Climate Changed

In Climate Change Fight, Brazil Owes Nothing, Minister Says

By <u>Simone Preissler Iglesias</u>, <u>Mario Sergio Lima</u>, and <u>Bruce Douglas</u> January 8, 2019, 8:22 AM EST *Updated on January 8, 2019, 4:40 PM EST*

- New Environment Minister Ricardo Salles speaks to Bloomberg
- Development can be reconciled with environmental concerns

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Ricardo
Salles Photographer:
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Brazil owes nothing in the fight against global climate change and should be paid for its work so far, according to the country's new environment minister.

For Ricardo Salles, the Paris Accord in itself is neither good nor bad, but it must bring economic benefits to Brazil. If the agreement limits production or the use of land, Brazil could withdraw.

"Brazil is not a debtor. We're creditors," he told Bloomberg News at his office in Brasilia referring to the country's relatively clean energy matrix, reduction of deforestation and reforestation efforts in recent years. "Our part needs to be remunerated, and regarding what we've done so far, the question is by how much, when and how?"



The \$722 million Amazon Fund, which supports preservation and antideforestation projects, is financed primarily by Norway and Germany. The Scandinavian country announced in December it would pay \$70 million to Brazil for reduced emissions from deforestation in 2017.

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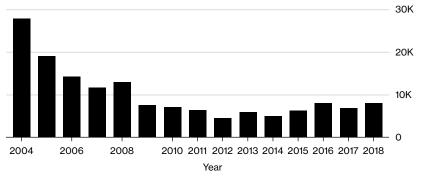
Brazil President Jair Bolsonaro backtracked on plans to scrap the environment ministry under pressure from the country's powerful farm lobby that feared repercussions from international consumers concerned with sustainable agriculture. Conflict between producers and environmentalists has been artificially exaggerated, Salles said, and it's perfectly possible to reconcile economic development with the preservation of the country's natural resources.

"When you have more economic development, you attract more resources. When wealth circulates in the country, then you have more money to care for the environment," he said.

Battle for the Amazon

Brazil deforestation down from previous highs

Amazon deforestation (Square Km)



Brazil's National Institute for Space Research

As for global concerns over the deforestation of the Amazon rainforest, Salles noted that the bulk of the area belongs to Brazil and those parts not owned by the state have private landowners who must be compensated if they are to leave parts of their property undeveloped.

In response to claims that farmers are illegally deforesting the Amazon, Salles said that up to two-thirds takes place in indigenous reserves or conservation areas, both administered by the government. "Who is incompetent, neglected their job? Public institutions," he said.

Data on the ministry's own website, however, show that in 2018 deforestation in indigenous reserves and conservation areas constituted just 15 percent of the total.

For environmentalists such as Claudio Angelo, from the Observatorio do Clima, Salles' argument is merely a variation on the theme of sovereignty long used by Brazilian governments.

"The latest version is 'we did more than everyone else, so shut up'," he said.
"This is an idea that, besides being false, paves the way to climate hell."

The logic of the Paris Accord, Angelo added, dictates that all countries, even developing countries with a historically limited responsibility for climate change, must act if they wish to limit temperature rises to two degrees Celsius this century.

"It's not enough for countries to content themselves with looking in the rearview mirror," he said. "All countries have to improve their contributions."

Legal Certainty

In the future, the environment ministry will work in partnership with other government offices from the start of each infrastructure project in order to ensure there are no last-minute surprises. According to the minister, civil servants have a wide degree of latitude in granting licenses and ideological abuse of these rules has scared away investment, he said.

"The key is legal certainty and predictability in the way state organs act," he said. "This is key to bringing investment back to Brazil."

On Monday Suely Araujo, the head of Brazil's environment agency, known as Ibama, quit after Salles posted on Twitter the amount it had spent on hiring vehicles. Bolsonaro, a perennial critic of the agency, retweeted the message, questioning the value of the contract. Araujo said the criticism showed a "complete lack of understanding" on the scope of the organization. Bolsonaro deleted his tweet.

Salles said that he did not underestimate climate change but noted that, rather than attending global summits, on the issue, he preferred to act practically. In addition to improving the business environment with clearer environmental rules, his priorities will be the urban environment and management efficiency.

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"Brazil has so many basic needs to be dealt with that it is not my role to go around the world discussing climate change," he said. "If I tackle the issue of access to sewage, aren't I helping to deal with climate change?"

(Adds environment ministry data in ninth paragraph.)

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