

# CLIMATE GOVERNANCE

Extreme climate events are becoming more intense and frequent, requiring coordinated efforts from governments around the world. At the national level, the cross-cutting nature of the climate agenda demands the construction of efficient institutional arrangements, as well as coordination efforts among federal agencies and entities and articulation with subnational entities and civil society. The agenda also involves the mobilization and management of a large sum of financial resources from the government and international funds.

## Objective of the Performance Audit

The audit aimed to assess the governance established at the federal level to address the climate crisis. The work was carried out between August 2023 and June 2024, examining climate governance both from a historical perspective, since 2008, and from a current perspective, evaluating the institutions and climate policy instruments under construction.

## Main Findings

The TCU found that the main instruments for planning the country's climate policy had incipient implementation and were discontinued over time. This is the case with the Climate Plan, launched in 2008, and the National Plan for Adaptation to Climate Change (PNA), established in 2016. These issues are attributed to the low degree of institutionalization of these plans and setbacks in the country's climate governance structure, including the disbandment of essential technical groups and the extinction of relevant governmental departments.

It was also found that the National Policy on Climate Change (PNMC), established in 2009, is outdated in relation to international commitments subsequently assumed by the country. Moreover, the execution of climate policy in Brazil has been marked by insufficient articulation between the federal government, subnational entities, and non-governmental actors, which hinders the implementation of a coordinated and effective response to the climate crisis.

From a budgetary-financial aspect, the TCU detected that expenses directly or indirectly related to the climate agenda are not widely identified in the Federal General Budget (OGU). Similarly, there are limitations in transparency regarding resources from international funds available for project financing in the country.

## Recommendations

Among the forwarding proposals, the recommendation stands out for the new Climate Plan, currently under development, to be established through an appropriate normative instrument for the effective assignment of responsibilities to the various agencies and entities involved in its implementation; that a systematic monitoring, evaluation, and review of the new Climate Plan be established; that a bill proposal be sent to the Civil House of the Presidency of the Republic to update the PNMC, in order to align it with the commitments assumed by Brazil and in accordance with good international practices; that the necessary means be defined for the newly created Inter-federative Articulation Chamber to promote effective articulation of the federal government with subnational entities; that the adequacy of the structure and operating mechanisms of the Brazilian Forum on Climate Change be evaluated; that a methodology for marking climate expenditures in the OGU be developed; and that transparency mechanisms for international funds financing climate projects in the country be developed.

Most of these proposals are in line with initiatives currently underway in the Federal Executive Branch. They seek to contribute to the improvement of climate governance, avoiding the occurrence of new discontinuities in administrative structures and climate policy instruments.

## Decisions

Judgment 2201/2024-TCU-Plenary

Reporting Judge: Minister Vital do Rêgo

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Responsible technical unit: AudAgroAmbiental