

Carbon Credits Should Bring Brazil US\$ 160 Million a Year

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World trade in carbon credits could mean benefits for Brazilian farmers, says Brazil's Minister of Agriculture, Roberto Rodrigues.

The carbon credit system allows developed nations to invest in developing nations, deducing the amount from their greenhouse gas emission account.

The Minister reports that Brazil should receive some US\$ 160 million annually in carbon credits.

"What we want is for this money to reach the farmer. The ministry wants to see farmers get this additional income. Brazilian farmers are doing their part in reducing greenhouse gas emissions through carbon sequestration. We need to transform this mechanism into income," he declared.

Here is an example of how the carbon credit system works: the World Bank says burning a ton of coal is equal to US\$ 5.63 in carbon credit (or, to put it another way, the burning of a ton of coal (by a developed nation) requires an investment of US\$ 5.63 in some form of carbon sequestration (in a developing nation) in order to balance the account).

"Brazil's problem is to define how much carbon sequestration there is in a hectare of sugarcane, eucalyptus trees or a pasture. We need precise figures on this so it can be certified.

"Then it can be commercialized as carbon credit benefiting Brazil, where the investments will occur, and developed nations, where the emissions occur," said Rodrigues.

Rodrigues revealed that the Ministry of Development, Industry and Foreign Trade, in a partnership with the BM&F (Mercantile and Futures Exchange) and the Getúlio Vargas Foundation, were making a detailed study of carbon sequestration in Brazil with the objective of making the system more transparent and precise.

However, he added that the study was going to be a slow and painstaking process that will take time.

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