VIEWPOINT

Lula off the leash: Can the left be revived?

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VEIRANO ADVOGADOS' REVIEW OF ECONOMIC, LEGAL, AND POLITICAL DEVELOPMENTS

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PHOTOGRAPH: JUSTIÇA VIVA/TV JUSTIÇA/WIKIMEDIA COMMONS

Augusto Aras, Prosecutor General of Brazil

Lula off the leash: What's next for Brazilian politics?

Eighteen months in jail have not mellowed former president Luiz Inácio Lula da Silva, who was freed on 8 November pending final decisions on various criminal charges.

After his release, Lula addressed tens of thousands of supporters in Recife, in north-eastern Brazil. The region is a stronghold for his left-leaning Workers' Party (PT). Many more rallies are planned for the upcoming months. Lula left office in 2011 with a nearly 90 percent approval rating, having overseen eight years of growth and made significant strides in reducing poverty across the country.

Although his freedom is still tenuous and his criminal record prevents him from running for office for now, the genie is out of the bottle and it would be very difficult to put him back.

Lula has made it clear that he plans to remain politically active despite hinting that at age 77 in 2022, when the next presidential election is held, he will be beyond running even if he is legally permitted to do so. Instead, he told the UK's *Guardian* newspaper, his current mission is to "battle for democracy."

He has had sharp words for the current president and government. "Let's hope that [Jair] Bolsonaro doesn't destroy Brazil. Let's hope he does something good …

VEIRANO ADVOGADOS

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for the country ... but I doubt that," he declared, adding that "spreading hate is becoming part of people's daily lives."

In the same interview he noted Bolsonaro's penchant for surrounding himself with paramilitary members and referred to the president's alleged links with organized crime. Lula also called Bolsonaro's admiration for US president Donald Trump "really embarrassing" and characterized him as "a president who doesn't govern, who sits discussing fake news 24 hours a day."

Whether or not Lula runs for office again, what are the chances that his Workers' Party will emerge from the political wilderness? PT has been badly damaged by corruption scandals, but it remains the most popular party in the country by a wide margin. At the same time, it is the second-most strongly rejected: 40 percent of people recently surveyed responded that they would never vote for it.

The only one to come off worse was the Social Liberal Party (PSL), the party from which Bolsonaro has just decamped.

Clearly, PT needs more than Lula's crowd-pleasing rhetoric to win back the trust of voters. Although the charismatic former leader gave an impassioned speech to the party faithful in Recife, many observers think he is likely to put pragmatism before populism as he tries to breathe new life into the left by building alliances that he hopes will translate into domination at the ballot box once more.

Battling Bolsonaro

What would a resurgent left – if Lula manages to stir up sufficient energy – have to overcome in order to regain power? Support for Bolsonaro and his government has been steadily falling, from nearly 60 percent when he took office to around 30 percent as the end of the year approaches.

That is uninspiring but not fatal. On three key measures, according to *Americas Quarterly*, there is a sufficient perception that the current government has made progress: crime, corruption, and the economy.

Progress on crime

From January to July, the national homicide rate fell 22.3 percent year on year. Also declining are car theft (–26.1 percent), cargo theft (–23.5 percent), bank robberies (–35.8 percent), and sexual assault (–10.9 percent). Over the same period, however, police accounted for 30 percent of violent deaths in Rio de Janeiro, most of which have occurred in low-income neighborhoods. ...



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Offices in Rio de Janeiro, São Paulo, Porto Alegre, and Brasília...



PHOTOGRAPH: GILDRATPIXABAY.COM

As crime was possibly the most significant concern of voters going into the 2018 election, the improved security picture is likely to tell well with future voters

Bolsonaro's administration thus appears to condone police brutality, and those who are not its victims appear to believe that policy is effective. As crime was possibly *the* most significant concern of voters going into the 2018 election, the improved security picture is likely to tell well with future voters.

Perceptions of corruption

And what of corruption? The big cases are no longer dominating the news as they did at the height of Operation Lava Jato (Car Wash) and the cash-for-votes scandal (*mensalão*) that dogged the Workers' Party in the 2000s.

There is of course a difference between actually rooting out corruption and making it less visible. Over the past six months, Bolsonaro has fired the director of the Council for Financial Activities (COAF) and moved the agency from within the Ministry of Finance structure to put it under the aegis of the Central Bank. Critics suggest that this will hinder its ability to work with law enforcement agencies.

Bolsonaro has also shaken up the Rio de Janeiro Federal Police force at the top, notionally for reasons of productivity. It is notable that the force has jurisdiction over a case against the president's son Flávio for alleged money laundering. In conjunction with Bolsonaro's choice of prosecutor general – Augusto Aras is known to be personally loyal to him – some suggest that the president has effectively stymied the investigation.

The president and his family are thus not free from suggestions of taint, and corruption more generally has evidently not been stamped out. But without headline cases every day, more than 30 percent of those surveyed believe that anti-corruption efforts are among the government's successes. And some are perhaps simply tired of talking about it.

When it comes to voting intention, perception is all.

It's the economy, stupid

The third measure, as politicians everywhere know, is where the buck stops. How is the Brazilian economy doing under Bolsonaro?

Inflation, interest rates, and unemployment are all falling. Pension reform, which previous administrations grappled with unsuccessfully and which is expected to improve the government's bottom line substantially, has passed. The Mercosur–EU trade deal that took 20 years to negotiate has finally been completed, though it has not yet been approved by all member states.

The country dodged recession at the end of August, as second-quarter growth of 0.4 percent pulled it back from the brink, and certainly economic conditions have strengthened since the severe recession of 2014–16. Yet consumer confidence continues to falter, the currency remains weak, and foreign exchange outflows are at a record high.

Economic performance is better than it was – but unless improving trends become more robust, Bolsonaro's government is likely to continue losing popularity.

Savior or provocateur?

The government's record and popularity may be mixed, but Lula's reappearance on the political scene is not necessarily bad news for the right or good news for the left. And for Lula himself, it is provisional.

Since his release, a federal appeals court has upheld the former leader's corruption conviction with respect to a country house in Atibaia. Lula is alleged to have received US$235,000 worth of construction work on the property in exchange for favoring the construction companies when they bid on contracts with the state-owned oil company Petrobras. Indeed, the court increased his sentence from nearly 13 years to more than 17. ...

Lula's defense team has asked the Second Chamber of the STF to quash the appeal verdict. A final decision has not yet been made, and in the meantime the former president remains free.

He does so, however, not because he was found innocent but because of a recent Supreme Court (STF) ruling that convicted criminals can remain free until they have exhausted all appeals. Lula therefore continues to operate under a legal cloud, and the STF decision has angered some on left and right alike who believe that it undermines anti-corruption gains.

Once more, those who can afford to may drag their cases through the justice system for years while avoiding jail. The change is believed to cover some 4,800 current inmates.

Both the Chamber of Deputies and the Senate have tabled legislation to restore the earlier system, under which those convicted were imprisoned following the failure of their first appeal, but it is not considered likely to pass because too many legislators and former legislators are directly affected.

Additionally, as the *Financial Times* reports, some observers believe that rather than galvanizing the left Lula's presence will radicalize it, deepening political divisions and muting more moderate views. No new leftwing or centrist figure is likely to be able to challenge him – and therefore to challenge Bolsonaro.

There is also the danger that the currently fractious right will unit against the threat that Lula poses, becoming stronger in the process. Only time will tell whether Lula's re-emergence will save Brazil from an increasingly authoritarian regime or exacerbate tensions in an already polarized society.

Economic snapshot

Third-quarter GDP grew by 0.6 percent over the second quarter, to US$437 billion, according to Brazilian Institute of Geography and Statistics (IBGE) data published on 2 December. The figure also represents 1.2 percent growth over 2018Q3. Private-sector investment rose 2 percent and household consumption by 0.8 percent, while government spending fell by 0.4 percent.

The boost in consumer spending was no doubt helped by the Central Bank's cut in its benchmark Selic interest rate to a new low of 5.0 percent, amid signals that it will trim the rate by another 50 basis points to 4.5 percent later in December.

The results show the fastest pace of economic expansion in six quarters, putting GDP at the same level as 2012Q3, and 4.9 percent higher than in the depths of recession in 2016Q4.

These figures – better, but not stellar – may in fact be underestimating the improvement. The day before they were released, the Ministry of Economy revised its September–November export data by US$6.5 billion due to a significant statistical error. Of that total, September accounted for US$1.37 billion and had not been taken into account in the IGBE third-quarter GDP report.

IGBE has announced that it will issue a revised report on 4 March along with the fourth-quarter figures.

Recently, the Ministry raised its 2019 GDP growth projection from 0.85 to 0.9 percent, and from 2.17 to 2.32 percent for 2020. Economists surveyed by the Central Bank set the figures at 0.92 percent and 2.08 percent, respectively.

Banking & finance

Budget bonus

As reported by Ministry of Economy on 25 November, federal revenues in the first 10 months of 2019 were US$302 billion, a 1.92 percent increase over the same period in 2018 after adjusting for inflation. Revenues administered by the Federal Revenue Service were US$29.9 billion in October, a real gain of 1.47 percent, and totaled US$288.77 billion from January to October, up 1.87 percent.

Revenues controlled by other agencies, such as oil royalties, were US$2.39 billion in October, down 15.44 percent from October 2018. Over the first 10 months of the year, however, this revenue stream rose 2.98 percent in real terms (to US$13.36 billion) compared to the same period last year, mitigating the monthly decline.

The Treasury, social security system, and Central Bank – together constituting the central government – are now expected to end 2019 with a primary deficit of US$19 billion. The primary deficit is the difference between the current year's fiscal deficit and the interest paid on the borrowings of the previous year, and with a US$33 billion target for the year, government accounts are in better shape than expected. ...

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Banking & Finance...

When the federal distribution of funds across states and municipalities and to Petrobras for surplus barrels of pre-salt oil is completed, the 2019 budget should close out the year with a US$4.3 billion reserve, most of which will be used to lower the primary deficit.

Dollars for sale

The Central Bank of Brazil has been selling its dollar reserves in the cash market, to the tune of more than US$40 billion since August. The idea is to reduce interest on the public debt and to constrain government indebtedness while the dollar is expensive. The dollars are being offered to major banks and authorized brokers only.

At the same time, Brazil is expected to experience its largest dollar outflow since 1982. The October figure was US$8.49 billion and the total so far this year is US$21.5 billion. Previously, the worst forex deficit of the past four decades was US$16.2 billion in 1999.

Stock market growth

Brazil's leading share index, the Bovespa, reached a record high on 7 November, marking a 20 percent rise over a year in which it has also seen the highest initial public offering issuance in a decade, at US$22 billion. Financial analysts put the growth down to low interest rates that make equities a better bet than leaving money in the bank.

Business news

Móvil moving in

Mexican telecommunications group América Móvil has announced planned investment of US$7.2 billion in Brazil over the next three years, primarily for network expansion and infrastructure for the development of new cloud storage services and solutions.

PHOTOGRAPH: MIKE MOZART/FLICKR



UK oil and gas major BP has completed the formation of a joint venture with Bunge

América Móvil is also interested in participating in an auction of the 5G frequency range in Brazil currently scheduled to be held in late 2020. The giant telecom group controls Brazilian mobile, satellite-television, fixed and broadband telecom operator Claro, which in turn incorporates Embratel and NET.

BP Bunge Bioenergia

UK oil and gas major BP has completed the formation of a joint venture with Bunge. The new venture, BP Bunge Bioenergia, has 11 biofuels sites in five Brazilian states, with more than 10,000 employees. It has a total crushing capacity of 32 million metric tonnes of sugarcane per year, and is capable of producing more than 1.5 billion liters of ethanol and 1.1 million tonnes of sugar.

Business boycott widening

Nordea Asset Management announced at the beginning of December that it was halting purchases of Brazilian sovereign debt and reviewing its existing Brazilian holdings.

The move by the €200 billion Norwegian investment fund reflects a growing trend of limiting the risk of doing business with Brazilian private and public entities that may be involved in deforestation – either with respect to their operations or at some point in their supply chains. Adherence to Environmental, Social, and Governance (ESG) principles is becoming increasingly pertinent for Brazilian business, largely in relation to beef and soy production.

Infrastructure issues

5G auction delay?

Ministry of Science, Technology, Innovations, and Communications executive secretary Julio Semeghini has indicated that the National Telecommunications Agency (ANATEL) will hold an auction at the end of 2020 to supply 5G technology to the Brazilian hardware network. *Folha de São Paulo* reports, however, that some companies in the industry believe it will be delayed. **...**



PHOTOGRAPH: KARLIS DAMBRANS/FLICKR

President Jair Bolsonaro may postpone the auction for a year in order to give Americans time to upgrade their 5G technology in order to compete

The United States wants to prevent Chinese companies from operating in the 5G markets of its allies, including Brazil. Unconfirmed reports suggest that President Jair Bolsonaro may postpone the auction for a year in order to give Americans time to upgrade their 5G technology in order to compete.

ANATEL will define the auction rules by 12 December. A delay would signal cooperation with the United States and make an end-run around issues raised by the US–China trade war.

The investment picture

The Federation of Industries of the State of São Paulo (FIESP) has published a study finding that Brazil needs to invest some US$238 billion in infrastructure over the next decade simply to recover ground lost by weak economic growth and inadequate public investment. Housing, sanitation, and urban mobility projects are priorities, followed by logistics, transportation, energy, and telecommunications.

The contribution of the construction sector to GDP fell from 12 percent in 2012 to 7.9 percent in 2018, but the study forecasts an improvement over the next two years due to low interest rates, private-sector appetite for public–private partnerships, and an improving economy.

Send it by water

Early in November the Brazilian government eliminated a 14 percent tax on vessels imported for the purpose of goods transport. The intention is to encourage the use of Brazilian waterways for moving freight, especially by the private sector.

Currently, two-thirds of freight is trucked, while less than 30 percent of the country's 63,000 km network of waterways is used for cargo.

Highway upgrade

The Way-306 consortium – formed by the companies GLP, Engineering and Trade Bandeirantes, TCL, Senpar, and TORC – has made the winning bid to manage nearly 220 kilometers of highway in Mato Grosso do Sul over the next 30 years. The consortium will invest US$225 million to improve the infrastructure of MS-306 Highway over the life of the concession.

Mining & metals

Boosting nickel production

Brazilian mining giant Vale has announced plans to boost nickel production to 360,000 tonnes per annum – an increase of approximately 70 percent – as demand for electric batteries rises. The company is the top nickel producer globally, and nickel is the only base metal to have recorded gains this year.

The diggings of Oz

Australian copper-gold miner Oz Minerals has been transforming the small open-cut Pedra Branca copper and gold mine in the Carajás region into a US$35 million underground operation, following a series of strategic agreements with Brazilian mining giant Vale.

Oz Minerals has now launched this initial phase of what it envisions as a 1 million tonnes/year underground operation with a mine life of eight years, expected to produce about 18,000 tonnes of copper and 11,000 ounces of gold annually.

Pre-concentrate ore from Pedra Branca will be trucked 75 km to the existing Antas plant, marking the first spoke in a planned hub-and-spoke mining complex around the Antas mine's concentrate processing facility. The plan has Vale initially transporting Pedra Branca's output to Antas, and then marketing the concentrate produced from that ore.

ENERGY & ENVIRONMENT

Oil & gas in brief

Shell announces new production

New deep-water production from the pre-salt Santos basin came online in mid-November. Shell Brasil Petróleo and consortium partners Petrobras, Total, and Petrogal Brasil announced the start of oil and natural gas production at the P-68 floating production, storage, and offloading unit.

The unit, located in Berbigão, Sururu, and West Atapu, is operated by Petrobras and can process up to 150,000 barrels of oil and 6 million cubic meters of natural gas daily.

Equinor exploration

Norwegian company Equinor announced at the end of November that it plans to focus its international exploration efforts on proving new resources offshore Brazil over the next two years. The company intends to drill five wells over the period, calling Brazil a "hotspot."

The company will focus largely on its existing portfolio in Brazil, where it intends to develop the Carcara discovery. New acreage will be added only selectively.

Bid round a bust

The National Petroleum, Natural Gas, and Biofuels Agency (ANP) held its sixth round of bidding for production-sharing concessions on 7 November, but only the Aram block, in the central Santos basin, received an offer.

Petrobras had earlier exercised its prerogative to express a preference for three blocks, meaning that the winning consortium would have to include it with a minimum 30 percent share. In the end, however, Petrobras placed just the one bid, offering 29.96 percent of surplus oil to the federal government after deducting operating costs and royalties. The bid was made in a consortium with China's CNPC Exploration & Development Company (CNODC), which has a 20 percent stake.

The tepid response to the auction – international oil majors refrained from making any bids at all – was in contrast to a round of bids on surplus oil held the day before, which yielded US$17.4 billion in signing bonuses.

This earlier auction was held under the transfer-of-rights legislation implemented in 2010 for the development of pre-salt areas in the Santos basin. The law grants Petrobras the right to explore areas with up to 5 billion barrels of oil equivalent and auctions off any surplus.

Two of the four blocks on offer received no bids from the 14 companies that qualified to participate, but the total signing bonuses were the highest of any ANP auction.

The Búzios block was awarded with US$17 billion in signing bonuses by the winning consortium, formed by Petrobras, CNODC, and the China National Offshore Oil Corporation (CNOOC). The Brazilian company has a 90 percent share in the consortium, and the two Chinese firms have 5 percent each.

Petrobras also won the Itaipu block as a solo bidder, offering a signing bonus of US$439.5 million.

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Commercial Contracts...

Petrobras news

A new business plan

Petrobras has a new business plan, approved on 27 November and as reported by Agência Brasil. The company envisions investing US$75.7 billion from 2020 to 2024, a drop of 11 percent from the US$84.1 billion allocated in the 2019–23 plan. Approximately 85 percent of the new figure is earmarked for exploration and production.

The plan forecasts production of 3.5 million barrels of oil equivalent (oil and gas) per day in 2024, substantially higher than the 2.7 million of 2020. Of that, oil production should rise from 2.2 million barrels per day in 2020 to 2.9 million in 2024.

The divestment program that the company began some time ago will continue, with a projected US$20–30 billion in asset sales over the period covered by the plan, most of them in the first two years.

The company intends to boost its value by nearly 50 percent by 2021, in part by putting more offshore oil assets up for sale. Among them are its stake in the Marlim field and parts of the Papa-Terra field. Petrobras also hopes to sell its Bolivian assets, petrochemical company Braskem, and its remaining stake in BR Distribuidora.

Dividends are back

Petrobras is planning to pay US$34 billion in dividends over the next five years in a shift away from the meager payout of 2018 (US$1.7 billion) and none at all in 2015, when company shares were ...

downgraded to junk status in the depths of a corruption crisis.

The company has turned a profit since 2018, reducing net debt to about US$75 billion at the end of 2019Q3 from around US$95 billion at the end of the first quarter. Its target is to reduce debt to 1.5 times earnings (net of some items) by the end of 2020.

Petrobras expects to pay US$3 billion in dividends next year, and more after 2021, when reduction of gross debt to US$60 billion will trigger an internal rule for higher payments, CEO Castello Branco said at a news conference in New York.

Refinery sales

Petrobras on 22 November launched the next phase in the process of selling four state-owned refineries: Abreu e Lima, Landulpho Alves, Presidente Getúlio Vargas, and Alberto Pasqualini. Prospective buyers will receive an invitation letter along with information about the units being sold.

The refineries have an aggregate processing capacity of 879,000 barrels of oil per day.


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Oil, Gas & Biofuels...

Renewable energy

Roll on RenovaBio

A recent report from Moody's Investors Service forecasts benefits to Brazil's sugarcane industry not only from increased ethanol consumption but also from the RenovaBio federal program to cut carbon emissions by 10 percent by 2028.

When the program is implemented in the new year, certified producers will receive carbon credits known as CBios, which they can sell to generate revenue. Fuel distributors will meet their annual carbon emission reduction targets through the purchase of CBios.

Biofuels International also notes that Brazil's low production costs help local ethanol producers to remain competitive even under stressed oil prices.

The corn gap

As the trade war rumbles on between China and its traditional corn supplier, the United States, Brazil has planted at 18 million hectares of the grain, up 3.5 percent on the year and the largest such crop on record. Production is expected to reach 101 million tonnes during the 2019–20 season as Brazil fills the gap in China's supply.

Additionally, demand for corn as ethanol feedstock is the primary reason behind an expected 6 percent increase in Brazilian domestic requirements next year.

The winds of change

The European Investment Bank (EIB) has signed an agreement with Neoenergia to provide €250 million in financing for 15 wind farms in north-eastern Brazil. The facilities will be located in Paraíba, Bahía, and Piauí states and will have total installed power of 520 MW, to produce an annual average of 2,300 GWh of wind energy. Wind power generation represents 11 percent of the energy mix in Brazil.


PHOTOGRAPH: SWEETER ALTERNATIVE/FLICKR
Brazil's sugarcane industry will benefit from increased ethanol consumption

The deal was announced at the Climate Change Conference (COP25) in Madrid. EIB Vice President Emma Navarro called the financial institution "the EU's climate bank."

Belo Monte up and running

The Belo Monte hydropower plant is now fully operational. The giant dam has a capacity of more than 11,000 MW and will account for 7 percent of the country's total energy generation capacity and serve 18 million households. Construction took over eight years and produced 30,000 jobs.

The Norte Energia consortium won a 35-year contract to operate the facility in August 2010. ...

Albuquerque on energy

Minister of Mines and Energy Bento Albuquerque announced in late November that the power sector needs investments of US$107 billion new energy transmission and generation plants from now until 2029. Over that period, generation is expected to grow by 35 percent and transmission by 39 percent.

In the same speech, Albuquerque also referred to the privatization of state-owned electric energy company Eletrobras. The government has submitted a privatization bill to the Chamber of Deputies. Legislative hurdles remain, but the minister expects the company to be privatized by the second half of next year.

The idea is that company activities the government considers strategic, such as nuclear power generation, will be separated from sales of new Eletrobras shares to the private sector, a process that will eventually reduce the government's stake reduced to a non-controlling share. It is hoped that the privatization will bring in US$3 billion.

Exemptions and incentives

President Jair Bolsonaro has vetoed a bill that allows tax exemptions for solar equipment imports, narrowing the exemption to apply only if no similar models are produced domestically. The Ministry of Economy recommended the veto on the basis that the bill does not include compensation measures for any impact it will have on the government's fiscal target.

Solar power output increased 75.8 percent in November 2019 over the same month in 2018, to 666 average megawatts (MWa).

At the same time, the Finance and Taxation Committee of the Chamber of Deputies has approved a bill under which the federal government will offer differentiated credit lines to family-run farms that invest in solar, wind, or biomass power generation. The bill must still be analyzed by the Constitution, Justice, and Citizenship Committee.

Environmental news

Payment for services rendered?

The International Conference on Climate Change (COP25), on in Madrid from December 2 to 13, has given Brazil the opportunity to again demand compensation from developed countries for preserving flora and fauna within its territory – or what Environment Minister Ricardo Salles considers providing "good conservation service" to the rest of the world.

Article 6 of the Paris Agreement, adopted at the end of the 21st Conference of the Parties (COP21) in 2015, stipulates that developing countries must receive financial aid to mitigate the effects of greenhouse gas emissions and bolster sustainable development. Salles believes that Brazil has a claim to a significant proportion of the US$100 billion allocated to this purpose.

Brazil is among the developing nations that want to preserve the value of credits earned under the Clean Development Mechanism, a program stemming from the 1997 Kyoto Protocol that channeled US$138 billion into some 8,000 projects to cut emissions.

Credits earned under the system have lost most of their value since the mechanism fell into disuse, and Salles wants recognition for these earlier efforts. At stake is the size of each developing country's share of global green money to address climate change.

Who spilled the oil?

Five Greek-flagged tankers – Delta Tankers' *Bouboulina*, Maran Tankers' *Maran Apollo* and *Maran Libra*, Minerva Marine's *Minerva Alexandra*, and Euronav's *Cap Pembroke* – are being investigated by the Brazilian Navy and the Federal Police on the suspicion that they are responsible for leaking oil and tarring beaches along the north-eastern Brazilian coastline since late August.

Thirty tankers of several nationalities were in the region where and when the oil is believed to have started spreading, around 700 km east of Paraíba, and the Bouboulina is the main suspect. Delta Tankers denies the allegation, reporting that it has inspected footage from cameras and sensors inside the vessel and found no evidence that it was carrying the leaked product.

Investigators believe that part of the material may have been transferred to another vessel after the Bouboulina had navigated the Brazilian coast and sailed on to Singapore and Malaysia. Delta has stated that the ship discharged its cargo in Malaysia with no reported shortages.

The Monitoring and Assessment Group – comprising representatives of the Brazilian Navy, the National Petroleum, Natural Gas, and Biofuels Agency, and the Brazilian Institute of Environment and Renewable Natural Resources – has found that some oil currently contaminating the Rio de Janeiro coast matches that washing up along the north-eastern shore. Samples were gathered in several locations in northern Rio de Janeiro, but only ...

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Environment...



PHOTOGRAPH: KREMLIN.RU

During the 11th BRICS Summit the leaders of Brazil, Russia, India, China and South Africa noted progress toward developing a remote sensing satellite system

a fragment from Santa Clara beach was reported to be a match.

Almost 700 locations on the Brazilian coastline have been affected by the spilled oil. Since the end of August, roughly 4,500 tons of contaminated waste have been collected from beaches, swamps, rocks, and other habitats.

Science & technology

BRICS satellite system

During the 11th BRICS Summit in Brasília in November, the leaders of Brazil, Russia, India, China and South Africa noted progress toward developing a remote sensing satellite system. The member nations plan to share crucial data from a "virtual constellation" of satellites and ground stations contributed by their respective space agencies.

Indian Minister of State for Space Jitendra Singh indicated that technical discussions are significantly advanced. The BRICS remote sensing program will have applications for natural resources management and disaster management.

Currently, only Brazil, Russia, India, and China have remote-sensing satellites in the sun-synchronous orbit, and they will provide data to South Africa.

National Innovation Policy

The Ministry of Science, Technology, Innovations and Communications has launched a consultation process to generate input for a National Innovation Policy. The policy will set goals for the next decade to foster the development of new technologies focused on improving the economy and delivery of public services.

Brazil Tech reports that initial proposals include streamlining the patent process, making open scientific knowledge more readily available on digital platforms, promoting the creation and development of technology startups, and encouraging private-sector investment in research and development.

Artificial intelligence network

Science, Technology, Innovation, and Communications Minister Marcos Pontes has announced that his ministry plans to develop a network of eight research facilities focused on artificial intelligence (AI). The announcement, made at an event in early November on public-sector innovation, was thin on details with respect to timing and funding. These are expected to be made public in an upcoming tender.

According to the minister, one of the labs will focus on AI technology in areas such as cyber-security and will involve the Brazilian Army, while the other seven will work on applied AI.

Bio-science breakthrough

A UK–Brazil collaboration to build a more sustainable bio-based economy has shown that waste sugarcane and wheat straw from agricultural processes can be made directly into chemicals, increasing their value 5,000 times over. The chemical building blocks can be used to make products such as air freshener, fabric softener, and food flavoring, as well as new medicines and drugs.

The work is part of five-year UK–Brazil program funded by the UK's Biotechnology and Biological Sciences Research Council and Brazil's São Paulo Research Foundation (FAPESP).

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Healthcare...

Upcoming events

Title	Date	Place	Sponsor/Host	Contact
Brazil Investment Innovation Forum	22 January 2020	São Paulo	Innovation Latam	info@innovacionlatam.org
Finance Disrupted LATAM: Driving Inclusive Growth	25 February 2020	Mexico City	The Economist/Deloitte	robertonieves@economist.com
LatinFinance Integration and Development Forum	5–6 March 2020	Montevideo	LatinFinance/Fonplata	lfevents@latinfinance.com
REFFLatAm 2020	16 March 2020	Miami	IJGlobal, Euromoney	events@ijglobal.com
Latin Lawyer Live 11th Annual Oil & Gas	24 March 2020	Cartagena	Latin Lawyer	http://latinlawyer.live/oilgas2020

Politics in brief

The reform package

Nearly nine months after being brought forward by the government, the constitutional amendment bill on the rules for retirement and pensions has been passed by both chambers of Congress. The original proposal would have saved US$288.7 billion over a decade but congressional amendments reduced that figure to US$192.4 billion.

The new rules, effective immediately following enactment, cover 72 million people, including federal civil servants and private-sector workers.

A complementary constitutional amendment, still in the Senate, will allow state and municipal governments to adopt the same pension and retirement rules for civil servants through a so-called ordinary law, speeding up the process. If the Senate passes the second bill it will go to a special commission of the lower house and then be submitted to two rounds of voting.

The passage of pension reform is an undoubted achievement, though it was accomplished largely by the efforts of cross-party cooperation in the legislature under the leadership of Chamber of Deputies speaker Rodrigo Maia rather than by any effective government strategy.

Further, another major element of the reform package – an administrative reform bill to impose some discipline on a bloated federal public sector that guarantees civil servants jobs for life and automatic promotions – has been pushed back to next year. That's unfortunate in the context of an overall fiscal deficit of about 6.5 per cent and gross public-sector debt of nearly 80 per cent of GDP.

The third reform element is a simplification of the tax system. This key demand of business is likely to have a choppy ride through congressional waters roiled by competing interests.

All three components of the reform package require constitutional amendments, and these require a three-fifths majority in both houses of Congress. With regional elections approaching in the second half of 2020, time is running out to accomplish much before lawmakers enter campaign mode.

A new allegiance

President Jair Bolsonaro on 12 November announced his departure from the Social Liberal Party (PSL), which he joined before running for president. Concurrently he has created a new party, the Alliance for Brazil.

The PSL has 53 representatives in the Chamber of Deputies (just one fewer than the first-place Worker's Party), three Senate seats, and a sizable campaign war chest at the ready, so the president is walking away …

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from substantial benefits. PSL founder Luciano Bivar has clashed with Bolsonaro and his politician sons over control of the party.

In order to be officially registered and allowed to run candidates under its banner, a party must collect a minimum 500,000 signatures – conventionally on paper – in at least nine states and have them individually validated by the Superior Electoral Court. That will be a tall order before municipal elections in March 2020. Bolsonaro hopes to be allowed to garner digital signatures via social media to speed up the process.

On 21 November, he announced that none of his cabinet ministers will join the Alliance, in order to avoid "any misinterpretation" that he is using the public apparatus to form a party.

Since entering politics in 1988, Bolsonaro has belonged to the Christian Democratic Party, the Social Christian Party, and six others. His new venture rests largely on a platform of defending God and guns and opposing communism.

The Alliance for Brazil calls itself "more than a party," and explicitly ties its manifesto to Bolsonaro himself, calling the nascent movement "the dream and inspiration of people loyal to President Jair Bolsonaro of uniting the country with allies in ideals and patriotic intent." The historical echoes in such explicit allegiance to a cult of personality are more than a little disturbing.

Senator Flávio Bolsonaro, the president's eldest son, is taking the post of party vice-president.

The Alliance further expressed its opposition to abortion, LGBT rights (it threatens to banish even discussion of such rights), any limitation on private property, and legal restraints on security forces. As the government has already widened the concept of "legitimate defense" in the military criminal code, this last plank is of a piece with Bolsonaro's stated support for the idea that "you can't fight crime with human rights."

PHOTOGRAPH: KREMLIN.RU



On 6 November, *Folha de São Paulo* launched the Bolsonometer, which fact checks and contextualizes the president's utterances

The president versus the paper

Secretary of Social Communication Fabio Wajngarten has rebutted an editorial that appeared in *Folha de São Paulo* on 2 December, accusing the newspaper of "frivolity and authoritarianism."

The article in question was critical of President Jair Bolsonaro, suggesting that he is unable to understand the concept of impartiality within a republican political structure.

Wajngarten's allegation of bias is the latest shot across the bow in a war of words between the president (and his administration) and the highly regarded newspaper.

On 1 November, the federal government cancelled all subscriptions to *Folha*, although the following month an edict excluding the paper from a competition to renewal digital subscriptions with the government was revoked.

On 6 November, the paper launched the Bolsonometer, which fact checks and contextualizes the president's utterances and continuously updates a graph showing a daily tally of false or inaccurate statements and their monthly accumulation.

The meter launched with a database of 86 statements that Bolsonaro had made since taking office on 1 January and immediately revealed an average 8.6 false or inaccurate statements per month – with a sharp increase in August and September.

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Dispute Resolution…

Defense issues

Regaining ground for exports

The Brazilian government wants the country to earn a place among the top 10 exporters of arms and military products in a global market worth about US$1.5 trillion, according to Secretary for Defense Products Marcos Degaut Pontes.

Ministry of Defense data indicates that Brazil will export close to US$357 million in defense products this year, exceeding the historical annual average of US$214 million over the past few years.

At a defense industry event on 21 November, Pontes suggested the figure could reach US$1.4 billion by 2022, but for that to happen the highly profitable military industrial sector needs to be given higher priority on the foreign trade agenda. The government wants to reduce bureaucratic bottlenecks and funding obstacles to such trade, which generates US$10 for every dollar invested.

Brazil produces guns, missiles, armored vehicles, training aircraft, light attack aircraft, large multiple-use aircraft, air traffic control systems, and defense systems. Three decades ago it was the eighth-largest exporter of defense products globally but now ranks 60th, according to the Brazilian Association of Defense and Security Materials Industry (ABIMDE).

Operation Green Brazil

Operation Green Brazil, which took place from 24 August to 24 October, has concluded. In an effort to contain Amazonian wildfires, the Ministry of Defense operation combined military commands linked to public safety organizations, public environmental protection entities, and federal, state, and municipal agencies.

The operation involved firefighting; issuing fines against illegal sawmills, loggers, farmers, and others involved in setting fires or deforestation; seizing illegally obtained lumber; confiscating vehicles and vessels; and making numerous arrests.

It drew on data provided by the Amazon Protection System's Operations and Management Center (CENSIPAM), which uses integrated remote sensor subsystems, radars, weather stations, and data collection platforms throughout the region.

CENSIPAM has also developed an application called Eagle Eyes, which can be used to photograph a fire, log its location from the GPS on the user's cellphone, and insert observations. The application stores the information in the device and then synchronizes it with CENSIPAM's database once field agents reach connectivity.

Brazilian Marines from the 52nd Jungle Infantry Battalion also conducted reconnaissance on environmentally protected areas and Indigenous lands.

Legal issues

Rescinding Toffoli injunction

In a defeat for court president Justice Dias Toffoli, the Supreme Court (STF) has authorized the sharing of bank and tax data with legal entities and the police without prior judicial authorization.

In July, Toffoli issued an injunction against such use of financial information, suspending more than 900 investigations and prosecutions then underway. The ruling was particularly controversial considering that one of the investigations involved Senator Flávio Bolsonaro, the son of the president, over activities that appear to be consistent with money laundering. Rio de Janeiro prosecutors were forced to halt their inquiries as a result.

It looks as though Flávio's business dealings will soon come under renewed scrutiny.

Criminalizing media reporting

On 8 November, Law 13.834 added "slanderous denunciation" as a criminal offense under Brazil's electoral code. The law criminalizes knowingly accusing someone – "by any means or form" – of a crime they did not commit if the accusation leads to a civil or criminal investigation.

Under both the penal and electoral codes, slanderous denunciation is punishable by two to eight years in prison and a fine.

The US-based Committee to Protect Journalists has expressed grave concern that including this clause in the electoral code could make journalists criminally liable simply for reporting on allegations of illegal actions by political candidates, stifling information that is in the public interest particularly during electoral campaigns.

Social issues

The employment picture

Unemployment fell to 11.6 percent in the quarter ending in October, from 11.8 percent in the quarter ending in July, according to the Brazilian Institute of Geography and Statistics (IBGE). The rate was marginally higher for the same period of 2018, when it was at 11.7 percent.

The current figures translate into 12.4 million unemployed and 94.1 million employed. The number of people ...



PHOTOGRAPH: JOINT BASE LANGLEY-EUSTIS

IGBE has released data indicating that same-sex marriage in Brazil increased by more than 60 percent in 2018

employed with a formal contract in the private sector was 33.2 million, while those without a formal contract was 11.9 million. And the number of self-employed workers reached 24.4 million.

Same-sex marriage

IGBE has released data indicating that same-sex marriage in Brazil increased by more than 60 percent in 2018 over 2017. Last year, about 9,500 same-sex partnerships were registered, compared to fewer than 6,000 in 2017.

Fast forward to this year, and such marriages have jumped by 360 percent since the election of Jair Bolsonaro. Some of those ceremonies are undoubtedly a response to the president's well-publicized antipathy to homosexuality and fear that same-sex rights could be stripped away under the current government.

Same-sex marriage has been legal in Brazil since 2013, following a decision of the National Justice Council. Other Latin American countries to legalize same-sex marriages are Argentina, Costa Rica, Colombia, Ecuador, and Uruguay, but these unions do not always come with the same rights as heterosexual marriages in terms of inheritance and estate laws.

Migrant children unprotected

Human Rights Watch has accused Brazilian authorities of failing to provide adequate protection for the hundreds of unaccompanied Venezuelan children who are fleeing into Brazil.

Almost 90 percent of the over 500 unaccompanied Venezuelan children who crossed the border into the Brazilian state of Roraima from the beginning of May to the end of November are between ages 13 and 17. They travelled either alone or with an adult who was not a relative or legal guardian, and there are likely to be many more who did not stop for a border interview.

There is no system to track and support unaccompanied children after their entry.

Diplomatic briefs

Cash for a vote

Brazil currently owes the United Nations US$415.8 million in unpaid dues, some US$143 million of it for 2019. That's a problem, because UN rules stipulate that arrears totaling or exceeding contributions due for the previous two years – without an extenuating reason – can result in suspension of the country's General Assembly vote

If Brazil does not pay up, at least in part, it may lose its voting right on 1 January 2020.

A mission in Jerusalem

The *Times of Israel* reports that the Brazilian Trade and Investment Promotion Agency is set to open a mission in Jerusalem on 15 December. The opening will reportedly involve a visit by a group of senior Brazilian legislators headed by Eduardo Bolsonaro, son of President Jair Bolsonaro and an avid Israel supporter. The facility will not have diplomatic status.

Say it ain't so, Eduardo

President Jair Bolsonaro has submitted Nestor Forster's name to the Senate for the post of Brazilian ambassador in Washington. The move underscores the conclusive failure of the Bolsonaro family's earlier effort to put Eduardo Bolsonaro, the president's third son, into the prized position. ...

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Government & Regulatory...

The younger Bolsonaro has not been having a good month. At the beginning of December he was suspended by Social Liberal Party (PSL) for one year for trying to oust its founder, Luciano Bivar, in a battle for control of the party that led to President Bolsonaro leaving to start his own party. The spat ultimately led the elder Bolsonaro to give up pushing Eduardo's ambassadorial nomination.

As a result his suspension, Eduardo could lose the chair of the Chamber of Deputies Foreign Affairs Committee. He has also lost his post as PSL party president in São Paulo.

Meanwhile Forster, who is a career diplomat, will be questioned by senators at a special committee meeting, following which his nomination will be decided upon in a plenary session.

Voting for Cuba embargo

On 7 November, Brazil joined forces with the United States and Israel at the United Nations to vote against a resolution condemning the US economic, commercial, and financial embargo on Cuba. Annually for the past 28 years, the UN General Assembly has adopted a resolution condemning the ongoing impact of the blockade and declaring that it violates the UN Charter and international law.

Last year, the resolution against the embargo was approved by 189 votes to 2 with no abstentions, the United States and Israel alone opposing it. This year, Brazil is a new ally.

Brazil recognizes new Bolivian president

The Brazilian government – via a Ministry of Foreign Affairs tweet – has recognized Senator Jeanine Áñez as the new president of Bolivia, congratulating her on "constitutionally assuming the presidency."



PHOTOGRAPH: PXHERE.COM

Brazil joined forces with the US and Israel at the UN to vote against a resolution condemning the US economic, commercial, and financial embargo on Cuba

Áñez, who belongs to the opposition Unidad Democráta party, became president on 12 November after her position as Senate second vice president put her next in line following serial resignations by the vice president and the leaders of the two chambers.

Former President Evo Morales has been granted political asylum in Mexico after massive electoral fraud was uncovered in his bid for a fourth term following his elimination of term limits.

International trade

Middle Eastern markets and investment

President Jair Bolsonaro was in Qatar, the United Arab Emirates (UAE), and Saudi Arabia in late October to drum up investment, especially for concessions and privatization projects under the Program for Investment Partnerships (PPI). The Middle East is also seen as a potentially promising market for defense goods.

In Abu Dhabi, Bolsonaro signed eight bilateral deals in areas such as security, economic cooperation, artificial intelligence, the environment, and defense.

He later tweeted that the Mubadala Group, one of the two major sovereign funds in the UAE, plans to increase investment in Brazil for ports, roads, mining, real estate, and entertainment.

In Riyadh, the Brazilian president attended the Future Investment Initiative Summit, an annual forum hosted by the Public Investment Fund of Saudi Arabia.

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Mining...



PHOTOGRAPH: GAGE SKIDMORE/FLICKR

Trump will restore tariffs on steel and aluminum from Brazil and Argentina

With friends like these

President Jair Bolsonaro and his government were dealt a shock on 2 December when US president Donald Trump took to Twitter to announce that he would restore tariffs on steel and aluminum from Brazil and Argentina with immediate effect.

His declaration represents an about-face on a 2018 agreement to provide Brazil, Argentina, and Australia with "permanent" exemptions from a newly imposed 25 percent steel tariff and 10 percent aluminum tariff imposed on other US trading partners. The agreement stipulated that the United States would instead accept quotas on Brazilian shipments of the industrial metals. Brazil exported US$2.6 billion worth of steel to the United States in 2018.

Trump declared that he was responding to the two Latin American countries' "massive devaluation of their currencies" at the expense of American farmers.

Brazil strongly denies any deliberate devaluation. Its Central Bank has cut interest rates three times since August in a bid to revive the flagging economy. As a consequence, the Brazilian currency has fallen about 8 percent this year against the dollar.

Some analysts believe that the new tariffs are in fact an attempt to force Brazil and Argentina to limit exports of soybeans to China, a trade that has mitigated the effect of the US–China trade war.

Whatever the motivation, Trump's announcement has shaken up the Latin American countries. The foreign ministers of Mercosur members Brazil, Argentina, Paraguay, and Uruguay met in the southern Brazilian town of Bento Gonçalves two days later, in advance of a heads of state summit on 5 December, where no doubt the United States was top of mind.

Nonetheless, 55th Mercosur summit was not a demonstration of solidarity. It was the last such summit for outgoing Argentinean president Mauricio Macri, and his Brazilian counterpart is already engaged in a spat with his successor. Jair Bolsonaro called Alberto Fernández a "red bandit" for his left-leaning politics. Fernández had earlier publicly praised the release of former Brazilian president Luiz Inácio Lula da Silva, and Bolsonaro responded by refusing to attend the Argentinean's inauguration.

In view of Trump's double-headed blow, the two might be well advised to remember that this is no time for arguments between such important trading partners.

EU–Mercosur deal in doubt

European Commission officials have indicated that they are "assessing the implications" of President Jair Bolsonaro's decision earlier this month to repeal a 2009 decree that prevents sugarcane production in the Amazon, warning that the complex process of ratifying the Mercosur–EU deal reached in June could be in jeopardy.

In the 12 months to the end of July 2019, deforestation of the Amazon reached almost 9,800 square kilometers, an increase of 30 percent from the previous year, according to satellite data from the Brazilian National Institute for Space Research (INPE).

Under the proposed terms of the new trade agreement, Brazil plans to increase exports of sugarcane ethanol to the European Union from 34,000 tonnes to 650,000 tonnes, but many analysts argue that the country already has sufficient land for cultivation without expanding farming further into the Amazon.

An international ban on buying soybeans from deforested parts of the Amazon –credited with significantly reducing rates of deforestation – is another spoke in the wheel of the free-trade pact. Brazil strongly opposes the ban, and asserts that it is within its sovereign rights to determine how best to use its land.

The Mercosur–EU agreement eliminates import tariffs on more than 90 percent of goods traded between the two blocs, which together account for approximately 25 percent of the global economy and a market of 780 million people. Products still under tariffs will be subject to import quotas.

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Corporate Immigration…

VERBATIM

Verbatim reports on recent developments at Veirano Advogados, offers timely client alerts on new legislation and related information, lists publications authored by members of the Firm's team of specialists, and provides other current and pertinent content.

Firm news

White-collar defense team

Marta Saad, criminal lawyer and professor of criminal procedure at the Law School of Universidade de São Paulo, has joined Veirano Advogados as a partner. She has brought her team from Saad Gimenes Advogados Associados with her: partners André Mendes Machado and Luciana Louzado, two associates, and two interns, Marta's arrival provides a new dimension to our strategic counseling on criminal liability. Continue reading...

Who's Who Legal Brazil 2019

The recently released 2019 edition of *Who's Who Legal Brazil* awards 28 Veirano partners and associates with a total 38 recognitions. Veirano Advogados is thus once again among the Brazilian firms with the highest number of recognitions. Continue reading...

LACCA Approved 2020

The new edition of *LACCA Approved* awards 22 Veirano partners and associates with 25 recognitions in 11 practice areas. Developed by the Latin American Corporate Counsel Association, *LACCA Approved* identifies Latin America's leading private practitioners, as personally recommended by leading corporate counsel in the region. Continue reading...

TTR Deal of the Quarter

Transactional Track Record (TTR) awarded the acquisition of Mineração Maracá by Lundin Mining as the Brazilian highlight deal of the third quarter of 2019. Lundin Mining was advised by a multidisciplinary team of lawyers specialized in mining. Continue reading...

Client alerts

CADE nominees

Following hearings, the Senate Commission of Economic Affairs (CAE) has approved four candidates nominated by President Jair Bolsonaro for positions on the Administrative Council of Economic Defense (CADE) tribunal. The four are Sérgio Costa Ravagnani, Lenisa Rodrigues, Luiz Augusto Hoffmann, and Luis Henrique Bertolino. The move restores the tribunal's quorum. Continue reading...

Mining resolution

The National Mining Agency (ANM) has published Resolution No. 19 in the *Official Gazette of the Federal Union*. The resolution adopts electronic filing of documents as the official system for administrative acts and submission of documents regarding the administrative proceedings of the ANM. Continue reading...

Economic freedom

On 20 September, Law No 13.874 (the Economic Freedom Act), entered into force. The EFA was originally introduced by means of Provisional Presidential Measure No. 881, published on 30 April, with the stated aim of promoting a "cultural change in the relations between public authorities and private agents." Continue reading...

Infrastructure arbitration rules

The federal government has issued Decree No. 10,025 to regulate arbitral proceedings involving federal administration in the port, road, railway, and airport sectors. Continue reading...

GMO authorizations

On 4 October, the National Technical Biosafety Commission (CTNBio) published Normative Resolution No. 23. The resolution simplifies procedures to authorize the planned release into the environment of Risk Class 1 genetically modified organisms that have previously been approved for the purpose of experimental evaluation. Continue reading...

Publishing financial statements and corporate acts

The Ministry of Economy and the Brazilian Securities and Exchange Commission (CVM) have approved regulations implementing a new and simplified regime for private and public corporations to publish their financial statements and corporate acts. The regulations are provided for under the Provisional Measure No. 892, which was issued on 5 August. Continue reading...

Advances in rural credit directives

On 2 October, Provisional Measure No. 897, referred to as MP do Agro, was published, establishing new directives to enable increased availability of, and private participation in, rural credit. The process to convert MP do Agro into law has also been extended until February 2020. Continue reading...

CAMEX ruling

On 7 October, President Jair Bolsonaro published Decree No. 10.044/2019, governing the Brazilian Chamber of Foreign Trade (CAMEX). The decree ...

sets forth functions, composition, members, and attributions of CAMEX. Continue reading...

Foreign financial institutions

Decree No. 10,029 was published on 26 September to further government policy to foster competition in financial services. To that end, the decree gives the Central Bank of Brazil authorization with respect to the establishment of new branches of foreign financial institutions in the country and a broadening of permissible non-resident equity interests in financial institutions headquartered in Brazil. Continue reading...

IP rights and transgenic soybeans

The Superior Court of Justice (STJ) has unanimously denied Special Appeal No. 1.610.728/RS. The decision gives greater protection to holders of GMO patents, who may now charge royalties on the use of soybean seed by farmers outside the scope of the Cultivars Act. That is, farmers cannot replant the transgenic seed without paying a royalty. Continue reading...

Regulating temporary work

The federal government has revised Decree 10,060/2019, which regulates Law 6.019/1974, in order to clarify the legislation and limit its broad interpretation. The law governs the contracting and subcontracting of temporary workers. Continue reading...

Controlled products

Decree No. 10.030/2019 has approved the new Regulation for Controlled Products, which establishes the principles, definitions, classifications, and rules of inspection of controlled products of military interest. Continue reading...

Rural Environmental Registry

On 17 October, Federal Law No. 13.877/2019 was published, converting Provisional Measure No. 884/2019 into law and amending the Forestry Code. The law makes registration with the Rural Environmental Registry (CAR) mandatory but does not stipulate a deadline for enrolment. Continue reading...

Developing decarbonization credits

On 25 October, the National Petroleum, Natural Gas, and Biofuels Agency (ANP) announced a public consultation and public hearing regarding the drafting of a resolution governing the issue of decarbonization credits (CBios). Continue reading...

The Ministry of Mines and Energy has regulated registrations, negotiations, and bookkeeping related to CBios, as applicable to fuel distributors. Continue reading...

Agro-ecological zoning of sugarcane

On 6 November, Decree No. 10.084/2019 repealed Decree No. 6.964/2009, which established sugarcane agro-ecological zoning (ZAE Cana). ZAE Cana was instituted in 2009 by the ministries of Agriculture and Environment to regulate the expansion of sugarcane cultivation with respect to sustainable land use. Continue reading...

E-waste transportation permit

The Brazilian Institute of Environment and Renewable Natural Resources (IBAMA) has published Ordinance No. 24/2019 to specify the conditions for obtaining a Permit to Transport Hazardous Goods. The ordinance governs interstate transportation of non-recoverable hazardous e-waste. Continue reading...

Publications

Trade with MENA

Partner Fábio Figueira has contributed an article to *Islamic Finance News* about the visit of Minister of Agriculture Tereza Cristina Corrêa da Costa Dias to countries in the MENA region. The Brazilian minister held meetings with business and government representatives in Egypt, Kuwait, and Saudi Arabia in an attempt to strengthen trade relations and investment in Brazil. Continue reading...

Investment partnership program

Partner Fábio Figueira has written an article for *Islamic Finance News*, covering the federal government's recent publicizing of some assets affected by its privatization policy. The article explores the implications and urges foreigner investors to follow the privatization process closely. Continue reading...

Life Sciences & Healthcare Newsletter

Veirano Advogados has released a new edition of its *Life Sciences & Healthcare Newsletter*. The edition covers topics such as the distribution, storage, and transport of medications, new procedures governing cannabidiol imports, and pharmaceutical marketing. Continue reading...

Hope amid threats to LGBTI rights

Veirano counsel Vitor Castro has written an article for the International Bar Association LGBTI Law Committee e-bulletin on the criminalization of homophobia in Brazil. The article assesses the benefits and social impact of treating LGBTI-phobia as a crime for the first time. Continue reading...

Nutrition labeling on packaged food

Veirano associate Ligia Alvarenga has contributed an article to the Global Advertising Lawyers Alliance (GALA) about changes in food labeling. The National Health Regulatory Agency (ANVISA) has approved new rules aimed at providing clearer information about amounts of sodium, saturated fat, or added sugar in packaged foods. Continue reading...

Renewable Energy Law Review

Partners Ana Carolina Barretto and Tiago Kummel Figueiró and associate Amanda Leal Brasil have contributed the Brazil chapter to the second edition of *The Renewable Energy Law Review*, presenting an overview of renewable energy in the country. Continue reading...

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VistaBrazil November/December 2019