



By: TA | AP Brief

Brazil must choose between fossil fuel phaseout and tax revenue



Magda Chambriard, the head of Brazil's state-run oil giant Petrobras, said the country must decide between moving away from fossil fuels and preserving tax revenue from the sector.

Chambriard's remarks underscore Brazil's contradictory climate stance on climate change.

The country has backed the need to transition away from fossil fuels such as oil, coal and gas that heat the planet. It has advanced that position at the recent [U.N. climate summit](#), which it hosted last year, and in other forums such as an April [meeting in Colombia](#) focused on shifting away from fossil fuels.

At the same time, the country is ramping up new drilling investments, including in a [sensitive area](#) near the mouth of the Amazon River, off the coast of Amapa, one of the country's poorest states.

Brazilian President Luiz Inácio Lula da Silva defends these investments as essential for economic development.

Climate Plan

Chambriard said Brazil's climate goals must account for its economic future, adding that phasing out oil would mean "giving up 277 billion reais (\$53.2 billion) in tax revenues, because that's what we paid last year."

"There is no Climate Plan without society, right? So it's very easy to say, 'Look, shut everything down, let's all go to the jungle and we'll have wonderful air,'" she said Tuesday, referring to the country's climate strategy, at an event hosted by the Industry Federation of the State of Rio de Janeiro.

Hearing this from the head of Brazil's largest company is at once shocking, regrettable and disheartening - Suely Araújo

Her statements were reported by local

newspaper Folha de S.Paulo. Petrobras did not respond to a request for comment from The Associated Press.

Suely Araújo, from the network of environmental organizations Climate Observatory, said Wednesday that Chambriard's comments disregard how much fossil fuels drive global warming.

"The Climate Plan drawn up by the federal government, which is already not as ambitious as it should be regarding energy-sector actions, is treated by Magda Chambriard as an obstacle to the country's future," Araújo said. "Amid a climate crisis, hearing this from the head of Brazil's largest company is at once shocking, regrettable and disheartening."