



APRESENTA

Amazônia in Loco

AMAZÔNIA IN LOCO LETTER - BELÉM

To Brazilian, Mercosur and European Union Authorities

To Brazilian and European Entrepreneurs



Man, who is no longer a slave to Nature, is also not the lord who rules it, he should be its vigilant guardian"

Benedito Nunes - Philosopher and Poet from the Amazonian State of Pará, Brazil – Heritage - [History, Heritage and Culture Magazine](#) - Oct/2020

We welcome you all with good news from Amazon!

The Eurochambers, in line with their mission to stimulate bilateral business between Brazil and European countries, held the “Amazônia in Loco” Conference. The objective was to contribute to the understanding and solving of the problems currently faced by the Amazon, notably the conciliation of efforts in the fight against climate change, the protection of biodiversity and the creation of sustainable development means for local populations.

We know that the EU-Mercosur Agreement needs to be ratified by the member countries of the European Union and Mercosur and the “Amazon Question” is a critical issue for its ratification.

Indeed, since their presence in Brazil, the Eurochambers consider it essential to disseminate the real situation of the Amazon in Europe, as well as the efforts made for its preservation. Additionally, the Eurochambers wish to suggest sustainable solutions with the support of their members as well as European institutions and governments.

Therefore, in this Letter from Belém, we seek to present data and facts about the current situation in the Amazon and the respective conclusions of the “Amazonia in Loco” Conference, reached during the realization of the eight panels, which included the participation of experts from various spheres of knowledge, authorities, Brazilian companies, diplomats, researchers and businessmen.



The Amazon is a land that is transfigured, this assumption is a requirement for those who seek to interpret it"

Clodomir Vianna Mug – from the *Ouro Negro* book – 1932, extracted from Vice-President Hamilton Mourão's Speech at the Closing Ceremony of the “Amazon in Loco” Conference.





Data & Facts – Positive Points

Brazil's government created the National Council of the Legal Amazon (Area that includes 8 Brazilian States and part of Maranhão State, 100% of Amazonian Biome and 20% of Savanna Biome), led by the Vice President of Brazil, General Hamilton Mourão, an expert in the region, who coordinates government actions in sustainable development and against illegal deforestation. It should be noted that the Vice President personally made several visits to the Amazon and had productive meetings with the Head of the EU Delegation in Brasília, Ambassador Ignacio Ybáñez, and other Ambassadors from European Union countries, seeking to share knowledge *in loco*.

General Hamilton Mourão, in October of this year inaugurated the Headquarters of the Amazon Cooperation Treaty Organization - ACTO, in Brasília, aiming to boost regional cooperation in the Amazon, including neighboring countries: Bolivia, Colombia, Ecuador, Guyana, Peru, Suriname and Venezuela.

Note that Brazil also joined the Pact of Letícia, in September 2019, to coordinate the preservation of natural resources in the Amazon. The eight Governors of the Amazon in Brazil are convinced and committed to the importance of leading sustainability and governance policies in that region.

In the Legal Amazon, the exploitation for agricultural and livestock purposes - 20% of each property - is allowed by law. Thus, in a significant 80% of each property, its native nature is protected by law, with occasional additions due to the proximity of rivers, springs, hills, among others.

In Brazil, 30.2%¹ of its territory is formed by protected areas, significantly surpassing the United Nations' Aichi target of 17% in 2010, most of which is located in the Amazon. These areas are protected by law and include conservation units (UCs) and indigenous lands (TIS).

By adding up the preserved areas, those with native vegetation in vacant lands, the military areas, private lands conserved by law according to the Rural Environmental Registry (CAR) and others, one reaches the impressive level of 66.3%² of the Brazilian territory with native vegetation

Brazil has excellent institutes for monitoring fire indicators and meteorology using state-of-the-art European technology. Its conclusions feed the fight against illegality and the development of public policies.

It also benefits from experienced inspection, crime repression and control agencies to combat illegality, such as IBAMA and the Federal Police, supported by satellite images, radar and geo-positioning.

In fact, among the initiatives of the National Council for the Legal Amazon, the creation of the GIPAM (Integration Group for the Protection of the Amazon) also stands out, based on the CENSIPAM formed by a multidisciplinary

¹ Forum of Agriculture of the South (Foro de Agricultura del Sur) - 2018 - Evaristo Miranda.

² Article Fifty shades of green – National Society of Agriculture 10/25/21- Evaristo Miranda.
(Artigo Cinquenta tons de verde – Sociedade Nacional de Agricultura 25/10/21 - Evaristo Miranda.)





APRESENTA

Amazônia in Loco

team with representatives from the main Brazilian inspection bodies: INPE, IBAMA, ICMBio, Federal Police, Federal Highway Police, FUNAI and INCRA to analyze satellite images and generate detailed reports on environmental crimes, in order to guide the planning of actions by inspection and crime repression teams in the field.

Brazil has mechanisms for tracking the origin of wood for export and sale on the domestic market.

Brazil has an internationally renowned state agricultural research company, Embrapa, that over the past decades has developed solutions to increase agricultural productivity in the different biomes of Brazil, including the Amazon. Several of its solutions are used for planting in degraded areas, sustainable extractivism, planting species that can symbiotically coexist with the Forest for further harvesting and processing.

Products from the Amazon Forest already generate billions of dollars in revenues, as is the case with Açai³. Many other fruits are in the market development stage such as processed Brazil nuts, buriti, native cocoa, totally organic and immune to diseases, such as witches' broom, as well as murumuru oil and butter, palm oil, *andiroba* oil and many others. Also noteworthy is the production of drugs and essences derived from the Forest.

Although the focus is on the Amazon Forest, the economic potential of its rivers, which are highly fishy and their pure water, should not be underestimated, which is an immense potential for generating wealth for the region.

The Amazon also has one of the largest aquifers on the planet, the SAGA (Great Amazon Aquifer System), with 162,000 cubic km, virtually untouched. This is very significant considering the lack of water in the world.

Furthermore, the country has solid institutions financed by Brazilian business, such as Senai and Sebrae. These train young people and local populations aiming at the generation of labor for the region as well as for entrepreneurship in Bioeconomy. In fact, Sebrae alone has 1,700 locations in the Amazon to train entrepreneurial leaders in Bioeconomy.

The federal government has also recently launched programs focused on sustainability with income generation: Forest + Entrepreneur, Forest + Carbon and Forest + Bioeconomy.

Public and private banks, both Brazilian and foreign, have financial instruments to finance sustainable projects, favoring training and income generation. In this context, financing for Bioeconomy startups that develop value-added products with fruits, leaves and wood from the Forest are also included.

3 "(...) fruit (açai) moves US\$ 1.5 billion (year) (...) Jorge Sauma and Caio Maia, G1 PA- Belém 03/15/2019.



APRESENTA

Amazônia in Loco

There are successful experiences in the virtuous cycle of Bioeconomy, such as voluntary carbon credit trading and payment programs for environmental services with reinvestment in the Forest. The sale of carbon, of course, implies sustainable practices such as Forest Management with 30-year cycles with international certifications, social programs to generate income for the populations of the Forest. In turn, these protect the Forest in order to maintain the benefits they receive through the trading of carbon credits.

It is estimated that the preserved area of the Amazon is in the order of 84%. However, if we use the updated data, below, on the INPE - National Institute for Space Research⁴ website, one can conclude that 82.61% of the Amazon biome is preserved

Criterion	Total area(km ²) ⁵	Deforested till 2020 (km ²)	Deforested	Remaining
Amazon Biome	4.196.943	729.782	17,39%	82,61%
Legal Amazon	5.015.067	813.063	16,21%	83,79%

Data & Facts – Negative Points

Unlike other forests in the world, such as European, Siberian and North American forests, the Amazon Biome does not burn naturally, as it is a very humid forest. Thus, almost 100% of all fires occur because of human intervention, except in already degraded areas with secondary vegetation where spontaneous fire generations can happen. Not all fires are illegal, but most are. According to the "JRC TECHNICAL REPORT - Weekly analysis of wildfires in the Amazon region and South America: October 11 - October 17, 2021" of the European Commission, after the peak in the burning curve in 2020, the year 2021 registered favorable downward trends in several indicators and levels below those of 2020, 2019 and 2018 in terms of the number of weekly outbreaks and in the accumulated burned areas.

The issue of land tenure regularization remains an "Achilles' Heel" for sustainable progress. Without regularization, there is no financing, business opportunities are reduced and illegality is encouraged.

The abusive practice of adverse possession (usucapião), a Brazilian tradition, eliminated in Europe almost five centuries ago, constitutes another stimulus to illegality.

According to the 2030 Amazon Project, of every 10 oxen raised in Brazil, 4 come from the Legal Amazon, which includes regions that have long been degraded. However, there is an expansion towards the north and the west, the so-called deforestation arc, illegally penetrating virgin areas, which begins with the theft of hardwoods, followed by clear deforestation, burning, planting of pastures and later the sale of cheap land.

⁴ "How much has been deforested in the Amazon? By 2020, we have deforested in the Amazon Biome 729,781.76 km², and in the Legal Amazon 813,063.44 km²" - INPE – Frequently asked questions ([hGp://www.inpe.br/faq/index.php?pai=6](http://www.inpe.br/faq/index.php?pai=6))

⁵ This area includes the Amazon rivers hence the small percentage distortion.



APRESENTA

Amazônia in Loco

In keeping with the tradition of adverse possession, as well as by impunity, brought about by multiple and excessive legal means, prescriptions, unpaid fines, arrests and respective quick releases. Added to this is the lack of proactive legal instruments with temporary cut-off lines, such as, for example, from that date of invasion onwards, legalization based on adverse possession will no longer be allowed; to legalize areas from that date onwards it is necessary to replant 80% of the property, eventually replacing fines.

Approximately 10%⁶ of the soy produced in Brazil comes from the Amazon Biome. Although there is no need to expand deforestation to increase its production area, as agribusiness is very productive in current areas, there are expansion pressures, similar to those of cattle ranching in the arc of deforestation.



A study published this Thursday, (16/07/2020), by the scientific journal Science reveals that, currently, 20% of Brazilian soy produced in the Amazon and in the Cerrado (Savanna) annually exported to the European Union (EU) may have left areas of illegal deforestation”.

El País Newspaper – Heloísa Mendonça, São Paulo – 16/07/2020.



Europe warns of the risks of the end of the soy moratorium in the Amazon”.

ABIOVE (Brazilian Association of Vegetable Oil Industries) – 27/11/2019



(...) (soy) increases the area in the Amazon by 22% in 2019/20 in disagreement with the moratorium⁷ (...)”

ABIOVE – 16/07/2021

In Brazil, there are currently 724 units of Indigenous lands, of which 487 are approved and reserved. Much remains to be done as the Indians are essential in preventing invasions and illegal deforestation!

The high level of illegality in the internal trade of native wood is public and notorious. Although there are no reliable statistics on the size of the illegal market for native wood from the Amazon, it is estimated that there is an important illegal trade in wood, which must be curbed, in view of the legislation in force.

⁶ SOYBEAN PLANTING IS INEXPRESSIVE IN THE “TOP 10” OF BURNS IN THE AMAZON – ABIOVE 29/08/21

⁷ <https://abiove.org.br/abiove-na-midia/artigos/mercado-de-us5-bi-europa-alerta-para-riscos-de-fim-da-moratoria-dasoja-na-amazonia/>



APRESENTA

Amazônia in Loco



(...) Alexandre Gontijo, president of the Association of Career Servers of Specialists in the Environment of the Federal District (Ibama-DF), when considering all the wood produced in Brazil, “a good part is illegal, but it is difficult to quantify”(...).”

Globo Rural – Mariana Grilli – 20/11/2020

There are several frauds that feed the market, such as adulterated DOFs (Forest Origin Documents) leading to “wood heating”. Additionally, the lack of requirement for independent international certifications such as FSC or equivalent in the commercialization of native wood contributes to fraud.

Although there are already clear laws and rules for Forest Management Concessions in public, unprotected areas, the practice is still incipient and the concessions carried out by the government, in the immensity of the Amazon, do not reach twenty in progress.

Another huge source of deforestation and pollution in the Amazon is related to illegal mining, which, in addition to destroying the Forest, contaminates rivers.



Mining has deforested 405,36 km² of the Legal Amazon in the last five years, according to data from the Real Time Deforestation e Tempo Rea Detection System (Deter), of the Space Research Institute (Inpe), gathered by the G1. The cleared area is equivalent to around 40.5 thousand football fields. Throughout 2019 and 2020, this deforestation caused by mining activity set records and advanced into conservation areas.”

G1 – Laís Modelli, 06/12/2020

Conclusions and Recomendations

When visiting the Amazon, *in loco*, getting to know examples of Forest Management, which employ hundreds of people, it is possible to observe how small is the “harvest” of 30 m³/ha, allowed by current legislation and certifications. Additionally, it is worth noting that even the degradation caused by originally making the access roads with huge trucks, disappears in a few years with the regeneration of nature!





APRESENTA

Amazônia in Loco

Some local populations (without any statistical validity), trained in Bioeconomy techniques for organic production of vegetables, cassava, cassava flour, cocoa, among others, when questioned, said that **DEFORESTATION AND BURNING OF THE FOREST IN THE ROTATION OF CROPS NO LONGER EXIST**. On the contrary, they said that they protect it from **INVADERS AND CRIMINALS**, as this is part of the awareness and agreement to continue to have technological and financial support. Indeed, without the population's involvement, through technical training, consultancy and financing, it is impossible to combat traditional or criminal fires.

Other examples of the importance of training in the scope of Bioeconomy are listed below: women's cooperatives producing, semi-industrially, clothes and uniforms, with special materials (anti-fire and chemical) previously imported from southern Brazil or abroad; extractivist cooperatives with or without processing; craft workshops whose unique pieces are exported to Europe, not only for their creativity, but also due to production's technique and the certified materials used; startups researching new materials, essences, value adding, products and services.



We work to give freedom and not create dependency”.

Sergio Amoroso - Controller of Grupo Jari in his speech at the Jari Foundation on the occasion of Ambassador Jouko Leinonen's Visit – 10/22/21

We also concluded that without a **SPECIAL TASK FORCE** to regularize land titles with clear targets for the quantity and time for completion, there will be much less investment in the region and, consequently, less generation of jobs and income.



The challenge in the Amazon starts with the business environment”, Minister Joaquim Pereira Leite, Environment

Valor Brasil - 24/08/21

Undoubtedly, the challenge is great; much has already been done, but there are still several clear actions and policies to be improved and considered by governments, legislators, businessmen, local and foreign, financial institutions among others.

It is worth noting that the negative perception - both in Brazil and in Europe - of the loss of control over the Amazon cannot be sustained and is only made worse by the lack of data and facts.

The Amazon has a population of 25 million inhabitants, of which approximately 20% live in the Forest, including more than 300,000 Indians. Any recommendation for improvement must take into account the training and income of this population, without which there is the risk of its co-option by organized crime.





APRESENTA

Amazônia in Loco

The Amazon has enormous economic and scientific potential in Bioeconomy, which is currently under-exploited, and can be developed sustainably with a view to benefiting its population, investors, the Brazilian government and humanity in general.



(...) We all have to understand that this region will constitute for a long and long time the huge demographic void that gives rise to incalculable amounts of wealth and that will have to be preserved, protected and developed within the dictates of the 21st century (...)"

extracted from Vice-President of Brazil, Hamilton Mourão's Speech at the Closing Ceremony of the "Amazônia in Loco" Conference.

To this end, Brazil, through its institutions and with the support of the international community, can take practical actions, which were extensively discussed in the 8 panels of "Amazônia in Loco", as follows:

- Multiplying the offer of 30-year Forest Management Concessions with independent certification of the FSC type or equivalent, reducing thus IBAMA's workload;
- Study and replication of successful cases in: 1) Forest Management, 2) Partnerships between communities with companies that sell Carbon Credits, 3) Successful cooperatives, 4) Best practices by private sector or government leaders;
- Establishment of a Partnership between the Eurochambers and the Consortium of Governors of Amazônia Legal to exchange successful experiences and assess opportunities for European investments;
- Financing for the application of techniques developed by Embrapa for the regeneration of degraded areas;
- Development and implementation of a recovery program for the production chains of traditional cultures such as jute and mallow;
- Training of local populations in Bioeconomy practices, associated with Forest Management Concessions and Sales of Carbon Credits;
- Development of sustainable fisheries in the Amazon for export;
- Solid investments in universities and research institutes for applied scientific research on natural oils, biomaterials, textile fibers, bio packaging, based on fruits extracted from the Forest;
- Increased partnerships with European companies and institutions to finance and support research institutes in the Amazon, such as Emílio Goeldi;
- Decentralized Land Regularization Special Task Force;
- Definitive punishment for criminals who exploit the Forest, with preventive imprisonment and combating legal challenges (chincanas jurídicas);



Amazônia in Loco

- Concession of ownership of government lands that were illegally deforested, except in protected areas, to individuals or legal entities, with the consideration of replanting trees in 80% of the property;
- End of adverse possession (usucapião) for the purpose of regularizing illegal land;
- Use of safer traceability technologies in trade of native wood, whether in the domestic or foreign market such as Blockchain and DNA;
- Issuance of green bonds by the Brazilian Government to finance measurable biodiversity conservation and Bioeconomy projects audited by independent organizations;
- Renegotiation of the Amazon Fund with a focus on Bioeconomy projects, renewable energies such as solar and biomass, and basic sanitation in cities in the interior of the Amazon biome;
- Increased funding supply for Bioeconomy projects;
- Annual publication by the Brazilian Government of a broad and objective report, with cartographic and numerical data, on the situation of the Amazon. The “Amazon Report” would be composed of five fundamental tables, considered together and articulated: natural, agrarian, agricultural, infrastructure and socioeconomic, published on an open public website, in Portuguese and English with a download option. Among the parameters to be used, some of those discussed and negotiated at COP26 will be included. This report will allow a precise communication about the Amazon situation to the Brazilian society as well as to the international community, dramatically reducing the “fake news”.
- State plan, supra-ministerial, supported by the state governments in the short and medium terms with objectives and targets for 5, 10 and 20 years for the Amazon region using parameters from the “Amazon Report”.
- Development of a transparent computer system to monitor sustainable initiatives and their results.

The Eurochambers, with their companies operating in Brazil, are on the side of Brazil to contribute to this process!

A prosperous and sustainable Amazon is what we want for Brazil and for humanity.

Belém, 11 de Novembro de 2021

 Marcos Madureira Câmara Oficial Española Presidente/ EuroCâmaras Vice-Presidente	 Sergio Chamone FinnCham – Câmara de Comércio Brasil Finlândia Presidente
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ACKNOWLEDGMENTS

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