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Biden Administration Pledges \$500 Million to the Amazon Fund

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On April 20, during a meeting of the Major Economies Forum on Energy and Climate (MEF), **President Biden pledged \$500 million to the Amazon Fund**, Brazil's signature fund set up to raise donations for investments to prevent, monitor and combat deforestation in the Brazilian Amazon region. If approved by Congress, the pledge would make the U.S. the largest donor to the Amazon Fund after Norway, which has already donated more than \$1.2 billion.

The **Amazon Fund** was established by Brazil in 2008 during President Lula's first term in office. Activities of the fund were suspended in 2019 during the tenure of the previous President, Jair Bolsonaro. We have **previously reported** that since taking office in January President Lula has embarked on an ambitious environmental agenda vowing to revitalize federal environmental protection agencies to curb deforestation in the Amazon. In January, we covered the **first significant environmental enforcement activity** carried out by the new administration. Both Lula and his Minister of the Environment, Marina Silva, have been active in **courting international investment partners** in recent months. This included a state visit to the White House where Lula and Silva met with President Biden and his Climate Envoy, John Kerry, to discuss U.S. participation in the Amazon Fund.

Ending deforestation in the Amazon and other critical forests is one of **four key priorities discussed during the MEF meeting**. The other priorities are: decarbonization; tackling potent, non-CO2 climate pollutants; and advancing carbon management. During the meeting, President Biden also pledged \$1 billion to the Green Climate Fund, a program led by the United Nations to help developing countries become more resilient to climate change and transition to clean energy sources.

Taking the Temperature: President Biden's pledge is a significant coup for the Lula administration and comes at a time when key economies are increasing efforts to combat the climate crisis and fund environmental protection initiatives focused on deforestation. However, the pledge to the Amazon Fund will still require approval from Congress, which could prove challenging. We have written extensively on the evolving

U.S. landscape of partisan divisions over climate-related policy. In 2021 the Biden administration pledged to work with Congress to quadruple the country's climate support for developing countries to \$11.4 billion each year by 2024; last year, only \$1 billion was approved in order to help developing countries combat climate change.

Following the announcement of the pledge, President Biden also was criticized for not being focused enough on the needs of the U.S. Forest Service, whose chief testified that more funding is required to manage forests in the U.S. In Brazil, there are also questions on the Brazilian government's capacity to address deforestation. Despite Lula's commitment to end Amazonian deforestation by 2030, deforestation rates are still rising.