



E-PAPER

Brazil

From Brazilian Comprehensive Growth Strategy to Sustainable Development Goals

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Introduction

Poverty, inequality and the challenges arising from climate change require a high level of cooperation and joint efforts at the state level, demanding an effective participation in international arenas such as the G20 and the United Nations. Coherence of commitments made by G20 members in their Comprehensive Growth Strategy, the Agenda 2030 on Sustainable Development Goals (SDGs) and the Paris Agreement on Climate Change are imperative, given the strong interrelation between economic, environmental and social issues.

This paper analyzes the coherence of Brazilian commitments on addressing climate change and fostering development in these international arenas: its commitments at the G20 as laid out in Brazil's Comprehensive Growth Strategy; its commitments to the signing Parties of the Paris Agreement on Climate Change, especially Brazil's Nationally Determined Contributions (NDCs); and its commitment to implement the SDGs established in the Agenda 2030. The article focusses on five major SDGs: SDG #4 calls to «ensure inclusive and quality education for all and promote lifelong learning», SDG #5 to «achieve gender equality and empower all women and girls», SDG #7 to «ensure access to affordable, reliable, sustained and modern energy for all», SDG #8 to «promote inclusive and sustainable economic growth, employment and decent work for all» and SDG #13 to «take urgent action to combat climate change and its impacts».^[1]

Climate Action and Energy Policy

Countries' commitments made in the context of the Paris Agreement are an important indicator when monitoring the achievement of SDG #13 on combating climate change. As will be outlined below, in the case of Brazil, it seems that although the country is taking action to combat global warming, the loopholes in its Nationally Determined Contributions (NDCs) may even cause aggravated climate change impacts instead of mitigating them.

In 2009, Brazil adopted voluntary targets under its National Policy on Climate Change (Law No. 12.187/2009)^[2] which aims to achieve the reduction of gross greenhouse gas (GHG) emissions to approximately 2 GtCO₂e by 2020. For the Conference of the Parties in Paris (COP 21) in 2015, Brazil presented its NDCs that lays out the country's intention to reduce GHG emissions by 37 % compared to 2005 levels by 2025, and by 43 % below

1 See United Nations: Transforming our World. The 2030 Agenda for Sustainable Development, in: <https://sustainabledevelopment.un.org> (02.02.2017)

2 See National Policy on Climate Change http://www.planalto.gov.br/ccivil_03/_ato2007-2010/2009/lei/l12187.htm

2005 levels by 2030. Compared to its 2009 commitments at the national level, the Brazilian NDCs thus represent an additional gross reduction of approximately 19 % by 2025.

«All policies, measures and actions to implement Brazil's NDC derive from the National Policy on Climate Change» and other national laws such as the Forest Code (Law No. 12,651/2012).^[3] Accordingly, the Brazilian government affirms that the country has already cut roughly 41 % of its emissions by implementing the voluntary targets that have been assumed in 2009 and run until 2020, and that Brazil is well on its way to cutting emissions, especially in the energy and land use sector. However, the likely impacts of the implemented and proposed emission reduction measures and mitigation policies are a cause for concern.

Reforestation

With regard to land use, for example, one of the measures proposed is the reforestation of 12 million hectares – an area equivalent to half of the United Kingdom's territory – by 2030 for multiple purposes, such as the creation of areas for forest management or charcoal production. Reforestation is mainly done by planting monocultures of e.g. African palm, eucalyptus, pine, or otherwise non-native tree species. Due to the use of atypical species, this approach comes along with serious side-effects with regard to water supply, soil quality and in the long run the area's biodiversity. In fact: reforestation as envisioned in Brazil is a loophole that cannot be highlighted enough. The country already had 7 million hectares of planted forests in 2012. Due to the current water crisis, increasing that area with this kind of monoculture will further deteriorate the water supply and have disastrous impacts on Brazil's biodiversity, thus aggravating the problems the country already has with adapting to climate change. What is more, such reforestation projects often provoke conflicts with traditional communities that are generally more vulnerable.

The controversial Forest Code and the National REDD+ Strategy^[4] are key instruments the Brazilian government will use in order to achieve its NDCs. Brazil has been criticized widely when the Parliament approved the new Forest Code in 2012. One of the reasons was because the new law legalized various forms of deforestation. The old and the new law demand landowners to leave a certain percentage – depending on the biome – of their land untouched (in Portuguese *reserva legal*^[5]), in the Amazon for example 80 % of the land. The new law opens the opportunity to surpass this limit: it creates a financial instrument called Environmental Reserve Quota (CRA, acronym in Portuguese), a certificate that is issued to landowners who hold deforestation below the allowed legal limit. These certifi-

3 Ministry of Environment Official Website. <http://redd.mma.gov.br/en/redd-and-brazil-s-ndc> (26.02.2017)

4 See REDD+ national strategy <http://redd.mma.gov.br/en/the-national-redd-strategy> (05.03.2017)

5 Legal Reserves are portions of land that must be set aside as native habitat.

cates can be traded via environmental asset exchanges such as the *Bolsa de Ativos Ambientais* of Rio de Janeiro with landowners who exceed this legal deforestation limit. Instead of comprehensively combating deforestation, this system provides a way to circumvent the necessary actions and thus does not present an ambitious and effective approach to address climate change.

Energy Production

On energy production, Brazil intends to raise the rate of renewable energy in its energy mix to 45 % by 2030, as has been laid out in its NDCs. It aims to expand «the use of non-fossil fuel energy sources domestically, increasing the share of renewable (other than hydropower) in the power supply to at least 23 % by 2030.»^[6] This contributes to achieving target 7.2 of SDG #7 that aims at substantially increasing the share of renewables in the global energy mix by 2030.^[7] For this purpose, in 2015 the federal government launched the Electric Power Investment Program totaling R\$ 186 billion. The program focuses on the construction of hydropower plants, wind, solar PV, biomass and thermoelectric plants and transmission projects.^[8]

Looking closer, one problematic aspect of Brazil's strategy of increasing the share of renewables becomes clear: hydropower generation (hydroelectric power plants and small hydroelectric power plants) still constitutes an important part among the renewables and thus receives the largest investment under the Program.^[9] However, the construction of hydropower plants very often comes along with negative impacts such as human rights violations and environmental destruction. A current example – and one of the worst ones – is the Belo Monte dam, which has displaced over 40,000 people living in an area of 1,500 square kilometers near the river Xingú. The territories that these populations had lived on were devastated by the construction of the dam.^[10] This shows again that, although Brazil's ambitions are respectable, the way to achieve them comes along with side effects that aggravate climate change impacts rather than mitigating them.

- 6 See UNFCCC: Federative Republic of Brazil Nationally Determined Contributions. www4.unfccc.int/ndcregistry/PublishedDocuments/Brazil%20First/BRAZIL%20iNDC%20english%20FINAL.pdf (02.02.2017)
- 7 See the Sustainable Development Goals 7: <https://sustainabledevelopment.un.org/sdg7> (02.02.2017)
- 8 See Programa de Investimento em Energia Elétrica (PIEE) [www.epe.gov.br/Estudos/Paginas/Programa%20de%20Investimento%20em%20Energia%20El%C3%A9trica%20-%20PIEE/GovernodivulgaProgramadeInvestimentodeR\\$186biemEnergiaEl%C3%A9trica.aspx?CategoriaID=390](http://www.epe.gov.br/Estudos/Paginas/Programa%20de%20Investimento%20em%20Energia%20El%C3%A9trica%20-%20PIEE/GovernodivulgaProgramadeInvestimentodeR$186biemEnergiaEl%C3%A9trica.aspx?CategoriaID=390). (03.03.2017); www.mayerbrown.com/files/uploads/Documents/PDFs/2015/August/150828-Newsletter-Energy-EN_20_.pdf
- 9 Decennial Plan. EPE. [www.epe.gov.br/Estudos/Documents/Relatório Final do PDE 2023.pdf](http://www.epe.gov.br/Estudos/Documents/Relatório%20Final%20do%20PDE%202023.pdf) (28.02.2017)
- 10 See www.mabnacional.org.br/node/4228; <http://amazonwatch.org/work/belo-monte-dam> (28.02.2017)

Nuclear power as an element of reducing GHG emissions has not been included in Brazil's NDCs, it is, however, present in its G20 commitments. The country has two nuclear reactors, which generate 3 % of its electricity. A third is under construction and there is a plan to build four more large nuclear reactors to go on line in the 2020s.^[11]

Whether Brazil will be able to correct the path it is undertaking on its way to achieving its international commitments today is highly dependent on the question which overall direction the country will take in the near future. In the second half of 2016, Brazil underwent a major institutional, economic, and political transformation. The political uncertainties experienced since the impeachment of President Dilma Rousseff have led to the advancement of conservative positions in society, justified the implementation of austerity policies in the economy, and countless setbacks in the field of social, labor, territorial and environmental rights. This is why, although Brazil was working to achieve its commitments under the G20 and the United Nations (UN), it is not possible to predict whether Brazil will be able to maintain its commitments in the near future, especially related to implementing the SDGs and NDCs.

Inclusive Growth

Brazil has been known internationally as a country that combines economic growth with social inclusion. It has also been recognized as an important emerging economy, reaching a 7.5 % GDP growth rate^[12] in 2010, and thus ranking among the fastest growing economies in the world along with India (10.26 %^[13]) and China (10.63 %^[14]). Long being considered one of the most unequal states, this perception has been changing slowly after successfully lifting millions of people out of extreme poverty through social programs such as *Bolsa Família* and PRONATEC.

In a report presented to the Economic and Social Council (ECOSOC), the *Bolsa Família* Program has been praised by the United Nations as best practice example for income distribution. The program has as its main objective a guarantee for the right to food, education and health to Brazilian citizens through direct income transfer. It covers 13.9 million

11 See World Nuclear Association (2016): Nuclear Power in Brazil, in www.world-nuclear.org/information-library/country-profiles/countries-a-f/brazil.aspx (21.07.2016)

12 The World Bank Official Website: http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?year_high_desc=true (20.02.2017)

13 The World Bank Official Website: http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?year_high_desc=true (20.02.2017)

14 The World Bank Official Website: http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?year_high_desc=true (20.02.17)

families in extreme poverty and poverty conditions.^[15] Along with Federal measures, it has resulted in substantive inequality reductions, contributing to pursue SDG #8 on inclusive growth. In 2004, when the program was launched, Brazil's GINI distribution index was 0.5689.^[16] Ten years later, in 2014, the index reached 0.490^[17], which means a reduction of more than 10 % in terms of inequality.

PRONATEC, a national program for access to technical education and employment can also be considered a public policy aligned with SDG #8. Launched by the federal government in 2011, it aims at increasing access to qualified vocational training, especially for young people and beneficiaries of income transfer programs like *Bolsa Família*. Between 2011 and 2015, 9.4 million enrollments occurred in technical and professional courses, in more than 4,300 Brazilian municipalities.^[18] Initiatives such as PRONATEC also meet the country's G20 Growth Strategy, which aims at fostering the employability of young people by encouraging the recruitment of apprentices.

Education and Gender Equality

SDG #4 relates to the promotion of high-quality education. Mentioned in Brazil's G20 Growth Strategy, the Brazilian National Education Plan aims, among other things, at universalizing basic education for children between 6 and 14 years old, to eradicate illiteracy and direct 10 % of the Brazilian GDP to public education until 2024.

Forecasts regarding the universalization of basic education look favorable. In 2014, 97.5 % of Brazilian children aged 6 to 14 years got enrolled in Elementary School. Considering the pace of growth in 2013 and 2014, it is very likely that the target of 100 % will soon be achieved.^[19]

In the light of Brazil's latest educational indicators and the current political and economic crisis, however, achieving the goals to eradicate illiteracy and to invest in public education will be a difficult challenge. From 2014 to 2015, the country's literacy rate increased by

15 Caixa Econômica Federal Official Website: www.caixa.gov.br/programas-sociais/bolsa-familia/Paginas/default.aspx. (03.03.2017)

16 IPEA. A Década Inclusiva (2001–2011): Desigualdade, Pobreza e Políticas de Renda, 2012. www.ipea.gov.br/agencia/images/stories/PDFs/comunicado/120925_comunicadodoipea155_v5.pdf. (20.02.2017)

17 IBGE. A Janela para Olhar o País. Pesquisa Nacional por Amostra de Domicílios. Síntese de Indicadores, 2014. www.ibge.gov.br/home/presidencia/noticias/imprensa/ppts/00000024052411102015241013178959.pdf (03.03.2017)

18 Ministry of Education Official Website. <http://portal.mec.gov.br/pronatec> (20.02.2017)

19 National Education Plan Observatory Website. www.observatoriodopne.org.br/metas-pne/2-ensino-fundamental/indicadores. (20.02.2017)

only 0.3 %, from 91.7 % to 92 %. If the same growth rate persists in the upcoming years, it is highly unlikely that Brazil will eradicate illiteracy before 2024.^[20]

Regarding the third aspect of Brazil's National Education Plan, the situation seems to be just as problematic. In 2014, 5 % of the Brazilian GDP has been allocated to education. However, even if it reached 10 % (as envisioned in the Plan), the vigorous decline of GDP and the newly announced tax adjustments will jeopardize educational goals. The lack of investment in this area is not only a risk to the commitments assumed by Brazil in its National Education Plan and in its G20 Growth Strategy. Moreover, it has a direct effect on the implementation of multiple SDGs targeting education, employment and the promotion of innovation and gender equality.

Gender

Considering gender equality, Brazil faces significant challenges in economic, political and social spheres. The large gap between men's and women's wages, while showing the same level of education, puts Brazil among the most unequal countries in Latin America. Wage inequalities impose barriers on women's empowerment and on the fight against poverty and overall inequality. Although the Brazilian Institute of Geography and Statistics (IBGE) found that between 2005 and 2015, the wage gap between men and women with the same level of schooling declined, Brazilian wages remain unequal: in 2015, the average real income of male workers was R\$ 2,012, while female workers only earned R\$ 1,522.^[21]

Regarding political representation, the electoral law of 1997 (Law No. 9,504 / 1997) requires the list of candidates of each political party or coalition of at least 30 % of one gender and a maximum of 70 % of the other. In the last elections in 2016, 31.6 % of the candidates were women, totaling 155,587 applications, while there were 336,819 eligible men. Despite the fact that over half of the Brazilian population are women, they were voted to fill only 13 % of available mayor positions; in the Chamber of Deputies, they make up 10 % of the total positions and 14 % in the Senate. As the Inter-Parliamentary Union evaluated, the current number of women in political positions in Brazil places the country at the 154th position among 194 countries. The ranking considers the percentage of female representation in political positions and places Brazil behind emerging countries like China (74th), India (148th) and South Africa (9th).^[22] These numbers prove that legislation is not enough to increase the political representation of women. The social aspect of inclusion

20 National Education Plan Observatory Website. www.observatoriodopne.org.br/metas-pne/9-alfabetizacao-educacao-jovens-adultos/indicadores (10.03.2017).

21 IBGE. Síntese de Indicadores Sociais, 2016. <http://biblioteca.ibge.gov.br/index.php/biblioteca-catalogo?view=detalhes&id=298965> (20.02.17)

22 Inter-Parliamentary Union Official Website. www.ipu.org/wmn-e/classif.htm (20.02.17)

must also be addressed through educational efforts and awareness-raising initiatives on the importance of women's participation at multiple levels of decision-making.

SDG #5 aims at eliminating all forms of violence against women and girls in the public and private sphere. Combating violence against women is a priority for Brazil and a fundamental strategy to promote gender equality. Since 2006, Brazil has a specific law – called *Maria da Penha* – to reduce domestic violence and guarantee social assistance and protection to victims. It helped to decrease the domestic homicide rate against women by 10 %^[23] and is being recognized by the UN as one of the world's best legislations directed to combat this kind of violence.

Conclusions

Despite remarkable advances in areas such as inclusive growth (SDG #8) and technical education (SDG #4 and #8), much remains to be done in Brazil, especially in areas like climate action (SDG #13), clean energy (SDG #7) and gender equality (SDG #5). Although Brazil presented ambitious targets in its NDCs, it is not clear how the country will guarantee its climate commitments and, consequently, its compliance to SDG #13. The current environmental and energy policies – e.g. the reforestation initiatives through planted forests and the building of mega dams discussed above – prove that the Brazilian strategy to cut emissions is resulting in environmental and social damages, underlining the necessity of a deep and wide debate about the current Brazilian development model.

Despite the *Maria da Penha* Law, violence against women is still a major concern. In 2015, the Brazilian Center for Assistance to Women served 749,024 attendees. The number represents an increase of 54 % compared to the previous year. The majority of reported cases of domestic violence (39 %) occurred on a daily bases, with a large proportion witnessed by children.^[24] This data indicates that domestic violence is a structural problem that must urgently be addressed through educational initiatives, protection of victims and effective prosecution, in order to enable the full development and empowerment of all Brazilian women and girls, as mentioned in SDG #5.

In addition, the recent political and economic turmoil that hit Brazil and culminated in the impeachment of President Dilma Rousseff resulted in several challenges. Since 2014, the country has to face negative growth rates and increased unemployment indicators. While in 2010, during the peak of Brazilian economic growth, the country hit a record number

23 Brazilian Government Official Website. www.brasil.gov.br/cidadania-e-justica/2015/10/9-fatos-que-voce-precisa-saber-sobre-a-lei-maria-da-penha (20.02.17)

24 See Balanço 2015 do Ligue 180. www.agenciapatriciagalvao.org.br/dossie/pesquisas/balanco-2015-do-ligue-180-central-de-atendimento-a-mulher-spm-2016/#em-74-dos-relatos-a-violencia-e-diaria-ou-semanal (20.02.17).

of 2.5 million newly created jobs in the formal economy,^[25] in 2015, it recorded a 3.8 % decline of GDP and the loss of more than 1.5 million jobs.^[26]

The interim government that has taken power over the country in 2016 makes the resumption of economic growth its priority. It aims to achieve this through the creation of new jobs and the reduction of government spending. Despite the importance of regularizing the public accounts, the announced austerity measures will necessarily affect the government's spending on existing social programs, bringing new challenges for the short and long term.

25 Portal Brasil Official Website. www.brasil.gov.br/economia-e-emprego/2011/01/apesar-das-407-5-mil-vagas-fechadas-em-dezembro-2010-termina-com-2-5-milhoes-de-novos-empregos. (10.03.2017)

26 Ministry of Labor Official Website. <http://pdet.mte.gov.br/rais> (10.03.2017)

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