

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

REGIONAL

**SOCIAL PROTECTION, ENVIRONMENTAL CONSERVATION, AND DEVELOPMENT OF
SUSTAINABLE LIVELIHOODS IN AMAZON**

(RG-T4758)

PROJECT DOCUMENT

This document was prepared by the project team consisting of: Team Leader: Bagolle, Alexandre (SCL/SPL); Alternate Team Leader: Alfonso, Mariana (CSD/CCS); Attorney: Bonilla Merino, Arturo Francisco (LEG/SGO); Team Members: Bocarejo Suescun, Diana (SCL/GDI); Gonzalez Herrera, Beatriz Maria (SCL/SPL); Hellman Carolina Franco (SCL/SPL); Ramos De Alvarado, Paola Michelle (SCL/SPL); Rivera Herrera Sergio Andres (SCL/SPL); Vargas Faulbaum , Luis Hernan (SCL/SPL); Veprinsky Mehl Adam (CSC/ACU);

REGIONAL
SOCIAL PROTECTION, ENVIRONMENTAL CONSERVATION, AND DEVELOPMENT OF SUSTAINABLE LIVELIHOODS IN AMAZON
RG-T4758

PROJECT SUMMARY

Operation Type:	Technical Cooperation
Sector:	SOCIAL INVESTMENT
Subsector:	POVERTY ALLEVIATION
TC Taxonomy:	Research and Dissemination
Project Number under the Operational Support Taxonomy:	N/A
Technical Responsible Unit:	SCL/SPL-Social Protection and Labor Markets Division
Unit with Disbursement Responsibility (UDR):	SCL/SPL-Social Protection and Labor Markets Division
Executing Agency:	Inter-American Development Bank

PROJECT OBJECTIVE

The general objective of this TC is to support the evaluation of social protection programs that simultaneously aim at environmental conservation and the development of sustainable livelihoods in Amazonia. Then, the specific objectives are: i) generate rigorous evidence on cash-transfer programs with integrated environmental and social objectives and ii) Promote sustained knowledge exchange among Amazonian countries.

FINANCIAL INFORMATION

Financing Type	Fund	Amount in US\$
TCN - Nonreimbursable	W2E - OC SDP Window 2 - Social Development	300,000
Total IDB Financing		300,000
Counterpart Financing		0
Total Project Budget		300,000
Donors:	N/A	
Disbursement Period:	36 months	
Execution Period:	36 months	

ADDITIONAL FINANCIAL INFORMATION

N/A

I. JUSTIFICATION AND OBJECTIVE

- 1.1 **Diagnostic.** Amazonia is a region of contrasts, where populations living in poverty are surrounded by ecosystems of immense value to humanity. People living in Amazonia tend to face worse conditions than those living outside the region. The poverty rate in Amazonia is 7.5% points higher (33.8%) than in non-Amazonia areas (26.3%) across the eight countries that make up the biome (Bagolle et al, 2025).
- 1.2 In Amazonia, the well-being of local populations and the health of ecosystems are deeply interconnected. The livelihoods of local communities depend directly on natural capital, particularly in rural areas. Over the years, many communities across Amazonia have developed livelihood strategies that ensure food security while remaining compatible with ecosystem preservation. Local populations also play an active role in protecting natural capital. For these communities -especially Indigenous and Afro-descendant groups ecosystems hold deep cultural significance and are central to their identity. In indigenous forest territories across the Amazon basin, deforestation rates are up to 50% lower than in other forested areas (Ding et al., 2016), and Indigenous land management has been associated with a reduction in carbon emissions (Blackman & Veit, 2018).
- 1.3 However, Amazonia is increasingly threatened by accelerated environmental degradation and the rising frequency and intensity of natural disasters. An estimated 29% of Amazonia's territory has undergone deforestation or degradation processes, primarily driven by the expansion of the agricultural frontier. At the same time, 46% of the region is exposed to disasters and extreme climate events such as droughts and wildfires (Bagolle et al, 2025). The accelerated environmental degradation and the increasing frequency and intensity of natural disasters pose a threat to both the well-being and livelihoods of populations and the health of ecosystems. Addressing these challenges requires simultaneously tackling environmental, climate, and social risks in Amazonia.
- 1.4 In this context, growing evidence shows that social protection programs can support ecosystem conservation, promote inclusive climate action, and strengthen the resilience of poor and vulnerable populations to environmental and climate risks. Programs that tackle environmental issues and strengthen livelihoods can simultaneously enhance rural resilience and promote conservation outcomes. For example, *Bolsa Verde* in Brazil incentivizes the conservation of ecosystems by remunerating families and communities residing in territories with at least 80 percent vegetation cover; concurrently, it enhances the quality of life of low-income households, whose environmental stewardship directly contributes to the region's ecological balance.
- 1.5 The literature in the region highlights the promising results of socio-environmental programs on reconciling environmental conservation and poverty reduction. For instance, in Brazil, *Bolsa Verde* reduced deforestation by 22% in Amazonian settlements (Wong et al., 2023) and proved cost-effective, with avoided CO₂ emissions valued at nearly four times the program's costs (Costedoat et al., 2022). In Peru, while high administrative costs limited the net benefits of *Programa Bosques*, its community-based incentives helped to prevent 14%–16% of projected deforestation (Giudice & Börner, 2021). In Ecuador, *Socio Bosque*

- reduced deforestation by up to 1.5%, particularly through collective contracts that protected 1,247,500 hectares (4,816.6 square miles) and prevented the loss of 11,227 hectares (43.35 square miles) between 2008 and 2014 (Cuenca et al., 2018)
- 1.6 Despite these achievements, significant knowledge gaps remain regarding how specific program design features influence impacts, particularly the contribution of social and environmental components. Further evidence is also needed on how to strengthen environmental conditionalities to improve outcomes, and on ways to link these conditionalities to both biodiversity conservation and sustainable livelihoods. This technical cooperation will contribute to closing these knowledge gaps and to improving the effectiveness of socioenvironmental protection programs.
 - 1.7 This Technical Cooperation (TC) falls within the regional Adaptive Social Protection (ASP) agenda — a joint agenda of the Social Protection and Labor Markets Division (SCL/SPL), the Climate Change and Sustainability Division (CSD/CCS), and the Disaster Risk Management Division (CSD/DRM). In particular, it builds on the progress of the RG-T4446 project to strengthen adaptive social protection systems in LAC and on the Economic Sector Work (ESW) RG-E1863 on cash transfers for poverty reduction and the preservation of environmental assets.
 - 1.8 **Request.** The SCL/SPL and CSD/CCS divisions, have a strong interest in conducting rigorous evaluations of socio-environmental protection programs that aim to simultaneously safeguard community livelihoods and natural capital through this R&D technical cooperation. In addition, the Amazonia Forever Program (SCS/ACU) has a strong interest in developing cutting-edge knowledge on the effectiveness of socio-environmental programs within the Amazonia Region.
 - 1.9 **Objective.** The general objective of this TC is to support the evaluation of social protection programs that simultaneously aim at environmental conservation and the development of sustainable livelihoods in Amazonia. Then, the specific objectives are: (i) generate rigorous evidence on cash-transfer programs with integrated environmental and social objectives; and (ii) promote sustained knowledge exchange among Amazonian countries.
 - 1.10 **Strategic Alignment.** This TC is consistent with the IDB Group’s Institutional Strategy: Transforming for Scale and Impact (CA-631) and it is aligned with the following core objectives: (i) reducing poverty and inequality by improving social protection programs and strengthening their capacity to respond to shocks; and (ii) addressing climate change by supporting the safeguarding of Amazonia, preserving biodiversity and strengthening resilience and other crosscutting measures related with adaptation and adverse socioeconomic impacts of climate change.
 - 1.11 The TC is also aligned with operational focus areas, as follows: (i) Biodiversity, Natural Capital, and Climate Action, specifically through action 5.4.1 “Adapt to climate change, boost climate resilience, and protect vulnerable populations”; (ii) Gender Equality and Inclusion of Diverse Population Groups, through action 5.8.5 “Mainstream a focus on gender equality and diversity into actions that address climate change”; and (iii) Social Protection and Human Capital Development by

supporting the action 5.16.1 “Create a more efficient and adaptive social protection model that reaches the neediest and most vulnerable and adapts to a wide range of transitory severe shocks such as pandemics, food insecurity, extreme climate-related events, and natural disasters, as well as long-run trends such as aging”. This TC is also aligned to the Sector Framework on Social Protection and Poverty (GN-2784-12) by ensuring social protection interventions are implemented smoothly and include new components to better contribute to environmental conservation and climate adaptation. Also, this TC is aligned with the Sector Framework on Climate Change (GN-2835-8) by addressing adaptation and climate resilience capacities to vulnerable population.

- 1.12 This TC is aligned with the objectives established in the Strategic Program for Ordinary Capital Development (OC-SPD) (GN-2819-14) with Window 2 (W2E), Priority Area 5 “Inclusive Social Development”. In particular, because this TC will provide evidence on whether social or environmental conditions explain the effectiveness of socio-environmental programs in pursuing both social and environmental goals. Then, this TC is aligned with objective (ii) of Priority Area 5: strengthen public institutions’ efforts to become more effective and efficient in social programming, group targeting, and social sector project execution. Lastly, this TC is consistent with IDB’s Amazonia Forever, an umbrella program to boost coordination for Amazonia Region towards the sustainable development of the region and is aligned with the pillar of people, by promoting biodiversity conservation activities and traditional livelihoods that directly benefit vulnerable groups in the Amazonia who are participants in socio-environmental programs. The TC is also aligned with the transversal areas of action of: (i) inclusion of women, indigenous peoples, afro-descendants and multicultural communities; and (ii) generating positive impact on climate, biodiversity and ecosystem conservation.

II. COMPONENTS

- 2.1 **Component 1. Strengthen knowledge on the effectiveness of socio-environmental programs (US\$245,000).** This component will finance the design and implementation of impact evaluations of at least one socio-environmental program that seeks to protect ecosystems while supporting livelihoods in Amazonia.
- 2.2 Specifically, this component will finance the following activities: (i) the design of evaluations, (ii) the development of data collection instruments; (iii) the implementation of fieldwork and analysis of results; and (iv) the preparation of results reports and technical notes summarizing the findings.
- 2.3 Eligible programs for evaluation must meet the following criteria: (i) they must simultaneously address poverty reduction and environmental conservation goals; (ii) they must be implemented within the Amazonia region and (iii) the impact evaluation should be prioritized by national authorities. Examples of programs that meet these criteria include, among others, *Bolsa Verde* in Brazil, *Bosques* in Peru, and *Socio Bosque* in Ecuador. These initiatives aim to enhance the role of local communities in environmental protection while strengthening their livelihoods, and have shown promising results (Wong et al, 2023).

- 2.4 The proposed output of this component is the generation of, at least, one technical note with the impact evaluation results, to be published through the Inter-American Development Bank knowledge products.
- 2.5 **Component 2. Knowledge dissemination (US\$55,000).** This component will support an in-person regional event with Amazonia countries to promote dialogue on the effectiveness of socio-environmental programs by bringing together key stakeholders to share evidence, identify good practices, and explore opportunities for regional coordination to strengthen socio-environmental protection programs and policies that address climate risks while supporting ecosystem conservation and vulnerable livelihoods. This component will finance an in-person subregional dialogue on the effectiveness of socio-environmental programs, convening representatives from Amazonian countries to exchange best practices and review robust evidence, particularly strategic and technical officers from the Ministries of Social Development and Environment from Amazonian countries, including Brazil, Peru, Ecuador, Colombia, Guyana and Suriname. This in-person dialogue is expected to strengthen regional policy coordination, foster the adoption of proven approaches, and generate actionable recommendations for enhancing program design and implementation. To ensure wider impact, the proceedings will be synthesized in an official report and published on the Bank's website, serving as a reference for policymakers, practitioners, and other stakeholders.
- 2.6 Specifically, this component will finance the following activities: (i) consulting services for organizing the regional policy dialogue; (ii) non-consulting services, including travel and accommodation for participants; and (iii) consulting services for drafting the recommendations report.
- 2.7 **Expected Results.** This TC has two expected results: (i) improved evidence of socio-environmental program effectiveness; and (ii) disseminated knowledge on socio-environmental programs effectiveness. The products instrumental to the achievement of these outcomes are: (i) the design of a program evaluation strategy and its implementation; (ii) the drafting of the results report as a technical note; and (iii) a subregional dialogue event to convene representatives from Amazonian countries to discuss best practices and impact evidence from socio-environmental programs.
- 2.8 **Beneficiaries.** The direct beneficiaries of this TC are policy makers involved in the design and implementation of socio-environmental protection programs in Amazonian countries (Brazil, Colombia, Ecuador, Guyana, Peru and Suriname). This includes Ministries of Environment and Ministries of Social Development or the entity responsible of the implementation of socio-environmental programs. Moreover, the indirect beneficiaries are the communities participating in socio environmental programs, which include Indigenous and traditional communities, rural households living in poverty, small-scale farmers, and other target populations identified as priority beneficiaries¹.

¹ In the event that any intervention is to be carried out in a beneficiary country, the Team Leader shall be responsible for obtaining the corresponding non-objection letter from the liaison institution in that country prior to initiating any activity

III. BUDGET

- 3.1 **Budget.** The total budget of the project is US\$300,000 financed by the Window 2 of the Ordinary Capital Strategic Development Program (OC-SDP), as approved during the 2025 Regional Technical Cooperation Programming and Prioritisation Exercise (RPPD). The disbursement and execution period will be 36 months. The TC will fund the hiring of consulting firms and individual consultants to design and implement the impact evaluation of at least one socio-environmental program in Amazonia. The TC will also cover the hiring of non-consulting services for the organization of a subregional policy dialogue with Amazonian countries.

Budget in US\$		
Components	Window 2 OC-SDP	Total
Component 1. Strengthen Knowledge on The Effectiveness of Socio-Environmental Programs	US\$245,000	US\$245,000
Component 2: Knowledge Dissemination	US\$55,000	US\$55,000
Total	US\$300,000	US\$300,000

IV. EXECUTION STRUCTURE

- 4.1 In accordance with Annex II, OP-619-4, the Bank is responsible, with no required justification, for the selection and hiring of consultancy services, as this TC is defined as Research and Dissemination.
- 4.2 **Procurement.** All procurement to be executed under this Technical Cooperation have been included in the Procurement Plan (Annex IV) and will be hired in compliance with the applicable Bank policies and regulations as follows: (a) Hiring of individual consultants, as established in the regulation on Complementary Workforce (AM-650); and (b) Contracting of services provided by consulting firms in accordance with the Corporate procurement Policy (GN-2303-33) and its Guidelines.
- 4.3 **Execution and Disbursement Period.** The disbursement and execution period will be 36 months. There are no conditions precedent to the initial disbursement.
- 4.4 **Monitoring, Reporting, and Supervision.** The TC team leader from the SCL/SPL division will be the focal point for the execution and oversight of each component. The team leader will oversee the proper development of the studies and analyses and the supervision of the activities for the achievement of the expected results.
- 4.5 The TC will be monitored and evaluated in accordance with the Bank's applicable policies and through the Results Matrix. The annual reports and the final report shall be prepared as required by the OP-1385-4 document approved by the OPC. All administrative procedures, technical supervision, requisite internal and external coordination, and accountability for final deliverables will rest with SCL/SPL. This implementation framework is predicted on the Bank's specialized technical and operational capacity. It aligns with the rationale set forth in Annex II of the OP-619-4.

- 4.6 **Institutional Capacity.** The Executing Agency for this TC will be the Inter-American Development Bank (IDB), through the SCL/SPL Division, under the direction of the Team Leader (TL). The selection of the Bank as Executing Agency is justified on the basis of its institutional capacity, given that the inputs to be developed are highly specialized in areas where the Bank possesses recognized technical expertise. The TL will be responsible for the supervision and monitoring of the contracted activities and deliverables, with the support of specialists from the Division. In addition, the IDB team has the comparative advantage of facilitating dialogue and inter-institutional coordination among entities with projects aligned to the objectives of this TC and relevant to the achievement of the expected results. The SPL/SCL Division will serve as the Responsible Unit for procurement and disbursements. No alternative Executing Agencies are envisaged under this operation.
- 4.7 **Financial Management.** The TC project's financial management will be based on the financial management guidelines for IDB-financed projects (GN-2811-1). The expenditure financed with this operation must be: (i) necessary for the project and in line with its objectives; (ii) comply with the applicable Bank policies and legal agreements; and (iii) are properly recorded and adequately supported in the Bank's systems.
- 4.8 Direct execution by the Bank will ensure timely implementation, guarantee adherence to the institution's procurement and disbursement policies, and facilitate alignment with ongoing operations and regional initiatives supported by the IDB.

V. POTENTIAL RISKS

- 5.1 A potential risk lies in the possible difficulty of incorporating lessons learned from impact evaluations into the redesign of existing socio-environmental programs. To mitigate this risk, the project will maintain close and continuous dialogue with government counterparts, fostering ownership of the proposed tools and encouraging the integration of good practices and technical recommendations into national policies and programs. In addition, the implementation of the impact evaluation requires prioritization by national authorities, ensuring greater ownership of its findings and support for translating them into policy action.
- 5.2 **Intellectual Property.** All knowledge products derived from this TC will be the Bank's intellectual property and will be published through the Bank's web page and other means accounted for in the indicative budget.

VI. EXCEPTIONS TO BANK POLICIES

- 6.1 There are no exceptions to the Bank policy.

VII. ENVIRONMENTAL AND SOCIAL ASPECTS

7.1 This TC is not intended to finance pre-feasibility or feasibility studies of specific investment projects or environmental and social studies associated with them; therefore, this TC does not have applicable requirements of the Bank's Environmental and Social Policy Framework (ESPF).

REQUIRED ANNEXES:

- Annex II: Results Matrix
- Annex III: Terms of Reference
- Annex IV: Procurement Plan