



**Executive Vice President
Frans TIMMERMANS**

**Working Breakfast with Leaders of Brazilian Business
Federations and Civil Society.**

Brasília, Monday 23rd January 2023, 07:30

Meeting Report

Summary

1. The working breakfast enabled a direct discussion between the Executive Vice-President and representatives of organizations of civil society that represent the interests of economic sectors in Brazil and organizations that operate in the nexus of business and sustainability, on the implementation of the European Green Deal and its external impact.
2. Regarding the measures implementing the EU Green Deal, these organizations have their biggest concerns with the EU Deforestation regulation and the Carbon Border Adjustment Mechanism (CBAM):
 - Given the economic and trade profile of Brazil, the Deforestation regulation is the one raising the largest challenges and criticism. These sectors recognize that the objective is legitimate, EU concerns are not without ground, and the European consumer needs to be convinced. But they also allege that the EU regulation seems discriminatory, protectionist, and traceability for due diligences will add extra-costs. They can hastily frame the measure as a unilateral attempt by the EU to interfere in sovereign decisions of Brazil, ignoring the sustainability patterns of agricultural production in the country and the stringent forest preservation regulation in force in Brazil (Forest Code). They believe this regulation will backfire, increasing prices of food in the EU, and not contributing to the global issue of deforestation. The gradient of risk associated to Brazil in the future benchmarking is also highly sensitive. They have also suggested that in the regulatory process, the EU did not gave ample participation to third countries, more dialogue is urgently needed.
 - Regarding CBAM, Brazil business also uses similar arguments against the measure (discriminatory, protectionism and common and differentiated responsibilities). Brazilian iron and steel industries are mobilised:

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██████████ emphasized that Brazil can be a leader in decarbonization, and outlined its recent strategy paper on the topic.

- On the EU taxonomy, sustainability criteria for biofuels, and (draft) delegated acts for green hydrogen, ██████████ insisted on the merits of the Brazilian strategy: flex-fuel car fleet is ubiquitous and, in their view, programs such as “RenovaBio” ensure zero-deforestation.
 - ██████████ fully concurs that climate change is the priority, also applicable to the mining sector (ESG, carbon footprint). In the Amazon, keeping the forest standing and helping indigenous people is an agenda that ██████████ has fully embraced. Strategic Minerals are essential for decarbonization. Some certification measures will help to fight illegal gold mining (also noting that non-EU members: Switzerland, UK are the first destination markets).
3. The EVP referred to the EU signalling its unwavering support to democracy, it's good Brazil's back at the table. He expressed the will of EU member states and the EU to engage Brazil actively and expeditiously on climate, environment, energy, critical materials, and trade – also noting that decarbonization can be better achieved with mandatory carbon markets.
 4. On deforestation the EVP made clear that while the EU in no way wanted to tell other countries what to do, but that it is a strong and sovereign wish of EU citizens not to be part of global deforestation anymore through their consumption. EVP expressed his view that as business models must become more sustainable, it is important to offer adapted and/or alternative livelihoods for those living in the forest; a sustainable bioeconomy has great potential.
 5. EVP argued that we all have to find the balance in a golden triangle of economy, ecology and social viability; all three legs were essential. There is a risk that some try to tie economy and social viability together and weaponise it against ecology, but that would be a huge mistake, as those who stand to lose the most of the climate and environmental crises are those most in need for social advancement.
 6. According to EVP, Brazil is of central importance for many reasons: responsibility to take care of the Amazon, of the Oceans; challenge to transition to a sustainable economy in the middle of an industrial revolution; and the world is waking up to the fact that China has “cornered the market”. With its chapter on Trade and Sustainable Development, the EU-Mercosur Agreement could become a lever for fair trade. Latin America seems much too far away, we need to rediscover this link.
 7. Main follow-ups:
 - EVP committed himself to suggest to other EU leaders to visit Brazil as soon as possible.
 - Furthermore, a technical mission to Brazil on deforestation should be swiftly organized, explaining our legislation, but *also* engaging

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constructively with the Brazilians on how best it can be implemented (DGENV, FPI).

- Need to deepen bilaterally the study of sustainable mobility solutions (electric, biomethane, ammonia, etc)

Social Media



Frans Timmermans
@TimmermansEU

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Today's meetings in Brasilia confirmed that the 🇪🇺-🇧🇷 relationship is ready for a jumpstart: on economic development, fighting #deforestation, and taking trade to the next level.

We will work closely together to make #COP28 a success with 🇧🇷 at a prominent place at the table.



7:31 pm · 23 Jan 2023 · 14K Views

Group picture after
working breakfast
with BR business
representatives,
23/01/2023, Brasilia

Annex 1

CHOREOGRAPHY OF THE MEETING

Format: The EU Ambassador will moderate the working breakfast. Representatives of civil society organizations will have each **5 minutes** to make an introduction and a statement. Participants will be grouped by clusters (3 to 4 organizations per cluster). After the statements of each cluster, EVP will reply.

07:30 – 07:35

Welcoming and Introduction

Moderator, Ignacio Ybáñez, EU Ambassador and EVP.

Moderator:

- *Welcome participants. Inform the language of the meeting is English, but there is simultaneous interpretation to Portuguese. Briefly explains the format of the meeting, highlighting that one representative per organization will have 5 minutes to speak. Stress to participants the importance of giving concise and direct messages. Also inform that we will group in 3 to 4 the statements, and EVP will reply afterwards.*
- *Pass the floor to EVP for welcoming words*

EVP: *Brief welcoming words. Back to Moderator*

Moderator:

- *Moderator will introduce three representatives of the first cluster indicating their name, position and organization:*

[Redacted text block containing names and positions of representatives]

07:35 – 07:50

Statements of Industry and Agribusiness cluster

[Redacted text block containing statements from the Industry and Agribusiness cluster]

Moderator *will pass the floor to EVP.*

07:50 – 08:00

Reply to first round of statements

EVP

Moderator

- [Redacted text block]

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- *He will introduce the four representatives of the second cluster indicating their name, position and organization:*

[Redacted]

[Redacted]

[Redacted]

[Redacted]

08:00 – 08:20

Statements of Sectorial Agribusiness organizations cluster

[Redacted]

***Moderator** will pass the floor to EVP.*

08:20 – 08:30

Reply to second round of statements EVP

Moderator

○ [Redacted]

- *He will introduce the four representatives of the third cluster indicating their name, position and organization:*

1. [Redacted]

[Redacted]

[Redacted]

08:30 – 08:45

Platforms cluster

Statements of Other Economic Sectors and Sustainability

[Redacted]

***Moderator** will pass the floor to EVP.*

08:45 – 09:00

Reply to third round of statements and conclusions EVP

***Moderator** will thank participants and close the meeting.*

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Annex 2**LIST OF PARTICIPANTS****A. European Union**

	Name	Affiliation	Additional comments	Food restriction
1	Frans Timmermans	European Commission	Executive Vice-President	
2	Ignacio Ybáñez	EU Delegation to Brazil	Ambassador	
3	Anthony Agotha	European Commission	Member of Timmermans cabinet	
4	Estela Pineiro Kruik	European Commission	Member of Timmermans cabinet	
5		European Commission, DG CLIMA		
6		EU Delegation to Brazil		
7.		EU Delegation to Brazil		
8.		EU Delegation to Brazil		
9.		EU Delegation to Brazil		

B. Representatives of Private sector/ Cluster “Industry and Agribusiness”

	Name	Affiliation	Additional comments	Food restriction
10				

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14				

C. Representatives of Private sector/ Cluster “Sectorial Agribusiness organizations”

	Name	Affiliation	Additional comments	Food restriction
15				

D. Representatives of Private sector/ Cluster “Other economic sectors and sustainability platforms”

	Name	Affiliation	Additional comments	Food restriction

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Annex 3

PROFILES OF BRAZILIAN PARTICIPANTS

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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