

BRAZILIAN COALITION'S

REMARKS ON GOVERNMENT'S

FIRST 100 DAYS

IN OFFICE

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he *Brazilian Coalition on Climate, Forests and Agriculture* released last November a document entitled "*The Brazil of Tomorrow - Proposals for the country's agro-environmental agenda from now on*", presenting practical recommendations for the elected candidates in the October elections. The contributions focus on three axes: fight against deforestation and the loss of natural resources; food production and fight against hunger; and job and income generation. The Coalition also proposed initiatives that could be enacted within the first 100 days of the new administration, and initiatives that could be in place for the entire term.

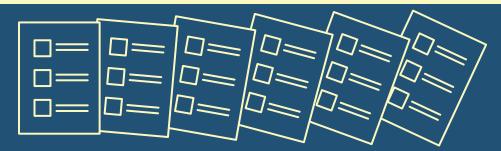
After the new federal and state executive branch has completed 100 days in office, and just over 60 days of the legislative year behind us, the Coalition presents an assessment of its recommendations for this period. While recognizing that in some cases the proposals were quite ambitious for such a short timeframe, the Coalition understands that the government's signals are quite positive in relation to most of the agenda advocated by the movement.

Of the five proposals for the first day of government, three have been fully implemented. Among the 11 proposals outlined by the Coalition for the first 100 days in office, there are several positive signs to be seen. In the federal executive branch, the creation of the Ministry of Indigenous Peoples and the reestablishment of the National Food Security Council (Consea), as well as the creation of the Secretaria Extraordinária de Combate do Desmatamento (Extraordinary Secretariat for the Fight against Deforestation, in English), within the Ministry of Environment and Climate Change (MMA), are examples of urgent restructurings that are already making progress.

It is also worth noting the nomination of people with technical knowledge and recognized professional background in the agro-environmental sector for these positions, although the delay in nominations or appointments in certain cases slows down the structuring of teams and responses to emergencies.

The challenge for near future is centered on the ability to implement the initiatives and on the articulation with all segments - private sector, civil society, and the academia. This dialogue will promote a propitious environment for public, private, and philanthropic investment, committed to strengthening a positive economy for the climate and nature. The Coalition will keep on contributing and collaborating with the Executive and Legislative branches.





1 ESTABLISH A WORKING GROUP
(WG) TO ELABORATE NEW PLANS
FOR PREVENTING AND REGULATING
DEFORESTATION IN THE AMAZON
AND THE CERRADO

Decree No. 11,367, January 1st, 2023, set up the Permanent Interministerial Commission for the Prevention and Control of Deforestation and re-established the Action Plan for the Prevention and Control of Deforestation in the Legal Amazon (PPCDAm). The decree also provided on Action Plans for the Prevention and Control of Deforestation in the Cerrado, Atlantic Forest, Caatinga, Pampa and Pantanal, with a time limit of August for the plan's submission. This represents a relevant step forward, which will require financial investments, in infrastructure and human resources, besides continuous prioritization.

2 INCREASE THE REPRESENTATION AND RESTORE THE PROPORTIONALITY OF CIVIL SOCIETY PARTICIPATION IN COLLEGIATE BODIES

In addition to the Social Participation Council and the Interministerial System of Social Participation, several collegiate bodies were created or reestablished by the new government, such as the National Council for the Environment (Conama) and the National Council for Food and Nutrition Security (Consea). Civil society has been involved in several decision-making bodies.

RESTORE THE GOVERNANCE OF THE AMAZON FUND

Decree No. 11,367, of January 1st, 2023, restored the governance model of the Amazon Fund close to its original for-

mat, with the resumption of the Technical Committee (CTFA) and the Guidance Committee (Cofa). It is a remarkable measure, which makes it possible to quickly implement initiatives aimed at recovering damage and promoting advances in environmental conservation.

RESUMPTION OF INDIGENOUS LANDS (TIS) HOMOLOGATION

The establishment of the Ministry of Indigenous Peoples was considered as a signal of the resumption of the demarcation processes of Indigenous Lands, although no homologation decree has been issued so far (see Proposal 4 for 100 days). This measure should be seen as a top priority for the government due to the overlap of the Rural Environmental Registry (CAR) with Indigenous Lands.

5 SUBMIT A LEGAL INSTRUMENT TO THE NATIONAL CONGRESS FOR THE CREATION OF THE NATIONAL CLIMATE AUTHORITY

The Minister of the Environment and Climate Change, Marina Silva, announced, on January 4th, the creation of the National Authority for Climate Security, linked to this ministry, and pledged to formalize it by March, as well as the creation of a National Council on Climate Change, which will be headed by the President himself and with the involvement of all ministries, civil society, states, and municipalities. The creation of the National Climate Authority will demonstrate the country's willingness to meet the climate targets it has committed to at the United Nations (UN) and will place Brazil on an equal footing with other nations in international negotiations, which may attract investments to the national economy.

FIGHT AGAINST DEFORESTATION AND THE LOSS OF NATURAL RESOURCES

1 IMPLEMENT COMMAND-AND-CONTROL ACTIONS AGAINST DEFORESTATION

The creation of an Extraordinary Secretary for the Fight against Deforestation, within the MMA, demonstrates the priority given to this serious problem and filled a gap regarding the matter in the federal government, just as the action triggered by the Yanomami humanitarian crisis signaled a willingness to reinforce the command-and-control actions against environmental crimes in the Amazon. The continuous fight against crime must continue as a central axis of the Executive Branch.

However, the necessary restructuring of the legal frameworks to implement command-and-control policies that work in the mid and long term has not yet been disclosed. For instance, the environmental conciliation was revoked, without presenting other mechanisms to hasten the administrative sanctioning procedure and ensure the payment of fines for deforestation.

2 EXPEDITE RURAL ENVIRONMENTAL REGISTRY (CAR) ANALYSIS

No actions have yet been announced that could streamline the analysis of rural environmental registries or effective mechanisms to prevent their illegal use. Nor has a robust governance structure been established for the National Rural Environmental Registry System (Sicar) to determine the roles of federal entities in the implementation of the Forest Code.

3 SUSPEND BILLS AIMED AT REDUCING CONSERVATION UNITS

No progress has been made on the measure, which depends upon urgent action by the federal and state legislatures.

FOSTER DEMARCATION OF INDIGENOUS LANDS AND OTHER TRADITIONAL TERRITORIES

Yet during the transitional government, there was recognition given to the need to demarcate Indigenous Lands (TIs), the creation of the Ministry of Indigenous Peoples, and the unprecedented nomination of an indigenous woman to head the National Foundation of Indigenous Peoples (Funai), currently subordinated to the new Ministry. So far, however, no presidential decree approving the demarcation of Indigenous Lands has been signed. Nor has a specific policy been announced for the land tenure regularization of territories occupied by traditional populations.

Twenty ordinances, however, demonstrate a disposition by the public authorities to increase the protection of Indigenous Lands. Among them, five extend or authorize the employment of the National Security Force to protect indigenous lands, eight establish working groups that will study the creation of Indigenous Lands, one considers measures to fight criminal organizations operating in these territories, and another interdicts an area until its homologation.

REGULATE LAW OF PAYMENT FOR ENVIRONMENTAL SERVICES (PES)

The MMA is internally analyzing a draft decree for the regulation of the law that established the National Policy for PES (Law 14,119/2021). The discussion will be held in coordination with several of the ministry's departments, given its transversal nature. The PES, once prioritized, will ensure the Brazilian environmental legislation's effectiveness.

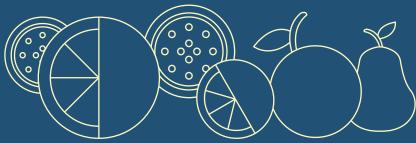
6 IMPROVE ENVIRONMENTAL LICENSING PROCESS

Bill 2,159/2021 is in the National Congress, and it is still unclear how it will be proceeded and the Federal Executive's position regarding the text.

The Coalition recommends raising this topic to the highest level, given the existence of solid threats, such as deforestation in the area surrounding the BR-369 federal highway, which is advancing as paving work continues, causing enormous socio-environmental and economic impact.









The recreation of the National Food Security Council (Consea), terminated in 2019, and the announcement that a national program will be launched in May by the Ministry of Agrarian Development and Family Agriculture (MDA), aimed at fostering the production of healthy food along with the Safra Plan, indicate that the topic of healthy food has gained relevance in the new government. Furthermore, in January, an inter-ministerial working group was established to deal with the fight against hunger, comprising the ministries of Education (MEC), Development and Social Assistance, Family and Fight Against Hunger (MDS), and MDA. In this regard, another sign was the creation of the National Council for Sustainable Rural Development (Condraf), which has among its functions the implementation of structuring public policies aimed at family agriculture and food supply.

The Food Purchase Program (PAA) has been recreated, with priority given to women, African descendants, and indigenous people, and with the indication that it must be mandatory for all federal agencies to purchase at least 30% from family farms. Along with the National School Meals Program (Pnae) and Bolsa Família, PAA is set to be one of the pillars of a joint strategy and, according to the government's announcement, all these programs will have their amounts readjusted. A budget increase of up to 39% for school meals was also announced, in addition to the intent to prioritize the acquisition of regional foods.

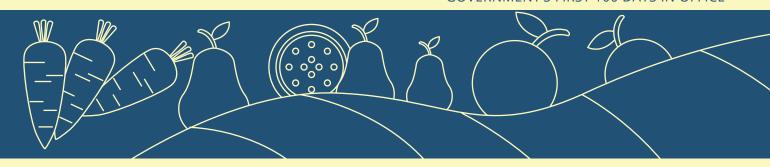
2 RESTRUCTURE THE TECHNICAL ASSISTANCE AND RURAL EXTENSION (ATER) MODEL

Technical assistance to rural producers will be one of the main focuses of the MDA's Secretariat of Land Governance. Territorial and Socio-environmental Development, which signals the strategic relevance of settlements and small family farms, given their potential to recover degraded areas through technical assistance and job and income generation. Moreover, the National Agency for Technical Assistance and Rural Extension (Anater) has been re-established and there is prospect of resuming technical assistance for greater sustainability of production in rural settlements, which account for a quarter of deforestation in the Amazon.

There is no specific public information regarding the restructuring of the current ATER model. The Rural Women's Economic Productive Organization Program, however, foresees the launching of a public notice for rural technical assistance for women in the rural areas with a BRL 50 million investment to assist up to 20 thousand women.

3 IMPROVE THE SOCIO-ENVIRONMENTAL CRITERIA FOR GRANTING RURAL CREDIT

The Brazilian Development Bank (BNDES) and the Central Bank of Brazil (BCB) have both signaled improvements in their criteria for granting rural credit. The Central Bank of Brazil has signaled that it intends to adopt criteria such as satellite monitoring of deforestation in the Legal Amazon, carried out by the National Institute



for Special Research (Prodes/Inpe). The BNDES has partnered with Map-Biomas, which monitors the Brazilian territory in real time, to freeze financing for rural landowners that illegally deforest. By the beginning of March, 58 financing freezes had already been announced. This policy is currently applied in three main public banks - besides BNDES, also Banco do Brasil and Caixa Econômica Federal.

It is not yet defined, however, how the implementation of the Sustainable Rural Credit Bureau will occur, a measure announced by the previous govern-

ment, that seeks to define sustainability criteria for rural credit concessions. This process will allow the incorporation of social, environmental, and climatic indicators in operations.

PROMOTE NEW PRIVATE ECONOMIC INSTRUMENTS FOR THE RURAL SECTOR

The private sector has increased its share in granting rural credit since the previous government. Now, the expectation is that the government will establish mechanisms to favor small and family farmers.



RESUMPTION AND STRENGTHENING OF THE BOLSA VERDE PROGRAM

Even before taking office, the transition government announced the resumption and strengthening of the Bolsa Verde Program, with a budget of BRL 200 million and a top priority status in the MMA.

The program provides a grant to families living in extreme poverty in environmental conservation areas. The National Institute of Colonization and Agrarian Reform (Incra) and the Chico Mendes Institute for Biodiversity Conservation (ICMBio), responsible for the administration of federal conservation units, would be partners in the initiative.

