ANNUAL REPORT 2021
INSTITUTE FOR CLIMATE AND SOCIETY
More actors committed to actions to combat climate change, providing a renewed willingness to the opening of new fronts of dialogue and action.

Year of emphasis in the expansion of the network of partners of iCS
Looking back over the past year, with a significant amount of work for iCS and our partners, I can see that we have undertaken an intense and overwhelmingly positive journey.

We ended 2021 under the auspices of a unique participation of Brazil at COP26 (Conference of the Parties), which was held in Glasgow, Scotland. At the Brazil Climate Action Hub, we saw state and municipal governments, representatives from the private sector, rural producers, quilombola and indigenous leaders, members of academia, class associations and civil society organizations assume ownership of the climate agenda in a combined and unprecedented manner. There was the offer of specific proposals and a focus on the recovery in the stature of Brazilian society in the preparation of projects that involve the generation of cleaner energy; the training in the use of electric modes for public transport; among other initiatives that aim to strengthen the country in its compliance with the climate agenda.

Nowadays, the climate urgency is recognized. This issue no longer needs speeches but action. Implementation, therefore, is the watchword of the moment and, fortunately, in 2021, we had the opportunity to support partners who are truly willing to resist the weakening of the regulatory structures, to make the climate agenda happen in a specific manner and to generate a positive impact on our population. In 2021, our team of partners included more than one hundred members and, in this group, there were 68 new grantees. Our network, composed also of the funders, to whom I extend a special thanks, is becoming increasingly comprehensive. I want to believe that this is a result of the trust placed in the Institute, in relation to the good examples that have been defined since 2015.

However, above all, I believe that the arrival of new partners is related to the affirmative movement of the diverse and pluralistic Brazilian society, which, through specific projects, actively participates in local, national and global efforts to combat climate change and, in this way, reaffirms that we are the masters of the challenges of this transition, as well as of its responsibilities and the opportunities introduced by the climate agenda.

I invite you to read this Annual Report carefully, recommending that, when accompanying our main results, the reader observes, for example, the outputs related to the expansion of the engagement of the climate agenda within the scope of public law, the strengthening of the platform of electric mobility and the meeting of the needs of the Amazonian population, among many other actions that marked 2021.

Last, but not least, I also highlight, in this report, all of our important actions that are related to the commitment to work in favor of the communication capacity of the climate field in order to promote the agenda of the sustainable development of the Amazon in a tangible manner for the local population. We are facing a decisive year and it is fundamental that we are very well informed to make Brazil more economically and socially sustainable, practicing a climate justice that can reach all Brazilians, from the north to the south of our continental territory.
In 2021, we saw the Institute for Climate and Society achieve new and important landmarks of institutional maturity in its work trajectory. By improving its governance and monitoring processes, iCS has enabled the expressive and sustainable growth of its network of partners, supporting more actors in their actions aimed at the acceleration of the climate agenda.

With a proactive stance, iCS combined the technical capacity, political evaluation and strategic alliance of partners to not only address the urgency of the climate agenda, but also regarding the consolidation of this issue as an example of development, consequently resulting in a greater understanding by society.

I would like to take this opportunity to thank the funders, our partners and the entire team from the Institute for their trust placed in iCS and for the mobilization around this effort in Brazil. We are inexorably inserted into the global challenge of the climate, which leads to the following point: the more we can intensify the broad participation of Brazilian society in complying with the reduction of GHG emissions and in other pro-climate fronts, the more we will be working for the development of the country and for its favorable and leading position in the proposition and adoption of solutions that are aligned with the goals for 2030 and 2050.

iCS wants to ensure greater visibility to its journey. Through this Annual Report, it reiterates its commitment to publicize and make its activities accessible to all society.

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Ana Yang, Chairperson of the Board of iCS

OUR BOARDS

ICS operates under the supervision of a Board composed of diverse professionals. It is chaired by Ana Yang, who is a senior consultant at the Hoffmann Center for Sustainable Resource Economy (Chatham House) with a postgraduate degree in Social Policy and Development from the London School of Economics and Political Science (LSE). It also includes Adriana Moreira (PHD and biologist), the economists, Gabriel Visconti and Lucas Assunção (PHD in environmental engineering), Marilene Ramos (master’s degree and PHD in Theory of the State and Constitutional Law), Thula Pires, and vice-president Rodrigo Filiês, an economist who also graduated from the London School of Economics and Political Science (LSE). The Audit Committee of iCS contains the economist Helena Penna and the director of R&R Auditoria e Consultoria and Value Gestão de Negócios, Warley de Oliveira Dias.
**ICS INSTITUTIONAL MESSAGE**

**2021: Network of partners is growing and driving the climate agenda**

Internally, new stages of institutional maturity have been accomplished, with the restructuring that led, for example, to the increase in the number and the specialization of the work portfolios. Today, there are seven portfolios: Energy; Low Carbon Economy; Climate Policy; Transport; Land Use & Food Systems; and the most recent Communication & Engagement; and Climate & Law. The Institute has increasingly promoted synergy between the portfolios, in order to seek the optimization of their outcomes and the promotion of real impacts on the decarbonization of the Brazilian economy.

In this way, more projects are being framed within the priorities defined by the strategic planning, benefiting from the philanthropic actions and the consequent technical supervision by the iCS team. This situation favored, for example, the expansion of the tracking of the production chains committed to climate-related risks; the fight against deforestation; the monitoring of the legislative process with respect to the climate interest; the development of communication campaigns aimed at the Amazon region, as well as training for the practice of climate litigation, among other initiatives.

2021 was also a year of emphasis regarding the expansion of the network of iCS partners, i.e., on the network of forces that have been mobilized to accelerate the climate agenda. In comparison with previous years, more actors are now committed to actions to combat climate change or have indicated their commitment in this direction, which has resulted in a renewed willingness to open new fronts of dialogue and action.

More than a simple presentation of accounts, iCS makes this report an instrument of information and updating regarding the climate cause, complying with its commitment to work for Brazil, within the vision of a carbon neutral country and as a world reference in the sustainability of the planet.

Despite the difficulties identified in a period still impacted by the pandemic, surrounded by expectations with respect to the economic recovery and in which there was the confirmation of worrying news in environmental terms, such as the increasing deforestation in the Amazon, iCS saw the successful results of its efforts to accelerate the climate agenda.
Inform, raise awareness, engage and advance

In its work involving the mobilization of society and raising awareness of the climate cause, iCS stands out for ensuring the engagement of increasingly numerous and diverse actors, thereby optimizing the action in favor of the environmental agenda.
A TRAJECTORY OF STRENGTHENING

2021 defined an even more significant area of operation for iCS in comparison with previous years. In a combined action with an important group of partners, the Institute was able to celebrate advances, even in the light of the reality of the setbacks experienced by Brazil – not only maintained in many areas, but also aggravated, for example, by a historic level of deforestation, the highest in the decade – and the permanence of structural difficulties that inhibited the progress of the energy transition agenda.

Among the consolidated advances, without doubt, is the fact that the defense of the climate agenda has been embraced by new actors, such as the subnational governments; strategic entities, such as the Central Bank; and representatives from the private sector. Therefore, despite the intensification of the dismantling of the environmental protection policies, especially in land use and energy, it was possible to observe a growing mobilization of society, in a confluence of actions in favor of an agenda of resistance and the maintenance of the topic of the climate and environment in the public agenda.

One of the most evident examples of this was the pressure raised involving the debate in Congress related to the approval of bills that clearly represented setbacks to the climate question, such as those dealing with land regularization, environmental licensing or the regulation of mining in Indigenous Lands. These are initiatives that remain blocked and practically failed to proceed in 2021, due to the action by society, in synergy with the third sector.

In 2021, there was an increase in the representativeness of the social segments, in terms of the diversity of the participation, while the construction of commitments with greater climate ambition gained more expression. Simultaneously, the year provided an increase in the level of the strategic alignment of the messages – essential for the evolution in the transformation process of the institutional practices in Brazil –, in response to the urgency demanded by the current scenario involving the climate and environmental preservation.

With regularity and consistency in its trajectory, iCS saw its institutional solidity confirmed in 2021, which allowed the Institute to sustain the growth of its network of partners, highlighting, for example, the greater insertion of entities from the private sector and subnational governments in programs and projects associated with the climate agenda.

Insofar as the Institute, through its partnerships, supports undertakings of this type, it also establishes conditions to be increasingly aligned with its mission – to promote a future of clean and fair development for the country, stimulating changes that translate into social, economic and political strengthening, etc., and that can, in fact, favor the reduction of GHG emissions.

THE NETWORK OF PARTNERS OF ICS HAS BEEN GROWING WITH THE ADHERENCE OF STRATEGIC ENTITIES IN PROGRAMS AND PROJECTS ASSOCIATED WITH THE CLIMATE AGENDA, SUCH AS SUBNATIONAL GOVERNMENTS AND REPRESENTATIVES FROM THE PRIVATE SECTOR
PORTFOLIOS AND OTHER OPERATING FRONTS

Throughout 2021, iCS managed in practical terms to qualify efforts and to stimulate systematically the participation of society in its compliance with the climate agenda, mainly with the expansion of spaces for dialogue and acculturation involving the subject. The great challenge was in making these movements of coordination, directly involving the grantees, not simply transform into an additional effort led by the Institute, but rather to configure them into a differentiated initiative due to their quality and capacity for impact.

It is important to emphasize that, in the last 12 months, the work fronts developed within the scope of the iCS portfolios experienced growth, mainly arising from the absorption of new grantees. These became part of a group already served by the Institute and composed of organizations from civil society, think tanks, academia, activist groups and observatories, companies or private associations.

Through the portfolios, a total of 185 grants were made in 2021, which represented an increase of 36% in relation to the previous year. The total amount of the approved grants was R$ 96 million, confirming a growth trend that has been observed since 2017. More details of this data will be presented throughout this publication.

ABOUT THE PORTFOLIOS

Today, iCS has a total of seven portfolios: Energy; Low Carbon Economy; Climate Policy; Transport; Land Use & Food Systems; Communication & Engagement; and Climate & Law. The last two portfolios were formed more recently with Climate & Law initially created in 2019 as a program and being “promoted” in 2021.

Through these portfolios, the institution has endeavored to ensure the three types of outcomes it is seeking, namely: 1) political and economic commitments with greater climate ambition; 2) more effective governance and control mechanisms of policies that have an impact on the climate; and 3) the construction of an increasingly more robust ecosystem to combat climate change, with a strengthened civil society and better interaction between sectors.

It can be observed that this structure based on portfolios has allowed iCS to offer its grantees, in 2021, all the political, technical and institutional support, in addition to, of course, financial resources. The careful process of transferring the grants is accompanied by the monitoring of the execution of the projects, evaluating their results, contributing to the dissemination of their products, outcomes and/or impacts, in addition to consolidating the lessons learned.

In addition to the management of resources for the development of the portfolios, iCS is involved in coordination and advocacy, with the undertaking of communication campaigns, the promotion of dialogue between different sectors, meetings for national and international exchange; the capacity building of partners, through training and consulting; and the carrying out of special projects.

Among the latter are:
- Institute E+ Energy Transition
- National Platform for Electric Mobility (PNME)
- Convergence for Brazil
- Subnational Platform for the Climate
- Sustainable Future Dialogues

iCS welcomes and supports these projects. Operating as an incubator of these initiatives, iCS facilitates their structure and progress so that they gain ground and, in some cases, are able to be taken over by third parties, gaining even greater importance. The Kigali Project is a good example of this desired evolution. In 2021, the project had its coordination taken over by the IEI with the support of the Kigali Network, which is formed by iCS grantees.
AN OPERATING STRATEGY

In its diverse lines of operation throughout 2021, iCS refined its alignment with the purpose of operating with a focus on sustainable development and in the encouragement of the assumption of more ambitious commitments to reduce emissions. In this context, two initiatives – Climate and Development and the Amazon and the Electorate – were among the main new items of the year. Led by the portfolios of Communication & Engagement and Climate Policy, both include thematic crossovers and, therefore, attracted contributions from diverse iCS portfolios.

On the one hand, a direct approach was sought on the issue of the Amazon, in order to systematically and repeatedly communicate the damage related to deforestation, in addition to bringing the cause closer to society, involving several of its segments. All this was within a practical premise and considering, for example, the need for the inclusion of a strategic plan for the Amazon in the programs of future governments.

On the other hand, iCS also sought to gather and consolidate actions that were aimed at complying with the commitments related to the reduction of emissions, with a direct and broader involvement of society, practically as a replacement for the absence or as a way of overcoming the governmental delay in carrying out this agenda.

CLIMATE AND DEVELOPMENT

The initiative involved more than 300 organizations and people from the public, private and civil society sectors, in the collective and participatory construction of scenarios of low carbon development for 2030, with specific sectoral approaches and economic and social projections.

It was fundamental not only for the assembly of the relevant actors involving
the climate agenda, but mainly for the stimulation of the action in practical terms, as occurred at COP26 – the 2021 United Nations Climate Change Conference, held between November 1 and 12, in Glasgow, Scotland.

After having its leading role in the defense of the climate agenda compromised in recent years, Brazil regained its momentum and marked its presence at the event with a display of coordinated reaction, in the context of the “Brazil Climate Action Hub.” This emphasized the positioning of several sectors of society against recent setbacks and, simultaneously, presented a vision of the future, with a view to promoting the necessary forwarding of a more ambitious Brazilian NDC (National Determined Contribution).

Also, within the scope of COP26, the Climate and Development Initiative: Visions for Brazil 2030 was presented (www.clima2030.com.br). This concerns a process conceived and led by the Institute for Climate and Society, the Climate Center of UFRJ and the Talanoa Institute, aiming to create scenarios and visions of a future with a low carbon Brazil. It was composed of people and institutions that have in common the conviction that the development agenda of Brazil must be compatible with the objective of the Paris Agreement.

The process starts with the creation of scenarios of emissions and macroeconomic indicators to make the Brazilian NDC an instrument of economic planning that is aligned with the Paris Agreement and to create a new vision of development for Brazil.

THE AMAZON AND THE ELECTORATE
“The Amazon and the Electorate” initiative introduced the structuring of an ecosystem involving more than 70 organizations capable of preparing and implementing communication and engagement campaigns at a regional, national and international level, with an increased awareness regarding the importance of the Amazon and its forests for the future of Brazil. With this step, iCS has intensified the promotion of the sustainable development agenda for the Amazon in the context of future governments.

Among the initial developments of the initiative was the survey commissioned by iCS to PoderData, whose result was announced in the second half of 2021.

More details about Climate and Development in chapter 6. Learn more about the Climate and Development project here https://www.clima2030.com.br/
A DECISIVE DECADE

In 2021, the advance of the vaccination against Covid-19 and the partial control of the pandemic defined the year as a type of landmark for the (albeit cautious) resumption of interaction in society and economic activity. In the wake of these changes, discussions increased, or were restarted, regarding more sustainable development models from the point of view of the preservation of the planet, and also from the perspective in the search for a more social and economic equality.

With this, opportunities became available to return to consider objectively the compliance with the climate goals established for 2030 and the need to commit society to them. The opportunities were taken advantage of by iCS, with the multiplication of channels for society to assimilate, on a daily basis, the inevitable and expressive correlation of the climate agenda with social, economic and geopolitical aspects.

The “prescription” of the new times – or not so new, but perhaps less traumatic –, especially after the long-lasting crisis generated by the Coronavirus, will obligatorily include generous doses of the reduction of inequalities; of inclusion, with plurality and diversity; of prevention and combating racism, among other measures that confirm actual structural changes.

As demonstrated by the work undertaken by the Institute, the discourse and action regarding the reduction of emissions must be placed inside a 360-degree view, considering a society in transition and a planet that reacts increasingly rapidly and radically to human intervention and to irresponsible and unsustainable exploratory actions.

In its initiatives, iCS has sought to show that an isolated and exclusive approach to the climate agenda is an innocuous path. By means of its portfolios and alongside its partners, the Institute has propagated this perspective by spreading the climate agenda and pointing out the importance of its crossovers.

What is expected as a consequence of this process is the substantial approximation between the themes associated with the environmental issue and everyday life. From there, the stimulus to the constant mobilization of society, in the exercise of, for example, making the function of electors and consumers worthwhile and the pressure that can be directed towards decision makers both in the public and private spheres, demanding combined action. This is guided by the urgency required to guarantee the quality of life for future generations and the survival of mankind on the planet.
Highlighted publications by iCS partners

ENERGY PORTFOLIO
- ESCOLHAS > "Matriz de Riscos: um caminho para os bancos incorporarem o meio ambiente em seus financiamentos"
- ESCOLHAS > "O que você ganha com uma geladeira que consome menos energia?"
- REDE FAVELA SUSTENTÁVEL > "Comunicando em Prol da Eficiência e Justiça Energética nas Favelas"

LOW CARBON ECONOMY PORTFOLIO
- IDESAM > AMAZ aceleradora de negócios de impacto amazônicos
- INESC > "Subsídios aos combustíveis fósseis conseguir, analisar, reformar"
- CITAWI > "Guia TCFD - da teoria à prática"
- CLIMATE VENTURES > "A Onda Verde - Oportunidades para emprender e investir com impacto ambiental positivo no Brasil" Campanha Amazônia em Casa Floresta em Pê

CLIMATE POLICY PORTFOLIO
- CBC > Governors for Climate
- OC > SEEG Municípios - Sistema de Estimativas de Emissões de Gases, SEEG Soluções - Mapeamento e compilação de ações de mitigação e adaptação a nível local
- TALANOA > Acompanhamento em tempo real dos sinais políticos e policies (policy signals) e mudanças relevantes, anunciadas (risicos ou realizadas (atos) pelo Executivo Federal, bem como seus efeitos.
- RAPS > "Agenda do clima no Congresso Nacional: uma pesquisa sobre opinião e comportamento dos parlamentares brasileiros"
- PUC-RJ > Data Zoom Amazônia: Estudo "Mercado de trabalho na Amazônia Legal - Uma análise comparativa com o resto do Brasil"
- CPI INTERNACIONAL > "A Onda Verde: An assessment and outlook for improving environmental performance"
- PURPOSE > "Clima dá voto? Um guia atuista sobre como falar com eleitores sobre mudanças climáticas"
- ITDP > Diagnosis on bus system concessions to map opportunities and challenges in municipal public transport concession contracts in the following Brazilian cities: Belém, Belo Horizonte, Brasília, Curitiba, Fortaleza, Goiânia, Manaus, Porto Alegre, Recife, Rio de Janeiro, Salvador, São Paulo and Teresina.
- CASA FLUMINENSE > "De olho nos transportes" Article CIMU/COVID-19: Impactos da pandemia nos Sistemas Mobilidade Urbana da RMRJ
- PROURB-UFRJ > Webinar com a PNME sobre Mobilidade elétrica e benefícios para a saúde: Portal Ebus Radar

TRANSPORT PORTFOLIO
- ICCT > "Freight in Brazil: An assessment and outlook for improving environmental performance"
- PURPOSE > "Clima dá voto? Um guia atuista sobre como falar com eleitores sobre mudanças climáticas"

CLIMATE & LAW PORTFOLIO
- PRESERVAR > Articulation, advocacy and litigation against the environmental license of the Guaíba Mine (2020)
- CONECTAS > (de 2019) Guia de Litigância Climática, E-book Clima e Direitos Humanos - Vozes e ações; Caderno da Justiça Climática/Retrospectiva da Litigância Climática no Brasil; Event "Racismo Climático nas periferias de São Paulo" (10/26/2021)

OPPORTUNITIES
- DANTES EDITORA Comunidade do ciclo de estudos sobre a vida selvagem.

LAND USE & FOOD SYSTEMS PORTFOLIO
- ASS. BRAS. DE PESQUISADORES NEGROS > "Colôquio de Mudanças Climáticas e Territórios Negros"
- IOSSAS > Capacitação em mobilização e articulação com grupos na Amazônia.
- PROURB-UFRJ > "Ecosistemas de Informação na Amazônia: uma análise crítica do jornalismo local"
- JUMA > "Litigância climática no Brasil: Argumentos jurídicos para a inserção da variável climática no licenciamento ambiental"
- IMAFLORA > "Um retrato do sistema alimentar brasileiro e suas contradições"
- IMAZON > "Série histórica da dinâmica e extensão da superfície de água em todos os biomas brasileiros de 1985 a 2020"
- IMAZON > "Sistema FloreSer: "Boletim do Desmatamento"

COMMUNICATION & ENGAGEMENT PORTFOLIO
- ASS. BRAS. DE PESQUISADORES NEGROS > "Colóquio de Mudanças Climáticas e Territórios Negros"
- PROJOR > Ecossistemas de Informação na Amazônia: uma análise crítica do jornalismo local
- ASS. BRAS. DE PESQUISADORES NEGROS > "Colóquio de Mudanças Climáticas e Territórios Negros"
- PROJOR > Ecossistemas de Informação na Amazônia: uma análise crítica do jornalismo local
Accelerating clean solutions for decarbonization in Brazil

Promoting the resumption of the growth in Brazil with an increase in the climate resilience and the greater commitment of society to the challenges of the climate is the agenda of the moment.
After making progress in the containment of the Covid-19 pandemic, Brazil saw the gradual resumption of the levels of social interaction and economic activity. In the light of the recovery, many of the actors involved with the climate cause began to see the moment of commitment in favor of the recuperation of the growth of Brazil as a strategic window to reinforce the work for the transition to a low carbon economy in the country.

**REDUCTION OF EMISSIONS IN PROJECTS SUPPORTED BY ICS**

Despite the fact that 2021 has been a year of historic deforestation in the Amazon, with a substantial growth in forest loss in relation to previous years, it was still possible to identify a set of positive outputs in environmental terms in Brazil. Among them, we highlight two that resulted in a proven reduction of GHG emissions in the country. The first concerns the implementation of sustainable systems of production in São Félix do Xingu, by the partner Imaflora, which is an initiative that avoided around 1,668 tCO2 in emissions. Another output that represented carbon savings was the undertaking performed by the partners Saúde e Alegria/CEAPS and the Socioenvironmental Institute (ISA), which promoted the installation of photovoltaic systems to generate energy in communities, producing about 87.10 tCO2 less in emissions since its implementation. These are two good examples of actions that demonstrate the potential of processes for the establishment of a sustainable economic model in the country.

**GROWING CREDIT CURVE FOR SUSTAINABLE AND FAMILY FARMING**

The Safra Plan, the main program of financing for agriculture, launched in June for the 2021-22 period, allocated R$ 7.65 billion to sustainable agriculture. R$ 5.05 billion is available for the ABC Plan (Low Carbon Agriculture) and another R$ 2.6 billion for Inovagro, which is the financing program for the incorporation of technological innovations in the rural properties of the BNDES. The percentage has been increasing year by year. In 2019, the amount allocated to sustainable agriculture represented 1.5% of the Safra Plan; in 2020 it was 2%; and in 2021 it rose to 3% of the plan. The ABC Plan is the one that has grown the most within the Safra Plan, showing that the Ministry of Agriculture is finally starting to provide positive signals to Low Carbon Agriculture, even as a method of combating the country’s negative image abroad, which began to compromise the commercial interests of the sector. ICS partners, such as Agroicone and the CPI (Climate Policy Initiative), held several rounds of talks and technical support with the team from the Ministry of Agriculture, concerning different aspects of improving the agricultural credit policy and the new Safra Plan.

**JUSTICE GUARANTEES THE PRESERVATION OF THE CONSERVATION UNITS**

The Court of Appeals of Rondônia declared a law unconstitutional that extinguished 11 conservation units (UCs) in the state, namely State Complementary Law nº 999/2018. The decision was granted by the majority of the justices who form the full Court of the body, in a Direct Action for the Declaration of Unconstitutionality (ADI) filed by the Prosecution Office of Rondônia, maintaining the areas of native vegetation.
UNPRECEDENTED PUNISHMENT FOR ILLEGAL DEFORESTATION

For the first time, Brazilian justice has identified and fined a Brazilian farmer for GHG emissions caused by the illegal deforestation in the Amazon. He was accused of being responsible for the illegal deforestation of more than 2,400 hectares in the region for the practice of intensive cattle breeding in the state of Acre. In April, the Federal Prosecution Office of Amazonas (MPF), with an injunction from the federal court system, ordered the removal of cattle from the territory and the payment of a fine, incorporating the calculation of the carbon footprint for the land grabbing. The action has enormous legal significance, mainly due to its potential to reinterpret the environmental civil liability in Brazil, because the quantification of the climate damages in an action of this type can discourage new unlawful acts of the same nature. The Institute for Environmental Research of the Amazon (IPAM), supported by ICS, was the organization that calculated the carbon footprint used in the court.

INVESTMENT PORTFOLIO IN COAL EXCLUDED FROM THE BNDES

In August, the National Bank for Economic and Social Development (BNDES) – the main financer of projects in the area of infrastructure in the country – defined, in its operational policy, that there will be no more credit for coal-fired thermal power plants. They were removed from the list of enterprises eligible for financing. Consequently, coal mining projects aimed at supply also started to have this same status and no longer receive credit from the bank. The BNDES follows the global trend of the line of business of the development banks, which have increasingly evolved in the direction of the non-financing of coal. In several of these international portfolios, it had been suffering exclusion because of this environmental issue. Sitawi, an ICS partner, has established channels of dialogue with the BNDES, providing technical support to the actions and decisions regarding investments heading towards a zero carbon economy.

LESS GAS AND MORE GREEN HYDROGEN

The states of Ceará and Pernambuco signed a Memorandum of Understanding for Green Hydrogen projects, which is an option for the generation of clean electrical energy, without the production of GHGs. Today, the northeast region has the greatest potential for renewable energies – wind and solar – in the country. However, the federal government has been pressing for the implementation of gas projects in the region. In May, the governments of Ceará and Pernambuco, which are states that form part of the Pecém Complex and Porto Suape, respectively, started technical studies to install plants for the production of Green Hydrogen, as an input for industrial production and also for the generation of electric energy.

By promoting alternatives that block LNG (liquefied natural gas) and advancing the stimulus towards renewable energy, the states are strategically positioning themselves to avoid new investments that are limited to the infrastructure of the supply of fossil fuel. The approval of these Green Hydrogen projects in their territories accelerates the regional potential in order to catalyze other new green investments.

ICS has mobilized the state governments of the northeast, in general, making connections with
international agencies and development banks. In this regard, the Brazil Climate Center (CBC) has been a key partner of the Institute in order to guarantee the advancement of this agenda among the governors from the region.

GOVERNORS UNITE IN FAVOR OF CLIMATE COMMITMENTS

In July, the Governors from the Consortium of the Legal Amazon launched the “Green Recovery Plan (PRV),” with 12 programs. This was distributed in four action areas, with the aim of recovering, maintaining and making possible the sustainable development of the Amazon. The plan combines the areas of combating illegal deforestation, the support for sustainable production, the promotion of innovation and technology and green infrastructure. The plan also coordinates these areas with the generation of jobs and the reduction of inequalities, adopting strategies of sustainable productive development and of investments in green infrastructure. The plan also coordinates these areas with the generation of jobs and the reduction of inequalities, adopting strategies of sustainable productive development and of investments in green infrastructure, innovation and training.

This is an initiative to be celebrated, especially when the climate commitments are considered that have not been led especially when the climate commitments have been assumed by subnational actors with significant competence. Aware of this movement, iCS supports a cooperation agreement between the Consortium of Governors of the Legal Amazon with the partner FunBio, in order to design and strengthen the management and the governance of the Consortium and to support its effective implementation.

In this scenario of the leading role of the subnational actors, governors from several regions have also launched “Green Brazil,” at the National Forum of Governors. This concerns another consortium that has been created to provide more international coordination to the states and to strengthen the internal management of socioenvironmental projects, focusing on the search and management of resources in order to finance projects for the reduction of emissions, to encourage renewable energy and works of adaptation to the impacts of climate change. Climate change. With the block of national funds that raised the Amazon Fund, the governors have been acting in an increasingly coordinated manner, organizing strategies to raise funds without the mediation of the federal government, in order to enable important socioenvironmental projects for their states.

ANEEL AUCTION PRIORITIZES RENEWABLE ENERGY

The National Agency of Electric Energy (ANEEL) revised the Auction for the Supply to Isolated Systems, extending the deadline for the registration of companies with solutions in renewable energy. After opening for public consultation, the initial document that defined the conditions for the bidding process of the energy auction referring to isolated systems, at the end of 2020 (which made no special mention of renewable energy), the Agency considered the mobilizations of society and redefined the guidelines of the energy auction, explicitly mentioning the prioritization of renewable energy in the final text.

KIGALI AMENDMENT ADVANCES IN THE CHAMBER

Paused in the Chamber of Deputies since 2019, the Kigali amendment defines a schedule for the reduction of the production and consumption of hydrofluorocarbons (HFCs), which are used in refrigeration and air conditioning equipment. Although they do not cause damage to the ozone layer, the HFCs have a high greenhouse effect potential. After months of waiting to enter the Plenary, in October 2021 the Chamber held a public hearing about the amendment, in order to reanimate the subject. The text has already been approved in the commissions and now only depends on the analysis of the Plenary in order for it to go to the Federal Senate. The Kigali amendment is an important instrument against global warming.

It is also the object of attention of one of the iCS projects: the Kigali Network, which throughout 2021 gained the leadership of the International Energy Initiative (IEI), which is a partner organization, with a traditionally academic operation, which started to conduct the initiative more independently and autonomously.

MORE ENERGY EFFICIENCY FOR REFRIGERATORS

In August, the National Institute of Metrology, Quality and Technology (INMETRO) published an ordinance (Ordinance nº 332 /2021). This established new rules for the classification of refrigerators, with a revision of the criteria of energy efficiency for their labeling, which is now more aligned with international standards. The new rule establishes the adoption of subclasses so that the consumer can identify the differences in the new levels of energy efficiency, starting from the top-range products, which are classified as A.

Although the new labeling rule of INMETRO for refrigerators has fallen short of the expectations of civil society, there has been a real advance in relation to the previous standards. The efforts of two initiatives are worth highlighting here: the Instituto Escolhas and the Kigali Network, without whose commitment the labeling would probably have not even been revised, such is the strength of the industry lobby. According to the Instituto Escolhas, the energy avoided with greater efficiency from refrigerators can signify the reduction of 5.6 million ton/CO2eq/year.
WATER CRISIS ON THE AGENDA OF THE DAY

The coverage of the water crisis in the media, increasingly more qualified and presenting more critical articles and debates, was highlighted in several channels of national importance, such as the newspapers “O Estado de São Paulo” and “Folha de São Paulo” and terrestrial and cable television, on Rede Globo and Globo News, as well as on radio stations and on the main websites on the internet. Strategically, iCS encouraged partners to take advantage of the media opportunity and guided them towards the construction of a communication focused on the subject, aiming to stimulate the debate around subjects such as efficient consumption, accessible and clean energy and the necessary reduction of the use of coal. Debates were organized directed at journalists and specialized articles were developed, as well as a package of studies and research for the entire press. In all, 6 roundtables were held with the participation of the partners IEI Brasil, Idec, Volt Robotics and Iema. The outcome proved to be rewarding, with more than 150 articles published at an average of 26.5 per month. Furthermore, both the consultants of the Institute and the spokespersons of the partners began to be incorporated into the routines of the journalistic production, as reliable sources of knowledge for the technical information on the subject.

IMPROVEMENTS IN THE AIR QUALITY

On June 9, 2021, the Commission for Urban Development of the Chamber of the Deputies approved Bill 10521/2018, which concerns the National Policy for Air Quality. The Bill was then submitted to the Commission for the Environment and Sustainable Development. It establishes the division of clearer and more objective responsibilities between the government, the states/Federal District and municipalities for the management of the air quality (with the definition of time limits for the government to prepare the missing regulations in the regulatory environment). The Bill also brings other benefits because it lists, among the emission sources, those that must be the object of management (for example, agrosilvopastoral systems), in addition to establishing the relationship between the GHG and atmospheric pollution through the mutual benefits generated by the reduction and by the control of both (due to the impacts on the environment, health and climate change). The approval of a federal law will enable a regulatory environment with greater legal certainty for the involved actors and will also provide the control agencies and civil society, as a whole, with effective instruments to exact their execution by the public administrators. In 2019, the private sector took steps to block the previous text of the National Policy for Air Quality.

Also, in relation to the air quality in the country, one more advance was identified with the National Association of Motor Vehicle Manufacturers (ANFAVEA), which, arguing with respect to the adversities arising from the pandemic scenario, had requested the postponement of the new phases of the Program for the Control of Vehicular Emissions (Proconve), which is a program that establishes deadlines for the production of new and less polluting models. However, the Federal Prosecutor promoted the shelving of the lawsuit, and reiterated the need to maintain the originally established time limits. The decision was based on the lack of evidence regarding the possible technical and operational difficulties arising from the pandemic. The decision of the Federal Prosecutor guarantees the priority of the air quality and the right to a healthy environment, and was significantly based on the opinion offered by the Air Quality Work Group of the Federal Prosecution Office, which involved the participation of several iCS partners, including the Institute for Health and Sustainability (ISS).
MOVING TOWARDS GREEN MOBILITY IN THE CITIES

In the first half of the year, the municipalities of Rio de Janeiro, São Paulo and Belo Horizonte launched their revised Climate Action Plans (or those of the reduction of GHG emissions), with more ambitious goals for urban mobility. São Paulo even created a Climate Change Department in its administrative structure. The urban mobility of the city (which includes the agenda for the electrification of the bus fleet) now has another political sphere for the implementation and monitoring of the plan. The work at the subnational level is an important trigger for “real” changes to gain space, even if they are segmented in the municipalities. The examples of these cities are also a powerful mechanism to replicate best practices for other cities in the country. Among the main partners involved in this outcome are Nossa BH, in Belo Horizonte, IDEC, em São Paulo and Casa Fluminense, in Rio de Janeiro.

MORE GREEN TRANSPORT IN SP

In July, the city of São Paulo published details of the acquisition of 2,600 electric buses by 2024 in its Plan of Goals for 2021/2024. The vehicles will compose about 20% of the fleet of the municipality, allowing the city to advance in its commitment to electrify public transport. This is news to be celebrated, because the commitment for the investment in the exchange of the fleet powered by fossil fuels by electrified vehicles was put on hold after the 2020 pandemic. This was due to the drop in revenue from public transport and the intensification of the use of other modes of transport because of the health restrictions. However, stimulated by the studies that relate the air quality with the emissions of pollutants, São Paulo supported the electrification agenda. Various iCS partners such as ICCT, IEEMA and WRI were responsible for the technical support to SPTRANS and coordinated the studies. C40, another partner, organized the policy coordination in order to guarantee that the subject was included in the agenda of the Plan of Goals.

LESS POLLUTING BRTS

The city of Rio de Janeiro is also moving towards the electrification of its urban transport. After the construction of the VLT lines, in order to improve the circulation in the city center, Rio has launched invitations to bid for the BRT, separating the operation from the acquisition of the fleet. Consequently, the introduction of electric buses for the lines is being considered, following recommendations and best practices. iCS partners such as ITDP and IDEC contributed with technical support, the latter being specifically responsible for the production of a manual of good practices that served as a reference for the invitation to bid.

Perspectives 2022

The unofficial participation of Brazil at COP26, in which iCS was significantly involved and which was the result of a large network of partnerships, proved that, by being united in a common objective – private initiative, academia, organizations from society and subnational governments, among other actors – can play their part in the advance of the climate agenda.

At a time when the data points to historical levels of deforestation, where there is no massive incentive to the use sources and in which the agenda of energy efficiency is suffering from delays, the role that everyone in society needs to assume in the leadership of endeavors, such as in COP26, in favor of the environmental cause in Brazil, appears to be unquestionable.
Collective embrace for the climate cause

Combined action and collaboration of society in order to accelerate the climate agenda: a determining factor for the reversal of the critical scenario on the planet.
The report of the IPCC (Intergovernmental Panel on Climate Change of the UN) points out that Brazil is among the economies most affected by the climate crisis.¹ The data discloses the main socioeconomic effects of the climate crisis in different regions of the world. In relation to Brazil, among other impacts, the report indicates that if greenhouse gas emissions are not reduced, the average income in the country could fall by 83%.

With the presentation of additional data, it is easy to perceive that the extent of the problem is growing, leading to the perception of both the transversal reach of the impacts generated by climate change and the urgent need for combined and collaborative action by society in favor of the acceleration of the climate agenda. This last aspect is presented as a determining factor for the management of the critical scenario experienced by the planet.

As one of its most important areas of work in 2021, iCS was involved in the mobilization of various segments of society with respect to climate challenges. More than just informing and facilitating partnerships, over the last 12 months the Institute has stimulated action and engagement in the climate cause, assisting organizations to seek to integrate collaborative networks and expand their communications, strengthening themselves on work fronts that will accelerate the responses to the current challenges.

As a counterpoint to the setbacks and delays recently experienced by Brazil, in relation to the commitments that involve the reduction of the GHG emissions, and with the absence of an efficient positioning by the government, the Institute saw the growth of actions led by organizations from society. This was a demonstration of the readiness to deal with the climate emergency and the assumption of new responsibilities related to confronting the adversities that have appeared. Some of the outcomes identified by the Institute to this end are presented below.

CONVERGENT DIALOGUES IN FAVOR OF THE AMAZON

Unlike any other time in Brazilian history, in 2021 it was possible to witness the combination of initiatives aimed at the expansion of the dialogue, the proposition of agendas, the gathering of data and the coordination of actions related to land use in the Amazon. A close look at the work carried out by Coalizão BR, Concertação pela Amazônia and Amazon 2030, for example, confirms the advances of these actors involving their own strengthening as multisectoral spaces aimed at the debate and the construction of consensus and proposals regarding land use in the country, aligning positionings and carrying out political advocacy in order to contain setbacks and propose solutions. In general, these actors expanded their operations in 2021, with an increasing consistency in their stance. It is highlighted that the Concertação pela Amazônia is a broad front that brings together several actors, such as academia, the private sector, business leaders, government, local communities, philanthropy and civil society. It has more than 400 members who work, directly or indirectly, in the Amazon. The Amazon 2030 project, in turn, is an initiative by Brazilian researchers to build a plan of sustainable development for the Brazilian Amazon. With the support of the actions established in the project, it is expected that the region will be promoted to a level of economic and human progress and will be able to achieve the sustainable use of natural resources by 2030. Finally, the Coalizão BR is a movement that, at the beginning of 2021, achieved the landmark of 300 members, including representatives from agribusiness, the financial sector, civil society and academia, comprising of an important trajectory in favor of the leading role of Brazil in the low carbon economy.

STRENGTHENING OF CIVIL SOCIETY ORGANIZATIONS LOCATED IN THE AMAZON

With the establishment of the Communication and Engagement portfolio, ICS facilitated the work with specific content involving local organizations in the Amazon, which consequently strengthened the narrative regarding the sustainable development in the region. Accordingly, it was possible to offer a counterpoint to the long-standing and mistaken lines of discourse.

As emphasized by ICS, the implementation of the perspective of sustainable development is a central aspect in the Amazon. Therefore, regularly bringing closer and promoting agendas of interest, such as urban mobility and public safety, for example, as well as guaranteeing their appropriation by the local organizations, are strategic steps.

Consequently, as a result of the efforts undertaken within the scope of the “Urban Amazon Initiative,” which was launched in 2020 and is now part of the Communication & Engagement portfolio, ecosystems were mapped of organizations with a vocation for campaigns in the prioritized states (Maranhão, Pará, Amazonas, Amapá and Acre, which together represent more than half of the members of the Legal Amazon). In principle, due to their reduced size and the structural limitations, many of these organizations only maintain activities at the local and/ or regional level. However, when they are coordinated in a network, they demonstrate the ability to expand their reach and have an impact on their surroundings on a more significant scale, in terms of communication and engagement. This was the case of the campaigns carried out by Reocupa, Lab da Cidade and FAS, among others, which demonstrated strategy, the ability to generate content and consistency in their communication actions. With the differential of extensive territorial knowledge, these organizations quickly benefited from operating in a network, thereby gaining representation and empowerment.

In the context of the formation of networks, the “Voices of the Amazon” group emerged, which combines organizations in a strategy of joint action of engagement campaigns. Currently, this group is composed of 52 organizations, with a focus on different audiences. The initial stage of identification of these organizations was conducted by ICS in 2021. Subsequently, the work of the Communication & Engagement portfolio focused on a detailed understanding of the characteristics of the network and its ramifications, both in territorial terms and target audience, in order to then promote coordination and take strategies to the field for the concession of grants.
COVID PREVENTION IN THE QUILOMBOLA COMMUNITIES

At the beginning of 2021, due to the absence of the Brazilian government in providing the necessary support to quilombola communities in confronting the Covid-19 pandemic, the Federal Supreme Court (STF), by a majority decision of the justices, ordered that the government present an emergency plan aimed at supporting this vulnerable segment of the historically unassisted population. The decision, according to information provided by Conectas (a Brazilian non-governmental organization that is part of the global movement for human rights), occurred in response to the Action against the Noncompliance with a Constitutional Fundamental Right – ADPF 742, filed by the National Coordination of Rural Black Quilombola Communities (Conaq), in partnership with the political parties PSB, PSOL, PCdoB, Rede Sustentabilidade and PT.

Based on the decision by the STF, a period of 30 days was established for the formulation of a strategic plan to combat the pandemic, with a definition of objectives, priority actions and a timetable for its implementation, aiming at the specific assistance of the quilombola communities, including the distribution of food and hygiene and disinfection materials. In this same context, counting from the time of the STF decision, the revision in 72 hours was also ordered for the National Operational Plan of Vaccination to include the quilombola population in the priority grouping.

FROM THEORY TO PRACTICE

In 2021, ICS began to offer civil society organizations a “toolbox” to provide practical support to their communication and engagement campaigns in favor of the climate cause and, more specifically, on behalf of the Amazon.

Through the Communication & Engagement portfolio, the Consortium of Socioenvironmental Research and Mobilization was created in 2021, bringing together 11 organizations of research in communication, with a focus on the production of intelligence, dissemination of knowledge about public opinion polls and the construction of guidelines, in addition to offering additional narrative paths and providing creative insights for campaigns. The expectation, in the short- and medium-term, is to favor the generation of a “narrative arc” that unites different organizations and strengthens their networking, including the establishment of parameters of transparency and governance. The Consortium has already produced its first surveys, with the ascertainment of supporting documentation for the planning of campaigns.

It is highlighted that, throughout the year, in addition to the opportunities of coordination and mapping of the needs of the organizations, as well as their assistance, within a collaborative network dynamic, it was important to advance in parallel in the planning and in the execution of three specific campaigns, with the purpose of guaranteeing a rehearsal for the work fronts in 2022. The aforesaid campaigns were:

- **DAY OF THE AMAZON** (September 5):
  - Opinion poll + 18 coordinated actions/campaigns

- **ANNIVERSARY OF THE CONSTITUTION** (October 5):
  - Campaign with a narrative unification and hashtag in an online action on the networks (20 organizations involved)

- **BLACK NOVEMBER**
  - 46 coordinated actions/campaigns.
CLIMATE LITIGATION ON THE RISE

The engagement in climate judicialization, following a strong trend observed in 2020, maintained an upward growth curve in 2021. Advances were observed in quantitative and qualitative terms, with an increasing number of civil society organizations – directly and indirectly linked to the acceleration of the climate agenda – using this type of tool in the defense of environmental causes and climate justice.

It is possible to observe that this process made actors from civil society, such as the Climate Observatory and the Brazilian Association of Members of the Prosecution Office for the Environment (ABRAMPA), among others, gain institutional strength and start to use climate litigation to add new skills to those they already had in the mitigation of setbacks. In parallel, also as a consequence of the intensification of the climate litigation, demand has grown for qualification in the subject by the Prosecution Office, political parties and NGOs.

Other landmarks in relation to litigation, also ascertained in 2021, were the penalty imposed on the state of Rondônia, with the understanding of the unconstitutionality of the law that extinguished the local conservation units, with an emphasis on the legal supporting documentation provided by iCS grantees for the judicial decision; and the action carried out in Rio Grande do Sul, with an order for the obligatory performance of the evaluation of environmental (and climate) impacts, with a potential reduction in GHG emissions, prior to the licensing of thermoelectric power plants.

REPRESENTATIVENESS IN CONAMA

Shortly before the end of the year, in December 2021, Justice Rosa Weber, of the Federal Supreme Court (STF), suspended the decree of President Jair Bolsonaro (nº 9,806, dated May 28, 2019, amending Decree nº 99,274/90), which reduced the participation of civil society in the National Council for the Environment (CONAMA), which is the main consultative body of the Ministry of the Environment and is responsible for the establishment of criteria for environmental licensing and rules for the control and maintenance of the quality of the environment.

The decree established, among other measures, the reduction from 96 to 23 in the number of public entities and organizations from civil society and the increase in the presence of the government on the council, which has a consultative and deliberative character regarding public policies in the environmental area.

The decision of Justice Rosa Weber was in response to the mobilization of society and remains valid until the subject is discussed by the plenary of the STF.
ATMOSPHERIC POLLUTION UNDER CONTROL

In March 2021, the Commission of Constitution, Justice and Drafting of the Legislative Assembly of the State of São Paulo, through Bill 568/2020, approved the establishment of goals and time limits for the amounts of the concentration of atmospheric pollutants recommended by the World Health Organization (WHO) to be achieved locally. The Bill significantly includes the studies and analyses of the Institute of Health and Society (ISS), a grantee of iCS, which not only supported the preparation of the state Bill (the draft and the technical justification), but also carried out and submitted research with respect to the Air Quality in the State of São Paulo to the legislators, to the members of the State Prosecution Office and the Environmental Company of the State of São Paulo (CETESB). In parallel, the ISS guaranteed support to the Environmentalist Parliamentary Front of ALESP. In this same context, the work is highlighted of the Coalizão Respirar (a network that brings together more than 20 civil society organizations) aimed at the mobilization of parliamentarians from São Paulo, the State Prosecution Office, as well as the CETESB, in favor of the defense of the air quality and compliance with the climate agenda in Brazil.

NATIONAL POLICY FOR AIR QUALITY

At the beginning of June 2021, the Commission for Urban Development of the Chamber of Deputies approved the Bill (10521/2018) that established the institution of the National Policy for Air Quality which, in turn, created the National Information System of Air Quality. In this process, the suggestions from civil society organizations that form the Coalizão Respirar (a network that brings together more than 20 civil society organizations) aimed at the mobilization of parliamentarians from São Paulo, the State Prosecution Office, as well as the CETESB, in favor of the defense of the air quality and compliance with the climate agenda in Brazil.

MORE BICYCLE PATHS

The Municipal Chamber of Belo Horizonte approved the final version of the Pluriannual Plan of Governmental Action (PPAG), i.e., the planning of the budget for the municipality of Belo Horizonte for the next four years. This confirmed the provision of an increase in funds for the implementation of bicycle paths. The network of exclusive lanes for bicycles of around 100km will be expanded, with an estimated increase of 265%. The PPAG was developed with the participation of society and received some amendments presented by organizations, such as the Movimento Nossa BH, which is an iCS grantee, aiming at fairer and less motorized cities. Among the amendments submitted and consolidated in the Plan is one that establishes an increase in funds and the anticipated extension of works for bicycle paths in Belo Horizonte. According to the data from Nossa BH, the initial proposal of the city hall was to build 4km in 2022, 8km in 2023, 8km in 2024, and none in 2025. The text proposed by the Movimento Nossa BH and accepted in the final text of the PPAG suggested a revision of the numbers and the implementation of an extra 14km in 2022, another 10km in 2023 and 2024 and, finally, another 19km in 2025. Therefore, the 20km previously established for construction in the municipal budget for the next four years will be more than doubled. The Movimento Nossa BH will keep a watchful eye so that budgetary execution actually takes place on schedule, with an increase in the cycle path network.
MORE SPACES FOR BICYCLES

The Municipal Department of Mobility and Transit (SMT), of the city of São Paulo, which is responsible for the administration of the bus terminals in the capital, launched an invitation to bid regarding the expansion of available bicycle parking, with an improvement in the number of spaces and the forecast that the total will go from the current 531 to 1000 spaces. The obtained advances reveal the continuity of transformations already celebrated in 2020 and are confirmed as a direct result of the work being done by organizations such as Ciclocidade, an iCS grantee, which works tirelessly in order to contribute to the construction of a more sustainable city that embraces new models of mobility and the use of the bicycle as an instrument of transformation.

MAINTAINED FARE: A STIMULUS FOR THE USE OF PUBLIC TRANSPORT

In view of the pandemic, with an economic crisis resulting from Covid-19 and the high level of unemployment, the government of the state of Rio de Janeiro and Supervia postponed the adjustment of the fares in 2021. The annual fare adjustment is based on the accumulated General Price Index (IGP-M). The index was 17.89% between December 2020 and November 30, 2021. In this scenario, according to Supervia, the fare of R$5.90 should have been introduced in February 2021. However, the regulatory agency (Agetransp), considering the crisis and also the positioning of the Public Defender’s Office and several organizations from society, such as, for example, Casa Fluminense, suspended this adjustment. Since then, Supervia has kept the fare at R$ 5. New discussions about the adjustment have been intensifying in recent months and society remains vigilant in order to prevent abusive values being applied and harming the wide access to public transport. A new fare adjustment is expected to be applied in March 2022.

NATIONAL PLATFORM FOR ELECTRIC MOBILITY

The initiative supported by iCS currently brings together more than 30 institutions from industry, government, civil society and academia. In 2021, the Platform complied with new steps towards the consolidation of its position as the main national forum for the debate and research of opportunities and related challenges – from an environmental, social, economic and technological point of view – to the issue of electric mobility and its importance in the context of climate change. Thanks to the work developed via the PNME, the subject has been more assiduously addressed by actors from the private and public spheres. Specific data is beginning to be made available to society, such as the publication of the “1st Brazilian Yearbook of Electric Mobility.” This document was published in 2021 and presented a panorama of the ecosystem of electric mobility in Brazil, with the objective of contributing to the development of the public policies in the sector.

Perspectives 2022

The participation of society as a leading player in the acceleration of the climate agenda grew significantly in 2021, which will lead to some challenges of continuity in this process. Through its portfolios, iCS has identified a trend of change, possibly stimulated by the combination of the health and economic crisis. Guided by the objective of involving more actors in the climate cause, it saw many segments of society positioning themselves and being ready for action, aware of the need to assume new responsibilities.

iCS remains mindful of the fact that many of the organizations that, for example, are willing to work in a network and to structure their communication, with the development of campaigns, will need support to maintain consistency in their future steps. They will require more information to follow the due priorities and build the trajectories of coordinated action.
Together for a Sustainable Economy

Enabling the advance of the green economy and combating setbacks

Better use of privileged environmental assets and abundant energy sources could provide the sustainable growth in Brazil.
In comparison with other countries in the world, Brazil enjoys a differentiated condition in relation to environmental assets, due to the biodiversity, the availability of renewable energy sources and the potential to generate carbon credits, among other favorable factors directly linked to its geography. However, when the country fails to take advantage of the opportunities provided by its essential DNA, it ends up compromising its growth trajectory.

Unfortunately, this has been the reality in recent years and it is not difficult to ascertain that most of the actions in favor of sustainable development lack the support that arises from advances in the regulatory agenda of the country, especially when the subject is the mitigation of emissions. In 2021, even with the maintenance of a persistently adverse scenario, some significant steps were confirmed in the reversion of these delays. This occurred mainly as a consequence of the effort and the combination of actors from civil society and subnational leaders in favor of the acceleration of the climate agenda. As already mentioned in this report, this coordination has proved to be a powerful instrument to place a brake on the setbacks. In the specific case of Brazil’s transition to a low carbon economy, it signifies a clear positioning, which is the conciliation of interests and action.

**ADVANCE IN THE REGULATION OF THE MARKET FOR THE REDUCTION OF EMISSIONS**

The Commission for Economic Development, Industry, Trade and Services (CDEICS) approved Bill 528/2021, which regulates the Brazilian Market for the Reduction of Emissions (MBRE). This market was determined by the National Policy for Climate Change (Law 12,187/09), which established that the MBRE should be regulated as a market mechanism in order to reduce GHG emissions. The regulation of the carbon market should already have been proposed by the Executive. However, after 12 years, no regulatory structure has yet been enacted by the federal government. The Bill confirms the legislative awareness with respect to the negative image of Brazil abroad, which affects the international economic relations, and the potential positive results that could be achieved with the advance of schemes to reduce GHG emissions based on the market. CDEICS was the first of three commissions in the Chamber of Deputies through which the Bill must pass. As a way of speeding up the process, on November 3, 2021, the approval of the Bill was passed in emergency proceedings. iCS has contributed directly to coordinating the agenda with several groups of interest parties. It is also in partnership with the Brazilian Business Council for Sustainable Development (CEBDS) on the issue of carbon pricing.

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1 The objectives of the MBRE are: the promotion of activities for projects to reduce and remove greenhouse gas emissions - GHG; the economic incentive for environmental conservation and protection, as well as the realization of economic activities with a low emission of greenhouse gases; the improvement of the environment and the security of the market of carbon credits in Brazil; the appreciation of the Brazilian environmental assets; the generation of wealth and the fight against poverty through the attraction of investments and trades with carbon credits; and the reduction of the mitigation costs of the greenhouse gases for society as a whole.
BRAZILIAN STOCK EXCHANGE LAUNCHES A GREEN INDEX

B3, the Brazilian stock exchange, after carrying out studies and discussions with companies and investors and public consultations with the market, launched the Corporate Sustainability Index (ISE). This will base investments in ESG (Environmental, Social, and Governance) shares in the country with clear criteria. The new index, which becomes effective in 2022, has a sophisticated and transparent methodology. In general terms, the ISE will be based on an ESG score of the companies, which will be made public and defines the weighting of each company in the portfolio, according to its commitment with sustainability. Previously, this consideration only varied in accordance with the market value of the companies. The data completed by the companies will be complemented with information provided by two external providers – the Carbon Disclosure Project (CDP), an iCS partner, and RepRisk –, in order to provide more independence to climate issues and reputation. Advances in this direction are extremely important so that society is able to differentiate the companies in relation to their degree of sustainability, in addition to acting as a stimulus for companies to adopt the best sustainability practices. The CDP participated in the refinement of the index and will also support the complementation of independent information about the companies.

INVESTORS FOR THE CLIMATE (IPC) IS ADHERED TO BY NEW SECTORS

The Investors for Climate (IPC) initiative, launched in 2019 and led by Sitawi, has the objective to train investors with tools in order to evaluate their carbon footprints with tools, as well as supporting the design of decarbonization strategies to be implemented in the coming years. Being part of the IPC means being committed to the progress report in the management of climate risks and opportunities, in line with the guidelines of the Task Force on Climate-Related Financial Disclosures (TCFD). It also signifies being engaged with invested companies that are exposed to climate-related risks, as well as contributing to speeding up the transition to a zero carbon financial sector. Insurance companies and pension funds are the least engaged stakeholders of the Brazilian financial sector in the climate agenda, because they operate in less internationalized markets and, therefore, have not been a target of international financial engagement initiatives. In 2021, the association with the IPC of pension funds and insurance companies, such as Previ, Brasilprev, Zurich, Santander, Real Grandeza and CNSeg, inaugurated the adhesion of these sectors, indicating the progress and increased awareness of these actors.

Sitawi, a key partner and grantee of iCS, in order to provide technical work and support to asset owners and managers to advance their climate commitments, published the “TCFD Guide: from theory to practice.” Developed to guide financial institutions, it was launched with the support of iCS and the document has become a reference for the sector.
NEW REGULATIONS FOR FINANCIAL INSTITUTIONS INCLUDE CLIMATE-RELATED RISKS

In 2020, the Central Bank of Brazil (Bacen) announced that it had become part of the Network of Central Banks and Supervisors for Greening the Financial System – NGFS. Following the announcement, Bacen revised its regulations throughout 2021, in order to incorporate the indication of climate-related risks into its operations. In the second quarter of 2021, the Bank consolidated new steps and started the process (through public consultation) of the review of the resolutions 4327/14 (Policies of Socioenvironmental Responsibility), 4557/17 (Structure of Integrated Risk Management for segments 1 to 4), and 4606/17 (Simplified Continuous Risk Management Framework for segment 5). It also introduced a second consultation front in order to establish the requirements for the disclosure of information about social, environmental and climate risk for the segments 1 to 4.

The stage of the public consultations was finalized in August, and the new regulations² of Bacen had, for the first time in the history of the institution, the duly indicated climate-related risks. This signaled to the financial institutions the internal policies and procedures that must be followed as standardized minimum requirements, in order to guarantee a level playing field between them. Five iCS partners (Sitawi, IDEC, Laclima, Coalizão and Escolhas) sent a total of 60 suggestions, actively contributing to the consultation process and the Institute also held two meetings to raise the awareness and train stakeholders. It also maintained a regular dialogue with the press in order to inform the public debate on the subject and to mobilize the support of the financial sector.

MORE FUNDS FOR THE BIOECONOMY

The Priority Program for the Bioeconomy (PPBio) leveraged R$ 15.3 million for investment in projects of research, development and innovation in bioeconomy in the Amazon, between March 2019 and June 2021, through IDESAM, the manager of the program and an iCS partner. Of this total, about 26% (approximately R$ 4 million) has already been used or is in use. Today, the PPBio has 73 new bioeconomy projects, which can be used to invest the listed funds.

One of the roles of the program is to raise funds with companies and to enable industrial projects and undertakings that aim to promote economic alternatives in order to reduce deforestation and carbon emissions.

GREENER BNDES

The National Bank for Economic and Social Development (BNDES), which has shown willingness to implement effective practices and policies to reduce emissions, has started to offer loans at lower interest rates to companies that are committed to reducing their GHG emissions. Sitawi, an iCS partner, has established fruitful channels of dialogue with the institution, offering technical support for its actions and decisions regarding matters related to investments aimed at a zero carbon economy. Three pilot loans have already been entered into, with discounts on the remuneration of the BNDES for ethanol producers. Through these loans, the basic remuneration charged by the Bank (1.5% per year) can be discounted by 0.4 percentage points if the companies achieve their goals to reduce GHG emissions as agreed in the financing contracts.

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² Six new rules were published, which concerned the regulation of the Policy of Social, Environmental and Climate Responsibility (PRSAc), the analysis and risk management of the financial institutions; the sustainable impediments to the contracting of rural credit; and the obligation to disclose the Report of Social, Environmental and Climate Risks and Opportunities (GSRAC Report) by the financial institutions. These rules came about in order to change paradigms because, historically, rules and resolutions established the management of socioenvironmental risks by the financial sector in a self-regulated and unaligned manner, with the financial institutions developing their social and environmental risk policies individually and without any common basis.
WARNING CRY FROM INVESTORS IN BRAZIL

Important companies in the Brazilian market submitted a public declaration, during COP26, explaining that several sectors of the economy have the agenda to combat climate change as a priority. By demanding immediate action from the government to combat the climate emergency, the declaration/letter – signed by 18 large groups of Brazilian investors – requests the immediate attention of the public entities to subjects such as the development of global and regulated carbon markets; the strengthening of the structure of the environmental inspection, in order to eliminate illegal deforestation; the redesign of the economic and fiscal instruments to encourage sustainable and low carbon private investment; and also the proposition of more ambitious goals and stimuli for a post-pandemic recovery plan, with a guarantee of support for the transition to a low carbon economy.

The signatories form part of the Investors for the Climate initiative of Sitawi, which a strategic partner of ICS in the agenda of engagement for investors in the country. 18 groups of investors participated in the public declaration: Itaú Asset Management, SulAmérica Investimentos, JGP, Rio Bravo, Arien Invest, Blue Macaw, Crescera Capital, Darby, FAMA Investimentos, FRAM Capital, Indie Capital, Mauá Capital, NEO Investimentos, Núcleo Capital, OABPrev RJ, Quasar Asset Management, RPS Capital and Taler Planejamentos Financeiros.

BRAZIL IN ACCORDANCE WITH ARTICLE 6 OF THE PARIS AGREEMENT

During COP26, the nations arrived at a consensus with respect to Article 6, of the Paris Agreement, which establishes the creation of a robust global carbon market. The final approved text was considered very positive, and Brazil did not block the negotiations so that the new wording could be proposed at the event. This is an advance in terms of positioning because, in previous years, the Brazilian governmental authorities have opposed this article.

Today, there are still only a few nations that have a regulated carbon market. The article ensures that the countries can trade carbon credits with each other, in order to guarantee their reductions of greenhouse gas emissions through the sale of credits of excess emissions, if they have already complied with their commitments.

The Federal Senate approved Bill 6.539/2019, which updates the National Policy for Climate Change (PNMC), established by Law 12,187, of 2009, so that the policy is adjusted to the Paris Agreement. The text of the Bill establishes that Brazil will neutralize 100% of its greenhouse gas (GHG) emissions by 2050, within the scope of the National Long-Term Strategy. This shows that the coordination of society and the pressure on the National Congress produced the desired and necessary effect. The Bill proposed an effectively more ambitious commitment of the country to combat climate change, because the NDCs will be defined based on the most recent Brazilian Inventory of Emissions, and should adopt progressive and more ambitious goals in relation to previous NDCs.

ICS actively participated in this outcome, relying on the expertise of several of its partners. An example of this was the performance of the Climate Observatory, which carried out successive analyses to provide evidence that the commitments did not represent changes in the absolute volume of emissions – a fact that was mentioned specifically in the approved text. On another front, the Climate and Development Initiative, coordinated by ICS and carried out by Talanoa and COPPE/UFRJ, brought together proposals for more ambitious climate and social commitments, differentiating the contribution of different sectors of the economy (which was also mentioned in the final text of the Bill).
ENGAGEMENT ON THE RISE IN “GOVERNORS FOR THE CLIMATE”

Subnational actors have been engaging in the “Governors for Climate” initiative with the aim of building a space to maintain the climate ambition in the country. In December 2020, only 11 governors were involved in the initiative. However, in February 2021, a new mobilization was carried out and resulted in the adhesion of 14 more governors. They are committed to strengthening the institutionality of the alliance and developing a national and international strategic plan for their states to advance in the Brazilian NDC. iCS supports the Brazil Climate Center, which backs the “Governors for the Climate,” guaranteeing the coordination and communication with the state leaders, as well as promoting the contact by the governors with international organizations.

GOVERNORS COMMITTED TO THE CLIMATE EMERGENCY

In April, 24 Brazilian governors delivered to the American ambassador in Brazil, Todd Chapman, a letter addressed to the president of the United States, Joe Biden, through which they committed to the “global climate emergency” and asked for the American cooperation on environmental issues in Brazil. States and municipalities can independently embrace their own climate goals and also independently implement policies to reduce GHG emissions in their states and cities. The letter was produced in order to register the commitment of the governors not only with the reduction of the gas emissions, but also their support on other operating fronts in favor of the climate issue, such as the promotion of renewable energies; combating deforestation and the compliance with the Forest Code for the conservation of the forests and native vegetation; the improvement in the efficiency of agriculture and cattle raising; the protection and well-being of the indigenous peoples and other traditional communities, in addition to the search for consortiums to enable the reforestation in their territories. iCS supported the approximation of the “Governors for the Climate” to the “US Climate Alliance” and “Under2 Coalition” initiatives, in order to promote the interconnection between the Brazilian governors and their opposite numbers in the United States and also in Latin American countries, thereby favoring the increase in the international visibility of the initiative.
ACA BRASIL ALREADY HAS 60 SIGNATORIES

The Alliances for the Climate are national coalitions dedicated to employing systematic measures and to increasing the public support to confront the global climate crisis, contributing so that the countries comply with the commitments agreed in the Paris Agreement. In Brazil, the Alliance has existed since 2019, but the ACA (Alliances for Climate Action) is a previous initiative, led by the WWF worldwide. Although there are several types of coalitions that unite specific sectors, the ACA is an intersectoral space that brings together collectives and coordinating actions in the adoption of measures that are more climate-friendly. ACA Brasil has been attracting registrations in the last two years, and today it has more than 60 signatories, from civil society, the private sector and subnational governments, who are engaged in climate-friendly practices.

iCS contributed to the structuring of the ACA, supporting the establishment of a board of directors that would advance the idea of a network that would reach all the segments of society (subnational governments, companies, investors and civil society). Currently, this board is composed of representatives from WWF Brazil, ICLEI – Local Governments for Sustainability (South America), CDP Latin America and the Brazil Climate Center, in addition to ICS itself.

Perspectives 2022

Although favorable conditions had emerged, in 2021, for the implementation of more ambitious climate goals, it should be emphasized that the new Brazilian NDC is not yet a reality and has not been implemented. It is only an announcement of the government’s intention, which leads to the need to maintain the effort to guarantee the integrity of the suggested proposals and to enable the return of Brazil to its rightful position playing a leading role in the climate cause.

It is important to remember that such an effort must be combined with a focus on the “greening” of the tax reform and the stages of the economic recovery, in the post-pandemic period, with an incentive to build regulatory frameworks that actually stimulate and favor low carbon economic activities. Several segments of the productive sector, faced with the demands in society related to the acceleration of the climate agenda, are already aware of this scenario and are receptive to partnerships and guidelines so that they can conduct specific changes in relation to the environmental commitment. However, the work will be fundamental in matching the narratives adopted so far with the practices that are actually aligned with the urgency imposed by the climate issue.
COP26: Brazil Climate Action Hub repositions the country at the Conference

Highlights of the last edition of the Climate Conference: the Brazil Climate Action Hub, society in convergence and the launch of the “Climate and Development Initiative: Visions for Brazil 2030”.

In a scenario of a health crisis that has not yet been overcome, the United Nations Climate Change Conference – COP26, held between November 1 and 12, 2021, in Glasgow, Scotland – signified a landmark for the resumption of the global climate debate. The Brazilian participation contributed to this moment and opened up the possibility for the country to return to addressing its environmental commitments and proposals related to the climate from a new level: that of the union of society.

This occurred thanks to a historic mobilization, through the Brazil Climate Action Hub, which was a workspace in favor of the representativeness of Brazil with the international community and, consequently, its positioning in relation to the climate agenda. Effervescent and a stage for debates and strategic meetings, this space was the significant counterpoint to the timid official representation led by the federal government.

Before going into the details of the Hub, of which iCS was one of the managers, it is necessary to observe that the opening of COP26 was attended by more than a hundred heads of state and that, from a structural point of view, this represented an opportunity to promote the face-to-face meetings of countless leaders and representatives from the most diverse segments of organized society, after such a long period of limitations imposed by the Covid-19 pandemic.

More importantly still, from the perspective of the agenda, it is possible to say that, for at least three major reasons, COP26 was confirmed as a particularly important edition. Initially, because it was the first in a decisive decade (2021-2030), considering the compliance, up to 2030, with the Sustainable Development Goals (SDGs), which were approved in 2015, and the goals of the Paris Agreement, which were defined at COP21, in 2015.

Then, because it was also the first edition to happen within the context of a global health crisis that is still ongoing and in the presence of the strong socioeconomic impacts, which warned of the experiences that required emergency, coordinated and combined confrontation. This is what the pandemic has been demanding and this is what the climate demands and will demand even more, in the light of a situation of drastic changes and the suffering that they tend to impose on populations all over the planet.

And, finally, for the focus and for the significant space that the Conference gave to the updating of discussions regarding solutions for the climate financing and the revision of the NDCs (the Nationally Determined Contributions), with a view to increasing, by the countries committed with the Paris Agreement, the ambition to mitigate emissions and the compliance with the treaty in practice.

After two weeks of intense work and the disclosure of the Glasgow Climate Pact, at the end of the Conference, the evaluation was that several advances had been achieved at COP26, but that they were below the expectations, especially in the subjects related to the claims for climate justice and the effective guarantees to limit global warming to 1.5 °C.

A few months before the start of COP26, the IPCC (UN Intergovernmental Panel on Climate Change) published a report pointing out the gravity of the situation of the increasing temperature on the planet. Given the identified scenario, expectations were therefore high around the event and that the definitions that would be announced at the Conference. However, the expected assertiveness and comprehensiveness for the decisions were not complied with.
Having defined this context, it is easier to understand the importance of the Brazil Climate Action Hub. Physical space and coordination, at COP26, was led by iCS and two other organizations: the Institute for Environmental Research of the Amazon (IPAM) and the ClimaInfo Institute. More than a hub of resistance in the light of the setbacks experienced by Brazil, the Hub represented an important example of the grouping of actors, within the global trend that discloses the growing participation of the most diverse segments of society in the climate agenda. This is a subject that, today, is now broadly appropriated and is no longer the exclusive concern of the central governments.

The Hub brought together the teams from all the three organizations, in addition to having logistical support staff and the support of interpreters at the location. In all, 23 professionals worked in the space, which also had the programmatic team of iCS, which was present throughout COP26, working on the mobilization of partners, among other demands.

Everything contributed to the outcome of the Brazil Climate Action Hub exceeding expectations: it hosted more than 50 events during the 10 days of the Conference. It was mentioned in around 580 articles in the global media and it certainly accelerated the steps that involved the awareness and the mobilization of society in relation to the urgency of the climate.

Therefore, the Brazilian participation in COP26 took place in two separate spaces. One of them organized by the federal government and the other led by a group of representatives from society, composed of the Brazil Climate Action Hub. This allowed the overcoming of the obstacles of representativeness of Brazil that had been ascertained in the previous edition of the COP (in 2019), in addition to diversifying and expanding the “Brazilian voice” with the international community. There are even those who consider that the Hub played a fundamental role in the actual repositioning of the Brazilian government. The fact is that the national and international repercussions with respect to the existence of the two spaces, in addition to contributing to changes in the discourse and helping to pressure the Brazilian negotiators, also strengthened partnerships and increased the exposure of the social movements involved in the climate agenda in Brazil.

The record presence of representatives from the indigenous and quilombola populations, the black movement, the governors and parliamentarians, executives and business leaders – and even the involvement of the media and the organizations that followed the events at the Hub remotely – were decisive in ensuring that the discussions held at COP26 reverberated throughout the country, and gained more prominence in the newspapers, TVs and other national vehicles with a large audience.

In the list of organized actions, several were emblematic. An outstanding example was the coordination conducted, directly from the Hub, for the meetings during the Conference of the president of the COP, Alok Sharma, with the Brazilian subnational leaders, composed of the governors from several states and representatives from civil society.

Overall, the Hub was highly rated by the participants. In a survey with more than six dozen respondents, the high level of the space – with qualified debates, strategic meetings and an efficient agenda, among other factors – was scored with a classification above 95% (good and excellent) for at least eight questions, among which are highlighted “Relevance of the proposed activities” (98.18%); “Mediation of the activities” (98.15%); “Organization of the agenda” (98.11%); and “Plurality of the voices and subjects” (96.23%).
“CLIMATE AND DEVELOPMENT INITIATIVE: VISIONS FOR BRAZIL 2030”

At the Brazil Climate Action Hub, iCS promoted the launch of the initiative “Climate and Development: Visions for Brazil 2030.” This indicated the scenarios that best represent the vision of Brazilian society for the construction of an ambitious NDC for the country.

The document that formalizes this indication, mentions in the executive summary that “the initiative engaged approximately 300 experts and leaders from subnational governments, parliament, civil society organizations, communities, companies, investment funds, coalitions and private associations in consultations between July and October 2021. These actors were consulted about how to increase the Brazilian ambition, in compliance with the spirit of the Paris Agreement in the light of the climate emergency, recognizing that a stable and secure climate is an indispensable requirement for the sustainable development of our country. The participants sought to identify, discuss and propose opportunities and challenges for a transition from the current development model of Brazil to a model of net zero emissions, through the exercise of building “best scenarios” in the light of national interests and common responsibilities to combat climate change. The process was conducted by the Climate Center of COPPE-UFRJ, responsible for a Technical-Sectoral Committee and by the Talanoa Institute, which led the Leaders Summit on Climate Policy. This work was supported by the Institute for Climate and Society (iCS) and by a significant group of organizations, networks and coalitions.”

CLIMATE AND DEVELOPMENT INITIATIVE FOCUSES ON CARBON PRICING, CONTROL OF DEFORESTATION AND BUILDING AN ECONOMY OF FOREST RESTORATION

In summary, it can be said that the document establishes, among the Brazilian strategies to confront climate change, three of the most urgent paths: carbon pricing, the control of deforestation and the construction of an economy of forest restoration. As disclosed by iCS, with investments in these areas, the country will have the capacity to reduce between 66% and 82% of the emissions up to 2030, with 2005 as the baseline. The goal announced by the federal government during COP26 is a reduction of 50% up to 2030, which is equivalent, due to the variation in the methodology of the monitoring, to something close to the former NDC, of 43%.

As explained by the initiative “Climate and Development: Visions for Brazil 2030,” once the various proposals for the acceleration of the climate agenda are made and communicated, the challenge will not only be to seek alternatives for each one of them, but also to make them overflow in order to be understood by the ordinary citizen, with an applicability in everyday life and the possibility of engagement in the climate transition process, understood here as a necessary path to development, health, employability, justice and social balance.

LETTER FROM THE YOUTH

At the Brazil Climate Action Hub, a letter was published from the young people of the Black Coalition for Rights movement and 250 other entities in defense of the ownership titles of the quilombola territories in Brazil. These and many other Brazilian young people and participants joined the enormous march organized called by the “Fridays for Future” movement of Greta Thunberg. In general terms, the letter defended direct measures against environmental racism; the ownership titles of the quilombola lands and territories as strategies for zero deforestation; and specific measures for the reduction of global warming, as well as the zero deforestation in the Brazilian Amazon, Cerrado, Atlantic Forest and Caatinga forests.
Partnerships that strengthen iCS

The actors and their operations

Since the beginning of its activities, iCS has been consolidating a network of partners who, every year, have been solidifying and expanding their achievements and advances related to the climate agenda.
With a significant growth in the number of partners – mainly civil society organizations (CSOs) – iCS had the opportunity to expand its network of operations in 2021, working alongside representatives from various segments of society and further qualifying its grants, with a focus on actors who are involved and committed to the climate agenda and the transition to a low carbon economy.

Alongside iCS, these actors were able to put their projects of interest into practice, keeping aligned with the subject matter of the seven iCS portfolios, thereby providing constant monitoring for the compliance with the goals and the diligent application of the resources. As mentioned earlier in this report with respect to the grantees, the significant differential, in 2021, in relation to previous years, was the fact that iCS was able to apply more diversity to its philanthropy, by including diverse segments of society in its respective paths to defend the climate cause.

The group of funders are absolutely fundamental in this same network of iCS partners, involving more than a dozen large national and international philanthropic organizations to which the Institute directs, through this report, a special thanks – who confirmed their confidence in the work of the Institute. By renewing their support in a most challenging year, the mission to “strengthen the conditions that encourage the lasting practices of mitigation and resilience of climate change” could be objectively emphasized.

iCS can count on a highly qualified team to support these partnerships. The personnel from the Institute managed to overcome the obstacles of a year of tough news and the scenario of significant social and political uncertainties to ensure the best practices of interaction between the members of the iCS network, in order to obtain results related to the acceleration of the agenda of the climate.

PARTNERS ON THE FRONTLINE OF THE “TASK FORCE” FOR THE CLIMATE

During 2021, 185 grants were approved by iCS, which represented an increase of 36% in comparison to 2020, benefiting a significant number of partners, including 68 new ones. With respect to the outcomes of the year, 529 was the total obtained, as reported by the partners. In this list, most of the outcomes were identified as “knowledge,” i.e., mainly the production of proposals and reference documents. The other outcomes were classified in the following categories “spaces for dialogue” (20%), “advocacy campaigns” (18%), “judicial actions and legal measures” (7%) and “in connection with the international debate” (8%).
THE FACILITATORS OF THE EVOLUTION OF THE CLIMATE AGENDA

In 2021, iCS further strengthened its partnership with Brazilian and international funders. We are delighted to have several funders who have supported us uninterruptedly since our creation, in 2015, and others with whom we have established more recent partnerships. The funds from our supporters are essential for the maintenance of iCS and in providing us with the conditions to support projects and institutions that work to mitigate climate change for the well-being of Brazilians. Different from most organizations that provide grants, iCS does not have its own endowment fund. The operation depends on two types of support. One of them, of an institutional nature, enables the group of activities and offers stability and flexibility for the development of strategies that are approved by the board of the Institute.

There are also funders who choose to support specific projects or portfolios, which have a greater affinity with their priorities.

When using the raised funds strategically, iCS selects the proposals that are presented to us and also seeks the projects and organizations that can contribute to the central goals of each portfolio. Our intention is to respect autonomy, to provide instruments and knowledge and to encourage networking, in such a way that the group of partners achieves even more significant outcomes than each one could obtain separately.

Faced with an even more intense year, iCS recognizes the difference that it can make by being able to count on all the support it receives from the funders who believe in the cause of the climate agenda in Brazil. The Institute thanks each one of them, who have made possible the achievements and accomplishments reported in this publication.

THANKS TO THE FUNDERS

FACED WITH AN EVEN MORE INTENSE YEAR, ICS RECOGNIZES THE DIFFERENCE THAT IT CAN MAKE BY BEING ABLE TO COUNT ON ALL THE SUPPORT IT RECEIVES FROM THE FUNDERS WHO BELIEVE IN THE CAUSE OF THE CLIMATE AGENDA IN BRAZIL. THE INSTITUTE THANKS EACH ONE OF THEM, WHO HAVE MADE POSSIBLE THE ACHIEVEMENTS AND ACCOMPLISHMENTS REPORTED IN THIS PUBLICATION.

ICS FUNDERS:
Agora Energiewende
Children's Investment Fund Foundation
Climate Emergency Collaboration Group
ClimateWorks Foundation
European Climate Foundation
Foundation for International Law for the Environment - FILE
German Embassy
Hewlett Foundation
IKEA Foundation
Instituto Arapyaú
João Moreira Salles
Mott Foundation
Oak Foundation
Open Society Foundations
Quadrature Climate Foundation
UK Embassy
Walmart
Walter Moreira Salles
A GROUP THAT WORKS TOGETHER: 
THE ICS TEAM

The increase in the number of iCS partners during 2021, as well as the growth in the volume of resources allocated to grants, generated a natural increase in the operational demands of the Institute. In response to this situation, the team grew as a whole by around 30% (from 22 to 29 people).
Overview of the actions throughout the year

iCS values the exercise of the strategic philanthropy aimed at the sustainable development of the country and at the strengthening of its partners as leading actors in the proposition and in the adoption of practices that favor a low carbon economy.
The growth of the iCS performance in 2021 was marked, among other factors, by the 36% increase in the number of grants approved by the Institute: 185 partnerships were entered into during the year, which is 49 more in comparison with 2020, when 136 grants were made. Of the total number of grants confirmed in 2021, 68 were for new grantees, which represented 37% of the total number of partnerships.

It is important to emphasize that this trajectory reflects, on the one hand, the guidelines established by an increasingly more precise strategic planning, by taking into account the outcomes obtained through the portfolios each year, in order to then reformulate new actions for the development of an increasingly more integrated and synergistic work in favor of the climate agenda. On the other hand, it also shows the sustainable expansion of the representation of iCS, with the grants continuing to be increasingly linked to a purposeful agenda, with respect to the advancement of issues that favor the health of the planet.

In a year still impacted by the pandemic, iCS persevered in its mission to accelerate the climate agenda and to operationalize actors from the most diverse segments of society, ensuring the strengthening of this group in the light of the missions that can make a difference in the compliance with the goals defined up to 2030.

The choice of partners and the decision about the destination of the grants always prioritizes investments in what is most strategic for the promotion of results that generate effective changes – whether in the behavior of people, companies and/ or governments –, and that can directly contribute to the reduction of GHG emissions, as well as to the promotion of resilience to the consequences of climate change, with the promotion of social justice and a focus on combating inequality.

In view of this context, it is important to highlight that iCS concentrates its operation not only on the realization of the financial support, but also, and mainly, on the joint construction of the objectives to be achieved, through a very careful process of monitoring of the supported projects. The Institute also promotes the coordination both of its partners with each other and with other sectors, by taking into consideration their operating proposals.
Over the last 12 months, increasing its philanthropic practice, iCS granted a total of R$ 96.3 million. iCS dedicates 90% of its budget to programmatic purposes.

From the point of view of the distribution of the grants through the portfolios, when considering, on the one hand, the representation of the grants and, on the other hand, the contributed amounts, it is clear that the priority focuses were on the projects supported by the portfolios of Land Use & Food Systems and the newly created Communication & Engagement. In the former, the emphasis was on actions related to the Amazon region and its socioeconomic development linked to the preservation of its forests. In the latter, prominence was given to the dissemination of the messages in favor of the climate agenda, in order to guarantee the engagement of the new actors to the debates with a greater climate ambition, and to a greater proactive coordination by civil society.

The Land Use & Food Systems portfolio had the highest value in grants, with around 34% of the total amount made available. The Communication & Engagement portfolio had 17% of the same total and also stood out for having the largest number of grants (58 of the 185 made in the year) by iCS in 2021. Subsequently, the other prominent portfolios were Energy, with 14% of the amount distributed in 24 grants, and Climate Policy, with 13% of the amount distributed in 18 grants.

It is important to emphasize that the budget execution of the Institute is annually verified by the independent auditors. More details about the iCS Financial Statement can be consulted directly on the website of the Institute.

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**FINANCIAL AND LEGAL DATA**

**THE RESOURCES OBTAINED BY ICS ARE DIRECTED TRANSPARENTLY AND EXCLUSIVELY TO THE FINANCING OF ACTIONS RELATED TO THE CLIMATE CAUSE.**

ICS RESPECTS THE EXERCISE OF THE STRATEGIC PHILANTHROPY FOCUSED ON THE SUSTAINABLE DEVELOPMENT OF THE COUNTRY AND ITS STRENGTHENING AS A GLOBAL LEADING PLAYER IN THE PROPOSITION AND ADOPTION OF PRACTICES AIMED AT THE LOW CARBON ECONOMY.

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**TABLE 1**

<table>
<thead>
<tr>
<th>PORTFOLIO</th>
<th>PERCENTAGE OF THE NUMBER OF GRANTS</th>
<th>QUANTITY OF GRANTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication &amp; Engagement</td>
<td>28%</td>
<td>52</td>
</tr>
<tr>
<td>Land Use &amp; Food Systems</td>
<td>21%</td>
<td>39</td>
</tr>
<tr>
<td>Energy</td>
<td>13%</td>
<td>24</td>
</tr>
<tr>
<td>Climate Policy</td>
<td>10%</td>
<td>18</td>
</tr>
<tr>
<td>Transport</td>
<td>7%</td>
<td>13</td>
</tr>
<tr>
<td>Low Carbon Economy</td>
<td>7%</td>
<td>13</td>
</tr>
<tr>
<td>Climate &amp; Law</td>
<td>7%</td>
<td>13</td>
</tr>
<tr>
<td>Opportunity*</td>
<td>7%</td>
<td>13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>185</strong></td>
</tr>
</tbody>
</table>

**TABLE 2**

<table>
<thead>
<tr>
<th>PORTFOLIO</th>
<th>PERCENTAGE OF THE GRANTED VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Use &amp; Food Systems</td>
<td>34%</td>
</tr>
<tr>
<td>Communication &amp; Engagement</td>
<td>17%</td>
</tr>
<tr>
<td>Energy</td>
<td>14%</td>
</tr>
<tr>
<td>Climate Policy</td>
<td>13%</td>
</tr>
<tr>
<td>Low Carbon Economy</td>
<td>8%</td>
</tr>
<tr>
<td>Transport</td>
<td>6%</td>
</tr>
<tr>
<td>Climate &amp; Law</td>
<td>4%</td>
</tr>
<tr>
<td>Opportunity*</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Opportunities are projects that do not fit into any of the work portfolios of the institute, but are in accordance with the main objectives of operation of iCS.
Engage with iCS

Be part of the change.
You can also be an agent of transformation of society and help us in the promotion of more harmonious relationships between individuals, and with the planet we inhabit. Become an active contributor to the growing iCS community and become involved with the emergency climate issues and committed to building a less polluting society, which, at the same time, is fairer and more egalitarian for everybody. Whether as a funder, as a grantee, as a participant in our events and activities, or even sharing our initiatives and ideals.

The change we want for the planet starts with us.

PLEASE CONTACT US
You can forward your projects to us for analysis, to request grants that are in line with our portfolios. Learn about the objectives and goals for each one of the portfolios on our website.
For the submission of projects or the request for support/grants:

KEEP INFORMED OF OUR UPDATES
Please register in order to receive our monthly newsletter on the website www.climasociedade.org and stay up-to-date regarding the latest analyses, publications, events, ideas and initiatives from iCS and its grantees.

ICS ONLINE
Follow @climaesociedade to learn about and participate in our subjects and ideas on Facebook, Twitter and Instagram, or connect with us through our pages on LinkedIn.

Visit our channels:

This publication is our sixth annual report and reflects something of our history and trajectory over the recent years. We share here many of the achievements and conquests to which we have contributed, in partnership with our grantees, and that would not have been possible without the help and support of our funders.

To send suggestions or to request additional information:
comunicação@climaesociedade.org

PLEASE REGISTER YOUR PROJECT HERE
Credits

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