



Brazil and the US Should Lead on Climate Change

By Marcos Jank

This week, Brazilian President Luiz Inacio Lula da Silva travels to the United States to meet with President Barack Obama. The meeting presents an early opportunity for Brazil and the US to forge a meaningful partnership in tackling one of our planet's most important challenges -- reducing greenhouse gas emissions.

When it comes to cutting the harmful emissions that trigger global warming, nations are far from agreement. The Kyoto Protocol, the international agreement to reduce greenhouse gas emissions, was never ratified by the US and the outlook is dim for a more ambitious agreement to be ironed out in Copenhagen next December. Many developing nations insist that wealthier countries put their own house in order before asking poorer countries to step up to the plate. This has traditionally been Brazil's position.

But with President Obama's pledge to form an "Energy Partnership of the Americas" to advance sustainable growth and clean energy, we can break this logger jam. Given his specific goal of achieving an 83% reduction in carbon emissions in the US by 2050, it is no surprise that Obama has scheduled such an early meeting with Brazil, a country that serves as a shining example of what can be accomplished.

A leader in renewable energy development and the world's largest producer of sugarcane ethanol, Brazil is setting the standard for emissions reductions without sacrificing economic growth. More than half the country's gasoline needs have been replaced by ethanol, and all gasoline sold is blended with 25% ethanol. Nearly all new cars sold are flex-fuel and every fueling station has at least one dedicated ethanol pump. Further, bioelectricity from sugarcane biomass will provide 15 percent of Brazil's electricity needs by 2015, while hydropower already supplies over 80% of current demand. Still, to earn a position of global leadership in climate negotiations, Brazil must push even further at home and abroad.

First, it is imperative that Brazil achieve a significant reduction in the annual rate of deforestation in the Amazon. More than 75% of Brazil's emissions are related to the "original sin" of illegal logging, mostly a result of inadequate enforcement and property rights. Just 4% of the Amazon is covered by legitimate land titles, a fact that makes the rainforest a welcome mat for illegal settlers, be they poor families or big farmers.

Fortunately, the government of President Lula recently announced an historic change of policy with national targets to reduce illegal deforestation by 70% over the next decade. Like most government initiatives, that goal can only be reached with support from the private sector. The soy industry moratorium in the Amazon and the unequivocal support of the ethanol industry for a ban on any sugarcane in the Amazon forest (and Pantanal wetlands) are examples of the business community adopting mature positions and taking concrete steps to tackle our climate crisis.



Second, in order to further reduce emissions, Brazil must enhance policies to promote the sustainable expansion of renewable fuels. With 46% of its energy obtained from renewable sources, Brazil boasts one of the cleanest energy supplies on the planet, thanks in large part to the use of sugarcane ethanol that reduces greenhouse gas emissions by 90% compared to gasoline. It is now critical that this fight for sustainable energy production be extended well beyond Brazil's borders, not just in rhetoric but in deed.

What is the logic behind a trade policy that taxes imports of clean, renewable fuels like sugarcane ethanol, but allows duty free access for dirty oil from less-than-friendly nations, as is the case in the US? If we are serious about reducing emissions globally, we should begin by eliminating trade barriers that restrict the flow of clean energy. Furthermore, the US and Brazil must continue cooperating to expand the production and use of renewable energy in other parts of the world as an alternative that promotes energy security, the mitigation of greenhouse gas emissions and improves access to cleaner energy production for developing countries.

Finally, at a time of unprecedented economic challenges, we should remember that a good energy policy must be rooted in sound economic growth. Here, Brazil's experience in reducing its own reliance on imported fossil fuels is emblematic and reason for hope. By diversifying its energy sources, Brazil has made a significant contribution to economic stability and a healthier planet. A recent study by the National Bureau of Economic Research confirmed what most Brazilians already know: the country's economy is 35% stronger today not simply because it invested in oil exploration, or built new hydro plants, or even expanded its sugarcane ethanol production. It was the combination of sensible policies that resulted in a stable and vibrant economy.

Meaningful reductions of greenhouse gases require more than just political goodwill. It requires leadership. On Saturday, March 14, Presidents Obama and Lula should launch an ambitious partnership on renewable energy sources, with a special focus on sustainable biofuels as a means to reduce emissions. This will earn the US and Brazilian governments and private sector the opportunity to work hand-in-hand to significantly and positively impact the international discussions on climate change.

This article appeared originally on The Huffington Post on March 14, 2009.

Marcos Sawaya Jank is president and CEO of UNICA, the Brazilian Sugarcane Industry Association.