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TACKLING CLIMATE CHANGE AND RURAL POVERTY THROUGH JURISDICTIONAL REDD+

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Ahead of COP30, the UN warned that the world is on track to overshoot the goal of limiting global heating to 1.5C, with severe consequences for humanity. Bill Gates subsequently drew considerable attention when he argued that rather than focusing solely on emissions and temperature targets, climate strategies should put human welfare—especially for the poorest—at the center.

In fact, not every approach to climate action revolves only around emissions and temperature goals. In the Amazon and other tropical regions, the loss and degradation of native vegetation drives local environmental change and fuels global climate disruption. Millions of rural people — including farmers, fishers, and forest-dependent communities — depend on healthy ecosystems for clean water, fertile soils, and stable rivers that sustain their incomes and cultures. As these systems degrade, local livelihoods and resilience are increasingly at risk. In this context, decarbonization means not only slowing and reversing forest loss but also safeguarding the rainfall, river systems, and ecosystems that sustain rural economies.

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A REM-funded initiative in Acre helps small farmers improve the productivity and sustainability of their small dairy and livestock operations. (Credit: Ellem Jady/REM)

Jurisdictional REDD+ (JREDD) enables forest regions to align climate action with inclusive rural development across entire nations and states. Often seen narrowly as a carbon finance tool, JREDD is actually a platform for building sustainable, resilient economies and communities. It is designed to support the creation and implementation of comprehensive strategies for achieving multiple social and economic objectives across entire jurisdictions. JREDD delivers significant funding for rigorously measured progress made in *reducing* emissions from forest deforestation and degradation, and *increasing* forest regeneration and restoration. Under JREDD, emission reductions are recognized as a public good with broad social, environmental, and economic benefits.

Many misconceptions about JREDD have impeded its implementation. It is often lumped together with REDD+ projects, which work in fundamentally different ways. Unlike REDD+projects, JREDD operates across entire nations or states; it is led by governments and engages all rural stakeholders, not just a single farm or community. It creates high-integrity carbon credits based on emissions outcomes already achieved, not projections. Since JREDD focuses on the collective performance of the nation or state, without assigning those emissions reductions or enhanced removals to individual landholders, there is far greater flexibility in the allocations of JREDD benefits across rural sectors.

To qualify for verified emissions reductions and payments, JREDD programs must ensure inclusive benefit-sharing and participatory planning to set long-term development priorities and allocate resources. They create platforms for coordinated investment in sustainable development. When well-designed, they align with state development plans, territorial governance structures, and social priorities. Properly designed JREDD investments can trigger a flywheel effect, where new economic opportunities attract further investment. Funds mobilized through JREDD (including via carbon markets) can be channeled to priority sectors, including forest-based economies, sustainable agriculture, and health, education, and community well-being.

Supporting Vulnerable Communities through Climate Finance

Initiatives like Acre and Mato Grosso's JREDD programs illustrate how climate finance can strengthen rural livelihoods and promote sustainable development. Both are beneficiaries of REDD+ for Early Movers (REM) funding — a results-based mechanism that rewards jurisdictions for demonstrated emissions reductions.

Between 2019 and 2023, Acre's REM program reached around 27,000 family farmers and smallholders, primarily through subsidies and agro-environmental initiatives. A 2025 study of projects supported by REM under Acre State's Isa Carbono–JREDD initiative reports on 18 demonstration units promoting sustainable livestock for smallholders (?20 ha). Four years after implementation, participating families have nearly tripled their incomes from milk, dairy, and meat sales. With support from the program, these smallholder families have adopted sustainable production systems and are no longer dependent on REM support.

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Change in milk production and income for small dairy producers in Acre before and after implementing sustainable activities in demonstration units. Source: Adapted from Implementação de Unidades Demonstrativas da Pecuária Diversificada Sustentável 2025. Rio Branco: Programa REM Acre, 2025. (Nota Técnica, n. 3)

Of the USD 50 million invested in the first phase (2018-2024) of the REM Mato Grosso Program, nearly 40% was directed to traditional communities, family farmers, and Indigenous peoples in 107 municipalities, benefiting over 30,000 people. The program strengthened 144 social organizations and supported over 600 villages, channeling resources into dairy farming, fruit production, extractivism, and technical assistance. In total, the state reports that over 8700 families benefited, 26.3 tons of native seeds were collected for restoration of degraded land, and nearly 400,000 hectares came under low-carbon management. In Indigenous territories, 18,000 people—among them

2,895 youth and 3,560 women—gained access to better health, food security, and income opportunities—supported by the creation of local forest fire brigades that protect both people and ecosystems.

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The REM Mato Grosso program supports indigenous peoples, family farmers, and urban groups to restore degraded areas and strengthen collection of native seeds throughout the state. Credit: REM MT Archive

During the Covid pandemic, both Acre and Mato Grosso used REM funding for their JREDD programs to mobilize emergency support for Indigenous communities. Acre provided *cestas basicas* (a set of essential food and household items considered necessary for a family's basic subsistence for about one month) to Indigenous peoples and other socially and economically vulnerable communities. Mato Grosso deployed REM resources to deliver food, health support, and COVID-19 testing to 43 Indigenous communities in the first year of the pandemic. In following years, the state allocated USD 4.2 million in emergency funds to 48 Indigenous organizations, financing more than 105 projects focused on health and food security.

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In recent years, Acre has faced record droughts followed by record flooding. Credit: Hellen Lirtêz/ AmazoniaReal (left); InfoAmazonia (right)

Changes in local and regional climate, driven largely by deforestation, have a direct impact on river flow in the Amazon, where rainfall and river levels depend heavily on forest cover. When rivers run low or dry, the fish that sustain Indigenous peoples vanish, rural families can't sell produce, reach doctors, or send children to school, isolating entire communities. When floods strike, homes, crops, and transport routes are destroyed, leaving families without food, income, or clean water and access to many basic services.

These extremes—droughts and floods alike—show how changes in the Amazon's climate and forest systems directly threaten the safety, health, and survival of rural communities.

In 2023 and 2024, Acre used its REM funding to support Indigenous peoples and traditional communities whose territories and homes were devastated by severe floods that left many without access to food or clean water. The Special Secretariat for Indigenous Peoples delivered more than 12.4 tons of food to Indigenous lands in the interior of Acre. The REM Program also played a vital role during the subsequent extreme drought, financing the construction of wells, the delivery of water to Indigenous and riverine communities, and the supply of water for livestock and vegetable gardens. Recognizing the escalating climate challenges, KfW approved a new fund of approximately USD 800,000 in 2025 to strengthen the REM Program's response to climate-related crises. The fund will support projects addressing water scarcity, forest fires, and floods, and will be managed by IMC through the ISA Climate Change – Extreme Events Program.

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A REM-funded initiative in Acre helps small farmers improve the productivity and sustainability of their small dairy and livestock operations. (Credit: Ellem Jady/REM)

A Blueprint for Inclusive, Resilient Climate Action

JREDD is already a fully operational mechanism—financing transitions toward sustainable, low-deforestation economies while addressing rural poverty. Across several states and countries, JREDD programs channel real, results-based funding to local governments and communities, reducing deforestation and forest degradation and improving livelihoods, strengthening inclusion, and promoting sustainable rural development. Yet despite its proven functionality, JREDD remains under-recognized—too often overshadowed by other

initiatives that draw greater political and media attention. Its absence from the spotlight at COP30 underscores this disconnect, risking the neglect of one of the most effective, ready-to-scale tools for climate and development action.

Jurisdictional REDD+ represents a chance to redefine how we approach climate and development—not as separate or competing agendas, but as mutually reinforcing goals. By integrating environmental integrity with social and economic progress, it offers a framework where climate finance becomes a driver of socially inclusive growth and healthy forests provide the foundation for thriving communities. To unlock this potential, governments, donors, and investors must embrace JREDD not only as a carbon mechanism but as a comprehensive development strategy for entire landscapes. Doing so can help move the world beyond carbon accounting alone—toward a future built on shared prosperity, resilience, and sustainability.