

**Presidency of the Republic of Brazil**  
**Civil House (Executive Office)**  
**Legal Affairs Sub-Office**

**LAW NO. 12,187, OF 29TH DECEMBER 2009.**

Institutes the National Policy on Climate Change- PNMC  
and makes other provisions.

I, **THE PRESIDENT OF THE REPUBLIC** hereby inform that the National Congress decrees and I sanction the following Law:

Art. 1. This Law institutes the National Policy on Climate Change- PNMC (*Política Nacional sobre Mudança do Clima*) and establishes its principles, objectives, directives and instruments.

Art 2. For the purposes of this Law, the following definitions apply:

I - adaptation: initiatives and measures to reduce the vulnerability of natural and human systems to current and anticipated effects of climate change;

II - adverse effects of climate change: changes in the physical environment or biota resulting from climate change which have significant deleterious effects on the composition, resilience or productivity of natural and managed ecosystems, or on the operation of socio-economic systems or on human health and welfare;

III - emissions: the release of greenhouse gases and/or their precursors into the atmosphere over a specific area and period of time;

IV - source: process or activity which releases a greenhouse gas, an aerosol or a precursor of a greenhouse gas into the atmosphere;

V - greenhouse gases: gaseous constituents of the atmosphere, both natural and anthropogenic, that absorb and re-emit infrared radiation;

VI - impact: effects of climate change on human and natural systems;

VII - mitigation: technological change and substitution that reduce resource inputs and emissions per unit of output, as well as the implementation of measures to reduce greenhouse gas emissions and enhance sinks;

VIII - climate change: a change of climate which can be attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods;

IX - sink: process, activity or mechanism which removes a greenhouse gas, an aerosol or a precursor of a greenhouse gas from the atmosphere; and

X - vulnerability: degree to which a system is susceptible to, or unable to cope with, the adverse effects of climate change, including climate variability and extremes. Variability is a function of the character, magnitude, and rate of climate change and variation to which the system is exposed, its sensitivity, and its adaptive capacity.

Art. 3. The PNMC and resulting activities, performed under the responsibility of political entities and public administration bodies, shall observe the principles of caution (precautionary principle), prevention, citizen participation, sustainable development as well as the principle of common but differentiated responsibilities at international level, and, with regard to the measures adopted for their implementation, shall consider the following:

I - all have the duty to act, for the sake of the present and future generations, to reduce the impacts of anthropogenic interference with the climate system;

II - measures shall be taken to prevent, avoid or minimize identified causes of climate change with anthropogenic origin within the national territory, on which there is reasonable consensus among scientists and technicians engaged in the study of phenomena concerned;

III - adopted measures shall take into consideration the different socio-economic contexts of their application, distribute the resulting financial burden and charges across economic sectors and populations and communities concerned in an equitable and balanced way, and weigh individual responsibilities with

regard to the origin of sources and occasioned effects on climate;

IV - sustainable development is the key to address climate change while conciliating it with serving the common and particular needs of the populations and communities that live in the national territory;

V - action at national level to address current, present and future climate change shall consider and integrate activities promoted at state and city level by public and private bodies.

VI - (VETOED)

Art. 4. The National Policy on Climate Change - PNMC shall aim at:

I - making social-economic development compatible with the protection of the climate system;

II - reducing anthropogenic greenhouse gas emissions with regard to their different sources;

III - (VETOED);

IV - strengthening anthropogenic removals by sinks of greenhouse gases in national territory;

V - implementing measures to promote adaptation to climate change, across the 3 (three) tiers of the Federation, with the participation and collaboration of economic and social agents concerned and of beneficiaries, particularly those especially vulnerable to the adverse effects of climate change;

VI - preservation, conservation, recovery and rehabilitation of environmental resources, with particular attention to the large natural biomes regarded as National Heritage;

VII - consolidation and expansion of legally protected areas and incentives to reforestation and re-composition of vegetation cover in degraded areas;

VIII - encouraging the development of the Brazilian Emissions Reduction Market - MBRE (*Mercado Brasileiro de Redução de Emissões*).

Sole Paragraph. The objectives of the National Policy on Climate Change shall be consonant with sustainable development with the purpose of seeking economic growth, eradication of poverty and reduction of social inequalities.

Art. 5. The directives of the National Policy on Climate Change are as follows:

I - commitments Brazil has undertaken under the United Nations Framework Convention on Climate Change, the Kyoto Protocol and other documents on climate change the country may come to sign;

II - actions to mitigate climate change, in accordance with sustainable development, which are, whenever possible, measurable for their adequate quantification and a posteriori verification;

III - adaptation measures to reduce the adverse effects of climate change and vulnerability of environmental, social and economic systems;

IV - integrated mitigation and adaptation strategies at local, regional and national level;

V - encouragement and support to participation that federal, state, district and municipal governments, as well as by the production sector, academia and organized civil society in the development and implementation of policies, plans, programs and actions related to climate change;

VI - promotion and development of science and technology research, and the diffusion of technologies, processes and practices towards:

a) mitigating climate change by reducing anthropogenic emissions by sources and enhancing anthropogenic removals by sinks of greenhouse gases;

b) reducing uncertainties in future regional and national projections on climate change;

c) identifying vulnerabilities and adopting suitable adaptation measures;

VII - using financial and economic mechanisms to promote action to mitigate and adapt to climate change, observing the provisions of art. 6;

VIII - identifying existing instruments for governmental action that may contribute to protecting the climate system, and coordinating them with the Policy stipulated by this Law;

IX - supporting and fostering activities that effectively reduce emissions or promote removals by sinks of greenhouse gases;

X - promoting international cooperation at bilateral, regional and multilateral level for financing, capacity-building, development, transfer and diffusion of technologies and processes for the implementation of mitigation and adaptation actions, including scientific research, systematic observation and exchange of

information;

XI - improving accurate and systematic observation of the climate and its manifestations within national territory and contiguous ocean areas;

XII - promoting the dissemination of information, education, capacity-building and public awareness on climate change;

XIII - providing incentives and supporting the maintenance and promotion of:

- a) low-greenhouse gas emitting practices, activities and technologies;
- b) sustainable consumption and production patterns.

Art. 6. The instruments of the National Policy on Climate Change are as follows:

I - the National Plan on Climate Change;

II - the National Fund on Climate Change;

III - the Action Plans to Prevent and Control Deforestation in biomes;

IV - Brazil's National Communication to the United Nations Framework Convention on Climate Change, according to the criteria established by said Convention and its Conferences of Parties;

V - resolutions by the Interministerial Commission on Global Climate Change;

VI - fiscal and tax measures destined to stimulate emissions reduction and removals of greenhouse gases, including differentiated tax rates, breaks, exemptions, compensations and incentives, to be established by specific law;

VII – specific lines of credit and financing from public and private financial agents;

VIII - development of lines of research by development agencies;

IX - specific allotments of the Union budget for actions on climate change;

X - existing financial and economic mechanisms referring to climate change mitigation and adaptation to the effects of climate change under the United Nations Framework Convention on Climate Change and the Kyoto Protocol;

XI - financial and economic mechanisms that are national in scope and referring to mitigation and adaptation to climate change;

XII - existing and upcoming measures that encourage the development of processes and technologies that contribute to adaptation and to reducing emissions and removing greenhouse gases, among which is the establishment of preferential criteria in public procurement and calls for tenders (which encompass public-private partnerships and authorizations, permits, and concessions to explore public services and natural resources) for proposals that best provide for saving energy, water and natural resources and reducing greenhouse gas emissions and waste;

XIII - records, inventories, estimates, assessments and any other surveys on greenhouse gas emissions and their sources, based on information and data supplied by public and private bodies;

XIV - dissemination, education and awareness-raising measures;

XV - national climate monitoring;

XVI - sustainability indicators;

XVII - establishment of environmental standards and of quantifiable and verifiable targets for reducing anthropogenic emissions by sources and for anthropogenic removals by sinks of greenhouse gases;

XVIII - assessment of environmental impacts on the microclimate and the macroclimate.

Art. 7. The institutional instruments for action on the National Policy on Climate Change include:

I - the Interministerial Committee on Climate Change;

V - the Interministerial Commission on Global Climate Change;

III - the Brazilian Forum on Climate Change;

IV - the Brazilian Network of Research on Global Climate Change - *Rede Clima*;

V - the Meteorology, Climatology and Hydrology Activity Coordination Commission.

Art. 8. The official financial institutions shall open up specific lines of credit and financing to develop

actions and activities that meet the objectives of this Law and that aim at inducing private agents to observe and implement the PNMC within the range of their actions and social responsibilities.

Art. 9. The Brazilian Emissions Reduction Market - MBRE shall be operated in commodities, futures and stock exchanges, and in over-the-counter trading companies authorized by the Securities and Exchange Commission of Brazil - CVM, where negotiations for securities representing certified avoided greenhouse gas emissions shall take place.

Art. 10. (VETOED)

Art. 11. Other public policy and governmental program principles, objectives, directives and instruments shall be made compatible with the principles, objectives, directives and instruments of this National Policy on Climate Change.

Sole Paragraph. A Decree from the Executive Power shall, in accordance with the National Policy on Climate Change, establish the Sectoral Plans of mitigation and adaptation to climate change, aiming at the consolidation of a low-carbon consuming economy, for the sectors of energy generation and distribution; urban public transport and modal interstate cargo and passenger transportation systems; manufacturing industry and durable consumer goods industry; fine chemicals industry and basic chemicals industry; paper and cellulose industry; mining; civil construction industry; healthcare services; and agriculture and ranching, with a view to meeting gradual quantifiable and verifiable anthropogenic emissions reduction targets, considering the specificities of each sector, including via the Clean Development Mechanism - CDM and via Nationally Appropriate Mitigation Actions- NAMAs.

Art. 12. To attain the PNMC objectives, the country shall adopt actions to mitigate greenhouse gas emissions with the purpose of reducing between 36.1% and 38.9% of projected emissions by 2020 as a national voluntary commitment.

Sole Paragraph. The projection of emissions for 2020 as well as the detailing of actions to attain the objective stated by the present article shall be stipulated by decree, based on the second Brazilian Inventory of Emissions and Anthropogenic Removals of Greenhouse Gases not under the Protocol of Montreal, to be concluded in 2010.

Art. 13. This Law enters into force on the date of its publication.

Brasília, 29th December 2009.

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