

CLIMATE CHANGE:

RISKS AND OPPORTUNITIES FOR
THE DEVELOPMENT OF BRAZIL

**BRAZILIAN COALITION ON CLIMATE,
FORESTS AND AGRICULTURE'S PROPOSALS
FOR 2018 ELECTION CANDIDATES**



**BRAZILIAN
COALITION**

ON CLIMATE
FORESTS AND
AGRICULTURE

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BUILDING AN AGENDA FOR FOREST BASED AGRICULTURE, LIVESTOCK AND ECONOMY THAT ARE COMPETITIVE AND SUSTAINABLE

Brazil has an important contribution to offer the planet: to prove that it is possible to be a forest and agricultural power, conserving and expanding its enormous environmental patrimony. In the past few decades, the country has moved from being an importer to becoming the second largest exporter of the world, being responsible for 7% of all the food produced worldwide. Today, Brazil is among the 10 largest economies of the globe and owes a good part of its production to farming: a sector capable of generating income, jobs and opportunities both in rural and urban areas.

Nevertheless, part of this development was at the expense of our forests and climate. The changes in land use are among the main causes of climate change. Deforestation, forest degradation and loss of forest cover combined are responsible for around 10% of greenhouse gas (GHG) emissions. In Brazil, changes in land use and farming correspond to about two thirds of national emissions. On

the other hand, the sustainable use of land has the potential not only to reduce our emissions, but also to capture carbon from the atmosphere. Therefore, using the land sustainably would become part of the solution to climate change. However, it is necessary to act faster. Climate change is one of the biggest threats to contemporary society's well being, not only for people's survival but also for businesses.

Differently from other countries, that have renewable energy as the main solution to reduce their carbon emissions, Brazil needs to revolutionize its land use management. This revolution involves consolidating the country as an international leader in a new forest economy; an economy in which agricultural production and environmental conservation are clearly complementary and compatible.

Besides assuring a larger Brazilian participation in increasingly more demanding markets regarding sustainability criteria, this new

economy has the potential to generate new urban and rural jobs and to combat the successive water crisis the country has endured in the past years. Forests are essential to guarantee water security. This makes combating deforestation and fostering sustainable agriculture topics of unquestionable relevance to rural and metropolitan areas of Brazil. Without a forest there is no rain, and without rain, economic activities of all sectors - whether industry, agriculture or services - are threatened.

Therefore, there is a great challenge posed to both executive and legislative powers. But this challenge also appears as a positive opportunity, in which gains reach all sectors of society and strengthen the development of Brazil.

To follow this positive path, we need proactivity to implement public policies that stimulate agriculture, livestock and forest-based and agroforestry economies, and that are compatible with the protection, management and

restoration of forests and native vegetation.

Aiming to contribute to this discussion and dialogue about these possibilities with the 2018 election candidates for executive and legislative powers, we present next a document with 28 feasible proposals to implement in a four-year mandate. These proposals can help start the land use revolution that Brazil needs.

Besides mobilizing the public power, the achievement of these proposals will only be possible with everyone's support - private sector, civil society organizations and academia. Thereunto, the **Brazilian Coalition on Climate, Forests and Agriculture** is available to help candidates understand and endorse these proposals since it believes that, in acting against climate change, we will also be investing in an extensive agenda of opportunities to generate jobs, income and prosperity with sustainability.

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WHAT IS THE BRAZILIAN COALITION ABOUT?

The **Brazilian Coalition on Climate, Forests and Agriculture** is the largest Brazilian multisectoral movement dedicated to promoting a new low carbon economy that is competitive, responsible and inclusive.

More than 170 business associations, companies, civil society organizations, academia and individuals are part of the Brazilian Coalition. These members are interested in contributing to the synergy between the protection, conservation and the sustainable use of natural and planted forests and agriculture agendas, promoting Brazilian mitigation and adaptation initiatives on climate change. Therefore, it is a unique and nonpartisan initiative that gathered rural producers and entities defending the environment and conservation.

To the Brazilian Coalition, competitive, strong and sustainable agriculture, livestock and forest-based economies are compatible with the protection, management, restoration and planting of forests and with the protection of water resources, the conservation of ecosystems and environmental services. These activi-

ties also represent an essential contribution to neutralize GHG emissions in Brazil.

The goal of the Brazilian Coalition is to promote and propose public policies, actions and financial and economic mechanisms to stimulate agriculture, livestock and forest-based economy that push Brazil towards a global leadership in sustainable and low carbon economy, generating prosperity for all, social inclusion, jobs and income.

The Brazilian Coalition aspires that the development of this new economy – grounded on sustainability and dependent on the compliance of the laws regarding climate change and land use – will allow the transformation of challenges in opportunities and the achievement of concrete advances for the climate, forests and agricultural agenda in Brazil.

The **Brazilian Coalition** collaborates to implement the Nationally Determined Contributions (NDC), which contains the commitments made in 2015 for the Paris Agreement, and acts in initiatives that promote:



Reduction of greenhouse gas emissions;



Fight against deforestation;



Brazilian Forest Code implementation;



Preservation and restoration of biomes;



Expansion of sustainable forest management;



Expansion of planted forests in degraded lands;



Expansion of the sustainable and low-carbon rural production;



A renewable, sustainable Brazilian energy matrix;

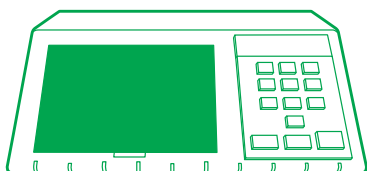


Carbon and ecosystem services valuation;



Transparency, dialogue and cooperation.

BRAZILIAN COALITION'S
PROPOSALS FOR THE
DEVELOPMENT OF COMPETITIVE
AND SUSTAINABLE AGRICULTURE,
LIVESTOCK AND FOREST-BASED
ECONOMY



SUMMARY OF OUR PROPOSALS TO 2018 ELECTION CANDIDATES

Below we present the 28 proposals of the **Brazilian Coalition** grouped in three main pillars: **a.** Land-Use Planning; **b.** Market Mechanisms Boosting; and **c.** Low Carbon Farming combined with Conservation, Restoration, Reforestation and Sustainable Use of Natural Resources.



LAND-USE PLANNING

Legal security for the production and conservation of cultural, ethnic and environmental diversity.

1. Establish a National Federal Justice Task-Force supported by the executive and legislative powers and public prosecutors office, with the goal of promoting the resolution to land tenure conflicts;
2. Implement the Ecological-Economic Zoning (EEZ) in all national territory, incorporating modern study and landscape planning tools and consultation with civil society;
3. Direct human and financial resources to guarantee the validation of the Rural Environmental Registry (Cadastro Ambiental Rural - CAR);
4. Promote the integration of the Rural Environmental Registry National System (Sistema Nacional de Cadastro Ambiental Rural - Sicar) with the other public land tenure registries existent in Brazil, making the information publically available;
5. Regulate, in a participatory and transparent way, the Environmental Regulation Programs (Programas de Regularização Ambiental - PRAs) and the Environmental Reservation Quotas (Cotas de Reserva Ambiental - CRAs);
6. Produce annual maps of land use and cover in Brazil for the entire national territory;
7. Produce annual reports on deforestation, restoration and reforestation of all Brazilian biomes;
8. Install a task-force to promote the destination of 60 million hectares of unassigned public forests to conservation and sustainable use;
9. Discontinue processes of reducing conservation units, as well as the processes that threaten indigenous, quilombola and traditional communities' territorial rights;
10. Discontinue credit and support access granted to legalize land ownership of properties with illegal deforestation;
11. Implement pecuniary penalties correspondent to the value of the carbon emitted from illegal land use conversion, with a surcharge applicable to threatened ecosystems and priority areas for biodiversity conservation.



MARKET MECHANISMS

BOOSTING

Financing and stimulating conservation, restoration, reforestation and sustainable development in the rural area.

- 12.** Regulate the article 41st of the Brazilian Forest Code that is about the incentives to environmental conservation in private properties, as well as other legal provisions, such as REDD+ state legislation to value the increase in carbon capture, conservation, maintenance and natural fixation;
- 13.** Immediately implement the Brazilian Market on Emissions Reduction (Mercado Brasileiro de Redução de Emissões - MBRE) as predicted in the Climate Change National Policy (Política Nacional de Mudanças Climáticas - PNMC), considering not only the reduction of emissions but also the removal of carbon from the atmosphere, creating an action plan that stimulates synergies between the market and the valorization of forest assets;
- 14.** Promote the advance of the REDD+ National Strategy, by strengthening the participation of civil society and business sector in the National Commission for REDD+ (Comissão Nacional para REDD+ - CONAREDD+);
- 15.** Set ambitious goals that promote a fully renewable energy matrix and productive chain in Brazil, encouraged by the creation of energy and renewables production certification articulated with other regulatory mechanisms;
- 16.** Reduce the monetary cost of public financing instruments, including BNDES, for investments that promote removal or lower GHG emissions, while eliminating subsidies and fiscal incentives to fossil fuels and market agents that are not compliant with the environmental legislation;
- 17.** Work among financial market agents, both national and international, to structure financing strategies to projects that bring environmental benefits and to low carbon agriculture, specially native forests planting;
- 18.** Expand the scope, fundraising and execution speed of the Amazon Fund.



LOW CARBON FARMING COMBINED WITH CONSERVATION, RESTORATION, REFORESTATION AND SUSTAINABLE USE OF NATURAL RESOURCES

Making production and conservation of socio-environmental diversity compatible.

- 19.** Act on the main bottlenecks of Low Carbon Agriculture (ABC Plan), expanding public and private actions on technical assistance, rural extension and technology diffusion in synergy with other national and international sources and mechanisms;
- 20.** Include incentives for agriculture and livestock expansion, as well as forest recovery, in degraded and low agriculture suitability areas by multiannual investment and action plans;
- 21.** Eliminate the production originated from illegal deforestation and exploitation from Brazilian productive chains, attributing the co-responsibility to buyers of illegal forest-based and untraceable products;
- 22.** Make authorizations and tropical forest flow control documents publically available and updated, establishing georeferenced tracking technology in all production chains;
- 23.** Demand that forest products acquired by the public administration are tracked, as well as define a schedule to implement a surcharge over the cost of every untraceable forest product on the market;
- 24.** Develop mechanisms to finance and incentivize R&D and Innovation focused on the development of opportunities to sustainably use non-timber resources and genetic and biochemical resources of native forests, in order to value national biodiversity;
- 25.** Develop a pre-competitive R&D and Innovation program for native Brazilian tree species forestry;
- 26.** Guarantee budget resources to implement the Native Vegetation Recovery National Plan (Plano Nacional de Recuperação da Vegetação Nativa - Planaveg) measures regarding the planning, financing and expansion of forestry research and development;
- 27.** Create specific initiatives to recover forest cover - linked with multiple uses - in aquifer recharge areas of watersheds considered to be strategic;
- 28.** Promote and implement Renovabio.

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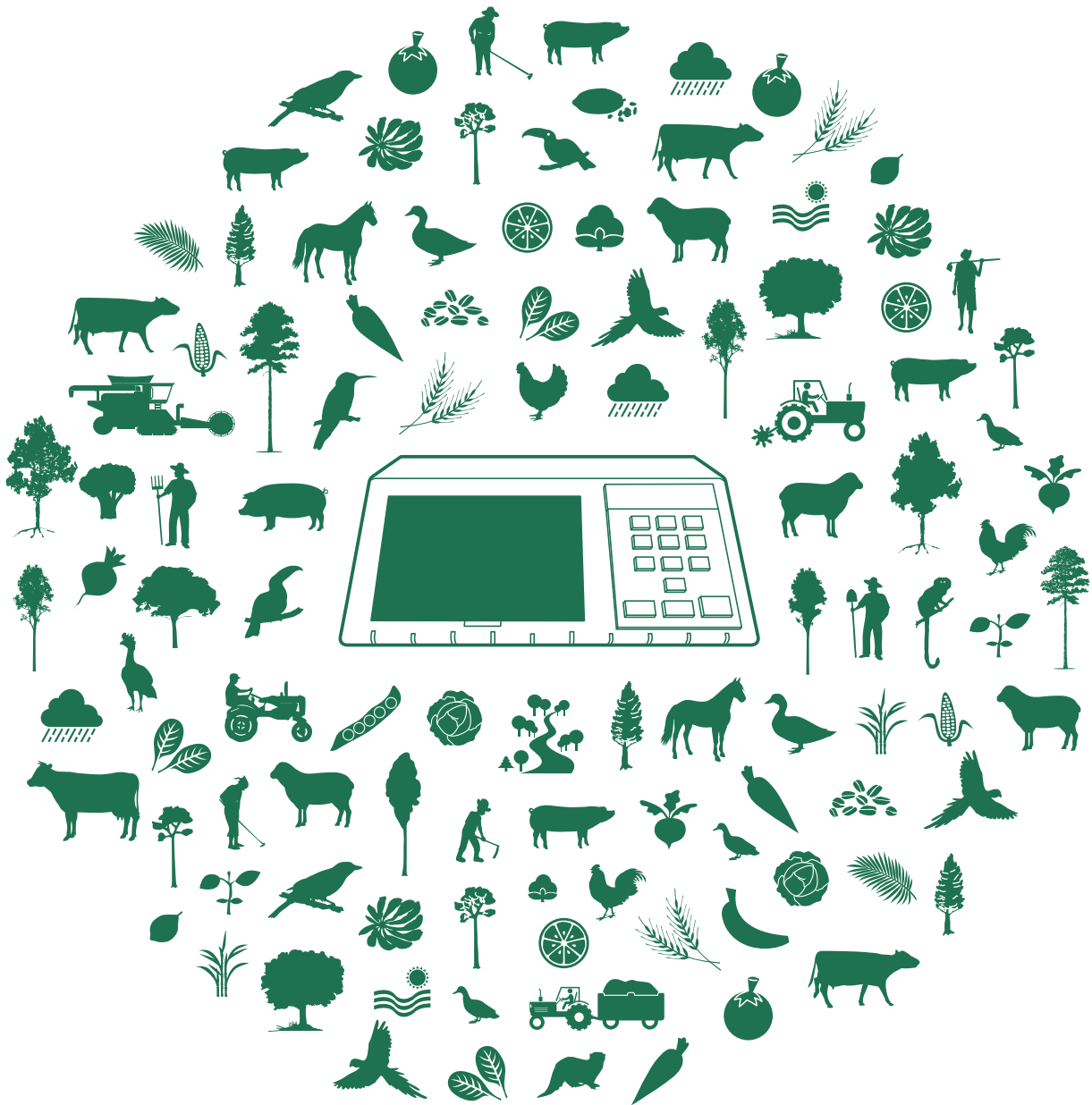
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Organizations that joined the Brazilian Coalition on Climate, Forests and Agriculture:



1. Abag - Associação Brasileira do Agronegócio
2. ABBI - Associação Brasileira de Biotecnologia Industrial
3. ABCZ - Associação Brasileira de Criadores de Zebu
4. Abiove
5. ABPMA - Associação Brasileira dos Produtores de Mogno Africano
6. Agenda Pública
7. Agrícola Arariba Ltda
8. Agrícola Conduru
9. Agroicone
10. Agropalma
11. Agrosatélite Geotecnologia Aplicada
12. AIPC - Associação Nacional das Indústrias Processadoras de Cacau
13. AMA Brasil - Associação dos Misturadores de Adubos do Brasil
14. Amaggi
15. Amata
16. APREC Ecossistemas Costeiros
17. Apremavi
18. Arapar Participações
19. ARPEMG - Associação de RPPN de Minas Gerais
20. Asboasnovas
21. ATA Consultoria
22. Atina - Indústria e Comércio de Ativos Naturais Ltda.
23. Atrium Forest Consulting
24. Auditsat Sensoriamento Remoto Ltda.
25. BASF S/A
26. Bela Vista Florestal
27. Biofíllica
28. Bowline Capital Partners
29. Brookfield
30. BvRio - Bolsa de Valores Ambientais
31. Cargill
32. Carrefour
33. Cause
34. CDP
35. Cebds - Conselho Empresarial Brasileiro para o Desenv. Sustentável
36. Cenibra
37. Centro de Sensoriamento Remoto (CSR) da UFMG
38. CI - Conservação Internacional
39. Climate Policy Initiative/ Núcleo de Avaliação de Políticas Climáticas da PUC-Rio
40. CMPC Celulose Riograndense Ltda
41. CNRPPN - Confederação Nacional de Reservas Particulares do Patrimônio Natural
42. Conserve Brasil
43. Copersucar
44. Corredor das Onças ARIE Matão de Cosmópolis/ ICMBio
45. Corredor Ecológico do Vale do Paraíba
46. CPFL Renováveis
47. Crível Comunicação
48. Danone
49. Diálogo Florestal
50. Duratex
51. Earth Innovation Institute
52. Ecofuturo
53. Editora Horizonte
54. EDLP - Estação da Luz Participações Ltda.
55. Envolverde
56. EQAO
57. Etel Carmona
58. Eucatex
59. FAS - Fundação Amazonas Sustentável
60. Fauna & Flora International
61. FBDS - Fundação Brasileira para o Desenvolvimento Sustentável
62. FIA - Fundação Instituto de Administração
63. Fibria
64. Firmenich
65. FLAP Novos Negócios, Consultoria e Treinamento
66. Fórum Clima
67. FREPESP - Federação das Reservas Ecológicas Particulares do Estado de São Paulo
68. Fundação Avina
69. Fundação Grupo Boticário de Proteção à Natureza
70. Fundação Jupará de Cultura e Ecologia
71. Fundação Renova
72. FSC Brasil
73. Futuro Florestal Ltda.
74. GCN Advogados
75. GEFAS - Grupo de Gestão de Fauna Silvestre
76. Geoflorestas Soluções Ambientais

- 77.** Gerdau
- 78.** GITEC Brasil Consultoria Socioambiental
- 79.** Grupo Boticário
- 80.** Grupo Lorentzen
- 81.** Grupo Pau Campeche
- 82.** Grupo Plantar
- 83.** GTA - Grupo de Trabalho Amazônico
- 84.** GTPS - Grupo de Trabalho da Pecuária Sustentável
- 85.** GVces - Centro de Estudos em Sustentabilidade da FGV-EAESP
- 86.** Guayaki Yerba Mate Brasil
- 87.** Humana Brasil - Povo para Povo
- 88.** Ibá - Indústria Brasileira de Árvores
- 89.** IBIO - Instituto Bioatlântica
- 90.** IBS - Instituto BioSistêmico
- 91.** ICLEI - SAMS
- 92.** ICON - Instituto Corredor das Onças
- 93.** ICV - Instituto Centro de Vida
- 94.** IDESAM - Instituto de Conserv. e Desenv. Sustentável do Amazonas
- 95.** IDS - Instituto Democracia e Sustentabilidade
- 96.** Imafloa
- 97.** Imazon
- 98.** Iniciativa Verde
- 99.** Inpacto - Instituto Nacional Para Erradicação do Trabalho Escravo
- 100.** INPRA - Instituto Internacional de Pesquisa e Responsabilidade Socioambiental Chico Mendes
- 101.** Instituto Akatu
- 102.** Instituto Arapyauá
- 103.** Instituto Auá de Empreendedorismo Socioambiental
- 104.** Instituto Clima e Sociedade
- 105.** Instituto Coruputuba
- 106.** Instituto de Pesquisas Tecnológicas do Estado de São Paulo - IPT
- 107.** Instituto Ecológica Palmas
- 108.** Instituto Ekos Brasil
- 109.** Instituto Escolhas
- 110.** Instituto Ethos
- 111.** Instituto Inhotim
- 112.** Instituto Internacional de Educação do Brasil - IEB
- 113.** Instituto Internacional para Sustentabilidade
- 114.** Instituto LIFE
- 115.** Instituto Sul Mineiro de Estudos e Conservação da Natureza
- 116.** Instituto Terra
- 117.** Instituto Terroá
- 118.** IPAM - Instituto de Pesquisa Ambiental da Amazônia
- 119.** IPE - Instituto de Pesquisas Ecológicas
- 120.** Kaeté Investimentos
- 121.** Klabin
- 122.** Laboratório de Ecologia de Paisagens e Conservação IB-USP
- 123.** Laboratório de Gestão de Serviços Ambientais (Lagesa) da UFMG
- 124.** Maker Brands
- 125.** Marae
- 126.** Mater Natura - Instituto de Estudos Ambientais
- 127.** Mattos Filho, Veiga Filho, Marrey Jr e Quiroga Advogados
- 128.** Melhoramentos Florestal
- 129.** Monsanto
- 130.** MOV Investimentos
- 131.** Natura
- 132.** NEA/Economia/Unicamp
- 133.** NELM Advogados
- 134.** Nexus Socioambiental
- 135.** Observatório da Agricultura de Baixa Emissão de Carbono
- 136.** Observatório do Clima
- 137.** Oela
- 138.** Pacto pela Restauração da Mata Atlântica
- 139.** Pangea Capital
- 140.** Parque Científico e Tecnológico do Sul da Bahia e Centro de Inovação do Cacau
- 141.** Partner Desenvolvimento
- 142.** Partnerships For Forests - P4F
- 143.** P&B Comunicação
- 144.** Pires Castanho Advogados I Consultoria Ambiental
- 145.** Piza
- 146.** Plant-for-the-Planet Brasil
- 147.** Precious Woods Holding
- 148.** Proforest Brasil
- 149.** PTA Internacional
- 150.** Rainforest Business School - Programa Amazônia em Transformação - IEA/USP
- 151.** RAPS - Rede de Ação Política pela Sustentabilidade
- 152.** Reservas Votorantim Ltda.
- 153.** Seiva Consultoria em Meio Ambiente & Sustentabilidade
- 154.** SIS - Soluções Inclusivas Sustentáveis
- 155.** Sneek Timber
- 156.** Social Carbon
- 157.** Sociedade de Investigações Florestais (SIF/UFV)
- 158.** Solidaridad Network
- 159.** Souto Correa Advogados
- 160.** SR4 Soluções Ltda.
- 161.** SRB - Sociedade Rural Brasileira
- 162.** Suzano Papel e Celulose
- 163.** Thymus Branding
- 164.** TNC - The Nature Conservancy
- 165.** Toledo Piza Consultoria Ambiental
- 166.** Trench Rossi Watanabe Advogados
- 167.** Tropical Flora Reflorestadora Ltda.
- 168.** UBS
- 169.** UICN - União Internacional para a Conservação da Natureza
- 170.** UNICA - União da Indústria de Cana-de-Açúcar
- 171.** Unilever
- 172.** VCS
- 173.** Veracel
- 174.** WestRock
- 175.** WRI - World Resources Institute
- 176.** WWF - Brasil
- 177.** Youth Climate Leaders





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