

**Questions for the Record Submitted to
Ambassador - Designate Thomas A. Shannon by
Senator Richard Lugar (#1)
Senate Foreign Relations Committee
July 8, 2009**

Question:

In what areas do you see the greatest potential for productive collaboration with Brazil? How do you view deeper relationships with Brazil not only in biofuels, but also in other energy areas such as hydrocarbons?

Answer:

Brazil is a key regional power and an increasingly important global player. It continues to develop stronger democratic institutions and more open economic and financial systems. We share with Brazil a wide and sophisticated range of interests that extend beyond our borders, including social and economic development and democratic stability throughout the Western Hemisphere, and beyond. How we manage our relationship with Brazil over the next several years will set a tone that will last for decades.

In several areas, our interests are congruent and our cooperation can enhance our bilateral relationship. These areas include: strengthening the foundations of bilateral trade and investment, broadening our energy partnership, undertaking joint action on the environment and climate change, exploiting new potential for security assistance cooperation, addressing

citizen safety through law enforcement cooperation, improving regional integration through infrastructure development, and enhancing food security. In all of these areas, U.S.-Brazilian partnership has the potential to have a major positive impact.

Our partnership at the G-20 leaders' meeting in London and at the Summit of the Americas in Trinidad and Tobago helped fashion a coordinated response to the financial and economic crisis globally and regionally and launched initiatives related to energy, climate change and microfinance.

We see tremendous potential for forging closer relations with Brazil on energy cooperation. We continue to build on and deepen our collaboration under the 2007 Biofuels Memorandum of Understanding. Additionally, we are working to identify other areas in which we have potential for cooperation. We have recently agreed to work with Brazil to help bring energy efficiency technologies to low income housing and urban transportation to the countries of the Western Hemisphere. We have also identified clean coal and civilian nuclear energy as areas in which we are already cooperating and with potential for even greater collaboration. The Brazilians are very interested in our latest advances in wind and solar power as well as smart grid transmissions. Brazil has recently suggested that there

could be great potential for us to work together to develop new types of hydro power that are efficient and sustainable.

In 2007, Brazil announced major oil discoveries off the country's southeastern shore, which could turn Brazil into a significant oil exporter and help stabilize international energy markets.

If the preliminary estimates regarding these finds are correct, that would place Brazil among the top ten countries in the world by reserves. This is important for world markets because it could create stability, diversity, and an important energy source outside of the Middle East and conflictive zones.

Many U.S. companies are involved in the efforts to exploit these reserves and our Export Import Bank has recently made available some two billion dollars to support financing needs as the exploration of this promising region moves forward.

Brazil promises to be a major supplier of energy in the years to come and a leader in efforts to ensure regional energy security. With enhanced energy cooperation as a centerpiece for bilateral collaboration, our challenge will lie in choosing from among these many promising opportunities for energy partnership with Brazil.

**Questions for the Record Submitted to
Ambassador - Designate Thomas A. Shannon by
Senator Richard Lugar (#2)
Senate Foreign Relations Committee
July 8, 2009**

Question:

What progress has been made on the March 2007 Memorandum of Understanding to advance U.S.-Brazil biofuels cooperation? In your judgment, has the government of Brazil fulfilled its commitment to the Memorandum of Understanding? If confirmed, what priority will you give to increased biofuels cooperation with Brazil?

Answer:

Our work with Brazil on research and promotion of biofuels is an important element of our relationship. Through our 2007 U.S.-Brazil Memorandum of Understanding (MOU) on Cooperation in Biofuels, we are conducting joint research, creating international standards, and promoting energy independence in nine countries in Latin America and Africa by helping them develop their own domestic biofuels industries and regulatory frameworks. If I am confirmed, I will seek to continue our bilateral effort with Brazil to promote alternative energy.

Under our MOU on biofuels cooperation, teams of U.S. and Brazilian scientists have made reciprocal visits to research centers, labs, and universities. In October 2008, the U.S. National Renewable Energy Laboratory (NREL) and the Brazilian energy company Petrobras' Center for

Research and Development (CENPES) launched a collaborative research program with a focus on the development of next generation biofuels feedstock. We are jointly providing technical assistance on regulatory frameworks to the governments of El Salvador, Haiti, St. Kitts, and the Dominican Republic, funding project feasibility studies to encourage local biofuels production, and providing agro economic analyses for long-term planning in those four countries. In November 2008, we extended our cooperation to a second tranche of countries, including Guatemala, Jamaica, Honduras, Senegal, and Guinea-Bissau.

The Inter-American Development Bank, UN Foundation, and the Organization of American States are partnering with us, and provide additional resources. Multilaterally, the United States and Brazil are working with the European Union, China, India, and South Africa in the International Biofuels Forum (IBF), where our work has advanced the commoditization of biofuels by harmonizing international standards and codes. In the Global Bioenergy Partnership (GBEP), we are developing sustainability criteria and indicators.

While Brazil's biofuels expertise comes from cane-based biofuels, our expertise comes from corn-based biofuels. They can both be helpful in developing second-generation biofuels, especially cellulosic biofuels. The

degree to which we are able to cooperate with Brazil on biofuels therefore enhances both countries' ability to find alternative and renewable energy sources.

If confirmed, I will work hard to continue this successful partnership. I will also work to expand our joint efforts to other energy-related issues as anticipated in the Energy and Climate Change Partnership of the Americas.

**Questions for the Record Submitted to
Ambassador - Designate Thomas A. Shannon by
Senator Richard Lugar (#3)
Senate Foreign Relations Committee
July 8, 2009**

Question:

Is the United States Government engaged in any talks with Brazil in advance of the United Nations Climate Change Conference in Copenhagen, Denmark, in December 2009? Specifically, has the issue of binding targets for emissions been raised? How would you assess Brazil's deforestation efforts?

Answer:

Climate change is a priority in our international agenda. Brazil is an important player in the international climate negotiations, and we have had discussions with Brazil about the ongoing international climate change negotiations. We expect to continue our bilateral discussions with Brazil on climate change, including how to achieve successful results from the UN Climate Change Conference in Copenhagen, Denmark, in December 2009 and how to move forward together to address climate change issues after Copenhagen.

In addition to our bilateral engagement, we are also working very closely with Brazil in the President's Major Economies Forum. Without Brazilian engagement, the Leaders' statement would not have been as forward leaning.

The issue of the international obligations and commitments that developed and developing countries should take, including binding targets for emissions in the mid-term and in the long-term, to address the challenge of climate change is a part of the ongoing discussion both in multilateral settings and in bilateral meetings with Brazilian officials. Brazil is taking aggressive actions to reduce its emissions at home and, in our engagement with them, they have expressed their reluctance to submit those actions as part of a binding international agreement. We will continue to work with the Brazilians at every level to help facilitate their transition from domestic goals to binding international goals.

Deforestation is a serious problem for Brazil and is the primary source of its greenhouse gas emissions. The rate of deforestation has fallen from its recent peak of over 25,000 square kilometers in 2004 and is expected to come in below 10,000 square kilometers this year. The Government of Brazil, states, municipalities, NGOs and the international community have dramatically stepped up their efforts and the resources to combat deforestation and put the economy of the Amazon region on a sustainable basis. Notably, in December 2008 the Government of Brazil announced a domestic goal of reducing the rate of deforestation down to about 7,000 square kilometers per year by 2017, which would represent a more than 70%

decline in the deforestation rate from 2004 and an estimated reduction in greenhouse gas emissions of over 20 percent compared with 2000. The Brazilian authorities are increasing enforcement efforts to reduce illegal deforestation and have created the Amazon Fund, which has a US\$1 billion pledge from Norway, to promote sustainable development. The problem is large and Brazil is just launching these new efforts. Thus, it is too early to say how effective their particular policies and measures will be.

Nonetheless, Brazil is heading in a positive direction in dealing with deforestation.

**Questions for the Record Submitted to
Ambassador - Designate Thomas A. Shannon by
Senator Richard Lugar (#4)
Senate Foreign Relations Committee
July 8, 2009**

Question:

Please describe the various technical assistance programs the United States currently undertakes with Brazil concerning renewable energy. Does the State Department administer any exchanges from the Department of Energy or Science Fellow programs relating to energy?

Answer:

As part of our bilateral cooperation under the 2007 U.S.-Brazil Memorandum of Understanding on Cooperation in Biofuels, U.S. and Brazilian scientists have conducted reciprocal visits and developed a work plan for research and development (R&D) cooperation to advance next generation biofuels feedstock, production, and distribution. This work resulted in the U.S. National Renewable Energy Lab (NREL) and Petrobras' Center for Research and Development (CENPES) signing an additional MOU on October 3, 2008. In addition to R&D collaboration, bilateral efforts include exchanges of university faculty and graduate students, including a post-doctoral fellow working at NREL to evaluate biorefineries, sponsored by both governments.

**Questions for the Record Submitted to
Ambassador - Designate Thomas A. Shannon by
Senator Richard Lugar (#5)
Senate Foreign Relations Committee
July 8, 2009**

Question:

What constructive role do you think Brazil can play in terms of ensuring the integrity, viability, and durability of the OAS's Inter-American Democratic Charter as it relates to areas in the region where democracy seems to be increasingly fragile?

Answer:

Brazil is an important member of the Organization of American States and the Community of Democracies. It has played a key role in fashioning a hemispheric consensus in response to the crisis in Honduras. Aside from the promotion and defense of democratic institutions and principles, as called for in the Inter-American Democratic Charter, Brazil can play an important role in helping countries address challenges to democracy before they become crises. Specifically, this means working individually and through regional organizations to facilitate solutions to political disputes, strengthen institutions, and enhance the role of civil society. Also, Brazil can play an important role in helping fragile democracies meet their social and economic development agenda, underscoring the linkage that the Charter draws between democracy and development.

**Questions for the Record Submitted to
Ambassador - Designate Thomas A. Shannon by
Senator Richard Lugar (#6)
Senate Foreign Relations Committee
July 8, 2009**

Question:

President Obama and Secretary Clinton have raised the case of David Goldman, whose son Sean was abducted from the United States to Brazil, with the Brazilian government at the highest levels. Yet so far we have seen no progress on this case or any of the cases involving 65 other children abducted to Brazil. What more can be done to make progress on these cases?

Answer:

International parental child abduction is a tragedy. The State Department places a high priority on the welfare of children who have been victimized by international abductions. As Secretary Clinton has noted, Brazil and the United States are both parties to the Hague Convention on the Civil Aspects of International Child Abduction, which specifies how to manage cases such as Sean Goldman's. The U.S. Central Authority currently has more than 50 open cases with Brazil involving more than 60 children, of which 6 are longstanding cases.

As you know, on June 1 the 16th Federal Civil Court in Rio ordered Sean Goldman's return to the United States pursuant to the Hague Convention. Mr. João Paulo Lins e Silva, the second husband of Sean's

deceased mother, has appealed this decision, and the appellate court is considering this appeal.

We have been working very hard on Sean Goldman's case. I have spoken with David Goldman, Sean's father, on several occasions, as has Assistant Secretary Janice Jacobs of the Bureau of Consular Affairs. Secretary Clinton has discussed Sean's case with her Brazilian counterpart, Foreign Minister Celso Amorim, and President Obama has also raised it with President Lula. Ambassador Sobel and the Consul General in Brasilia have met multiple times with Brazilian judicial officials, the Brazilian Central Authority and Foreign Ministry officials to request expedited processing of all appeals related to the Goldman case, as a speedy resolution would be in Sean's best interest. We will continue to insist on a prompt resolution granting Sean's expeditious return to the United States.

Additionally, we are requesting the technical help of the Hague Permanent Bureau as we work with the Brazilian Central Authority (BCA) on initiatives to improve overall compliance with the Hague Convention in processing all abduction cases. We are supporting the BCA as it drafts implementing legislation to provide tools for judges and law enforcement officials. We are also supporting a conference to be held in December of

this year to provide specialized continuing education for judges, prosecutors and attorneys on the Hague Convention.