Recommendations for **International Financiers**

- Make transfers conditional on effective social participation, with qualitative indicators of empowerment and representativeness of the PICL.
- Prioritize transfers by independent funds with public calls for proposals that increase direct access for indigenous and community organizations.
- Decentralize decision-making on the use of resources, strengthening social control and the diversity of actors in the allocation processes.
- Monitor impacts with robust socio-environmental indicators, not just quantitative welfare targets.

Conclusion

The case of Acre reveals the limits of procedural governance based on technocratic goals and formal control. Promoting justice in the sharing of benefits requires strengthening public deliberation, valuing traditional knowledge and increasing the

role of indigenous peoples and local communities. The future of jurisdictional REDD+ depends on the ability to reform its institutional bases, so that climate finance really serves the forest and the people who protect it.



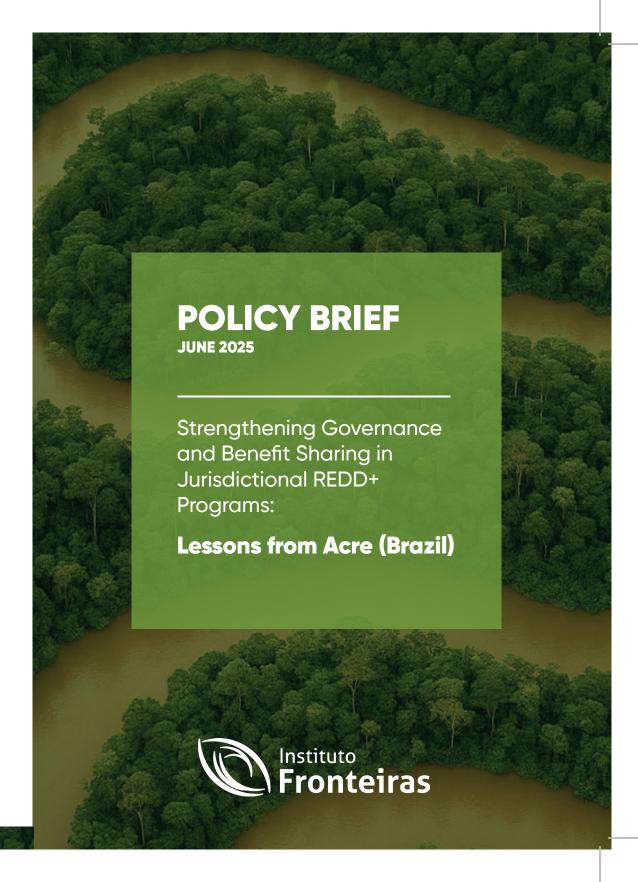
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Summary

The Acre State Jurisdictional REDD+ Program (PJRE/AC), a pioneer in the Brazilian Amazon, was structured to channel climate resources via payments by results. Despite its robust institutional design, empirical evidence shows that the objectives of equity and forest conservation have not been fully achieved.

Between 2018 and 2022, budget execution coincided with an increase in deforestation and a reduction in effective social partici-

pation. The benefit-sharing model favored actors with a greater ability to demonstrate "reduced deforestation", excluding indigenous peoples and local communities (IPLC) who traditionally protect forest stocks.

The transition from procedural governance to empowered participatory governance is urgent and necessary in order to reorient jurisdictional REDD+ programs towards their original mission: forest conservation with social justice.

Critical Diagnosis: The Case of Acre

 The PJRE/AC's benefit-sharing logic ("programmatic stock--flow" model) resulted in an unequal allocation of resources. Only 12% went to indigenous peoples, while 58%went to productive sectors and 30% to the state apparatus.

- Statistical analysis reveals an almost perfect positive correlation between budget execution and increased deforestation (r = 0.97), as well as a negative correlation between social participation and deforestation (r = -0.68).
- The low frequency of participatory meetings, centralization in the political core of the state

- the managing body (IMC) have compromised the effectiveness of the governance system.
- The results reported are mostly quantitative and assistance-based (e.g. number of food baskets), with no proof of impact on environmental conservation.

Recommendations for **Subnational Governments**

- Restructuring social participation, decentralizing decision—making bodies and integrating existing territorial councils.
- Adopt a participatory governance governance, with shared management, joint planning and participatory evaluation.
- Revising the distribution criteria, valuing carbon stocks and traditional conservation practices by PICL.

- Delegate financial management to independent funds, with greater transparency, less bureaucracy and improved social control.
- Shield governance from political instability, guaranteeing institutional stability and budgetary predictability.
- Expand active transparency, with regular publication of financial reports and audits on public platforms.