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# THE WORST IS YET TO COME

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*A year of environmental havoc under  
Brazil's far-right President Jair Bolsonaro*

**Madrid, December 2019**

# INTRODUCTION

Brazil is home to the largest land-based biodiversity in the world and to the largest rainforest, among other important biomes. The Constitution of the country states that “everyone has the right to an ecologically balanced environment, which is an asset of common use and essential to a healthy quality of life, and both the Government and the community shall have the duty to defend and preserve it for present and future generations.”

Therefore, the Government is responsible for ensuring the quality of the environment on a sustainable basis for all citizens.

Since early 2019, the new government led by President Jair Bolsonaro has been dismantling the country’s environmental policies, going against the above-mentioned constitutional provisions and causing negative consequences for the environment, the fight against climate change, the economy and human life. Two studies<sup>1</sup> have shown that, if Brazil loses control over deforestation, forest clear-cutting rates may reach 27,000 km<sup>2</sup> a year, causing Brazil to emit 1.3 billion tons of CO<sub>2</sub> from Amazon destruction alone and endangering the Paris Agreement goal of stabilizing global warming in 1.5°C.

This situation contrasts with the role that Brazil has historically played in environmental issues. The Convention on Biological Diversity and the United Nations Framework Convention on Climate Change are results of the United Nations Conference on Environment and Development (Rio-92) held in Brazil. The country was one of the protagonists of the Paris Agreement, playing a conciliatory role in the negotiations.

Some of the ongoing setbacks are reported below and testify to the destruction of environmental achievements, the rigging of public administration, the weakening of environmental institutions, the persecution of public officials, the attacks on indigenous peoples, and the increase in deforestation in the Amazon.

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<sup>1</sup> See <https://news.mongabay.com/2018/10/fate-of-the-amazon-is-on-the-ballot-in-brazils-presidential-election-commentary/> and [https://www.researchgate.net/publication/326272636\\_The\\_threat\\_of\\_political\\_bargaining\\_to\\_climate\\_mitigation\\_in\\_Brazil](https://www.researchgate.net/publication/326272636_The_threat_of_political_bargaining_to_climate_mitigation_in_Brazil)

# 1. GOVERNANCE

## The dismantling of environmental governance entities

Since the campaign trail, the Bolsonaro government planned to dismantle the Ministry of the Environment and to integrate it into the Ministry of Agriculture, subjecting the country's environment to the rule of a productive sector that degrades it. There was a retreat in the merger of ministries after pressure from society and part of the productive sector, which pointed to commercial risks for agribusiness. However, despite the maintenance of the Ministry of the Environment, its structure was dismantled early in the new government.

The first change was the extinction of the Secretariat of Climate Change and Forests, the entity in charge of leading the sector's policies, such as deforestation prevention and control plans and the National Climate Change Adaptation Plan, and elaborating the national strategy to meet the goal of reducing greenhouse gas emissions that Brazil had submitted as part of its pledge under the Paris Agreement.

Another emblematic change was the transfer of the Brazilian Forest Service (SFB) to the Ministry of Agriculture. This entity is responsible for the concession of public areas for forest exploration and for the implementation of the Rural Environmental Registry (CAR), which contains information on forests located in rural properties, an important instrument to combat deforestation. Entities that were responsible for the sustainable development of indigenous peoples and traditional communities were also dismantled. Their duties were transferred to the Ministry of Agriculture.

The disintegration of the environmental protection structure culminated in the transfer of the National Water Agency (ANA), the entity responsible for the management of water resources in the country, to the Ministry of Regional Development, whose main interest is to foster intensive use of water resources for productive purposes.

The environment was also defeated in the foreign policy front. Just a couple of years after it was made a top priority of Brazil's foreign affairs ministry (Itamaraty), the environment and climate change were scrapped from the ministry's structure, with the extinction of the climate and sustainable development offices. The new chancellor, Ernesto Araújo, considers the fight against climate change the pinnacle of globalism<sup>2</sup>, a movement that seeks to destroy the West and Christianity.

There were also two attempts, both killed by Congress, to strip Funai (the national agency for the protection of indigenous peoples) of its attribution to demarcate indigenous lands and handle it to the Agriculture Ministry. Funai itself was to be moved from the Justice to the Human Rights Ministry, currently headed by a hardliner Christian preacher.

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<sup>2</sup> <https://twitter.com/ishaantharoor/status/1171859029225869313>



### **Minister Ricardo Salles**

*Bolsonaro's pick for the Environment was Ricardo Salles, an attorney from São Paulo and a former director of the Brazilian Rural Society, an agribusiness lobbying organization. Salles had been secretary of the Environment in the state of São Paulo, where he was charged with environmental fraud for trying to change the management plan of a protected area to favor business lobbies. Ten days before taking office he was convicted for administrative misconduct. He is also under investigation for illicit enrichment. In November, Justice determined his bank and telephone records to be disclosed<sup>3</sup>. Last week, already in Madrid, Mr. Salles saw yet another skeleton jump from his closet: he became a defendant in another inquiry on damage to public goods - he had ordered the removal of a statue of an anti-dictatorship guerrilla from a park in São Paulo, an operation which eventually destroyed the piece.*

## **The disintegration of Conama**

In May, a decree signed by President Bolsonaro reduced by 76% the number of members of the National Environment Council (Conama), one of the country's main multi-stakeholder bodies. Conama was created in 1981 with the purpose of drafting environmental rules, such as the ones that set limits for the use of natural resources and air pollution. In over 38 years of operation, Conama has approved nearly 500 resolutions.

One of the most important features of Conama was the diversity of its representatives, which included 96 members spanning the federal government, states, municipalities and civil society. This number has been drastically reduced to 23, and turnover rules have been put in place. With this measure, the number of representatives of civil society fell from 22 to just 4 members.

Two months after the publication of the decree, the Ministry of the Environment held a draw to define the new civil society representatives, in an event that came to be known as the Conama Sweepstakes.

Shortly before changing the structure of the body, the government had managed to approve, by a difference of just one vote, milder rules for motorcycle pollution control, which had been proposed by the National Confederation of Industries (CNI).

The weakening of the body and the reduction of participation of representatives of civil society facilitate the approval of more flexible rules that benefit the productive sector.

<sup>3</sup> <https://congressoemfoco.uol.com.br/especial/noticias/justica-autoriza-quebra-de-sigilo-fiscal-de-salles/>

# Deforestation control plans: shelved

Brazil achieved unprecedented results by reducing the deforestation rate in the Amazon by 83.5% from 2004 to 2012. During this period, forest destruction fell from 27,772 km<sup>2</sup> to 4,571 km<sup>2</sup> a year.

In 2004, the Plan for the Prevention and Control of Deforestation in the Legal Amazon (PPCDAm) was launched; its creation had been led by former Minister of the Environment Marina Silva. Over the years, actions have been taken to improve land use and land tenure regularization, create more conservation units, create and improve environmental monitoring systems, strengthen environmental surveillance, promote sustainable productive activities and create economic incentives for forest conservation. In 2010, the Plan for the Prevention and Control of Deforestation and Burning Practices in the Cerrado Region (PPCerrado) was also created, which resulted in a 33% reduction of deforestation in that biome by 2018. Several federal agencies were mobilized to implement and monitor such plans, in addition to the creation of a high-level governance structure.

In 2019 this entire structure started to collapse. Action plans were ignored and paralyzed, their governance structure was extinguished, and deforestation in the Amazon spiked, with the largest increase in a decade.

Even with shifts in the rise and fall of deforestation between 2013 and 2018, the plans inspired Colombia and Mozambique to adopt similar policy and were important instruments of the national policy on climate change, which supported most of Brazil's strategy to meet the target set under the Paris Agreement.

After the deforestation and burning crisis turned into a global scandal, the government is now trying to reinvent the wheel by recreating a commission to address the issue and promises a new plan to curb the progress of deforestation under the slogan "result-oriented environmentalism". With the PPCDAm shelved, the only result that can be expected is a further increase in deforestation in 2020, an outcome that has actually been admitted by the Minister of the Environment himself<sup>4</sup>.

## The dismantling of environmental governance

Social participation and dialogue through multi-stakeholder bodies are characteristics of a democratic country. In April 2019, President Bolsonaro disassembled dozens of public administration bodies, such as councils, committees, commissions, and groups and limited the operation of several others.

Some of the environmental governance bodies that have been eliminated are:

- The National REDD+ Commission, which implemented actions to promote payment in exchange for deforestation reduction results;

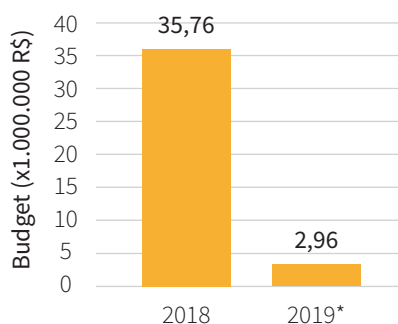
<sup>4</sup> <https://www1.folha.uol.com.br/ambiente/2019/11/desmatamento-ilegal-zero-nao-deve-acontecer-diz-ministro-do-meio-ambiente.shtml>



- The Executive Committees that dealt with deforestation prevention and control plans in the Amazon and Cerrado biomes;
- The National Commission for Native Vegetation Recovery, which dealt with of vegetation recovery policies in deforested areas;
- The Steering Committee of the Amazon Fund, which established the guidelines for the operation of the largest Brazilian deforestation control fund;
- The Steering Committee of the National Policy for Territorial and Environmental Management of Indigenous Lands, which addressed environmental issues in indigenous lands;
- The National Council of Traditional Peoples and Communities, whose goal was to promote the sustainable development of traditional peoples and communities, recognizing, strengthening and ensuring their rights;
- The Interministerial Committee on Climate Change, whose goal was to coordinate the implementation of National Police on Climate Change and articulate government actions relating to the Climate Convention;
- The Executive Committee and the Support Committee of the National Contingency Plan for Oil Pollution Incidents (PNC).

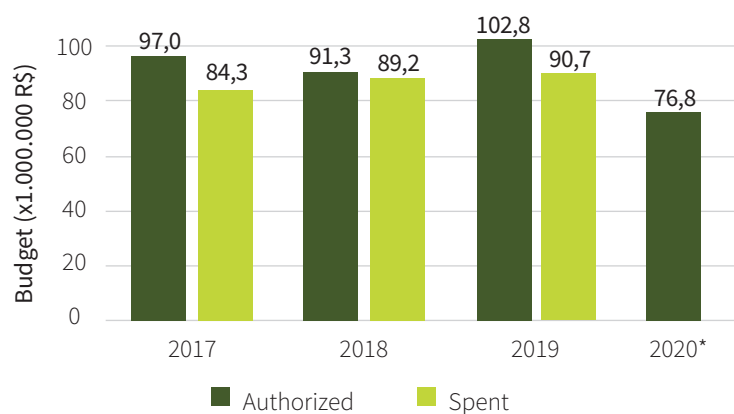
## Budget for environmental matters

**Budget appropriation of the Environment ministry, direct expenses**



\* As of November 25th

**Budget for Ibama inspections**



(\*) Budget Law Proposal sent to Congress

The government imposed a 25% cut in the budget for Ibama's oversight actions in 2020 in the proposed budgetary law (PLOA) submitted to Congress. The proposed amount is R\$ 76.8 million, the lowest since 2016, when Ibama had to paralyze operations due to a lack of funds.

Ibama's budget for Amazon actions in 2019 (approved before the Bolsonaro government) was higher than in the previous three years. Therefore, it was not for the want of money that, in 2019, the agency's environmental law enforcement operations achieved the worst result of the last decades.

On the other hand, the budget cut affecting the creation, management and implementation of protected areas under ICMBio's responsibility was 39%: from R\$ 176.5 million authorized in 2019 to R\$ 107 million, in 2020.

The Multiannual Plan (PPA), which covers the Bolsonaro government's priorities for the next four years, does not mention actions to fight deforestation in the Amazon and allocates 98.4% of the so-called Environmental Axis funds to the Ministry of Agriculture.

The PPA bill sent to Congress earmarks US\$ 32.5 billion to the Ministry of Agriculture and only US\$ 500 million to the Ministry of the Environment in the Core Programs of the "Environmental Axis".

The budgetary performance of the Environment Ministry in 2019 leaves few doubts about the administration's intention of creating a walking-dead ministry: by the end of November, budget appropriation for end-activities on the environment had been a measly US\$ 700,000 - a 90% drop from 2018 values. Until November 25, the Ministry of the Environment had not used a penny of the US\$ 3 million earmarked to promote projects and studies under the National Environment Fund and the National Fund on Climate Change .

## The end of the Amazon Fund

### **"TAKE THIS MONEY AND GO REFOREST GERMANY"**

Jair Bolsonaro, August 15th, 2019

The Amazon Fund was created by the country in 2008, based on a mechanism that had emerged under the Climate Convention to financially compensate countries for reducing greenhouse gas emissions that exacerbate the climate crisis. Fund resources are donated by developed countries for forest protection, conservation and restoration actions if deforestation is reduced.

Over a little more than 10 years, the fund raised R\$ 3.4 billion (US\$ 1.3 billion), with Norway and Germany as the main donors. These resources have been applied in 103 projects in the Amazon and other regions, strengthening public environmental policies and sustainable forest strategies, benefiting local population, indigenous peoples and traditional communities. About R\$ 1.9 billion was allocated to projects of the federal, state and municipal governments (61%), of civil society (38%) and of other South American countries (1%).

In April, a decree signed by Bolsonaro ended several governance forums, including the Steering Committee of the Amazon Fund, which included representatives of the federal government, of the Amazon states and of civil society. Since then, around 40 new projects have been halted and R\$ 1.54 billion has been left unused.

The government froze such funds on the grounds that they were being used to finance NGOs whose directors were paid millions in salaries, without criteria and without effectiveness. In fact, most of the money goes to public agencies such as Ibama, whose projects to strengthen the fight against deforestation are funded in this manner because the government lacked funds to support such activities<sup>5</sup>.

The Minister of the Environment argues that the Amazon Fund should be used to compensate farmers with properties in protected areas<sup>6</sup>. The attempt to change the rules in order to have full control over the use of funds and the extinction of the Steering Committee has not been accepted by the donor countries, which created a standoff that lasts to this day.

With the spike in the rate of deforestation in August, Norway cut transfers to the fund. Even if the use of the fund were resumed today, there would be no new contributions from donor countries because deforestation in the Amazon has reached 9,762 km<sup>2</sup>, exceeding the expected payment threshold of 8,143 km<sup>2</sup>. Therefore, faced with the challenge of obtaining funding for climate change mitigation and adaptation, the Brazilian government singlehandedly managed to end the only efficient mechanism that existed in the country, i.e., the Amazon Fund.

## Rigging, militarization and vacant positions

The destruction of environmental policies affects employees of the Ministry of the Environment, Ibama and ICMBio.

The career of environmental specialist was created in 2002 with the objective of improving environmental activities within the federal public administration. It brings together professionals that have passed civil service examinations in various areas, who have specific academic background and experience in public service. However, skilled civil servants were passed over by Minister Ricardo Salles, who, instead, promoted members of the armed forces to occupy positions of command at environmental management entities.

At ICMBio, the chairman and all directors are military police officers, appointed after the officials who occupied these positions tendered their resignations in reaction to the minister's administrative interference. Many appointments to regional coordination and conservation unit leadership positions follow the same anti-environmental logic. Such was the case with the Lençóis Maranhenses and the Costa dos Corais Protected Area, Brazil's biggest marine conservation unit - both are now headed by policemen.

At Ibama, at least 12 strategic positions, such as directors' offices and regional coordinations are now occupied by members of the military police and armed forces, including Ibama's vice-presidency.

At the Ministry of the Environment, the outlook is the same: at least five members of the armed forces occupy strategic positions, such as the Biodiversity Secretariat and the office of the Chief of Staff.

<sup>5</sup> <https://www.mma.gov.br/informma/item/14701-noticia-acom-2018-04-2927.html>

<sup>6</sup> <https://sustentabilidade.estadao.com.br/noticias/geral,governo-quer-usar-fundo-amazonia-para-indenizar-desapropriacoes,70002842939>



In addition to the rigging of public agencies, many key management positions remain vacant after nearly a year of government, such as the Secretariat for Forests and Sustainable Development of the Ministry of the Environment, which is responsible for policies to fight deforestation and climate change.

In March, 21 of the 27 Ibama regional coordinators were suddenly dismissed<sup>7</sup>. Seven of these positions are still vacant as of early December.

## Press censorship and reduced transparency

### **“THE PURPOSE OF THE MEASURE IS TO ALIGN THE COMMUNICATION OF IBAMA AND ICMBIO WITH THAT OF THE MINISTRY.”**

Head of the Communications Office of the Ministry of the Environment, Army Captain Pallemberg Pinto de Aquino

The main federal environmental agencies, Ibama and ICMBio, have been under censorship since March. By order of Minister Ricardo Salles, all press requests sent to these entities are submitted to the Ministry of the Environment. Data obtained by Observatório do Clima through the Access to Information Act show that the Ministry of the Environment failed to respond to 77% of the requests submitted by journalists as of September<sup>8</sup>.

Environmental agents are prohibited from giving interviews<sup>9</sup>. In July, Ibama’s Chairman, Eduardo Fortunato Bim, published a new “Code of Ethical Conduct” to be adopted by agency officials, which establishes several prohibitions, including issuing statements and disclosing information and documents.

In October, a contingency team working on the oil spill affecting the Brazilian coastline, one of the country’s largest environmental disasters, said in an internal report that the gag order was jeopardizing the recommendations to be given to the population, as well as animal rescue actions.

In the same month, Ibama’s Coordinator of Operations and the General Coordinator of Oversight questioned the gag order imposed on the agency’s officials and the absence of a communication strategy in documents sent to the Chairman of the agency.

Transparency is one of the key features of a democratic government, which allows citizens to access information and support social control of the state and its rulers. To promote transparency in public policies, Brazil instituted Law No. 10,650/2003, which deals with public access to environmental information, and Law No. 12,527/2011, which regulates the Constitutional right that entitles any person to request and receive from public authorities information produced or held by them.

<sup>7</sup> <https://www1.folha.uol.com.br/ambiente/2019/02/ricardo-salles-exonera-21-dos-27-superintendentes-regionais-do-ib.shtml>

<sup>8</sup> <http://www.observatoriodoclima.eco.br/sob-salles-ministerio-deixa-8-em-10-jornalistas-sem-resposta/>

<sup>9</sup> <https://www.reuters.com/article/us-brazil-environment/brazils-right-wing-government-puts-gag-order-on-environment-agency-idUSKCN1QU30I>



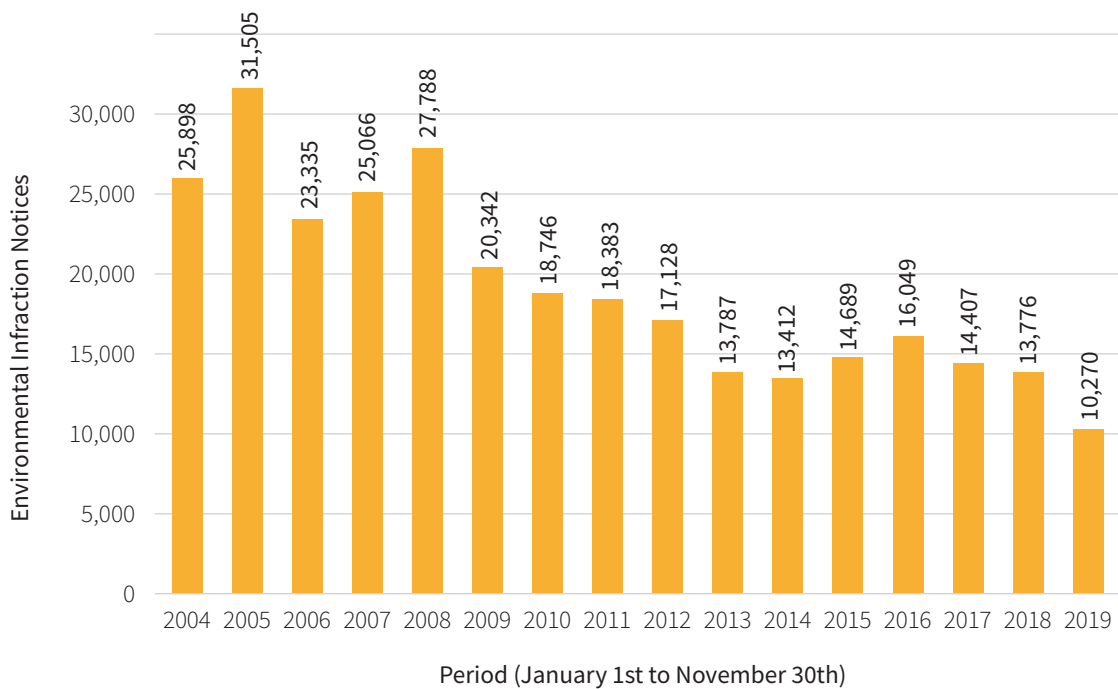
**I GAVE RICARDO  
SALLES A MISSION:  
CHOP THE HECK OFF  
IBAMA. I DON'T WANT  
ZEALOTS OCCUPYING  
THESE POSITIONS.  
(...) LET'S END THE  
FINE INDUSTRY**

**JAIR BOLSONARO, June 1st, 2019**

# 2. “CHOP THE HECK OFF IBAMA”

## Weakening of environmental law enforcement

Environmental Infraction Notices issued by Ibama from January 1st to November 30th of each year



Under Bolsonaro, Ibama has applied the lowest number of environmental fines in the last 15 years. From January to November, 10,270 infraction notices were registered, a 25% reduction over the same period in the previous year.

Fined by Ibama in 2012 for illegal fishing in a protected area, then Congressman Bolsonaro drafted legislative bills to undermine the agency’s oversight. At that time, he failed. As President, he can now exert revenge.

The dismantling of environmental policies and impunity for deforesters and prospectors resulted in a 30% increase in deforestation in the Amazon. In May, Ibama actually announced on its website the location of classified operations that would take place in the Amazon<sup>10</sup>.

<sup>10</sup> <https://sustentabilidade.estadao.com.br/noticias/geral,ibama-avisa-antecipadamente-onde-fara-operacoes-contra-desmatamento-na-amazonia,70002845783>

Bolsonaro has attacked Ibama since his election campaign, defending environmental offenders and inciting violence against inspectors. His government has cut budgets, appointed unprepared officials, harassed servants, and changed protection rules.

In addition to reducing its presence in the field, in 2019 Ibama reversed a strategy that had been intensified in recent years to combat irregularities in the production chain. Operations that resulted in penalties imposed against companies such as Santander, Bunge, Cargill and JBS, among others, were not maintained in 2019. Besides, Ibama apparently also held back the seizure of irregular pesticides: no operations were disclosed in 2019, unlike what used to be regularly done in previous years.

There has been an escalation of measures to weaken the environmental agency. In February and March, a gag order was placed on the agency's communications and the inspector who had fined Bolsonaro was dismissed<sup>11</sup>.

In April, the government authorized an auction for oil production in the region of the Abrolhos Marine National Park<sup>12</sup>, a humpback whale nursery, dismissed fines against soy producers in protected areas in Rio Grande do Sul and authorized the use of firearms and dogs to slaughter wild boars.

In September, Ibama's President Eduardo Bim lifted the embargo on the use of 22,000 hectares for soybean farming on indigenous lands in Mato Grosso where GM soy had been planted illegally. In November, four days before the release of deforestation data, at the request of the Environmental Protection Officer Olivaldi Azevedo, Bim amended a rule that will hinder the imposition of penalties against companies selling illegal wood from the Amazon. At the end of the year, a study was announced to authorize the export of native timber in logs and to change rules in order to allow the legal classification of *Psittacidae* birds, such as parrots, benefiting a justice of the Superior Court of Justice (STJ).

## Orders against destruction of criminals' equipments

### **“DON'T BURN ANYTHING - MACHINERY, TRACTORS, WHATEVER”**

Bolsonaro, April 14th, 2019

The destruction of equipment used in environmental violations is a provision from a 2008 decree. Such practice was intensified after the creation of the Specialized Inspection Group (GEF) in 2014. This is one of the most effective measures to curb illegal mining and clearcutting in protected areas because it disrupts environmental damage and causes immediate financial damage to those funding those crimes.

Ibama destroyed in recent years hundreds of backhoes, bulldozers, trucks, ferries, boats and vehicles used by criminals. Under Bolsonaro, the first GEF action in the Amazon was only held in late August, following the spike in the rates of deforestation and burning.

<sup>11</sup> <https://piaui.folha.uol.com.br/fui-punido-por-ter-feito-minha-obrigacao/>

<sup>12</sup> <https://news.mongabay.com/2019/05/brazil-green-lights-oil-prospecting-near-important-marine-park/>

In April, the president disallowed an operation that was being carried out by Ibama to curb deforestation in the Jamari National Forest in Rondônia. In the action, environmental agents had destroyed trucks and tractors used by criminals to steal timber<sup>13</sup>.

In September, wildcat miners blocked BR-163 (Cuiabá-Santarém) in protest against illegal wildcat mining actions that resulted in the destruction of various equipment, with GEF participation. Next, miner representatives from Pará were welcomed to the Planalto Palace by Ministers Onix Lorenzoni (Chief of Staff), Ricardo Salles (Environment) and Augusto Heleno (Institutional Security Office).<sup>14</sup>

While the government was negotiating with prospectors, Ibama agents reported that the army refused to support operations in the Amazon that involved the destruction of equipment. On November 5, Bolsonaro again criticized this measure, threatening inspectors with retaliation: “Who is the Ibama guy doing this?”

In force as part of the legislation since 2008, the destruction is adopted in less than 2% of the total seizures made by Ibama, according to agency data. It happens in protected areas when the removal, transportation and storage of equipments is not feasible due to logistical or security reasons. The actions are documented in an administrative proceeding and the owner of the assets may appeal and file for compensation. In five years of regular application, there is no report of such appeals being filed.

## Fines Conversion

Established in 1998 in the Environmental Crimes Law, the conversion of fines into services and environmental protection actions was reformulated in 2017. Under the indirect conversion system, the violating party is entitled to a larger discount if it chooses to invest in the structuring projects defined by Ibama.

The initiative worked: at the beginning of 2019, after accession of taxpayers such as Petrobras, there were R\$ 1.1 billion ready to be applied in projects of recovery of the São Francisco and Parnaíba basins. The amount is three times Ibama’s annual budget for actions across the country.

The first call notice published by Ibama in 2018 had selected 34 projects to be run by non-profit organizations or public institutions.

In April, the conversion was halted by a decree. Bolsonaro had been attacking the initiative since his election campaign by falsely stating that the goal of this initiative would be to give “billions” to NGOs.

The conversion provides for a 60% discount in the indirect mode and 40% in the direct one, in which the violating party performs the service. The decree suspending the measure in April now admits projects by private entities.

<sup>13</sup> <https://www1.folha.uol.com.br/ambiente/2019/04/bolsonaro-desautoriza-operacao-em-andamento-do-ibama-contra-madeira-ilegal-em-ro.shtml>

<sup>14</sup> <https://epoca.globo.com/brasil/reuniao-de-ministros-com-garimpeiros-teve-denunciado-por-compra-de-ouro-ilegal-invasor-de-terra-ianomami-24079391>

In October, Bolsonaro sent to Congress an executive act (provisional measure) that buried for good the original concept of the conversion, leaving all decisions concentrated on the hands of the Minister of the Environment, who would be able to manage, alone, a fund with the potential to receive up to R\$ 15 billion in Ibama fines. Congress has moved against the measure, but it is uncertain whether it will be killed or passed.

## Environmental conciliation

In a decree signed when the government reached the 100-day mark, Bolsonaro created a notarial structure in the Ministry of the Environment to carry out conciliation between people and companies subject to infraction notices issued by environmental agencies and the Government. The aim is to treat offenders as victims of the Government and not as entities responsible for environmental damages. A new procedure has been established to negotiate with them, enabling the reduction of sanctions or even cancellation of fines and embargoes.

Ibama alone is a creditor of liabilities of about R\$ 40 billion in unpaid fines. The most effective course of action would be to invest in structuring the agency so that it could effectively collect this debt from offenders, thereby reducing the expectation of impunity and investing funds in protecting the environment.

Conciliation strategies are increasingly common in court disputes as a way of avoiding prolonged proceedings. However, this must take place on a solid basis, ensuring effective accountability of the offenders. The proposed conciliation model goes in the opposite direction.

Decision-making power will be exercised by individuals who are not representatives of the environmental agencies but that are, instead, appointed by the Minister of the Environment. And there is no obligation to repair environmental damages at the time of conciliation. That is to say that the offender may have its fine reduced but is not required to salvage what it has degraded. In practice, this will be yet another instance to which offenders may resort in order to delay or avoid compliance with infraction notices drawn up against them.

## Crackdown on activists and civil servants

### **“LET’S PUT AN END TO ALL ACTIVISM IN BRAZIL”**

Bolsonaro, October 10th, 2018

The murder of forest defender Paulino Guajajara in early November, the arrest of four volunteer firefighters, and the murder of two Guajajara tribesmen in December the raid of the offices of NGO Saúde e Alegria by police officers in Pará a week before the start of COP25, as well as the raid of the home of indigenous activist Alessandra Munduruku, represent a macabre portrait of the attacks on activists, indigenous people and environmental organizations under Bolsonaro.

The President accused NGOs (as well as actor Leonardo Di Caprio) of being responsible for the fires that devastated the Amazon. The Environment minister blamed Greenpeace for the oil spill that turned into the largest environmental disaster affecting the country's coast.

In the case of the fires, police tried to blame the firemen<sup>15</sup> and a judge who is the son of a logging family put them in jail, bolstering Bolsonaro's lies.

Earlier, three landless rural workers were jailed for 50 days on charges of having participated in the "Fire Day"<sup>16</sup> on August 10, when squatters, loggers, farmers from the Amazonian frontier town of Novo Progresso and even a police chief got together to, in their own words, "show their allegiance to the president". One day before the release of the landless workers, who had been accused without evidence, the Federal Police searched the house of the chairman of the Rural Producers Union of Novo Progresso. Those responsible for the burning practices were never caught.

The persecution against environmental workers has been continuous since the new government was sworn in.

The environmental agent responsible for imposing a R\$ 10,000 fine for illegal fishing against then Congressman Jair Bolsonaro in 2012 was dismissed at the end of last March from this position as head of the Ibama Air Operations Center. Shortly thereafter, the president said in a speech to farmers that he had ordered a "clean-up" at the environmental agency.

At ICMBio, the analyst who coordinated the dolphin preservation project in the Fernando de Noronha archipelago, one of the country's leading oceanography specialists, was unwillingly relocated to the Pernambuco hinterland in August. The head of the marine park had already been dismissed in February after Salles met with businessmen on the island and promised to release sardine fishing, review the visitation fee and allow night flights in order to expand tourism in the archipelago.

In July, Salles appointed a farmer named by ruralists to head the Lagoa do Peixe National Park, on the coast of Rio Grande do Sul, an important refuge for migratory birds. Three months later, the federal courts suspended such appointment due to the lack of experience of the appointee. The position had been vacant since April, when the ICMBio analyst who ran the park was dismissed by the minister. Ten days earlier, a meeting between Salles and farmers held at the park's headquarters, when he threatened to open administrative proceedings against the agency's staff, had prompted the chairman of ICMBio to tender his resignation.

Public officials from environmental agencies that "want to hinder progress" should head to Ponta da Praia, Bolsonaro said in November, in a reference to the place on the coast of Rio de Janeiro where political prisoners were executed during the military dictatorship in Brazil.

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<sup>15</sup> <https://piaui.folha.uol.com.br/o-sapo-escaldado-da-democracia/>

<sup>16</sup> <https://reporterbrasil.org.br/2019/10/justica-solta-3-sem-terra-acusados-por-dia-do-fogo-apos-investigacao-apontar-para-fazendeiros-e-empresarios/>

# End of sugarcane zoning

Bolsonaro overturned in November a ruling which prevented the expansion of monoculture into the Amazon and Pantanal regions.

The so-called sugarcane zoning was established in 2009 to define the areas where sugarcane production would be allowed, in order to avoid deforestation of the Amazon rainforest and other sensitive areas. Even excluding these biomes, 64 million hectares were classified as suitable for sugarcane expansion - nearly eight times the area of sugarcane crops planted that year. Brazil is the largest sugarcane producer in the world.

A bill revoking the zoning rules in question had been tabled by the Senate in 2018, following pressure from the public. At the time, researchers Lucas Ferrante and Philip Fearnside published a letter in *Science* warning of the disastrous consequences such expansion could have on the planet's biodiversity, ecosystems and climate<sup>17</sup>.

Even the Sugarcane Industry Union, which represents the sector, was at the time against the end of zoning rules, due to restrictions that European countries could impose on Brazil for exporting a product that causes deforestation and contributes to the climate change crisis affecting the planet. The organization, however, changed its position under the Bolsonaro government and said the withdrawal of zoning rules was “a step forward”.

A new policy to stimulate biofuel production was approved in the country in 2017. The intention was to mitigate the emission of greenhouse gases resulting from the use of fossil fuels. With the authorization of sugarcane farming in the Amazon, the effect may be the opposite: more deforestation and greenhouse gas emissions resulting from ethanol production.

If Bolsonaro's decision is not reversed, Brazilian biofuels cannot be considered as being 'clean' and must be found to be associated with a chain of deforestation, according to one of the authors of the article published in *Science*, noting that countries in the European Union imported 43 million liters of ethanol from Brazil in 2018.

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<sup>17</sup> <http://www.observatoriodoclima.eco.br/fim-zoneamento-crime-de-lesa-patria/>





**YOU CAN'T END DEFORESTATION OR  
BURNING PRACTICES. IT'S CULTURAL**

**JAIR BOLSONARO, November 29th, 2019**

**THE AMAZON IS NOT BEING  
DEVASTATED OR CONSUMED BY FIRE;  
THIS IS A LIE TOLD BY THE MEDIA**

**JAIR BOLSONARO, September 24th, 2019**

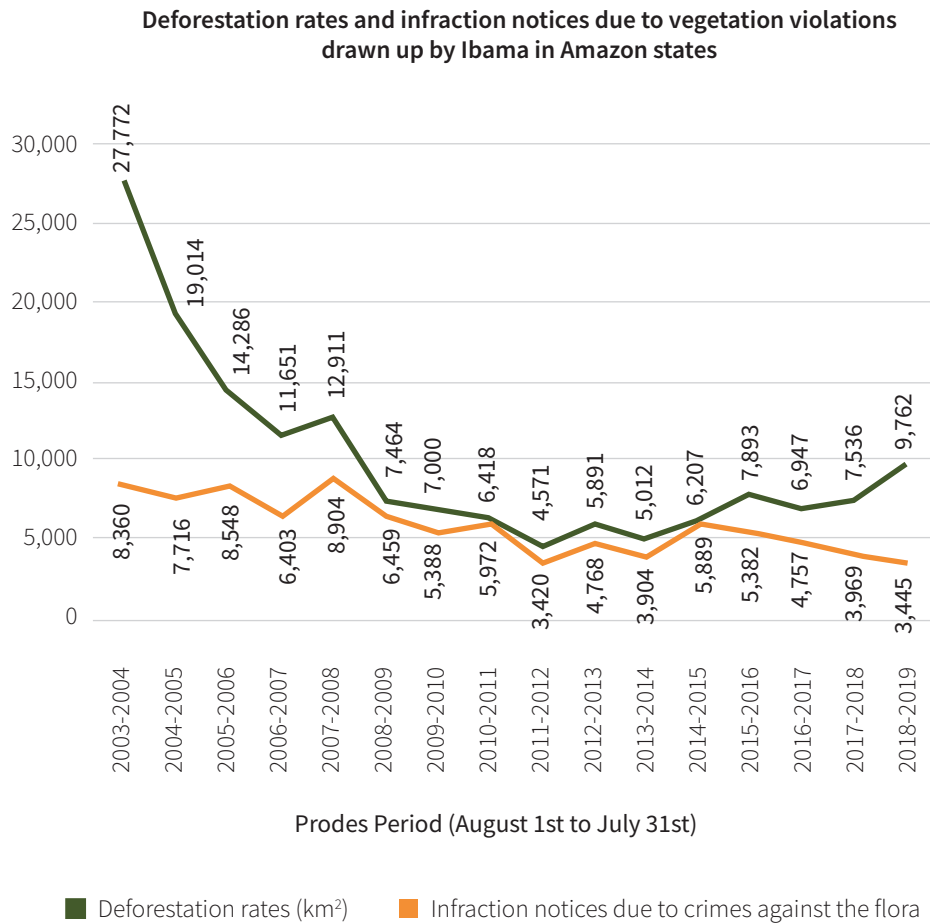
**I WANT TO KNOW WHO IS THE GUY  
THAT IS HEADING INPE. IT LOOKS  
LIKE HE IS WORKING FOR SOME NGO**

**JAIR BOLSONARO, July 19th, 2019**



# 3. THE CONSEQUENCES

## Surge in deforestation



The foretold tragedy has been confirmed. Deforestation in the Amazon increased by 29.5% in 2019, the worst rate in the last eleven years and the third highest in the historical series that began in 1988. Bolsonaro's statements since his election campaign and government measures against enforcement actions have resulted in the felling of 9,762 square kilometers of forest<sup>18</sup>, an area that is almost the same size as Jamaica. Since 2004 there had been no surge of devastation from one year to the next as large as the one that occurred this year: 2,226 km<sup>2</sup>.

The most critical situation was recorded in the State of Pará, which concentrated to 40% of deforestation. The state is home to the largest number of areas under federal government oversight, such as indigenous lands, protected areas, and federal public lands.

<sup>18</sup> <http://www.obt.inpe.br/OBT/assuntos/programas/amazonia/prodes>

In addition to the impacts on biodiversity and ecosystem services, the increase in deforestation makes Brazil move away from the targets related to greenhouse gas emissions. The first is an internal target defined in the national climate change policy, which aimed at a deforestation rate of 3,907 km<sup>2</sup> by 2020.

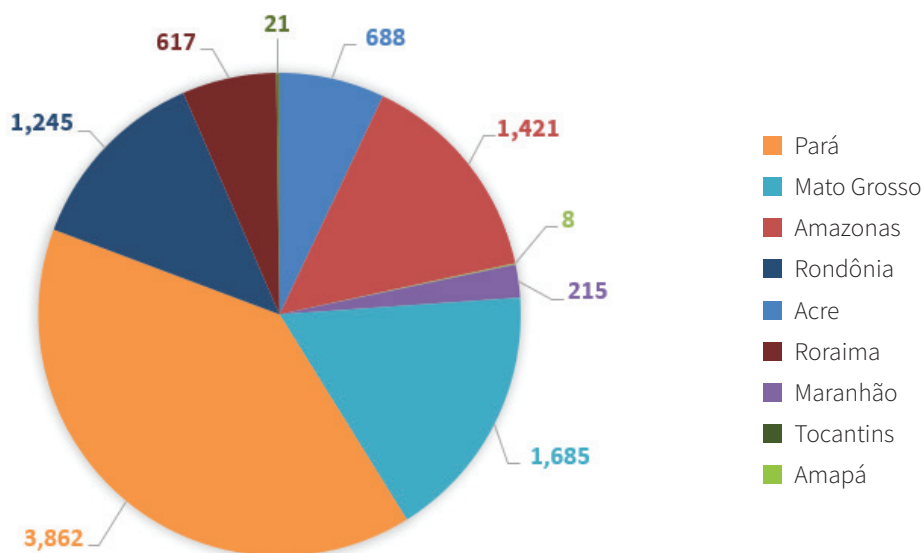
The other is the greenhouse gas reduction target defined in the National Determined Contribution (NDC), whose main strategy for compliance was the reduction of deforestation in the Amazon.

The deforestation rates are calculated through satellite imagery from August of the prior year to July of the current year. Therefore, the 2019 figure includes the last five months of 2018 and the first seven of the Bolsonaro government. Deforestation in 2020 is likely to be even greater. Preliminary data from the National Institute for Space Research (Inpe) show that between August and November 2019 the devastation continued to increase: in four months it now corresponds to 62% of all deforestation in the corresponding 12-month period in 2018-2019.

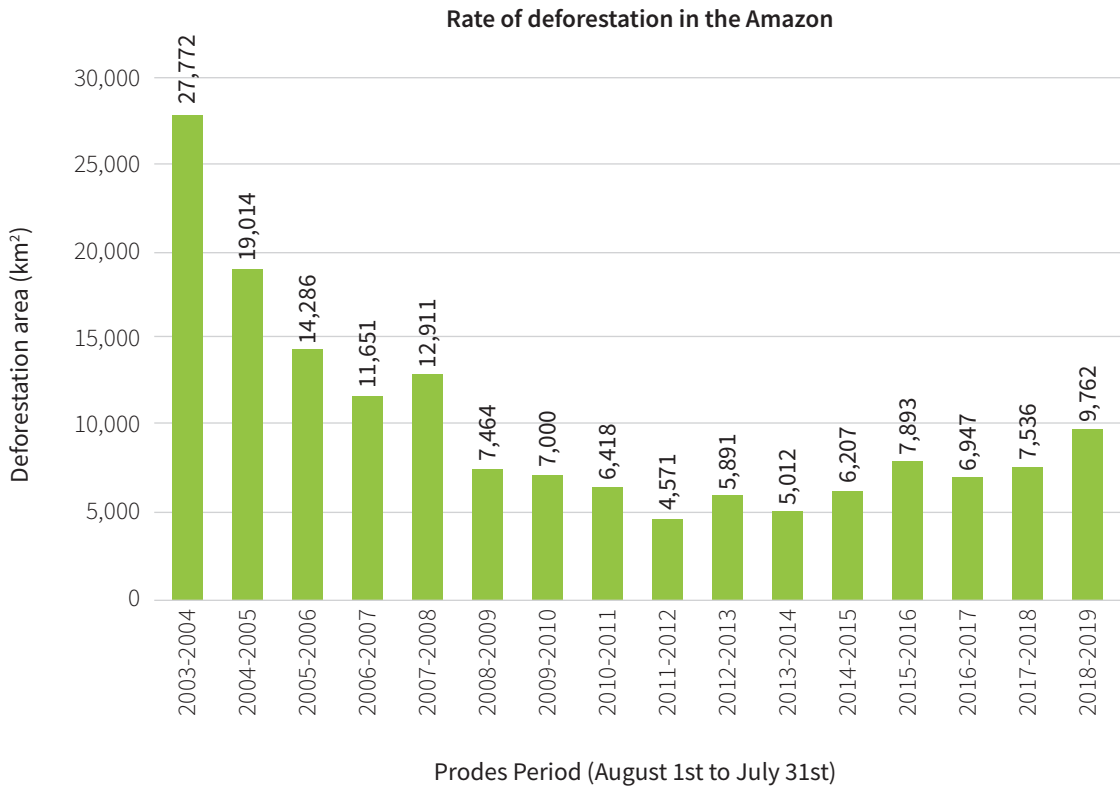
The disclosure of preliminary public data showing the surge of deforestation in June caused the dismissal of Inpe director Ricardo Galvão, in early August. On July 19, during a breakfast with journalists, Bolsonaro had criticized the data and stated that Galvão was “working for some NGO”.<sup>19</sup>

If the pace of deforestation is maintained or increases, the destruction of the Amazon could reach a “point of no return” in the next two decades, warns Brazilian climatologist Carlos Nobre.

**Rate of deforestation (km<sup>2</sup>) in 2019 in Amazon states**



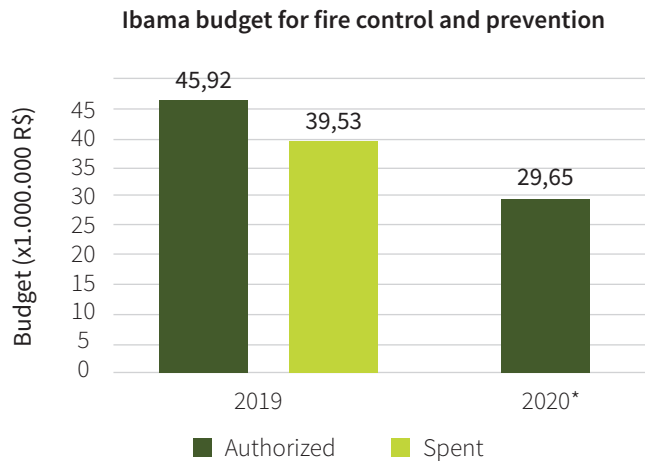
<sup>19</sup> <https://sustentabilidade.estadao.com.br/blogs/ambiente-se/bolsonaro-tomou-atitude-pusilanime-e-covarde-diz-diretor-do-inpe/>



## Burning Crisis (Fire Day)

**“THESE NGO ZEALOTS MAY HAVE COMMITTED CRIMES TO DRAW NEGATIVE ATTENTION TO ME. APPARENTLY, PEOPLE WENT THERE TO FILM AND SET FIRE TO THE FOREST”**

Bolsonaro, August 22th, 2019



The spike in fire counts in August resulted in an international crisis, leading to threats of trade sanctions against Brazil. Farmers around the BR-163, which connects Mato Grosso to the Pará river ports, had agreed by WhatsApp to hold a “Fire Day” that month. The goal was “to show the president that we want to work, and the only way is to cut down (the forest).”

On August 7, three days before “Fire Day”, the Federal Public Prosecutors’ Office sent an official letter to Ibama requesting measures to prevent the action planned by Novo Progresso loggers, traders and squatters. In response, Ibama reported that its teams on the field were at risk and that it had asked the Ministry of Justice for support from the National Security Force. There was no response from Minister of Justice Sergio Moro and nothing was done to prevent “Fire Day” from taking place.

In August the highest rate of fire counts in the Amazon since 2010 was recorded. In July, 5,318 fire spots had been recorded in the Amazon. In August there were 30,901. The number dropped to 19,925 in September and 7,855 in October but rose again in November to 10,334.

On August 23, Bolsonaro signed a decree authorizing the use of the Armed Forces to Guarantee Law and Order (GLO) in fighting fires and to support Ibama. An analysis of the results obtained during the two months of the GLO, from August 24 to October 23, shows a 71% decrease in the volume of logs seized and a 13.6% decrease in the number of infraction notices drawn up by Ibama, despite the support provided by the military.

The crisis caused by the fires was not enough to prevent a further cut in the budget for forest fire prevention and control. The proposed budget law (PLOA) submitted to Congress allocates R\$ 29.65 million to this activity in 2020, a 35% reduction from the R\$ 45.92 million authorized in 2019 and 25% from the R\$ 39.53 million committed up to November 25.

After accusing NGOs of being responsible for the fires, Bolsonaro said in late November that actor Leonardo DiCaprio would have funded arson through donations to organizations such as WWF. The actor denied having collaborated financially with the NGOs that are under attack from the government, although they deserve support. “The future of these irreplaceable ecosystems is at stake and I am proud to stand with the groups protecting them.”<sup>20</sup>

## Oil disaster on the Brazilian coast

**“FISH IS A SMART ANIMAL. WHEN IT SEES OIL, IT SWIMS AWAY, IT IS AFRAID. YOU CAN EAT YOUR LITTLE FISH WITHOUT ANY PROBLEM.”**

Jorge Seif, Fishery Secretary, November 1st, 2019

**“THIS IS A TERRORIST ACT, ALL THAT GREENPEACE DOES IS TO STAND IN OUR WAY”**

Bolsonaro, November 24th, 2019

**“WHAT HAS WASHED ASHORE AND WAS COLLECTED UNTIL NOW IS A SMALL FRACTION OF WHAT HAS SPILLED. SO THE WORST IS YET TO COME.”**

Bolsonaro, November 3rd, 2019

More than three months after the beginning of the greatest environmental disaster ever to affect the Brazilian coast, the government still does not know the causes or the origin of the oil spill. The reaction of federal agencies is a complete manual of what should not be done in case of an environmental tragedy. Without the action of local residents and volunteers who mobilized to clean the beaches, the damage would have been much greater.

<sup>20</sup> [https://www.instagram.com/p/B5fsQ\\_vFUN3/?utm\\_source=ig\\_web\\_copy\\_link](https://www.instagram.com/p/B5fsQ_vFUN3/?utm_source=ig_web_copy_link)

The oil first reached the beaches of Paraíba in August. By Christmas, according to Ibama reports, 980 beaches in 129 municipalities in 11 states had been affected by the slick. More than 5,000 tons of waste have been collected so far.

The Minister of the Environment took 41 days to trigger the National Contingency Plan for Oil Pollution Incidents (PNC). In April, President Bolsonaro had signed a decree decommissioning two PNC committees.

An Ibama report pointed to a succession of mistakes and improvised actions. Teams working in the wake of the tragedy in October said the gag order that banned interviews and the disclosure of information, imposed by the Minister of the Environment, has jeopardized the recommendations to be given to the population, as well as animal rescue actions.

Only on October 31, two months after the first oil spot was found, did the federal government create a disaster-related hotspot to guide the population.

In late October, the Environment minister and the President tried to blame Greenpeace for the spill. Salles posted on Twitter an old picture of Greenpeace ship Esperanza (which by then was in the Guyana), suggesting that it had been cruising international waters in front of the Brazilian coast when the spill started. Greenpeace sued Salles for defamation.

A few days later, in a Facebook live alongside Bolsonaro, Fisheries secretary Jorge Seif Jr. (whose family has a record of fines for illegal fishing<sup>21</sup>) encouraged the population to eat fish from the areas affected by the spill. He argued fish are “smart” and swim away from oil slicks. Several analyses have shown contamination in fish from the Northeast.

## Indigenous land invasions

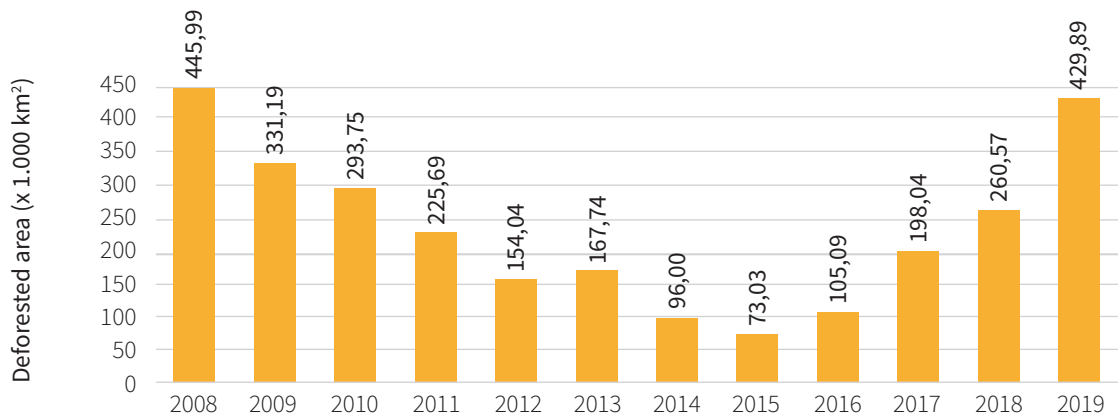
**“WHY KEEP INDIGENOUS POPULATIONS IN RESERVATIONS LIKE ANIMALS IN ZOOS?”**

Bolsonaro, November 30th, 2018

**“THERE IS TOO MUCH LAND FOR TOO LITTLE INDIGENOUS POPULATION. WHOSE INTEREST IS BEHIND THIS?”**

Bolsonaro, September 9th, 2019

Deforestation in indigenous lands in the Amazon



<sup>21</sup> <https://g1.globo.com/natureza/noticia/2019/08/05/ibama-multa-familia-do-secretario-de-pesca-em-r-70-mil-por-pesca-ilegal-em-angra-dos-reis.ghtml>

Deforestation in Indigenous Lands (TI) increased 65% in 2019, more than double the rate for the entire Amazon region, according to Inpe data. 429,9 km<sup>2</sup> were felled, the largest area since 2009.

President Bolsonaro's discourse against the demarcation of indigenous lands and in favor of mining in those areas had a direct effect on the increase in the invasions: from January to September 2019 there were 160 cases in 153 TIs, according to a survey by the Indigenous Missionary Council (Cimi). During 2018 there were 111 cases in 76 TIs.

For Cimi, the increase in invasions is a result of the Bolsonaro government's "genocide policy"<sup>22</sup>.

Three indigenous areas in Pará Ituna/Itatá, Cachoeira Seca and Apyterewa, concentrate 63% of all TI deforestation: 266 km<sup>2</sup>.

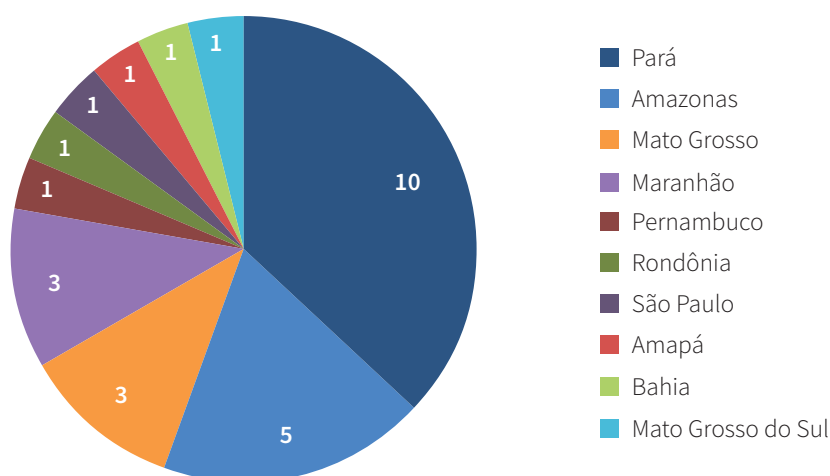
In November, after the eighth attack in a year on Funai's base in the Javari Valley, in western Amazonas, the Federal Courts ruled that the federal government had to provide immediate operational support to teams operating in the region with the aim of "avoiding a potential genocide" of indigenous peoples. The second largest indigenous land in the country, Javari Valley concentrates the largest number of isolated indigenous individuals.

## More rural violence

**"I DON'T KNOW CHICO MENDES. I HEAR STORIES EVERYWHERE. FROM THE SIDE OF THE ENVIRONMENTALISTS, WHO TEND TO LEAN MORE TO THE LEFT, THERE IS PRAISE. PEOPLE WHO ARE FROM THE AGRIBUSINESS, WHO ARE FROM THE REGION, SAY THAT HE USED RUBBER TAPPERS TO HIS OWN BENEFIT."**

Ricardo Salles, February 11th, 2019

Murders in rural areas in 2019 (until November)



<sup>22</sup> <https://www1.folha.uol.com.br/poder/2019/09/invasoes-a-terras-indigenas-disparam-sob-bolsonaro-aponta-grupo-ligado-a-cnbb.shtml>

Twenty-seven people were killed in rural conflicts from January to early December 2019, according to a survey by the Land Pastoral Commission (CPT). Among the victims there were six indigenous individuals and one Funai employee.

Leader Paulo Paulino Guajajara was assassinated in a logging ambush on November 1 in the Arariboia Indigenous Land in Maranhão. He was part of the “Guardians of the Forest” group, created by indigenous people to protect their lands.

Two months earlier, Funai employee Maxciel Pereira dos Santos, who had worked for 12 years at the Javari Valley indigenous base in western Amazonas, was shot dead in Tabatinga (AM). Known for fighting invading groups in the region that houses the largest number of isolated indigenous individuals in the country, Santos had received death threats.

In July, the Waiãpi people reported the invasion of their village by prospectors and the murder of their leader Emyra Waiãpi, in Amapá. Three weeks after the death, the Federal Police issued a preliminary report that “strongly suggests death by drowning”, dismissing the possibility of hanging and “denying the first reports that stated that the leader had been stabbed”. The indigenous people never accepted the Federal Police’s conclusion and showed Emyra’s corpse, riddled by injuries, in a video.

A record holder for deforestation in the country, the state of Pará concentrates 38% of the murders reported by CPT in 2019. The organization highlights two massacres that occurred in the municipality of Baião, with six deaths of rural workers.

In a report released in September, the Human Rights Watch examined 28 murders, most of which took place after 2015, and 40 cases of death threats in which there was evidence that those responsible were involved in illegal deforestation and saw their victims as obstacles to their criminal activities. Among the victims were public agents and mainly indigenous individuals and other local residents who had reported illegal logging to the authorities.

The NGO documented omissions in investigations such as lack of autopsies and refusal by the police to file threat reports. In at least 19 of the 28 murders that were examined, threats against the victims or their communities preceded the attacks.

In late November, Bolsonaro was charged before the International Criminal Court for incitement to genocide of indigenous peoples. The 71-page document makes reference to the dismantling of public policy, the weakening of control and oversight bodies, the government’s failure to respond to environmental crimes in the Amazon, and the incitement to genocide of indigenous peoples. In December, 87 major companies and investors, including Carrefour, and Britain’s biggest urged Bolsonaro to refrain from dropping the moratorium to soybeans in recently deforested areas.

The charges were signed by the Arns Commission, whose chairman is former Minister of Justice José Carlos Dias, and by the Human Rights Advocacy Collective. Such parties pointed out that there is no institutional environment for an investigation to take place in Brazil.



# Sanctions against Brazil

**“WHAT RAISES INTEREST IN THE AMAZON ISN’T INDIGENOUS POPULATIONS OR FUCKING TREES, IT’S ALL ABOUT ORE DEPOSITS.”**

Bolsonaro, October 1st, 2019

The Bolsonaro government’s push for deforestation has already had trade consequences: France and Ireland have declared opposition to the recently approved free trade agreement between the European Union and Mercosur.

Norway, on the other hand, has acknowledged that the Mercosur agreement with the European Free Trade Association (EFTA, which brings together Norway, Iceland, Liechtenstein and Switzerland) was closed “at a very bad time”.

In September, 230 investment funds from 30 countries, holding US\$ 16 trillion in assets, demanded from Brazil, in a joint statement, effective measures for Amazon protection. “We are concerned with the financial impact deforestation may have over invested companies, potentially raising reputational, operational and regulatory risks. Considering the increase in deforestation rates and the recent Amazon fires, we are concerned with the fact that companies exposed to potential deforestation in their operations and supply chains may find a growing difficulty to access international markets”, the statement says.

At the end of August, while the Amazon was burning, 18 US brands, such as Timberland, Vans and The North Face, announced a boycott on the purchase of Brazilian leather “until there is confidence that the materials used in our products do not contribute to environmental damage in the country”.

More than 60% of deforested areas in the Amazon are occupied by pasture.

When preliminary data on the spike in the rate of Amazon deforestation were released, Minister of Agriculture Teresa Cristina called it “a display of hysteria” and said there was a “communication problem”. “Brazil will have to change the tone of its communication abroad and show what we really have, what is the truth about the environment. Let’s refute the ideology that denigrates the image of Brazil as an environmental transgressor, which it is not.”



**I WENT TO ROME  
IN MAY AND  
THERE WAS  
A HUGE COLD  
SNAP. THIS  
WAS NEVER  
REPORTED BY  
THE MEDIA**

**ERNESTO ARAUJO, August 3rd, 2019**

# 4. IMPACTS ON THE PARIS AGREEMENT

## Climate change deniers control the government

Bolsonaro has appointed climate change deniers to occupy key positions relating to international negotiations involving the climate crisis faced by the planet. Chancellor Ernesto Araújo simply doubts that global warming exists. The Minister of the Environment Ricardo Salles has repeatedly expressed doubts about the role of human beings in the climate crisis. Bolsonaro's three sons are climate change deniers, and at the call of one of them, Senator Flavio Bolsonaro, climate change deniers were invited for the first time to speak at a public hearing at the Foreign Relations Committee against the Paris Agreement. A maneuver by the congressional basis that supports the government appointed another climate change denier, Senator Zequinha Marinho, from Pará, to chair the Congress Joint Committee on Climate Change.

## Rejection of COP25

**“OUR PRIORITY IS NOT TO SEND A GROUP OF 20, 30 PEOPLE TRAVELING AROUND THE WORLD IN BUSINESS CLASS, STAYING AT HOTELS AND EATING ON THE GOVERNMENT’S DIME TO DISCUSS HOW THE WORLD WILL BE LIKE 500 YEARS FROM NOW.”**

Ricardo Salles, February 4th, 2019

On November 27, 2018, a month after Bolsonaro's election, Michel Temer's government announced the withdrawal of Brazil's candidacy to host the 2019 UN climate conference (COP25). The official explanation for such withdrawal attributed the decision to “fiscal and budgetary constraints, which should persist during the next government”.

The next day, President-elect Bolsonaro dismissed this version - which was false because funds for COP25 had already been secured - and assumed that he himself had vetoed the conference in the country. As a justification, he stated that the Paris Agreement threatened Brazil's sovereignty in the so-called “Triple A”, a strip of forests in the Amazon region that runs from the Andes to the Atlantic.

“I don’t want to announce a possible withdrawal [from the UN Climate Conference] in Brazil”, Bolsonaro said at the time.

In May, the Brazilian government announced the cancellation of a UN event to be held in Bahia in August in preparation for COP25. “Why am I going to have a meeting so that people have a chance to tour Salvador and eat Acarajé?”, Minister of the Environment Ricardo Salles said. Pressed by Salvador’s mayor ACM Neto, a member of the DEM party (part of the congressional basis that supports the government, which is crucial to ensure the approval of the Social Security Reform), Salles went back on his word and ended up attending the event. He was booed by environmentalists, who held a demonstration at the site of the meeting. It was the first time a Brazilian Minister of the Environment was booed at an international climate event.

History repeated itself in relation to COP25. The minister said throughout the year that it was not the government’s priority to attend climate conferences to “discuss what the world will be like 500 years from now”. He has been in Madrid since December 2. And he flew business.

## Non-compliance with climate targets

Brazil is off track with all of its climate change commitments<sup>23</sup>. But first one needs to understand what these commitments are. There are two of them: the 2020 target and the NDC.

In 2009, the pioneering National Climate Change Policy Law committed the country to decrease emissions between 36.1% and 38.9% by 2020, compared to a business-as-usual scenario. That target was announced as Brazil’s voluntary commitment under the doomed Copenhagen Accord. A 2010 decree expressed the global target in emission levels: by 2020, Brazilian gross emissions should be between 2,068 MtCO<sub>2</sub>e and 1,977MtCO<sub>2</sub>e. The decree also included sectorial plans to cut emissions. The most important of those was PPCDAm, the Plan for Deforestation Prevention and Control in Amazonia, whose target was to slash deforestation rates by 80% by 2020 compared to the 1996-2005 average. The goal was to reach 3,935 km<sup>2</sup> of deforestation in 2020, compared to the past average of 19,000-plus km<sup>2</sup> a year.

In 2015, Brazil adopted an absolute, economy-wide pledge in the framework of the Paris Agreement. Its iNDC, later converted to NDC, committed the country to a 37% reduction in emissions by 2025 from 2005 levels and to the implementation of a National Adaptation Plan.

None of the targets are being met. **The 2020 deforestation reduction target has already been missed – even if all forest destruction stopped today.** By November, official figures put deforestation alerts at 4,047 km<sup>2</sup> in the first three months of the 2020 data series (therefore, a bit more than the pledged 3,925 km<sup>2</sup>). Due to lower resolution, the alerts system underestimates actual deforestation by as much as a factor of 1.54<sup>24</sup>.

The government will try to spin the failure in two ways. First, it will parade an October analysis by a federal institute, Ipea, which states that the aggregate 36,1% to 38,9% reduction will be more than exceeded. That calculation,

<sup>23</sup> <http://www.observatoriodoclima.eco.br/explainer-brazil-way-meet-climate-targets/>

<sup>24</sup> <https://onlinelibrary.wiley.com/doi/epdf/10.1111/gcb.14872>

however, takes into account net emissions (that is, total emissions less carbon removals from protected areas), a concept that didn't exist back when the target was calculated. Second, it will resort to an accounting trick: to factor in the carbon supposedly "captured" by private-owned forests in properties registered in the Rural Environmental Registry, CAR – which, as we have seen, are self-declared, thus useless for accounting without verification.

If the 2020 target looks out of reach, meeting the NDC is an even bigger challenge. Such effort would require new policy and a governance structure that currently doesn't exist in Brazil's federal government. It will also require that there are no further setbacks on environmental regulations, so that emissions from deforestation don't return to turn-of-the-century levels. As mentioned above, the first action of President Jair Bolsonaro on the environment was to change the structure of the environment ministry, shutting down the Climate Change and Forests Secretariat. That office was in charge of formulating and coordinating the implementation of Brazil's NDC. With its extinction, the plans for deforestation control and prevention in the Amazon (PPCDAm) and the Cerrado (PPCerrado) were shelved.

**No strategy or plan for implementing the NDC has ever been presented.**

# 5. WHAT LIES AHEAD

## Review of protected areas

In May, the Minister of the Environment announced the creation of a workgroup to review all 334 federal conservation units (UCs). At the time, he stated that UCs had been created “without any technical criteria” and advocated changes - which must be approved by the Congress - in protection categories and reserve boundaries<sup>25</sup>. Two weeks after the announcement, Salles said he intended to use the Amazon Fund to compensate farmers occupying protected areas.

Federal UCs correspond to almost 10% of the national territory. In the Amazon, in many cases, they form a barrier that can be effective in stopping the spread of devastation if regular enforcement actions are taken.

Under Bolsonaro, with his discourse against the creation of new UCs and his measures to weaken environmental enforcement, deforestation has exploded in these areas. There was an 84% increase in deforestation in 2019 alone<sup>26</sup>. This rate is almost three times higher than the increase verified by Inpe across the entire Amazon region.

And the situation should get worse. The government cut 39% of ICMBio’s funds for UC management in 2020.

Bolsonaro has repeatedly defended the extinction of the Tamoios Ecological Station in Angra dos Reis, on the coast of Rio de Janeiro, where he was fined in 2012 for illegal fishing. The President’s goal is to hand over the area to tourism businessmen and turn it into a “Brazilian Cancún”. Created by presidential decree in 1990, the reserve could only be taken down and explored commercially after approval of a law by the National Congress. In December, the press reported that Ricardo Salles ordered the end of inspections in a protected area in Acre after meeting with landowners<sup>27</sup>.

## Mining and soybean farming in indigenous lands

**“WE WILL PUT AN END TO THE INDIGENOUS LAND DEMARCATION INDUSTRY. INDIGENOUS PEOPLES DO NOT WANT TO OWN LARGE PARCELS OF LAND. THEY WANT TO LEASE THEIR LAND AND DO BUSINESS. THEY ARE HUMAN BEINGS LIKE THE REST OF US.”**

Bolsonaro, October 9th, 2018

<sup>25</sup> <https://sustentabilidade.estadao.com.br/noticias/geral,governo-fara-revisao-geral-das-334-areas-de-protecao-ambiental-no-pais,70002822999>

<sup>26</sup> <https://sustentabilidade.estadao.com.br/noticias/geral,desmate-em-unidades-protegidas-sobe-84-e-supera-media-de-toda-a-amazonia,70003098146>

<sup>27</sup> <https://www1.folha.uol.com.br/ambiente/2019/12/apos-se-reunir-com-infratores-ambientais-salles-suspende-fiscalizacao-na-reserva-chico-mendes.shtml>

The next chapters of the destruction of the Amazon are focused on indigenous peoples and their land. In addition to increased deforestation, timber theft, quarrying, biopiracy, invasions, violence and so many other problems, the government intends to authorize mining and agricultural production in Indigenous Lands (TIs).

Brazil has 567 TIs, which amount to almost 1,200 km<sup>2</sup>, about 14% of the national territory. These lands are fundamental to the maintenance of the indigenous way of life and the conservation of ecosystems.

The wrath against indigenous land is driven by military personnel who hold key positions in the Bolsonaro government, such as General Augusto Heleno, chief minister of the Institutional Security Office, who has headed the Amazon Military Command. For this group, TIs hinder the possibility of the country exploiting underground wealth. As stipulated in Article 231 of the Brazilian Constitution, “the lands traditionally occupied by indigenous peoples are to be held in their permanent possession, and they shall have exclusive right to use the riches of the soil, rivers and lakes found therein”. The military group sees TI demarcation as a risk to sovereign, especially in the North region, close to the borders. General Heleno was one of the members of the armed forces that opposed the creation of the Raposa Serra do Sol Indigenous Reservation in Roraima, and was supposedly punished, at the time, for his opinion.

The government has announced that it is preparing a bill to regulate the Constitution and to make mining possible on indigenous land, especially in the Amazon, where the largest deposits are concentrated. Today hundreds of illegal miners exploit gold and precious stones in TIs, leaving behind a trail of environmental and human degradation caused by deforestation, river and soil pollution, murder, slave labor, and mercury contamination of prospectors and indigenous peoples, among other problems. Presidency spokesman General Otávio Rêgo Barros said that mining and illegal logging on indigenous lands are old problems, which is true. But the solution that the government intends to adopt is to regulate such problems, instead of fighting them. The same argument, with the replacement of “gold mining” with “drug trafficking” and “indigenous land” with “Rio de Janeiro” would elicit a very different reaction.

In addition to mining, the government also advocates the regularization of large-scale agriculture in TIs. Recently, the president of Ibama, Eduardo Bim, authorized soybean farms to occupy 22 thousand hectares of indigenous lands in Mato Grosso, which had been embargoed by Ibama due to deforestation and illegal planting of genetically modified organisms<sup>28</sup>. Mechanized agricultural production in these areas is supported by the Ministries of Environment and Agriculture, under the guise of income generation for indigenous peoples.

## **Grab'n go: land-grabbing legalized**

The government sent to Congress in December 11th, as ministers gathered for the high-level segment of COP25, an executive order (Medida Provisória) that legalizes land-grabbing in the Amazon. The encouragement to the occupation of public lands repeats the model used by the military dictatorship, which has led to massacres and devastation.

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<sup>28</sup> <https://www1.folha.uol.com.br/ambiente/2019/09/ibama-libera-terras-indigenas-embargadas-por-irregularidades-ambientais-no-mt.shtml>

At least 70 million hectares in Amazonia are public undesignated lands, and it is illegal to occupy them. Nearly a third of deforestation in 2019 happened in those areas.

The government proposal was led by Nabhan Garcia, a rural lobby hardliner who was vying for Agriculture minister but ended up as an aide of minister Tereza Cristina. In October, Garcia proposed that regularization was done through self-declaration: any squatter who committed crimes by invading a public land would be paid with a land title. “The government needs to give a confidence vote on those citizens who are working the land”, said Garcia.

The new Executive Act extends to 2018 the deadline for regularizing tenure of invaded lands, and increases the size limit of areas that can be legalized, so that big squatters can benefit.

The move signals at impunity for those who knowingly invaded and clear-cut public lands for profit. It will cause more violence, deforestation and carbon emissions. According to a study by Imazon, 650 million tons of CO<sub>2</sub> may be emitted by 2027 if Congress converts the Medida Provisória into law.

## IADB Fund

After eight months since the Amazon Fund was frozen, the Minister of the Environment said that the Brazilian government would announce at COP25 an alternative fund for the region, with the participation of the Inter-American Development Bank (IDB).

In early November, Chancellor Ernesto Araújo sent a letter to the IDB representative in Brazil, Hugo Flórez Timoran, inviting representatives of the bank to discuss “material aspects regarding the scope” of the new fund.

The document shows that talks with the IDB were not as advanced as had been suggested by the Minister of the Environment on September 19 while visiting Washington. At that time, Salles met with the bank’s president, Luis Alberto Moreno and subsequently told reporters that the fund would be created. However, there was no confirmation from the IDB.

Members of the Inter-American Bank’s steering committee include countries that have donated funds to Brazil to protect the Amazon in the past, such as Norway and Germany.

According Salles, the new fund would be an instrument to “finally develop the bio-economy in the Amazon”. Since February he has been trying - unsuccessfully - to control the main source of funds to support such “bioeconomy”: the Amazon Fund. The minister even stated on more than one occasion that if he could not use the fund’s resources, they would not represent an actual donation. Since donors have not agreed to the change, he has been trying to raise funds from other sources to form an “alternative” Amazon Fund.

During the COP week, the IDB sent a letter to Brazil saying that before continuing with the discussions about the fund, the bank would like to examine the performance of the Amazon Fund.



## Environmental Fine Fund (MP 900)

In October, Bolsonaro signed a provisional measure authorizing the Ministry of the Environment to contract a financial institution, under a bid waiver system, to operate a private fund that would receive money from the conversion of environmental fines.

The text of such provisional measure concentrates all decisions in the hands of the Minister of the Environment, who will have the power to establish “the guidelines for resource management and allocation of funds and to define the services to be performed”.

In cases of fine conversion, the violating party is granted a discount and the remaining amount of the fine is applied in environmental recovery projects.

The fund to be managed by Ricardo Salles has the potential to receive up to R\$ 15 billion, considering the maximum discount that may result from fine conversions (60%) and past unpaid fines due to Ibama, which amounted to R\$ 38 billion in 2018. Ibama imposes more than R\$ 3 billion in fines per year, with a very low payment rate. The original conversion goal was to reverse this situation and ensure funds for environmental initiatives that the government is not legally required to undertake, pursuant to criteria to be defined by Ibama.

The provisional measure bypasses the technical rigor that was required for project selection. It means that the minister will effectively be handed a blank check and will be able to define, by himself, how the money will be spent, without transparency or social control. It also eliminates the obligation that the violating party had under the original conversion project to see the execution of the corresponding services to its end.

If there is massive accession by the offenders, the Salles Fund may receive up to five times more resources than the Amazon Fund. As it is private, it will not be subject to reserves or spending caps. The Provisional Measure and the 94 amendments submitted by congressmen to modify the proposal are under consideration in the National Congress. The chairman of the House of Representatives Rodrigo Maia (DEM-RJ) has indicated that the measure is not expected to be approved according to Salles’ plans.

## Proposal to end the moratorium on soybean production

Soybean is the main Brazilian agricultural commodity, with an annual production of about 120 million tons, making Brazil the world leader in such production, together with the US. This level of production has not been reached without environmental impacts, mainly deforestation. For this reason, a major pact was signed in 2006 between Greenpeace-led non-governmental organizations and industries, represented by the Brazilian Vegetable Oil Industries Association, aiming to prevent deforestation in the Amazon to make room for soybean production.

The logic is simple: After Brazilian exporters had their reputations tarnished by the revelation that the Amazon was being deforested to produce soybeans, industries pledged not to buy soybeans from producers who deforested their properties after 2008, even in cases of authorized deforestation.

The soybean moratorium has worked: only 1.2% of deforested areas in the Amazon from 2006 to 2018 were occupied by soybean production, virtually eliminating the pressure of this sector on the forest.

A workgroup was then created with representatives of non-governmental organizations, industries and the government. This group verified the execution of the pact and monitored and discussed strategies on how to improve it. The experience has been replicated for the Cerrado region, and WWF Brazil leads the drafting of a similar pact for such biome.

From 2019, the federal government representative in the workgroup was banned by the Minister of the Environment from attending group meetings. Pressure from farmers and the Minister of Agriculture, Livestock and Supply, Tereza Cristina, also intensified in an attempt to end the soy moratorium. With this, the pressure on the forest will increase, making deforestation control increasingly difficult.

## Environmental licensing

### **“WE’LL FREE PRODUCERS FROM THE HEAVY HAND OF THE STATE”**

Bolsonaro, August 25, 2018

The latest version of the General Licensing Law under discussion in the House of Representatives eliminates the need for environmental impact studies before road works can be performed in the country. If approved, it will enable the reconstruction of BR-319 (which has already been announced by the Bolsonaro government), which connects Manaus (AM) to Porto Velho (RO), without environmental licensing. Built in the 1970s during the military dictatorship, BR-319 was never licensed and was eventually swallowed up by the forest.

The potential asphaltting of this road threatens much of what remains of the Amazon rainforest, as it connects one of the most preserved stretches of the biome with areas under pressure from deforesters and land grabbers in northern Rondônia and southern Amazonas.

Commissioned by the Parliamentary Front of Agriculture (FPA) and industry sectors, the text of the General Law allows developers to adopt Rural Environmental Registry (CAR), which is carried out as a self-statement, and which would be valid as if it were an actual environmental license.

Throughout 2019, the Ministry of the Environment overlooked the discussion of the General Licensing Law, which will define the new nation-wide rules for environmental permits and surveys. This process is being led by the Ministry of Infrastructure, which openly advocates for the waiver of licenses and the adoption of procedures based on accession and commitment (without environmental surveys) even for complex cases, among other setbacks.

In April, the president of Ibama appointed by Bolsonaro, Eduardo Bim, authorized an auction for oil exploration in the region of the Abrolhos Marine National Park, going against the opinion of the technical staff of such agency. In October, following a major mobilization by society against such auction, no bids were received and the auction was postponed.

## 6. CONCLUSION

The story told above is one of unfettered demotion of governance, transparency and protection standards that used to make Brazil a promising case of the long-desired marriage between commodities production and climate and biodiversity conservation. In less than one year, policies that had been in place for two decades and, with all their failures, pointed at the right direction, were broken or eliminated. The forces opposing that destruction – like organized civil society – are being targeted by the federal government and its minions.

Changes made to date to Brazil's environmental safeguards were below the legislative level: administrative decisions, Executive orders, speeches. There is a risk that the Bolsonaro administration may take on the legislation now. This would enable environmental criminals to carry on with the destruction and still act within the law, which the government sells as being the strictest in the world.

It is up to Congress to stop the buck. And it is up to investors and international markets concerned with climate protection and human rights to re-set the bar at a new level. What happens in Brazil doesn't stay in Brazil.

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### CREDITS

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