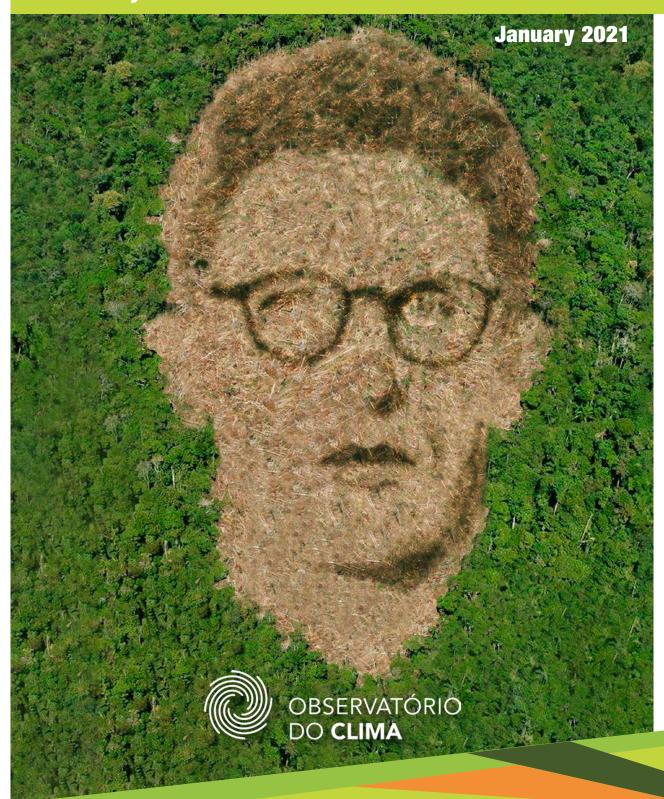
"PUSHING THE WHOLE

LOT THROUGH"

The second year of environmental havoc under Brazil's Jair Bolsonaro





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1. LACK OF GOVERNANCE

1.1 "Push the whole lot through"

The second year of Jair Bolsonaro's administration witnessed the deepening of measures adopted since 2019 to eliminate environmental regulations, on the one hand, and to abdicate from environmental management, on the other. At the same time that it dismantles the environmental governance system that had been under construction since the enactment of the 1988 Constitution, the government refuses to engage in public policy, as it will be evidenced below by the Ministry of the Environment's budget figures.

There is no better image to illustrate this mode of operation and the ethics (or lack thereof) behind it, than the infamous statement made by Minister Ricardo Salles during the ministerial meeting held on April 22, whose recording was made public in May by order of the Federal Supreme Court (STF). At that time, Salles said that:



"The opportunity that we have, [since] the press is giving us a little room to breath on other issues, is to approve infra-legal reforms of deregulation, simplification, all reforms, that the whole world ... on these trips [which] Onyx [Lorenzoni] mentioned, certainly he has been called upon, as has Paulo [Guedes], Teresa [Cristina], Tarcísio [de Freitas], everyone ... legal security, predictability, simplification, MANY OF THIS THESE MATTERS ARE GOVERNED BY ORDINANCES AND RULES OF THE MINISTRIES THAT ARE HERE, INCLUDING THAT OF THE ENVIRONMENT. And they are very difficult, and in this respect I think that the [Ministry of the] Environment is the one that faces the most difficult to approve any infra--legal changes in terms of normative rulings or ordinance, because ANYTHING THAT WE DO ENDS UP BEING CHALLENGED IN COURT THE NEXT DAY. So, FOR THAT WE NEED TO MAKE AN EFFORT HERE, WHILE WE HAVE BEEN GIVEN SOME BREATHING ROOM BY THE PRESS, BECAUSE THEY ONLY TALK ABOUT COVID, SO WE SHOULD PUSH THE WHOLE LOT THROUGH. We should go and change the norms. And simplify rules, from Iphan, the Ministry of Agriculture, the Ministry of the Environment, the ministry of this, the ministry of that. NOW IT IS TIME TO JOIN FORCES TO ACHIEVE THE REGULATORY SIM-PLIFICATION THAT WE NEED IN ALL ASPECTS. And to leave AGU ... André (Mendonça) is not here, right? AND TO LEAVE THE AGU ON STAND-BY TO FIGHT EVERY CHALLENGE THAT WE MAY FACE, BECAUSE WE WILL FACE CHALLENGES, this week we signed an ordinance at the request of the Ministry of Agriculture, which was to simplify the Atlantic Forest Law and use the Forest Code, and today the newspapers are already saying that this ordinance will be challenged in court and that Public Civil Actions will be filed all over



the country against this change. So, for that, we must have the AGU artillery ready for each line that we advance, we'll need to face something. But there's a huge list of all the ministries that have a regulatory role that needs to be simplified. WE DON'T NEED CONGRESS. Because anything that needs the Congress, in the middle of this mess that we're seeing, we will not be able to approve. NOW, THERE ARE A LOT OF THINGS THAT [WE CAN ACCOMPLISH] WITH JUST A LEGAL OPINION AND A SIGNATURE, a legal opinion and a signature. But without a legal opinion there can be no signature, because to sign anything without a legal opinion will put you in jail. This is really worth it."



As we can see, the recipe for environmental dismantling, in this first moment, consists of making all possible changes in the infra-legal rules, without having to go through Congress, where, in fact, the government suffered defeats in 2020. According to **data from the Política por Inteiro** project, from January to December 2020, the federal government signed off on 593 regulatory changes related to the environment. In a classification according to its impacts, 57 of those changes dealt with institutional reforms, 32 were revisions of regulations, 32 promoted flexibility, 19 promoted deregulation and 10 were repeals of existing rules.

Minister Ricardo Salles used the power inherent to the Ministry of the Environment to appoint public servants, persecute employees and change rules, and relied on committees (whose composition had been previously modified to ensure him a majority), to further weaken the country's environmental safeguards. The "whole lot" was pushed through on topics ranging from the flexibility of controls on the export of wood to the attempt to dispose of oil in sensitive areas and included a budgetary asphyxiation, the allotment of environmental agencies to military police officers without technical knowledge and the proposal of extinction of Instituto Chico Mendes, among others. In agriculture, the failure to approve the so-called "Land-grabbing Bill" (2,633) led the ministry to create, by means of an ordinance, the "Titula Brasil" program, which delegates to the municipalities the authority to grant title over irregularly occupied public lands.

At the same time, protection of the Amazon was outsourced to the military, with a negative cost-benefit ratio, as there was an increase in fires and the continuation of high rates of deforestation. In addition, the year ended with the disclosure of plans by the Vice President of the Republic to stifle deforestation monitoring efforts that have been carried out for 32 years by the National Institute for Space Research (Inpe), in addition to the proposal to impose controls over environmental NGOs whose work involves the Amazon region.

There was also an erosion of important instruments of social control, with the <u>appointment of a rural lobby ally</u> to head the Fourth Chamber of the Federal Public Attorneys' Office ("MPF"), which deals with environmental issues, and the <u>weakening of the Access to Information Law</u>.

The actions of the Executive branch prompted to reactions from Congress, the Judiciary and civil society to prevent the "whole lot" from being pushed through. The government ended the year facing four new lawsuits with great repercussion in the Supreme Court due to its environmental dismantling initiatives. The Federal Supreme Court imposed defeats on the Executive branch on issues ranging from protection to indigenous peoples (forcing the government to provide emergency aid against Covid-19 in indigenous territories) to the overturning of Conama's



decision to reduce environmental protection. Congress barred the so-called Land-grabbing Provisional Measure, the proposal to create a fine-conversion fund to be controlled by the Minister of the Environment and shelved the Bill of law that allowed economic exploitation of indigenous lands. The strength of this "gatekeeper" will depend, to a large extent, on the election of the new chairman of the House of Representatives.

1.2 The trampling of Conama

Environment Minister Ricardo Salles took control of the National Environment Council (Conama) after President Bolsonaro's **decree** that changed the composition of the committee in May 2019, reducing the total number of members from 93 to 23. With the **change**, the government increased its representation in the committee by 13%, while the States lost 7% and civil society lost 6% of their corresponding representations. The government and the productive sector now have the majority of votes.

In September 2020, Conama approved the <u>repeal</u> of a resolution that protected mangroves and sandbanks, among other measures that reduced environmental protection, such as the exemption from licensing for irrigation projects and the repeal of a rule that defined the minimum distance to be maintained around Permanent Preservation Areas (APPs) of artificial reservoirs.

A resolution was also passed that allows the burning of toxic waste, including pesticide residues, in cement production ovens.

Salles' justification for the reform of Conama was a "lack of efficiency" with the "swelling" of the committee - a false argument, since all substantive discussions were held in small technical chambers.

In November, <u>STF</u> reinstated part of the protection rules. The full court unanimously endorsed Justice Rosa Weber's injunctions to suspend the effects of Resolution 500/2020, which had revoked three resolutions.

Justice Weber pointed out that the repeal of Resolution 284/2001 violates Article 225 of the Constitution, which ensures the right to an ecologically balanced environment, by waiving the licensing of irrigation projects. In relation to Resolution 302/2002, which provides for parameters, definitions and boundaries applicable to APPs around artificial reservoirs, Justice Weber stated that its revocation violates measures provided for in the forest code (Law 12,651/2012). According to the STF, Resolution 303/2002, which protects areas of dunes, mangroves and sandbanks, is "fully compatible with the fundamental right to a balanced environment".

1.3 Politicized Committees

Conama is just one of the committees that have been disfigured in order to be captured by the government. In April 2019, about two dozen committees and councils that were part of the structure of the Ministry of the Environment were terminated as part of a "purge" that extinguished hundreds of committee bodies and reduced the participation of civil society in government bodies, in all areas. Among the terminated bodies that have not yet been recreated are Cofa (Amazon Fund Guidance Committee) and CTFA (Amazon Fund Technical Committee), whose original structure the Environment Minister still refuses to maintain. This standing generated a deadlock with donor countries and paralyzed the use of R\$ 2.9 billion. Other committees, however, have been recreated, and are now controlled by the



government. This is the case, for example, of the Climate Fund Steering Committee and the National Redd+ Committee, both recreated in November 2019, but with little activity.

The Climate Fund Steering Committee met for the first time during this administration in August 2020. Its membership, which used to include representatives from the federal government, states and municipalities, rural and urban workers, the private sector, academia and environmental NGOs, is now dominated by the government (6 members) and the private sector (5 members). The representation of civil society, with a full member and an alternate, takes place via FBMC (Brazilian Forum on Climate Change), a para-state body, chaired by the President of the Republic and whose executive secretary is chosen by the Minister of the Environment. On October 22, for example, the allocation of all non-refundable funds from the Climate Fund in 2020 (R\$ 6.2 million) was approved by 10 votes to 1 to a single project, known as Lixão Zero, in Rondônia, a State governed by a Bolsonaro ally, and member of Bolsonaro's former party PSL. The only dissenting vote was cast by the representative of FBMC, who claimed technical weakness in the proposal and lack of adherence to the principles of the Climate Fund (the solid waste sector in Rondônia accounts for only 0.019% of Brazil's total gross emissions; deforestation in Rondônia accounts for 3%).

1.4 Militarization of the Amazon

"IT IS SOMEONE FROM INSIDE [INPE] WHO OPPOSES THE GOVERNMENT. I'M MAKING THIS VERY CLEAR HERE. THEN, WHEN THE DATA IS NEGATIVE, THIS PERSON DISCLOSES IT. WHEN IT IS POSITIVE, HE DOES NOT DISCLOSE IT. UNDERSTAND?"

General Hamilton Mourão, September 15

Two thousand and twenty was the year in which the management of the Amazon was outsourced. In February, in the face of successive demonstrations of incapacity or inappetence by the Ministry of the Environment to take care of the policies for the region, the government reactivated the National Council for the Legal Amazon, established by Itamar Franco, which had been inactive since the 1990s, and handed over its coordination to vice-president Hamilton Mourão (PRTB). The council was **appointed in April**, with 19 military members, no representatives from academia or state governments, no representatives from the private sector or civil society, no representatives from Funai or indigenous peoples and no representatives from Instituto Chico Mendes or Ibama.

Without a budget, goals or planning, the council began to publicly assume responsibility for combating environmental crimes in the Amazon, with Mourão as its sole spokesperson. But an unusual situation - and an unprecedented one - was created in environmental management, since the person who commands environmental agencies and defines policies for the Amazon is still the Minister of the Environment. The vice president promised, for example, that he would reactivate the Amazon Fund, but the promise was not fulfilled in 2020, because the person who has the power to decide on the fund's steering committees (and insists on not re-creating them) is the Minister of the Environment. Mourão is the king, but not the ruler. As time went by, it became clear that his role would be reduced to a kind of government public relations liaison to deal with issues such as fires and deforestation, in an attempt to soften criticism coming mainly from the international community.

None of this prevented the council from designing a "strategic plan" for the Amazon with a set of almost 60 proposals for action. The document, leaked to the newspaper *O Estado de S.Paulo*, uses geopolitical theses from six decades ago and conspiracy theories about collusion between NGOs and foreign governments to justify military



control over the region. It mentions "integrating public policies" through the Amazon Council to "guarantee Brazilian sovereignty" over the region.

The document proposes, for example, to integrate forest-monitoring systems within the Ministry of Defense, which is mentioned 22 times in the plan (Inpe is not mentioned once). On more than one occasion, the vice president expressed his intention to hand over monitoring activities to Censipam, an entity linked to the Ministry of Defense and commanded by the military. Deforestation data in the Amazon have been released since 1989 (**Prodes** system) and 2004 (**Deter** system, which in 2015 launched a higher-resolution system, Deter-B) by Inpe, with wide international recognition - Prodes calculates the official rate of deforestation every year, and Deter generates daily alerts mainly to guide the inspection work of environmental agencies.

There is also talk of a plan to create a "legal framework" for NGOs, something that was highlighted during a council meeting in November (and later half-heartedly denied by Mourão) with a proposal to "control 100% of NGOs" that work in the Amazon and only allow those that are "aligned with the national interest" to act.

Ibama and ICMBio are mentioned only once in **the Mourão** plan, in an excerpt that makes reference to their "restructuring" and potential "doctrinal review". There is also reference to "revising" conservation units and indigenous lands. PPCDAm, the Plan for the Prevention and Control of Deforestation in the Amazon, is not mentioned even once. PPCDAm, which accounts for most of the 83% drop in deforestation from 2004 to 2012, is in practice terminated, although it was never formally revoked. In its place, the government **announced in May a 19-page proposal** entitled "National Plan for the Control of Illegal Deforestation and Recovery of Native Vegetation". Without specific goals, deadlines or actions, the supposed "plan" resembles a compilation of speeches by the Minister of the Environment. It was never published in the Official Gazette of the Federal Government, so it remains an informal document to this day.

1.5 Censorship, intimidation and loss of transparency

"I CAN'T KILL THIS CANCER, MOSTLY CALLED NGO, THAT EXISTS IN THE AMAZON"Jair Bolsonaro, September 4

The censorship, intimidation and espionage strategy against journalists and civil society entities was intensified in 2020. A story published in October by the <u>newspaper O Estado de S.Paulo</u> revealed that the government sent officials from the Brazilian Intelligence Agency (Abin) to monitor the activities of Brazilian civil society organizations that attended the Madrid Climate Conference (COP25) in December 2019. On that occasion, the government omitted from Congress the link between Abin and the agents. In a document from the Ministry of Foreign Affairs sent to congressmen, the officials were identified as "advisers" to the "Presidency of the Republic" and the letter suggested that they would be involved in the "negotiations" round.

Throughout the year, Jair Bolsonaro resumed threats and insults to civil society entities. In a *live* broadcast on his social networks, on September 4, the president said: "I can't kill this cancer, mostly called NGO, that exists in the Amazon". At the end of the month, the president spoke at a summit on biodiversity and <u>accused "certain NGOs" of commanding environmental crimes in Brazil and abroad"</u>.



Also, in September, the head of the Institutional Security Office, General Augusto Heleno, used *Twitter* to publish a series of accusations targeting Sônia Guajajara, the coordinator of Apib (Articulation of Indigenous Peoples of Brazil), a network that has been operating for 15 years, which represents indigenous organizations in the country. His accusations included an alleged "crime against the homeland". Through the social network, Heleno affirmed, among other things, that Apib would be behind websites "whose objectives are to publish <u>fake news</u> against Brazil: imputing environmental crimes to the President of the Republic; and to support international campaigns to boycott Brazilian products". The accusation of the crime against the homeland motivated the indigenous leader to file a criminal complaint against the General.

In October, Executive Secretary of *Observatório do Clima*, Marcio Astrini, was the target of attempted intimidation by the federal government when he received a judicial notification, issued at the request of the AGU (Office of the Attorney General of the Federal Government), to provide explanations regarding an interview in which he criticized Ricardo Salles' performance. A survey carry out by journalist Rubens Valente showed that the same tactic was adopted by Salles against scientist Antonio Donato Nobre, a researcher at Inpe's Earth System Science Center, and journalists André Borges, from *O Estado de S. Paulo*, and Cedê Silva, from the website *O Antagonista*.

While all this was going on, the government was appointing Abin agents to occupy positions in government entities, as **Agência Pública** revealed in December. The report showed that at least 15 agents had been appointed to positions in ministries such as Economy, Infrastructure, Health and Civil Affairs. At Ibama, **André Heleno Silveira**, an Abin employee, was appointed head of the Supervisory Intelligence Coordination. Silveira has no proven experience in the field.

All these facts have been taking place without the population having adequate access to information. In 2019, the Environment Minister imposed **censorship** on Ibama and ICMBio communications, preventing those entities from communicating directly with the press. In the first six months of 2020, according to information provided by the MMA, **less than half of the inquiries made by journalists got a reply**. In addition, in March, Bolsonaro issued a Provisional Measure suspending deadlines for inquiries made via the Access to Information Law. The measure was overturned by the STF, but a **survey carried out by congressman Ivan Valente (PSOL-SP)** showed that in 2020, 25 inquiries were not answered within the deadline, against 11 in 2019.

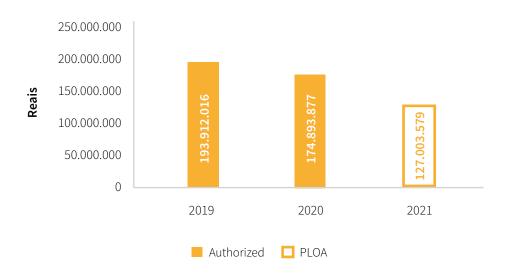
The MMA website was also targeted by the government. In November, the <u>ministry launched a new website</u>, which went live without most of the information, records and historical data that used to be available for years on the old website. Only programs from the current administration were there. The change took the public servants by surprise when they noticed that systems such as the National Register of Conservation Units, which used to be frequently updated by states and municipalities, had been deleted from the website. At the time, in response to questions by civil servants, the ministry said that information had not been lost, and that this was part of a migration process. They then provided a link to access the old website, but most of the information was still missing from the new website at the beginning of January.

1.6 Budget

An analysis of the 2021 Annual Budget Bill Proposal (Ploa) submitted by the Bolsonaro administration to Congress shows a drop of 27.4% in the federal budget pegged to environmental inspection and fighting forest fires, in comparison with what had been authorized in 2020. Compared to 2019, the drop is even greater: 34.5%. This reduction occurs amid increased deforestation and fires in the Amazon and other biomes.



DISCRETIONARY IBAMA AND ICMBIO BUDGET TO BE USED IN ENVIRONMENTAL SURVEILLANCE AND IN THE MONITORING OF FOREST FIRES



Source: Siop public access (data extracted on January 4, 2021)

Note: Figures updated by the IPCA (*Bacen - Calculadora do Cidadão*), corresponding to December 2019 and November 2020. / The amount corresponding to the "Current Appropriation" column of the Siop was considered as effectively authorized. / Budget action 21BS was not taken into account in 2019 because there was no internalization in Ibama of the corresponding funds / Budget lines 214M, 214P, 214P were considered. For year 2020, also 21BS (Operation "Car Wash" funds channeled to Ibama by the Supreme Court)/ For PLOA 2021 this analysis does not consider funds that are subject to Congress approval by means of art. 167-III of the Brazilian Constitution.

The budget authorized in 2020 for surveillance and firefighting was R\$ 174.9 million for the two federal environmental agencies (Ibama and ICMBio). This amount included an extra R\$ 50 million originating from Operation Lava Jato, which was allocated to Ibama by the STF exclusively for surveillance and firefighting purposes. The 2021 Ploa, which can still be amended by Congress, allocates R\$ 127 million to both activities. In 2019, R\$ 193.9 million had been allocated, in IPCA-updated figures.

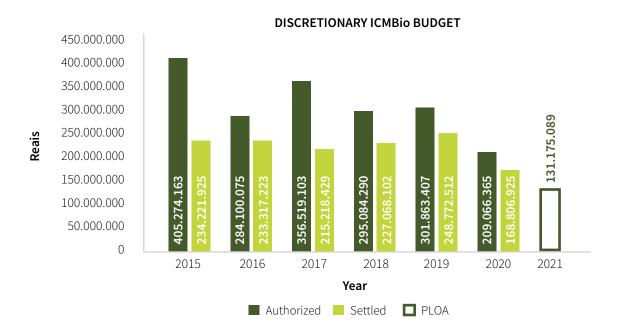
The proposed budget reveals the strategy of the current management to continue stifling Ibama's inspection abilities (there was a 35% decrease in fines compared to 2018) and, in practice, to terminate ICMBio. The strategy is in line with the statements by the Minister of Environment to review all conservation units in the country.

ICMBio was created in 2007 by then Minister Marina Silva to manage all federal conservation units in the country, which currently accounts for 9.3% of the territory and more than 20% of marine waters. In October, a decree issued by Minister Ricardo Salles made official his intention to merge ICMBio with Ibama - the "studies" were to be completed in 120 days.

The ICMBio budget for 2021, however, indicates that the decision to shut down the parks service has already been made: the government cut the resources earmarked specifically for the creation and management of protected areas – which is the main activity of the institute - by 61.5% in comparison with the budget authorized in 2018.

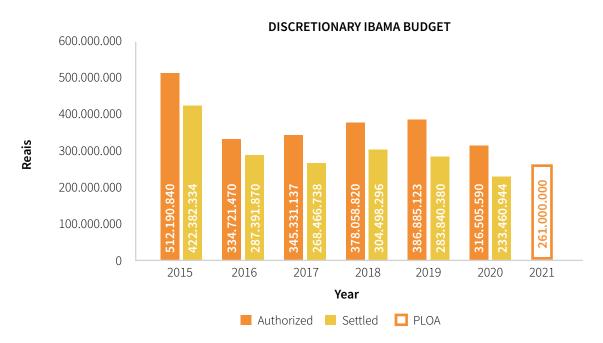
If the entire discretionary budget is considered (non-mandatory expenses), the 2021 Ploa shows a 56.5% drop in authorized funds for ICMBio and a 32.5% drop in authorized funds for Ibama when compared to 2019 figures.





Source: Siop public access (data extracted on January 4, 2020)

Note: Figures updated by the IPCA (*Bacen - Calculadora do Cidadão Bacen - Citizen's Calculator*), considering the month of December of each year and the month of November 2020. / The amount corresponding to the column "Current Appropriation" of the Siop was considered as effectively authorized / For PLOA 2021 this analysis does not consider funds that are subject to Congress approval by means of art. 167-III of the Brazilian Constitution



Source: Siop public access (data extracted on January 4, 2020)

Note: Figures updated by the IPCA (*Bacen - Calculadora do Cidadão*), corresponding to December of each year and November 2020 / The amount corresponding to the "Current Appropriation" column of the SIOP was considered as effectively authorized. / Budget action 21BS was not taken into account in 2019 because there was no internalization in Ibama of the corresponding funds / For PLOA 2021 this analysis does not consider funds that are subject to Congress approval by means of art. 167-III of the Brazilian Constitution



In the case of the Ministry of the Environment - Direct Administration, the abandonment of public policies <u>which</u> <u>had already been identified by federal control organs</u> in relation to the first year of Bolsonaro's administration is repeated in the 2021 budget proposal: 88% of the discretionary budget goes to routine administrative expenses, such as the payment of leases and salaries of outsourced personnel.

If the budget proposal is confirmed, MMA - Direct Administration will be authorized to spend only R\$ 4.6 million, besides mandatory expenses and routine administrative expenses. In practice, the government brought to an end the core activities of the Ministry of Environment without having to shoulder the political burden of shutting down the Ministry (as it had threatened to do during the **electoral campaign**).

A historical analysis of the entire budget available (mandatory and discretionary) for the environmental area (MMA and related entities) reveals that expenditure forecast for 2021 (R\$ 1.72 billion) is the lowest in two decades.

Reais (billions) Note: The control of the control

BUDGET OF THE MINISTRY OF ENVIRONMENT AND ASSOCIATED ENTITIES

Source: Siop public access (data extracted on January 6, 2020)

Authorized

Note: Figures updated by the IPCA (*Bacen - Calculadora do Cidadão*), corresponding to December of each year and November 2020 / The amount corresponding to the "Current Appropriation" column of the Siop was considered as effectively authorized. / Budget action 21BS was not taken into account in 2019 because there was no internalization in Ibama of the corresponding funds / National Climate Fund loans were not considered in this analysis, for their refundable character/ PLOA references do not consider funds that are subject to Congress approval by means of art. 167-III of the Brazilian Constitution. The following budgetary units were considered: 44101 - Ministério do Meio Ambiente - Administração Direta, 44102 - Serviço Florestal Brasileiro - SFB, 44201 - Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis - IBAMA, 44205 - Agência Nacional de Águas - ANA, 44206 - Instituto de Pesquisas Jardim Botânico do Rio de Janeiro - JBRJ, 44207 - Instituto Chico Mendes de Conservação da Biodiversidade, 44901 - Fundo Nacional de Meio Ambiente - FNMA, 44902 - Fundo Nacional sobre Mudança do Clima

■ Earmarked ■ Settled

PLOA

In the project sent by the government to Congress, Inpe also lost 10% of the total budget related to satellite monitoring, when compared to the previous year (reduction from R\$ 3.03 million to R\$ 2.73 million). Meanwhile, on the penultimate day of the year, the army signed a classified R\$ 175 million contract to buy a satellite without public bidding, whose need and effectiveness are challenged by experts, as **revealed** by the press.





1.7 Disregarding public policy: funds

In December, when he announced Brazil's new goals under the Paris Agreement, Ricardo Salles conditioned a potential anticipation of the neutralization of greenhouse gas emissions to the payment, by other countries, of "at least R\$ 10 billion per year", as of 2021, to Brazil. The diplomatic world has taken aback by such speech, which was regarded almost as a form of blackmail.

Despite the recurring demand for external funding, Brazil failed to use **R\$ 2.9 billion** from the Amazon Fund, donated by Norway and Germany for projects to prevent and combat deforestation, among others. The Amazon Fund has been paralyzed since the beginning of 2019 on the initiative of the Bolsonaro administration, under allegations of irregularities in transfers to **NGOs**, which were never proven.

The government is currently being sued before the STF for the suspension of the fund (ADO 59). At a **hearing** held in October, the BNDES representative explained that the bank is ready to start new projects, should the governance dismantled by Salles be restored. Vice President Hamilton Mourão, who has coordinated the National Council for the Amazon since February 2020, invited foreign ambassadors on a **tour** of the Amazon and gave interviews about a possible resumption of the fund's activities, but so far nothing has happened.

The fund has clauses that prevent rule changes without mutual agreement, and the two donor countries did not agree with the Environment Minister's attempts to decide alone how to allocate the money. Early December marked the one-year anniversary of Salles' **statement** during COP25 to the effect that Germany "had already agreed" to the new Amazon Fund, which was subsequently **denied by the German government**. One of the minister's stated objectives is to use the money to **compensate farmers** for expropriations in Conservation Units.

The National Fund on Climate Change, whose steering committee was dismissed during the 2019 "purge", also remained inactive for more than a year. Only after the government had been sued before the STF (ADPF 708), did the Ministry of Environment make the contributions corresponding to 2019 and 2020 to BNDES, which is the fund manager, which totaled more than R\$ 580 million. So far, the only approved project has been a R\$ 6.2 million non-refundable loan (from the non-reimbursable portion of the fund managed by the MMA itself) to the government of Rondônia, for a program of eradication of waste landfills, which has the potential to raise greenhouse gas emissions if it is not accompanied by an energy harnessing structure.



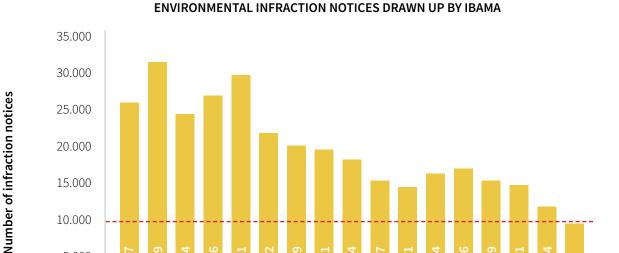
ALTHOUGH THAT HAS
IMPROVED A LOT AFTER
OUR ARRIVAL THERE. IT
IMPROVED A LOT, RIGHT,
RICARDO? FARMERS SAY
THAT THE ISSUE OF IBAMA
AND ICMBIO [FINES] IN
BRAZIL HAS IMPROVED
A LOT. IT WILL IMPROVE
EVEN MORE.

JAIR BOLSONARO, NOVEMBER 10



2. UNPROTECTION

2.1 New decrease in environmental fines



2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 **Year**

Source: Ibama Open Data Portal

5.000

0

The fines imposed by Ibama fell 20% in 2020 when compared to the previous year, according to **information** obtained from the institute's open data portal. When compared to 2018 (Temer administration), the fall was 35%.

9,516 infraction notices were drawn up across the country last year. Between 2013 and 2017, the annual average was 16 thousand infraction notices, according to an audit by the <u>Office of the Comptroller General - CGU</u> - the 2020 figure represents a 40% reduction in relation to the level of work that was being performed.

These are the lowest figures for infraction notices on record at least since 2004, when a new computerized fine management system (Sicafi) was implemented - and this does not reflect a reduction in the occurrence of infractions, but rather the inaction the country's main environmental agency.

Specifically, in relation to deforestation in the Amazon (which increased by 9.5% in 2020), fines for violations against flora in the nine states that are part of the biome fell by 42% when compared to the previous period, as detailed in Chapter 3 of this report.

In addition to the reduction in environmental fines, the <u>CGU</u> report shows an 88% drop of in the actual judgment of infraction notices from January to August 2020, when compared to the same period of the previous year.

Bolsonaro's order to "chop the heck off Ibama" and the encouragement of impunity seem to have been working.



2.2 Ibama subjugated by the Army

Since May 2020, following a decree of President Jair Bolsonaro, all of Ibama's inspection actions in the Amazon have been coordinated by the Ministry of Defense. This is the first time this has happened since the institute was created in 1989.

Despite the "reinforcement" of 3,400 military personnel in the fight against deforestation, the results of the military operation Verde Brasil 2 are meager. A **survey by Fakebook.eco** showed that the number of fines and bans imposed on properties fell in the first six months of the operation, despite a budget that was six times higher than before and the actual increase in deforestation.



Source: Ibama and Ministério da Defesa

According to the **balance sheet** released by the Ministry of Defense, R\$ 1.79 billion in environmental fines were imposed in the Amazon region from May 11 to November 11.

In the same period of 2019, Ibama imposed R\$ 2.12 billion in fines for violations against flora in the Amazon region. This result is 18% higher, but it only required one fifth of the personnel. Ibama had around **750 inspectors in 2019**. According to the Ministry of Defense, 3,400 military personnel and 300 agents from other agencies are employed in operation Verde Brasil 2.

The Ministry of Defense states that the value of the fines (R\$ 1.79 billion) "corresponds to seven times what was invested in the operation", disregarding the fact that **only three Ibama fines were actually paid in 2020**, due to changes imposed by the Bolsonaro administration.

In other words, in six months, at least R\$ 255 million was officially spent on operation Verde Brasil 2. In one year, it would be R\$ 510 million. Ibama's budget for inspection in 2019 was R\$ 85 million, i.e., six times less (in 2020 it was R\$ 66 million, almost eight times less).

The total area subject to bans, as disclosed by the Ministry of Defense in the six-month balance (99 thousand hectares) also represents a failure in relation to results obtained by Ibama working alone, at a much lower cost and less employees. In 2019, Ibama imposed a ban on 479 thousand hectares in the Amazon. In 2018, 782 thousand hectares had been subject to bans.



The 99 thousand hectares, or 990 km², correspond to about 10% of the entire area of deforestation in the Amazon in 2020, according to official data from Inpe. Considering that almost all deforestation is illegal, for every 10 km² of forest that is suppressed, the government can only inspect and prevent 1 km² from being used for illegal occupation and production purposes.

According to a <u>survey carried out by University of Brasília</u>, Ibama - with about four times fewer agents at the time than the number deployed at operation Verde Brasil – imposed bans in the 2008-2013 period that covered, on average, 17.3% of the deforestation areas registered annually by Inpe. With the bans, the areas are identified on the institute's website and those who buy agricultural products from these places also commit environmental crimes.

2.3 Civil servants harrassed

The militarization of leadership positions at Ibama led to the dismissal, in April 2020, of the general inspection coordinator, Renê Luiz de Oliveira, and of the operations coordinator, Hugo Loss, both of whom were civil servants that had held leadership positions in previous administrations. The move came after a major operation to combat illegal mining in indigenous lands in Pará. Published in a series of reports by **Fantástico**, the action resulted in the destruction of dozens of equipment used by miners, provoking a reaction from political leaders linked to criminal organizations.

Eight months after the dismissal of the two coordinators, data from Inpe show that such action hit the intended target. The <u>most deforested indigenous lands in 2020</u> were precisely those that Ibama had selected for the action: Cachoeira Seca, Apyterewa, Ituna-Itatá, Trincheira-Bacajá, Munduruku and Kayapó, all in the state of Pará.

In November, Ibama inspectors were <u>surrounded and threatened by invaders</u> at Apyterewa. The civil servants were notifying the group of non-indigenous people about the deadline for them to leave the site, in compliance with a court order.

A week later, it was <u>revealed</u> that Fundação Nacional do Índio (Funai) intended to reduce by about 50% the area of Ituna-Itatá indigenous land. There have been reports and traces of isolated indigenous individuals in this region since the 1970s.

Other civil servants were also removed from their management positions for defending technical positions contrary to attacks on the environment. One of them was forest engineer André Sócrates, who was responsible for the forest products control sector at Ibama. He was dismissed after taking a stand - along with other experts - against changes affecting rules that reduce control of timber exports.

Interestingly enough, the Ibama Environmental Protection director from January 2019 to April 2020, retired São Paulo military police officer Olivaldi Azevedo, was dismissed after the Fantástico report, but months later he was appointed assistant secretary of Biodiversity at the Ministry of Environment.

In addition to dismissals, civil servants in the environmental area were also subjected to intimidation. A technical note prepared by Ibama's Ethics Committee circulated throughout the year among environmental agents to <u>curb</u> <u>political expression against the current administration</u> on social networks of environmental agents, both on open networks, such as *Facebook*, *Twitter* and *Instagram* and in closed ones, such as *Whatsapp* and *Telegram* groups. The technical note warned about what was called "inappropriate conduct". Ibama's president, Eduardo



Bim, had published in 2019 a <u>code of ethics</u> prohibiting employees from "speaking out on behalf of the institution when not authorized by the competent authority, pursuant to the provisions of the internal media policy".

The Instituto Chico Mendes also issued in May 2020 a <u>code of ethics</u>, drafted by its then president, Homero Cerqueira, a São Paulo military police colonel - whose administration was market by a <u>prohibition of micro skits and torn pants at the premises of the entity</u>. The document regulates communication, <u>prohibiting unauthorized disclosure of studies and surveys</u> by scientists from the federal agency and "disciplining" the use of social networks. Among the prohibitions are several actions to which Colonel Homero himself has resorted, such as the <u>use of social networks for political party propaganda</u>. The <u>institute's employees refused to sign the code</u>.

2.4 Zero-punishment Program

In addition to boycotting inspection actions in the field, the Bolsonaro administration has not enforced environmental fines since October 2019, when the decree that created the so-called "conciliation" of fines came into force.

Invented by Minister Ricardo Salles, conciliation is one more instance in the already lengthy process of enforcement of fines by Ibama and ICMBio. The justification for its creation was the possibility of holding hearings between the supervisory bodies and the offenders that could lead to the payment of the fine at a discount without the need for





court proceedings. In practice, this action brough the collection of fines to an end. The government has already tried to blame the pandemic, but the decree itself allows remote hearings.

A survey carried out by Observatório do Clima through the Access to Information Law, which resulted in a challenged raised before the STF (ADPF 755), shows that Ibama held only five hearings out of a total of 7,205 that had been scheduled since April 2019.

The institute used to draw up about 15 thousand infraction notices per year and more than 120 thousand cases in course. In other words, the environmental fines in Brazil, which previously went mostly unpaid (because major offenders always appealed), are now not even being enforced. As the statute of limitations on crimes and infractions is not stayed, such violations may be dismissed without the violators ever being punished.

What happens today is that the administrative process does not lead to any consequence, removing any deterrent power that the few environmental penalties that are applied could otherwise have had.

<u>An audit</u> carried out by the Office of the Controller General of the Federal Government indicated a reduction, from January to August 2020, of 88% in the judgment of fines imposed by Ibama, in comparison with the same period of the previous year.

In a **speech** at the inauguration of a biogas plant in Brazil, in October, president Bolsonaro recalled his campaign promise to end what he called the "environmental fines frenzy": "Our Ministry of the Environment does not disturb your lives. On the contrary, it helps you, and it helps you a lot. Remember how Ibama and ICMBio treated you and how you are treated today." He was applauded.

2.5 A blind eye turned to illegal logging

In 2019, Minister Ricardo Salles opposed technical experts and prevented the implementation of a measure that would increase control over the exports of ipe wood, the most valued - and threatened, Brazilian wood. At the end of the Temer administration, a technical opinion from Ibama had recommended that ipe wood be included in an international list of endangered species, known as Cites. This was a longstanding demand from environmental organizations like Greenpeace, which in 2018 released a **report** on frauds in the illegal ipe wood market.

Salles rejected the change. According to **Estadão**, the decision came after discussions between Ibama and MMA leaders and loggers from Mato Grosso and Pará.

In late February 2020, the Ibama president, Eduardo Bim, <u>signed a document</u> at the request of two logging associations that ended the need for authorization from the environmental agency for the export of native wood. The decision contradicted the report signed by technical experts from the institute, loosening the inspection for all wood exporting companies in the country. The control measure overthrown by Bim had been in force for eight years. According to <u>The Intercept</u>, which disclosed the case, the two associations that requested and obtained the measure had R\$ 15 million in accrued environmental fines.

Nineteen days before signing the document, Bim <u>had met with loggers</u>. Among the companies that participated in the meeting were two that had more than R\$ 2.6 million in accrued fines. The Brazilian government <u>had been warned by US authorities</u> about suspicions of illegal timber exports.



In November, President Jair Bolsonaro announced that he would release a list of countries that would have bought illegally harvested timber from the Amazon. Then he <u>reversed course</u>. In November, in a live stream with Officer Alexandre Saraiva, head of the Federal Police in Amazonas, Bolsonaro said that Brazilian ipê wood is sold at eucalyptus prices in Europe. But he did not say that one of the reasons for this is the ease of illegal exploitation, which would be hampered by the inclusion of the species in Cites, a measure that his administration has declined to adopt.

Abrampa (the Brazilian Association of Members of the Public Prosecutors' Offices in charge of environmental matters) and socio-environmental NGOs went <u>went to court</u> in June to overturn Ibama's February measure that facilitated illegal logging in the country.

2.6 Municipal land-grabbing

After losing in Congress the battle for the approval of MP 910, the so-called "Land-grabbing Provisional Measure", whose original wording pardoned the criminal occupation of lands in the Amazon until 2018, when Bolsonaro was elected, the administration transformed "land regularization" into a *cause celèbre* of its stance on environmental matters. The President, the Vice President and Ministers began to repeat the false argument that environmental control in the Amazon would only be possible if all lands were titled. Contrary to what the Bolsonaro administration claims, the country managed to reduce deforestation by more than 70% between 2004 and 2009 without any change in the legislation on land titling. The government also failed to explain why the number of titles granted in the first year of the Bolsonaro administration fell from 3,900 (the average in the previous decade) to only 6.

Without being able to advance in Congress a project of interest to Nabhan Garcia, secretary of Land Affairs of the Ministry of Agriculture and a personal friend of Bolsonaro, the government decided to pursue "infra-legal" flexibility: on December 2, Nabhan and Incra issued **Joint Ordinance No. 1**, which essentially outsourced to municipalities the issuing of titleship of occupied public land, which is allowed under the current law.

Each municipality in the country will be able to create a "land regularization nucleus" and designate employees to be trained by Incra. And the municipality itself may issue titleship on occupied federal public lands. Considering that municipalities are poorly equipped, have little in terms of human resources and in cities such as New Progress (PA) even mayors are suspected of illegal occupation, the ordinance will allow the regularization of "all land grabbing in Brazil", as the Chairman of the National Confederation of Incra Civil Servants' Associations, Reginaldo Félix de Aguiar told **Estadão**. As of the closing of the drafting of this report, the criteria for land regularization by municipalities were yet to be defined.

2.7 Oil in the Northeast: one year later

One year and five months after the spill of 5,000 tons of oil on the beaches of the Northeast and Southeast, the Navy and the Federal Police are still <u>unable to identify</u> those responsible for the environmental tragedy that affected more than 130 municipalities. According to the final Navy report, released in October 2020, the federal government spent R\$ 187.6 million to try to contain the largest oil spill in the country, but researchers say that <u>oil spots continue</u> to come ashore in certain beaches. In addition to failing to identify the culprits and failing to impose any fines, the government has not paid the R\$ 43 million debt for cleaning services provided during the crisis by Petrobras, which is now trying to collect the bill.



At the time, the Minister of the Environment took 41 days to activate the National Oil Pollution Contingency Plan (PNC), whose work was delegated to the Brazilian Navy. This plan has been formally paralyzed since March 2020. Only in October of the last year was a Technical-Scientific Commission created to advise and support monitoring activities and to neutralize the impacts arising from marine pollution by oil and other pollutants in the Blue Amazon, by the Defense Ministry. Surprisingly, the Ministry of the Environment is not part of the commission (Ordinance No. 313/MB/2020).

Small-scale fishing was the sector most affected by the oil spill. Approximately 350 thousand fishermen were affected by the spill, and to date less than 40% have received some type of financial aid from the federal government. Oblivious to the investigations, President Jair Bolsonaro stated, in a speech at the opening of the UN General Assembly in September, that "Brazil was the victim of a criminal Venezuelan oil spill". The <u>narrative about Venezuelan responsibility</u> emerged at the beginning of the investigations, when a Petrobras report indicated that the oil spill could have originated from that country. However, according to documents that make up the oil spill CPI in the Congress, other international reports that investigated the substance could not determine its origin.

Research institutions across the country have resorted to the scarce funds made available under the CNPq program and state foundations to support research to assess the economic, social and environmental impacts of the oil spill. The researchers warn that the oil is now fragmented into invisible pieces and that now it is possible to find it in plankton, which is the basis of the entire aquatic food chain. These fragments have the potential to contaminate environments, marine animals and beachgoers.





3. CONSEQUENCES

3.1 Increased deforestation

DEFORESTATION IN THE AMAZON REGION 10.000 30.000 27.772 9.000 8.906 8.361 25.000 Deforestation area km² 8.000 8.361 Infraction notices 7.000 6.778 20.000 6.576 6.000 5.980 5.841 5.330 5.000 15.000 4.691 3.980 12.911 3.403 **11.088** 4.000 11.651 10.000 3.000 7.000 5.891 2.000 5.000 1.964 4.571 5.012 1.000 0 0 2016-2017 2009-2010 2013-2014 2014-2015 2015-2016 2018-2019 1003-2004 2004-2005 2005-2006 2007-2008 2008-2009 2010-2011 2011-2012 2012-2013 017-2018 2019-2020 2006-2007

Period (August 1st - July 31st)

— Infraction notices dealing with forest violations — Rate of deforestation

Source: Ibama and Inpe

Deforestation in the Amazon increased 9.5% in 2020, after a 34% increase in 2019. Such a high rate of devastation had not been recorded since 2008: 11,088 km², or an area that corresponds to the territory of Jamaica.

The new increase in deforestation coincides with a 42% drop in fines for violations against the forest in the same period, as measured by Inpe, from August 2019 to July 2020, according to a survey by **Fakebook.eco**.

Under the command of the Armed Forces since May, Ibama inspectors drew up 1,964 infraction notices for crimes against the forest in the nine states of the Legal Amazon over one year. This is the lowest level of infraction recorded in the last two decades. It broke the previous negative record, which had been partially registered under Bolsonaro: 3,403 (from August 2018 to July 2019).

In 2020, the State of Pará concentrated almost half of deforestation (47%), followed by Mato Grosso (16%), Amazonas (13.7%) and Rondônia (11.4%).

The record drop in the number of infraction notices covers the period of intervention of the Armed Forces in the Amazon. Since May, all actions have been coordinated by the Ministry of Defense.



In the Cerrado region, deforestation increased even more: 7,340 km² were cut from August 2019 to July 2020, up 13% over the same period one year before. The Bolsonaro administration waited for the Christmas and New Year break to release the data. The devastation in that biome corresponds to almost five times the area of the city of São Paulo. This is the highest rate since 2015.

In addition to the impacts on biodiversity and ecosystem services, the increase in deforestation makes Brazil increasingly distant from the goals of reducing greenhouse gas emissions: the country was 180% above the goal outlined in the National Climate Change Policy to limit deforestation in the Amazon in 2020 to a maximum of 3,925 km² (a reduction of 80% in relation to the 1996-2005 average).

It wasn't just the rate of deforestation that went up. In 2020, the fires hit the Amazon again, even with the Army in the field since May - in theory to curb them - and with a presidential decree signed in July prohibiting any burning for 120 days. Until December, the number of fires in the biome was 15% higher than in 2019, the year when the burning of Amazon put Brazil at the center of an international crisis.

The government reacted as it did in 2019: first denying the problem, then blaming the victims. Using data from the head of Embrapa Territorial, Evaristo de Miranda, General Hamilton Mourão and President Jair Bolsonaro claimed that 90% of the fires were "in pasture areas". This figure has been refuted by different methodologies, first by Ipam, which showed that 64% of the outbreaks corresponded to forest fires or deforestation; then by NASA, which showed that about half of the outbreaks in the winter of 2020 corresponded to new or recent deforestation; and finally by Inpe, which compared data on fires and deforestation and showed that in August of this year, for example, about 66% of the hot spots were in areas of recent deforestation or forest fires. In September, at the UN, Bolsonaro said that fires are caused by "peasants and indigenous peoples". This speech, together with the rest of the government's anti-indigenous activities,



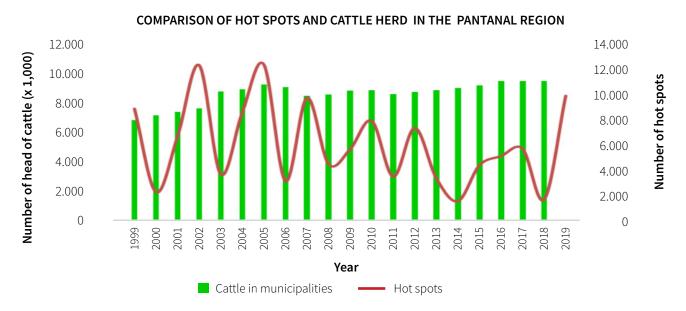


ensured that Brazil would receive an international award: that of <u>Fossil of the Year</u>, granted by the *Climate Action Network* of NGOs to the countries that impose the most obstacles in the fight against climate change. Only Brazil and the United States have received such award, in two categories each.

3.2 The burning of Pantanal

In 2020, <u>30% of the Pantanal</u> was destroyed by fire. Brazil lost almost a third of the biome while ministers and President Bolsonaro tried to deny the severity of the fires and to convince the population that they were associated with the removal of cattle from the region.

According to them, the ox would act as a "fireman in the Pantanal" by eating the organic mass that serves as fuel during the drought period. **Fakebook.eco** showed that this makes no sense. In fact, cattle herd increased 38% in the Pantanal municipalities, from 1999 to 2018. The vegetation cover fell 10% and the exotic pasture area grew 64% over natural areas in the same period, despite the claim that an alleged preservation model would have removed Pantanal farmers and cattle from the region in recent decades.



Source: Fakebook.eco, with data from IBGE and Inpe

Inpe data show that the devastation that shocked the country in 2020 was the result of an increase of 220% in fire outbreaks when compared to 2019. Until December there were 22,116 outbreaks, the highest number recorded in the Pantanal region since the beginning of monitoring by Inpe, back in 1998. Until then, the year with the most fires had been 2005, with 12,536 outbreaks.

Despite the official denialist speech, a <u>report</u> presented to the Congress associated the fires in Pantanal to "criminal human actions" and "state conduct that was at least disreputable". Investigations by the Federal Police also pointed out that farmers were responsible for starting fires and not the absence of cattle (although by December no one had been punished).



3.3 Invasion of indigenous lands

"FOR TODAY, PRESIDENT, WITH YOUR SIGNATURE, THERE WILL BE FREEDOM. IN OTHER WORDS, FROM NOW ON WE WILL HAVE THE AUTONOMY OF INDIGENOUS PEOPLES AND THEIR FREEDOM OF CHOICE. IT WILL BE POSSIBLE TO MINE, GENERATE ENERGY, TRANSMIT ENERGY, EXPLORE OIL AND GAS AND TO FARM IN INDIGENOUS LANDS. THIS IS ANOTHER ABOLITION OF SLAVERY MOMENT."

Onyx Lorenzoni, February 5

Jair Bolsonaro's anti-indigenous speech has reverberated in the countryside, especially in the Amazon. <u>Data published in September by the Missionary Indigenous Council</u> show that invasions of indigenous lands grew by 135% in 2019. 256 cases were recorded. Instead of restraining invaders, the government signaled, using legal and non-legal measures, that it would do whatever it could to ensure that indigenous peoples - who, after all, in the president's words "are human beings like us" – would stop living "like <u>animals in a zoo"</u>. On February 6, Bolsonaro decided to "celebrate" his 400 days in office by submitting PL 191 to Congress, <u>which allows the pursuit of several types of economic activity at indigenous lands.</u> With the exception of wildcat mining, none of these activities - whether power plants, agribusiness or timber harvesting - requires the consent of the indigenous populations; all that is necessary is for the President to justify them to Congress.

On April 22, Funai, <u>led by the rural lobby</u>, issued Normative Instruction No. 9, which authorizes the claim of private areas within indigenous lands that have not yet been ratified. That Normative Instruction had a well-known address: the Ituna-Itatá Indigenous Territory, in Pará. Reserved to protect a group of isolated indigenous individuals, that territory became the target of land-grabbing gangs associated with Pará politicians. According to data from Inpe compiled by Greenpeace, there was practically no deforestation in that territory before 2016. The devastation jumped from 2km² that year to 13 km² the following year and 16 km² in 2018, before exploding by 650% in 2019, reaching 119 km². In 2020, according to Greenpeace, **94% of the territory had been subdivided** among private landowners through false Rural Environmental Registry certificates, in a kind of preventive land grabbing. The self-styled "Bolsonarist anthropologist" Edward Luz was arrested by **Ibama at Ituna in February** for harassing inspectors at that site.

Another indigenous land threatened by land grabbing is Apyterewa, which belongs to the Parakanã tribe. Located at Transamazônica and in the area of influence of the Belo Monte hydroelectric plant, the TI today has more than 1,500 non-indigenous residents. One of the conditions made in the Belo Monte licensing process was that non-indigenous residents had to vacate the area, which was never enforced. Instead, the city of São Félix do Xingu attempts to reduce the indigenous land to the benefit of invaders. Last year, the city obtained an order from Justice Gilmar Mendes, of the STF, to direct the process towards a "conciliation" (indigenous people <u>say they do not want to enter into any conciliation</u>). In November, the newspaper *O Globo* revealed that officials from the Ministry of Women, Family and Human Rights, led by pastor Damares Alves (PP), <u>went to Pará to pressure indigenous people into reducing their territory</u>. The Minister had brokered a "surprise meeting" between indigenous peoples and farmers in October - on the farm of one of the invaders, where indigenous people claimed to have been held against their will.

In addition to land grabbers, miners also threaten indigenous lands in the Amazon. **According to InfoAmazonia**, the number of mining permits on indigenous land (which are illegal, since the activity is not regulated) filed with the National Mining Agency in ten months in 2020 was the highest in 24 years: 145. One of the areas where the problem is most acute is the Yanomami Indigenous Land, in Roraima, inhabited by about 26,000 Yanomami and Ye'kwana individuals, which has been invaded, **according to the Yanomami Leadership Forum, by approximately 20,000 miners**.



With the end of the inspection actions and the certainty of impunity, singer Wanderley Andrade put on a show for the miners at the Yanomami TI and announced, in December, at the height of the Covid pandemic in the country: "Whenever they call me, I'll go".

3.4 Covid at indigenous villages and the denial of aid

"WHEN IT COMES TO DRINKING WATER, INDIGENOUS PEOPLE OBTAIN WATER FROM THE RIVERS THAT ARE IN THEIR REGION".

General Hamilton Mourão, July 9

The administration's anti-indigenous bias facilitated a humanitarian crisis starting in April, when the first case of Covid-19 among indigenous people was recorded. Without official protection and with an increase in invasions of their lands, indigenous people got infected and died at a higher rate than other Brazilians. On December 18, according to data compiled by Apib (Articulation of Indigenous Peoples of Brazil), there were **42,342 confirmed Covid cases among 161 indigenous peoples**, with 896 deaths – including historical leaders such as Kayapó Paulinho Paiakan and Chief Yawalapiti Aritana. Considering the population listed in the last Census, of 896 thousand people, Covid had killed 0.1% of Brazil's indigenous people by December, a higher rate than that among non-indigenous people (0.08%). By December, Funai **had spent only half of the resources available to fight the pandemic,** according to data from Inesc.

The indigenous people themselves took action and installed hundreds of sanitary barriers on access points to their land. Besides, they articulated with Congress the approval, in record time, of Law 14,021, which provides for emergency measures to contain the spread of the coronavirus in indigenous villages. Bolsonaro signed the law on July 8, but with 22 vetoes - among them, the provision that required delivery of drinking water, hygiene materials, hospital beds and respirators to villages. Justifying the vetoes, the vice-president, Hamilton Mourão (PRTB), went full Marie Antoinette and declared that "when it comes to drinking water, indigenous people obtain water from rivers". Many of these rivers are contaminated with mercury, due to illegal mining.

Indigenous people appealed to the Supreme Court and on August 5, they were granted an <u>injunction that forced</u> the Executive branch to protect indigenous lands and expel invaders - a decision of a merely symbolic nature, since, as seen above, the government did not refrain from negotiating with invaders the reduction of the area of an indigenous land in Pará in October, two months after the Supreme Court's decision. Days later, Congress overthrew 16 of Bolsonaro's 22 vetoes, but failed to overturn them all - including the one that dealt with the provision of special funds to be used in indigenous health initiatives.

While Law No. 14,201 was being processed in Congress and Bolsonaro was being harassed by the press for the "genocide" of indigenous peoples, the government decided to pull a media stunt: the Minister of Defense, General Fernando Azevedo, took 20 journalists and 24 military agents to the Yanomami Indigenous Land, in Roraima, to distribute 66,000 chloroquine tablets to the inhabitants of that tribe - an action **denounced by the Yanomami**, which disrespected their decision to self-isolate, leading to their exposure to non-indigenous individuals. The trip took place from June 29 to July 2. Chloroquine had been contraindicated by the World Health Organization (WHO) as a coronavirus prophylaxis treatment **since June 17**.



3.5 Activists killed

At least 18 people were killed in field conflicts from January to December 2020, according to a **preliminary survey** by the Pastoral Land Commission (CPT). The numbers, which may still increase (there are cases still under analysis), are lower than the previous year, when Brazil was considered the third most dangerous country in the world for activists and defenders of the land and of the environment. The most recent annual report by the **NGO Global Witness**, released last July, indicated that, in 2019, in the first year of the Bolsonaro administration, at least 24 people were murdered. The states that recorded the most deaths in 2019, according to the report, were Pará (7), Amazonas (5), Maranhão (4) and Mato Grosso (2). Amapá, Bahia, Mato Grosso do Sul, Paraná, Pernambuco and Rondônia registered one murder each.

3.6 Boycott threats

"THE ESCALATION OF DEFORESTATION IN RECENT YEARS, COMBINED WITH REPORTS ON THE WEAKENING OF ENVIRONMENTAL AND HUMAN RIGHTS POLICIES AND THE UNDERMINING OF ENFORCEMENT BODIES, IS CREATING WIDESPREAD UNCERTAINTY ABOUT THE CONDITIONS FOR INVESTING OR PROVIDING FINANCIAL SERVICES TO BRAZIL."

Letter from investors to Brazilian Embassies, 23 June

It would be unlikely that such a systematic attack on the environment and traditional peoples would go unnoticed by investors, companies and markets that buy Brazilian commodities. And, in fact, it didn't. In 2020, Brazil received





numerous threats of divestment and boycott, which peaked in October, when the European Parliament symbolically rejected the trade agreement between the European Union and Mercosur, with several MEPs directly attributing the veto to concerns about Brazilian environmental policy. The agreement was put on a back burner by Europe in 2020, when its ratification could have advanced. In December, the EU ambassador to Brazil, Ignacio Ybañez, said the agreement was on stand-by until Brazil committed to adopt Amazon conservation measures.

The government first took notice of the problem on June 23, when a group of 30 investment funds from eight countries, which together manage USD 4.1 trillion in assets, wrote to Brazilian embassies requesting explanations about the environmental crisis. The group had a meeting with Vice President Hamilton Mourão and some ministers on July 9 and left with <u>a list of five items</u> to follow up on the country's progress. None of those items had been fulfilled by the end of the year.

Before that, in May, 15 large companies, including British supermarket chains, wrote to Speaker of the House of Representatives Rodrigo Maia (DEM-RJ), warning that if MP 910 was approved it would increase land grabbing and deforestation and force **companies to boycott Brazilian products**.

In August, it was the turn of CEOs of Brazilian companies. Thirty-eight of them - including the CEOs of Itaú and Bradesco - <u>wrote to the vice-president</u> stating that Brazil's negative image on the Amazon socio-environmental issue "has enormous potential to cause damages for Brazil, not only from a reputational point of view, but actually for the development of business and fundamental projects for the country", which was followed for an appeal for a post-pandemic green recovery.

In the following month, seven countries in the Amsterdam Declarations Partnership (Germany, France, Denmark, Italy, the Netherlands, Norway and the United Kingdom) and Belgium also wrote to Mourão expressing concern about deforestation and saying that it undermines the capacity of investors and companies to meet sustainability criteria. They praised the efforts to control deforestation in the past and asked, diplomatically, how did Brazil lose its way.

The government's response was to double down on propaganda. In a slide show given to the ambassadors of the eight countries, which never went public, Mourão **promised to reduce deforestation to 7,000 km² by 2022** (without explaining how). The promise, in short, is to reach the end of this administration's term of office with deforestation at the same level as before Bolsonaro came into power (7,500 km² in 2018). This figure was never repeated in later documents of the Amazon Council, which suggests that it was fabricated especially for the occasion. The number suggested by Mourão, of 7,000 km², although lower than the figures in force under the Bolsonaro administration, still represents an exceedingly high rate of deforestation and leaves Brazil very far from complying with both the Forest Code and its climate goals.

In November, the general took the ambassadors of the Amsterdam group for a tour of the Amazon, which included a fly-over preserved areas. Not everyone seems to have been impressed: the German ambassador, Heiko Thoms, whose country has been facing, for the last two years, an impasse over the Amazon Fund, said the trip had **not changed his standing**.



IF THIS MAKES US AN INTERNATIONAL PARIAH, THEN LET US BE A PARIAH.

ERNESTO ARAÚJO, OCTOBER 22



4. CLIMATE: FROM KEY PLAYER TO OUTCAST

4.1 2020: missed goal

In 2009, Brazil established its first domestic legislation to cut emissions, the National Policy on Climate Change. Regulated by Decree 7,390/2010, it provided for two goals: one for a relative cut in emissions - from 36.1% to 38.9% by 2020 compared to what would be issued in the absence of policies - and an 80% reduction in the rate of deforestation in the Amazon by 2020, in relation to the average rate that had been verified between 1996 and 2005.

The assumptions of the projection were generous: an economic growth of 5% per year was expected and, in the absence of a law, all new energy installed in Brazil was assumed to be fossil-based, which was never realistic. All in all, Brazil was expected to reach 2020 with gross emissions of 2.068 billion tons of CO_2 equivalent, at most. It would be enough to continue controlling deforestation to achieve this goal.

2020 arrived and Brazil missed both goals. The deforestation goal was missed by a wide margin: with 11,088 km², the country went 180% above the 3,925 km² ceiling established by the decree. And a **projection based on the 2019**





<u>SEEG data</u> indicates that our gross emissions in 2020, using the same metric used in the decree, will be 2.2 billion tons. The government is being sued at the STF for failing to meet the deforestation goal.

4.2 2030: Zero-ambition NDC

A few days before the event that would celebrate the five years of the Paris Agreement, when ambitious announcements by the biggest global polluters for climate mitigation were expected, Environment Minister Ricardo Salles announced an update of the Brazilian greenhouse gas emission reduction target (NDC), which represented a setback for the country's climate policy, as well as an attempt to blackmail rich countries.

The NDC is the document in which each country outlines its strategies and results to achieve the Paris Agreement objective of stabilizing global warming, which must be updated and intensified every five years. Brazil's original goal was presented in 2015 at the UN by then President Dilma Rousseff. Brazil pledged at the time to reduce its greenhouse gas emissions by 37% by 2025, compared to 2005 levels, and indicated that it could reach 2030 with a 43% reduction.

None of this was conditional on external funding. The new NDC proposal confirms the indicative target for 2030. It does not change the percentage commitment to cut emissions, but it does change – by a lot - the corresponding calculation basis. In the new proposal, the level of emissions in 2005, the base year of the target, was adjusted from 2.1 billion tons to 2.8 billion tons. In the 2015 NDC annex, the indicative 43% reduction target meant emitting 1.2 billion tons of gases by 2030. In the version presented by Salles, the same target represents 1.6 billion tons released into the atmosphere. In other words, Brazil would reach 2030 emitting around 400 million tons of CO_2 equivalent to more than what it had promised in 2015, according to an analysis by **Observatório do Clima**. To maintain the same absolute level of emissions indicated in 2015, Brazil should have adjusted the percentage reduction in NDC to 57% with the change in methodology.

When ratifying the 43% cut proposal, the Brazilian government commits itself to a lower mitigation effort, when what is required by science would be a more ambitious goal that would be compatible with limiting heating to 1.5° C. The level of emissions resulting from the 2030 target (1.6 billion tons of CO_2 e) is practically the same verified by the SEEG (Observatório do Clima's System of Greenhouse Gas Emissions Estimates) for 2019. In other words, the target of reduction in relation to 2005 presented by the government could be achieved even while maintaining the deforestation rate of the Amazon at current levels, i.e., $10,000 \, \text{km}^2$ per year.

Deforestation is the main source of greenhouse gas emissions in the country. In addition, the document sets out the intention to achieve carbon neutrality in 2060, ten years after what has been announced by most countries, and conditions the anticipation of this goal to the payment of USD 10 billion per year to Brazil beginning this year. Days after the release of the new Brazilian NDC, the *Climate Action Tracker* considered that the proposal does not increase ambition and **lowered the country's rating from "insufficient" to "highly insufficient"**.

As a result, Brazil was cut from the Climate Ambition Summit, the summit that celebrated the five years of the Paris Agreement, on December 12, with the presence of more than 70 countries, in addition to business leaders. The condition to participate was the presentation of more ambitious goals than the previous ones.



ANYTHING THAT WE DO ENDS UP BEING CHALLENGED IN COURT THE NEXT DAY

RICARDO SALLES, APRIL 22



5. CLOSING THE GATE

5.1 Salles' stillborn "Big Fund"

If the government advanced in its project to dismantle environmental governance, in 2020 it also suffered major set-backs, both in Congress and in the courts. In March, Provisional Measure 900 expired in Congress, which authorized the government to hire a public bank to create a fund for the conversion of environmental fines. An environmental offender fined by Ibama could be entitled to a 60% discount on the amount of his fine provided he deposited the remaining 40% in that fund. All criteria for the use of money would be defined by a single person: the Minister of the Environment.

The total value of the fund, in a conservative calculation, was estimated at R\$ 7.6 billion in a technical note issued by the OC, considering the total amount of fines issued by Ibama - around R\$ 38 billion - and that only half of the offenders would join the conversion scheme.

The indirect conversion of environmental fines was proposed by the Temer administration with the objective of settling Ibama's liabilities and, at the same time, supporting environmental recovery projects defined by Ibama in public calls. The government even chose two projects and published the result of the first call for proposals, but the conversion was changed at the beginning of the Bolsonaro administration under the false claim that it would give "R\$ 14 billion to NGOs". The fund created under the total control of Ricardo Salles would replace the projects chosen by Ibama and executed after a public call for bids.

5.2 The silent end of the IADB fund

In September 2019, when he went on a tour of the US and Europe, Ricardo Salles embarrassed the Inter-American Development Bank and Brazilian diplomacy by entering a meeting at the bank's headquarters to propose the idea of an environmental fund. He left such meeting announcing to the press that the fund would receive USD 500 million from the IADB – which would represent a form of ratification of the Brazilian government's environmental policy.

In the following weeks, Minister of Foreign Affairs Ernesto Araújo tried to further embarrass the bank by sending a letter to its representative in Brazil asking for an <u>urgent meeting to address the issue</u>. Brazil's idea was to launch an "Plan B Amazon Fund" at COP25, in Madrid, in December 2019.

The plan collapsed after the bank pushed Salles' and Ernesto's back up against the wall: in a letter, the IADB said it would be happy to discuss a new fund with Brazil - but only after seeing an evaluation of the results of the Amazon Fund, the billion-dollar fund that Salles put in the fridge after lying about the misappropriation of resources by NGOs. Without the trump card to announce at the COP, all that the minister could do was to **sabotage the meeting**. The topic was never discussed again in 2020.

5.3 STF litigation

The Bolsonaro government ends the year facing four new environmental lawsuits of great repercussion in the STF, filed by opposition parties with the support of NGOs. In September, one of these cases, Claim for Failure to Comply



with a Fundamental Precept (ADPF)No. 708 led to the first public hearing to discuss climate change in the history of the Supreme Court. It was summoned by Justice Luís Roberto Barroso, rapporteur of an action brought by Psol, PT, PSB and Rede to challenge the deliberate paralysis, for more than a year, of the National Fund on Climate Change, known as *Fundo Clima*.

Another lawsuit filed by the same parties, the Action of Direct Unconstitutionality due to Omission (ADO) 59, whose rapporteur was Justice Rosa Weber, also seeks to hold the government responsible for malicious omission in relation to the Amazon Fund, which has been paralyzed since the beginning of 2019. The minister of the Environment tried to change the composition of the fund's committees in order to control it, but donor countries refused. The result is that the committees have been dismissed and R\$ 2.9 billion that could be used to reduce deforestation and fires are facing a standstill.

In October, the same parties sued the government in ADPF 755, which was filed against the so-called "zero punishment", as the environmental conciliation created by Ricardo Salles became known. This is an additional step in the process of penalty imposition for environmental infractions, in which the assessed fine is suspended until a "conciliation hearing" is held. From April 2019 to October last year, Ibama had held only five hearings out of a total of 7,205 scheduled. ICMBio did not hold a single one. In other words, the environmental fines in Brazil, which previously went mostly unpaid (because major offenders always appealed), are now not even being enforced.

A fourth lawsuit, filed by seven parties (PSB, PDT, Rede, PV, PT, Psol and PCdoB) in November (ADPF 760) seeks to force the government to immediately restore PPCDAm, the plan against deforestation that was successful in the last decade and which was unofficially extinguished by Bolsonaro on his second day in office. The action, considered the biggest climate dispute to be heard by the STF, also calls for the compliance, in 2021, with the 2020 deforestation ceiling of 3,925 km².

5.4 Gate closed at Conama

The Supreme Court also closed the gate on Minister Salles' attempt to "push the whole lot through" in Conama at the meeting of September 28. In a preliminary decision, exactly one month after the council meeting, Justice Rosa Weber suspended the effect of Conama Resolution No. 500/2020. This resolution had simultaneously revoked three previous resolutions: 284 (which regulated the licensing of irrigation projects), 303 (which established parameters for the protection of sandbanks and mangroves) and 302 (which established protection parameters around artificial reservoirs). Resolution 303 had been revoked after pressure from the real estate sector, which mainly intends to occupy sandbanks on the coast. With the **STF decision**, entrepreneurs will have to adapt to the existing rules. Salles will too.

5.5 Gate closed at the Atlantic Forest

An important symbol of the closing of the gate on Minister Salles' intention to "push the whole lot through" came in June, when the Minister of the Environment <u>revoked a decision that he had made</u> in April that allowed cancellation of fines for deforestation in the Atlantic Forest. The April act was based on the Forest Code to amnesty fines for deforestation that occurred until 2008. It so happens that, in the case of the Atlantic Forest, a biome



protected by law, the Public Prosecutors' Office (MPF) stated that the law that is applicable is the 2006 Atlantic Forest Law. The MPF filed a lawsuit, which joined other lawsuits filed in the Atlantic Forest states by civil society organizations. It was because of this reaction that Salles complained at the ministerial meeting that "anything that we do ends up being challenged in court the next day" and when he asked the Attorney General's Office to be on "stand-by" to issue opinions to support the ministerial actions.

6 WHAT IS IN STORE FOR 2021

6.1 Protected areas

In 2020 the Bolsonaro administration formalized a plan that it has announced during the election campaign: to merge Ibama and Instituto Chico Mendes de Conservação da Biodiversidade, with the possible extinction of ICMBio. A <u>Workgroup</u> was created in October, with a 120-day term to complete its assignment. The WG is made up of military police officers and political nominees linked to the ruralist congress group, none of whom have any environmental management experience, <u>according</u> to the National Association of Career Environmental Specialists.

The budget for the creation and management of conservation units in 2021 fell 61.5% when compared to 2018, in yet another nail in the ICMBio coffin placed by the Bolsonaro administration. The name of the institute pays homage to Chico Mendes, a rubber tapper whose murder in 1988 was ordered by farmers, in the state of Acre.

The chairman of ICMBio appointed by Salles is military police Colonel Fernando Cesar Lorencini, one of the police officers <u>involved</u> in the invasion of Pavilion 9 of the Carandiru Prison in 1992, a police action that left 111 dead. Lorencini was indicted for the beating of a prisoner, but <u>his case was suspended in 1997.</u>

In May 2019, the Minister of the Environment had announced the creation of another workgroup to review all 334 federal conservation units (UCs) in the country. At the time, he stated that UCs were being created "without any technical criteria" and defended changes - which depend on Congress - in the protection categories and in the limits of reservations. Two weeks after the announcement, Salles said he intended to use the Amazon Fund to compensate farmers who occupy protected areas.

Federal UCs cover 9.3% of the territory and more than 20% of marine waters. In the Amazon they often form a barrier that can be effective in containing the spread of devastation, if there are regular inspection actions.

With his speech against the creation of UCs and the measures to weaken environmental inspection, deforestation exploded in these areas: it reached the 1,100 km² mark in 2019 and 2020. In other words, about 10% of all deforestation in the Amazon occurred in federal "protected" areas, which generally is where the most valuable species of native wood are located.

In two years of government, Bolsonaro was the first president since the country's re-democratization to not create any conservation unit.

He has repeatedly defended the extinction of the Tamoios Ecological Station, in Angra dos Reis, on the coast of Rio de Janeiro, where he was fined in 2012 for illegal fishing - the inspector who fined Bolsonaro was dismissed from Ibama's Air Operations Coordination at the beginning of 2019.



The president's objective is to hand over the area to businessmen in the tourism sector and transform it into "a Brazilian Cancún". Created by a presidential decree in 1990, the reserve could only be terminated and approved from commercial exploration by means of a law approved by the National Congress.

In November 2020, the president <u>once again criticized</u> the environmental restrictions in the region, which he attributed to a "extremist environmental group": "Tourist, go to the Angra bay and get a fine. Although this situation has improved a lot after our arrival."

6.2 Land "regularization"

The government and the ruralist congress group were unable to vote PL 2,633 in Congress, which replaced MP 910, the "Land-grabbing Provisional Measure". Drafted by the Secretary of Land Affairs of the Ministry of Agriculture, Nabhan Garcia, the MP aimed to extend until 2018 the deadline to amnesty the irregular occupation of public lands and to allow the issue of property titleship in cases of properties of up to 1,500 hectares, without inspection. The ruralist congress group's attempt to vote the MP during the pandemic, while Congress was operating on an emergency basis, failed and the measure expired on May 12. However, ruralists secured their "resurrection" in the form of a bill of law, submitted by congressman Zé Silva (SDD-MG).

PL 2,633 limited the size of the area subject to express survey to 6 fiscal modules (up to 600 hectares), whereas the current law provides for a maximum of 4 modules (400 ha). The ruralists' idea is to set a precedent for the titling of medium-sized properties, ranging from 5 to 15 fiscal modules. **Nabhan himself** said, after the expiration of the MP that the government does not agree with the limitation to six modules. Environmentalists fear that the plan of the government and of ruralists is to have the bill voted and to approve amendments that reinstate the extension of the amnesty provided for in the original MP. Or to present a new MP to change the law and loosen up the applicable criteria, to replace the expired MP. All of this will depend on who is next elected Speaker of the House of Representatives.

6.3 Environmental licensing

The Minister of Infrastructure, Tarcísio de Freitas, announced in December the beginning of the **paving works at highway BR-319 (Manaus-Porto Velho)**, although there is no license for a 405 km stretch of the road. This section is still under analysis at Ibama, but the government's strategy is to perform piecemeal construction work, via the infra-legal route.

Built in the 1970s, during the military dictatorship, BR-319 was never licensed and ended up being swallowed up by the forest. The potential paving of the road **threatens** much of what remains of the Amazon rainforest, by connecting one of the most preserved sections of the biome with areas under pressure from deforestation and land grabbers in northern Rondônia and southern Amazonas.

Throughout 2019 and 2020, the Ministry of Environment disregarded the discussion in Congress of the most recent General Licensing Law, which will define the new national rules for environmental licensing and surveys. The Ministry of Infrastructure is in charge of this process, and he openly defends exemption from licenses and procedures for adherence and commitment (without environmental studies) even for complex cases, among other setbacks. Com-



missioned by the Agricultural Parliamentary Front (FPA) and by industry sectors, the text of the General Licensing Law allows, for example, the Rural Environmental Registry (CAR), which is self-declared, to have the same validity as an environmental license.

In the case of oil exploration, the government tried again in 2020 to auction off blocks in an area close to the Abrolhos archipelago, off the coast of Bahia, but there were no bids. These areas are still available, but are under **judicial challenge** due to the risk of serious environmental impacts. In October, the National Petroleum Agency (ANP) was required by the Federal Justice to inform interested parties that the offer was subject to judicial challenge. The auction had been authorized in 2019 by the chairman of Ibama, who disregarded a technical opinion asking for the removal of these blocks.

6.4 Mining in indigenous lands

The current government took an important step in early 2020 to advance the project to destroy the Amazon and explore indigenous lands. In February, President Jair Bolsonaro signed a bill of law (PL 191/2020) to <u>allow mining activities</u> and electricity generation on indigenous lands (TIs). The measure, which has been studied by the government since 2019, is strongly criticized by indigenous and environmental organizations. The project allows, among other activities, the cultivation of genetically modified organisms within the ITs, regulates mining - including through prospecting - and the exploration and production of oil, natural gas and other hydrocarbons in these locations. It also provides for mining to take place on "indigenous lands indicated by the President of the Republic" (article 3, III). This means that such activities can even take place in areas where isolated indigenous individuals reside. Currently, according to <u>Fundação Nacional do Índio (Funai)</u>, in the Brazilian Amazon there are at least 100 isolated indigenous groups.

A <u>survey</u> carried out by Brazilian and Australian researchers, which analyzed the environmental impacts of the project, indicated that if the PL is approved, an area in the Amazon almost the size of Venezuela could be devastated, resulting in billion-dollar economic losses per year. The survey indicates that the bill threatens about 860 thousand km² of Amazon rainforest, whose devastation would impact production chains and rainfall, with negative effects for other regions and for agribusiness. At the moment, the project is stalled on the board of the <u>House of Representatives</u>, pending the instatement of a Special Commission to examine the document.

Even without legislation, the government has authorized dozens of filings for survey and mining on indigenous lands in the Amazon. According to a survey by the <u>Amazônia Minada</u> project, by InfoAmazonia, there are more than 3,000 mining requests overlapping with indigenous lands in the Legal Amazon currently being analyzed by the National Mining Agency (ANM) system. Of these, 58 have already been authorized. The states with the most permits were Mato Grosso, with 22, and Pará, with 21.

6.5 Threats to deforestation data

The plans of Cnal (the National Council for the Legal Amazon) revealed by the press in the second half of 2020 suggest a strategy of removing the monitoring of Amazon data from Inpe, which has been monitoring the forest with satellites since 1975 and has systematically measured the devastation since 1988 and hand such monitoring



activity to the Armed Forces. Inpe is not mentioned once in the 60 strategic objectives of Cnal. On the contrary, all monitoring strategies are attributed to military bodies, such as Censipam – which is in line with what Vice President Hamilton Mourão had already declared to the press at the height of the fires in 2020, when he falsely suggested the existence of "opponents" of the government at Inpe that would be disclosing negative data (even though the data on fires are publicly available and updated daily on the internet) and proposed the creation of a military agency to carry out the monitoring.

The purchase by the government, in the last days of 2020, without a public bidding and in a confidential contract, of a Finnish monitoring system for R\$ 175 million to duplicate Inpe's functions, suggests that Mourão has not given up on the idea of militarizing the monitoring of Amazon data. In the 32 years of Prodes, the system created in 1988 to establish official rates, several governments were dissatisfied with the data from Inpe, but none went so far as trying to stop its activities.

6.6 Threats to the Forest Code

Over the two years of the Bolsonaro administration, several proposals were made in Congress to weaken the Brazilian forest law, which was enacted in 2012, through a series of amnesties. The most scandalous was a bill introduced in 2019 by senators Márcio Bittar (MDB-AC) and Flávio Bolsonaro (Republicanos-RJ) that simply extinguished legal reserves. In 2019, Congress also indefinitely extended the deadline for joining the Rural Environmental Registry, meaning that no landowner can be punished for irregular deforestation in the past.

Several proposals to weaken the code are still under discussion in the Congress. Their future depends, to a large extent, on the election of the Speaker of the House, in February. Although neither candidate is an environmentalist, the risk to the code grows with the election of a candidate that is aligned with the Bolsonaro regime.

6.7 Other issues

Other issues are under permanent threat, such as the attempt to change the legislation to allow hunting of wild animals in the country. The Bolsonaro administration has favored hunters – albeit indirectly - by **expanding gun ownership in rural properties**, with support from congressmen who oppose gun control and *ruralistas* (the rural caucus). Until then, guns could only be carried within a farms' main building. With the change, guns can be carried all over the farmland. In practice, the right to carry guns became a gun possession authorization in rural areas.

In December, after articulation of the rural caucus with the president of the Senate, Davi Alcolumbre (DEM-AP), a bill was approved that facilitates the purchase of land in the country by foreigners up to the limit of 25% of a municipality's territory. With a nationalist speech, Bolsonaro **promised to** veto the measure, if it is also approved in the House of Representatives, noting: "Then Congress will either overturn or uphold the veto".

In early January, a <u>survey</u> by Artigo 19, Imaflora and Instituto Socioambiental (ISA) showed a drop in transparency and social participation in environmental policy under Bolsonaro. Actions such as the vice president's plan to control NGOs in the Amazon, the judicial notifications filed by the Minister of the Environment against environmentalists, the freeze of the R\$ 2.9 billion of the Amazon Fund and the president's claim that he was unable to "kill this cancer" called NGO all show what the goals of this administration really are.



7. CONCLUSION

To no one's surprise, the government elected in 2018 under the promise of "ending environmental activism and closing the ministry of the environment" deepened in 2020 the dismantling of the social and environmental protection structures that were part of the Brazilian State, adopting a standing whose epitome is the phrase used as the title of this report. At the same time, the administration used public relations efforts - with poor results - by also delivering the Amazon - in addition to health, political articulation and several other areas of state management - to the military. The attempt to "push the whole lot through", however, encountered resistance from institutions, civil society and the international community on its way.

In 2021 these two forces - the dismantling promoted by a government that frustrates any hope of "normalization" and the institutional barriers to it - will be tested. At the domestic level, the most important test will be the election of the Speaker of the House of Representatives, to take place in February. If Jair Bolsonaro obtains control of the that legislative house, the huge anti-environmental agenda defended during the term of office of Rodrigo Maia tends to advance. However, the threat posed by Bolsonaro's control of the legislative branch to Brazilian democracy is so great that it overwhelms all others, making the environment just one in a list of many concerns.

At the international level, the risk is that in 2021 the European Union ratifies the free trade agreement with Mercosur even in the absence of a plan to contain deforestation. This ratification could be regarded as a message of tolerance or even approval of the Bolsonaro administration's anti-environmental policy by Europeans and it could also boost a dangerous military escalation in the Amazon, outlined by the Amazon Council, which includes eliminating civilian public entities, handing over monitoring activities to the military, controlling deforestation data and repressing civil society.

The climate agenda should gain more impetus in 2021, with the resumption of international meetings and the expansion of spaces for debate on the topic. The movements of the elected US government on climate change will be decisive in this regard, as Joe Biden seems firm in his intention to mark his administration for the war against carbon emissions and has levers to force Brazil to conform.

Like the United States, the stance adopted by major economic powers, such as the European bloc and China in relation to the climate agenda may exert significant pressure on the Brazilian government.

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