

Brazilian – German Joint Statement on Climate Change

Brasília, 20 August 2015

1. The President of the Federative Republic of Brazil, Dilma Rousseff, and the Chancellor of the Federal Republic of Germany, Angela Merkel, recognize that climate change and its adverse effects are a common concern of humankind and one of the greatest challenges of present time. They acknowledge the decisive role that both countries play in contributing to build fair and effective global responses in order to combat climate change, and build resilience. They emphasize that both countries share the long-term vision of holding the increase in global average temperature below 2°C above preindustrial levels, which entails a transition towards energy systems based on renewable energies and the decarbonization of the global economy in the course of the century, bearing in mind needs in terms of adaptation, access to finance, technology and capacity-building as necessary elements to undergo such transition, mindful of the specific needs of developing countries.

2. Mindful of the positive impacts of a strong Brazil-Germany cooperation on climate change for the two countries' bilateral relations and for the multilateral regime under the United Nations Framework Convention on Climate Change (UNFCCC), President Rousseff and Federal Chancellor Merkel decided to strengthen the bilateral partnership on climate change, by working together towards a successful outcome of the Paris Climate Change Conference later this year and by expanding bilateral cooperation on areas of common interest.

3. Brazil and Germany strongly support the adoption in Paris of an ambitious, durable, comprehensive and legally binding agreement that reflects the principle of common but differentiated responsibilities and respective capabilities, in light of different national circumstances. Both countries coincide on the imperative of ensuring that the global average temperature will stay below 2°C above preindustrial levels. Both countries renew their determination to building an agreement that contains provisions for all Parties to increase their ambition over time, in a way that is fully consistent with that long-term goal. There should also be strong and credible transparency, including reporting and review, as well as periodic stocktaking of the Agreement's overall effectiveness. Mindful of this goal, Brazil and Germany emphasize that deep cuts in global greenhouse gas emissions are required.

4. Both countries emphasize that highest ambition of all countries is needed, both in the short term and in the long term, recalling the role of developed countries in taking the lead by undertaking ambitious, economy-wide emission reduction targets, and the need for developing countries to enhance their ambition over time, also moving towards economy-wide emission reduction targets, based on their individual capabilities and respective stages of development.

5. Brazil and Germany underline the importance of climate finance and emphasize the commitment by developed countries to jointly mobilize USD 100 billion from public and private sources per year by 2020 to developing countries. Climate finance will also

play a key role beyond 2020 through the new agreement. Climate finance will be an important part of the 2015 agreement and will be enhanced to support ambitious mitigation actions in developing countries taking into account the scale and potential for emission reductions, as well as their adaptation efforts, focusing in particular on the poorest and most vulnerable. Alongside ambitious mitigation commitments and actions, public finance should play a catalytic role for the necessary much bigger shift of investment flows for limiting global warming below 2°C and building resilience around the world. In this context, Brazil and Germany recall the leading role of developed countries and the need for these countries to enhance their support for mitigation and adaptation actions in developing countries. Simultaneously, Brazil and Germany encourage developing countries in the spirit of solidarity and common sustainable development goals to enhance South-South cooperation initiatives supporting the transformation towards low-carbon and climate resilient development, in a complementary manner.

6. President Rousseff commended Germany for its strong engagement in the climate change multilateral regime under the UNFCCC and its Kyoto Protocol over the years. President Rousseff also recognized Germany's ambitious mitigation efforts, including its goal to have at least 80% of electricity consumption from renewable sources by 2050, and its leadership in the European Union's ambitious intended nationally determined contribution of a target of at least 40% domestic reduction in greenhouse gas emissions by 2030 as compared to 1990. President Rousseff also appreciated that Germany aims to double its climate finance efforts by 2020 compared to 2014. It was highlighted that the successful implementation of the Energiewende is a cornerstone of climate action that will enable Germany to substantially contribute to reaching the EU target of reducing greenhouse gas emissions by 80-95% until 2050, as compared to 1990 levels.

7. Federal Chancellor Merkel highlighted Brazil's constructive role in the climate regime under the UNFCCC since its signature in Rio de Janeiro in 1992, and its current domestic undertakings, particularly in the forest sector, which have led to a 41% greenhouse gas emissions reduction between 2005 and 2012. It was highlighted that domestic preparations for Brazil's intended nationally determined contribution are at an advanced stage and that it will be communicated within the agreed timeframes. Brazil's contribution will be comprehensive, addressing mitigation, adaptation and means of implementation, reflect its utmost effort towards the objective of the Convention and further enhance its undertakings, particularly in the forestry, land-use, industrial, and energy sectors.

8. President Rousseff and Federal Chancellor Merkel noted with appreciation the positive record of bilateral cooperation on climate change, including the extensive political dialogue through the Brazilian-German Joint Committee on Climate Change, and the Cooperation for Sustainable Development. Mindful of the need to catalyze mitigation and adaptation action on scale, thus benefiting the global climate system, President Rousseff and Federal Chancellor Merkel decided to strengthen the bilateral partnership through additional initiatives that will deliver strong greenhouse gas emission mitigation results, increase resilience and leverage new low-carbon, climate

resilient investments. These additional initiatives will cover the areas of forest and land use, renewable energy, energy efficiency, low-carbon technologies, sustainable cities and adaptation to climate change. For this purpose Germany assigns up to 582,4 Million EUR. Germany expresses its willingness to continue to accompany the Brazilian efforts in combatting climate change in the future with substantial contributions.

9. As the fifth largest country in land area in the world, Brazil has already provided a great contribution to greenhouse gas emission mitigation through curbing deforestation and enforcing domestic legislation. The implementation of Brazilian public policies has led to the reduction of deforestation in the Amazon biome by 82% since 2004. Brazil will continue to strengthen its policies with a view to achieve, in the Brazilian Amazonia, zero illegal deforestation and compensation of greenhouse gas emissions from legal suppression of vegetation by 2030, thus allowing for meaningful greenhouse gas emissions reduction. Germany has been a strong supporter of the Amazon Fund and will further support that effort financially with an additional 100 Million EUR before 2020, in addition to technical cooperation. Germany will further contribute to the Amazon Fund, enhancing the results based payments under the REDD+.

10. With the support of Amazon Fund, Brazil will have an ambitious enhancement of carbon stocks through reforestation and forest restoration. Brazil will create, through its National Institute for Space Research (INPE), a forest recovery rate, including restoration and reforestation, in order to improve public policies for enhancing carbon stocks.

11. Brazil will restore and reforest 12 million hectares of forests by 2030. On the basis of the Forest Code, Permanent Preservation Areas, particularly in the Amazon, Cerrado and Atlantic Forest biomes will be restored. Germany will support the forest restoration-reforestation of degraded areas through a programme encompassing 5 million hectares, with a reduced interest-rate loan of up to 100 Million EUR.

12. Germany welcomes that Brazil will strengthen its leadership position in pursuing ambitious forest policies that enable the elimination of illegal deforestation by intensifying its efforts to reach a countrywide implementation of the Rural Environmental Registry (CAR) and the Brazilian Forest Code. Brazil is committed to complete full registration of landowners by 2016. Brazil and Germany have signed a financial agreement for CAR (23 Million EUR grant). Germany also assigns future support to CAR and sustainable economic development in the Amazon region (10 Million EUR grant financial support; 11.5 Million EUR grant technical support).

13. The Amazon Region Protected Areas Program (ARPA) has reached maturity and allowed Brazil, with the support of ARPA Partners, particularly Germany, to significantly increase its coverage and to aim for its long term financial sustainability by 2040. As of now, the Program is supporting conservation efforts covering over 58 million hectares of Protected Areas - and with the imminent creation of new areas by Federal and State Governments, Brazil will surpass the 60 million hectares target set for 2020 - making ARPA the largest tropical forest conservation effort in the world, covering roughly 40% of the Protected Areas System of Brazil.

14. Brazil and Germany have signed an additional financial agreement for ARPA (31.7 Million EUR grant). Recognizing Germany as the major supporter of ARPA and expressing its gratitude for the recently contracted grant, which will allow additional conservation of forests and protection of its biodiversity, Brazil welcomes the commitment that Germany has shown in the development of the Program, including the ambition to examine to support the replication of the experience to other countries under trilateral cooperation.

15. President Rousseff and Federal Chancellor Merkel honour the historic success of the creation of indigenous lands in the Brazilian Amazon, with support of Germany, and agree on the need and willingness to continue protecting the original rights of indigenous people all over Brazil.

16. Brazil intends to strengthen its Low Carbon Agriculture (ABC) Plan, particularly with restoration of pasturelands.

17. Brazil and Germany recognize the importance of fostering new technologies and exchange of experiences on political implementation strategies that can help countries transition to low-carbon, climate resilient energy production and consumption. Brazil and Germany are very active in the field of renewable energies. Renewable sources account for over 75% of Brazil's electricity mix and over 27% of Germany's.

18. Both countries have successfully developed and implemented technology in areas such as wind power, solar power and biofuels. Brazil reinforces the commitment on renewables, expanding the share of advanced biofuels in the fuel supply, and increasing biodiesel share in diesel mix. In addition, Brazil will raise the share of wind power generation in the electricity mix by 2030. Moreover, Brazil aims to increase efficiency gain in the use of electricity by 2030. Brazil reemphasizes its intention to increase the share of renewables – beyond hydropower – in its electricity generation mix to the level of 20% by 2030. Germany will increase the share of renewables in gross electricity production to 40-45% until 2025 and 55-60% by 2035. Germany will assign low interest rate loans (415 Million EUR) and technical support (4.5 Million EUR) for supporting renewable energies and energy efficient solutions. Both Brazilian and German financial institutions are key partners to leverage investment in sustainable renewable energy technologies.

19. Brazil and Germany will also work together to develop and implement solutions that strengthen low carbon urban development, including, inter alia, through initiatives in energy transition in cities, climate friendly urban mobility, energy efficiency in the housing sector, and energy efficiency in urban water supply as well as on recycling and waste management in major Brazilian cities. Germany and Brazil have signed a financial agreement for a low interest rate loan (265 Million EUR) to support climate friendly urban development projects in Brazil. Germany assigns technical support (5 Million EUR) for energy efficient propulsion in urban areas as well as technical cooperation (4 Million EUR) to support energy efficient solutions in the Brazilian social housing program.

20. Germany and Brazil will continue to collaborate in basic and applied research projects, e.g. related to greenhouse gas observation and to adaptation and mitigation actions, in particular related to sustainable land-management.

21. Both countries strive to significantly enhance low-carbon development in the transport sector. Within the framework of our bilateral cooperation, Germany and Brazil will continue the dialogue and share their experience.

22. Brazil and Germany will continue to intensify their cooperation in the abovementioned areas, as well as under the Memorandum of Understanding of 3 December 2009.
