

1 - Introduction

2 - Number of actions

3 - Analyses by type and by theme

4 - Analysis

5 - Trends

6 - Terms of usage and contact information

## **1 - Introduction**

This is the Monthly Outlook Report of the federal government's signals relevant to climate and environmental policies detected in MARCH 2021 by our Government Actions Tracker. We analyze *Federal Official Gazette* publications daily and classify relevant content using an actions typology we have developed which allows us to understand trends in the government's agenda. This current edition brings an outlook on the number of relevant actions, their types and a sector by sector analysis, followed by an assessment of the current political state in Brazil, and a discussion of the main trends for the coming month.

## **2 - Number of actions**

In March, our Government Actions Tracker identified **68 actions** relevant to environmental policy, agriculture and climate change from the Federal Executive Branch published in the *Federal Official Gazette*. The monitoring of actions from the Congress identified 26 proposals, including Bills of Law (PL) and Draft Legislative Decrees (PDL).

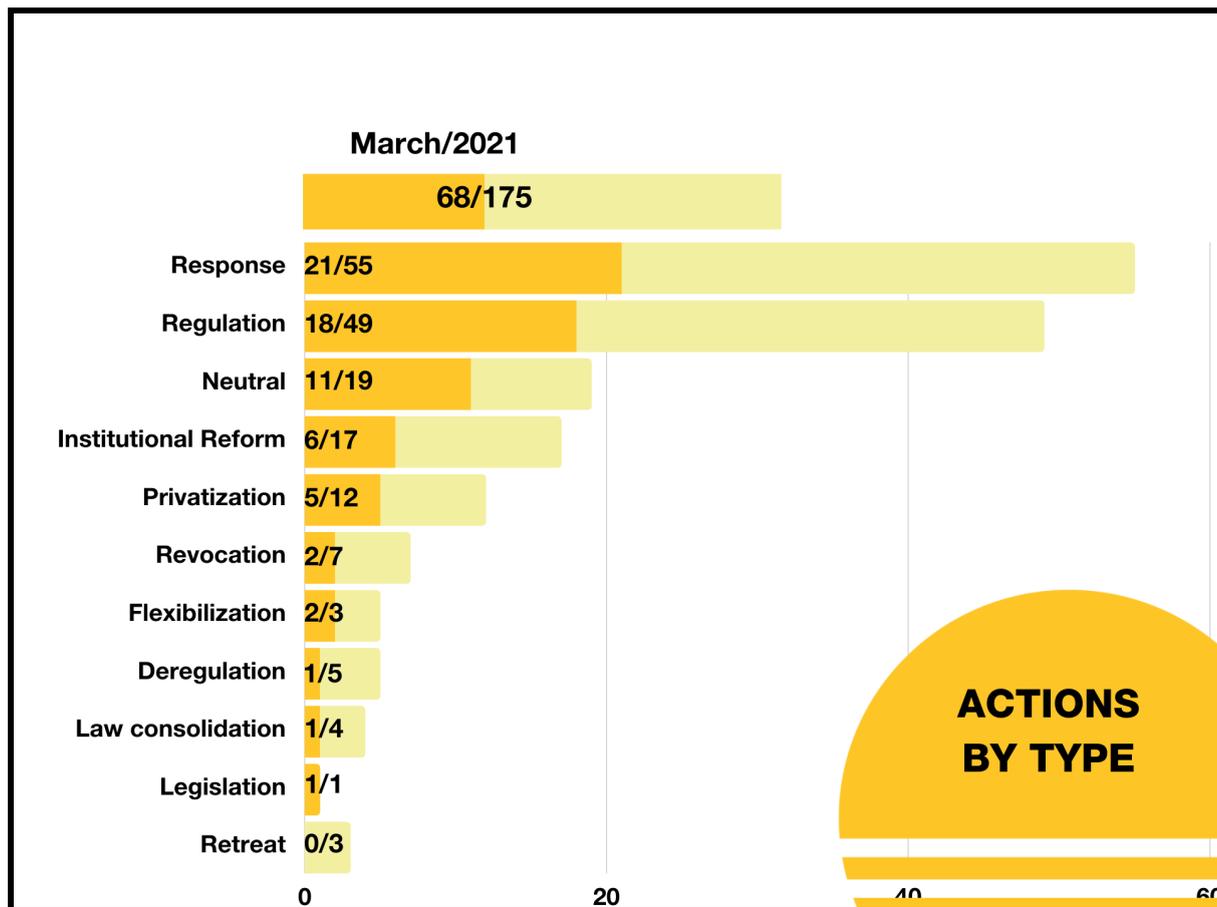
### **2.1 – Classification of Executive branch actions**

Regarding classification, among the 68 actions identified in March, the most common was Response, with 21 actions that, besides including norms related to disasters, also encompassed a publication of geographic coordinates of deforestation polygons, an extension of the use of the National Public Security Force (FNSP) to support the National Indian Foundation (Funai) and the extension of the use of the National Public Security Force to support the State of Mato Grosso do Sul in agrarian conflicts. Regulation ranked second, with 18 actions identified, including the communication of the selection of Federal Conservation Units in the Legal Amazon Region for the first phase of the *Adopt a Park Program*, and the publication of the program's notice for park adoptions. There were 11 norms listed as Neutral - which do not represent a signal of immediate relevance but remain on the radar for

constant monitoring and future reference. There were 6 Institutional Reform actions – among which we highlight the restructuring of technical advisory groups for action plans implemented by rectification and the creation of the Management Group of the General Coordination of Land Regularization (DFR). There were 5 Privatization norms, mostly related to the electricity sector, such as the inclusion of Eletrobras in the National Privatization Plan. Revocation, enforcing Decree 10,139/2019, which provides for the review and consolidation of normative actions lower in hierarchy than decrees, accounted for two norms this month, one from the Ministry for the Environment and another from the Ministry of Finance. Under flexibilization, deadlines were extended for submitting the Annual Report of Potentially Polluting Activities and Users of Environmental Resources (RAPP). And also the Notice. We identified a norm listed as Legislation referring to the passing, with the approved vetoes, of Law 14,119 on Payment for Environmental Services (PSA). Deregulation and Law Consolidation also accounted for one action each. The single norm listed as Deregulation was the establishment and qualification of the Environmental Licensing Support Policy for Investment Projects for the Production of Strategic Minerals (Pro-Strategic Minerals), within the Partnership for Investments Program (PPI). The single Law Consolidation action came from the National Mining Agency (ANM).

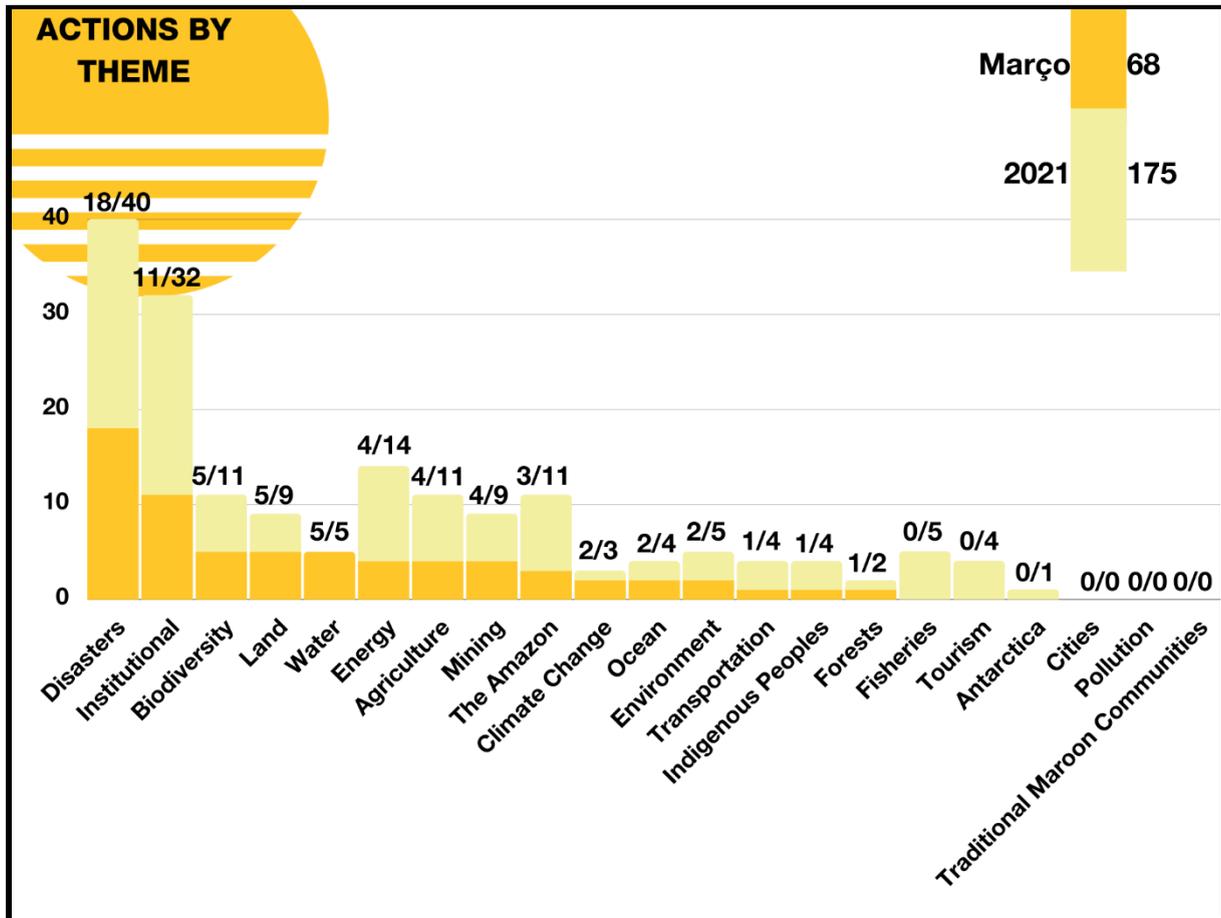
**Methodology Update:** Following our observations from monitoring Executive branch actions during 2019 and 2020, Política Por Inteiro's team deemed it necessary to reassess some of the norms listed as **Regulation**. A few measures listed as Regulation are not regulatory processes per se, rather being documents and guiding strategies like management plans, the creation of committees and working groups, the approval of programs and policies still without defined regulation, among others. Thus, a new classification type was included to address this group: **Planning**. Starting on 1st April 2021, this new type will be included in the [Government Actions Tracker](#), now with 12 classification types. The team will retroactively reassess actions tracked from January to March 2021. Data from 2019 to 2020, however, will not be changed. To assist in comparisons, we published [a table on our website](#) apart from the Government Actions Tracker, listing the 41 actions that fit – or will fit, in the case of those published in the first quarter of 2021 – under Planning.

To learn more about **Política Por Inteiro's Methodology**, visit: [politicaporinteiro.org/metodologia](http://politicaporinteiro.org/metodologia)



## 2.2 - Themes

The theme with the highest number of measures this month was Disasters, with 18 norms related to intense meteorological events like droughts and floods. Institutional followed with 11 norms, including the norm that changed the Common Rules of the National Congress to increase the number of Deputy Leaders from the Government and from the Minority at the National Congress. Five actions were listed under Biodiversity, most related to the Adopt a Park Program and to concession processes for Conservation Units. Five actions were also listed under Land, including the establishment of the *Regularize+ Program* and the Approval of the Operations Manual for the National Land Credit Program - *Terra Brasil*. Water also accounted for 5 actions, including the update of ANA's (National Water Agency) 2020/2021 Regulatory Agenda. Four actions were listed under Agriculture. Among these, we highlight the public consultation notice on sustainability criteria applicable to rural credit. Mining also accounted for 4 norms. Three actions were listed under The Amazon, among which the extension of the AGU's (General Attorney's Office) Task Force in Defense of the Amazon. We identified 2 actions for each of the following themes in March: Ocean, Environment and Climate Change. The norm on Climate Change is a Normative Instruction from Inmetro (National Institute of Metrology, Quality and Technology) that took into account the 2015 Paris Agreement and Brazil's Intended Nationally Determined Contribution - iNDC to establish energy efficiency criteria. The following themes accounted for one norm each: Forests, Indigenous Peoples and Transportation.



No actions were tracked in March for: Science, Cities, Pollution, Traditional Maroon Communities, Antarctica, Fisheries and Tourism.

All actions, their classification and implications may be checked on [our website](#), as well as the [methodology](#) developed by POLÍTICA POR INTEIRO.

### 3 - Analyses by type and by theme

#### Disasters

Eighteen emergency situations were acknowledged by the National Secretariat for Protection and Civil Defense of the Ministry of Regional Development (MDR). The Ordinances include many municipalities from all regions in Brazil. The most common meteorological events identified in March were drought and floods. POLÍTICA POR INTEIRO's team listed all these actions as Response, and they may be found on the [Government Actions Tracker](#).

#### Agriculture

Some highly relevant actions are listed under the “Agriculture” theme. We highlight Public Consultation Notice 82/2021 from the Brazilian Central Bank (BC). On 11 March, it placed on public consultation a proposal for regulation defining sustainability criteria applicable to projects financed through rural credit. According to the text, land within areas embargoed by Ibama (Brazilian Institute for the Environment and Renewable Natural Resources), land within areas embargoed by ICMBio (Chico Mendes Institute for Biodiversity Conservation), and land within permanent preservation areas, legal reserve areas or private reserve of natural heritage areas, are all eligible for rural credit. Even ventures “whose beneficiaries have been charged for informal or child labor in the last three years” fit into this category. We listed this action as flexibilization since, if passed in its original form, it may bring about a relaxation of preexisting norms. The public consultation is open until 25 April, and 24 contributions had already been made by the end of March.

[Act 13/2021](#) from the Ministry of Agriculture, Livestock and Food Supply (Mapa) is also very relevant, listing the approval of 27 Class I, Class II and Class III (hazard classification) pesticides. These include: 1 Class I pesticide – Extremely hazardous, 16 Class II pesticides – Highly hazardous, and 10 Class III pesticides – Moderately hazardous. This is the second norm approving pesticides in 2021. In February/2021, [Act 09/2021](#) listed the approval of 67 Class I, Class II and Class III (hazard classification) pesticides. POLÍTICA POR INTEIRO's team listed this norm as “regulation”.

#### Biodiversity

Many important actions were listed under “Biodiversity”.

[ORDINANCE MMA No. 73](#), from the Ministry for the Environment, makes public the selection of Federal Conservation Units in the Legal Amazon region for the first phase of the Adopt a Park Program, establishing as minimum reference values: I – for national companies, the minimum of BRL \$50 per hectare; and II – for foreign companies, the minimum equivalent to € 10 per hectare. There are many problems in the norm, such as the specificity related to companies (thus excluding private individuals, contrary to the decree that established the Adopt a Park Program), as well as the inclusion of a Conservation Unit that had been announced as Carrefour's

intention for "adoption", as signaled in specific content. PUBLIC CALL NOTICE No. 4/2021, publicizing the program's first notice, with norms for interested individuals and private companies (and no longer only for "companies", according to Ordinance MMA 73).

Adding up all deadlines for the rites of the program, a Conservation Unit may be adopted in about one month, already counting the time for the technical evaluation of the proposal, the analysis of competing bids, if any, and any eventual appeals. POLÍTICA POR INTEIRO's team listed both norms as "regulation", following the methodology that states that norms regulating/detailing another norm follow the same classification of the original norm. This means that these norms were listed under the same classification as the decree that established the *Adopt a Park Program*.

With TENDER NOTICE No. 1/2020, ICMBio (Chico Mendes Institute for Biodiversity Conservation) informed of the Public Session that took place on 30 March 2021 for opening and analyzing qualification documentation, aiming at selecting the most advantageous proposal for contracting a concession for revitalizing, modernizing, operating, maintaining and managing the areas of Aparados da Serra and Serra Geral National Parks. This stage of the process is the qualification of the group winning the concession, namely Construcap, from the State of São Paulo. The qualification was stopped due to an injunction from the Federal Regional Court of the 4th Region (TRF4) that halted procedures until the conclusion of consultations to Traditional Maroon Communities from the region, and of anthropological studies on the impact of concessions on these communities. Until the closing of this Monthly Outlook Report, no news or video recordings of the Public Session had been found. POLÍTICA POR INTEIRO's team listed this norm as "privatization".

ORDINANCE No. 116 of 11 MARCH 2021, from Inmetro (National Institute of Metrology, Quality and Technology), approves Conformity Assessment Requirements for Concessions in Public Forests. The aim of the regulation is to guarantee that requirements set forth in the Forest Concession Contract and in the Sustainable Forest Management Plan (PMFS) are met. The norm establishes that the conformity assessment shall be conducted by an Independent Forest Audit Body (OAF) with operations in Brazil and accredited by Inmetro. Requirements shall apply to public forest concession processes, and exclusions from the scope of coverage of these requirements are defined by the Brazilian Forestry Service (SFB) by specific normative act. The norm in force dated from 2012 and was revoked by this Ordinance. POLÍTICA POR INTEIRO's team listed this norm as "regulation".

The publication of a RECTIFICATION of Normative Instruction No. 21 of December 18, 2018 was important and controversial. It regulates the procedures for the preparation, approval, publication, implementation, monitoring, evaluation and review of National Action Plans for the Conservation of Endangered Species. The norm aligns the regulation with Decree No. 9,759 of 11 April 2019, which

extinguished and set forth guidelines, rules and limitations for collegiate bodies from the federal administration. Thus, the Technical Advisory Groups (GAT) of National Action Plans (PAN) for the conservation of endangered species are now governed by the regulation established by the April 2019 Decree, which drastically limited social control and participation in collegiate bodies from the federal administration. This rectification establishes that GATs will last for one year and will consist solely of federal public servants, limited to five members, and also of institutions invited by the group. The rectification does not specify criteria for selecting these institutions, nor how this process will run. The new text includes guidelines for meetings to be primarily virtual, among other topics we highlighted in an [analysis on our blog](#). This norm was listed as Institutional Reform.

## **Land**

Important norms were published under the "Land" theme.

The first is ORDINANCE SEDE/SPU/ME No. 2,519, of 2 MARCH 2021, from the Special Secretariat for Privatization, Divestment and Markets of the Ministry of Finance, establishing the Regularize+ Program, aiming at increasing the operational capacity of land title procedures and land tenure regularization of federal urban and rural areas managed by the Secretariat for Coordination and Governance of Federal Assets (SPU). The program will have two modalities:

- Social Interest Reurb (Reurb-S) – land tenure regularization applicable to informal urban nuclei mainly occupied by low income population, as stated by act of the Municipal Executive Branch
- Specific Interest Reurb (Reurb-E) – land tenure regularization applicable to informal urban nuclei occupied by population not qualifying for Reurb-S, applicable to urban and rural areas managed by SPU.

The program shall be implemented through agreements between Municipalities, States and the Federal District. There's a period of 90 days for the elaboration of the Operational Rules and the Planning and Inspection Manual for the program, counting from 10 March. POLÍTICA POR INTEIRO's team listed this norm as "regulation".

ORDINANCE MJSP No. 110 of 11 MARCH 2021, from the Ministry of Justice and Public Security, authorizes a 30-day extension of the use of the National Public Security Force (FNSP) to support the State of Mato Grosso do Sul, at the Municipalities of Caarapó/MS and Dourados/MS, for the prevention of agrarian conflict due to land tenure issues and other crimes. The FNSP has been in Caarapó since 2016, after the murder of an indigenous health agent in confrontation between indigenous people and farmers in rural areas. The National Public Security Force has been acting in Dourados since January, also due to the same type of conflict. POLÍTICA POR INTEIRO's team listed this norm as "response".

Lastly, ORDINANCE No. 392, of 23 MARCH 2021, from Incra (National Institute of Colonization and Agrarian Reform), created the Land Market Group (GMT), to coordinate, manage and execute data and information collection activities, aiming at maintaining a regular updated database of rural land prices for Brazil. The GMT will consist of public servants from the Headquarters and from each Regional Superintendency at the States. POLÍTICA POR INTEIRO's team listed this norm as "neutral".

## **Indigenous Peoples**

There were fewer actions in March regarding "Indigenous Peoples". We highlight ORDINANCE MJSP No. 96, of 1 MARCH 2021, from the Ministry of Justice and Public Security (MJSP), authorizing the extension of the use of the National Public Security Force to support Funai (National Indian Foundation) in activities and services necessary for the preservation of public order and the safety of people and property, in a planned fashion, between 1st March 2021 and 30 April 2021, at Enawenê-Nawê Indigenous Land, located in Juína (MT). This action is based on the barriers from the "Sanitary Barriers Plan for Isolated and Recent Contact Indigenous Peoples", from the Petition of Non-compliance with Fundamental Precept No. 709/DF, proceeding at the Federal Supreme Court (STF). POLÍTICA POR INTEIRO's team listed this norm as "response".

## **Energy**

Energy was a busy theme in March.

With a PRESIDENTIAL ORDER, the President approved Resolution 2/2021 from the National Energy Policy Council (CNPE), establishing guidelines for research, development and innovation for the energy sector in Brazil. The norm guides the Brazilian Electricity Regulatory Agency (Aneel) and the National Agency for Petroleum, Natural Gas and Biofuels (ANP) to allocate research, development and innovation resources to the following themes: I – hydrogen; II – nuclear energy; III – biofuels; IV – energy storage; V – technologies for sustainable thermoelectric generation; VI – digital transformation; and VII – strategic minerals for the energy sector. It also determines that within 60 days (counting from the publication of the norm, and after consulting the Ministry of Finance), the Ministry of Mines and Energy (MME) shall assess the possibility and form of allocation of research and development resources to: I – the Energy Research Office (EPE), for conducting studies on the energy sector; and II – studies for determining new locations for the installation of future thermonuclear energy generation plants. POLÍTICA POR INTEIRO's team listed this norm as "regulation".

DECREE No. 10,653, of 19 MARCH 2021, qualifies, within the scope of the Partnership for Investments Program of the Presidency (PPI), the following federal projects and initiatives from the energy sector: (i) 1<sup>st</sup>

2021 Transmission Auction; (ii) 2<sup>nd</sup> 2021 Transmission Auction; and (iii) 2021 Auction for supplying Isolated Systems. POLÍTICA POR INTEIRO's team listed this norm as "privatization".

The 1<sup>st</sup> 2021 Transmission Auction's bid notice was approved on 09 February 2021. According to the press, it is "scheduled for 30 June". According to a Federal Government website, it covers the States of Acre, Mato Grosso, Rio de Janeiro, Rondônia, São Paulo and Tocantins, with capacity for 524 km of lines and transformation capacity of 2,570 MVA.

The 2<sup>nd</sup> 2021 Transmission Auction 2021 is under study and will cover the States of Bahia, Paraná and Pernambuco, with capacity for 866 km of transmission lines and transformation capacity of 300 MVA, according to a Government website.

As for the 2021 Auction for Supplying Isolated Systems, the Notice was approved by the Brazilian Electricity Regulatory Agency (Aneel) on 23 March and, as announced, the "notice covers 23 locations from 22 Municipalities in five States: Acre (3), Amazonas (5), Pará (10), Rondônia (2) and Roraima (3). The total power required by these projects is 97.278 megawatts (MW)".

With ORDINANCE No. 10.653, of 19 MARCH 2021, Aneel informed, via NOTICE OF CALL FOR GENERATION AUCTION No. 3/2021 – ANEEL, that it will hold the 2021 Auction for Supplying Isolated Systems. The Auction Notice and its Annexes can be found at <http://www.aneel.gov.br/geracao4>. Requirements and other participation conditions are therein defined. The Auction shall take place on 30 April 2021, via Internet.

RESOLUTION CPPI No. 167, of 16 MARCH 2021, of the Investment Partnerships Program Council (CPPI) recommended including Centrais Elétricas Brasileiras S.A. (Eletrobrás) in the National Privatization Program (PND). This norm follows up on Provisional Measure No. 1,031, of 23 FEBRUARY 2021, that addressed the privatization of Eletrobrás.

POLÍTICA POR INTEIRO's team listed both norms as "privatization".

## Ocean

With ORDINANCE GAMBI No. 4.534 of 8 MARCH 2021, the Ministry of Science, Technology and Innovation established the Advisory Committee for the Decade of Ocean Science for Sustainable Development. The Committee is a scientific advisory forum for consultation to help the Ministry of Science, Technology and Innovation in planning, in implementing, in establishing partnerships with other institutions, and in the communication of actions associated to the various themes proposed by the "Decade of Ocean Science for Sustainable Development (2021-2030)", according to the Implementation Plan of the *United Nations Decade of Ocean Science for Sustainable Development 2021 – 2030*.

INTERMINISTERIAL ORDINANCE ME/MCTI No. 2,828 of 9 MARCH 2021 authorized the publicizing of activities to support the management of ocean research at the tactical and operational levels through a public call that shall take place in up to six months. This Ordinance enables the creation of the long-awaited Institute of the Sea, within the Ministry of Science, Technology and Innovation (MCTI). Researchers in the sector have been waiting since 2013 for the creation of the Institute of the Sea.

Both norms were listed by POLÍTICA POR INTEIRO's team as "regulation".

## Mining

In spite of the few actions identified in March for Mining, there was an important publication. With DECREE No. 10,657 of 24 MARCH 2021, the Presidency established and attributed to the Presidency's Partnership for Investments Program (PPI) the Environmental Licensing Support Policy for Investment Projects for the Production of Strategic Minerals (Pro-Strategic Minerals).

The aim of the program is to promote actions between public agencies to prioritize governmental efforts for the implementation of strategic minerals production projects for the development of the country. The Interministerial Committee for the Analysis of Strategic Mineral Projects (CTAPME) was created. It shall define, for supporting environmental licensing, mining projects that are considered relevant to the expansion of the domestic production of strategic minerals that will be part of the Pro-Strategic Minerals Policy. There's no representation from environmental entities at the committee.

Formerly, "Pro-Strategic Minerals" had been addressed by Resolution CPPI 126/2020, of August/2020, when the Investment Partnerships Program Council (CPPI) expressed a favorable opinion for the establishment of "Pro-Strategic Minerals". What's new this time is that it was determined that environmental entities remain fully responsible for conducting and deciding on the environmental licensing processes of projects eligible for the Pro-Strategic Minerals Policy. POLÍTICA POR INTEIRO's team listed this norm as "deregulation".

ORDINANCE ANM No. 751 of 10 MARCH 2021, from the National Mining Agency (ANM) publicizes the list of normative actions in force lower in hierarchy than decrees and addresses competencies and phases for the publication of review and consolidation of norms. POLÍTICA POR INTEIRO's team listed this norm as "law consolidation".

With BIDDING ROUND NOTICE No. 1/2021, "AVAILABILITY OF AREAS", ANM grants the right to request, with priority and with a specified deadline, research authorization or mining concession on areas included in the 3<sup>rd</sup> Round of Availability of Areas. Among the listed areas for research and mining activities, are included one in Humaitá/AM (9,955.36 ha) and another in Apuí/AM (7,053.53 ha), for gold. Both

municipalities are in the priority list for actions of prevention, monitoring and control of deforestation. These are two of the largest areas included in this round. There are also similarly large areas in the States of PA, MT, RO and TO, all part of the Legal Amazon. POLÍTICA POR INTEIRO's team listed this norm as "neutral".

## The Amazon

With the PUBLICATION OF GEOGRAPHIC COORDINATES No. 9/2021, Ibama (Brazilian Institute for the Environment and Renewable Natural Resources) released the coordinates of the centroids of deforestation polygons identified by satellite imagery and inspected during inspection actions, with formal Embargo, but without identification of the person responsible for the area of deforestation or fire. The norm lists an area in Manicoré (AM) and one in Novo Aripuanã (AM). POLÍTICA POR INTEIRO's team listed this norm as "response".

DECREE No. 10,658 of 24 MARCH 2021, changed the composition of the Deliberative Council of the Amazon Protection System (Consipam), now with ten members, after the inclusion of the Executive Secretary of the Ministry of Mines and Energy.

## Institutional

Many relevant actions were identified in March under "Institutional".

ORDINANCE MAPA No. 34, of 10 MARCH 2021, from the Ministry of Agriculture, Livestock and Food Supply (Mapa), regulates procedures related to access and treatment of information and documents within MAPA. Ordinance No. 34 revokes Ordinance No. 339, of 31 MAY 2013, that addressed the classification of the Ministry's confidential documents, and presents the new rules in its Annex. Documents remain divided in 3 classes: secret, ultra-secret and reserved, taking into account, however, the General Law on Personal Data Protection (LGPD) from 2018. POLÍTICA POR INTEIRO's team listed this norm as "institutional reform".

With ORDINANCE No. 151, of 10 MARCH 2021, ICMBio delegated to the Director of Research, Evaluation and Monitoring of Biodiversity, the competence to grant prior authorization to the publication in journals, specialized media, events proceedings and the like, of manuscripts, texts and scientific compilations produced within and for the Institute. Requests shall come with a statement of responsibility, following the model from the Ordinance's Annex. The Brazilian Society for the Progress of Science (SBPC) issued a note contrary to this initiative, also considered as prior censorship by the press and the specialized media. POLÍTICA POR INTEIRO's team listed this norm as "regulation".

With ORDINANCE MMA No. 111, of 12 MARCH 2021, the Ministry for the Environment (MMA) established a Monitoring and Assessment Committee to assess and monitor partnerships with civil society organizations. The committee's purpose

is to monitor partnerships, improve procedures, prioritize results control, and assess and approve reports of technical monitoring and assessment of MMA partnerships. Similar Committees are already present in other entities/ministries, like ICMBio, Ministry of Women, Family and Human Rights and Ministry of Citizenship, being regulated by Federal Decree 8,726/2016. Anyone who, in the last five years, has participated as an associate, member, director, adviser or employee of Civil Society Organizations shall be barred from participating in the committee. The Committee must also include at least one civil servant holding a permanent position or permanent employment with the federal administration. POLÍTICA POR INTEIRO's team listed this norm as "regulation"

ORDINANCE NO. 336, of 15 MARCH 2021 established, within the National Institute of Colonization and Agrarian Reform (Incra), the Managing Group for the General Coordination of Land Tenure Regularization (DFR). The group shall support DFR actions and activities. It will consist of Incra staff members knowledgeable on the institution's land tenure regularization actions. The norm still establishes that nominated members from Regional Superintendencies shall be listed on Sigef Titulação (Land Management System – Sigef) as Administrator and National Analyst, according to regulations from *Programa Titula Brasil* (Brazil Land Title Program).

Since it addresses the creation of a group to support the activities of one of Incra's coordinations, POLÍTICA POR INTEIRO's team listed this norm as "institutional reform".

With RESOLUTION No. 1/2021-CN, the National Congress amended article 4 of Resolution No. 1/1970-CN, that "approved the Common Rules of the National Congress", establishing that the Government leader may nominate up to 18 Vice-Leaders among members of party representations that support the government. According to the previous text, the Government leader could nominate three vice-leaders. Still, the norm added to the Common Rules the possibility for the Minority Leader to nominate 18 vice-leaders among members of party representations that make up the Minority at the Senate and the Chamber of Deputies. POLÍTICA POR INTEIRO's team listed this norm as "institutional reform".

## **Climate change**

We highlight two among the few "Climate Change" norms identified in March.

ORDINANCE No. 42, of 24 FEBRUARY 2021, from the National Institute of Metrology, Quality and Technology (Inmetro) approved the Normative Instruction related to energy efficiency classification criteria and methods. The norm refers to the National Energy Efficiency Plan, from 18 October 2011, emphasizing that the reduction in energy consumption by buildings is part of the commitments undertaken by Brazil in the ratification of the 2015 Paris Agreement, withing the United Nations Framework Convention on Climate Change (UNFCCC). Among its

justifications, it quotes Brazil's Intended Nationally Determined Contribution (iNDC), that includes actions for increasing energy efficiency for equipment and buildings and reaffirms the National Energy Plan's goal of 10% consumption reduction by 2030.

With ORDER ANP No. 351, of 26 MARCH 2021, the National Agency of Petroleum, Natural Gas, and Biofuels (ANP) publicizes the compulsory individual goals for fuel distributors for GHG emission reductions, in force until 31 December 2021. The 2021 goals are set in units of Decarbonization Credits (CBIO) and calculated based on the compulsory yearly goals defined by Resolution CNPE nº 8/2020. Differently from last year's individual goals, the 2021 norm includes an "Individual 2019+2020 unmet goals" column. According to the norm, the amount of unmet CBIOs for distributors that did not prove full compliance with their goals for 2019 and 2020 was added to their respective 2021 goals. POLÍTICA POR INTEIRO's team listed this norm as "neutral".

## **Forests**

There were few actions on "Forests" in March. We highlight ORDINANCE MMA No. 109, of 24 MARCH 2021, from the Ministry for the Environment (MMA), that institutes the modality Forest+ Entrepreneur, having as a guideline fostering entrepreneurship aimed at payment for the provision of environmental services, understood as the set of activities for the improvement, recovery and conservation of native vegetation in all biomes. The new pillar of the Forest+ Program aims at fostering: (i) training of individuals or companies so that they develop enterprising skills, projects and behaviors that allows them to gain access to economic opportunities related to the program's objectives; (ii) enterprising actions with the potential to add value to the market of payments for environmental services. The Forest+ is a program created by the MMA via Ordinance 288/2020, aiming at (i) fostering the private market of payments for environmental services in areas with native vegetation coverage; and (ii) articulating public policies of conservation and protection of native vegetation and of climate change. POLÍTICA POR INTEIRO's team listed this norm as "regulation".

## **4 - Analysis**

### **Political articulation**

**Committees:** After successful political articulation between the president of the Chamber of Deputies, Arthur Lira (PP-AL) and President Jair Bolsonaro, the presidencies of the Committee on the Environment, the Committee on Agriculture, and the Committee on the Constitution, Justice and Citizenship of the Chamber of Deputies are under the command of three PSL Representatives: Carla Zambelli, Aline Sleutjes and Bia Kicis, respectively. This represents a major risk of progress of proposals considered as priorities for the government, such as the Bills of Law on

land tenure regularization, on mining in indigenous lands and on environmental licensing. In an attempt to raise awareness to the dangers of these and other backward initiatives, and to appeal for the non-approval of such proposals, over 250 civil society organizations presented a letter to the presidents of the Chamber of Deputies and of the Senate, Arthur Lira (PP) and Rodrigo Pacheco (DEM), respectively.

**Ongoing**

**Adopt a Park:** In March four “protocols of intentions” were signed between interested parties and the MMA (Ministry for the Environment) to adopt one of the 132 Conservation Units listed for the program. In February, during the Program’s official launch, Carrefour had also signaled its interest:

Interested Party	Conservation Unit	Date of signature of the protocol of intentions
Genial Investimentos	ARIE Projeto Dinâmica Biológica de Fragmentos Florestais (AM)	02/March
Coopecredi Guariba	São João da Ponta Extractive Reserve (PA)	17/March
Geoflorestas	Chocoaré-Mato Grosso Extractive Reserve (PA)	25/March
Cooperativa Agroindustrial (Coplana)	ARIE Seringal Nova Esperança (AC)	29/March
Carrefour	Lago do Cuniã Extractive Reserve (RO)	09/February (signed last month)

Regarding the “protocols of intentions”, we prepared [exclusive material](#) with comments on the fragility of this kind of document, especially concerning the methodology set forth by Federal Decree 10,623/2021 that established the Program. It is worth mentioning that, of the 5 UCs (Conservation Units) "adopted" so far, none of them is a "park". Three are "extractive reserves" where there is a differentiated management regime. Thus, we acknowledge two letters from extractivist social movements that have been sent: one from the National Council of Extractivist Populations (CNS) to the Minister for the Environment requesting, among other things, "the immediate exclusion of all Extractive Reserves from the Adopt a Park Program, established by Decree No. 10,623/2021, amending Ordinance MMA No. 73/2021, in order to remove all Extractive Reserves from its Annex"; and another letter signed by various social movements and NGOs (totaling 45), sent to congressmen, asking for "measures to be taken to revert the threat to Conservation Units in Brazil so that there is a model of public management of Units that fosters the strengthening of environmental management entities in a democratic fashion, with participation of populations from the Conservation Units such as Traditional Maroon Communities, extractivist populations, riverside populations and indigenous

peoples", referring to *Adopt a Park Program* and to the *Presidency's Investment Partnerships Program (PPI)*.

**New proposals in Congress:** POLÍTICA POR INTEIRO's Legislative Initiatives Database, a tool for monitoring new Legislative proposals related to the environment and climate change, captured 26 relevant projects in March, including 20 Bills of Law, such as PL 835/2021, by Congressman Mário Heringer (PDT/MG), which aims to amend the Brazilian Public Procurement Law (Law No. 8,666/1993) to establish a tie-breaking criterion in bidding processes for the company that offers proof of climate change mitigation; Bill of Law PL 836/2021, by Senator Fabiano Contarato (Rede/ES), aiming to establish parameters on the commercialization of gold, to prevent panning; and Bil of Law PL 880/2021, by Congressman Nilto Tatto (PT-SP), to institute the National Policy for the Promotion of Food and Products of the Sociobiodiversity of Traditional Peoples and Communities, among others. Six Draft Legislative Decrees (PDLs) aiming at stopping acts by the Federal Executive Branch were also captured: 3 PDLs by the initiative of Representatives/Senators from PT (Labor) and PV (Green) parties opposing Joint Normative Instruction No. 1, of February 22, 2021, by Funai and Ibama on environmental licensing in Indigenous Lands; 1 PDL by the initiative of PSOL to stop the Pre-public notice of the 17th Round of Concession of Exploratory Blocks for the Production of Oil and Natural Gas of ANP; 1 PDL by the initiative of the PSB to stop the effects of the decree that instituted the Policy for Supporting Environmental Licensing of Strategic Pro-Minerals; and 1 PDL by the initiative of PSOL to stop the effects of Ordinance No. 151, of 10 March 2021, of ICMBio, to submit publications produced within the scope of the institute to the prior authorization of the Director of Research, Evaluation and Monitoring of Biodiversity.

**Land tenure regularization in Congress:** Bills of Law PL 2633/2020, at the Chamber of Deputies, and PL 510/2021, by Senator Irajá (PSD/TO), at the Senate, considered priority for the Government and the agro sector, are advancing. PL 2633/2020 was presented in May last year by Congressman Zé Silva (SOLIDARIEDADE/MG), aiming to change Law No. 11,952 / 2009, along the same lines as MP 910, the "Land Grabbing Provisional Measure", with Bosco Saraiva (SOLIDARIEDADE-AM) as rapporteur. The new Bill of Law alters the occupation date of properties subject to regularization from 2008 to 2012, in addition to expanding the area subject to regularization to 2,500 hectares, the limit beyond which the seizure of public lands is subject to authorization by the National Congress, and provides on the exemption of prior inspection of the area to be regularized, with the possibility of it being carried out by means of a statement from the occupant himself, further reducing red tape. Bill of Law 510/2021 received amendments from Senators Zequinha Marinho (PSC/PA), Luis Carlos Heinze (PP/RS), Acir Gurgacz (PDT/RO) and Marcos Rogério (DEM/RO).

**Reforms in Congress:** Constitutional Amendment Proposal (PEC) 32/2020, addressing the Administrative Reform, sent to the Chamber of Deputies by the federal government on 3 September 2020, is at the Committee on the Constitution,

Justice and Citizenship (CCJC). Congressman Darci de Matos (PSD- SC) was appointed as rapporteur. It is worth remembering that the possible merger between Ibama and ICMBio may be included in the scope of this Reform. During a CCJC meeting, the agenda was obstructed by opposition congressmen, who argued that only proposals related to combating the pandemic should be analyzed. No progress has been made on the Tax Reform, via PEC 45/19 (Chamber of Deputies) and PEC 110/19 (Senate). The work of the Joint Tax Reform Committee was extended for another month by the Congress. Green and climate issues may be addressed by the Reform, through proposals prepared by 12 civil society organizations (and networks) coordinated by the Collaborative Advocacy Network (RAC), in collaboration with the work of the Environmentalist, the Green Economy, and the SDGs, Indigenous Rights parliamentary fronts and other fronts related to sustainability and economics themes, aiming at improving the texts under discussion in the Committee. The proposals do not imply an increase in the tax burden and are in line with the Paris Agreement and national policies on the Environment, Forests, Biodiversity and Indigenous Peoples and Traditional Populations.

**Proposals moving forward in Congress:** Congress decided to fully maintain partial Veto 51/2020 to Bill of Law PL 550/2019, which provides for dam safety. Bill of Law [PL 4199/2020](#) (BR of the Sea), which aims to expand the fleet and stimulate the development of the coastal shipping industry, and [PL 5518/2020](#) on forest concessions are also advancing in Congress. In addition, the Water Constitutional Amendment Proposal ([PEC 4/2018](#)) was approved at the Senate Plenary, to include, in the Federal Constitution, access to drinking water among the fundamental rights and guarantees, and is now being analyzed by the Chamber of Deputies.

**Natural Gas:** The Gas Regulatory Framework (PL 4,476/2020), which addresses measures to foster the Natural Gas Industry and amend Law No. 11,909, of 4 March 2009, was sent to presidential sanction on March 18, after the amendments proposed by the Senate were rejected at the Plenary of the Chamber of Deputies.

**Composition of Conama is questioned:** The Judgment of ADPF 623 (Petition of Non-compliance with Fundamental Precept) began, referring to the composition of the National Council for the Environment (Conama). ADPF 623 questions Federal Decree 9,806/2019, which changed the composition of the National Council for the Environment (Conama), reducing the representativeness of civil society, as well as removing important sectors, such as science. Having Judge Rosa Weber as rapporteur, the action has four votes in favor of recognizing the unconstitutionality of the decree (Judges Rosa Weber, Luiz Edson Fachin, Alexandre de Moraes and Marco Aurélio). However, Judge Kassio Nunes Marques request examination of the records, thus suspending the trial. There is no deadline for resumption. Nunes Marques is the only STF (Federal Supreme Court) Judge appointed by President Jair Bolsonaro so far, due to the retirement of Judge Celso de Mello. Once ADPF 623 returns to the Plenary, there is a prospect that Federal Decree 9,806/2019 will be declared unconstitutional.

**Parque Nacional de Jamanxim:** Judge Alexandre de Moraes, of the Federal Supreme Court (STF), determined the suspension of the effectiveness of Law 13,452/2017, resulting from the conversion of Provisional Measure 758/2016, which changed the limits of the Jamanxim National Park. In the same Direct Action of Unconstitutionality (ADI) 6,553, filed by the Rede Sustentabilidade Party, he determined the suspension of actions related to Ferrogrão, especially those pending at the National Land Transport Agency (ANTT), at the Ministry of Infrastructure and at the Federal Court of Accounts (TCU). Moraes understood there is a plausibility of the risk of irreversible effects that, subsequently, could not be affected by an eventual declaration of unconstitutionality. This understanding was based on: (i) there is an apparent reduction in the level of environmental protection resulting from the exclusion of about 862 hectares from the Jamanxim National Park; and (ii) the issuance of provisional measures does not satisfy the formal legal requirement for the amendment or modification of matters submitted by the Federal Constitution to a more rigid and stable regime.

### **Rehearsal**

**Sustainability criteria for rural public financing:** The Central Bank (BC) placed under public consultation a proposal for regulation defining sustainability criteria applicable to projects financed through rural credit. This is the first delivery of the “Sustainability” dimension of the BC# Agenda launched last year. Initiatives related to the concept of sustainable finance have occupied an increasingly prominent position on the agenda of central banks and financial regulators around the world, which have been adopting measures aimed at reducing the exposure of market agents to socio-environmental and climatic risks. The proposal was severely criticized by economic agents and the civil society, as it opens loopholes in relation to existing restrictions and brings little legal certainty for banks. Consultation is open until 25 April.

**Carbon Market:** In the beginning of the month, the Frente Ambientalista (Environmentalist Front) [discussed](#) PL 528/21, by Congressman Marcelo Ramos (PL-AM). Urgency was later requested for PL 528/21. However, the request has not been considered yet since the agenda of the Congress is now focused on measures relative to responses to the pandemic.

**Bioeconomy:** The Inter-American Development Bank (IADB) announced a fund of up to US\$1 billion to finance sustainable projects in the Amazon. President Bolsonaro and Minister of Finance Paulo Guedes attended the launch event. However, the mechanism will only have funds if there is investment from the countries who "own" the IADB. So far, not even Brazil is in favor of capital increases.

**Pesticides:** Ruralists see [PL 6299/02](#), the “Poison Bill of Law”, proposed by Blairo Maggi, as an opportunity for moving forward amid the new configuration of the Chamber of Deputies.

**Climate Fund at the Federal Supreme Court (STF):** Transcriptions of public hearings from 21 September 2020 and 22 September 2020 were added to ADPF 708 (Petition of Non-compliance with Fundamental Precept), referring to the operation of the National Fund on Climate Change (Fundo Clima) and public environmental policies. With this information available, it is possible that Judge Luís Roberto Barroso (rapporteur of ADPF 708) may finally move towards the judgment of ADPF 708.

**More on Climate Fund at the STF:** determined that authorities responsible for the actions questioned should provide information before it is taken to a Plenary Session.

ADPF 814 (Petition of Non-compliance with Fundamental Precept), proposed by the Brazilian Association of Members of the Public Prosecutor's Office for the Environment (Abrampa), was filed, questioning Federal Decree 10,143/2019 and Ordinance MMA 575/2020, which altered the composition of the Steering Committee of the National Fund on Climate Change (Climate Fund) and its deliberative procedure. Abrampa argues that the changes reduced the transparency of the deliberative process of the collegiate body and its representativeness, violating the principles of federation, democracy and popular participation. An injunction was requested for the immediate suspension of the decree and the ordinance. Judge Gilmar Mendes (rapporteur for the case) ordered authorities responsible for the acts being questioned to provide information before the matter is judged in the Plenary

### **Crises/Steps back/Controversy**

**Budget:** The 2021 Budget was approved at the Congress without considering proposals by Congressman Nilto Tatto (PT-SP), from the sector report of the Joint Budget Committee, to increase the Ministry for the Environment's budget. The figure proposed by the government was maintained. This is the lowest budget for the Ministry for the Environment since 2000: R\$1.79 billion. It is R\$1.09 billion less than the budget for 2019.

**Convention on Biological Diversity (CBD):** The much awaited COP15, that will negotiate the new goals for the planet to try to contain the losses on biological diversity for the next decade, was once again postponed. It shall take place on 11 to 24 October 2021 in Kunming, Yunnan, China.

**Plan for Deforestation Control:** The Operational Plan of the National Plan for the Control of Illegal Deforestation and Recovery of Native Vegetation 2021/2023 was updated on 25 March. We [analyzed](#) all the updated points. We highlight that one of the main changes was in the "Zero Tolerance" axis. The "daily availability of native vegetation suppression hotspots for prevention and control of deforestation" was among the expected outcomes. After the update, the expected outcome became "information and inputs made available to Operation Green Brazil 2020". Thus, the expected outcome of monitoring deforestation in Brazilian biomes is now to send

information to Operations for Guaranteeing Law and Order (GLO). However, the plan is effective until 2023, and GLO Operations are expected to end in April, leaving a gap in the continuity of the plan.

### **Fighting Covid-19 for indigenous peoples and hetero-identification:**

In the scope of ADPF 709 (Petition of Non-compliance with Fundamental Precept), Judge Luís Roberto Barroso partially approved the General Plan for Confronting COVID-19 for Indigenous Peoples. He pointed out that, even if it contained issues, his decision for its partial acceptance was due to the seriousness and urgency of the crisis. Among the points raised, it was determined that priority should be given to vaccination for indigenous peoples located in non-approved lands and urban indigenous peoples without access to the Unified Health System (SUS). In the same decision, Judge Barroso suspended Resolution No. 4/2021 of Funai (National Indian Foundation), due to unconstitutionality, unconventionality and violation of the injunction previously granted by the judge. Judge Luís Roberto Barroso made harsh criticisms of the Funai norm, which determined criteria for the hetero-identification of indigenous peoples: “(...) Funai should know (*that*) and comply (*with*) (...) the fundamental criterion for the recognition of indigenous peoples, which is self-declaration. The presence or not in homologated territory is irrelevant and was excluded by the decision as an element of identification”. It appears, therefore, that there is a prospect of significant progress on the indigenous issue.

### **On the radar (international agenda)**

**Race toward Zero Emission:** Aiming at zeroing the balance of GHG emissions, JBS (the world’s largest animal protein company) announced a global commitment of [becoming Net Zero until 2040](#), ten years before the deadline established by the UN. They will invest US\$1 billion.

**BNDES Green Bonus:** With support from the Inter-American Development Bank (IADB), BNDES (Brazilian Development Bank) launches the Sustainability Bond Framework (SBF) document to foster the issuance of green, social and sustainable bonds. Nine categories are addressed: six green categories (1. renewable energy, 2. energy efficiency, 3. sustainable management of water, grey water, and sanitation, 4. pollution prevention and control, 5. clean transportation and 6. environmentally sustainable management of living natural resources and use of land) and three social categories (1. health, 2. education and 3. support to micro, small and medium enterprises and microcredit).

**COP26:** Ricardo Salles, Minister for the Environment (MMA) announced various meetings with foreign representatives – including ministers and ambassadors – in March. There is a demand from the Ministry for the Environment for COP26 negotiations to calibrate NDCs considering resources (funding and market instruments). So far, such demand is not being followed by coalitions like BASIC or the Group of 77 and China, which may mean that, at the moment, there is no broader negotiation strategy. Nonetheless, the MMA’s plea was taken to COP26 president Alok Sharma, and is being considered in bilateral conversations between Brazil and the US.

**Continuation of Brazil-US talks on climate change:** The US government has given a statement to the Brazilian press indicating that it will only provide payments/financing to Brazil upon proof of results in the reduction of deforestation in the Amazon. Since taking office in January, this was the first hardest signal given by the Biden administration in relation to Bolsonaro.

**Biden's Foreign Policy:** The United States officially returned to the Paris Agreement on 20 February. In this context, the intensification of US preparations for a new NDC before 22 April should be noted. On 22 April Biden will bring together world leaders at a summit of the largest global emitters. Biden pledged to improve environmental and climate indicators in order to put pressure on other countries to do the same at the international level. It is important to monitor future comparisons between the goals to be assumed by countries. At the event, there is an expectation that some US cooperation with Brazil will be announced (depending on the evolution of bilateral talks until then, as stated above).

## 5 - Trends

The financial sector's greening agenda continues in full swing, with consultations opened by the Central Bank (BC) on rural credit until 23 April, and also the launch of the Alliance of SDBs (Subnational Development Banks of Latin America), scheduled for 6 April. SDBs are key players in accelerating access to the necessary resources from local governments to provide services and infrastructure in line with the Sustainable Development Goals (SDGs).

The Armed Forces' Operation for Guaranteeing Law and Order (GLO) in the Amazon comes to an end on 30 April. After the third extension of the Operation with [Decree No. 10.539](#), in November, [Vice-president Hamilton Mourão affirmed there would be no more extensions](#), without discarding the deployment of the Armed Forces in the future. So far, no plan has been communicated with actions for combating and controlling deforestation in the biome after the military leave. Mourão mentioned prioritizing action in 11 municipalities where, according to him, there is more deforestation. However, neither actions nor any goals were specified.

Something can come out of the pressure that has been exerted by external agents, from governments to financial actors. On the 22nd and 23rd, the Leaders Summit on Climate will be held, convened by Joe Biden, as stated in the previous section. Bolsonaro was one of the 40 invited leaders. The United States has stated that it expects plans to be presented with concrete actions and objectives. Ricardo Salles, minister for the Environment, has represented the Brazilian government on conversations. It is not known how programs that, for the time being, have been shown to be more marketing instruments than changes in environmental and climate issues in Brazil (such as *Adopt a Park*), can convince global players.

In the midst of these negotiations, the real impacts of the change in command of Itamaraty (Ministry of Foreign Affairs) are unknown. The new foreign minister, Carlos Alberto França, is seen as a more conciliatory and less controversial figure than his predecessor, Ernesto Araújo. However, the proximity to Congressman Eduardo Bolsonaro - it is rumored the latter was responsible for França's indication - raises concern. Regarded as inexperienced, for instance, for not yet having been in charge of an embassy, França earned the Presidency's trust by serving in Protocol and by directly advising the president. França was thought to be the most moderate among the names considered for the position at the Ministry of Foreign Affairs. Among the candidates, he was the favorite among Congressmen, who played a crucial role in the fall of Araújo. It remains to be seen whether Brazil's foreign policy will resume its historical trajectory, back on track to its guidelines of State policy - and not as government policy feeding on paranoia and conspiracy theories.

The dynamics of action of Salles and França will have a direct impact on the possible path of recovery for Brazil's image in face of the successive wear and tear it has undergone - due to the evident losses in democratic indicators; due to inaction in relation to combating deforestation and other mitigation measures; and, at this moment, above all, in the total lack of control of the Covid-19 pandemic in the country, becoming, in addition to a national tragedy, a global threat.

## **6 - Terms of usage and Contact information**

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