E méricas

A monthly report
on development and
the environment in
Latin America

Mercury from mining prompts emergency in Peru

Lima, Peru

state of emergency aimed at addressing health problems related to widespread mercury poisoning in the southeastern Peruvian Amazon has raised tensions between national government officials and local authorities in the Madre de Dios region. The May 23 emergency decree blames the contamination on unregulated alluvial gold mining, in which miners use mercury to separate gold from sediment. Mining operations have also choked rivers with silt and deforested about 100,000 hectares (386 square miles), according to government figures.

The decree paves the way for additional studies of mercury in humans and the environment, as well as food and medical assistance, water treatment, environmental monitoring and other measures, says Environment Minister Manuel Pulgar-Vidal. The measure's long-term impact may be in doubt, because Peru's presidential runoff is scheduled for June 5 and the new government will take office July 28, just days after the 60-day emergency period expires. The two candidates, Keiko Fujimori and Pedro Pablo Kuczynski, differ on policies for regulating gold mining. (See related story—this issue.)

Researchers from Duke University have found that two out of five people tested had levels of mercury in their hair that exceeded the maximum level, or "reference value," set by the World Health Organization, says Pulgar-Vidal.

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Species-rich private reserve for sale in Paraguay

since its establishment in 2010, the Laguna Blanca Natural Reserve has stood out as a rare remnant of wilderness in Paraguay's galloping advance of soy plantations and ranches. Evenly split between Cerrado and Atlantic Forest ecosystems, it has the largest number of reptile and amphibian species of any of the nation's reserves. It is internationally recognized as an Important Bird and Biodiversity Area (IBA). And it is a place of significant scientific research, with

14 newly discovered animal species, including the Tropidurus lagunablanca, a critically endangered golden-brown and orange lizard, described for the first time in February by a scientist from the American Museum of Natural History.

But the 814-hectare (2,011-acre) private reserve in the eastern department of San Pedro is now up for sale. With no environmentally minded buyers on the scene, its future looks dubious. In January 2015, the reserve's five year, government-

granted status as a protected area expired. The familv that owns it now seems determined to sell to the highest bidder, most likely a soybean or ranching concern. The experiment in conservation and research could soon come to an end. "The constant presence of staff researchers and interns here has allowed us to discover and describe some very rare species," says Joseph Sarvary, deputy director of the Para La Tierra Foundation, which manages the reserve. "In Para-





Residents of Laguna Blanca face uncertain future (Jean-Paul Brouard, courtesy of Para La Tierra Foundation)

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Centerpiece

Brazil's new government drawing few cheers from environmentalists

reen advocates never were fans of the environmental policies of Dilma Rousseff, who this month was suspended as president of Brazil pending her impeachment trial for budgetary malfeasance. They felt that Rousseff, of the center-left Workers' Party (PT), routinely sided with pro-development interests on issues ranging from Amazon hydroelectric-dam construction to land clearing for agricultural expansion.

They're taking an even dimmer view of environmental-policy prospects under her interim successor—former Vice President Michel Temer, a conservative from the center-right Brazilian Democratic Movement Party (PMDB).

Temer, slated to serve until Jan. 1, 2019, the end of Rousseff's second four-year term, is expected to support ratification of carbonemission targets Brazil made last year at the Paris climate summit. But his governing blueprint contains nothing on environmental protection, and early positions taken by members of his administration have raised concern about his commitment to forest conservation.

And while his choice for environment minister, José Sarney

Filho, has solid credentials, his picks for more powerful cabinet posts with a strong say in green issues bode ill for environmental protection, many experts here contend. Says Emilio La Rovere, an energy and environmental planning specialist at the Federal University of Rio de Janeiro: "Temer, like Rousseff, doesn't consider the environment to be a priority."

La Rovere adds that while Sarney Filho's predecessor, Izabella Teixeira, was in a similarly weak political position in Rousseff's cabinet, she was nevertheless respected and frequently consulted by the president. This, he forecasts, is unlikely to be true in Sarney Filho's case: "There are no signs that Sarney Filho will enjoy the same Dilma Rousseff, suspended as president, thanks supporters (AP Images) prestige, the same presidential ear."

Brazil's Senate voted on May 12 to suspend Rousseff pending an impeachment trial. Congress's lower house, the Chamber of Deputies, had approved impeachment proceedings on April 17. The trial could last six months and is expected to end in Rousseff's conviction, though many criticize it as a disproportionate response to the alleged malfeasance—using federal bank funds to cover budget shortfalls in the run-up to her 2014 reelection.

Temer, sworn in as interim president on May 12, is a member of the center-right Brazilian Democratic Movement Party (PMDB). which on March 29 left the governing coalition it had participated in with the PT since 2006. He has moved quickly since then to appoint a 23-member Cabinet reflecting his conservative views.

Those views are summarized in "A Bridge to the Future," a 19-page policy platform Temer issued last October, when his party's relationship with the PT began showing public signs of fraying. The document, which Temer has adopted as his governing blueprint, reads like a neoliberal wish list for markets and investors. Taking aim at Brazil's severe recession and large government budget deficits, it advocates deep cuts in public spending, deregulation and the use of partnerships, concessions and other means to give the private sector a greater role in infrastructure projects. The words "climate change"

or "sustainability" do not appear once in the document, while the environment is only alluded to a single time—in a sentence that refers to "the complexity and delays involved in granting environmental licenses."

His cabinet includes no blacks, who along with those of mixed race represent 53% of Brazil's population, or women, who are without representation in the cabinet for the first time since 1979, when the country was under military rule. The appointees, all white males, hail from 11 parties, most of them rightwing.

Environmental advocates here became particularly concerned when Temer, on taking office, announced his picks to head the powerful agriculture and planning ministries. Under Rousseff, as under previous administrations, those ministries as well as the energy and transport ministries used their clout to push through large-scale Amazon development projects, typically prevailing if challenged by the politically weaker environment ministry.

Blairo Maggi, the new agriculture minister, is a soybean tycoon who has cleared large tracts of Amazon rainforest to accommodate

his crops. Known as "the King of Soy,"

Experts note that more recently as a member of Brazil's Senate, Maggi led congressional action on a bill (PL

he was named winner of the Greenpeace environmental group's Golden Chainsaw award in 2005, during his first term as governor of Mato Grosso state, to publicize his role in deforestation. While Maggi served as governor, however, deforestation rates there decreased significantly from 2006 to 2010, even as agricultural production in the state reached an all-time high. A key reason is that soy traders and processors, including Maggi's own conglomerate, signed a 2006 moratorium on purchases of soy cultivated on illegally cleared Amazon land and intensified production elsewhere in the state.

654) aimed at speeding the licensing of so-called strategic infrastructure projects such as dams, roads, railways, ports, waterways, mines and oil wells. The bill, pending in Congress, would allow developers of such projects to file a single licensing request with a centralized body coordinated by Ibama, the Environment Ministry's permitting arm. Currently, three successive licenses must be obtained from Ibama, one each at the outset of a project's preliminary, installation and operating phases. The legislation's most controversial provision requires that an environmental license must be granted or denied within eight months of being requested. Such licensing currently takes an average of five years.

Maggi also has helped push a proposed constitutional amendment, currently pending in Congress as well, that environmental advocates consider more objectionable. The amendment (PEC 65) would remove the requirement that all projects affecting the environment be subject to environmental licensing. Instead, the only requirement would be that an environmental-impact assessment (EIA) approved by a federal or state environmental agency.

Together, the bills represent an effort by conservative political parties to curb the government's environmental-licensing power. Of the two, PL 654 has the greatest chance of passage because a pro-



posed law needs only an absolute majority vote once in each house of Congress, whereas a constitutional amendment requires a 60% vote twice in each house.

Another of Temer's cabinet picks to stir concern in green circles was his initial choice for Planning Minister—Romero Jucá. A leader of the PMDB in the Senate, Jucá authored PL 654, the pending bill to speed environmental licensing. On May 23, he abruptly announced he was stepping down after it was reported he had been recorded telling a former senator and state oil official that Rousseff's impeachment was aimed at blocking a huge corruption investigation in which he was one of the targets.

Though Jucá resigned, experts point out that Temer's selection of him nevertheless underscores that he'll make development a far higher priority than environmental protection. And Jucá, they add, does not appear to be going away: He announced he is returning to the Senate. "He will continue to push a very pro-development agenda in that body, including passage of PL 654, the bill he authored which greatly undermines environmental licensing," says La Rovere, the planning specialist at the Federal University of Rio de Janeiro.

Though Jucá's replacement as planning secretary had not been announced as of press time, the eventual appointee's profile is expected to match Jucá's. "Now that Jucá is no longer planning minister, Temer will almost certainly choose someone like



Interim President Michel Temer takes reins (AP Images)

him, someone with considerable sway in Congress and someone with similar prodevelopment views," says Carlos Rittl, executive secretary of the Climate Observatory, a consortium formed by 41 nongovernmental groups to study Brazil's carbon emissions.

Green advocates doubt any environment minister could make much headway in a Cabinet as heavily pro-development as the new one. But they acknowledge Temer's pick for that post, José Sarney Filho, has genuine environmental credentials. Sarney Filho, the son of José Sarney, Brazil's president during 1985-90, was leader of the Green Party in the Chamber of Deputies before joining the cabinet. A member of Congress since 1983, he had served as environment minister from early 1999 until early 2002, during the second four-year term of then-President Fernando Henrique Cardoso.

In that first stint as minister, Sarney Filho helped draft the implementing decree for a 1998 environmental crimes law that greatly increased fines and established prison terms for causing environmental damage. Also during his tenure, the ministry fined state oil giant Petrobras R\$50 million (then US\$27.7 million) over a refinery pipeline break that sent 1.3 million liters (340,000 gallons) of fuel oil into Rio de Janeiro's Guanabara Bay in 2000. At the time, it was the largest fine the ministry had levied.

In a recent interview with Valor Econômico, Brazil's largest-circulation financial daily, Sarney Filho when asked about PL 654 and PEC 65 replied that he wants to "perfect environmental licensing... to be more quick and efficient." He added: "Eventually, we will have to make some legal changes in the process. But I am against an environmental licensing process with a fixed deadline [in reference to PL 654]...Our agenda is, however, consensus, not confrontation." A Sarney Filho spokeswoman confirmed that the interview was "100% accurate."

Still, some here expect Sarney Filho

will find himself crossing swords sooner or later with powerful members of the cabinet and the administration's backers in Congress over issues such as environmental licensing—disputes, they add, that he'll likely lose.

"The controversial bills and amendments [PL 654 and PEC 65] that would sabotage environmental licensing [and were] shepherded through congressional committees by Maggi should make a clash between him and Sarnev Filho inevitable, and could create conflicts between the new environment minister and other pro-development ministers and their allies in Congress," says Márcio Astrini, coordinator of public policy for Greenpeace in Brazil. "Recent



 $Demonstrator\ who\ opposes\ Rousseff's\ suspension\ holding\ sign\ that\ reads\ "Temer\ does\ not\ represent\ me"\ (\ AP\ Images)$

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Contacts

Márcio Astrini

Coordinator of Public Policy Greenpeace Brazil São Paulo, Brazil Tel: +(55 11) 3035-1155 marcio.astrini@greenpeace.org

Carlos Bocuhy

President Brazilian Environmental Protection Institute (Proam) São Paulo, Brazil Tel: +(55 11) 3814-8715 bocuhy@uol.com.br

Philip Fearnside

Senior Researcher in Amazon Ecology National Institute of Amazon Research (INPA) Manaus, Brazil Tel: +(55 92) 3643-1822 pmfearn@inpa.gov.br

Emilio La Rovere

Energy and Environmental Planning Specialist Federal University of Rio de Ianeiro Rio de Janeiro, Brazil Tel: +(55 21) 3938-8759 emilio@ppe.ufrj.br

Nelson Pereira dos Reis

Director **Environmental Department** Industrial Federation of São Paulo State (Fiesp) São Paulo, Brazil Tel: +(55 11) 3549-4675 cdma@fiesp.org.br

Carlos Rittl

Executive Secretary Climate Observatory São Paulo, Brazil carlosrittl@gmail.com

Márcio Santilli

Coordinator and Cofounder Social-Environmental Institute (ISA) Brasília, Brazil Tel: +(55 61) 3035-5114 msantill@socioambiental.org

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history has shown that environment ministers lose such battles with more powerful [ministers], and are even forced to resign. This happened when Marina Silva was environment minister under Lula [Luiz Inácio Lula da Silva, Rousseff's predecessor], and opposed the building of big Amazon dams and other big infrastructure projects in that ecosystem."

Carlos Bocuhy, president of the nonprofit Environmental Protection Institute (Proam), which advocates for cleaner industrial policies, agrees. "The environment minister has been losing ground ever since the Workers' Party took power 13 years ago, and although Sarney Filho's first stint as environment minister was not marked by backward steps, his forward steps avoided confrontation," says Bocuhy, who also is a member of the public-private National

Environmental Council, Brazil's top environmental policymaking body. "I don't see him taking bold stances against more influential ministers, in particular regarding environmental licensing, now that he has returned as environment minister."

Philip Fearnside, senior researcher in

government-run National Institute of Amazon Research (INPA), says Sarney Filho-as was the case with Teixeira—will be unlikely to buck the current government energy program's emphasis on the construction of more Amazon hydroelectric dams. Recession-inspired cutbacks, however, could make for less friction on this score, Fearnside adds: "Because of the country's economic crisis and spending cuts promised by Temer, the government may scale back plans to build more Amazon dams, and this may help Sarney Filho avoid even more confrontations.'

Some here, however, insist that Sarney Filho could make a mark. "Since Sarney Filho has been environment minister before and has been in Congress since 1983, he is a respected political player who has learned the art of dialogue and compromise," says Nelson Pereira dos Reis, director of the environmental department of the Industrial Federation of São Paulo State (Fiesp), Brazil's largest industrial federation. "Before PL 654 is voted on in the Senate, Sarnev's views will be heard. And he may be able to mount an argument to revise or amend the bill to allow for longer deadlines to license environmental projects than the bill's current eight-month deadline. But he knows that he won't be able to avoid a bill that sets such deadlines, given the long wait that

developers now face to get such licenses."

Experts also express concern about cuts in science funding brought on by a merger of the Ministry of Science, Technology and Innovation (MCTI) with the Communication Ministry (MC)—a retrenching that could affect environmental-research. The merger, part of a cabinet consolidation carried out by Temer to bring the number of ministries down to 23 from 31, has drawn heavy criticism from the country's two leading scientific associations—the Brazilian Society for Scientific Progress and the Brazilian Academy of Sciences.

One environmental area in which experts appear confident that Brazil will not experience backsliding is in the carbon reduction goals, known as intended nationally determined contributions (INDC), that were submitted last Sep-

> tember and incorporated in the Paris climate agreement reached three months later.

> Those goals, which Congress must ratify, call for the country to cut carbon emissions 37% below 2005 levels by 2025 and 43% below the 2005 baseline by 2030. To reach them, Brazil by 2030 must boost renewable power



Amazon ecology at the For José Sarney Filho, a second stint as Environment Minister

(mainly wind, biomass and solar) to 45% of its energy matrix from the current 39.5% share; eliminate illegal deforestation entirely; restore 12 million hectares (30 million acres) of forests; and restore 15 million hectares (37 million acres) of pastureland.

On May 18, Sarney Filho met with leaders of environmental groups and, according to a statement issued by his ministry, "provided assurances that the [new] government will maintain Brazil's Paris climate agreement commitments." The ministry added that it was taking part in climate talks being held this month in Bonn, Germany, on implementation of the Paris accord.

"I don't think Temer will oppose Brazil's ratification of the Paris climate agreement. because Sarney Filho said during his swearing in as environment minister that he was making Brazil's ratification of the accord a priority, and no one in Temer's cabinet has expressed opposition to the accord," says Rittl of the Climate Observatory.

However, going above and beyond basic climate commitments is another matter, Rittl says: "I don't think that Temer's government will make combating climate change a top priority."

-Michael Kepp