

THE BILL HAS COME DUE

THE THIRD YEAR OF ENVIRONMENTAL HAVOC UNDER JAIR BOLSONARO

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OBSERVATÓRIO
DO CLIMA



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INTRODUCTION

It barely scandalized anybody at the time, but at the end of 2021 the National Congress weakened Brazil's main forest protection law. Now, the Forest Code no longer regulates permanent preservation areas in cities: each mayor is free to rule on the protection of riverbanks, hilltops, sandbanks and mangroves within urban areas. Real estate profiteers may, for example, buy off the currently forested banks of the Tapajós River in Alter do Chão, Pará, to build vacation resorts in one of Brazil's most desired beaches.

The change is symbolic for two reasons. First, because the Forest Code had already been weakened in 2012, after more than a decade of pressure from the rural caucus. At the time, an attempt was made to pass the change off as necessary to “pacify” the countryside; from then on, it was said, everyone would simply comply with the new law. That's not what happened. On the contrary, congressmen and various economic sectors began to press for more changes. They got one.

The other reason why the change in urban permanent protection areas is important is because it represents a new and dangerous phase of environmental governance implosion promoted by the Jair Bolsonaro administration. After two years of “pushing the whole lot through”, an expression immortalized by former minister Ricardo Salles to describe the approval in bulk of infra-legal changes to environmental regulation (by decrees, ordinances or normative instructions), in the third year of government, devastation gained yet another front, the Congress. And changing environmental laws in Brazil is a path of no return, given the correlation of forces in Congress. If the legislative agenda of Bolsonaro and his



Alan Santos/Presidência da República

Jair Bolsonaro (center), Senate President Rodrigo Pacheco (left) and Speaker Arthur Lira



allies is pushed through in 2022, the country could suffer irreversible damage to the rights of traditional populations, ecosystems, the climate and the very safety of each citizen.

As we stated [in the last edition of this report](#), the election for Speaker of the House of Representatives in 2021 could give Bolsonaro an unprecedented chance to control the Legislative Branch and approve bills with nefarious socio-environmental results, which until that moment had been held back by former Speaker Rodrigo Maia (DEM-RJ). Bolsonaro managed to elect Maia's successor, Arthur Lira (PP-AL). He did not gain control of the House – on the contrary, he became its hostage – but Lira did in fact push the anti-environmental bills through. Two of them are ready to be voted on in the Senate floor: PL 3,729, which virtually ends environmental licensing in Brazil, and PL 2,633, which grants amnesty to land grabbing (and which was merged, in the Senate, with PL 510, which also rewards land theft).

The huge mobilization of civil society and opposition parties prevented these projects, and others of interest to Bolsonaro – such as those that end the demarcation of Indigenous lands and allow mining in these territories even without the consent of the natives (read below) –, from being approved in 2021. In 2022, much more attention will be needed on Congress so that the “Death Combo” doesn't pass without the appropriate level of public debate in the middle of an election year.

Beyond the halls of Congress, the socio-environmental arena also witnessed last year facts with no precedent in the history of the Republic: the minister of the Environment was fired and all the top officers of environmental enforcement agency Ibama were suspended on suspicions of committing environmental crimes. The fall of Ricardo Salles in the wake of the Federal Police Operation Akuanduba, which was investigating smuggling of timber into the US, temporarily took the Ministry of the Environment out of the spotlight. The man Salles picked as his successor, former rural lobbyist Joaquim Leite, promised to keep on with the “results-oriented environmentalism” practices promoted by his predecessor and proposed to show the world a “real Brazil” at the Glasgow climate conference, COP26.

As we will see below, the “real Brazil” did not cooperate with the minister's marketing antics: the only thing he had to show was a deforestation rate of 13,235 km² in the Amazon, the highest in 15 years. The government chose to hide the information from the international community during the COP, which permanently blew the international credibility of the Bolsonaro administration. The increase in deforestation rates during his administration meant that the president was yet again called out [before the International Criminal Court](#), for crimes against humanity due to deliberate climate damage.

The real Brazil in 2021 witnessed an explosion of illegal mining and conflicts in Indigenous lands, with shocking images of shootings at a Yanomami community in Roraima and the invasion by illegal miners of a Munduruku village in Pará. The number of murders of Indigenous people grew 61%. Besides, Indigenous lands had twice as many deforestation alerts as the Brazilian average, according to MapBiomas data.

The title of this document refers to two bills. First, the bill showing the cost of the accelerated environmental dismantling practices that have been in place since 2019, which buried any hope of controlling deforestation – and, therefore, of greenhouse gas emissions – in the country while Jair Bolsonaro is in office. The Amazon has been given over to crime and there is no reason to think that criminals will act with temperance in 2022, the election year. This is particularly problematic in Indigenous territories, preferred targets for the President of the Republic.

The second bill, derived from the first, shows the cost of the irrecoverable damage to Brazil's international image, which is critical for a commodity-exporting country. The concealment of deforestation data was the final straw for Brazil's international partners and importers concerned about biodiversity, climate and human rights. The advertised increase in resources for environmental inspection, as we will see in the following pages, is all smoke and mirrors: a new analysis by the Climate Observatory (OC), included in this report, shows that Ibama used less than half of the funds it had available to fight deforestation in 2021.

In 2022, the world is watching the Brazilian general elections, waiting for a new government to take over in 2023 and bring the country back on track. But it will be essential to prevent Jair Bolsonaro's ecocidal juggernaut from entering a new chapter in Congress in the first half of this year.

1. THE RESULTS OF “RESULTS-ORIENTED ENVIRONMENTALISM”

1.1 Amazon deforestation



I'M NOT FAMILIAR WITH THESE FIGURES, I'VE HEARD THEY CAME OUT TODAY, BUT MY FOCUS HERE IS ON THE NEGOTIATIONS.

Environment minister Joaquim Leite during COP26, November 12, 2021



Claudio Angelo/OC

A Brazil nut tree burns in a recently deforested area in Altamira, Pará, in September 2021



Amazon deforestation reached 13,235 square kilometers in 2021, an increase of 22% from 2020 levels. These figures are an estimate by Prodes, the official Inpe (National Space Research Institute) system that measures the annual rate of devastation in the biome. They and represent the apex of the environmental dismantling strategy of the Jair Bolsonaro administration. Inpe's figures mean three records were broken simultaneously: they represent the largest deforestation rate in the forest in 15 years, since 2006; it is the first time since the beginning of measurements, in 1988, that the rate has risen three years in a row in the same presidential term; and it is also the first time that deforestation rates have recorded four consecutive increases (in 2018, the last year of the Michel Temer administration, the rate had also increased).

The figures were published by Inpe on October 27, four days before the opening of COP26, the Glasgow climate conference, and forwarded through the government information system to the director of Inpe, Clézio Nardin, and to the Minister of Science and Technology, Marcos Pontes. Traditionally, the data is published before climate conferences, but this time around the government chose to deliberately hide it from Brazilians and the international community. The Minister of the Environment, Joaquim Leite, [attended COP knowing about such record numbers](#) but lied to the international community and said that deforestation was being contained by government measures. Vice-President Hamilton Mourão, on the other hand, relied on the 5% reduction measured by the Deter alert system (which is not used to calculate deforested areas) to say that deforestation was on a [“downwards trend”](#).

At the end of the meeting in Scotland, Inpe released the monthly alert data for October, which showed an increase. Questioned by the press, Leite, who in his speeches at COP made references to what he called the “real Brazil”, was baffled: he said he was not following the numbers and went [silent for over one and a half minutes](#) when faced with reporters' questions.

The Prodes data was only released on November 19, one week after COP and after the [Inpe workers' union blew the whistle](#) that the figures were ready to be released but had been kept under wraps.

One of the most worrying figures from Prodes shows the explosion of deforestation in the state of Amazonas, ruled by Wilson Lima (PSC), an ally of Bolsonaro. Deforestation there rose 55%, making Amazonas, where 2,347 km² of forest were felled, surpass Mato Grosso (2,263 km²) for the first time as the second most-deforested state in the Legal Amazon region.

The devastation is concentrated in the south, where the BR-319 highway crosses the state. The Minister of Infrastructure, Tarcísio Gomes de Freitas, has been trying to pave BR-319 at all costs. Deforestation in the region may indicate an outbreak of land grabbing and land speculation in anticipation of the expected paving works - a historical trend in the Amazon. The same trend is seen around the BR-163 highway, in the state of Pará, which leads the deforestation ranking, with 5,257 km² of felled forest (39.7% of the total).

Under Bolsonaro, an area larger than Belgium has been deforested since 2019 in the Amazon. Data from [Global Forest Watch](#) shows that Brazil was the leading country in eliminating primary forests in the world in 2020.

1.2 *Cerrado* deforestation

Just so as not to break the habit, the government also hid the Prodes deforestation rate for the *Cerrado*, the sprawling Central Brazilian savanna. The data, which showed a total devastation of 8,531 km² (up 7.9%) [had been known since](#)

December 6, but was only posted online in the last hours of 2021. This is the [highest rate of accrued deforestation](#) seen in the biome since 2016.

During the year 2021, satellite monitoring of the biome, which is home to most of the country's agricultural production - and a deforestation hotspot - was threatened. The agreement between Inpe and the World Bank that had been funding Prodes Cerrado and Deter Cerrado since the Dilma Rousseff administration expired and the institute was left without the US\$ 450,000 a year it needs to operate the two systems. At the beginning of 2022, Inpe announced that Prodes and Deter would be discontinued in April. The MapBiomias consortium announced that, if there was any discontinuity in Inpe's data, [the civil society network would take over the monitoring of the biome](#).

The *Cerrado* proportionally sustained 50% more deforestation than the Amazon. The state with the highest rate of *Cerrado* deforestation was Maranhão (2,281.72 km²), followed by Tocantins (1,710.55 km²) and Bahia (925.11 km²).

In three years, the Bolsonaro administration allowed 56,000 square kilometers of native vegetation in the Amazon and *Cerrado* to go up in smoke. This is half the area of Cuba.

1.3 Increased emissions during the pandemic

Brazilian greenhouse gas emissions in 2020 grew by 9.5%, while worldwide they plummeted by almost 7% due to Covid-19 restrictions. The rise in deforestation, especially in the Amazon, means that Brazil went against the grain of the planet and was put at a disadvantage under the Paris Agreement. This is the highest rate of emissions since 2006. With the increase in emissions and a [3.9% drop in GDP](#), Brazil became poorer and polluted more.

This data comes from the latest assessment published by Observatório do Clima's [SEEG \(Greenhouse Gas Emission Estimation System\)](#), which calculates how much climate pollution Brazil generates each year. In its ninth edition, SEEG calculated gross national emissions in 2020 at 2.16 billion tonnes of carbon dioxide equivalent (GtCO₂e), against 1.97 billion in 2019. This is the highest emission level seen in the country since 2006.

Mostly represented by deforestation in the Amazon and *Cerrado* (which, together, account for almost 90% of the sector's emissions), land use changes emitted 998 million tonnes of CO₂e in 2020, an increase of 24% compared to 2019 (807 million).

In a scenario of dismantling of environmental inspections and lack of control over crimes such as land grabbing, illegal mining and logging in the Bolsonaro administration, deforestation in the Amazon in 2020 rose significantly, reaching 10,851 km² according to data from the Prodes/Inpe system. SEEG uses data from the MapBiomias consortium in its estimates, which also measures the felling of secondary forests and uses a different timeline than Inpe (MapBiomias considers January to December and not August to July, as Prodes does). However, the trend is similar in both systems.

In the Amazon alone, emissions from changes in land use reached 782 million tonnes of CO₂e in 2020. If the Brazilian forest were a country, it would be the ninth largest emitter in the world, ahead of Germany. Adding the *Cerrado* (113 million tonnes of CO₂e) to the account, the two biomes emit more than Iran and would be the eighth largest emitter in the world.

Direct emissions from agriculture, which accounted for 577 million tonnes of CO₂e (27% of the national total) in 2020, also increased by 2.5%. This is the largest increase since 2010 in a sector whose emissions in recent years have seen little fluctuation. This is partly due to a counterintuitive reason: the economic crisis has reduced meat consumption, causing a nearly 8% reduction in cattle slaughter. The national herd increased by around 3 million head, which in turn also increased methane emissions from enteric fermentation (commonly known as the “cattle burp”).

As there was an increase in deforestation in 2021, together with a reheating of the economy in the wake of vaccination, the expected trend is for another increase in emissions.

1.4 Global scorn

Brazil's international credibility ended not with a bang, but with a whimper. After two years of receiving threatening letters from investors, saying that everything was fine and showing worse indicators year after year and no change in behavior, the Brazilian government simply stopped being listened to: no one believes anything Vice President Hamilton Mourão or Environment minister Joaquim Leite say about fighting deforestation. International agreements and investments currently suspended due to environmental dismantling, such as the free trade treaty between the EU and Mercosur, are only expected to be revisited by the next government. And Black Rock, the largest investment fund manager on the planet, with a portfolio of US\$ 9.5 trillion, declared this year, according to *Veja* magazine, that it will not invest a single cent in Brazil while Bolsonaro is president. After the article, the company changed the subject, saying that it “has a long-term commitment to Brazil”.



Watched by Anthony Blinken, Bolsonaro coughs during the Leaders' Climate Summit, in April

At the end of 2021, Brazilian agribusiness suffered another blow: five large European supermarket chains, including British Sainsbury's and Dutch giant Albert Heijn, [formally announced that they will no longer sell Brazilian meat](#), after an investigation conducted by NGO Repórter Brasil showed that meat-packing giant JBS sold meat originating from illegal deforestation areas. Similar boycotts had been enforced by [Timberland in relation to leather](#) (2019) and by the [largest supermarket chain in Scandinavia, Swedish Paradeset](#), in the same year, affecting Brazilian agricultural products in general.

Earlier in the year, the Joe Biden administration even tried to give Brazil a vote of confidence and make a deal with the Brazilian government that would supposedly involve transferring funds for the preservation of the Amazon. The agreement was due to be announced on April 22, on the occasion of the leaders' summit on climate organized by Biden. But the antienvironmental nature of the Brazilian government prevailed: while [he asked US climate czar John Kerry for US\\$ 1 billion](#), Minister Ricardo Salles (of the Environment) visited the Amazon on two occasions [to defend the interests of loggers and attempt to release illegal timber that had been seized by the Federal Police](#).

After intense mobilization of [over 200 Brazilian civil society organizations](#) and a letter from 15 US senators to the President warning of the risk of entering into any deal with Bolsonaro, Biden made a U-turn and sent Kerry to warn that he wanted to see results first. Salles blamed NGOs for the deal's flop.

At the summit, Biden sent a diplomatic message to Bolsonaro by changing him from 7th to 18th speaker and left the conference before the Brazilian president had spoken. Indonesian President Joko Widodo spoke before Bolsonaro and reported that his country had reduced fires and deforestation, "while in some parts of the Americas" problems had grown. A US\$ 1 billion fund for forests, Leaf, was launched at the meeting by the USA, Norway and the United Kingdom, without Brazil being able to raise a single penny of it. Days later, John Kerry himself said before the US Congress that "[the Bolsonaro regime dismantled part of the environmental inspection system](#)".

At COP26, Brazil was not called upon to facilitate any important conversations between countries during the negotiation, contrary to what used to happen whenever political difficulties arose at the conferences. The nail in the Brazilian government's reputational coffin was driven by the country itself, when it was revealed, days after the COP, that the [government had hidden Amazon deforestation figures](#) that had been known before the summit.

2. CONSOLIDATED DISMANTLING

2.1 Dangerous liaisons

Appointed by Jair Bolsonaro and Minister Ricardo Salles after signing a letter of support for the then PSL candidate, federal prosecutor Eduardo Bim was the first head of Ibama [suspended from office](#) in the institute's 32-year history, under suspicions of having acted to favor environmental criminals. This occurred in May 2021, after an investigation by the Federal Police pointed to a scheme in the environmental agency and the Ministry of the Environment to facilitate the smuggling of illegal wood.



Two Ibama officials [told the Federal Police](#) that at least 3,000 timber shipments left the country without authorization from the institute. In the decision that ordered the removal of Bim and nine other civil servants, STF Justice Alexandre de Moraes stated that they are suspected of being part of what the Federal Police calls a “serious criminal scheme of a transnational nature”. The Federal Police conducted [searches and seizures](#) in over 30 locations at the time, including the Ibama headquarters and Minister Ricardo Salles’ home.

One year and three months before operation Akuanduba, Bim had [signed an order](#) authorizing exports of native wood without inspection. The STF also ordered the suspension of this order. On February 6, 2020, 19 days before revoking the rule that required cargo inspection, Bim and Minister Ricardo Salles met with representatives of loggers in Pará who were demanding the change. When responding to the companies’ request, the head of Ibama contradicted the institute’s technical area. Officials produced a document advising against this decision, which was disregarded. The coordinator who signed the technical note was dismissed by Salles.

In addition to facilitating smuggling, the Federal Police investigates crimes such as corruption, malfeasance and administrative advocacy – the act of defending private interests with public bodies. A special advisor to Salles at the ministry was accused of [interceding with Ibama](#) to favor offenders that had been charged by the institute. The practice of easing up on violators was recurrent: in February, *Estadão* revealed that the government canceled a fine levied in 2018 against the country’s largest manufacturer of wood flooring, releasing the charge from a record seizure that occurred in São Paulo.

Bim’s removal lasted 90 days. He and other defendants, such as Ibama director João Pessoa Riograndense Moreira Junior, resumed their positions in August and the investigation went nowhere. At the end of June, Federal Police Officer Franco Perazzoni, who had been in charge of the investigations of operation Akuanduba, was [demoted](#) from the position of head of the Department of Repression of Corruption and Financial Crimes.

In April, the then chief Federal Police officer in Amazonas, Alexandre Saraiva, had been [ousted from that position](#) and transferred to a small city in the state of Rio de Janeiro days after having submitted to STF a [crime notification against Salles](#) due to his actions on behalf of loggers investigated for illegal deforestation.

2.2 I fought the law and the law (sort of) won

On Wednesday, May 19, Brazil was shaken by the news that the Federal Police had just launched a search and seizure operation at the addresses of the Minister of the Environment, Ricardo Salles. The action had been authorized by STF Justice Alexandre de Moraes and was part of Operation Akuanduba, in which Salles and ten other officials from Ibama and the Ministry of the Environment were investigated for nine crimes, including corruption, administrative advocacy and facilitation of wood smuggling (see above). On the day of the operation, Salles went to the Federal Police headquarters, in Brasília, carrying a gun, and demanded to speak with the police officer responsible for the case, Franco Perazzoni. His demand went unheeded. A key element of the investigation, the minister’s cell phone [was only surrendered to police 19 days later](#), when it no longer had any evidentiary value.



Ricardo Salles in a photo-op with seized timber he was striving to release from a Federal Police operation

During the investigations, police officers found [evidence of suspicious transactions](#) at the law office that the minister shared with his mother, Diva.

The Akunduba investigations ran in parallel with another investigation, initiated by the STF following a ruling by Justice Cármen Lúcia, to probe alleged interference by Salles in another PF operation, Handroanthus. Salles traveled twice to Pará in March and April (accompanied by Senator Telmário Mota, from the Pros Party in Roraima, and by Congresswoman Carla Zambelli, from the PSL Party in São Paulo) to try to discredit the operation, coordinated by the head of the Federal Police in Amazonas, Alexandre Saraiva, which had seized 135,000 cubic meters of timber. Days before going to Pará, Salles [had a meeting with the Dacroses, a family of loggers](#) from Santa Catarina, linked to Rondobel, one of the largest lumber companies in Pará and the main target of operation Handroanthus. Rondobel is a board member of the Pará Wood Exporting Industries Association, Aimex. In 2020, Aimex was one of the entities that lobbied Ibama to overturn the regulation that required prior inspection of all wood to be exported.

With the Supreme Court at his heels and two investigations against him (but with the cheer of the timber industry, which sent a [letter to Jair Bolsonaro expressing their “unrestricted support” for the minister](#)), Salles ended up becoming too heavy a burden for Bolsonaro to carry. The news that the minister could be arrested at any time prompted the president to sack his most efficient minister on June 23. The [day before, Bolsonaro had praised Salles](#) for having promoted “an almost perfect marriage” between agriculture and the environment.



With his ousting, Salles' investigations left the STF and went to the first-instance court, which, in practice, paralyzed operation Akumanduba. The former minister also maneuvered so that both Alexandre Saraiva and Franco Perazzoni lost their positions in the Federal Police (see above). He also handpicked his replacement in the Environment Ministry: his friend and former director of the Brazilian Rural Society Joaquim Leite, who held the position of secretary for the Amazon at the ministry. The serious revelations that were expected to be disclosed about the minister at any moment never came to surface, and Salles was left free to run for federal representative or [even senator](#). While this report was being written, in January 2022, Ricardo Salles' slate got a little bit clearer: the wood seized during operation Handroanthus [was released by Justice Ney Bello](#), of TRF-1, who is running for a seat on the STJ, pending a nomination from Bolsonaro. The request for release was made by none other than Frederick "the Angel" Wassef, a lawyer for the Bolsonaro family, who allowed police fugitive and militiaman Fabrício Queiroz to use his home in Atibaia as a [hideout](#).

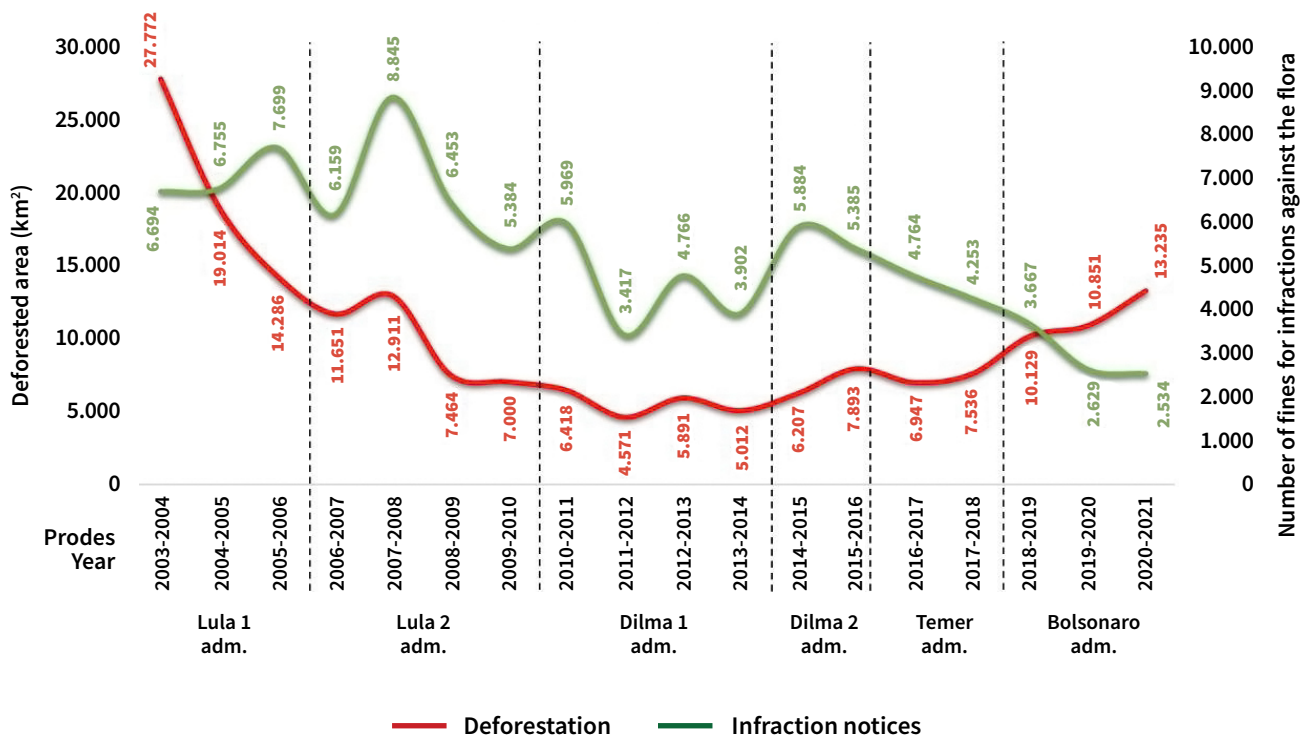
2.3 Ibama, interrupted



WE STOPPED HAVING BIG PROBLEMS WITH THE ENVIRONMENTAL ISSUE, ESPECIALLY WITH REGARD TO FINES. DO FINES HAVE TO EXIST? THEY DO. BUT WE TALKED AND WE REDUCED FINES IN THE FIELD BY MORE THAN 80%.

Jair Bolsonaro, January 17, 2022

DEFORESTATION IN THE AMAZON X IBAMA FINES



Sources: Inpe and Ibama. Data downloaded in January 2022.

The period in which the Prodes rate was calculated (August 2020 to July 2021) coincided with the lowest number of infraction notices for crimes against the flora applied by Ibama in the last two decades in the Amazon. There were 2,534 cases, a decrease of 40% compared to August 2017-July 2018, the last pre-Bolsonaro Prodes period.

If the data from January to December is considered, the negative record is repeated – the average in the three years of the Bolsonaro administration was 2,963 infraction notices for crimes against the flora in the nine states that make up the Legal Amazon, a number that is 40% lower than the average for the decade before to the current administration (4,864).

Embargoes and seizures carried out by environmental inspectors in the Amazon also plummeted under Bolsonaro. In 2021, embargoes on rural properties dropped 70% compared to 2018, the last year of the Temer administration: 722 were registered in the Amazon, against 2,368 in 2018. The embargo is one of the most effective measures to combat deforestation, as it causes immediate economic restrictions to offenders. When his area is embargoed, the farmer is prevented from selling products derived from the place where the environmental damage occurred.

In the case of seizures, there was a drop of 80% in the same period - there were 452 in the Amazon in 2021, against 2,391 in 2018.

This is the result of the Bolsonarist project, announced during the 2018 election campaign, to end what the then candidate called a “[frenzy](#)” of environmental fines. Left unpunished, deforestation in the Amazon in 2021 increased by 103.8% compared to the average in the decade before the current administration.

Under Bolsonaro, the main positions on the Ibama board responsible for inspection were occupied by military police officers and members of the Armed Forces appointed by the Minister of the Environment. These strategic positions used to be occupied by experienced officials. Currently, the director of Environmental Protection (Samuel Vieira de Souza) and the general coordinator of Inspection (Aécio Galiza Magalhães) are military men. Half of the ten leadership or coordination positions subordinated to them [were vacant](#) in the first half of the year. Among the areas left without a direct leader were the Operations and Intelligence offices.

2.4 The money that Joaquim doesn't spend ...

IBAMA BUDGET FOR ENVIRONMENTAL INSPECTION IN 2021

STATUS	VALUE	%
AUTHORIZED	R\$ 219,420,000	
COMMITTED	R\$ 217,260,328	99%
VERIFIED	R\$ 88,983,627	41%

Source: ME/SIOP. Verified means that goods have been delivered fully or partially according to the contract, or the service has been rendered and the bill has been received. Data extracted on January 8, 2022. Figures refer to the period ending on December 31, 2021

Under international pressure after increasing devastation in the Amazon, *Cerrado* and *Pantanal* in 2020, President Jair Bolsonaro promised to double the funds for environmental enforcement in April 2021, during the climate summit organized by US President Joe Biden. The following day, the government [announced a cut](#) of R\$ 240 million in the general budget of the Ministry of the Environment. Part of the cut (R\$17.6 million) affected Ibama's fire control and inspection departments.

In May, after the promise of an increase and the subsequent cut, the government submitted a bill [allocating](#) R\$ 270 million to Ibama and ICMBio. At Ibama, with the extra funds, the authorized budget for inspection increased from R\$ 64.6 million in 2020 to R\$ 219.4 million in 2021, in nominal values. However, until December 31, the institute had verified (spent) only 41% of this budget (R\$ 88.9 million). Almost all the remaining amount (R\$ 128.3 million) was committed that, in theory, will materialize throughout 2022, possibly with the purchase of equipment. This indicates that the planning made in early 2021 by Ibama to carry out inspections throughout the country was not fully complied with. In the three years prior to the Bolsonaro administration, the inspection budget on verification stage ranged from 86% to 92%.

In other words: there was money to reinforce the fight against deforestation in 2021, but Ibama used less than half of the budget until December. In the case of prevention and control of forest fires, R\$ 40.3 million, or 70% of the funds, had been verified by December 31. At ICMBio, 73% (R\$ 63.7 million) of the authorized budget for inspection and fire control were on verification stage. There is also money left to be used in 2022 in the so-called "payables" account.

At the end of January, when approving the 2022 budget, Bolsonaro vetoed R\$ 17.2 million for Ibama's fire prevention and firefighting actions, which correspond to one quarter of the amount that had been approved by Congress (R\$ 67.2 million) for this activity. The total cut in the environmental budget was R\$35 million, including funds for biodiversity and environmental recovery.

An analysis of the general budget of the Ministry of the Environment, including direct administration activities, the Botanical Gardens of Rio de Janeiro and the national funds for Environment and Climate Change, in addition to Ibama and ICMBio, shows that the amount verified by December 31st (R\$ 2.52 billion) was the lowest since 2000, considering monetary restatement according to the IPCA (see next page).

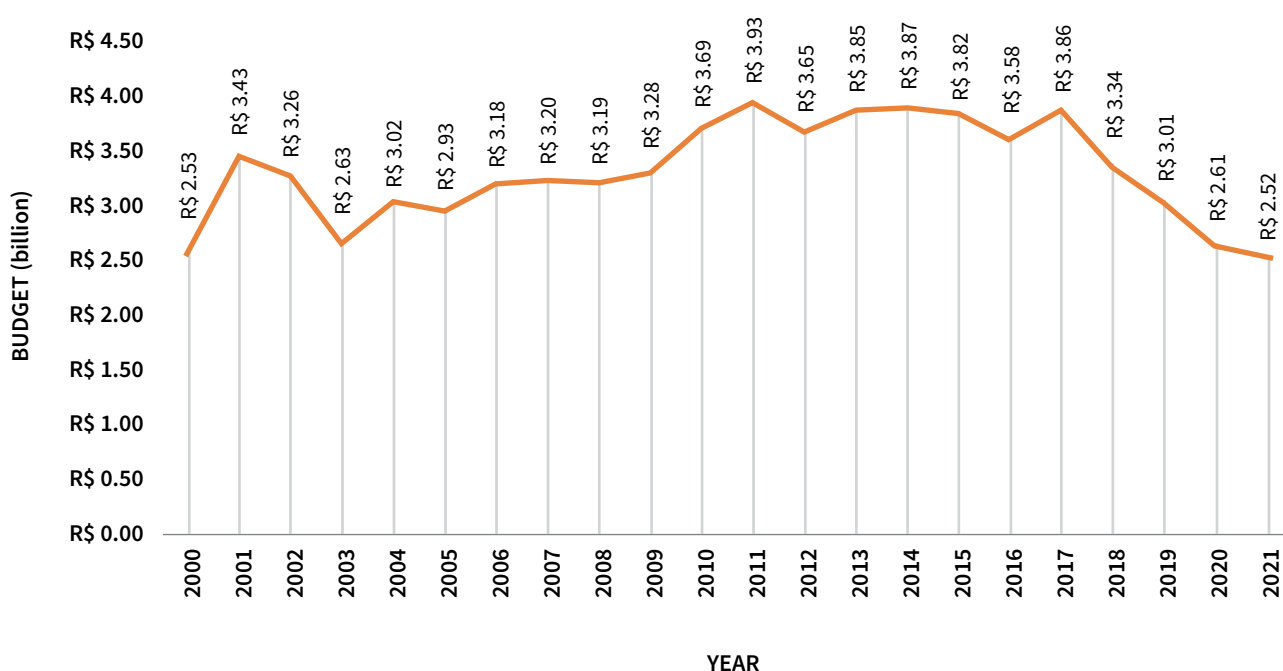
For the third year in a row, the environmental dismantling policy has kept frozen more than R\$ 3 billion (US\$ 580 million) in the Amazon Fund, which received funds from Norway and Germany due to results obtained in combating deforestation before the Bolsonaro administration. If we also consider the resources of the Climate Fund and a grant obtained by Brazil from the UN climate fund, the GCF, the government [is currently keeping R\\$ 4.5 billion idle](#), an amount that could have been used in environmental preservation and emission reduction actions: the value is equivalent to more than 13 times the expected Federal Government expenses with the fight against deforestation in 2022.

The [GCF \(Green Climate Fund\) grant](#), in the amount of US\$ 96.5 million, was awarded in the second month of the Bolsonaro administration. It's been almost three years and the grant remains essentially unused. The objective is to pay those who conserve and recover the vegetation to discourage the felling of the forest. Family farmers, Indigenous peoples and traditional communities in the Amazon are the target audience for project Floresta+, [conceived](#) under Bolsonaro's predecessor Michel Temer. The team that conceived the project had been fired.

Only in December 2021 did the government begin a “test of the payment mechanism”, which involves only six beneficiaries, according to a [note published on the project’s website](#). “In total, six farmers will receive the funds. This is a pilot action to test the process of implementing the payment mechanism to beneficiaries”, informs the text. Indigenous and traditional communities were not covered - the initial delay of the project occurred because then-minister Ricardo Salles [did not want to benefit traditional communities](#).

Brazil received US\$ 96.5 million for reductions in deforestation that occurred under Dilma Rousseff. The GCF is a multilateral fund created under the Paris Agreement to finance projects that generate global environmental benefits related to climate change. It is with this same logic –payments for results – that donors made grants to the Amazon Fund, the largest Redd+ initiative on the planet, which has been paralyzed since April 2019, due to a Bolsonaro decree.

ENVIRONMENT MINISTRY SPENT BUDGET (amounts verified by December 31 of each year)



Source: ME/SIOP. Data extracted on January 17, 2022. Values updated by the IPCA. The following budget units were considered in the analysis: 44101 - Ministry of the Environment - Direct Administration, 44102 - Brazilian Forest Service - SFB, 44201 - Brazilian Institute of the Environment and Renewable Natural Resources - IBAMA, 44202 - Barcarena Development Company - Codebar, 44205 - National Water Agency - ANA, 44206 - Rio de Janeiro Botanical Gardens Research Institute - JBRJ, 44207 - Chico Mendes Institute for Biodiversity Conservation, 44208 - Brazilian Forest Service - SFB, 44901 - National Fund for Environment - FNMA, 44902 - National Fund on Climate Change. The monetary restatement by the IPCA considered January of the respective year and December 2021, according to the rates defined by the Citizen’s Calculator, of the Central Bank. The reimbursable portion of the National Fund on Climate Change, which is transferred to BNDES, was not considered.



2.5 ... and the half billion that Mourão wasted in the Amazon



IF YOU WANT A CULPRIT, IT'S ME. I'M NOT GOING TO SAY IT WAS MINISTER A, MINISTER B OR MINISTER C. I COULDN'T MAKE COORDINATION AND INTEGRATION WORK.

Vice-President Hamilton Mourão, November 24, 2021

In October, the government aborted the last of three military operations initiated after the massive fires of 2019, which were touted as a panacea for the Amazon, under the command of Vice President Hamilton Mourão, an Army general. The failed military offensives in the fight against deforestation [cost the Federal Government at least R\\$ 550 million](#). Even with the extra expenditure and the “reinforcement” of more than 3,000 military, the result was the highest rate of deforestation in 15 years. The environmental agencies (Ibama and ICMBio) were subject to military command for almost the entire duration of the presidential decrees that authorized the deployment of the Armed Forces in the region.

General Mourão, who has coordinated the National Council for the Legal Amazon since the beginning of 2020, only admitted that the military are not fit for the task after spending more than half a billion reais in troop deployment. In November, he [acknowledged](#) that it is “fundamental to recover the operational capacity of environmental agencies” so that the official goal of eliminating illegal deforestation in the country by 2028 can be achieved. The deficit of agents at Ibama and ICMBio has been known since the 2018 election campaign, but the government did nothing about it, imbued with the presidential determination to “end the fine frenzy”. The government’s entire policy went in the opposite direction, weakening environmental agencies. In January 2022, Bolsonaro [bragged about having fulfilled his campaign promises](#) and reduced the “fineage” (sic) by “80%” (sic) with the help of ministers Ricardo Salles (Environment) and Tereza Cristina (Agriculture).

The main element behind the 83% drop in deforestation from 2004 to 2012, the [Action Plan for the Prevention and Control of Deforestation in the Amazon \(PPCDAm\)](#) was killed in 2019. Mourão and Salles disclosed [other plans](#), hastily put together over the last two years, whose results have never come to fruition.

2.6 Ibama's hiring! Or is it?

In September, with less than two months to go before the Glasgow Climate Conference, the government announced a competitive examination to fill vacancies at Ibama and ICMBio. As there was no interest in hiring the professionals that the agencies really need, they resorted to a trick: they resurrected the position of mid-level environmental technician, which had not been included in the last examinations held - by law, an environmental technician can only provide support to the work of inspectors. Seven out of ten vacancies were for environmental technicians (73% of the 739 authorized in the competitive examination rules).

A [Technical Note issued by Ibama](#) in May 2020 pointed out the need to hire at least 1,306 higher-level officials for the institute (970 environmental analysts and 336 administrative analysts). The government authorized only 10% of this

number for Ibama (96 environmental analysts and 40 administrative analysts). The [deficit in the number of officials](#) is the main problem faced by environmental bodies - in 2018, [Bolsonaro made ironic remarks about the possibility of hiring new inspectors](#). In his first year in office, the Federal Public Prosecutors' Office recommended that a new competitive examinations should be held immediately to hire environmental agents, but nothing was done.

[Law 10,410/2002](#), which created the career of environmental specialist, defines three duties that may be assigned to someone occupying the position of environmental technician: 1 – provision of support and specialized technical support to the activities of environmental managers and analysts; 2 – execution of activities for the collection, selection and treatment of data and specialized information aimed at the core activities of the body; and 3 – guidance and control of processes aimed at conservation, research, protection and environmental defense.

In other words, environmental technicians can only act in inspection by providing support to environmental analysts, who have the legal authority to inspect and are specialists in areas such as biology, forestry engineering, agronomy, etc. An analyst earns more than double the salary of an environmental technician. There are plans to hire 432 environmental technicians for Ibama and 110 for ICMBio.

In June, shortly after Joaquim Leite took office, Observatório do Clima published a [“loyalty test”](#) with 15 measures that the new minister should take to prove that he was different from his predecessor. If it were for real, the competitive examination would be the only measure to get off the ground. But not even that was accomplished.

2.7 The “Adopt a Park” scam

On February 9, the chairman of Carrefour Latin America, Noël Prioux, attended a ceremony held in the Planalto Palace, in which he committed to contribute R\$ 4 million a year towards the “adoption” of a conservation unit in the Amazon. This was the [launching of the Adopt a Park program](#) by the Ministry of the Environment, a plan by then Minister Ricardo Salles to show that the State was superfluous even for taking care of protected areas in the country: the private sector could do this voluntarily, transferring resources directly to the units in exchange for the commercial exploitation of spaces in the “adopted” areas (just imagine the sales impact of a “drink Coke” billboard in a remote, uninhabited area of the Amazon).

Salles convinced eight companies to sign protocols of intent with the program, including well-known brands such as Heineken, Coca-Cola and Carrefour itself (which was already going through an image crisis due to the [murder of João Alberto Freitas](#) by security guards at one of its stores in Porto Alegre, but still thought it was a good idea to team up with the likes of Ricardo Salles). It soon became clear, however, that Adopt a Park was just a factoid created by Salles to create buzz and divert attention from the fact that he was “pushing the whole lot through”: [documents obtained by OC](#) under the Access to Information Law showed that the Chico Mendes Institute was only asked to survey the needs of the “adopted” parks *after* signing the terms of adoption. Besides, five of the eight units were hunter-gatherer reserves, whose populations had never been consulted about the program, which led the *Conselho Nacional de Populações Extrativistas*, which represents traditional communities, to [require the removal of Resex areas](#) from the program. Heineken, for example, “adopted” for R\$ 466 thousand the Quilombo do Flexal Resex, in Maranhão, which does



not even have a management plan. In other words, no activity from external agents is allowed to take place there. The Public Prosecutors' Office [considered that the program violated the rights](#) of traditional communities.

With the demise of Salles, on June 23, Joaquim Leite discreetly buried Adopt a Park. None of the adoption processes was completed, not a penny was disbursed by any company and the new minister never mentioned this subject again.

3. TRIBES UNDER SIEGE

3.1 Blood gold

Two of Jair Bolsonaro's biggest obsessions, getting rich easily through wildcat mining and hatred of Indigenous peoples, came together in 2021 in a series of shocking events and images. Stimulated by the president and, as we will see, facilitated by the leadership of Funai, the federal government's indigenist agency, mining in and invasions of Indigenous lands exploded during the government and became an exposed human-rights wound in Brazil.

The Yanomami Indigenous Territory, located between the States of Roraima and Amazonas, has been invaded by over 20 thousand illegal miners. In May, the Palimiú Yanomami community was [attacked by shooters aboard a](#)



Bruno Kelly/Amazônia Real

A river destroyed by wildcat gold mining near a Yanomami village in Roraima

[speedboat](#). Federal Police went to the area to investigate the attack and [also engaged in a gunfight with illegal miners](#) the next day. STF ordered the government to remove the miners from the Indigenous territory, which has yet to happen as of the publication of this report.

While public authorities remain inert, the Yanomami die: in October, two boys [were sucked into a mining dredge](#) while swimming in the river of their village, next to an illegal mining site, in the region of Alto Alegre. Neither survived.

A [report by Instituto Escolhas](#) and a news piece by Amazônia Real and Repórter Brasil showed the connections between illegal mining and large companies that buy and export gold and even jewelry stores. Instituto Escolhas showed in July that Brazil exported, in 2020, 19 tons of illegal gold (17% of all exports from Brazil), much of it criminally extracted from Indigenous lands. In a report carried out with the support of Observatório do Clima, Amazônia Real [identified companies D'Gold, Ourominas and HStern](#) as the major buyers of gold extracted from Yanomami land. It also witnessed the case of [a health care provider in charge of vaccinating Indigenous populations who exchanged Covid vaccines for gold](#).

In the Munduruku territories, in the Tapajós River basin, in Pará, mining has generated and is exacerbating divisions among the Indigenous people themselves. Mundurukus co-opted by illegal miners [set fire, in March](#), to the office of an association of women opposed to mining in the city of Jacareacanga. In May, illegal miners invaded the Fazenda Tapajós village, in the same municipality, and [set the home of anti-mining leader Maria Leusa Kabá on fire](#) – she was not home at the time. Days earlier, the Army had withdrawn support for a Federal Police operation to fight mining in Munduruku lands.

The pandemic and the fear of inflation have raised the price of gold on the international market to more than US\$ 2,000 an ounce for the first time since 2020. The soaring prices, combined with the benevolence of the government, which has plans to authorize the activity on Indigenous land (see below), makes the mining activity attractive and more than makes up for the risk of losing equipment in the eventual and increasingly unlikely Ibama operation. According to a [Mapbiomas](#) survey, in 2019 and 2020 the largest mining areas on indigenous lands were opened since the 1980s – the destruction of forests by illegal mining increased tenfold in the period.

A didactic illustration of the size and speed of the damage done by illegal mining on indigenous lands is [this video](#), recorded during an Ibama operation, which shows how in just two years a river in the Munduruku's Saí Cinza IT was completely destroyed by the miners. [Monitoring conducted by Greenpeace](#) in December showed that illegal mining destroyed at least 478 kilometers of rivers in the Munduruku and Saí Cinza Indigenous Lands, alone, both in south-west Pará, during the three years of the Bolsonaro government. The area destroyed by mining in the two ITs reached 5,380 hectares in the same period – an area equivalent to more than 5,000 Maracanã stadiums combined. In August, during the *Acampamento Luta pela Vida* in Brasília, Munduruku, Yanomami, Ye'kwana, Kayapó and Xikrin leaders [signed a petition against mining](#) on their lands.

The impact of mining has become a problem even for tourism. At the beginning of 2022, images of a cloudy Tapajós river along the region known as Alter do Chão, a beach in Pará considered as one of the most beautiful in Brazil, was seen around the world. [Satellite images analyzed by project MapBiomas](#) showed in January that sediments dumped into the Tapajós by tributaries highly impacted by mining, such as the Crepori and Jamaxim, formed a



plume that extended to the mouth of the river in Santarém. There, mixed with the natural clay of the Amazon River, which invades the Tapajós at the time of the floods, it caused Alter do Chão to get murky.

And it's not just gold: all the government's acts and omissions favor a broad movement of pressure on Indigenous lands, especially in the Amazon. In 2020, the last year for which data are available, the number of invasions of indigenous lands grew 137% compared to 2018, according to a [report issued by the Missionary Indigenist Council \(Cimi\)](#) published in October – there were 263 invasions in 2020, 256 in 2019 and 111 in 2018. The document shows that 182 indigenous individuals were murdered in 2020 –61% more than in 2019 (113).

The number of indigenous lands with deforestation alerts increased 31% in 2020 when compared to 2019, according to [MapBiomás Alerta](#). This is twice the average growth in the number of alerts in the country as a whole, which is 14%.

3.2 The Marco Temporal and the Parakanã apocalypse

The judgment that may (or may not) define the future of Indigenous peoples in the country is still in the backburner at the Federal Supreme Court (STF). It is the so-called Marco Temporal, or “earliest date” thesis, according to which Indigenous people who were not occupying their lands on October 5, 1988, when the Constitution was promulgated, would lose the right to have their lands demarcated. The judgment of a repossession action filed by the government of Santa Catarina against the Xokleng people will serve as a reference for all similar cases currently in progress.



Scarlett Rocha/@scarlettphoto/Apib

A protest in front of the Supreme Court during the Acampamento Luta pela Vida

In addition to not demarcating “one centimeter” of indigenous land, as he had [promised during the electoral campaign](#), President Jair Bolsonaro maneuvers to influence the decision, with the appointment in December of a “terribly Christian” Justice, André Mendonça, who had his term as Minister of Justice and Attorney General of the Federal Government marked by acts against indigenous peoples and persecution of leaders and environmentalists.

Jair Bolsonaro is the first president since the country’s re-democratization, in the 1980s, not to demarcate any Indigenous land at all, breaching a constitutional obligation (but fulfilling a campaign promise). Currently, at least 829 indigenous lands pending actions required from the government to complete the demarcation process, according to the [Missionary Indigenist Council \(Cimi\)](#)

The *marco temporal* thesis is defended by agribusiness representatives with arguments that are completely groundless. In August, while the STF held sessions after 12 years of delaying trial, [Fakebook.eco](#) showed that data published by rural lobbyists about an alleged damage caused by indigenous demarcations in Mato Grosso came from a “secret study”. The institute responsible for the alleged study showing a negative impact of R\$ 2 billion stated that the work was “confidential” and could not be shared. Even so, the conclusions were published in the newspaper *O Estado de S. Paulo*. The Observatório Socioambiental de Mato Grosso contested the data.

More than 6,000 Indigenous people went to Brasília to follow the STF trial, in one of the biggest demonstrations by these peoples since the end of the military dictatorship, the *Acampamento Luta pela Vida*. However, a final ruling was postponed once again. In addition to not demarcating land, Bolsonaro ended his third year in office by fulfilling another macabre promise, that of trying to reduce areas that have already been demarcated.

In December, [Uol revealed that](#) the National Indian Foundation (Funai) supported a “conciliation” between indigenous people and squatters that could cut in half the Apyterewa Indigenous Territory (IT) in Pará.

In an order filed with the Federal Court on June 4, Federal Prosecutor Elder Novais Logrado pointed out “deficiencies” in the Apyterewa demarcation process and stated that the technical area and the presidency of Funai “demonstrated their non-opposition to the review of the anthropological report concerning the IT”.

This is the official representation of the Bolsonarist discourse that there is “too much land for too few Indians” and that the size of these areas would be “[abusive](#)”, as the president claims, which is [not true](#).

This is an unprecedented case since the 1988 Constitution, in which the foundation that should protect Indigenous peoples and their lands is actually supporting the reduction of a demarcated area (in 2003, the Baú IT, of the Kayapó nation, was disallowed, but it had not yet been recognised by Presidential decree, the last step in settling of Indigenous land claims process).

In November 2020, a team from the Ministry of Women, Family and Human Rights, led by the evangelical pastor Damares Alves, mediated and participated in a “[surprise](#)” [meeting between farmers](#) and the Apyterewa people, in an attempt to pressure indigenous chiefs to accept an “agreement” to reduce the indigenous area.

In official documents filed with the STF, a group of chiefs of the Parakanã ethnic group and associations of farmers who illegally occupy the territory [stated](#) that they had accepted a 50.7% reduction in the indigenous territory, which covers 773,000 hectares.



Although the land belongs to the Federal Government, the party that signed the “terms of agreement” with the group of indigenous people was the municipal government of São Félix do Xingu (PA), which has been [challenging](#) the demarcation since 2007. São Félix has the largest cattle herd in Brazil and is the municipality responsible for the highest rate of greenhouse gas emissions in the country. The proposal was presented because STF Justice Gilmar Mendes [allowed](#) the possibility of a “conciliation” between indigenous peoples and invaders, in a lawsuit filed by the municipal government.

In an [interview](#), chief Kaworé Parakanã, one of those who signed the document, says he felt threatened: “I was really scared. Because we have a family, our children, parents, siblings, friends.” He has declared to the Federal Prosecutors’ Office in Altamira (PA) that he was “deceived”, but later backed off and signed another document accepting the reduction of his land.

In mid-December, after the repercussion of the case, Gilmar Mendes [ended](#) the conciliation. But the decision does not clarify what the next step of the process will be - there is a possibility that the Justice will send the case to the STF for a virtual trial, where the topic of the alleged “conciliation” may be revived. This issue has yet to see its end.

3.3 Lawfare against leaderships

The Federal Police officer and [former assistant to ruralists who is now head of Funai](#) used the institution that in theory was supposed to protect indigenous people to persecute them in 2021. On at least three occasions, Marcelo Xavier waged lawfare against Indigenous leaders who criticized the regime.

In April, at the request of Funai, the [Federal Police subpoenaed Sônia Bone Guajajara](#), coordinator of Apib (Articulation of Indigenous Peoples of Brazil), to testify in an open inquiry about the web series *Maracá*, from 2020. The documentary, produced by Apib, criticized violations of Indigenous rights committed by the Bolsonaro administration, especially during the pandemic. According to Funai, there was defamation of the president. Bone denounced the inquiry as a ploy to criminalize the indigenous movement.

For the same reason, in early May, the Federal Police also subpoenaed Almir Narayamoga Suruí, leader of the Paiter-Suruí people, from Rondônia. Both inquiries were shelved a few days later. The following month, Xavier made yet another attempt, [requesting the Federal Police to open investigations against the Waimiri-atroari leader Mario Parwe](#). According to Funai, he and other Waimiri leaders, along with Funai officials, were interfering with the construction of the Tucuruí line, which would link the plant in Pará to Roraima across Waimiri land.

3.4 Deviation of purpose at Funai

At the end of 2021, Funai issued an official letter with a surreal decision: the document said that the foundation was prohibited from operating on non-homologated Indigenous lands. In other words, only Indigenous peoples

who are within lands that have already gone through the final stage of homologation (ratification by the President of the Republic) would be under the authority of the body.

With the act, almost 240 territories, inhabited by 125,000 people, would be automatically left unprotected. Coiab (Coordination of Indigenous Organizations of the Brazilian Amazon) asked the Public Prosecutors' Office to open an investigation against the indigenist agency and to demand the annulment of the official letter.

This is not the first time that Funai has deliberately acted to unprotect non-homologated lands. In 2019, Federal Police Officer Marcelo Xavier signed, together with the Secretary of Land Affairs of the Ministry of Agriculture, Nabhan Garcia, a joint normative instruction allowing the application for private possession of non-homologated areas. This would favor land grabbers who support Bolsonaro who have been invading and deforesting demarcated – but not yet homologated – Indigenous lands, such as Ituna-Itatá, in Pará, inhabited by isolated Indigenous populations. The act [was cancelled by the courts](#).

On January 25, while this report was being revised, Funai announced that it would not re-edit the restriction ordinance of Ituna-Itatá, an instrument that prevented indigenous land from being claimed for any other purpose. The interdiction dates from 2011, when evidence of isolates were found at the site for the first time. Now, Funai denies the existence of these signs. According to [Coiab \(Coordination of Indigenous Organizations of the Brazilian Amazon\)](#), this is the first time in history that the indigenous protection agency has denied itself about signs of isolated in an IT. [Uol revealed](#) that, before the announcement, the Funai report that would support the renewal of the restriction was discussed by Marcelo Xavier with Bolsonarist senator Zequinha Marinho (PSC-PA), the main supporter of cancellation from Ituna. Zequinha Marinho is linked to [Jassônio Costa Leite](#), appointed by Ibama as one of the biggest Amazon squatters. He was fined R\$105 million by Ibama for land grabbing at Ituna-Itatá. Virtually [all deforestation in the Indigenous land happened after 2018](#), with an explosion during the Bolsonaro government.

4. TEARING EVERYTHING DOWN WHILE THEY CAN



THE GOAL IS TO GET THAT OIL OUT AS QUICKLY AS POSSIBLE.

Economy minister Paulo Guedes, October 25th, 2021

If it were up to Bolsonaro and his military minions, further destruction of the Amazon is guaranteed with the likely licensing of the full paving of BR-319, the highway that connects Porto Velho to Manaus, in one of the most preserved blocks of the forest. Paving will stimulate migratory flows, expansion of agricultural activities, occupation and land valorization, increasing by at least four times deforestation in the State of Amazonas by 2050, according to a [study](#) conducted by the Federal University of Minas Gerais (UFMG)



The explosion of deforestation in southern Amazonas recorded by Prodes last year is a sign of the effects of speculation related to the paving of the road – a historic trend in the Amazon. The Minister of Infrastructure, Tarcísio de Freitas, says that the work will “help preserve the environment”. In 2006, the start of paving work in BR-163 (Cuiabá-Santarém) was accompanied by the announcement of measures to contain deforestation that were not implemented. Despite the creation of Conservation Units in the surrounding areas, the region has become an epicenter of devastation in the Amazon. As *piauí* magazine wrote in 2017, the highway symbolizes the future of Brazil.

The destruction caused by BR-319 is due to the lack of the most basic precautions, such as a prevention plan. And it is made worse by the fact that, according to a recent study, parts of the Amazon are already losing their ability to absorb carbon due to the combined effects of deforestation and climate change.

Built without any environmental license in the 1970s, during the military dictatorship, BR-319 ended up being swallowed by the forest in its central section. The work was resumed by Tarcísio de Freitas, who is a member of the military reserve corps, despite the lack of environmental impact studies or a license for the more than 800 km of the highway. With the licensing for the paving of the so-called “middle section” – 405 km – still under analysis by Ibama, the government’s strategy was to do the work piecemeal.

The strategy of manipulating the licensing process to obtain favorable decisions is also being adopted by Petrobras, which intends to explore oil in the region of the mouth of the Amazon River, home to a recently-discovered and still little-known reef ecosystem. In one of the blocks, the company requested from Ibama the issuance of a prior license without complying with the mandatory requirements, distorting a process that is single-phased. In the same region, in 2018, Ibama had denied the French company Total a license to drill another five blocks in the region. Petrobras bought the blocks and now wants to explore them. The mouth of the Amazon has a reef ecosystem discovered only in the past decade, which could be wiped out by oil exploration. An oil spill at the site would also hit the coast of Guyana.

In October, the Bolsonaro administration’s attempt to auction off blocks for oil exploration in the region of the Fernando de Noronha archipelago failed, which, in a way, represented a repeated performance of what had happened in 2019 with the offer of areas close to Abrolhos, another emblematic region of environmental preservation.

After great pressure from environmentalist groups, there was no bid from interested parties to acquire the blocks in the Potiguar basins, which encompasses the submerged mountain range of Noronha and the Atol das Rocas biological reserve, and Pelotas, in Santa Catarina, which is also very sensitive.

This was the “worst oil auction in history”. Only 5 of the 92 blocks offered were sold, all for the minimum bid. The risk of acquiring the blocks but failing to secure environmental licenses, as occurred in the region of the mouth of the Amazon River in 2018, drove oil companies away. The Abrolhos auction also failed in 2019.

Appointed for the post by Bolsonaro in 2020, the general director of the National Petroleum Agency (ANP), Rodolfo Saboia, justified the urgency of exploring and including blocks in the Noronha region with what he called a “window of opportunity”. Bolsonaro’s first nominee for the STF, Kássio Nunes Marques, validated the ANP’s decision by disregarding the Pernambuco government’s request to suspend the bidding of areas close to Noronha.

Less than a month later, at an event with Bolsonaro and Joaquim Leite for the launch of the so-called “Green Growth Plan”, Minister of Finance Paulo Guedes stated that “the goal is to get the oil out as quickly as possible”, under the justification that “Petrobras will be worth nothing in 30 years”.

In December, the government changed the rules of the game and announced the end of auctions for oil and gas areas, a practice adopted in the last 20 years, and the start of the so-called permanent offer, or end-of-the-world sale. In this modality, blocks can be tendered whenever there is an interested investor. All this while the International Energy Agency warns that if the world is to meet the Paris Agreement target of limiting global warming to 1.5°C, no new fossil fuel exploration project should be licensed anywhere on the planet as of 2021.

It is not just in oil that Brazil is moving towards fossilization, contrary to the Paris Agreement: in the electricity sector, whose relative “cleanliness” is always the object of praise from government authorities, coal and natural gas lobbies took advantage of the record drought of 2021, the worst in more than 90 years, to push dirty fuels - and their carbon emissions - on Brazilians in the coming decades.

In July, the government had already enacted a law authorizing the privatization of the state-owned energy company Eletrobras with a *jabuti* (as amendments inserted in bills of law with no direct relation to the matter at hand are known) that will increase by a third the emissions of the electric sector, with permission to insert 8 gigawatts of natural gas thermoelectric plants into the Brazilian electricity matrix.

Soon after, on the same day that IPCC released its 6th Assessment Report, pointing out that human action in global warming is unequivocal, the government announced a program to encourage coal energy production. The plan encourages the expansion of the system and the use of coal-fired power plants by 2050, despite the country’s promise to achieve zero emissions in the same period. “The program focuses on the continuity of coal mining activity in the southern region of Brazil, collaborating with the development of the region and the country’s energy security”, argued the government. By the end of the year, with help from Congress, the use of coal received approval in a project that guarantees the acquisition of energy originating from this source until the year 2040 (approved as Law No. 14,299/2022).

In early 2022, Intercept revealed, in an article published in partnership with Observatório do Clima, that a simple signature by the chairman of Ibama unlocked a mining operation in Minas Gerais with dams 90 times larger than the one in Brumadinho, delegating licensing to the government of Romeu Zema (Novo).

Crowning the efforts undertaken to “push the whole lot through” the government authorized the use of the largest number of pesticides since official records began. In three years of government, 1,552 new products were approved. About a third of these pesticides are banned in the European Union because of health risks and risks to the environment.

The increase in poverty and deforestation, among other factors, made Brazil one of the three countries with the steepest drop in Sustainable Development Goals (SDG Index), released by Cambridge University. The others are Tuvalu and Venezuela. Brazil dropped from 53rd (in 2020) to 61st (in 2021). It is now behind countries like Argentina, Cuba, Uruguay and Chile. Finland, Sweden, Denmark and Germany hold the first places. The SDG measures the progress of countries towards achieving the 17 Sustainable Development Goals defined by the UN.



5. PUSHING THE WHOLE LOT THROUGH IN CONGRESS: LIRA, PACHECO AND THE DEATH COMBO

With the election of Arthur Lira (PP-AL) as Speaker of the House, in February 2021, the threats to the environment in the country have reached new levels. Boosted by the so-called [secret budget](#) (the purchase of political support disguised as parliamentary amendments), Lira disregarded proper procedure and managed to approve in May, with government support and without the participation of society, a bill that, in practice, [does away with environmental licensing requirements](#) – an instrument that defends society against potentially destructive economic activities. The bill is currently under analysis by the Senate.

Less than three months later, the House of Representatives approved a bill of law that grants [amnesty to landgrabbers](#) – the main drivers of deforestation in the country.

The [Death Combo](#) sponsored by Lira and Bolsonaro also includes projects such as the one that authorizes mining on indigenous lands and another one that ends the demarcation of these areas (which has actually happened under Bolsonaro).

After pressure from environmental groups, the two bills approved in the House of Representatives (licensing and land grabbing) were not voted on by the Senate plenary session, but the discussion will resume leading up to the October electoral dispute - and the Chairman of the Senate, Rodrigo Pacheco (PSD-MG), [has stated](#) that he will try to leverage his possible candidacy for the presidency with the approval of themes such as the Land grabbing Bill, among others.

As a taste of what is to come, Congress approved in December, during one of the last sessions before the end-of-year recess, a bill that [relaxes protection rules applicable to river banks located in urban areas](#). The setback was approved by Bolsonaro (Law No. 14.285/2021).

At least eight bills and a draft bill are currently in various stages of processing, in the two Legislative Houses, which, if approved, will cause irreversible damage to Brazilian ecosystems, traditional peoples, the global climate and the safety of each and every citizen.

MAIN SETBACKS:

Bill 2,633/2020 – Land Grabbing

1. Extends the benefit of exemption from inspection that currently applies to small occupations (up to 4 fiscal modules, as already provided for in the legislation in force) to medium areas of up to 6 modules.
2. Allows, by means of a bidding process, the future regularization of public lands invaded at any time (article 38, paragraph 2).

3. Considers that the simple registration in the Rural Environmental Registry (CAR), which is self-declared, would be proof of environmental regularity (article 2, XII combined with article 15, paragraph 10).
4. Releases properties with up to 6 modules from the obligation to adhere to the Environmental Regularization Program (PRA) or to have a Conduct Adjustment Term (TAC), when environmental damage is verified via an infraction notice or embargo in a previous inspection. The submittal of a CAR would be enough. This is incompatible with the Forest Code.

Bill 510/2020 – Land Grabbing

1. Provides for an amnesty for those who illegally invaded and deforested public land until December 2014.
2. Increases the risk of issuing title to areas under conflict or subject to priority demands, as it eliminates the need for inspection prior to the regularization of large estates of up to 2,500 hectares. It also weakens exceptional cases where the inspection is mandatory.
3. Allows the issuance of new land titles to those who have benefited from public lands in the past.
4. Encourages the continued occupation of public land and deforestation, as it creates a preemptive right in the sale by bidding to anyone occupying public land after December 2014.
5. Allows the issuance of title to illegally deforested areas without requiring the prior signature of an instrument for the regularization of environmental liabilities, in cases where there was no environmental assessment.

Bill 3,729/2004 – Environmental Licensing

1. Turns environmental licensing into the exception rather than the rule.
2. Disseminates self-declared licensing, by Adhesion and Commitment (LAC), in which not even the characterization report of the enterprise needs to be checked. This modality becomes the rule, covering most of the processes.
3. Establishes an extensive list of activities exempt from environmental licensing (articles 8 and 9, which grant exemption to 14 activities that are subject to constitutional questioning).
4. Eliminates national determinations relating to licensing processes, granting excessive freedom to states in the definition of types of undertakings subject to environmental licensing (article 4, paragraph 1) and in the definition of whether or not an environmental impact study is required (article 17, paragraph 4).
5. Increases legal uncertainty and opens up the possibility of an “anti-environmental war” between states with regulation vacuum, similar to a fiscal war. Those who require less environmental protection in their licensing processes will theoretically be more attractive to investors.
6. Restricts the application of conditions relating to indirect impacts such as deforestation and socioeconomic elements (article 12).
7. Increases threats to traditional communities, by considering the impacts only on those that are in homologated or titled areas (Indigenous or *quilombola* communities, respectively).
8. Greatly weakens the analysis of the direct and indirect impacts of projects on Conservation Units (CUs), by restricting the authority of CU management bodies and removing their veto power.



Bill 490/2007 – Changes to the rite of demarcation of Indigenous Territories (ITs)

1. Allows the Federal Government to recover “Indigenous reserves” based on subjective criteria, putting at risk at least 66 territories, inhabited by more than 70,000 Indigenous people, covering a total area of 440,000 hectares.
2. Applies the “time frame” thesis to all IT demarcations, turning a process that is already complex and time-consuming into something that is practically unfeasible.
3. Establishes that demarcation may be contested at all stages of the process, requiring statements from representatives of states and municipalities, and allowing farmer associations to also comment, making the procedure unfeasible.
4. Allows the implementation of hydroelectric plants, mining, roads and large agricultural projects in the ITs, among others, without consulting the affected communities.
5. Enables the automatic legalization of illegal mining in the ITs.
6. Opens loopholes for the end of the policy of non-contact with isolated Indigenous peoples. If the contact is deemed to be of “public interest”, it can be carried out by public or private companies, including missionary associations.

Bill 191/2020 – Mining on Indigenous Territories

1. Allows mining and construction of hydroelectric plants without obstacles on ITs still under demarcation process, which is contrary to the Constitution.
2. Validates all mining licenses that have been requested or filed before the homologation of the ITs.
3. Validates 362 mining processes in 62 Indigenous territories under demarcation. 2,562 mining processes filed or granted before the conclusion of their regularization could also be validated in another 78 homologated or reserved ITs.
4. Works as a general release for large enterprises and mining in 315 ITs, increasing health risks and violence against Indigenous peoples.
5. Authorizes mineral exploration and mining, as well as hydraulic exploitation, on a provisional basis in all ITs. (article 37, paragraph 3).

Bill 6299/2002 – Authorization for the Use of Pesticides (Pesticide Bill)

1. Determines that the Ministry of Agriculture will be the only body to register new pesticides, reducing Ibama and Anvisa to the role of homologation bodies.
2. Makes it possible to register pesticides that are proven to be harmful and carcinogenic, by excluding bans that are included in the legislation currently in force.
3. Relaxes the rigor of current legislation by choosing a generic risk management concept that analyzes not only the effects on health and the environment, but also political and economic factors.
4. Changes the term “toxic agrochemicals” to “pesticide” with the intention of disguising the harmfulness of the substances.
5. Removes the autonomy of health agencies to publish analyzes on the presence of pesticides in food.

Bill 5.544/2020 – Hunting

1. Authorizes sport hunting in Brazil. Today, only wild boar, an exotic animal, may be hunted in the country (with authorization from Ibama), to control the animal population. The project would authorize hunting of wild animals that are important to Brazilian biodiversity.
2. It does not explain the process of definition of the species that may be hunted or the process of inspection of hunted animals, which can lead to the hunting of endangered species.
3. Unbelievably, includes among the objectives of sport hunting the “conservation of endangered species” (article 2, item V).
4. Authorizes hunting for virtually any citizen. The individual must be over 21 years of age, have a valid registration as a Collector, Marksman or Hunter (CAC) and have a valid hunting license issued by the relevant federal agency.

Bill 4,546/2021 – Water Infrastructure

1. Drastically affects the National Water Resources Policy, violating the principles of decentralization and participatory water management.
2. Withdraws autonomy from the Basin Committees in approving Hydrographic Basin Plans and institutes onerous grants.
3. Fails to treat water as a public resource, disregards the fact that access to water is a basic human right and violates the Federal Constitution on several principles.
4. Is regarded by members of Basin Committees and Bodies as the Bill of Law for water privatization.

Amendment of the Mining Code (draft)

1. Provides for exemption from environmental licensing for mineral survey in all cases where the potential for significant impact is not present, i.e., in situations in which a Prior Environmental Impact Study (EIA) is not required, which covers practically all surveys in this field (article 14, paragraph 5, of the 2nd version of the draft).
2. Places mining interests above rights relating to urban development (article 1, paragraph 3, of the 2nd version of the draft), in conflict with the provisions of article 182, paragraph 1, of the Constitution.
3. Does not include restrictions relating to Indigenous Lands or Conservation Units in the conditions for identification of an area as available for mining survey purposes (article 18 of the 2nd version of the draft), jeopardizing socio-environmental rights guaranteed by the Constitution.
4. Includes generic, insufficient provisions in relation to mining dams (article 40 of the 2nd version of the draft).
5. Does not formally connect the ANM processes with environmental licensing, treating the two processes autonomously, which will lead to conflicts and political pressure for the granting of licenses by Sisnama bodies (article 41, paragraph 6 of the 2nd draft version).
6. Requires the hearing of the Ministry of Mines and Energy and the holders of mining rights in the creation of Conservation Units, in the listing of assets as landmarks and also in “other demarcations” (which includes indigenous lands, *quilombola* territories and other traditional communities), as well as the drafting of an economic impact analysis, subordinating the protection of socio-environmental rights, the fundamental rights of indigenous peoples and cultural heritage to mining interests (article 42-B of the 2nd version of the draft).



6. REACTIONS

6.1 The Courts strike back



Felipe Werneck/OC

Rondonian activist Txai Suruí, in Glasgow; she is one of the authors of a groundbreaking lawsuit against the “carbon trick maneuver” of the Brazilian target. In November, at COP26, she was the only Brazilian to speak at the leaders’ summit and denounced the attacks on indigenous peoples in Brazil. After the speech, she was bullied by an official of the Ministry of the Environment.

As Ricardo Salles correctly predicted at the ministerial meeting held on April 22, 2020, “everything that we do gets attacked before the Courts the next day”. Civil society has indeed gone to court to try to stop some of the Bolsonaro administration’s follies and the results have often been positive.

The year ended with [Justice Rosa Weber, of STF, issuing an injunction to suspend](#) the decree of Jair Bolsonaro and Ricardo Salles of 2019, which altered the structure of Conama (the National Council for the Environment) and

allowed Brazil's main environmental body to be controlled by the federal government - with reduced participation of civil society and subnational governments. Weber is the rapporteur for ADPF 623, which challenges the constitutionality of the change made by Salles to stack Conama with political appointees. With her decision, on December 20, the current composition of the council is terminated until the judgment on the merits of the action by the Court's full session, and Conama will have to return to the old composition in 2022.

A week earlier, [on December 14, the Supreme Court had annulled, by unanimous vote,](#) the resolutions issued by Conama on September 28, 2020, which suspended protective measures applicable to mangroves and sandbanks and limited permanent preservation areas around dams.

The day before the STF ruling, the Federal Court of Santos issued an injunction [to suspend a scheme devised by Ricardo Salles](#) pursuant to which the São Paulo military police department would collect R\$ 19 million relating to a R\$ 35 million environmental fine imposed on a shipping container company for an accident in the city's port. Salles decided that Ibama should adopt the so-called "substitutive agreements", handpicking who would be awarded fines money paid at a discount by violators. PSOL parliamentarians went to court and were granted injunctive relief.

In the climate arena, two major lawsuits were filed against the government. A group of six activists from the youth collectives Fridays For Future Brasil and Engajamundo, with the support of eight former Ministers of the Environment, filed a lawsuit in the São Paulo Court to reverse the tinkering with climate data that Brazil attempted as part of the review of its NDC (National Determined Contribution) under the Paris Agreement. In 2020, the government submitted to the UN an update of the NDC in which it confirmed the target indicated in 2015 of reducing 43% of greenhouse gas emissions in 2030 compared to 2005. But the update changed the basis for calculating emissions in 2005, causing the country, in practice, to reduce its ambition, giving itself the right to emit up to 400 million tonnes of CO₂ equivalent more in 2030 than in the commitment indicated in 2015. The lawsuit was admitted by the São Paulo Courts and is currently pending trial. In practice, however, young people have already won: in November, Minister Joaquim Leite announced, at COP26, that Brazil would "increase" its NDC ambition from a 43% to a 50% reduction by 2030, in an attempt to undo the "carbon trick maneuver".

Another lawsuit was [filed by Observatório do Clima in October](#) before the Courts of Amazonas requesting that the government review the National Plan on Climate Change. As the backbone of federal climate governance in Brazil, the plan was published in 2008 and has never been updated. OC demands that this be done, in light of the Paris Agreement target of limiting global warming to 1.5°C and the new data from the IPCC (Intergovernmental Panel on Climate Change), which give rise to more ambitious targets for all G20 countries. The Amazonas Courts convened a conciliation hearing - a sign of admissibility of the lawsuit - two days after OC's petition, but the government informed that it had no interest in a conciliation.

That same month, Bolsonaro was called out again [before the International Criminal Court, this time, for environmental crimes](#). The European lawyers' NGO AllRise sent a statement to the court in The Hague arguing that there is a legal basis to file a complaint against the Brazilian president because of climate damages resulting from deforestation induced by his government. The statement is based on a study conducted by researchers at the University of

Oxford that estimates that excess greenhouse gas emissions attributable to the Bolsonaro government could cause thousands of deaths from excess heat across the planet this century. Additional deforestation per year under the current government is around 4,000 km², which causes additional CO₂ emissions greater than those of Italy or Spain.

6.2 Europe, China and the US against deforestation

With the dual goal of buying time for the decarbonization of the energy sector and saving its own reputation in case of failure at the Glasgow conference, the British government has brought tropical forests to the center of the climate debate. At the COP, more than 130 countries signed the Glasgow Declaration on Forests, led by the United Kingdom, which aims to “halt and reverse” deforestation in the world by 2030. Among the signatories are European countries, China, the US and Brazil.

Although it is a voluntary document that in practice only reinforces the intentions of previous declarations, such as the one signed in New York in 2014, the Glasgow declaration changes the level of the debate on deforestation and should have consequences for Brazil. First, because the text makes reference to zero deforestation, and not “zero illegal deforestation”, as the Brazilian government prefers. Second, because China and the United States, Brazil’s main trading partners, produced a bilateral declaration at the COP committing to combating imported deforestation. In the US, a proposal by Senator Brian Schatz (D) was presented this year to prohibit access to the US market for commodities produced through illegal deforestation. Similar legislation already exists for timber.

Third, because the European Union, the second main destination for Brazilian commodities, presented on November 17, shortly after the COP, [proposed legislation to ban six commodities produced in deforested areas after 2020](#), including soy, leather and meat. The legislation, which mentions the Glasgow declaration as one of its motivations, will also create a European supplier audit mechanism. Brazilian agribusiness organizations went into a tailspin: [Brazilian Rural Society](#) and the Brazilian Association of Soy Producers issued public notices denouncing the European legislation as a “violation of the sovereignty” of Brazil and “[disguised protectionism](#)”. The EU proposal is still undergoing adjustments and is the target of intense lobbying by the Brazilian rural industry, but it is unlikely to be reversed. Agribusiness is well advised to get with the program.

7. 2022: THE “ILHA FISCAL BALL” OF DEVASTATION?

If the beginning of the year serves as a thermometer of things to come, 2022 will be a tough year for the environment in Brazil. On January 13, barely recovered [from an intestine battle with a shrimp](#), Jair Bolsonaro issued a [decree that ends protective measures covering all caves in Brazil](#). Object of lobbying by mining companies and contractors [at least since the Lula administration](#), Brazilian caves, even those of high geological and biological relevance, could



An Ibama chopper torched down in an airfield in Manaus in January 22

be destroyed with a mere declaration of public interest - on January 24, Justice Ricardo Lewandowski, of the STF, [suspended](#) part of the decree until the full session of the Supreme Court renders a ruling on the issue.

The lower the President drops in polls, the more tempted sectors pushing for general, unrestricted environmental deregulation may be to pass all changes - particularly legislative ones - that they can in the first half of the year. From the middle of the year, for all practical purposes Congress goes on a break due to the electoral campaign and the public authorities cannot enter into new contracts. There is a risk that the last months of the government will be akin to the “*Ilha Fiscal* Ball”, the last party of the Empire, in which the Brazilian monarchy splurged on a millionaire celebration while the Army devised the coup that would take place a few days later, leading to the proclamation of the Republic.

It will be a critical year for deforestation in the Amazon and for Brazil’s emissions. In the case of emissions, the post-pandemic economic recovery, together with the increase in deforestation, tends to increase emissions in 2021, which will be known later this year. The emissions of 2022 will depend on the behavior of the people who have been destroying the Amazon and the *Cerrado*.

In the case of deforestation, the trend observed over the entire history of the Amazon after the military dictatorship - except for the period of decline in devastation, between 2005 and 2012 - is that election years tend to bring increased deforestation: local powers, which feed on or are representatives of environmental crime tend to increase pressure



on governors to loosen controls. The only thing that could change this trend would be a strong action by the federal government. But, as Bolsonaro is the same person who congratulated himself for causing a drop in the application of fines (see page 12), it is unlikely that Ibama will act strongly in 2022. The trajectory of deforestation will, thus, depend on other factors, such as market, exchange rates, external boycotts and the dynamics of land grabbing. The signs that the government and Congress have been giving out, such as the paving of BR-319 at any cost and yet another amnesty for land grabbing, do not allow us to rule out the possibility that 2022 will be yet another year when deforestation will reach 10,000 square kilometers, the fourth in a row.

In 2018, deforestation increased in the second half of the year in light of the possible victory of a candidate who promised to “set those who produce free from the obstacles created by the State” and “to bring an end to the fine bonanza”. In 2022, ironically enough, the fact that this same candidate [according to polls](#) may not even reach the runoff stage of the elections may produce the same effect of accelerating destruction. Mobilization of society, consumers, investors and the courts can prevent this year’s devastation bill from getting even higher.

CREDITS

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