



CASE STUDY

A president prioritizes a different future *Brazil's National Plan on Climate Change and Law*

Key point

- ***Political leadership is what it takes to make the necessary changes within policies, plans, laws and institutions.***

There was a problem...

According to Brazil's second National Inventory of Greenhouse Gas Emissions, the country's greenhouse gas emissions increased by approximately 60 per cent between 1990 and 2005 – from 1.4 gigatons to 2.192 gigatons of equivalent carbon dioxide (CO₂e).¹ The majority of the emissions derive from land and forestry use change, which accounted for 61 per cent of total emissions during that time period. Emissions from industry and waste treatment were, respectively, 3 per cent and 2 per cent of the national total.²

What was done?

Under the United Nations Framework Convention on Climate Change (UNFCCC), cutting greenhouse gas emissions is voluntary for developing countries. To curb the rate of deforestation of the Amazon forest and CO₂ emissions generated from it in Brazil, the president demanded national plans and policies, backed by legislation, that established institutional mechanisms and innovative financial mechanisms with international support.

In April 2007, the president made the preparation of a climate change plan a national priority. In November 2007, the Government created the Inter-Ministerial Committee on Climate Change to develop, monitor and evaluate the National Plan on Climate Change. This Committee is coordinated by the Office of the President and consists of 17 federal bodies and ministries and the Brazilian Forum on Climate Change.

National Climate Change Plan

In December 2008, the Government launched the National Climate Change Plan. The plan seeks to reduce greenhouse gas emissions mainly through mitigation and adaptation efforts, promotion of renewable energy, reducing deforestation and loss of forests and R&D.³ The plan includes such targets as:

- Increasing recycling of urban waste by 20 per cent by 2015
- Reducing the annual rate of deforestation by 80 per cent by 2020
- Increasing domestic consumption of ethanol by 11 per cent per year by 2020
- Increasing the contribution of co-generation electrical energy, especially of sugarcane biogases, to 11.4 per cent of the total supply of electricity in the country by 2030.⁴

National reduction targets

In December 2009, following a presidential decree, the National Policy on Climate Change was adopted. With this law, Brazil legally established its voluntary national reduction target of 36.1–38.9 per cent of projected emissions by 2020, compared with the 2000 levels. It also laid out sector-based reduction targets (which were absent

¹ Federative Republic of Brazil, *Emissions Inventory* (Cancun, Mexico, Ministry of Environment, 2010). Available from www.brasil.gov.br/cop-english/overview/what-brazil-is-doing/emissions-inventory (accessed 25 January 2012).

² *ibid.*

³ Federative Republic of Brazil, *National Climate Change Plan* (Cancun, Mexico, Ministry of Environment, 2010). Available from www.brasil.gov.br/cop-english/overview/what-brazil-is-doing/national-climate-change-plan (accessed 25 January 2012).

⁴ *ibid.*

in the national plan) including in deforestation, agriculture and livestock, energy and the forested charcoal in the steel sector. The law also requires mitigation actions to be quantifiable and verifiable.

Twelve sector-based policies were developed and implemented in 2011 to achieve these targets on an economy-wide scale.⁵ Incentives and financing mechanisms were also put in place to support actions. Additional reduction targets are planned to be based on the second Brazilian Greenhouse Gas Emissions Inventory, which was finalized in 2010 and covers the period from 1990 to 2005.⁶

Financing law

In 2009, the National Fund on Climate Change Law was created to finance climate change mitigation and adaptation activities of the national plan. The fund was officially established in 2010 and supports adaptation, combating desertification, education, training, REDD+, technology development, public policy development, sustainable production chains and payment for environmental services activities. Of the \$226 million reais budget, the state-owned Brazilian Development Bank manages \$200 million reais, for covering repayable loans and financing production areas.⁷ The Ministry of the Environment manages the remaining \$26 million reais, which supports research projects, climate change impact studies and other activities.⁸ The revenue mainly derives from a special levy on the profits from oil production.

Amazon Fund

In 2008, the Amazon Fund was created (by decree) through a pledge of donation of US\$1 billion from the Norwegian Government that is to be distributed across a period of eight years.⁹ The money is to finance non-reimbursable activities and projects aimed at preventing, monitoring and combating deforestation and promoting conservation and the sustainable use of the Amazon forest. The Government is also open to other international contributions to the fund. The Brazilian Development Bank manages the fund and issues certificates that certify emissions reductions (the reductions are certified by the Technical Committee of the Amazon Fund, whose members the Ministry of the Environment appoints) achieved through use of financial contributions from the fund. According to the Amazon Fund website, these certificates are "nominal, non-transferable and do not generate rights or credits of any nature".¹⁰ Up to 20 per cent of the fund can be used to establish systems to monitor and control deforestation in areas other than the Amazon and in other tropical countries.¹¹ Currently, 15 projects are being financed from this fund, amounting to US\$120 million, to reduce deforestation and to promote the sustainable use of forests in the Amazon region.¹²

Results

Brazil's rate of deforestation is estimated to have slowed in recent years as a result of the prioritized national efforts tackling forest degradation.¹³ In 2011, it achieved a reduction of 66 per cent compared with the average deforestation rate between 1996 and 2005, which is the lowest rate since its monitoring system was put in place in 1988. The actual reductions amounted to a little more than 6,000 square kilometres. During its peak, deforestation reached 27,000 square kilometres.¹⁴

⁵ Federative Republic of Brazil, "New Decree Details Brazil's National Policy on Climate Change", *Press release*, December 15, 2010. Available from www.brasil.gov.br/news/history/2010/12/10/new-decree-details-brazil2019s-national-policy-on-climate-change (accessed 25 January 2012).

⁶ World Resources Institute, "Brazil's Global Warming Agenda", *News*, March 1, 2010. Available from www.wri.org/stories/2010/03/brazils-global-warming-agenda (accessed 25 January 2012).

⁷ Federative Republic of Brazil, "Climate Fund and Amazon Fund", *website* (2010). Available from www.brasil.gov.br/cop-english/overview/what-brazil-is-doing/climate-fund-and-amazon-fund (accessed 25 January 2012).

⁸ *ibid.*

⁹ Amazon Fund website "Donations". Available from www.amazonfund.gov.br/FundoAmazonia/fam/site_en/Esquerdo/doacoes/ (accessed 25 January 2012).

¹⁰ *ibid.*

¹¹ *ibid.*

¹² Federal Republic of Brazil, "Official Statement of Minister of the Environment of Brazil, Dr. Izabella Teixeira", statement presented at the high-level segment of the 17th session of the Conference of the Parties to the UNFCCC, Durban, 8 December 2011. Available from http://unfccc.int/files/meetings/durban_nov_2011/statements/application/pdf/111208_cop17_hls_brazil.pdf (accessed 13 February 2012).

¹³ *ibid.*

¹⁴ *ibid.*