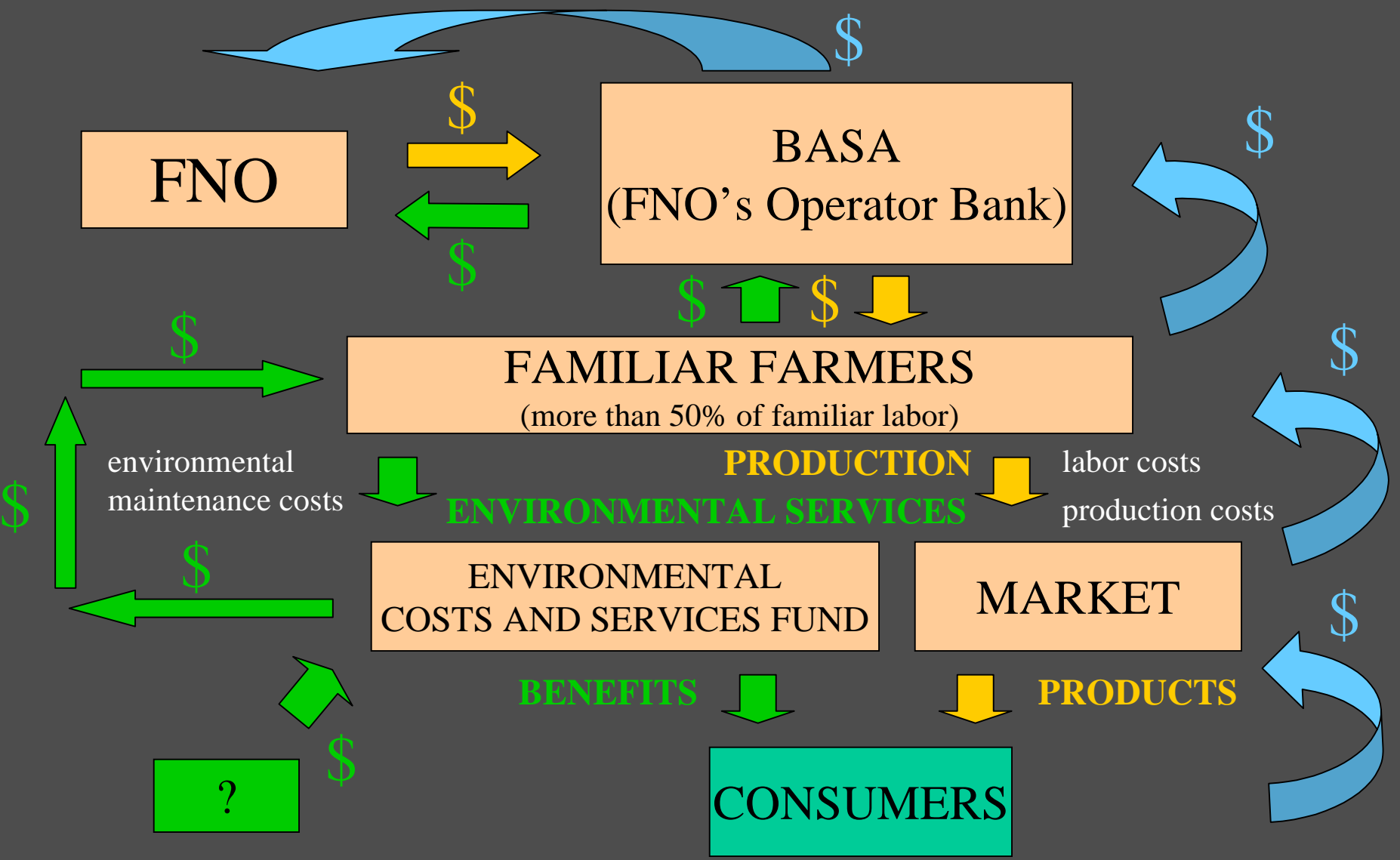
**Sustainable production
demands more time
to economic viability**

**Establishment of
ENVIRONMENTAL
COSTS AND SERVICES FUND**



**Partial payments to the
operator bank**

PROPOSED OPERATIONAL STRUCTURE OF RURAL FNO OPERATION AS AN ENVIRONMENTAL CREDIT



Activities proposed for PROAMBIENTE

- **Logging forest enrichment**
- **Secondary forest (capoiera) enrichment**
- **Degraded forest enrichment**
- **Pasture to silvopastoral systems**
- **Pasture to permanent agriculture**
- **Slash & Burn to permanent agriculture**
- **Agroforestry systems**
- **Communitary forestry management**
- **None industrial fishing**
- **Sustainable forestry extractivism** (timber or non-timber forest products)

Environmental Services Monitoring

- Carbon sequestration
(through “biomass”)
- Hydrological functions recuperation
(through “vegetation cover”)
- Soil recuperation (?)
- Biodiversity recuperation and conservation (?)
- Flamability reduction
(through “hot pixels”)