

Revitalizing US & Brazilian Cooperation on Climate



RECOMMENDATIONS FOR IMMEDIATE ACTION TO
SUPPORT NATURE AND PEOPLE

Acknowledgements

This policy brief is authored by Natalie Unterstell, President of Instituto Talanoa. Climate Advisers extends our gratitude for her work on establishing the recommendations shared in this brief and her leadership advancing climate action in Brazil and beyond.

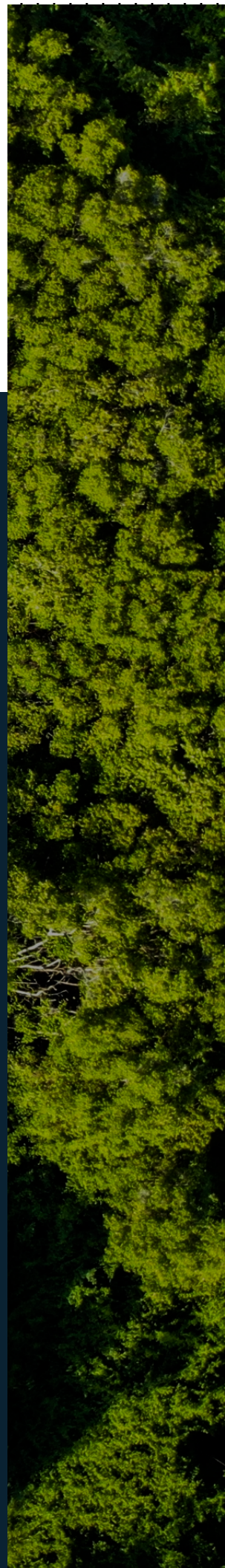
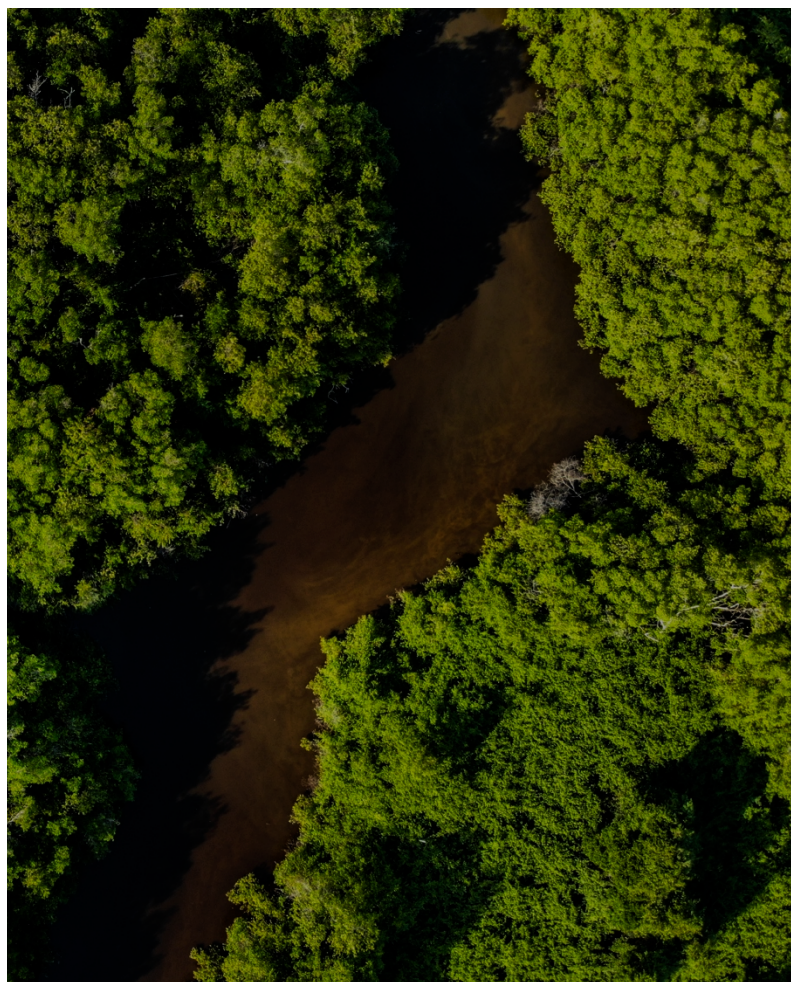


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Executive Summary

The next few years have the potential to become a golden era of bilateral cooperation between Brazil and the United States. President Joe Biden and President Luis Lula da Silva ("Lula") have much in common. One key issue area where the two leaders align is the importance of urgent action to safeguard the Earth's climate, including by halting deforestation in the Amazon and other critical ecosystems. Lula has committed to end deforestation in the Amazon during his current term in office, and is supported by a large majority of the [Brazilian people on this issue](#).

This work should focus on key areas of cooperation, including:

- Reducing the incentives for deforestation.
- Improving law enforcement capabilities in both countries to hold those involved in illegal deforestation accountable.
- Increasing financial and political support for decoupling Brazil's economic growth from deforestation.
- Taking broader climate actions in other sectors like energy.

We recommend four paths for cooperation to accomplish these goals:

1. Brazil-U.S. Bilateral Cooperation: Brazil and the U.S. must collaborate on increased financial support for nature conservation. Cooperation on increased enforcement of existing laws and new legal mechanisms to protect nature are also needed.

2. Collaboration on Global Agendas: Brazil is set to host the G20 Presidency in 2024 and potentially COP28 in 2025. The U.S. maintains a high-level of influence in the G7, OECD, and as a partner of Multilateral Development Banks. Targeted efforts to put deforestation, free trade and improved standards for business at the center of these important forums will motivate action on a global scale.

3. Cooperation Beyond Federal Governments: In addition to federal-level work, increasing support from the private sector, strengthening the local communities and Indigenous people on the front lines of nature loss, and working with state governments and local officials are all important to establishing long-term protections for the Amazon rainforest and other habitats.

4. Turbocharge Green Economy Investments In Brazil: In alignment with President Biden's Plan to Conserve Global Forests: Critical Carbon Sinks, USAID announced a target to support the protection, restoration, or management of [100 million hectares of critical landscapes by 2030](#).

The U.S. will achieve this target through new global programs. In Brazil, existing USAID programs and projects address underfunded areas such as Brazil's economy and fire management. However, with available funding only around a few million dollars, the plan's promised increases in finance and other opportunities to support Brazil's green economic growth can be accelerated quickly.

Introduction

The [U.S.](#) and [Brazil](#) are the top emitters of greenhouse gasses in the Americas (globally they rank 2nd and 5th, respectively¹). Currently, both countries are falling short of their international climate commitments. Both presidents have committed to strengthen domestic climate action and spur greater international climate cooperation.

For its part, Brazil needs to reduce deforestation, [its largest source of emissions](#). According to Lula's administration, Brazil decreased forest loss by [over 70% during his first two terms in office](#), mainly by enforcing existing laws and cracking down on corruption and other crime. Under former President Jair Bolsonaro, deforestation rates skyrocketed, [increasing 52%](#) compared to the three-year period before his presidency. Lula has made ending deforestation a large part of his campaign and policy platform as Brazil's new president.

President Biden has already shown leadership on climate change. Under his administration, the U.S. [rejoined the Paris Agreement](#), passed the [largest climate spending bill](#) in the history of the world, and committed to [reduce U.S. emissions by at least 50%](#). Helping developing nations reduce their emissions is one area where the U.S. has yet to restore its credibility after years of relative inaction under Presidents Donald Trump and George W. Bush.

Humanity won't avert the worst impacts of climate change unless the wealthiest economies, including the U.S., assist other nations in reducing their emissions. This is because there's a mismatch between the countries that are the [most responsible for climate change](#) and have the most wealth to address it (generally developed nations) and the countries where emissions are growing fastest and can be reduced at the lowest possible cost (generally developing nations). Experts estimate that the world will have to mobilize roughly [\\$2 trillion dollars a year](#) from public and private sources to finance emission reductions in the developing world to meet globally agreed, science-based targets for limiting global warming to between 1.5-2.0 degrees Celsius. Unfortunately, the world is falling far short. Among developed nations, the U.S. has arguably done the worst when it comes to providing its share of international climate finance. For example, the [budget Biden signed in December 2022](#) contained no increase in U.S. funding for international climate action. During his presidential campaign Biden promised to [mobilize \\$20 billion](#) specifically to save the Amazon rainforests. That funding has yet to materialize.

New funding is necessary but not sufficient. To fully support Lula and the Brazilian people in achieving their sustainable development goals, the U.S. will need to harness the broad power of its economy and government. This policy brief provides concrete recommendations on how the U.S. (and other developed countries) should work with Brazil's new government and its vibrant civil society to protect the Amazon rainforest and other critical ecosystems while strengthening Brazil's economy.

¹ Considering all current emissions and all sectors.

Recommendations

1. Brazil-U.S. Bilateral Cooperation

Concrete U.S. financial support for Brazil's efforts to curb deforestation is crucial to galvanizing alignment between the two countries. The U.S. should vocalize intentions to support Brazil's actions with increased finance and other methods early and throughout Lula's presidential term. Additionally, increased enforcement of existing laws in Brazil and the U.S. that curb illegal deforestation is critical. New bipartisan legal mechanisms to protect nature are on the table in the U.S. Congress. The Biden administration should rally public and private support for these efforts to help end nature loss. Key U.S. actions to demonstrate effort backing up its stated support for the Amazon and Brazil can include:

Placing Brazil as a top priority in the U.S. Plan to Conserve Global Forests. As the Biden administration and Congress work together to implement the \$9 billion "[Plan to Conserve Global Forests: Critical Carbon Sinks](#)," Brazil should be prioritized for the funding pledged between now and 2030. Under Bolsonaro, civil society and [political actors in the U.S. and Brazil contested](#) channeling finance and other resources to Brazil. This was largely due to a mistrust of his administration and the belief that new resources would not be used to prevent deforestation. With the change in government to Lula, Brazil can become a trustworthy partner in delivering on the plan's objectives.

Passing the AMAZON21 bill. Biden should work to ensure passage of the bipartisan [AMAZON21 bill](#). This bill would establish a \$4.5 billion fund that would supply [results-based payments](#) to Brazil and other countries if they prove deforestation is decreasing. If created this fund would represent an essential change in the dynamics of global financing for the protection of tropical forests, historically dominated by European countries, mainly Norway and Germany.

Joining the Amazon Fund. Lula made [restoring the Amazon Fund](#) a key moment in his first days as president. The results-based [Amazon Fund](#), managed by the Brazilian Development Bank (BNDES) includes "donations earmarked for non-refundable investments in preventing, monitoring and combating deforestation, in addition to the conservation and sustainable use of the Amazon biome forests." It is a proven funding mechanism that can incentivize the reduction of deforestation at the national and local levels. The U.S. should pledge to join the fund with at least part of the \$20 billion climate financing Biden promised on the [campaign trail in 2020](#) and the \$9 billion "Plan to Conserve Global Forests: Critical Carbon Sinks."

Making Brazil and its Amazon region a priority for U.S. blended finance. The U.S. [International Development Finance Corporation \(DFC\)](#) can place Brazil – and its Amazon region in particular – as a top priority in its [blended finance strategy](#). Dialogues between DFC and Brazilian development finance institutions – such as BNDES, regional development banks and others – should be resumed and aim to accelerate concrete climate finance investments to support

Brazil's climate goals for 2025 and 2030. Setting interim, year-based targets for increasing finance for climate action in Brazil will hold both countries accountable to their commitments.

Promoting collaboration between Indigenous leaders in the U.S. and Brazil. Indigenous rights acquired Cabinet status in Brazil's federal government, on equal footing with energy and agriculture, under Lula's first days in office. He has created the [Ministry of Indigenous Affairs](#), led by Indigenous leaders Sonia Guajajara and supported by former-Congresswoman [Joenia Wapichana](#), to put Indigenous viewpoints and voices at the center of his government. The Biden administration nominated [Deb Haaland as Secretary of the Interior](#), the first Native American to serve as a cabinet secretary in the U.S., and has supported ambitious U.S. land and water conservation goals by 2030 under her management. Despite being domestically-focused, as cabinet secretary, Haaland has already had an impact on Brazil. It was an investigation by her Department of the Interior team that brought attention to [Brazilian Environment Minister Ricardo Salles' involvement with illegal timber exports](#). This is just one example of how U.S. and Brazilian leaders can work together to collaborate and ensure both governments enforce the law to support the rights of Indigenous people and nature.

Devising a practical collaboration agenda to restore Brazil's law enforcement and intelligence capacity. "The U.S. Plan to Conserve Global Forests: Critical Carbon Sinks" intends to "help develop and deploy tools and systems to strengthen access to timely and robust data; develop transparency systems; and enhance monitoring and verification of greenhouse gas emissions, commodities, land, and resources." Brazil's agencies tasked with enforcing environmental and human rights legislation have been critically compromised under the Bolsonaro administration. Targeted fund withdrawals, personnel moves, and other actions have [hampered Brazil's government infrastructure](#) meant to prevent deforestation. These agencies are vital in responding to and enforcing deforestation legislation and private sector commitments. If requested, the U.S. should support Brazil in restoring command and control of the Amazon through knowledge exchange around environmental security and law enforcement between the corresponding agencies in the two countries.

Shifting investment and supply chains to end deforestation. The [U.S. Department of State](#) is developing a report on whole-of-government approaches to reduce or eliminate U.S. purchases of agricultural commodities grown on illegal or recently deforested lands, including through public-private partnerships to incentivize sourcing of sustainably produced commodities. By [April 2023](#), the U.S. Secretary of State is expected to submit two reports to the president:

1. An evaluation of options, a report to the president evaluating options, including recommendations for proposed legislation to combat international deforestation; and
2. Recommendations on how agencies that engage in international programming, assistance, finance, investment, trade, and trade promotion, can address deforestation and land conversion risk in ways consistent with applicable law.

The U.S. should consider adopting policies that will provide positive incentives for forest conservation instead of relying only on penalties for those involved in deforestation. This could

include screening criteria that lead to prioritizing cooperation and/or trade with countries that conserve forests.

Advancing deforestation-free trade policies. Companies that can free their supply chains from deforestation should be given priority to operate and benefit from international trade. Conversely, companies connected to commodities driving illegal deforestation, exporting or representing trade transactions, or providing financial backing and investment support (directly or via third-party ventures), [must be held accountable](#). Although the United States' ability to track deforestation in supply chains has increased over the years, there are still relevant gaps and opportunities to help move trade away from deforestation. For example, the U.S. and Brazil could work together to develop custom tools to help [prevent illegally sourced goods](#) from entering U.S. markets. Finally, the boom of illegal gold entering markets from Brazil – especially from Indigenous lands – has a veneer of legality. Banks, jewelry stores and [large technology companies](#) like Apple, Google, Microsoft and Amazon have imported tons of illegally sourced gold. Addressing the deforestation and human rights violations related to illegally sourced gold requires legislative efforts similar to [diamond traceability programs](#) implemented to prevent the sale of conflict-diamonds. The outbreak of an illegal gold mining crisis affecting the [Indigenous Amazonian Yanomami people](#) in Brazil that came to light globally in January 2023 is just the tip of the iceberg of this severe and far-reaching problem.

Greening financial policy. The [Central Bank of Brazil \(BCB\)'s](#) participation in the [Network for Greening the Financial System \(NGFS\)](#) has contributed to advancing the disclosure and awareness of climate and environmental risk in financial institutions, while also promoting a market for green bonds. For instance, the most recent [Report on Financial Stability](#) published by the BCB in November 2022, includes an analysis of physical and transition climate risks to the Brazilian economy. The report indicates that 8% of the National Monetary System's credit portfolio is sensitive to [climate transition risks](#) which include risks stemming from new climate policies, corporate goals and consumer preferences shifting us to a net-zero carbon economy. Brazil's climate transition risks mostly stem from the beef, cargo transportation and soy sectors, as they account for more than 70% of the estimated exposure. This novel report signals that Brazilian actors are starting to understand that a robust environmental and sustainability risk framework can help make the Brazilian market more attractive to foreign investors, and the cost of capital rises. Regulations that ensure Brazil accounts for climate risks, especially when it comes to rural credit, are both nationally and globally strategic due to the importance of the agricultural sector to the nation's economy and its direct impact on the environment, as well as Brazil's position as the [fourth largest agricultural producer](#) in the world. Promoting further participation and encouraging knowledge exchange in the NGFS context, as well as interaction with other monetary authorities from the U.S. and other countries, will continue to be a strategic agenda in terms of embedding climate and forests considerations into financial policy in Brazil over the next few years.

Investing in fire prevention and management. Cooperation between Brazilian federal agencies such as the [Environment and Renewable Natural Resources \(IBAMA\)](#), [Chico Mendes Institute for Biodiversity Conservation \(ICMBio\)](#) and [National Indian Foundation \(FUNAI\)](#) with the [U.S.](#)

[Forest Service \(USFS\)](#) dates back to 1992. Since then, Brazilian and American agencies have worked closely to enhance fire prevention and management capacity, including training more than 500 Indigenous leaders and community members. There are concrete opportunities to expand such cooperation and help restore Brazil's capabilities to prevent and combat forest fires that were underfunded under Bolsonaro.

2. Collaboration on Global Agendas

To change the global dynamics driving deforestation and climate change, Brazil and the U.S. need to motivate other countries to join them in common policies and support for Brazil's green economy. Fortunately, both nations are important players on the world stage, positioning them to influence the behavior and policies of other wealthy and developing nations to turn the tide on deforestation worldwide. Brazil is set to host the G20 Presidency in 2024 and potentially COP30 in 2025. The U.S. maintains a high level of influence in the G7, OECD and as a partner of Multilateral Development Banks. Targeted efforts to put deforestation-free trade and improved standards for business at the center of these important forums can include:

Promoting the OECD's high standards for climate and environment as a benchmark for international cooperation. Brazil is negotiating its accession to the [Organization for Economic Cooperation and Development \(OECD\)](#). In 2022, the OECD issued a [roadmap](#) including a set of high standards for environmental protection and protection of Indigenous peoples that Brazil and other countries seeking OECD membership must meet to join. The OECD climate and environmental standards should be considered a benchmark for international cooperation, including future U.S.-Brazil trade relations. The U.S. and Brazil should work together to set a new goal for Brazil joining the OECD and collaborating on establishing the policies and business environment to ensure the nation can meet the required business, environmental and human rights standards that membership entails.

U.S. mobilizing G7 support and beyond for climate and forests. While forests and other ecosystems could contribute [one-third of global mitigation by 2030](#), only 3% of climate finance currently supports forest ecosystems. Private sector finance is even more limited. Biden should encourage G7 members to jointly commit 25% of future international climate finance to protect the Amazon and other tropical forests. The [G7 Sustainable Supply Chains Initiative](#) is a critical effort to reduce deforestation in trade among the world's leading economies. [Experts have shared recommendations](#) on how these nations can achieve this goal and the U.S. should position itself as a proactive proponent of these solutions when engaging with other G7 partners.

Encouraging Brazil to join the [Forest & Climate Leaders' Partnership \(FCLP\)](#). Traditionally, Brazil has not joined international declarations involving forests due to a perceived risk of sovereignty. For example, Brazil did not sign the [New York Declaration on Forests](#). Therefore, it was positive that, under Bolsonaro, Brazil signed the [Glasgow Declaration on Forests and Land Use](#) launched at Glasgow's COP26, vowing to end deforestation by 2030. A year later and still under Bolsonaro's leadership, Brazil did not join the FCLP, aimed at operationalizing the

pledge. However, there is an opening for re-engagement. At COP27, President-elect Lula included the Glasgow Declaration in his speech, saying that "We will spare no effort to bring deforestation and degradation of our biomes to zero by 2030, in the same way that more than 130 countries have committed to by signing the Glasgow Leaders Declaration on Forests." The U.S. and Brazil have essential roles in helping build the global agenda to conserve forests and other critical carbon sinks. Brazil should be encouraged to join the FCLP.

Jointly raising the bar for Multilateral Development Banks (MDBs) in the climate agenda. The role of MDBs extends beyond their direct financing. They can help countries scale up quality investment programs and translate them into on-the-ground projects that will attract private investors. Shareholders need to push for a significant reform of the MDBs for them to be able to respond to the multiple crises the world is facing, including climate. The upcoming [2023 SDG Summit](#), [COP28](#) and the [India](#) and Brazil G20 Presidencies offer opportunities to reach an agreement on a bold climate finance agenda with an enhanced role for MDBs at the center.

Supporting Brazil's bid to host COP30, in 2025. Brazil is keen to host the [UNFCCC's COP30 in Belem](#), in the State of Pará, supported by the Interstate Consortium For Sustainable Development Of The Legal Amazon Region. If Lula succeeds in the bid for COP30, this will be the first-ever UNFCCC COP hosted in the Amazon region. The [New Collective Quantified Goal on Climate Finance](#), a goal to deliver climate finance to developing nations established at the same time as the Paris Agreement, is set to be improved before COP30, potentially leaving room for new agenda items that Brazil can take the lead on. If selected to host COP30, Brazil will likely start working on its priorities soon. The U.S. and Brazil should work together to identify common goals around deforestation, food systems and agriculture, and other relevant issues to ensure COP30 delivers impacts at the necessary scale for global climate action.

Promoting an ambitious G20 climate platform. Brazil will assume the G20 Presidency in 2024, the second year of Lula da Silva's mandate and the last year of Biden's current presidential term. Lula already indicated that the climate agenda would be one of his priorities at the G20.

Establishing a high-level dialogue on nature and security. There is an urgent need for the U.S. and Brazil's security, climate and biodiversity communities to join forces to confront the security implications of nature loss, as well as to expand action and investments to halt and reverse nature loss. A joint dialogue around these vital issues can advance common understanding and potential partnerships.

Promoting strong international safeguards for deforestation-free trade and investments. While Brazil's sovereignty over the Amazon rainforest is indisputable, large consumer governments are introducing legislation to hold stakeholders in agricultural and timber supply chains sourcing goods from Brazil accountable for their association with deforestation. The most recent example of this is the [new European Union \(EU\) law](#) set to be implemented later in 2023 that will ban EU companies from importing key commodities like soy and cattle products harvested from deforested land. International demand for deforestation-free products is growing, supported by upcoming regulatory changes in these consumer countries. Downstream companies are starting to exclude Brazil or specific Brazilian suppliers from their purchases in response to deforestation and legal concerns. These changes may increase the cost of capital

for these sectors, creating further material financial risk for investor portfolios that include such companies. Cooperation between the U.S. and Brazil is needed to support Brazil's agricultural sector in complying with these new laws, while also providing economic prosperity for Brazilians.

Developing Just Energy Transition Partnerships in the Americas. Further expansion and use of energy sources that contribute to climate change threaten the health of the Amazon rainforest, other critical habitats, and the health of people in both nations. Fortunately, Brazil's electricity mix already consists of more than [80% renewables](#), making it feasible to "complete its transition to 100% clean energy" before most other countries. A promising option to further accelerate the transition to clean energy in Brazil may come in the form of Just Energy Transition Partnerships (JETP), a financing mechanism launched to help heavily coal-dependent emerging economies make a just energy transition away from coal. Although Brazil is not a coal-dependent country, country-focused JETP programs being developed for [South Africa](#) and [Indonesia](#) can serve as examples of how Brazil can adopt a more systematic approach to de-risk and mobilize private finance at scale for a massive expansion of renewable energy. This country platform model can also be applied to agriculture and/or nature to accelerate climate solutions in these sectors.

Fostering alignment around phasing out fossil fuels subsidies. In line with the recommendations of the [OECD](#), [G20](#) and [International Monetary Fund \(IMF\)](#), both nations should end direct and indirect subsidies for fossil fuels, including support for production, infrastructure and consumption domestically and internationally. The fossil fuel industry is the beneficiary of countless subsidies in Brazil and the U.S. that unfairly tilt the playing field against renewables and other energy sources. Their price-and-market-distorting effects disguise further fossil fuel development, production and consumption risks. The U.S. and Brazil should discuss how they can best align with the OECD, G20 and IMF recommendations and end or redirect these subsidies towards green growth. This transition away from fossil fuel subsidies will make vital contributions to slowing down global warming benefiting forests and people and could be a targeted COP30 political outcome.

3. Cooperation beyond federal governments

Biden and Lula face many challenges to meeting their commitments to protect the Amazon and address climate change if they rely on the power of their federal governments alone. By empowering other elements of society to end deforestation and protect people, Lula and Biden can establish legacies that will see the Amazon and other critical ecosystems thrive. Increasing support from the private sector, strengthening local communities and Indigenous people on the front lines of protecting forests, and working with state governments and local officials can establish these long-term protections that will outlast both leaders' time in office.

Ensuring climate finance is directed to local leaders. Increasing climate finance for Brazil will only be sufficient if funding is accessible to the local governments and communities serving on the front lines as environmental defenders, particularly in the Amazon rainforest. There needs

to be significant attention given to "last-mile" readiness to ensure that those most impacted by forest degradation have access to financing and credit. USAID is committed to supporting pilot programs designed to improve the assessment criteria of its ["50 percent local voices" target](#) [that](#) aims to place local communities in the lead for half of USAID programming by having them co-design programs and set priorities, as well as implement or evaluate them. As this initiative moves forward, one key recommendation is to prioritize inclusion of Brazil's Indigenous and local communities in the Amazon rainforest in this work.

4. Turbocharge Green Economy Investments In Brazil

In alignment with Biden's "Plan to Conserve Global Forests: Critical Carbon Sinks," USAID announced a target to support the protection, restoration or management of [100 million hectares of critical landscapes by 2030](#). The U.S. will achieve this target through new programs globally. In Brazil, existing USAID programs and projects address underfunded areas such as Brazil's economy and fire management. However, with available funding only around a few million dollars, the plan's promised increases in finance and other opportunities to support Brazil's green economic growth can be accelerated quickly. Here are some of the most significant opportunities:

Investing in establishing a strong, sustainable bioeconomy in Brazil's Amazon region. In parallel to reestablishing the rule of law in the Amazon region, Brazil will need to scale up nature-friendly economic opportunities. Despite law enforcement measures and conservation policies' centrality in Brazil's anti-deforestation efforts, the nation needs more than strategy to stop and reverse the destruction of the rainforest. A rapid transition that mainstreams sustainable forest products into international markets and incentivizes maintaining the health of forests is needed to boost the national economy. There are ongoing efforts with the potential to contribute to creating a large investment pipeline. Examples include the [Amazon 4.0 Project](#) led by scientist Dr. Carlos Nobre, the Bioeconomy Priority Program led by the innovation ecosystem connected to the [Manaus Free Trade Zone](#), the [Amaz](#) initiative led by Manaus-based NGO IDESAM, and the Amazon Entrepreneurship Centre led by Belem-based NGO [IMAZON](#).

USAID has played a supporting role in such initiatives. However, it is critical to strengthen the sustainable business ecosystems in the Amazon region and create new connections between local and global tech entrepreneurs, investors, and markets. For example, many tech entrepreneurs from across the globe can partner with local Amazonian entrepreneurs and the best minds in academic research to solve specific challenges of biotechnology and provide the industry with new Amazon-based biotech solutions that offer potential for positive impacts for the Amazon rainforest and its people. Sustained U.S. commitment to this agenda and financial support at scale will be vital in delivering long-term success.

Knowledge exchange and innovation for low emissions agriculture. Among the historic provisions in the U.S. [Inflation Reduction Act](#) passed in August 2022 is nearly \$20 billion for [U.S. Department of Agriculture \(USDA\)](#) programs that incentivize agricultural practices that reduce emissions or sequester carbon. In addition, the bill provides funding for innovative

feedstocks that reduce methane emissions from livestock and \$300 million in USDA programs to quantify emissions and carbon sequestration on agricultural lands. Experts recommend that this type of research should form the basis for collaboration between the two countries to improve monitoring of the impacts of land use on climate change. Regions such as the American Great Plains and Brazilian Cerrado, where significant soil carbon stores are under pressure from large-scale, intensive agriculture could be especially important in this effort. This technology exchange could facilitate major positive shifts in agricultural production when paired with cooperation to support the enforcement of Brazilian environmental laws, like the Forest Code.

Supporting a science, technology, and innovation (ST&I) hub in the Amazon region. Although a significant number of high education and science and technology institutions in the Amazon region cover a diversity of research fields, the region needs more wide-ranging, structured development of such systems. As a result, the infrastructure to enable ST&I activities, such as laboratories and equipment, is insufficient. Resources and local technical assistance to maintain the structures are lacking. Moreover, the region faces historical deficiencies in its educational system, with few master's programs in Brazil that are located in the Amazon region and focused on its issues. This situation is directly related to one of the significant ST&I challenges in the region, which is the training, retention, and expansion of the number of researchers. The [priority areas of ST&I growth recommended](#) for more development in the Amazon region include: basic science, applied science, bioeconomy of product chains and subproducts linked with the forest, agro-food systems, integrated healthcare, medicine and drugs, and bio-inputs.

Expanding internet access and technical development in the Amazon region. Telecommunications networks in the Amazon region have many deficiencies, ranging from limited services to limited data transmission capacity. These barriers are exacerbated by the size of the Amazon rainforest and challenges related to the installation of infrastructure in complex geographies. Despite the challenges, the universalization of broadband is an important step for the economic and social development of the region, where quality internet access and availability will be a catalyst for new jobs and increased levels of income. This can decrease inequalities across Brazilian society and facilitate the use of public services. Greater access to the internet and the global economy will provide new economic opportunities ensuring fewer Brazilians feel pressure to pursue economic gains from deforestation.

Conclusion

The Lula administration is seeking to perform a fast and robust recovery of Brazil's climate, forests and economic policy apparatus. In public speeches, Lula confirmed that Brazil is ready to "resume its leading role in the fight against the climate crisis" and "to fight for zero deforestation in the Amazon." [Anti-deforestation efforts](#) have already been resumed in the Amazon region, and a long-term agenda to deliver on climate goals is soon to be devised by an inter-ministerial committee. These objectives should frame support by international partners such as the U.S. around these objectives and timing.

President Biden adopted a carrot-and-stick approach to Brazil during Bolsonaro's years, having promised to mobilize \$20 billion by 2030 to conserve global forests while signaling that the countries could jointly adopt trade or other restrictions to counter deforestation. Progress on delivering this financial cooperation has stalled due to the failures of Bolsonaro's administration.

While high environmental standards in international trade have been a very present conversation in these past four years, as Lula starts reversing the course of forest loss – despite all obstacles involved in the real world – the U.S. and other countries should give more consideration to a "positive incentive" dimension of cooperation and softer approach.

A balanced approach is recommended, with global diplomacy actors pursuing a broad and deep relationship with Brazil to support the end of deforestation by 2030, while managing expectations around trade-related goals.



Climate Advisers works to strengthen climate action in the United States and around the world through research, analysis, public policy advocacy and communications strategies. We partner with governments, non-profits, philanthropies, international organizations, financial institutions and companies to help deliver the clean economy. We develop and promote sensible, high-impact initiatives that improve lives, enhance international security and strengthen communities. Climate Advisers currently consists of several independent organizations collaborating to advance the same mission, including: Climate Advisers Trust, a U.S. non-profit, Climate Advisers United Kingdom, a U.K. non-profit, and Climate Advisers Incorporated, a global consultancy. Further information is available at climateadvisers.org.



CLIMATE
ADVISERS

REVITALIZING US & BRAZILIAN COOPERATION
ON CLIMATE: RECOMMENDATIONS FOR
IMMEDIATE ACTION TO SUPPORT NATURE

February 2023