



## Top Brazilian organizations unite in alliance to fight climate change

**São Paulo, September 2, 2009** – Fourteen major Brazilian organizations representing the agribusiness, planted forests and bioenergy sectors announced today the creation of the **Brazilian Climate Alliance**, with the goal of contributing with solid proposals for the negotiations related to the United Nations Framework Convention on Climate Change. The main focus is the agenda that the Brazilian government has been defending in global negotiations, culminating with the 15<sup>th</sup> U.N. Climate Change Conference (COP 15), next December in Copenhagen, Denmark.

The Alliance's **Position Paper** highlights the global nature of the challenges linked to climate change as a key factor for organizations to unite behind a single effort. The document also points to the need for coordinated and urgent steps that prioritize available technologies that are economically viable and ensure short-term impact. "In the Alliance's view, the position paper is a work in progress that will evolve as negotiations and other initiatives along the same lines progress," explains the President of the Brazilian Agribusiness Association (ABAG), Carlo Lovatelli.

The strong contribution made by the sectors that form the Alliance for climate change mitigation is emphasized, especially because they are sources of renewable energy, such as ethanol, biodiesel, planted forests, clean coal and other forms of biomass capable of substituting fossil and highly polluting fuels. Together, the products from the sectors represented in the Alliance account for over 20% of the entire Brazilian energy matrix. Moreover, the potential to capture, maintain and increase carbon stocks among the sectors represented in the Alliance is significant.

"It is essential for Brazil to move forward with proposals that increase the possibilities of earning carbon credits, something to which Brazil's access has been unfairly limited. It's as if we are being penalized for being pioneers in various initiatives that clearly help to reduce carbon emissions, but are not recognized by existing mechanisms, such as the large-scale production and use of ethanol," observes the President of the Brazilian Sugarcane Industry Association (UNICA), Marcos Jank.

The **Brazilian Climate Alliance** stresses that Brazil, a country with one of the cleanest energy matrixes in the world, with over 40% of its makeup originating from renewable sources, should play a leading role in global climate discussions. "In spite of this number, the image that prevails and has to be changed is that of a carbon-emitting Brazil, particularly because of deforestation and burnings that happen in the Amazon. For that reason, Brazil ends up being included among the villains of global warming," said Elizabeth Carvalhaes, Executive President of the Brazilian Pulp and Paper Association (Bracelpa).



The Position Paper emphasizes that the sectors represented in the Alliance contribute with 16% of Brazil's total exports. These sectors are also recognized for developing and disseminating responsible production practices that end up not receiving due recognition. This is a situation that directly and negatively impacts access to important consumer markets, which see these sectors out of context and as a result, penalize their products.

The **Brazilian Climate Alliance's** position is divided into two pillars: (i) recommendations regarding the international procedures that should be defined by the negotiations under the Climate Convention, and (ii) recommendations for step that should be taken by Brazil.

Among recommendations with a global scope, the following are worth noting:

- Reductions in the rate of deforestation proposed in the National Plan on Climate Change should be the object of a commitment by Brazil before the international community as Nationally Appropriate Mitigation Actions, known as NAMAs, which are voluntary commitments made by developing countries to mitigate climate change under the Convention;
- It is necessary to revise the Clean Development Mechanism (CDM) and make it more practical. Since the CDMs were created to allow developing countries to contribute with mitigation goals undertaken by developed countries, it is essential to develop methodologies that are simpler and more effective, as well as capable of encouraging projects within specific sectors;
- The implementation of insurance and periodic monitoring is recommended as a solution to the issue of "risk of non-permanence", which refers to the maintenance of carbon sequestration in forest projects. To that end, it is essential for the European Union to remove internal barriers to the commercialization of forestry credits under the scope of the CDM;
- It is vital that Nationally Appropriate Mitigation Actions, or NAMAs, also consider agricultural, planted forests and bioenergy activities that effectively contribute to the reduction of emissions, or to remove greenhouse gases from the atmosphere;
- The mechanism known as Reduced Emissions from Deforestation and Degradation (REDD) should be structured to ensure financial incentives resulting from it go directly to the agents responsible for reductions, such as traditional communities and rural landowners;



In terms of specific steps by the Brazilian government, the Alliance recommends the adoption of initiatives aimed at the development of a low-carbon economy:

- Search for improvements in the integration of various government sectors and levels concerned with the issue, to prevent against contradictory proposals, or steps that do not consider the opportunities generated by international mitigation mechanisms such as the CDM and others that could be developed in the future;
- National public policies designed to achieve mitigation should privilege emission reduction trade mechanisms, avoiding the common practice of simply taxing carbon emissions;
- In addition to multilateral negotiations, to recognize the importance for Brazil of a simultaneous and pro-active strategy of bilateral negotiations on climate change, and the challenges and opportunities that such negotiations can produce;
- To enhance the relationship between government and private sector, through a permanent consultation and dialogue mechanism on international negotiations related to climate change.

#### **Organizations that form the Brazilian Climate Alliance:**

ABAG – Brazilian Agribusiness Association

ABAG/RP – Brazilian Agribusiness Association for the Ribeirão Preto region

ABIOVE – Brazilian Association of Vegetable Oil Industries

ABRAF – Brazilian Association of Forest Plantation Producers

ABTCP – Brazilian Pulp and Paper Technical Association

ALCOPAR – Association of Alcohol and Sugar Producers of the State of Parana Association

ARES – Institute for Responsible Agribusiness

BIOSUL – Bioenergy Producers Association of Mato Grosso do Sul

BRACELPA – Brazilian Pulp and Paper Association

ICONE (technical support) – Institute for International Trade Negotiations

ORPLANA – Sugarcane Growers Association of the Center South Region of Brazil

SIAMIG – Alcohol Manufacturing Industry's Union of Minas Gerais

SIFAEG – Syndicate of the Industry of Fabrication of Alcohol of the State of Goias

UNICA – Brazilian Sugarcane Industry Association



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