

BRAZILIAN COALITION

ON CLIMATE,
FORESTS AND
AGRICULTURE

A PIONEERING COALITION IN SUPPORT OF A LOW-CARBON ECONOMY IN BRAZIL

A multi-sectoral movement, the BRAZILIAN COALITION — Climate, Forests and Agriculture advocates a set of concrete proposals that will propel the country to the forefront of discussions on climate change and sustainable development

L launched in São Paulo in June 2015, The BRAZILIAN COALITION — Climate, Forests and Agriculture is a broad-based coalition that has come together to create a viable agenda to face the challenges of climate change and develop a low-carbon economy.

The movement unites companies, NGOs, trade associations, environmentalists, farming interests and individuals. There are over 100 members⁽¹⁾, among them some of the leading companies in the lumber, cosmetics, steelmaking and paper and pulp industries.

With oftentimes opposing views, these economic agents have come together for the first time in a common cause — the urgent need to establish viable and effective measures to face the effects of climate change.

To do so, we must make the most of the Brazil's competitive advantages in these areas and lead the world toward a new model of economic and social development that is more just, prosperous and sustainable. In six months of discussions, the BRAZILIAN COALI-

TION drafted 17 proposals for public policies and initiatives for conservation and the sustainable use of forests, agriculture and livestock farming.

These proposals address, among other things, the end of deforestation and illegal exploration of timber, the recovery of degraded areas, land-use planning, the social protection of communities and incentives for the competitive and sustainable production of food, forest products and bioenergy.

The BRAZILIAN COALITION also calls for Brazil to present these proposals at COP21 and take the lead on issues regarding climate change. The recommendations for the country's contributions to the new agreement to be signed at COP21 include the reduction of greenhouse gas emissions across all sectors of the Brazilian economy by 2030 and a limit on per capita emissions to levels below the global average starting in 2020, with mechanisms and incentives to reach these targets.

The time to act is now and the members of the BRAZILIAN COALITION are committed to contributing to achieve these objectives, by adopting the best production practices in their operations and supply chains.

1. By 21/8/2015. See the complete list at WWW.COALIZA0BR.COM.BR

THE BRAZILIAN COALITION ASPIRES TO CONTRIBUTE TO..

Greenhouse gases

...reducing greenhouse gas emissions in order to ensure that, by 2020, emissions per capita are always equal to or less than the global average and that Brazil is on its way to zeroing net emissions as soon as possible.

Preservation legal reserve

...promoting restoration and/or recuperation of all permanent preservation areas and legal reserves in accordance with the legislation in force.

Forest plantations

...developing commercial forest plantations in degraded areas, creating a supply of forest products to use in different production chains — also as a way of reducing pressure on native forests.

Conservation biodiversity

...promoting the preservation of Brazilian native plant cover in all biomes at current levels and encouraging the restoration of areas classified as priority for the conservation of biodiversity.

Preservation of forests

...promoting the end of net loss of forest coverage and the preservation of primary forests in Brazil.

Food and bioenergy

...expanding the production of food, forest products and bioenergy in a competitive and sustainable manner, promoting the recuperation of production capacity of degraded areas and the reduction of greenhouse gas emissions.

Deforestation

...eliminating deforestation and illegal exploration of forests in Brazil.



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Production chains

...eliminating the sale and consumption of products originating from deforestation and illegal exploration from global production, sales and consumer chains.

Sustainable management

...expanding substantially the sustainable management of native forest and ensuring the traceability and certification of public and private procurement of forest products.

Agriculture and livestock farming

...disseminating low-carbon practices in Brazilian agriculture and livestock farming, including: the restoration of degraded pastures; integration of crop-livestock-forest and agroforest systems; no-till farming; biological nitrogen fixation; use of biomass wastes from agriculture and livestock farming; animal manure management and sustainable crop production intensification.

Energy mix

...making renewable and sustainable sources of energy predominate in the national energy grid, with a view to eliminating the use of fossil fuels in the energy mix by 2050.

Pricing

...implementing mechanisms to price — and compensate — the maintenance and expansion of natural and forest ecosystem services (including good agricultural, forest and pasture practices) in addition to payment mechanisms for carbon, which need to be improved and expanded.

Transparency

...ensuring the quality, timeliness and full transparency of all of the data for implementing climate, forest and agriculture policies and their monitoring and management instruments
Examples: Rural Environmental Registry, Environmental Regularization Program, plans for sustainable forest management, financing, deforestation and emissions.

Conservation

...strengthening the network of protected areas nationally and effectively implementing the protected areas already created.

Transition

...ensuring that the transition to a sustainable low-carbon economy in forestry and agriculture is done in a way that promotes land-use planning, inclusion, dialogue and social protection of Brazilian communities, generation of new jobs, rise in income generation, maintenance and expansion of rights, training and retraining of workers and rural producers.

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17

PROPOSALS
CATEGORIZED
INTO
THREE
THEMES

Implementation
of the Forest
Code, land-use
regularization
and international
cooperation

Mechanisms
for pricing
carbon and
ecosystem
services

Fight
deforestation,
increase
forest stocks
and promote
low-carbon
agriculture

1 Establish procedures to ensure implementation of the Rural Environmental Registry (CAR) by 2016 and the Environmental Regularization Program (PRA) by 2018, throughout Brazil

2 Promote broad transparency of data, registers and information systems related to the environmental and tenure aspects of land use

4 Create a plan for land tenure compliance and land-use planning by 2016, to resolve conflicts resulting from the overlapping of property rights and land-use by 2030

3 Unify all the different registers related to land use in Brazil, in an integrated federal registry

5 Establish a South-South cooperation program to disseminate and share Brazilian technology for forests and agriculture

6 Scale up and ensure liquidity of existing mechanisms that add economic value to carbon

7 Create regulatory mechanisms that add direct economic value to renewable energy and products, through demand pegged to nonrenewable production

8 Introduce a global mechanism for annual payment of ecosystem services from various biomes

9 Produce an annual land-use and land-cover map for Brazil

10 Produce an annual deforestation report

11 Raise economic, land tenure and criminal penalties for agents that promote or allow illegal deforestation on all or part of their properties

12 Create mechanisms that value good practices and environmental compliance

13 Promote a large-scale increase of forest stocks for multiple uses

14 Increase the area of sustainably managed forest in Brazil by 10-fold, by 2030, and curb the sale of illegal wood products from native forests

15 Develop a pre-competitive program for development of native tree species silviculture to Brazil

16 Convert majority of agriculture in low-carbon agriculture throughout Brazil

17 Establish global standards for biofuels and promote a national policy to encourage the production of biofuels and bioenergy

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RECOMMENDATIONS

for the Intended Nationally Determined
Contributions – **INDC** – of Brazil

PRINCIPLES

The four principles on which the recommendations by the BRAZILIAN COALITION are based

Long-term view

Take a long-term view of the need to control global greenhouse emissions

Fair share

Settle on criteria to determine Brazil's fair share of efforts to reduce emissions

Reduction level

Propose a logical basis to determine the reduction level for Brazil's emissions

Viability

Propose mechanisms, elements and incentives that will enable the commitments to be assumed by the Coalition and Brazil

AMBITION

Aspects that need to be considered in the INDC so that Brazil can play an important role in a new, low-carbon economy

- Effective emissions reduction for the entire economy in the first period of the commitment to the new agreement
- Increase greenhouse gas removals, primarily in forest, agriculture and livestock farming activities
- Long-term commitment to reduce net emissions to zero as recommended by the scientific community, based on the IPCC scenario of 450 ppm
- Maintain per capita emissions below the world average starting in 2020

ASSUMPTIONS

Conditions necessary to fulfill the proposed objectives

Policies and incentives

Approval of economic policies and incentives, on a national and international level, that make it possible to fulfill the commitments proposed and transform Brazil's entry into global production arrangements into an opportunity to increase the country's competitiveness

Carbon pricing

Implementation of national and international initiatives to price carbon

Emerging economies

The major emerging economies, currently outside of Annex 1, must have, at the very minimum, similar commitments and objectives, including in the long term

Zero net emissions

The countries that are currently part of Annex 1 must make the commitment to reduce net emissions to zero by midcentury

PROPOSALS ADOPTED

— voluntarily and under no legal obligation —
by the **BRAZILIAN COALITION**

The signatory companies and organizations of the
BRAZILIAN COALITION — Climate, Forests and Agriculture pledge to:

1 Comply with deadlines for implementing the Brazilian Forest Code, especially with regard to the Rural Environmental Registry and the commitments to be assumed under the Environmental Regularization Program

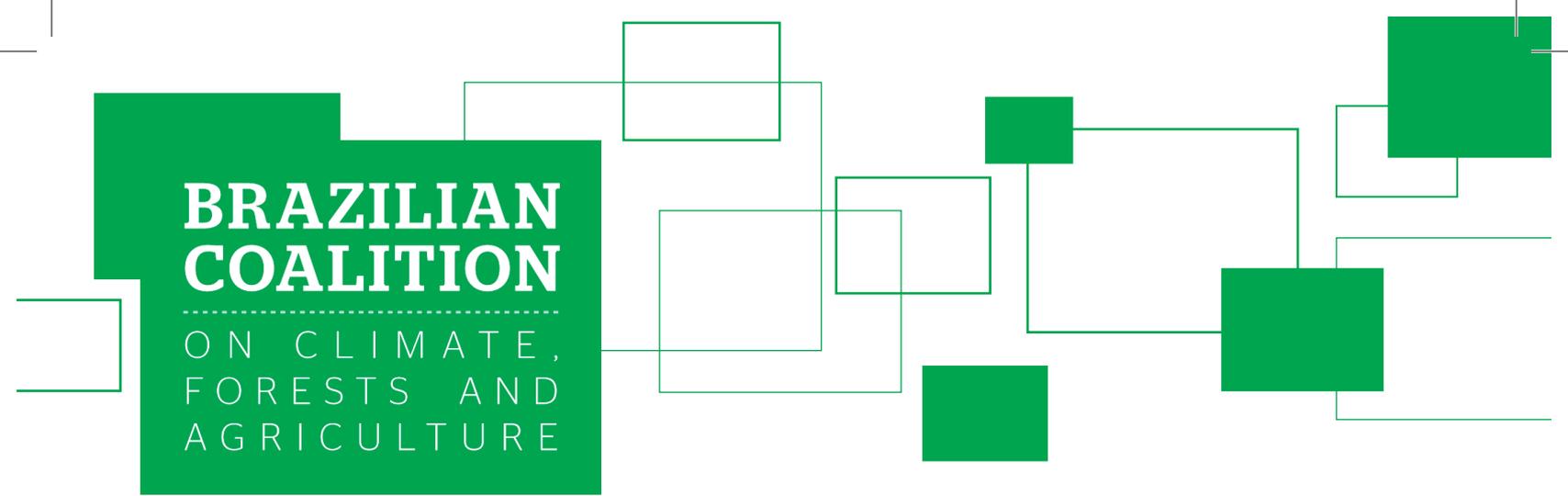
2 Promote compliance with the Brazilian Forest Code in their supply chain

3 Ensure there is no illegal deforestation in their production chains

4 Ensure zero net deforestation in their supply chains

5 In company purchases of native forest products, require proof that the wood is legally controlled or certified. Require guarantees of traceability for products from sustainably managed native forests, as soon as the system is introduced

6 Compile inventories of greenhouse gas emissions and create action plans to mitigate these emissions



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FINANCIAL SUPPORT

COMPANIES

Amata • Brookfield • Cargill • Cenibra • CMPC • Copersucar • Duratex
Eucatex • Fibria • Gerdau • Ibá (Indústria Brasileira de Árvores)
Klabin • MWV Rigesa • Veracel

FOUNDATIONS

Associação IEP • Instituto Arapyauí
CIFF: Children's Investment Fund Foundation • We Mean Business

To learn more about the **BRAZILIAN COALITION — Climate, Forests and Agriculture**
and its proposals, visit WWW.COALIZAOBR.COM.BR