

# Technical Note on PL 2809/2023 on “Voluntary Certification of Green Lithium”



## MINING OBSERVATORY

### Mining Observatory – April 2025

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#### 1. EXECUTIVE SUMMARY

The [Bill 2809/2023](#), authored by Adriana Ventura (Novo), Evair Melo (PP/ES), Coronel Chrisóstomo (PL/RO) and José Medeiros (PL/MT), among others, notably far-right parliamentarians, linked to Bolsonaro and some who are part of the so-called “Parliamentary Front for Sustainable Mining”, proposes the creation of a “voluntary certification” for the so-called “Green Lithium”, associated with reducing the carbon footprint and other socio-environmental criteria.

The Bill [has just been approved by the Chamber of Deputies](#) and will now be analyzed by the Federal Senate. **The Mining Observatory recommends that the bill be rejected and permanently withdrawn. If it is approved by the Senate without amendments, we recommend a presidential veto**, for the reasons outlined below.

Under a “green” label, by offering a seal to companies, the bill actually serves **the mining industry greenwashing, which is advancing on ecologically sensitive areas and is already causing problems reported by indigenous communities, quilombolas and the population in general in the Jequitinhonha Valley**, which concentrates lithium production at an increasing rate in Brazil.

As one of the authors of the proposal, Adriana Ventura, defends, the bill wants to induce non-intervention by the state, leaving control of the lithium chain and certification as “green” in the hands of companies. The mining sector, however, needs effective state participation and not the absence of the state.

In fact, the Brazilian state would do a lot of good if it could actually act as a watchdog and regulator of mineral activity, demanding adequate payment of compensation to society,

which is not the case today, reducing the subsidies and tax incentives granted to the mineral industry and observing the common good, not just business interests, as is the current practice.

Article 1 of the bill establishes that certification will be granted to companies that adopt “sustainable practices”, while article 3 allows the seal to be used for commercial purposes. Although the apparent intention is to encourage responsible environmental practices and attract investment for the energy transition, the analysis presented in this Technical Note highlights the limitations, contradictions and risks associated with the Bill.

**We argue that this certification, in its current formulation, mostly benefits companies, ignoring the socio-environmental impacts and inequalities aggravated by lithium mining, while reinforcing questionable narratives of sustainability in lithium mining.**

We conclude with recommendations to improve the bill and the lithium chain in Brazil, with a focus on climate justice and the equitable distribution of the benefits of the energy transition.

## **2. ANALYSIS**

### **National Context and the bill 2809/2023**

The proposal raises concerns about the repetition of a historical pattern of exploitation of natural assets that does not translate into concrete benefits for local populations. The [Jequitinhonha Valley](#), in Minas Gerais, which concentrates 85% of the country's lithium reserves, is an emblematic example: the region has already experienced successive unfulfilled promises of development linked to different economic cycles - from gold to monocultures - without structural improvements for the population.

Lithium has emerged as a new stage in this cycle, bringing expectations that, without robust regulation, could turn into yet another frustration for the inhabitants of this region, with potentially irreversible impacts.

Brazil has only 1.4% of known lithium reserves and is therefore still an insignificant player in the global market, although its expansion is concentrated in Minas Gerais. Exploitation of the mineral has grown to meet external demand, especially from the Global North, with the export of raw materials and little added value to the national production chain.

Bill 2809/2023 comes in a scenario in which recent public policies, such as Federal Decree 11.120/2022, have eliminated the obligation to invest in the national production chain, favoring the export of raw lithium to the detriment of domestic processing. The Government Transition Commission, in the report of the Mines and Energy WG, recommended revoking or amending this decree, but no concrete measures have been adopted. Thus, Bill 2809/2023

arises in a context of flawed regulation and favoring export-oriented extractivism, without taking into account the development of the local Brazilian mining chain.

In addition, the bill was proposed by parliamentarians aligned with corporate interests, introducing the idea of voluntary certification for companies that “adopt sustainable practices” in the lithium chain, allowing the use of this certification for marketing purposes, without presenting solid evidence that the benefits outweigh the damage and presenting very broad and subjective criteria for such certification.

Another key factor to consider is the volatility of the lithium and electric vehicle market. In recent years, the price of lithium has seen sharp falls, followed by upturns, showing that dependence on this sector could be risky for the national economy.

In addition, there are uncertainties about future demand for electric vehicles, due to factors such as changes in global industrial policies, the development of new technologies and competition with other energy storage alternatives. Thus, betting on the stability of the lithium market without a robust industrial and environmental strategy could expose Brazil to significant risks.

### **Main Points**

1. **Inconsistent narrative:** The bill reinforces a distorted view of “Brazil's potential”, promoting the unrestricted exploitation of a finite resource, still in its early stages and subject to numerous market fluctuations, which are already affecting lithium worldwide after a boom in the last 3 years. In addition, voluntary certification promotes benefiting companies for practices that are already legally mandatory, creating a false perception of sustainability while masking the socio-environmental and climate impacts of mining.
2. **Weakened Governance and Auditing:** There is no requirement for an independent audit to validate the information presented by the projects, allowing companies to promote dubious practices without adequate supervision.
3. **Corporate focus and greenwashing:** The proposal favors corporate interests, allowing certifications to be used for marketing purposes, without guaranteeing concrete improvements or benefits for the affected communities.
4. **Local impacts ignored:** [investigations published by the Mining Observatory in recent years reveal serious socio-environmental impacts on indigenous peoples, quilombolas and family farmers in the Jequitinhonha Valley](#). The certification does not address these conflicts or the damage related to air pollution, water contamination, excessive use of water, forced displacement of communities, socio-economic impacts, tailings production and disrespect for the right to Free, Prior and Informed Consultation.

### 3. UNDERSTANDING THE PROBLEM

#### Contradictions in the Context of the Energy Transition

[Global demand for lithium is expected to grow by 364% by 2050](#) according to the IEA, intensifying the environmental and social impacts associated with its extraction. The sustainability discourse of “Green Lithium” masks the socio-environmental and climate impacts of mining, which are exacerbated by the growing demand for electrification. Replacing fossil fuels with intensive mineral extraction reinforces sacrifice zones in the Global South, increasing economic dependence and socio-environmental damage.

#### Legal Security versus Climate Security

Encouraging the mining sector without considering climate risks exposes the country to the impacts of extreme events, putting infrastructure and local communities at risk. Voluntary certification ignores obligations already provided for in the Constitution, such as the right to a balanced environment, guaranteed by Article 225, which should serve as a starting point for analyzing mining from the climate perspective of reducing emissions and protecting human rights.

In addition, the bill also ignores the National Policy on Climate Change (PNMC) and the need for an environmental assessment of the climate variable, going against the Paris Agreement and global demands for stricter regulation of extractive activities. Furthermore, as the Mining Observatory revealed, the Climate Fund's budget limit was changed in 2024 to allow a loan of R\$487 million from the BNDES to Sigma Lithium, the main mining company operating in Jequitinhonha at the moment.

#### Connection to Global Green Extractivism

The financialization of mining intensifies inequalities and exacerbates local impacts, while exporting the benefits of the energy transition. The bill also reinforces the idea that the energy transition can be achieved through more extractivism, ignoring less impactful alternatives and the need for a truly just transition that considers affected communities.

### 4. ALTERNATIVE PATHWAYS

#### Recommendations for Bill 2809/2023

##### Conditions for certification:

1. **Establishment of minimum requirements** to avoid certification of projects in areas of high socio-environmental conflict. In the case of large-scale and/or high-impact projects, certification should be mandatory, not voluntary, with clear requirements for mitigation, adaptation and repair of socio-environmental and climate damage.

2. **Establish independent technical audits** and the participation of representatives of affected communities in the certification process to verify the compliance of projects with socio-environmental criteria.
3. **Inter-ministerial governance:** Create cooperation mechanisms between the Ministries of Mines and Energy, the Environment and Indigenous Peoples to guarantee an integrated assessment of projects. Demand transparency in the publicizing of certifications, with auditable reports available and use subject to public monitoring.
4. **Binding social participation:** Implement mechanisms that guarantee the effective participation of affected communities in decision-making on projects, with real decision-making power. Guarantee the free, prior and informed consent and consultation of affected traditional communities and indigenous peoples, in accordance with international standards
5. **Making certification conditional on adding value:** Certification must be linked to investments in local lithium processing and the creation of qualified jobs in Brazil. To this end, it is essential to revoke Federal Decree 11.120/2022, which eliminated the obligation to invest in the national production chain.

#### **Recommendations for the Lithium Chain in Brazil**

1. **Public commitment from the mining sector:** The Brazilian Mining Institute (IBRAM) and associated companies must make public and verifiable commitments on each proposed project, including concrete targets for mitigation, adaptation and full reparation of environmental and social impacts.
2. **Socio-environmental safeguards:** The government must adopt safeguards to avoid new mining frontiers in regions of high socio-environmental vulnerability, prioritizing the rehabilitation and recovery of areas already impacted, paying attention to the use of water resources in regions vulnerable to water scarcity and climatic extremes such as the Jequitinhonha, demanding robust counterparts from the companies.
3. **Risk and conflict management:** Continuous monitoring of the impacts of lithium mining, with accessible reporting channels and mechanisms for the rapid resolution of socio-environmental conflicts, which involves strengthening the budget, structure and number of civil servants at the National Mining Agency. In addition, it is necessary to ensure that the tailings piles generated by lithium mining are properly secured and monitored. These structures, supposedly safer than dams, have presented serious problems in recent years, such as the Jaguar Mining and Vallourec cases in Minas Gerais.
4. **Transparency and climate litigation:** Implement transparent mechanisms to hold companies accountable for breaching climate and environmental standards, bringing the sector into line with global best practices. Create an independent body with the participation of academic institutions and civil society organizations to monitor and disclose the socio-environmental performance of mining companies.

5. **Research and innovation to reduce dependence on primary mining:** The mining sector and the federal government should invest in technologies for recycling and reusing lithium, setting concrete targets for the transition to recycled materials, with defined deadlines and investments, as well as concrete investments and actions for the circular economy of mining.

Bill 2809/2023, the way it is structured, is insufficient to ensure that lithium exploration makes a fair contribution to the energy transition. It reinforces a questionable sustainability narrative that benefits corporate interests while excluding affected communities and ignoring long-term climate impacts.

Given the instability of the global lithium market and the fluctuations of the electric vehicle industry, it is essential that Brazil builds a model that goes beyond simply exporting raw materials and guarantees a concrete return for communities and the national economy. Without structural adjustments, the project runs the risk of repeating historical cycles of predatory exploitation and unfulfilled promises, as has already been experienced in the country's mining regions.

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# **MINING OBSERVATORY**

[Mining Observatory](#) is an investigative journalism center and think tank focused on the extractive sector created in 2015. Specialized in covering mining's role in the climate crisis and the advance of strategic minerals, it works to ensure an effectively just energy transition that guarantees socio-environmental safeguards and respects human rights.