



## MUNICIPAL ACT ON CLIMATE CHANGE

### Abstract

**It was approved on June the 3rd the Bill that institutes the Municipal Policy for Climate Change in Sao Paulo. It is the first law on local government climate strategy in Brazil, based on polluter-payer principle and taking into account the growing responsibility of cities in tackling global warming.**

The bill foresees a target of 30% reduction on carbon equivalent emissions until 2012, based on the recent City's inventory. Since 2005, Sao Paulo has already reduced its emissions levels in 20%, due to initiatives like the implementation of biogas power plants in Sao Joao and Bandeirantes landfills and other environmental programs. According to the new law, the City Hall is committed to stimulating the use of cleaner transportation by its citizens and to restructuring the Selective Collection of Waste until 2012, among other measures.

It also creates the legal framework that encourages the use and improvement of public transportation, renewable fuels, sustainable construction and purchases, and the conservation of green areas. It creates fiscal and economic mechanisms to enhance the participation of the private sector in the implementation of the law. The new legislation aims also at promoting the culture of sustainability among citizens.

By endorsing this law, Sao Paulo reaffirms its position as one of the largest cities acting in accordance with the C-40's recommendations, recently stated by the Declaration of Seoul, issued during the Third Summit on last May. Recognizing the active role played by Sao Paulo in the fight against global warming, the C-40 Steering Committee has chosen the City as host for their next Summit in 2011.



## Law nº14.933

### “Enforces the Municipal Strategy for Climate Change in Sao Paulo”

#### Title I

#### Principles, Concepts and guidelines

##### Section I – Principles

- Prevention; Precaution; Polluter-payer; User-Payer; Protector-Receptor; Differentiated Common Responsibilities; Holistic Approach; Private internalization of social and environmental costs; Access to information and public political participation.

##### Section II – Concepts

- Adaptation; Additionality; Analysis of the Life Cycle; Strategic Environmental Evaluation; biogas (gas mixture which can be used as an energy source); Ecopoints (areas where construction leftovers can be stored); Emissions; Extreme Climatic Event; Source (process or activity that emits greenhouse gases); Greenhouse Gases; Baseline (basic scenario for an activity of greenhouse gases reduction); Clean Development Mechanism; Mitigation; Climate Change; Reservoirs; Environmental Services; Drains (any process, activity or mechanism that removes greenhouse gases from the atmosphere); Vulnerability.

##### Section III – Guidelines

- Involvement of public bodies and civil society in program implementations;
- Cooperation between all branches of government, non-governmental organizations, corporations, etc.;
- Promotion of renewable energy sources and gradual substitution of fossil fuels for less harmful sources (except nuclear);
- Urban Planning and soil use directed to greenhouse gases mitigation;
- “Compact City”;
- Public Transportation vs. Private Transportation;
- Incorporation of the climate issue in public and private projects;
- Support to research on combat and mitigation of climate change technologies;
- Increase drains and greenhouse gases reservoirs;
- Contracting of sustainable service by the government
- Stimulus to public and private participation in discussions on the theme;
- Economic instruments to mitigate greenhouse gases emissions.

## Title II

### **Objective**

To contribute for the accomplishment of UNFCCC purposes which aim, essentially, to reach stabilization of greenhouse gases concentration in the atmosphere.

## Title III

### **Goal**

To reduce 30% of aggregate anthropic (human) emissions in the city until 2012 (goals for subsequent periods shall be defined by law 2 years before the end of each term).

## Title IV

### **Adaptation and Mitigation Strategies**

#### **Section I – Transportation**

- **Management and planning:** internalization of climatic issues in projects planning, installation of systems of traffic jams and fuel consumption reduction, circulation restraints for vehicle in the city;
- **Modals:** incentives to use public transport and non-motorized vehicles; exclusive lanes for buses and creation of parking lots along the metro-rail system;
- **Traffic:** exclusive lanes for vehicles with more than 2 persons, incentives to hitchhike solidarity network, and scaling schedules between public and private activities.
- **Emissions:** adoption of sustainability criteria at public auditions for acquisition of services and vehicles, Vehicle Inspection Program, reduction goals for public municipal transportation, establishment of a dialogue between local and federal governments in order to define internationally recognized standards for emissions in the civil aviation.

#### **Section II – Energy**

- Generation of renewable and decentralized energy;
- Efforts on elimination of subsidies for fossil fuels and incentives for renewable sources of energy;
- Development of energy efficiency projects in buildings, industry and transportation;
- Project for labeling products and energy efficient industrial projects;
- Fiscal and financial incentives to research on energetic efficiency;
- Establishment of higher standards of efficiency at public illumination.

#### **Section III – Waste Management**

- **Minimization of residues generation;**
- **Recycling and reuse of disposals;**

- **Residues treatment and final disposal;**
- Mandatory waste sorting equipments for large circulation ventures;
- **Reduction of emissions at treatment plants;**
- To disincentive plastic bags utilization

#### **Section IV – Health**

- Monitoring of health risk factors resultant from climate changes; prevention and treatment;
- Educational campaigns directed to clarify the causes, effects and treatments of diseases related to climate changes;
- To foster, encourage and disseminate research related to climate changes & health;
- Surveillance and detection procedures of biological effects resultant from climate changes;
- Control programs for infectious diseases sensitive to climate;
- Civil Defense training and development of alert systems;

#### **Section V – Construction**

- **Retrofit programs obeying sustainability and energetic efficiency criteria;**
- Public incentives to the concept of energy efficiency and to the increase of green areas among popular housing;
- Strong focus: Mandatory for all products made of wood and its sub products bought by the Municipal Government to have legal certifications of origin;

#### **Section VI – Soil Use**

- In order to be sustainable, urban clusters must follow the “compact city” principle, working towards the following goals:
  1. Promotion of a better distribution of jobs and work throughout the city aiming at reducing the population displacements;
  2. Improvement of soil use and distribution regarding to infrastructure, environment and transports;
  3. Encouragement to the occupation of formerly urbanized areas so to reduce costs;
  4. **Urban revitalization of areas presenting population decrease which have a potential for attracting investments;**
- Revitalization of insalubrious areas, avoiding risks from extreme climatic events (3 sectors);
- Recuperation of areas of permanent preservation;
- Permeable areas; water absorption zones; reduction of urban heat islands; mandatory for entrepreneurial projects to promote quality of life and improvement of the landscape;
- Recuperation programs for degraded areas;
- Tree planting on public roads.

## Title V

### Instruments

#### **Section I – Management and informational instruments**

- Creation of a database for control and follow up of anthropic emissions; publication of an inventory of anthropic emissions every five years as well as actions for climate change mitigation (financed by the “Special Fund for the Environment and Sustainable Development) that use methodologies accepted internationally;
- Incentives for the Private Sector to elaborate inventories of anthropic emissions;
- Annual publishing of data on impacts of climate changes in health and in related actions;
- **Availability of a database of Clean Development Mechanism Projects, in order to participate in carbon markets, regulated by Kyoto Protocol.**

#### **Section II – Control and Command Instruments**

- Environmental licenses to enterprises with large emissions shall require the presentation of mitigation and compensation plans (joint action between Federal and State powers);
- Vehicle Inspection and Maintenance Project (joint action with the Federal government on communication and enforcement of penalties for disregards of national standards of emissions)

#### **Section III – Economic Instruments**

- Possible reduction or exemption of tax fees when accomplishing the objectives here listed;
- Definition of reduction factors of Onerous Concessions of Additional Building Potential for enterprises that foster the use of renewable energy sources or the emissions reduction;
- Debt renegotiation of enterprises that reduce significantly their emissions;
- Definition of reduction factors of municipal taxes over Clean Development Mechanism Projects;
- Establishment of economic compensations so that there is a disincentive of activities with a high emitting potential. The revenue shall be directed to the “Special Fund for the Environment and Sustainable Development”, related to the implementation of reduction and mitigation projects;
- Definition of criteria for carbon neutralization projects;
- Definition of payment mechanisms (tax exemptions; biddings at public auctions; offering of PMSP services) of environmental services for owners of Natural Heritage Private Reserves (RPPN), to be paid for within a year after its creation. The owner shall have also preference in environmental restoration and recuperation projects by FEMA;

#### **Section IV – Sustainable Hiring**

- Establishment of a dialogue with the academy in order to adopt sustainability criteria for public services provisions.

#### **Section V – Education, Communication and Dissemination**

- Promotion of environmental educational programs by Municipal Government along with the civil society in areas such as:
  1. Cause and impact of climate changes;
  2. Vulnerability of the Municipality and its population;
  - 3. Greenhouse effect mitigation measures;**
  - 4. Carbon Markets;**

#### **Section VI – Civil Defense**

- Prevention measures for extreme climatic events;
- Assistance for catastrophe victims;
- Installation of emergency alert systems for extreme climatic events resulting from climate changes;

### **Title VI**

#### **Institutional Articulation**

It refers to the creation of a Municipal Committee for Climate Change and Eco-economy, a consultive and collegiate organ, with representatives in the public and private sectors, civil society and academy.

### **Title VII**

#### **“Special Fund for the Environment and Sustainable Development”**

A fund created in 2001 with the purpose of giving financial support to projects that aim to improve rational and sustainable use of natural resources; control, monitoring, protection and recuperation of the environment; and environmental education actions. Currently, it does not have budget revenue from the Municipal Government of São Paulo, the provision of its revenue comes from: various resources (R\$ 8 million) which is directed to 15 projects from NGOs chosen through tenders and; Carbon Credits Auctions (R\$ 33 million + 37 million), amount originated from a project implemented at Bandeirantes Landfill which is committed with Perus neighborhood, and from the São João Landfill, which is committed with actions in São Mateus Neighborhood.

In case of approval of this law, FEMA will need budget resources from São Paulo City Hall, in order to convene with the purposes of the law that involves the fund.

## Title VIII

### **Final Dispositions**

- Projects that result in emissions reduction shall have issuing priority for environmental licenses;
- Publication of the city's second emissions inventory, which will consider sources of emissions and anthropic removals through greenhouse-gases decomposition places in the city until 2010 (motorcycles will be object of specific program) ;
- Rule on circulation, stop and parking of freight buses along with the metro-train system e creation of parking lots.
- Use of diesel oil with maximum sulfur content below 50 ppm (part per million), starting in 2008, intending to reach the goal of a level 10 ppm (parts per million) at 2012;
- Adoption of a reduction progressive goal, of at least, 10% each year, from 2008, and the use, in 2017, of renewable non-fossil fuel for all bus fleet of the municipal transportation system.