



COMMITTEE ON THE ENVIRONMENT

2019-2021 ASSESSMENT REPORT OF THE CLIMATE AND DEFORESTATION PREVENTION AND CONTROL POLICIES

EXECUTIVE SUMMARY



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COMMITTEE ON THE ENVIRONMENT

| EXECUTIVE SUMMARY |

2019-2021 ASSESSMENT REPORT OF THE CLIMATE AND DEFORESTATION PREVENTION AND CONTROL POLICIE

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Brasília, October 2021



**Access the full evaluation of the 2019-2021
ASSESSMENT REPORT OF THE CLIMATE AND DEFORESTATION
PREVENTION AND CONTROL POLICIES**

1. INTRODUCTION

Brazil is the sixth largest emitter of greenhouse gases (GHG) on the planet and is responsible for approximately 3% of global emissions.¹ Brazilian emissions are distributed in the following sectors: agriculture and cattle farming (33.2%), land-use change and forests (27.1%), energy (28.9%), industrial processes and product use (6.4%), and waste (4.5%), according to data from the 4th Brazilian National Communication to the United Nations Framework Convention on Climate Change (UNFCCC)²

Land-use change has been the main factor in defining the trajectory of increase or reduction of GHG emissions in the country. Aware of this, Brazil, in the last decades, has made a great effort to reduce deforestation rates in the Legal Amazon and Cerrado, through the Action Plans for Prevention and Control of Deforestation in the Legal Amazon (PPCDAm) and Cerrado (PPCerrado), in 2004. At its peak, the country reduced annual deforestation from 27.8 thousand km² in 2004 to 4.6 thousand km² in 2012, a reduction of 83.4%. These results are the outcome of incessant work, with an adequate budget and the commitment of the highest decision-makers in the fight against deforestation.

The PPCDAm and the PPCerrado were formally terminated in 2020. In the same year, the government presented a generic plan for all biomes, called 2020 - 2023 National Plan for the Control of Illegal Logging and Recovery of Native Vegetation. This plan has been severely criticized by the Brazilian Federal Audit Court (TCU), researchers and civil society

¹Data from World Bank, Available at: https://www.climatewatchdata.org/ghg-emissions?end_year=2018&start_year=1990 Accessed on 10/26/2021.

² Data for 2016, contained in the 4th National Communication of the United Nations Framework Convention on Climate Change. Available at: <https://www.gov.br/mcti/pt-br/acompanhe-o-mcti/noticias/2020/12/brasil-envia-documento-da-quarta-comunicacao-nacional-a-convencao-do-clima> Accessed on 10/26/2021.

representatives due to a lack of elements to make it a public policy suitable to reverse the degradation of the Brazilian biomes, especially the Amazon.

The scenario for 2019-2021 is not encouraging at all. The annual deforestation rates in the Legal Amazon have remained above 10 thousand km² and the Brazilian net emissions of GHG reached the highest value in the last thirteen years, due to the increase in deforestation.³ ⁴The following data are worth noting: i) around 20% of the Amazon has already been deforested; ii) approximately 99% of the deforestation that occurs in the Amazon is illegal, generally associated with appropriation of land by means of forged deeds, logging, mining, and expansion of agriculture and cattle raising; iii) it is estimated that 95% of the deforestation in the Amazon occurs along the margins of official and private roads and highways, in the range of up to 5km; and iv) in indigenous lands, the average deforestation in the last two years represents a 100% increase compared to the average in the 2009-2018 period.

In this context, Brazil is on the opposite path of its commitments to reduce GHG emissions, to zero illegal deforestation by 2030, and to become a carbon-neutral economy by 2060.

Concerned with this scenario, the Legislative Branch has not shied away from fulfilling its mission to defend the environment, by passing bills that are positive for the climate and the forest protection agenda, by rejecting bills that offer perverse incentives for deforestation and

³ Net emissions data for 2019. Source: Greenhouse Gas Emissions Estimates System (SEEG). Available at: https://plataforma.seeg.eco.br/total_emission# Access on 10/26, 2021.

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https://s3.amazonaws.com/alerta.mapbiomas.org/rad2020/RAD2020_MapBiomasAlerta_FINAL.pdf Available at:

https://s3.amazonaws.com/alerta.mapbiomas.org/rad2020/RAD2020_MapBiomasAlerta_FINAL.pdf Accessed on 20/27/2021

consumption of fossil fuels, and, finally, by means of external control over the Executive Branch's actions. These measures aim to correct the government's course towards sustainable development and the decarbonization of the economy.

⁵The public policy assessment conducted by the Federal Senate Committee on the Environment (CMA) in 2019 portrayed the historic advances made by Brazil in the climate domain and the beginning of a government that disregards environmental policies.

The present evaluation, with a focus on the 2019-2021 period, found: i) discontinuity of climate and deforestation prevention and control policies; ii) dismantling of participatory institutional structures; and iii) interruption of project funding by the Amazon Fund. As a consequence, we observed in that period a steep increase in deforestation rates in the Legal Amazon and the Cerrado, in addition to a substantial increase in Brazilian GHG emissions.

The diagnosis developed throughout this evaluation was made with multiple efforts and included the participation of civil society, the scientific community, companies, and the government. In the public hearings, participants enriched the process by contributing data, analysis, and technical contributions, many of which were consolidated in the recommendations that follow.

The private sector has also been concerned about the government's attitude towards the growth of deforestation rates, especially

⁵<https://legis.senado.leg.br/comissoes/arquivos?ap=766&codcol=50> Available at: <https://legis.senado.leg.br/comissoes/arquivos?ap=766&codcol=50> Insert a tag (Alt+1) Accessed on 10/6, 2021.

in the Amazon, and GHG emissions. In 2020, dozens of large companies and international financial institutions that have assets in the country, concerned about sustainable development, sent a letter to the federal government asking for measures to contain deforestation, especially in the Legal Amazon.

The negative environmental results also have repercussions on the implementation of the trade agreement between Mercosur and the European Union, because there is a fear that it will boost cattle farming in sensitive biomes, such as the Amazon and the Pantanal wetlands, with intensified deforestation and damage to the rights of Indigenous Peoples and Traditional Communities.

Correcting the course is crucial, not only to meet the commitments undertaken internationally, but also to protect our natural heritage, fauna, flora, water resources, and to ensure an ecologically balanced environment for current and future generations.

The content presented in this Executive Summary⁶ serves objectively to inform the entire Brazilian society, public and private agents, researchers, and the international community about the main results of the public policy evaluation conducted by the Committee on the Environment of the Federal Senate in the year 2021. We hope that this document will guide decision-makers, provide reliable information to all those interested in the subject, and encourage the development of public policies aimed at the decarbonization of our economy.

2. CLIMATE AND PREVENTION COMMITMENTS AND DEFORESTATION CONTROL

⁶ Full version available at: <https://legis.senado.leg.br/comissoes/arquivos?ap=766&codcol=50>. Accessed on 10/27/2021.

Brazil launched its first voluntary national commitment to adopt GHG mitigation actions, aiming at reducing between 36.1% and 38.9% of its projected GHG emissions by 2020, at the 15th Conference of the Parties (COP 15) of the UNFCCC, in Copenhagen, Denmark.

The commitment was endorsed by the National Congress and is included in art. 12 of Law No. 12187, of December 29, 2009, which *establishes the National Policy on Climate Change (PNMC)*. To achieve the goal, Brazil has set itself the target of reducing annual deforestation rates in the Legal Amazon by 80% and in the Cerrado biome by 40%, both by 2020, according to Decree No. 7390, of December 9, 2010, succeeded by Decree No. 9578 of November 22, 2018.

For the post-2020 period, Brazil must comply with what was established in its **first Nationally Determined Contributions** (NDC)⁷ presented in 2016 under the Paris Agreement, signed at COP 21. Brazil commits to an absolute reduction of GHG emissions of 37% by 2025 and, indicatively, to a 43% reduction by 2030. In both cases, the reference is the emissions in 2005 contained in the second edition of the "Annual Estimates of Greenhouse Gas Emissions in Brazil".⁸

Also, in this NDC, Brazil brings additional measures, which do not bind the country, but direct actions with climate objectives through targets. We highlight those presented for forestry, agriculture, and land use change, the focus of this evaluation:

⁷ Available at:

<https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Brazil%20First/BRAZIL%20iNDC%20english%20FINAL.pdf>. Accessed on 10/27/2021.

⁸ Available at: https://www.gov.br/mcti/pt-br/acompanhe-o-mcti/sirene/publicacoes/estimativas-anuais-de-emissoes-gee/arquivos/estimativas_2ed.pdf. Accessed on 10/26/2021.

i) to strengthen compliance with the Forest Code, at the federal, state, and municipal levels;

ii) to strengthen policies and measures aimed at achieving, in the Brazilian Amazon, zero illegal deforestation by 2030 and the offsetting of greenhouse gas emissions from legal vegetation suppression by 2030;

iii) to restore and reforest 12 million hectares of forests by 2030 for multiple uses;

iv) to expand the scale of sustainable management systems of native forests through georeferencing and traceability systems applicable to the management of native forests, to discourage illegal and unsustainable practices;

v) to strengthen the National Plan for Low Carbon Emission in Agriculture (ABC Plan) as the main strategy for sustainable development in agriculture, including by restoring an additional 15 million hectares of degraded pastureland by 2030 and by increasing the number of integrated crop-livestock-forestry systems (ICLFS) by 5 million hectares by 2030.

The **second NDC**⁹ was presented in December 2020. The text maintains the reduction percentages concerning the reference year of 2005 but adopts as a baseline the emissions forecast in the Third National Emissions Inventory. In practice, if in 2015 the 43% reduction target meant emitting 1.2 billion tons of gases by 2030, the new target, with the same reduction rate, allows Brazil to release 1.6 billion tons in the same period. That is, the new NDC authorizes the emission of 400 million tons of additional carbon, contrary to the increase in ambition recommended by the Paris Agreement.

Another problem stands out: the 2020 NDC does not establish guidelines, priorities, and sectoral strategies, as did the 2016 NDC, which set goals for the most carbon-intensive sectors, such as land use change, agriculture, energy, and transport. Therefore, at the permitted emission levels, the government can consider the current levels of deforestation

⁹Available at:

[https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Brazil%20First/Brazil%20First%20NDC%20\(Updated%20submission\).pdf](https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Brazil%20First/Brazil%20First%20NDC%20(Updated%20submission).pdf). Accessed on 10/27/2021.

acceptable, especially in the Legal Amazon, to meet the global target, reducing emissions in other sectors. We note that Brazil still does not have a national strategy to implement its NDC.

The 2020 NDC also presents an indicative long-term goal of achieving carbon neutrality in 2060, a deadline that could be anticipated depending on the proper functioning of the market mechanisms of the Paris Agreement. In this respect, Brazil indicates that it would require US\$ 10 billion annually in transfers to achieve its decarbonization efforts. As a novelty, it establishes that the fulfillment of the commitments is conditioned to international financing of climate actions, a requirement that did not exist in the 2016 NDC.

3. GHG EMISSIONS AND OBSERVED DEFORESTATION RATES

GHG emissions are measured in at least three different ways, two of which are made available by the federal government and one by a third sector entity. The national inventories, coordinated by the Ministry of Science, Technology, and Innovation (MCTI), follow preparation guidelines established in the UNFCCC and decisions taken at COPs. The annual estimates, in turn, were created to monitor compliance with the voluntary targets established in the PNMC [National Policy on Climate Change].

In parallel, the Greenhouse Gas Emissions and Removal Estimation System (SEEG) of the Climate Observatory¹⁰ brings independent data based on the methodology of the national inventories prepared by MCTI, so it can be used to monitor compliance with the Brazilian NDC. The data provided by the SEEG is fundamental to verify the conformity of the

¹⁰ A network that gathers more than 40 non-governmental organizations.

official data published, as well as to anticipate data not yet ascertained by the government.

Data availability is limited. The national inventory and annual emissions estimates carry emissions figures only through the year 2016, while the SEEG has emissions records through the year 2019. Considering the time frame adopted in this evaluation, the SEEG information will be considered to assess the trajectory of GHG emissions in recent years.

Data found that from 2016 onwards there was a stabilization of emissions in all sectors except Land Use Change and Forestry, as per figure 1. The sector was on a downward trajectory from 2016 to 2018, until in 2019 it experienced a 90% increase in net emissions and, in total gases, a 13% increase in total net emissions. The data is worrisome, because it corresponds to a turning point in the trajectory of Brazilian emissions, which is now increasing.

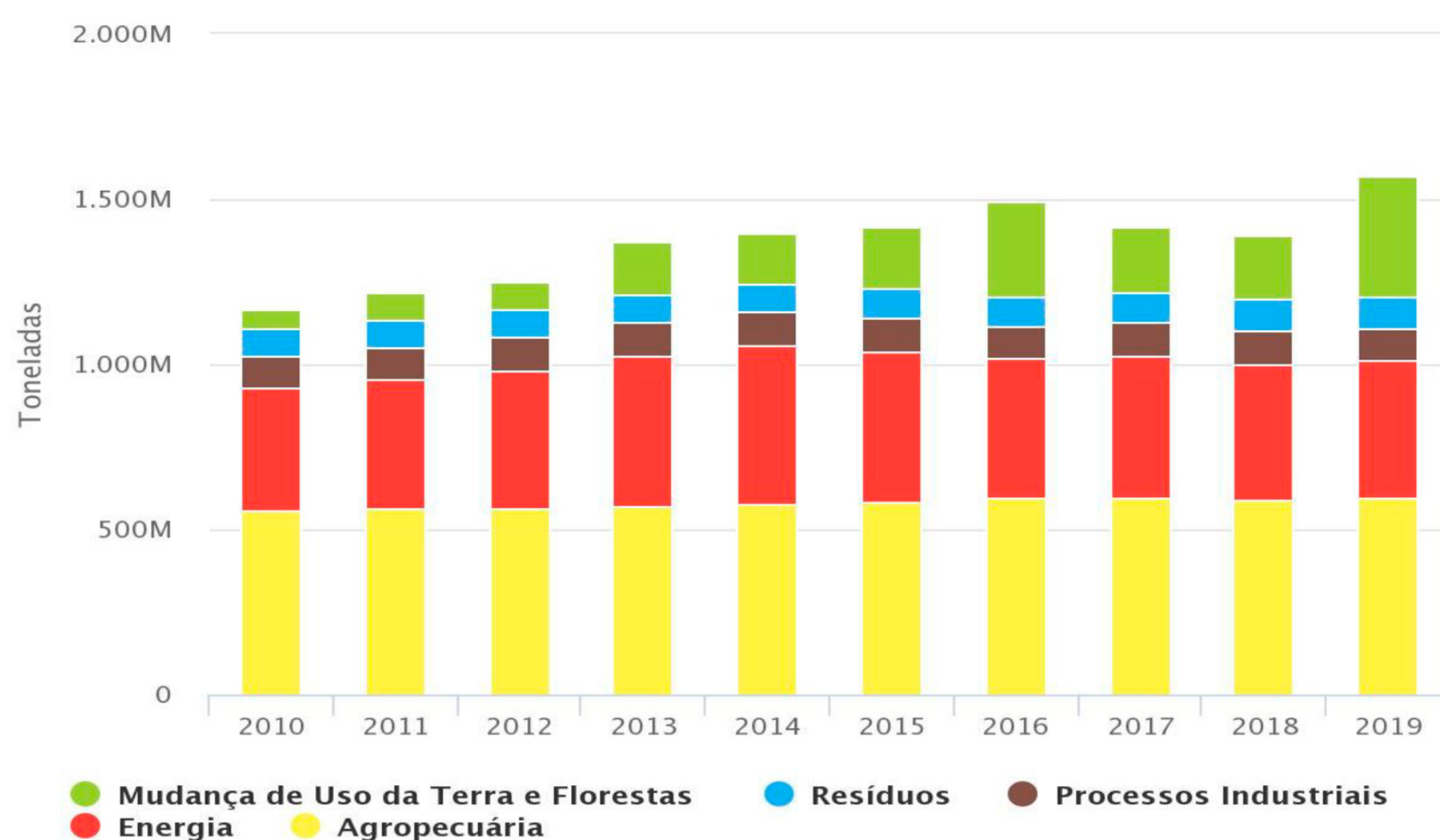


Figure 1. Total net GHG emissions in Brazil (SEEG, 2020) ¹¹

¹¹ Available at: https://plataforma.seeg.eco.br/total_emission# Access on 10/26, 2021.

Brazilian total net emissions, estimated by the SEEG, were 1.57 billion tons of CO_{2eq} in 2019. If we consider the current water crisis scenario, in which thermoelectric power plants are being used at their maximum capacity, and annual deforestation rates in the Legal Amazon are above 10 thousand km², it is quite plausible that even higher net GHG emissions will be observed in the years 2020 and 2021. Thus, even if the most recent NDC scenario is considered, **it is clear that Brazil is moving further and further away from meeting its NDC goals, since in 2019 it has already emitted practically the 1.6 billion tons of CO_{2eq} expected to occur in 2030.**

On the other hand, regarding the voluntary national commitment made until 2020, we note that Brazil has not yet provided official data to verify its compliance. Figure 2 illustrates Brazil's gross emissions through 2019.

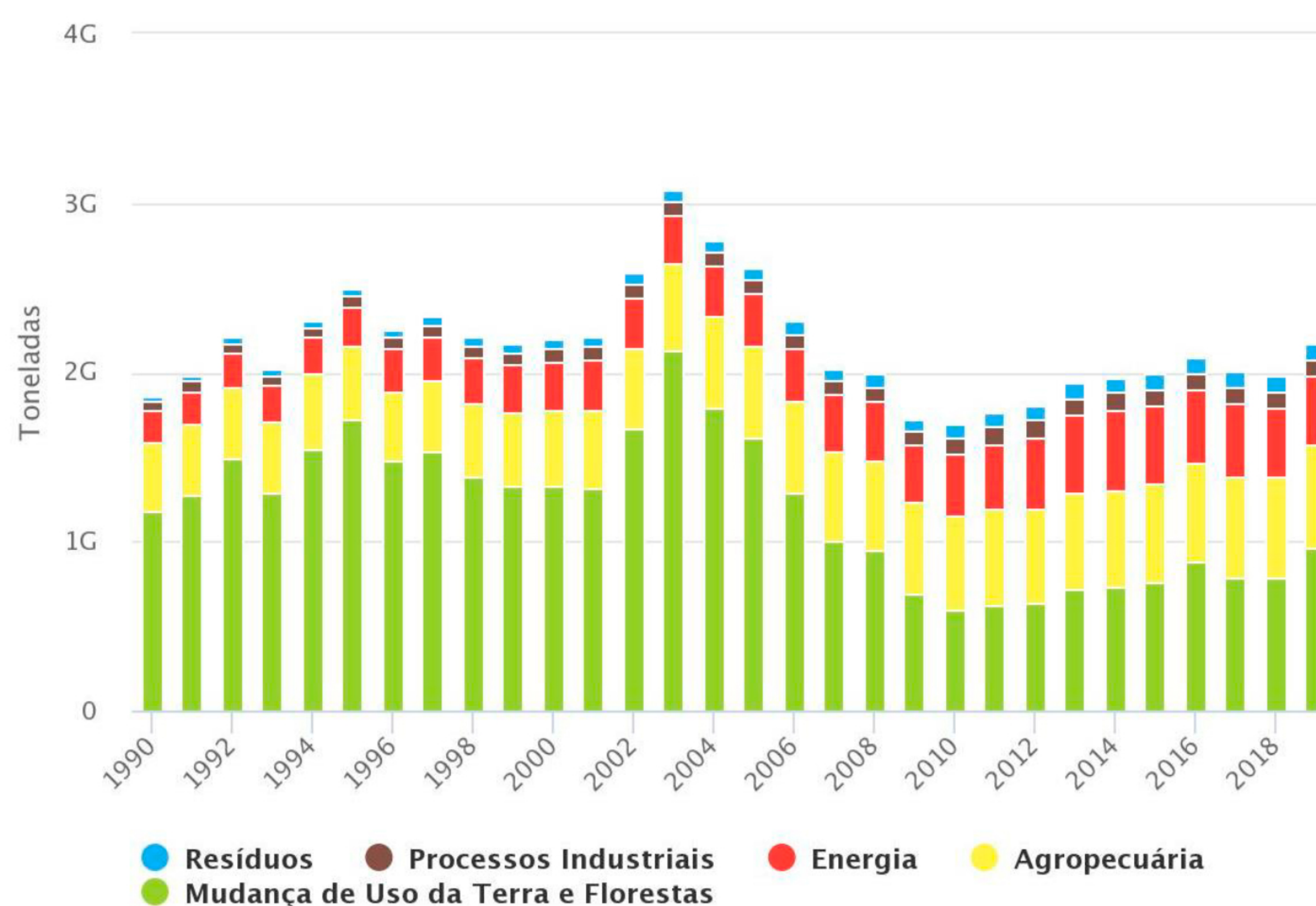


Figure 2. Total gross GHG emissions in Brazil (SEEG, 2020)¹²

¹² Available at: https://plataforma.seeg.eco.br/total_emission# Access on October 26, 2021.

The GHG emissions baseline for 2020 was estimated at 3.236 billion tons CO_{2eq}¹³. Thus, the corresponding absolute reduction was established between 1.168 billion tons of CO_{2eq} and 1.259 billion tons of CO_{2eq}, that is, the country would have a limit of gross emissions in 2020 of between 1.977 billion tons of CO_{2eq} and 2.068 billion tons of CO_{2eq}.

According to estimates of gross CO_{2eq} emissions made available by the SEEG, Brazil emitted 2.175 billion tons of CO_{2eq} in 2019, which is higher than the maximum limit set in the voluntary national commitment. Although official and third sector emissions data for the year 2020 are not yet accessible, it is likely that Brazil will fail to meet the voluntary national commitment.

It is worth mentioning that this commitment considered gross projected emissions—and not net emissions, as in the Brazilian NDC—and it was based on an average Brazilian Gross Domestic Product (GDP) growth of 5% per year, taking as reference the 2004-2011 period, an economic growth that was not observed in the last decade. Therefore, even in an extremely favorable scenario for meeting the target, the country still finds it difficult to meet it.

In addition to the emission reduction targets, Brazil presented targets for reducing the annual deforestation rate, by the year 2020, of 80% for the Legal Amazon and 40% for the Cerrado biome. In absolute numbers, this represents an annual deforestation rate of 3,925 km² in the Legal Amazon and 9,420 km² in the Cerrado by 2020.

¹³ Available at: <https://www.climaesociedade.org/desafios-para-o-brasil-1> Access on October 26, 2021.

To verify its compliance we used data from the Program for Monitoring the Deforestation of the Brazilian Amazon Forest by Satellite (PRODES) developed by the National Institute for Space Research (INPE). Figure 3 shows the annual deforestation rates in the Legal Amazon and figure 4 shows the deforestation rates of the Cerrado.

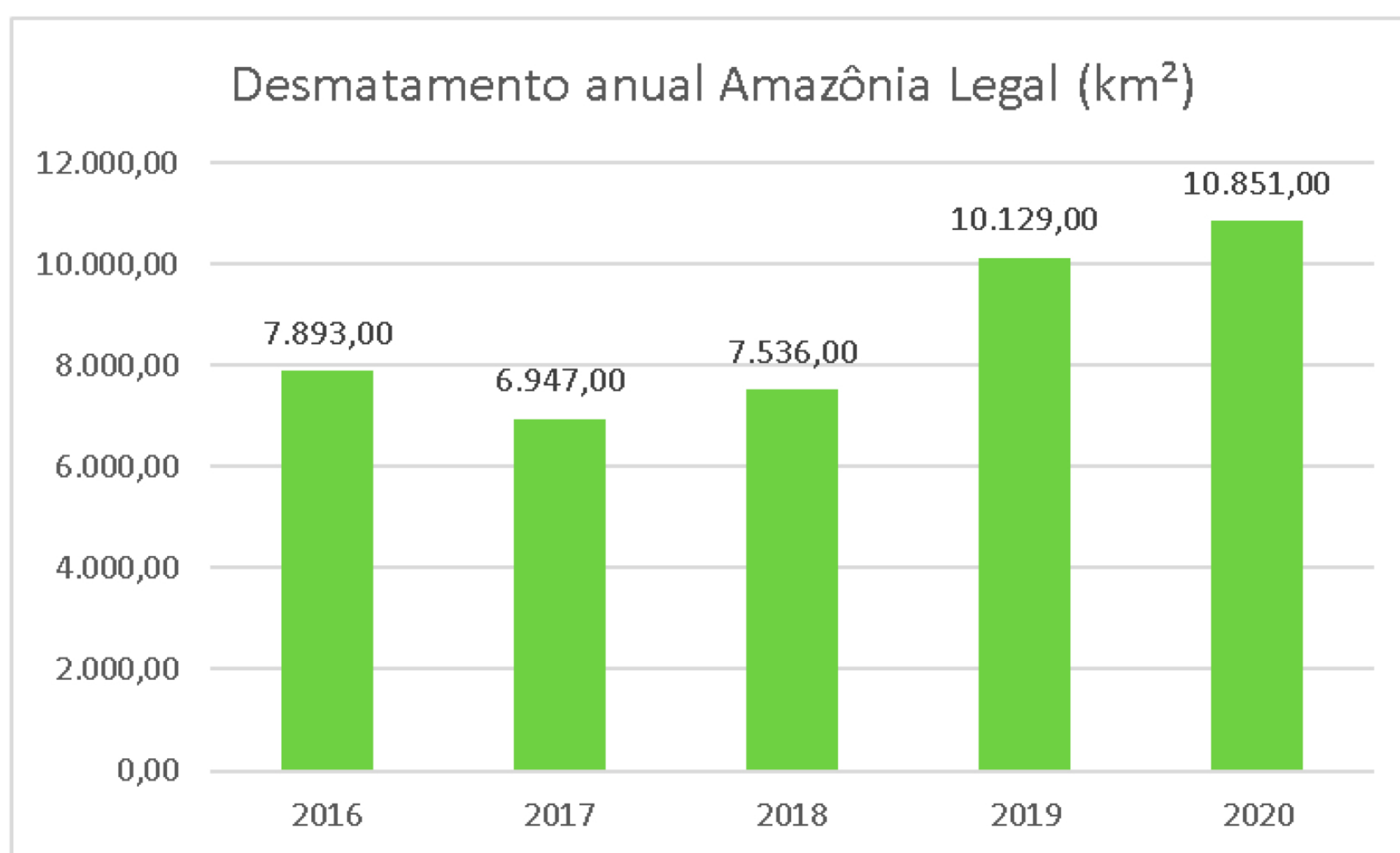


Figure 3. Annual deforestation in the Legal Amazon according to Prodes/Inpe (2021)¹⁴. Own preparation.

In the Legal Amazon area, figure 3, an increase in the annual deforestation rate of 7% is observed in the comparison of the reference years of ¹⁵2020 and 2019. The deforestation rate in the reference year of 2020 is 2.7 times higher than the target set in the voluntary national commitment. Therefore, Brazil has failed in fulfilling it.

With regard to the Cerrado biome, figure 4 shows that Brazil obtained an annual deforestation rate of 7,339.90 km² in the reference year of 2020, a value lower than the one targeted in the voluntary national

¹⁴ Available at: http://terrabrasilis.dpi.inpe.br/app/dashboard/deforestation/biomes/legal_amazon/rates Access on October 26, 2021.

¹⁵ Data from PRODES considers deforestation that occurred between the months of August of the previous year and July of the current year.

commitment. Thus, although there was significant growth between the 2019 and 2020 reference years, the voluntary target for the Cerrado was met.

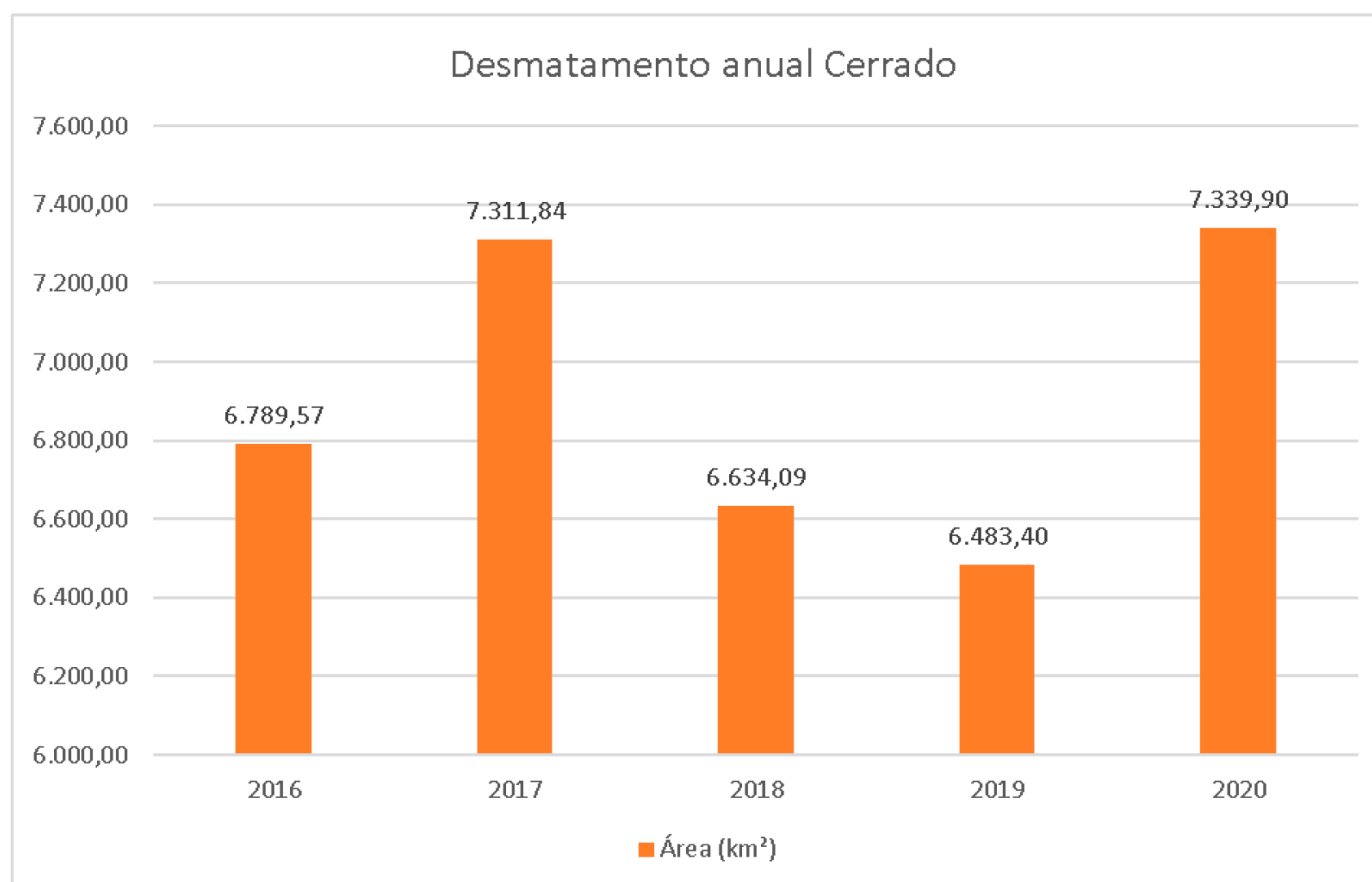


Figure 4. Annual deforestation in the Cerrado according to Prodes/INPE (2021)¹⁶. Own preparation.

In summary, Brazil is on track to not meet its voluntary national commitment scheduled for 2020 as it has allowed abrupt growth in GHG emissions in 2019 and in the following years. The country failed to meet the goal of reducing annual deforestation by 80% for the Legal Amazon and met the goal of reducing annual deforestation by 40% for the Cerrado. With respect to the most recent NDC target, even in the least ambitious scenario, we observe that net emissions in 2019 almost already reach the maximum limit of emissions set for 2030. Thus, reversing this situation will require a huge commitment involving government, the private sector, academia, and civil society to plan and execute public policies that curb the growth of illegal deforestation in the Amazon and enable a new model of economic, social and environmental development for the region.

¹⁶ Available at: <http://terrabrasilis.dpi.inpe.br/app/dashboard/deforestation/biomes/cerrado/increments>
Access on October 26, 2021.

4. BUDGET AND MANAGEMENT OF CLIMATE POLICIES AND POLICIES FOR PREVENTION AND CONTROL OF DEFORESTATION

The federal government, in its 2021 budget presentation, estimated revenues amounting to BRL 4.4 trillion in 2021. It has set aside BRL 2.9 billion for the Ministry of the Environment (MMA), which is equivalent to 0.07% of the total, of which BRL 151.9 million is for actions in the area of environmental control. It is important to note that in 2016 the budget already provided BRL 169.8 million for the environmental control sector. The amount that was already insufficient to meet the goals of reducing annual deforestation in the Legal Amazon to below 4,000 km² is now at an even lower level.

It is important highlighting that budget estimates jumped from BRL 3.1 trillion in 2016 to BRL 4.4 trillion in 2021, as per figure 5. Therefore, proportionally, the share belonging to the environmental portfolio shrinks more and more each year, even though there is an increase in revenue, representing a neglect of the problems of deforestation and climate change.

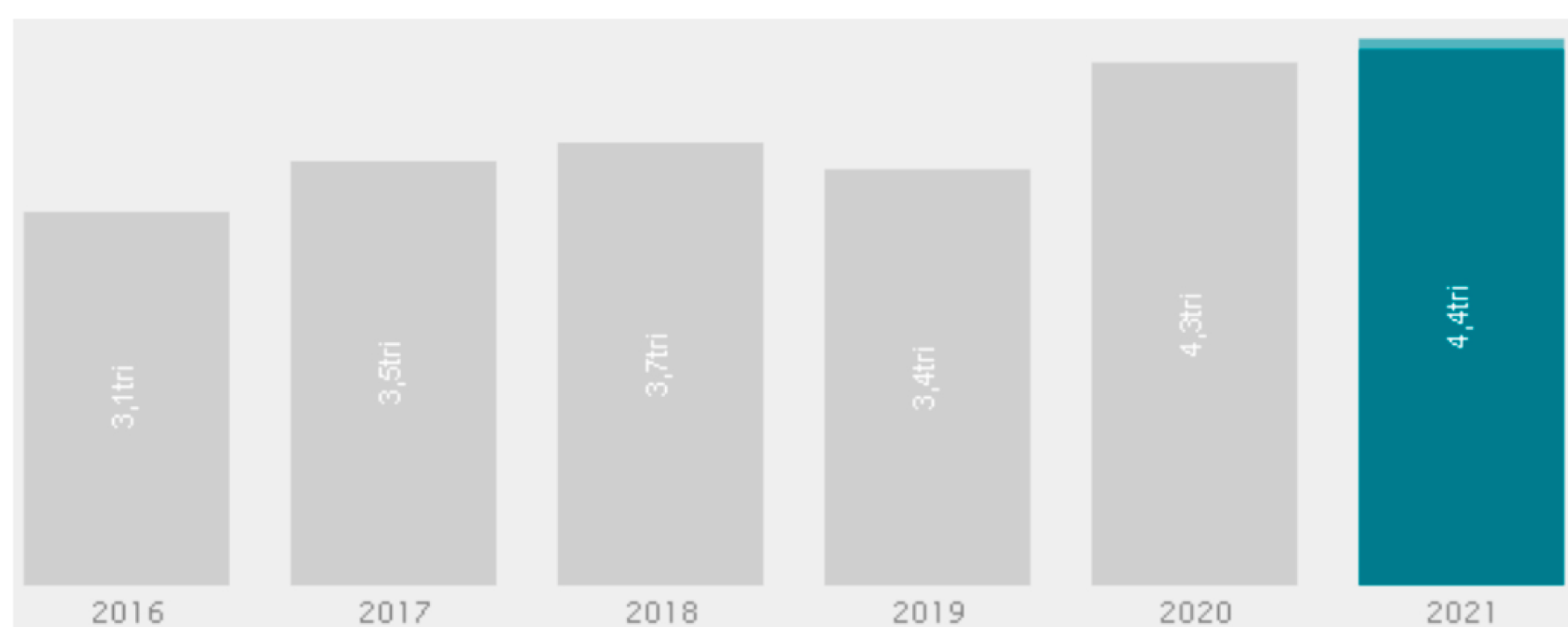


Figure 5. Evolution of the Federal Government's expenditure planning. *Data for 2021 represent values until 10/17/2021. Source: SIGA Brasil¹⁷.

¹⁷ Available at:

<http://www9.senado.gov.br/QuAJAXZfc/opendoc.htm?document=senado%2Fsigabrasilpainelcidadao.qvw&host=QVS%40www9&anonymous=true&Sheet=shOrcamentoVisaoGeral> Visited in 10/26/2021.

Considering the amounts actually paid, we note that the Federal Government budget has grown substantially in the years 2020 and 2021, in part due to an increase in emergency relief and other expenses resulting from the Covid-19 pandemic. Figure 6 illustrates this result:

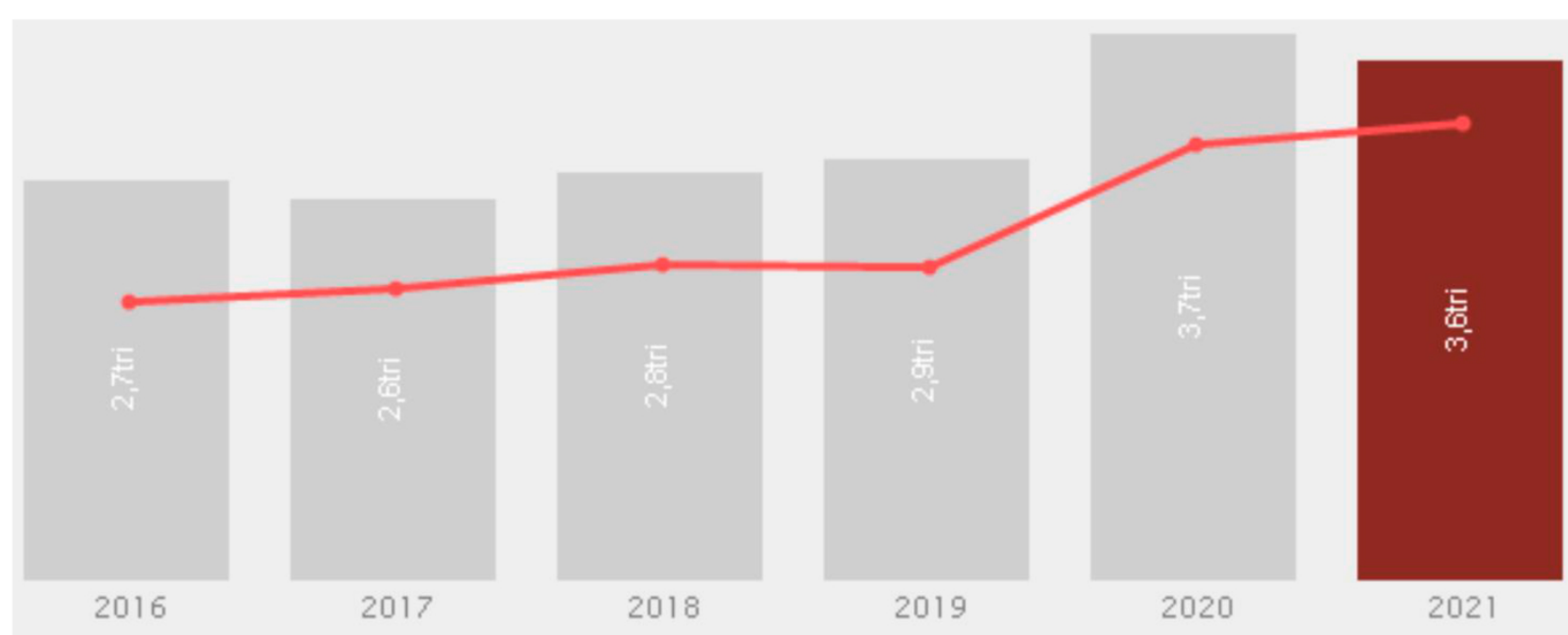
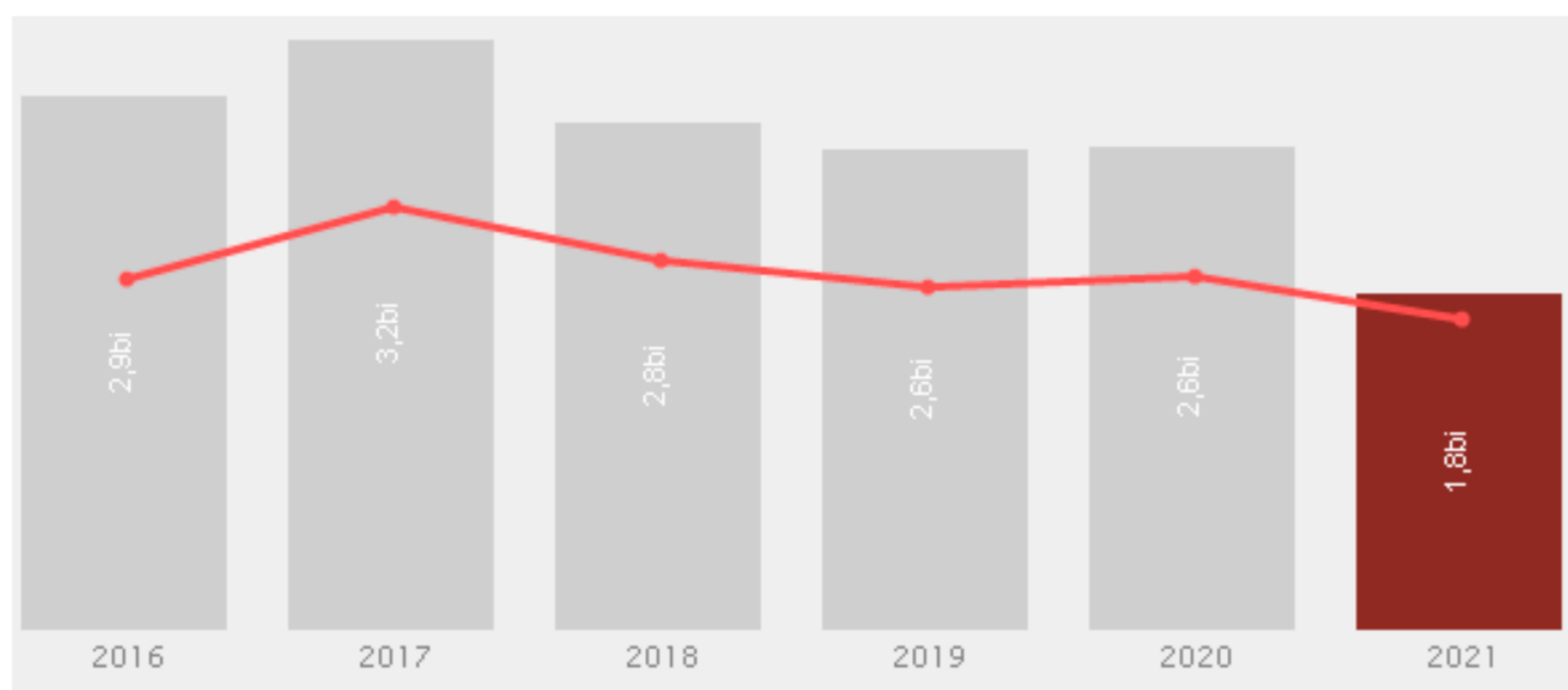


Figure 6. Evolution of the Federal Government's expenditure planning. *Data for 2021 represent values until 10/17/2021. Source: SIGA Brasil¹⁸.

In contrast, the amounts effectively paid in the budget allocated to the MMA continue to decrease in the period between 2016 and 2021, as shown in figure 7:



¹⁸ Available at:

<http://www9.senado.gov.br/QvAJAXZfc/opensdoc.htm?document=senado%2Fsigabrasilpainelcidadao.qvw&host=QVS%40www9&anonymous=true&Sheet=shOrcamentoVisaoGeral> Visited in 10/26/2021.

Figure 7. Evolution of the budget allocated to the Ministry of Environment. *Figures for 2021 represent values up to 10/17/2021. Source: SIGA Brasil¹⁹.

From a budgetary point of view, therefore, we observe that the Federal Government's General Budget showed growth in the period between 2016 and 2021, while the budget for the environmental portfolio did not follow this path. We thus observe a decrease in budget planning for the environmental sector and, at the same time, a growth in the annual deforestation rate of the Legal Amazon in the period, from 7.2 thousand km² in 2016 to 10.8 thousand km² in 2020.

What makes the picture more worrying is that Brazil has spent more resources to finance operations of Law and Order Guarantee (GLO, from the initials in Portuguese), coordinated by the Armed Forces to combat deforestation in the Legal Amazon. Although they are important in providing logistical support for environmental enforcement operations, studies indicate²⁰ that the cost-effectiveness of combating deforestation worsened when the government put the Armed Forces in charge of coordinating the work. According to the publication, Federal Government expenditures on environmental GLO operations in 2019 and 2020 amounted to BRL 140 million and BRL 389 million, respectively.

The Federal Government itself, in the launching of the Plano Amazônia 2021/2022 [Amazon Plan 2021/2022] in April of the current year, demonstrated the need to demobilize the Armed Forces in the actions of prevention and control of deforestation in the Amazon, so that they can be

¹⁹ Available at:

<http://www9.senado.gov.br/QvAJAXZfc/pendoc.htm?document=senado%2Fsigabrasilpainelcidadao.qvw&host=QVS%40www9&anonymous=true&Sheet=shOrcamentoVisaoGeral> Visited in 10/26/2021.

²⁰ Technical Note No. 8/2021 of the Shared Office (Senator Alessandro Vieira, Deputy Tábata Amaral, and Deputy Felipe Rigoni). Available at: <https://static.poder360.com.br/2021/09/desmatamento-orcamento-gabinete-conjunto-30set2021.pdf> Visited in 10/27/2021

exercised by the "organs of inspection and combat of environmental and land-related illicit acts, which originally held these responsibilities"²¹.

In parallel to the public budget, the Fundo Amazônia [Amazon Fund] was originally structured to receive non-reimbursable investments to foster projects dedicated to preventing, monitoring, conserving, and combating deforestation of the Amazon Rainforest. The Fund finances projects under the logic of payment by results, that is, if one reduces deforestation, one has the right to access resources to finance more projects, creating a virtuous circle. It is important to say that 60% of the projects approved at the time by the Fund were aimed at supporting federal, state, and municipal governments in their common mission to protect the Brazilian Amazon.

The Fund received contributions of more than BRL 3.3 billion, but invested little more than half of these resources. In 2019, after the extinction of the Guidance Committee of the Amazon Fund (COFA, from the initials in Portuguese) and criticisms made by then Minister Ricardo Salles regarding the Fund, its operations were halted and its main donors gave up new contributions. The current scenario is one of scarcity of resources to finance public policies aimed at preventing and controlling deforestation in the Amazon.

The instruments that underpin the actions to prevent and control deforestation, after the end of the PPCDAm and the PPCerrado, are the National Plan for the Control of Illegal Deforestation and Recovery of Native

²¹Available at: https://www.gov.br/planalto/pt-br/conheca-a-vice-presidencia/conselho-da-amazonia/plano-amazonia-20-21/plano_amazonia_2021_2022_7_.pdf Visited in 10/14/2021

Vegetation 2020 - 2023²² and its operating plan²³. The former foresees five axes of action: *i)* zero tolerance to illegal deforestation; *ii)* landholding regularization; *iii)* spatial planning; *iv)* payment for environmental services; and *v)* bio-economy. The latter, five axes of priority actions to be implemented: *i)* zero tolerance to illegal deforestation; *ii)* landholding regularization; *iii)* spatial planning; *iv)* payment for environmental services; and *v)* bio-economy.

The TCU evaluated the Federal Government's deforestation prevention and control policies, among them the aforementioned plans, and established determinations to be complied with by the Executive Branch in Court Decision No. 1,758/2021 - Plenary²⁴. In operational auditing, failures in governance, planning, management, and communication, as well as shortages in the environmental agencies' personnel, among others, were found.

The Court of Accounts found shortcomings in the current plan to control deforestation. It stated that there is no clear definition of the competencies of the key players involved in the development and coordination of the policy to prevent and combat illegal deforestation in the Legal Amazon, with overlapping and conflicts regarding the competencies of the three principal bodies responsible for setting policies to control deforestation: the MMA, the National Council for the Legal Amazon, and the Executive Committee for the Control of Illegal Deforestation and Recovery of Native Vegetation (CONAVEG, in the original acronym).

²² Available at: <https://www.gov.br/mma/pt-br/assuntos/servicosambientais/controle-de-desmatamento-e-incendios-florestais/PlanoNacionalparaControledoDesmatamento20202023.pdf> Visited in 10/26/2021.

²³ Available at: https://www.gov.br/mma/pt-br/assuntos/servicosambientais/controle-de-desmatamento-e-incendios-florestais/pdf/copy3_of_PlanoOperativo20202023.pdf Visited in 10/26/2021.

²⁴ Available at: https://pesquisa.apps.tcu.gov.br/#/documento/ata-sessao/*/NUMEROATA:27%20ANOATA:2021%20COLEGIADO:%22Plen%C3%A1rio%22/DTRELEVANCIA%20desc/0/%20 Visited in 10/19/2021.

Moreover, it noted that "an effective integration between subnational political entities and civil society organizations in favor of a better definition of public policies to control illegal deforestation" is lacking.

5. RECOMMENDATIONS

This public policy evaluation focused on the results registered in the climate and forestry fields and on the policies adopted by the Executive Branch. It considered the suggestions brought by participants of public hearings, representatives of both public and private sectors, civil society, and research institutions. Based on this material, we recommend:

5.1. The Legislative Branch:

- to approve a set of bills favorable to the climate and deforestation prevention and control agenda, intended to update the Brazilian climate policy, to regulate the sustainable use of the Pantanal and Cerrado biomes, to establish rules for integrated fire management, to create protected areas in non-allocated public forests, and to promote a green tax reform;

- to approve Constitutional Amendment Bill (PEC, in the original acronym) no. 233 of 2019, which includes the *maintenance of climate stability* among the principles of economic order and determines that the government must *adopt actions to mitigate climate change and adapt to its adverse effects*;

5.2. The Executive Branch:

- to allocate more resources to programs and actions related to climate policies and the prevention and control of deforestation when discussing and deciding budget matters;

- to update the governance structure for implementing climate policies and the policies for preventing and controlling deforestation to include the participation of representatives from other federal entities and civil society, as well as avoid overlapping or conflicting attributions or the absence of a responsible agency. To assign the coordination of environmental inspection operations to environmental agencies, with due logistical support from the Armed Forces, as well as to prioritize the eviction of invaders of indigenous lands and conservation areas;

- to reactivate the Amazon Fund, defining guidelines and governance structures in agreement with its principal donors: Norway, Germany, and Petrobras. To strengthen the Climate Fund with human and financial resources so it can effectively resume its development function;

- to improve the 2020 - 2023 National Plan for Controlling Illegal Deforestation and Recovering Native Vegetation and its operational plan following Appellate Decision 1,758/2021 of the Plenary of the Federal Accounting Court (TCU);

- to strengthen the Ibama, the Chico Mendes Institute, and the MMA by filling vacant positions and valuing its employees so that it has sufficient operational capacity to meet the climate and deforestation control targets. To ensure that these agencies have a higher budget allocation that is sufficient to pay for vehicles, equipment, and monitoring systems used in actions to prevent and control deforestation, as well as for planning public policies;

- to combat illegal occupation of public lands by validating the data in the Rural Environmental Registry, deactivating illegal registrations,

remotely notifying violators, and suspending irregular land regularization processes;

- to promote the sustainable use of Brazilian forests, planning the use of non-allocated public forests within the Legal Amazon, creating conservation units, forest concession areas, and other admitted sustainable uses, as well as regulate the National Policy on Payments for Environmental Services to benefit bioeconomic projects that value standing forests.

6. CLOSING REMARKS

The evaluation of policies related to climate and deforestation prevention and control for the 2019-2021 period developed by the CMA reveals a worrisome scenario of increasing GHG emissions and annual deforestation rates in the Legal Amazon. During the referred period, a sudden increase in the Cerrado deforestation and a large number of fires in the Pantanal were also observed. The current administration has promoted a true dismantling of environmental and climate policies, either by suspending successful environmental policies or dismantling environmental, institutional structures. Environmental agencies continue to be scrapped, dealing with shrinking budgets and expressive staff shortages.

The current situation endangers our natural heritage, forests, fauna, flora, and water resources. It also threatens the country's credibility in the concert of nations. That is not just the view of this Rapporteur, this Committee, or this Chamber; members of the scientific community, companies, foreign governments, and most of the world's press all share this view.

Brazil must adopt an immediate attitude change in conducting its climate and deforestation prevention and control policies. The Legislative Branch is pulling its weight by discussing and deliberating on projects favorable to the Brazilian climate agenda and the protection of our forests. But not only that. This House has regularly contributed to the Executive Branch, indicating failures and suggesting possible ways through contributions gathered from its public policy evaluations.

Thus, we hope that Brazil will get back on track towards sustainable development and a carbon-neutral economy. This is both the future that current and future generations deserve and the purpose of our Constitution.

COMMITTEE ON THE ENVIRONMENT OF THE BRAZILIAN
FEDERAL SENATE