

## **ACTIONS FOR PROMPT DEFORESTATION HALT**

The Brazilian Coalition on Climate, Forests and Agriculture, movement formed by 200+ representatives from agribusiness, financial sector, civil society and academia, presents strategic actions seeking fast, permanent reduced deforestation, especially in the Legal Amazon.

This short-term reduction - in a few months' time - is critically important for Brazil. Not only because of the advanced social and environmental losses involved, but also due to the threat that forest destruction in the region poses to national economic issues. There is a clear, growing concern from different national and international society sectors with the advanced deforestation.

In the past few weeks, unprecedented mobilizations by investors and entrepreneurs have been announced. For example, Brazilian Embassies in eight countries received a statement of international investors about their concerns with environmental issues in the country. In addition, CEOs and sectoral entities also addressed Vice-President Hamilton Mourão, the Parliament and the Supreme Court with a statement requesting an end to deforestation in the Amazon. Those demonstrations were also followed by a letter of former finance ministers and former Central Bank presidents to President Jair Bolsonaro. Brazil's three largest private banks sent the government a plan for the Amazon.

Since its foundation<sup>1</sup> in 2015, the Coalition has been working to halt forest destruction in the Legal Amazon. Given the seriousness of the current situation, its members propose a set of actions for the effective reduction of deforestation in the short term. There is a total of six proposed actions that seek to intervene in the advanced deforestation causes.



#### TO RESUME AND ENHANCE-SURVEILLANCE, WITH RAPID AND EXEMPLARY ACCOUNTABILITY OF IDENTIFIED ENVIRONMENTAL ILLEGALITIES

In order to resume and enhance enforcement actions, it is necessary to support and expand the use of intelligence and expertise of Ibama (Brazilian Institute of Environment and Renewable Natural Resources), ICMBio (Chico Mendes Institute for Biodiversity Conservation) and Funai (National Indian Foundation), aiming at holding offenders accountable for environmental crimes through agile, broad and efficient punishment. In this sense, full compliance with applicable law, including infield destruction of equipment used by environment criminals is important. The use of technology to implement this action is also crucial. Resuming Ibama's Remote Control Operation<sup>2</sup>, successfully implemented in 2016 and 2017. should be strongly considered. Rationale: The government's performance, in its task of enforcing environmental law, has historically resulted in rapid and regional reduced deforestation in the Amazon. The environmental enforcement agencies have had successful experiences. Operation Remote Control, for example, is efficient in remote notification of rural landowners and squatters who illegally deforest. Notifications and embargoes can be carried out simply and almost automatically, by crossing deforestation data with information from official databases, such as: the Rural Environmental Registry System (SICAR, in the Portuguese acronym) or Land Tenure records (which allow the identification of the land holder) and Vegetation Suppression Authorizations (ASV, in the Portuguese acronym). There are over 70,000 reports available that apply this methodology in the system MapBiomas Alerta, which was developed in cooperation with Ibama . The methodology used in this operation is similar to that recently proposed by the Ministry of Agriculture for land settlement in the Amazon, an even more complex issue than the remote embargo on illegally deforested areas and the accountability of violators.

The fight against deforestation was the subject of several <u>public manifestations</u> of the Coalition and is also addressed in the main documents of the initiative, including the <u>2030-2050 Vision</u>: <u>The Future of Forests and Agriculture in Brazil</u>.
Loss, H.F.N, R.L. de Oliveira, W.R. Rocha, A.P. Rodrigues. 2020. Teoria da Fiscalização Integral: uma ferramenta de combate ao desmatamento na Amazônia. Mongaby



### TO SUSPEND RURAL ENVIRONMENTAL REGISTRY (CAR, IN THE PORTUGUESE ACRONYM) COVERING PUBLIC FOREST AND ACCOUNTABILITY FOR ANY ILLEGAL DEFORESTATION

To proceed with the immediate suspension, in the Rural Environmental Registry System (SICAR), of records overlapping public forests areas (conservation units, indigenous lands, unsettled public forests, etc.) listed in the National Registry of Public Forests (CNFP, in the Portuguese acronym) of the Brazilian Forestry Service. **Rationale:** According to Law No. 11,284/2006, forests in public areas can only be used for sustainable use by allocating them to protected areas (indigenous lands, Conservation Units etc.) and to community use (such as quilombola<sup>3</sup> territories) or forest concession through bidding. The CAR records on public forests are therefore irregular and must be suspended until it is fixed or canceled by SICAR. There are over 11 million hectares of CARs<sup>4</sup> declared over public forests that are eventually used to legitimize land grabbing processes. Classifying these CAR records on public forests as "suspended" will allow all actors in both public and private sectors to clearly distinguish these records from those classified as "pending", which would be subject to approval or confirmation by the system. Such change will also allow the CAR declarants on public forests to be held accountable for any illegal deforestation that occur in the registered area.



#### TO RESERVE 10 MILLION HECTARES FOR PROTECTION AND SUSTAINABLE USE

To select, within 90 days, from the National Register of Public Forests, a 10 million hectare area that can be assigned as a protected area for restricted and sustainable use in regions under strong deforestation pressure.

**Rationale:** An action to allocate a volume of forests as proposed may have three immediate results: 1) A clear signal to the land grabbers that government action is underway and that the invasion of public land will not be tolerated; 2) It has already been scientifically demonstrated that the creation of protected areas results in a general fall in the rates of Amazonian deforestation and permanent forest protection<sup>5</sup>; and 3) Reduced emissions from deforestation and maintenance of carbon stocks. This was the case, for example, with the creation of 24 million hectares of protected areas in the Terra do Meio region, in the Brazilian state of Para. About 40% of the drop in rates that occurred between 2005 and 2008 are attributed to the destination of these areas<sup>6</sup>.



#### TO GRANT FINANCING PER SOCIAL AND ENVIRONMENTAL CRITERIA

The National Monetary Council must require that rural and agricultural credit institutions adopt stricter practices and criteria for checking environmental risks, such as proof of the absence of illegality in properties, including the CAR check and other requirements related to compliance with the Forest Code and overlapping in public lands. When any CARs with deforestation after July 2008 is observed, their credit operations must be blocked until the individual responsible for the CAR presents the financial institution with the vegetation clearing authorization related to the deforested area issued by the responsible agency. The authorization is valid for the period of time the deforestation took place. Properties that have deforested beyond the limits of the Forest Code, before July 2008, must inform adherence to the Environmental Regularization Program (PRA, in the Portuguese acronym) and submit a plan to recover the environmental liability to the financial institution. **Rationale.** More demanding actions (associated with due compliance with legislation) for granting credit have already shown good results in the past in curbing illegal deforestation in private areas<sup>7</sup>.

**<sup>3)</sup>** They are the descendants and remnants of communities formed by fugitive enslaved people (the quilombos), between the 16th century and 1888 (when slavery was abolished) in Brazil.

**<sup>4)</sup>** Azevedo-Ramos, C. P. Moutinho, V. L. da S. Arruda, M.C.C. Stabile, A. Alencar, I. Castro, J.P. Ribeiro. 2020. Lawless land in no man's land: The undesignated public forests in the Brazilian Amazon. Land Use Policy 99 (2020) 104863.

**<sup>5)</sup>** Walker, W. S. et al. 2020. The role of forest conversion, degradation, and disturbance in the carbon dynamics of Amazon indigenous territories and protected areas. Proceedings of the National Academy of Sciences, v. 117, n. 6, p. 3015–3025.

<sup>6)</sup> Soares-Filho, B., Moutinho, P., et al. 2010. Role of Brazilian Amazon protected areas in climate change mitigation. Proceedings of the National Academy of Sciences, v. 107, n. 24, p. 10821-10826.

**<sup>7)</sup>** Assunção, J., C. Gandour, R. Rocha. 2013. Crédito Afeta Desmatamento? Evidência de uma Política de Crédito Rural na Amazônia. Climate Policy Initiative, Rio de Janeiro, Núcleo de Avaliação de Políticas Climáticas, PUC-Rio; http://climatepolicyinitiative.org/wpcontent/uploads/2013/01/Does-Credit-Affect-Deforestation-Executive-Summary-Portuguese.pdf.



# FULL TRANSPARENCY AND EFFICIENCY TO VEGETATION CLEARANCE AUTHORITIES

State-level environmental agencies must make data on vegetation clearing authorizations public. Therefore, such authorizations must be shared at the Sinaflor (National System for the Control of the Origin of Forest Products). In addition, the federal government must suspend the controversial Ministry of Environment's Normative Instruction (IN 03/2014) which limits access to information critical to the identification (Individual or Corporate Taxpayer Id. - CPF or CNPJ, respectively) of those responsible for the CAR linked to deforestation and which clearly conflicts with the Access to Information Act and other legal frameworks associated with transparency. **Rationale:** Transparency of information helps to tell apart producers who follow the law from those who engage in wrongdoing. Such action results in two basic benefits: The positive reinforcement of legal and deforestation-free production, and both monitoring and identification by society, the private sector and illegal deforestation control bodies. In this sense, transparency for the identification of the CAR holder is key for market actors to point out farmers who follow the law and single out illegal ones.



#### TO SUSPEND ALL LAND SETTLEMENT PROCESSES FOR PROPERTIES THAT HAVE DEFORESTED AFTER JULY 2008

To suspend all land settlement processes for irregularly deforested areas after July 2008 until the areas are fully recovered. Those who deforest in an unregulated area commit environmental crimes and should not benefit from land settlement. **Rationale:** Land grabbing is one of the main drivers of deforestation. When the settlement processes in public land cease, the main incentive to land grabbing and, consequently, to deforestation is eliminated.

THE BRAZILIAN COALITION IS FULLY AVAILABLE TO THE GOVERNMENT, EITHER TO PROVIDE INFORMATION, HELP TO ARTICULATE WITH DIFFERENT SECTORS, OR ANY ADDITIONAL SUPPORT THAT CAN SPEED UP THE SOLUTION OF THIS SERIOUS SCENARIO.

