



# MONTHLY OUTLOOK REPORT

JANUARY  
2022



**política  
por inteiro**

PHOTO: FLOODS IN SOUTHERN BAHIA  
MANU DIAS/GOVBA

REPORT ON THE RELEVANT  
SIGNALS TO CLIMATE AND  
ENVIRONMENTAL POLICIES  
IN BRAZIL



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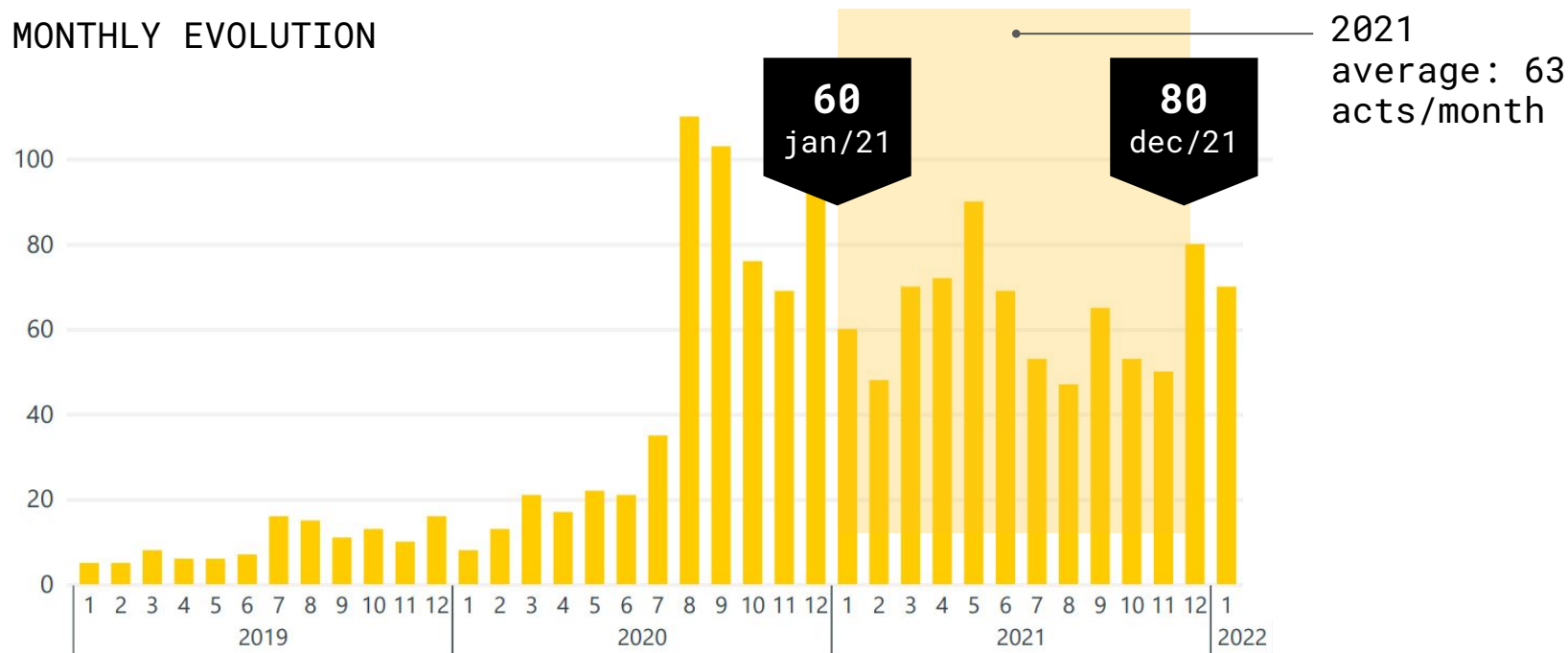
# THE EXECUTIVE BRANCH

TRACKING THE FEDERAL  
OFFICIAL GAZETTE

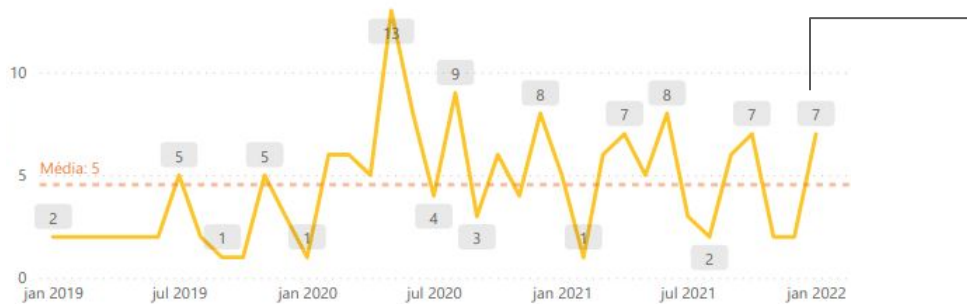
PHOTO: ROBERT STUCKERT FILHO/PR

In January the Government Actions Tracker found 70 acts relevant to environmental and climate policies published in the Federal Official Gazette.

## MONTHLY EVOLUTION



## MONTHLY NUMBER OF PRESIDENTIAL DECREES



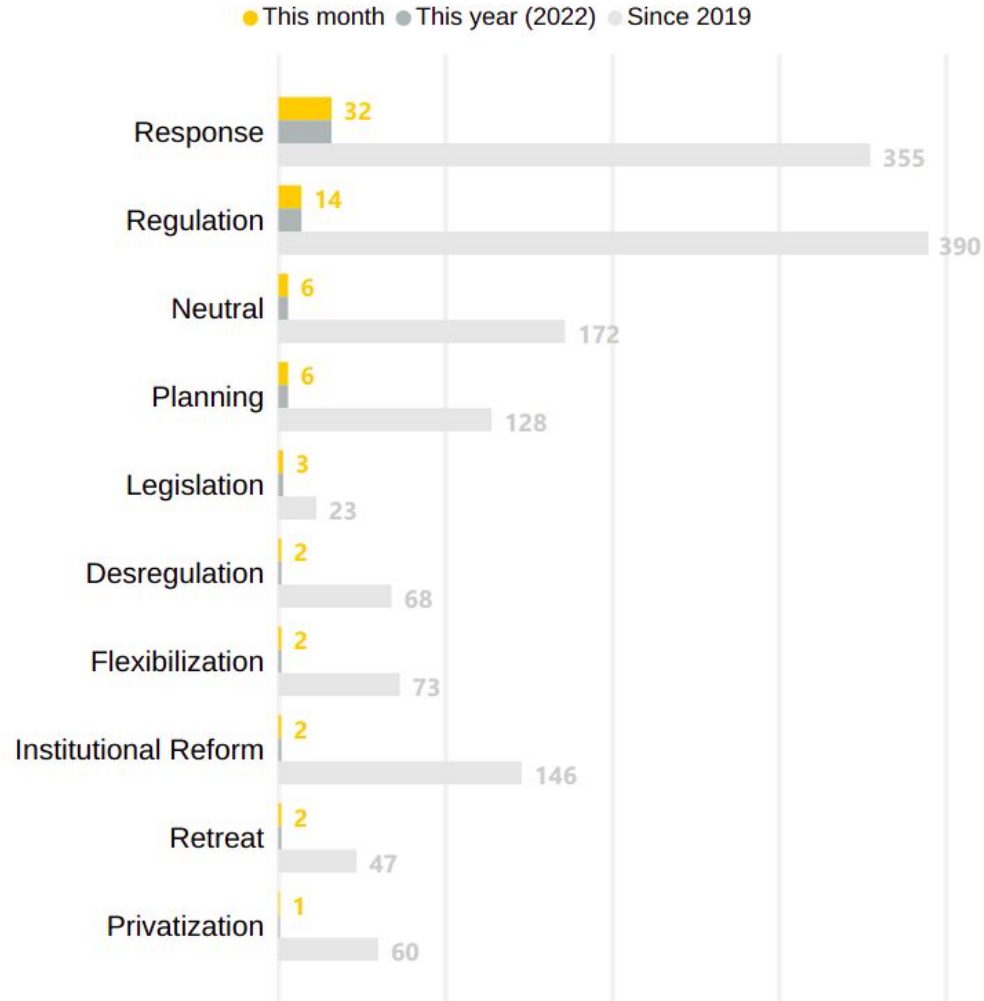
## Uptrends

- In comparison with December (80 acts), January has 10 fewer regulations - the last months of the year is usually more active.
- Compared with the previous January (60 acts) and the 2021 average (63), the trend is upwards, in consequence of the record number of disasters.
- There were 7 decrees, the higher regulations within acts. In all of 2021, there were 54, mostly after May. Presidential regulations, which signals the direction the government is going and directs the rest of the administration.



## JANUARY ACTS BY TYPE

- The acts of
  - Answer (32), depending on recognition of emergency, and regulation (14).
- We also note that the
  - institutional reforms, bulky in the past, are down, as expected for the last year of an administration.



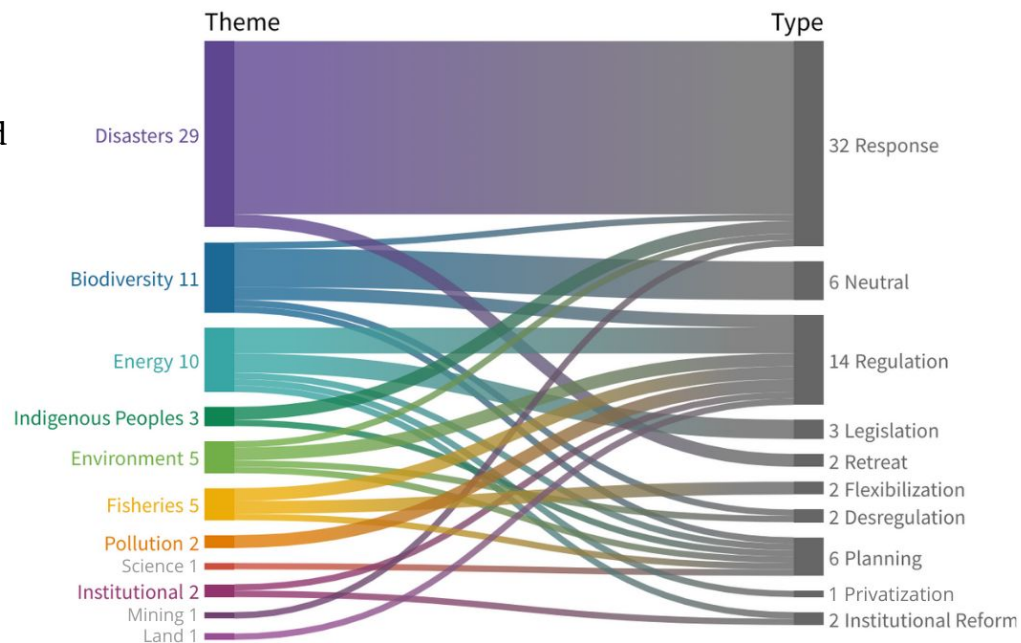
JAN  
2022

JAN  
2022

# Themes and classes

## Most frequent themes of the month

1. **Disaster** the storms and strong in January, and drought in the south of the country were reflected in the record number of municipalities in emergency in a week and in a month since jan/2019.
2. **Biodiversity**: most of it was from approvals of internal regiments of parks, which we consider neutral acts by their ordinary character. We registered.
3. **Energy**: among the acts, three laws and three decrees, evidencing the articulation between legislative and executive with focus on the theme. The priority of the energy agenda has been observed since 2021.

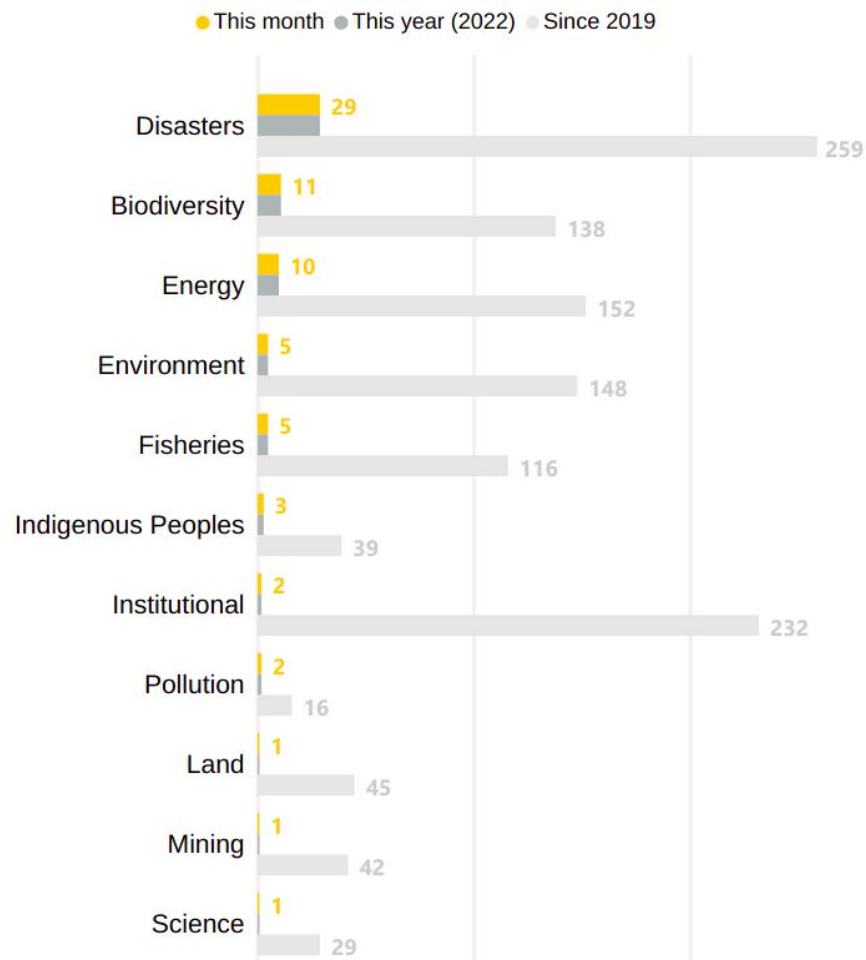




## Most frequent classes of the month

- **Response:** Disasters; extension of the FNSP in support of FUNAI, ICMBIO and IBAMA; Steering Committee on Covid-19 coping plans for Indigenous Peoples.
  - **Regulation:** National Contingency Plan for incidents of oil pollution in waters under national jurisdiction-PNC; Public consultation to propose guidelines for the consideration of environmental benefits in the electricity sector; Brazil's only consent platform – Pau-Brasil platform.
  - **Neutral:** Approval of the internal regiments of the Integrated Management nuclei of ICMBIO.
  - **Planning:** Implementation of the 2030 Agenda for Sustainable Development/MMA; Special Operations Program for Ethnoenvironmental and Territorial protection-Proepet.
- **Flexibility:** Extension of fishing authorisations.
  - **Deregulation:** Changes the rules for the protection of natural underground cavities existing in the national territory.

## JANUARY ACTS BY THEME



## MAIN ACTS OF THE EXECUTIVE - BY TOPIC

### Energy

LAW N 14.299 OF 5 JANUARY 2022

#### **Legislation (Presidential Sanction)**

Approved in 2021 in Congress, the 2019 proposal originally dealt with the economic subsidy to small electric power distribution concessionaires, but ended up also creating the Fair Energy Transition Program (Tej) for the Carboniferous region of the state of Santa Catarina, obliging the hiring of thermals and generating an annual cost of R\$ 840 million to consumers in the country. [Full analysis on the blog.](#)

DECREE N 10,946 OF JANUARY 25, 2022

#### **Climate**

The decree regulates the assignment of physical spaces and use of natural resources for offshore wind farms. The standard was expected by the industry to remove the regulatory and legal risks of the modality. One of the important points of the decree is the confirmation that the Ministry of Mines and energy (MME) will also be able to cede these areas, not only the Secretariat of coordination and governance of the Union Heritage (SPU) of the Ministry of Economy.

## MAIN ACTS OF THE EXECUTIVE - BY TOPIC

# Indigenous peoples

FUNAI ORDINANCE N 366 OF 19 JANUARY  
2022

### Planning

Funai created the Special Operations Program for Ethnoenvironmental and Territorial protection (Proepet). The first phase provides for server selection. The Proepet Operating Procedures Manual will be created. There is no clarity on the purpose of the program beyond Funai's own assignment. In view of the agency's performance in the last three years, it is necessary to carefully monitor the edition of this manual and the Special Operations.

Decree N 10.931 of January 10, 2022

### Response

The Steering Committee of Covid-19 coping plans for Indigenous Peoples was established almost two years after the start of the pandemic. The responses of the federal government in confronting the spread of the disease in Indigenous communities occurred under pressure from decisions of the Supreme Court, where ADPF 709 has been running, since July 2020.

## MAIN ACTS OF THE EXECUTIVE - BY TOPIC

# Environment

DECREE N 10.935 OF JANUARY 12, 2022

### Deregulation

Changes the rule on the protection of caves. Among the changes, it made it possible to license enterprises that cause irreversible damage in the so-called underground cavities of maximum relevance. The decree was challenged in court and the Supreme Court (STF) granted an injunction suspending some of its articles (read more in the Judiciary section). [Our analysis](#) compared the rule with the previous rule and pointed out the articulations that led to its editing.

MMA ordinance N 17, of January 27, 2022

### Planning

It disciplines the management and internal processes for the implementation of the 2030 Agenda for Sustainable Development within the framework of the Ministry of the environment. Check out more details on why this is relevant in the “conjunctures” section below.



## MAIN ACTS OF THE EXECUTIVE - BY TOPIC

### Biodiversity

ORDINANCE N. 8, OF 3 JANUARY 2022

#### Climate

It establishes the unique consent platform of Brazil-Pau-Brasil platform, controlled by IBAMA. It will be the management and Consent Tool for import and export requests for specimens, products and by-products of native fauna, fisheries and flora. In the event of inoperation due to technical issues, the decision will be assigned to the director of sustainable use of biodiversity and Forests. This system has been in place for a long time and intends to unify the information, internally facilitating the permissions. Wait to see if it will work well.

### Pollution

NORMATIVE INSTRUCTION N 2 OF 18 JANUARY 2022

#### Climate

The decree deals with the National Contingency Plan (PNC) for incidents of oil pollution in waters under national jurisdiction. The standard seems to try to “correct ” some fragile points of the previous plan, when there were, in addition to the monitoring and Evaluation Group – GAA, two committees (the Executive Committee and the Support Committee), which were extinguished by decree 9.759, of 11/04/2019. In the new decree the GAA is maintained, and the two committees give way to an “integrated Action Network”, which should be composed of almost all the ministries of the Esplanade, the Institutional Security Office and the Civil House. In addition, it maintains National Authority in the figure of the Minister of the Environment.

## MAIN ACTS OF THE EXECUTIVE - BY TOPIC

### Open public consultations

ORDINANCE N 604/GM / MME OF 20 JANUARY  
2022

#### **Energy**

On the report “proposal for guidelines for the consideration of environmental benefits in the Electricity Sector-Law N 14.120/2021”.

Deadline: until 07/02/2022

ORDINANCE N 605/GM / MME OF 21 JANUARY  
2022

#### **Energy**

On the draft of the decennial Energy Expansion Plan 2031-PDE 2031.

Deadline: until 23/02/2022

ORDINANCE N 605/GM / MME OF 21 JANUARY  
2022

#### **Biodiversity**

Extension of the deadline for contributions to the proposal for regulations on the foreign trade of live fish from Marine, Continental and estuarine waters for ornamental and Aquarium purposes with respect to Ibama.

Deadline: until 16/02/2022

## MAIN ACTS OF THE EXECUTIVE - BY TOPIC

# Employment of the National Force

ORDINANCE MJSP N 1 OF JANUARY 5, 2022

### **Biodiversity**

Support for ICMBio, with emphasis on combating deforestation and fires, illegal extraction of ore and wood, invasion of federal areas.

Deadline: for another 180 days, from January 7 to July 5, 2022.

ORDINANCE MJSP N 6 3RD OF JANUARY 5, 2022

### **Indigenous peoples**

In the Indigenous Land Serrinha / RS.

Deadline: for 70 days, from January 6 to March 16, 2022

ORDINANCE MJSP N 9, OF 13 JANUARY 2022

### **Environment**

Support to IBAMA, in the actions of supervision and repression of illegal deforestation and other environmental crimes, and to combat forest fires and fires, in the area that comprises the Legal Amazon.

Term: for another 1 year, from January 14, 2022 to January 13, 2023.

A black and white photograph of a modern legislative building. The building features a long, low profile with a series of columns supporting a flat roof. A large, prominent dome is visible on the left side of the building. In the foreground, a large, calm body of water reflects the building and the sky. The text "THE LEGISLATIVE BRANCH" is overlaid on the left side of the image in a large, bold, white sans-serif font.

# THE LEGISLATIVE BRANCH

ANALYSIS OF THE MOVEMENTS AND  
TRACKING OF LEGISLATIVE  
PROPOSALS

# Movements in the Legislature

The National Congress was in recess in January, returning to activities in 2 February.

Despite the legislative recess, Senator Fabiano Contarato drafted a **Draft Legislative Decree (PDL)** seeking to sustain the effects of Federal Decree 10.935 / 2022, already addressed in the section of the “Executive Branch”, referring to the amendment of the cave Protection Regulation.

With the return to work the proposal will likely receive its final number and the issue will hopefully be discussed in the Senate.



# THE JUDICIAL BRANCH

THE MOVEMENTS IN THE MAIN  
ACTIONS ON CLIMATE AND  
ENVIRONMENT



PHOTO: MAROELLO CASAL JR / BRAZIL AGENCY

## Caves

There were actions proposed in courts about subterranean protection. One of them was ADPF 635, where minister Lewandowski limited the disposition that caused irreversible impacts on caves and activities that impose harm to these structures.

Two other actions on the subject (Popular Action 1001759-30.2022.4.01. 3400 and writ of mandamus 38387) used as grounds of argument the **material produced by the whole policy**.

## ADPFs 623, 934 and others

In the Supreme Court, a **full decision** by Minister Rosa Weber in the **ADPF 623**, which determined the suspension of the effectiveness of Federal Decree 9.806/2019. This normative established the composition of CONAMA.

At STF, the **ADPF 934**, from Rede Sustentabilidade, about the lack of monitoring the Cerrado (because of funding) was deferred.

However, there were no developments on:

- **ADPF 708** - failure of the Union to adopt administrative measures for the operation of the "Climate Fund".
- **ADO 59** - omission of the Union regarding the adoption of a measure for the operation of the "Amazon Fund".
- **ADPF 760** - omissive acts and commissions of the Federal Government that are making it impossible to combat deforestation in the Legal Amazon and the action plan for the Prevention and control of deforestation in the Legal Amazon ("PPCDAm").



# ANALYSIS

THE KEY FACTS AND POLICIES IN  
PROGRESS

FLOOD DESTRUCTION IN ITABUNA, BAHIA  
PHOTO BY GABRIEL SCHLICKMANN

## CRISES/SETBACKS/CONTROVERSIES

# Disasters

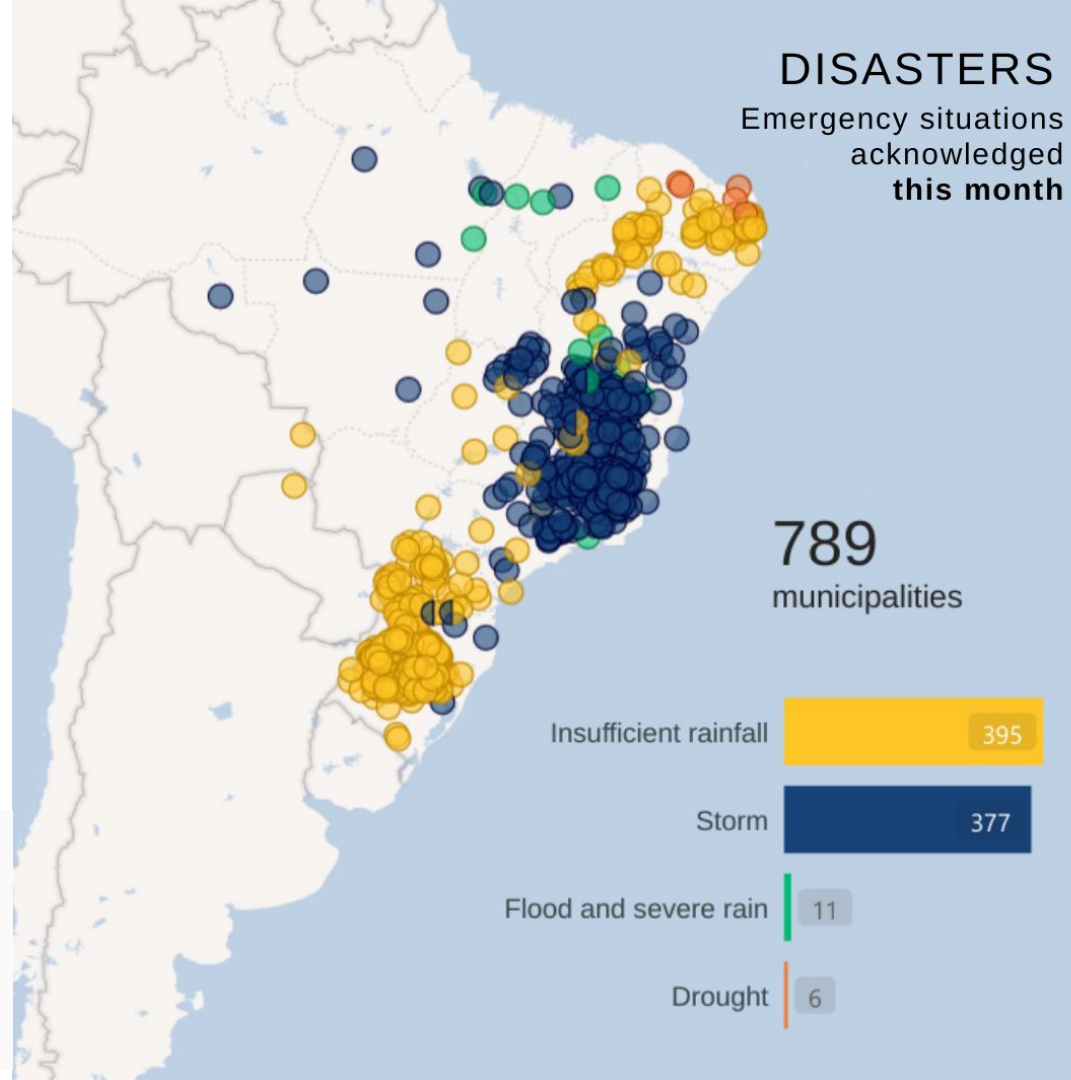
January had the highest number of towns with emergency scenarios recognized by the Union since 2019. All data is available on [Disaster Monitor](#).

## MONTHLY HISTORY



## DISASTERS

Emergency situations  
acknowledged  
this month





## CRISES / SETBACKS / CONTROVERSIES

### Mining

The rain in MG caused a dam from Vallourec to **overflow** in Nova Lima, hitting BR-040. The company's activities were stopped by the National Mining Agency and **suspended**. Vallourec was charged for **R\$288 million** for environmental damages.

The suspension of Cachoeirinha and Lisa were also **announced**. The Environmental Committee at the MG Legislative received notices that the company's activities **were irregular**.

### Budget

The 2022 budget was sanctioned with cuts to Congress' proposal. It includes R\$35 million less towards the Environment Ministry. Even IBAMA faces a 25 million cut, 8,6 of which are destined to deforestation control. Other cuts also affect the climate and environment agenda, such as a 102 million cut to the Ministry of Regional Development, that buys equipment to support local sustainable development.

## CRISES / SETBACKS / CONTROVERSIES

### Indigenous

On Jan/25, the decree that restricted the use of indigenous land at Ituna Itatá, in Pará. The restriction, to “find, monitor and protect” indigenous groups isolated there, had been determined in 2011. Funai published a memorando three days later, declaring that after a decade of efforts, no groups were identified there.

The Public Ministry went to court to ask for Ituna Itatá to go back to being protected. Even with the restrictions, it was the most deforested indigenous area in the country in 2019, when invasions grew. On Feb. 1st, Funai renewed the restriction.

## POLICIES ON THE MOVE

### Fracking mineral Coal

The president of the Republic approved a **Resolution** of the CNPE determining measures that enable the execution of a transparent well pilot project. A técnica, de alto impacto socioambiental, consiste no fraturamento hidráulico para exploração de gás natural e petróleo. O edital deverá ser publicado até 30 de março.

The pressure of the carvoeiro sector will not cease with the sanction of **Law 14,299**, which created the Just Energy Transition Program (TEJ) for Santa Catarina (read more in the main acts of the month section). The industry intends to replicate the federal standard and other incentives obtained in Santa Catarina for coal regions of other states.

## POLICIES ON THE MOVE

### Forest+

According to the official website of the project, it was **open bidding process** to select a company specialized in the provision of communication advisory services (multimedia content, press office, text editing, among others).

There was also the **introduction** of Forest+ at Rio Innovation Week, in the first half of the month.

Finally, **registrations** were opened for the selection of two "local service agents Forest+" in Porto Velho/RO, for the purposes of "support to potential beneficiaries in the regularization of the Rural Environmental Registry (CAR) "and support" in activities to disseminate the initiative".

ON TRIAL

## Anybody got any news?

- Green Growth Program, launched in October 2021
- Adopt a park, released in February 2021. It walked at a pace below the government's expectation in 2021. The last term of adoption was signed in December. No work plans were disclosed, with the goods and services actually donated to any conservation unit.



## ON THE RADAR - BRAZIL

### Twitter



Cloud of most frequent phrases in tweets of the month, *monitored in partnership with Folha* of the country's authorities (president, ministers, congressmen, among others) and experts related to the environment and climate change.

- Petrobras' announcement of a new fuel increase.
- Presidential sanction **BR from the Sea**.
- Overflow of the Vallourec mine dike, in Nova Lima / MG.
- Sanction of the Union Budget, with vetoes on health, education, environmental protection.
- Three-year milestone of the rupture of the Vale dam, in Brumadinho
- Articulation of the federal government in favor of the PEC of fuels.

## ON THE RADAR - BRAZIL

# Inflation and energy in Brazil

Electricity represented 10.65% of the variation in the National Consumer Price Index (IPCA) in 2021 and monthly spending on essential service reached a high of 114% since 2015, according to the Brazilian Association of Energy Traders (Abraceel).

In the average of the three years of this government, the inflationary impact is 2.01 times greater than that recorded in the period and is due to several factors, such as the sector's burdens with cross subsidies and increased cost of generation by the entry of more expensive thermal sources.

A **study** released by the climate and Society Institute (iCS) in January points out that the next president will receive the country with an inflationary pump due to the beginning of the transfer to the consumer of loans to utilities and contracts for more expensive energy, produced by fossil fuels.

The three measures to minimize this impact on the consumer's pocket would be: (i) limit the most expensive energy sources, which are fossil sources; (ii) stimulate energy efficiency and (iii) progressive charging of electricity, since the weight of energy for the poorest is greater.

## ON THE RADAR-SUBNATIONAL

# Santa Catarina

Published Law 18.350, January 27, 2022, amending the State Environmental Code. According to it, the Environmental Military Police can no longer plough Environmental infraction; environmental fines can be paid in up to 24 plots, and can be increased to up to 60 plots; compensation for the use of APP for works of Public Utility, Social

Interest or low environmental impact is waived; the suppression of isolated trees of native species, threatened or not endangered; the woody material resulting from forest exploitation can be benefited outside the rural property.

# AMAZON

A SPECIAL LOOK AT ITS  
ENVIRONMENTAL POLICIES

1

5

3

ACRE

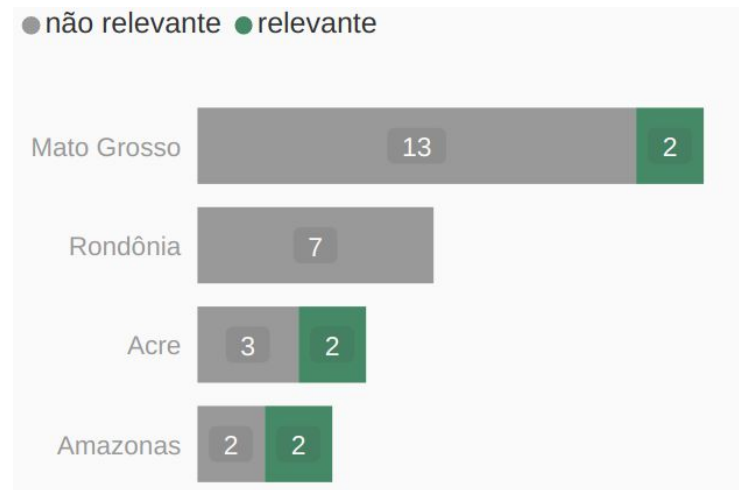
AMAZON

RONDONIA

# Amazon in full

In 2022 we inaugurated the Amazon in Full, a project dedicated to daily monitoring the executive and legislative branches and environmental data of 4 states of the Legal Amazon: Acre, Mato Grosso, Amazon and Rondonia.

ARE CONSIDERED **RELEVANT** THOSE THAT FOCUS, POSITIVELY OR NEGATIVELY, ON PUBLIC POLICIES AND THE CLIMATE AGENDA. **IRRELEVANT** THESE ARE PUBLIC INITIATIVES OR ACTS THAT, DESPITE MENTIONING THE KEYWORDS SOUGHT BY OUR MONITORS, DO NOT PRODUCE PRACTICAL EFFECTS.



## January highlights

**LEGISLATIVE:** in recess

**EXECUTIVE**

MATO GROSSO • THEME: LANDS | LAW Nº  
717/2022

Result of PLC-58/2020, law published in DOE extra edition it adds provisions in the state code of the environment, authorizing mineral exploration in Legal reserve, in addition to allowing compensation or relocation of RL out of the property. In addition, the exploitation of the legal Reserve may also be carried out in cases of Public Utility and social Interest, with the authorization of the competent body. Given the difficulty of implementing CAR, the flexibility of the use of the legal reserve, especially for mining, represents the possibility of increased deforestation among other socio-environmental impacts, in areas that have as their main function the conservation of biodiversity.

RONDONIA • THEME: INSTITUTIONAL | Law  
N. 5.299/2022

The law prohibiting the environmental inspection agencies and military police of the state of Rondonia, disable private assets seized in environmental inspection operations in the state. The legislative proposal was passed in record time, presented and approved on the same day.

As the very justification of the proposal argues, the new legislation contradicts the norm established by the Brazilian Institute of the environment and Renewable Natural Resources (Ibama) and elects the right to individual property as a priority above the defense of natural Heritage. With approval and sanction, the machines used for the practice of legal offenses in the state of Rondonia will now have to wait for judicial process for further sale or may still return to the owner.

# January highlights

## EXECUTIVE

AMAZONAS • THEME: CLIMATE CHANGE |  
DECREE N 45.114 OF 19 JANUARY 2022

Formalizes the expansion of the goals that will be executed by the Secretary of State for the environment of Amazonas, within 12 months. It is planned to draw up a state action plan on climate change in accordance with the objective of the “Paris Agreement” to maintain the rise in temperature at 1.5 Celsius. Other points such as Environmental Justice, nature-based solutions and Agriculture have specific goals. Highlight the goal of reducing GHG emissions, including methane from livestock, by at least 30% by 2030.

The Coalition **UNDER2** it is a global initiative of subnational States composed of more than 200 regional governments. The apparent commitment to the climate issue is not reflected in the deforestation numbers of the state of Amazonas, which according to PRODES/INPE data, in 2021 (Aug/2020 to jul/2021), had 2,063 km<sup>2</sup> of deforested area, an increase of more than 45% compared to 2020. This month, almost 40 km<sup>2</sup> of deforested areas were computed according to the INPE warning system (Deter).



# January highlights

## JUDICIARY

PARÁ • THEME: INDIGENOUS

A decision made by the 5th class of the Federal Regional Court of the 1st Region (TRF1) in a lawsuit filed by the Federal Public Prosecutor's office (MPF), by which it was obtained the nullity of all permits for mineral exploration in indigenous lands in the region of Tucuruí/PA, as well as that the National Mining Agency (ANM) refrain from granting new permits in the region of indigenous lands Parakana and will exchange. Areas not yet demarcated as indigenous lands were considered.

# TRENDS

WHERE WE ARE HEADING TOWARDS  
BRAZIL AND THE WORLD

## BRAZIL

# Federal government

Preparing for the **light switching** from government mode to elections mode. Eleven ministers-such as Tereza Cristina (Agriculture) and Tarcisio De Freitas (infrastructure) - are pre-candidates and must disengage by March. February and March are the final round for certain parts of the administration.

Agriculture intends to leave the legacy of a Forest Code and a strategy to measure and reduce methane emissions.

O número de uma nova meta foi antecipado na COP26: 50%. Resta saber qual a métrica e, logo, qual o impacto. E, claro, se será uma alteração pontual ou uma completa atualização da NDC. The new goal has been determined at COP26: 50%. The metrics and impact remains to be determined.

**Our analysis:** [here](#).

## BRAZIL

# Federal government

Around deforestation, it is expected that, given the high number in January, the government will announce a control measure involving the Environment Ministry, the Amazon Committee and other fronts. It's a needed response, especially for external agents.

## BRAZIL

# National Congress

The work at National Congress in February will be around the election of theme-based committees at the Legislative, with pressure to negotiate high demands before the elections.

The Bolsonaro administration will likely double down on the agendas that further the legal limits on environmental issues, such as land regulation and mining.

The Senate will have a crucial role at climate and environment issues. Senator Rodrigo Pacheco, speaker of the House, has opted for a consensus method, which isn't favorable to anti-environment proposals. Since Pacheco will likely run for president, he will be more pressed over these issues.

## BRAZIL

# National Congress: projects on the table

- Environmental licensing (PL 2159/2021): likely to be a priority at the Environment and Agriculture Committees and going to plenary before the elections.
- Fuel: inflation pressure and price rising abroad put the theme in the center of discussions (and electoral discourse)
- Land regulation (PL 2633/2020): likely to be a priority at the Environment and Agriculture Committees and going to plenary before the elections.
- Carbon markets: dep. Carla Zambelli didn't defer her speaker opinion. The content issued in 2021 signaled a strong opposition towards the market regulation of emissions. There's still a chance of it being voted this year. The theme will appear during elections.
- Climate goal: PL from sen. Jaques Wagner, approved before the COP26, will be appraised. If approved, it can correct the brazilian NDC and force the current administration to review its international proposals (50% reduction by 2030)

## BRAZIL

# Elections

The main presidential candidates have been using words like “zero deforestation” and “low carbon transition”. However, it’s still early to evaluate proposals, since their programs just started being formed.

In the following months we will bring awareness to the signals given by the 5 main candidates from polls about low carbon transition and environmental issues (in January, we used the **IPESPE poll**, being the most recent one).

## BRAZIL

# Elections

- **Lula** (44% intention of votes): **defended** the legacy of large-scale hydropower construction in the Amazon. Promised to recreate the National Social and Economic Council (formed during his mandate), composed by members of society to suggest public policies.
- **Bolsonaro** (24%): celebrated the sanction of PL 4199/2020, Br Do Mar. Defendeu a PEC dos Combustíveis, que autorizaria presidente e governadores a diminuir/zerar impostos sobre combustíveis. Comemorou novos títulos de propriedade emitidos pelo Incra.
- **Moro** (8%): **criticized** institutional dismantling of environmental bodies and advocated union between agriculture and environment.
- **Ciro** (8%): **defended** the transition to low carbon (via reorientation of oil use and changes in the way of producing meat and other foods), but did not spell out in which **speed** would give and **highlight** natural gas as part of this process.
- **Doria** (8%): celebrated advances in the environmental agenda of the state of Sao Paulo as a mark of its management, such as the depollution of the Pinheiros River. Henrique Meirelles, possible Minister of Economy of Doria, **talked about** environmentally sustainable growth, incentive of private actions to accelerate zero-carbon economy, green fuels, preservation of the Amazon and standing forest value.



## BRAZIL & WORLD

# Legislation & deforestation-free trade

At least 4 major trading partners in Brazil are signaling the adoption of legal requirements regarding the traceability of deforestation in production chains: in the UK, law has already been passed and regulation is underway, holding even retailers whose shelves are "contaminated" accountable.

In the European Union, there is ongoing debate; in the United States, a Democratic senator from Hawaii has put forward a proposal and in China, there are talks indicating interest in the matter.

**The trend is the emergence and convergence of transparency standards and *due diligence* (audit) of chains potentially associated with deforestation, focusing on trade and investment.**

## BRAZIL & WORLD

# Legislation & deforestation-free trade

Given this pressure, Brazil will have to react, albeit with delay. Such a reaction is expected both in the current government and in the elections, when the majority candidates are expected to position themselves and present platforms to deal with it.

There are some initiatives such as:

- The Para government is moving forward with a "green stamp" pilot to stamp state production.
- MAPA gave a positive signal recently: it created a working group in January 2022 to discuss land use and environmental regularization, including here the issue of traceability.

So far, no presidential candidate has touched on the issue publicly.

In general, there is a lack of traceability policy in Brazil. Without this, we will continue to be guided – and increasingly strongly – by external laws and standards, the definition of which is alien to our interests and capabilities.

## INTERNATIONAL

# Conferences

- The presidencies of COP26 (UK) and Egypt (COP27) are organized to define priorities and unfold the agreements and sectoral declarations concluded in Glasgow - such as coal and the end of deforestation. As seen in the MEF meeting (discussed above in conjuncture), it is clear that methane, the coal transition and the end of deforestation are firmly on the agenda and should gain even stronger contours in this year's diplomatic and political calendar.
- The "climate clubs" approach is sprouting. That is, convergence of standards and regulations through sectoral agreements between countries. The tendency is that this arrangement so far only "conceptual" evolves. The new coalition that governs Germany has defend the agenda as a priority internationally.
- Brazilian environmental diplomacy will be charged on how it will internalize the commitments made and also in relation to the COP27 agenda, despite the internal electoral calendar.
- Diplomacy will be charged for positioning in the preparatory meetings for COP 16 (CBD), where countries are expected to establish the new global framework for biodiversity for the next decade. With the expectation of doing well before the OECD, it is expected to see changes in the performance of the Brazilian delegation that until then was trying to block advances and more ambitious goals for the new framework.

## ON THE RADAR - INTERNATIONAL

# Global energy crisis

In 2021, the energy crisis spread around the world, with the international price of oil, coal and gas growing by 95%. The United Kingdom has rewired its coal-fired power plants, gasoline prices in the United States have reached \$ 3 a gallon, blackouts have hit China and India, and the gas issue has warmed the heart of the Russia-Ukraine dispute.

Critics rush to attribute the crisis to the energy transition and ignite controversy around "Green inflation", that is, that renewables are behind the rising cost to consumers. **An analysis** the Carbon Brief shows that almost 90% of the increase in electricity bills in the UK last year was due to the rise in the price of gas, which more than tripled in the same period.

ON THE RADAR - INTERNATIONAL

## Global energy crisis

FATIH BIROL,  
DIRECTOR OF THE INTERNATIONAL ENERGY  
AGENCY (IEA) [LINKEDIN](#). JAN / 2022.



*“Unfortunately, we are once again seeing claims that volatility in the gas and electricity markets is a result of the transition to clean energy.*

*These statements are, to say the least, misleading. This is not a renewable energy or clean energy crisis; this is a gas market crisis.”*

## ON THE RADAR - INTERNATIONAL

# Global energy crisis

While today's market fluctuations cannot be attributed to climate policies, this does not mean that the path to net zero emissions will be smooth. There is an imminent risk of further market turmoil if clean energy investment does not grow enough to meet demand. According to the IEA, investment needs to triple globally by 2030 to put the world on track to limit global warming to 1.5 Celsius.

In Brazil, the controversy is being **imported**, now with experts wrongly indicating that, around here, our much more expensive electricity bill could be explained by the entry of more renewable energy into the mix. In fact, Brazilians are paying red tariff flag 2 due to the fact that thermals are being linked to cope with the water crisis and global warming. As the expert Gustavo Pinheiro said on *Folha de S. Paulo* "our inflation is a function of not completing the transition to low carbon, not the other way around.

## ON THE RADAR - INTERNATIONAL

# OCDE

Five years after Brazil's formal request, the organization for Economic Co-operation and Development (OECD) **approve** the beginning of negotiations for the entry of the country. In addition to Brazil, five other countries were invited to start negotiations.

In response, President Jair Bolsonaro **issued a letter** in which he states that “Brazil is ready to begin the process of accession to the OECD”. Joining the organization is one of the ambitions of the current government and puts it before its own contradictions.

The body imposes **the postulants** to the club the commitment to reducing deforestation and preserving biodiversity.

In a report published last year, unrelated to accession, the OECD **pointed out weaknesses** in Brazilian environmental policy. Thus, the perspective and the **pressure from civil society** it is that the country must change the course of its environmental agenda. And this process will not be completed under the current management.

We explained the process and investigated the matter, already with the results of an assessment carried out by Talanoa on the OECD, Brazil and the environment, in live held on February 2nd. **Check here.**

## ON THE RADAR - INTERNATIONAL

# European Union

France assumed the rotating presidency of the EU Council in January and announced that it will seek:

1. making the reversal of deforestation a non-negotiable condition for Brazil's entry into the OECD
2. negotiate an early agreement by the end of June to adopt a carbon border tax – a tax on goods imported from countries whose environmental standards are lower, also known by the acronym CBAM in English.



## ON THE RADAR - INTERNATIONAL

# European Union

About OECD, Brazil's entry game involves more than France and the European Union. But it is important to consider the veto role that a member can exercise in the process of accession of new members.

The political signal of CBAM may already be having the desired effect, as countries such as Brazil and Indonesia have started to consider domestic carbon pricing as a more reasonable option than the external one, on their exports. The very consideration of PL 528/2021 by Dep. Marcelo Ramos, on the part of industry sectors, previously very refractory to the price of carbon, reveals that they prefer to help define the rules of the game domestically to be subjected to non-tariff barriers from outside.

## ON THE RADAR - INTERNATIONAL

# United States

In an unprecedented decision, a federal judge invalidated the **largest offshore concession auction** history of the country, conducted last year, claiming that the **government has not taken sufficient account of the climate crisis**. An important signal is given to oil and gas companies by the US Court mandating that fossil auctions incorporate emissions derived from the use of fuels.

The White House faces difficulty moving forward with climate legislation and this could lead to changes in its administration.

The Biden administration's No. 2 climate negotiator, Jonathan Pershing, announced his **departure of Kerry's team**, generating expectations of Team change and perhaps even Biden's focus on the agenda.

- Pershing was an important interlocutor of the American government with Brazilian actors. At COP26, for example, he met with 3 states (ES, RS and MT) representing the Governors for Climate Coalition.

In January, Biden appointed a new ambassador to The Post in Brasilia - **Elizabeth Bagley**. She has worked with John Kerry.

## ON THE RADAR - INTERNATIONAL

# Road to COP27

On 27/1, there was a high-level ministerial meeting of the *Major Economies Forum (MEF)*, convened by the US to discuss alignments between governments on the climate agenda. Four potential paths to collaboration were discussed at the event:

- members of the MEF consider developing **national methane action plans** up until COP27;
- conducting a dialogue to identify the **types of domestic policies** which they can employ to **eliminate deforestation** supply chains of agricultural commodities;
- establishing a **collective goal** so that the portion of **new installed power capacity** by 2030 is provided by zero carbon sources; and
- establishing a **collective goal** so that a good portion of **sales of new light vehicles** by 2030 it will be serviced with zero-emission vehicles.

## ON THE RADAR - INTERNATIONAL

# Road to COP27 (cont.)

Brazil was represented by MMA. It is worth noting that MAPA created, in January, working groups to discuss the first 2 items of the list presented in the previous slide, although not exactly with the same orientation.

In any case, the sign that **methane should grow as an agenda** in COPs and international collections it is getting stronger.

And also that the end of deforestation is a domestic matter not only for Forest-owning countries, as importers of agricultural and forest products.

## ON THE RADAR - INTERNATIONAL

# Biodiversity Convention-CBD

After almost two years of delay, the CBD confirmed the preparatory meetings for COP 16 between 13 and 29 March, in person in Geneva. Delegations and observers will also be able to virtually follow the sessions.

The following meetings will be held: 24<sup>th</sup> Meeting of the SBSTTA (subsidiary body for Scientific, Technical and technological advice), 3<sup>rd</sup> Meeting of the SBI (subsidiary implementing body) and 3<sup>rd</sup> Meeting of the Working Group on the Global Biodiversity framework Post 2020 (WG2020 -3).

As for COP16 itself, scheduled for March/2022, it was once again postponed, due to the advance of the Omicron variant of COVID19. Still without a confirmed date, there is a forecast for it to occur between July and September/2022.

The Secretariat released the first draft of a new global biodiversity framework, available at: <https://www.cbd.int/article/draft-1-global-biodiversity-framework>. The new framework foresees 21 goals and 10 proposed milestones for 2030, on the way to 'living in harmony with nature' by 2050.

# CALENDAR 2022-national and international

- February 1st: National Congress - start of parliamentary year
- February 28: IPCC-publication of the report **Group II** (on impacts, adaptation and vulnerability)
- March 3rd to April 1st: elections-party window (change of acronyms without loss of mandate)
- March 13-29: preparatory meetings for CBD COP16 (**SBSTTA 24, SBI 3 and WG2020 3**)
- April 4: IPCC-publication of the report **Group III** (about mitigation)
- April 5: elections 2022 - deadline for disincompatibility of candidates holding public office (including ministers and governors)
- June 2-3: **Stockholm + 50**
- June 6-16: UNFCCC-intersessional negotiations
- June 23- STF-trial of the 'time frame' case concerning indigenous lands
- June 26-28: G7- Summit
- June 27 - July 1st: **Ocean** - II UN Conference
- June - **SBSTA ocean and Climate Change dialogue**, Bonn, Germany
- July 20-August 5: Elections - party conventions
- July to September: COP16 CBD in Kunming, China (no date set yet)
- From August 16: Elections - beginning of electoral season
- September 1st: IPCC - **6th Evaluation Report** (AR6-consolidated)
- September 13-20: 77 (UN General Assembly) in New York
- October 2nd-Elections: first-round votes
- October 17-19: Rio + 30 with a focus on Cities
- October 20-31: G20-Summit
- November 7-18-COP27 in Sharm El Sheik, Egypt



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## Initiative



## Support



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