GENERAL NORMS OF THE NATIONAL INSTITUTE OF COLONIZATION AND AGRARIAN REFORM CHAPTER I Designation and Purposes lst. Article : The National Institute of Colonization and Agrarian Reform - INCRA, created under Decree-Law nº 1.110 dated July 9, 1970, is an autarky linked to the Ministry of Agriculture, with legal existance, own administration and financing, headquarters in the Federal Capital and jurisdiction all over the national territory, with the following main a) To promote and carry on the agrarian reform, in order to correct the country agrarian structure and adjust it to the social and economic development needs, b) To promote, coordinate, control and implement the colonization To promote rural development through the coordination, control and implementation of, preferably, ecoperativism, community development and rural electrification. Sole Paragraph: In fullfilling its purposes, INCRA will by all possible means, protect properties which size is consonant with the type of existent utilization, encouraging the rational use to secure the social and economic function of land. 2nd, Article : INCRA will be acting: a) all over the country, making the country zoning, keeping a record of rural properties, renters, sharecroppers, public lands, as well as entities mentioned under 6th article of Law nº 2.613 of September 23, 1955; To directly or through agreements, promote the necessary action for issuing launching and collecting of taxes and fiscal tributes, that are due to INCRA or may be designated under the Law; to promote the discrimination of public land, the incorporation of unclaimed inheritance and also promoting and supervising the private colonization, cooperativism, community development and rural electrification. in the priority areas, promoting expropriations in the social interest for purposes of Land Reform in accordance with terms of the Land Statute and of Decree Law Nº 554, dated April 25, 1969; carrying out the establishment of agricultural exploitation units as well as promoting the supporting measures for its development; and

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objectives:

and

= 2 = c) in areas determined by the Zoning foreseen in Art. 43 of the Land Statute and described in its Sub-paragraph 4, carrying out official colonization projects and promoting measures to support their development. Art. 3 - INCRA's principal activities, in accordance with terms of the Land Statute and Law Nº 4,947 dated April 6, 1966 ares I - In the fields of Zoning, Cadastre and Tribute -To undertake studies and to work out the country's zoning in regions with similar socio-sconomic and agrarian structure characteristies. To identify the regions related in Paragraphs I and IV of Art. b) 43 of the Land Statute and delimiting priority areas. To determine typical zones in order to establish the module for land tribute. To establish tables of value of bare land and rates of tribute, inclusive for determination of the Rural-Territorial tax progress and regression coefficients. e) To organize and keep up-to-date the cadastre of rural properties, public land, renters, sharecroppers, and taxpayers referred to in Art, 6 of Law Nº 2,613 dated September 28, 1955, the technical cadastre and any other records which may provide information on the rural socio-economic structure: and To establish general norms for bookkeeping entries, issuance and collection of tributes and contributions under its responsibility; to carry out the respective collection and to promote the inscription and collection of active debt when due. II - In the field of land distribution: a) To promote land discrimination in accordance with the Law; To promote the incorporation of real estate to its patrimony in accordance with Art. 17 of the Land Statute. To carry out expropriations necessary to accomplish its objectives. in accordance with the law. d) To promote the access to rural property through distribution and redistribution of land: To promote control of occupation of the lands referred to in Arts. 97 and 102 of the Land Statute and of those incorporated to INCRA's patrimony; and

f) To promote concession, remission, transference and extinction of the long-term lease of public land real property. III - In the field of colonization and execution of Land Reform projects: a) to implement the creation and expansion of rural enterprises which have as objective the rational use of land in extractive, agricultural, livestock or agro-industrial exploitations with a view to changing them into institutions which accept the democratization of capital. b) to establish the methodology to be applied in colonization projects and parceling of rural real properties which include formation of recreation centers, and to deliberate in this respect with records purpose. c) to create colonization nucleus with special purposes as well as with the cooperation of the Army Ministry, colonies with military assistance in the national security border lines. to create agricultural exploitation units in Land Reform and official colonization projects: and e) to declare the emancipation of lots, parcels, Colonization Nucleus or Land Reform Districts once ascertained that they have reached their objectives in accordance with the law. IV - In the field of rural developments a) to implement, coordinate and control activities related to rural community development and cooperativism in accordance with the legislation in force; to plan, promote and control activities related to rural extension in INCRA's operational areas: c) to colaborate with agencies of the Ministry of Work and Social Security in charge of Rural Labor Unions with a view to harmonizing labor unions activities with the economic and social purposes of agriculture; d) to mobilize and apply in the agriculture development the means of technical assistance, qualification and training of rural labor, utilizing whenever possible the existing infrastructure; e) to plan and promote measures to carry out the rural electrification national policy: f) to establish norms, to authorize the operation, and to promote inspection of cooperative societies; and

g) to promote the utilization by the cooperatives of credit operations with official and private financial agents. Art. 4 - In order to accomplish the basic activities listed in Art. 3 and subsparagraphs thereof, INCRA will normalize, coordinate and control through the specific Secretariats the following auxiliary operations performed in the central, regional, state, zone and local agencies: I - Auxiliary technical functions including: a) Execution of surveys, analyses and researches of geo and socio-economic nature for characterization of the country's agrarian structure, determination of areas for INCRA's specific operation as well as the planning and programming of its substantive activities: Preparation of national and regional colonization, land reform and agricultural development plans and of the respective project to be carried out by INCRA, directly or in cooperation with other agencies: formulation of action programs and respective budgets for INCRA's activities as well as control of their execution; performance of surveys, analyses and studies of methods and processes of work for maintenance of the structure and of INCRA's administrative and technical divisions: preparation of technical documentation to divulge the work performed by INCRA or in its interests; and f) execution of mapping, designing and calculation furstions, II - Administrative functions including: organization and maintenance of communications, multigraphy, janitors, materials and transportation activities utilized by INCRA as well as the administration of its patrimony; and 6) organization and maintenance of personnel administration activities. III - Financial functions including Financial Administration, Accounting and Auditing. IV - Auxiliary complementary functions including: maintenance of library and general technical documentation activities: b) maintenance of the data processing service; and c) maintenance of telecommunications activities.