

In 2004, the Foz do Chapecó Energy Consortium calculated that it would spend R\$844 million to build the Foz do Chapecó plant in Santa Catarina. The Federal Public Prosecutor's Office questioned the calculation in a public civil action. According to its assessment, the construction cost R\$2 billion – two and a half times more.

The percentage of 1.9% should have been established based on this last amount as environmental compensation owed by the company, as established by Ibama (Brazilian Institute of the Environment). This understanding was confirmed yesterday by the 3rd panel of the Federal Regional Court of the 4th Region. The funds will be used to support the implementation and maintenance of a conservation unit of the full protection type, in which human activity is not permitted.

According to the decision, the net value will be used as the basis for calculation. Investments in plans, projects and programs required during the environmental licensing process to mitigate impacts will have to be discounted. The charges and costs incurred in financing the project and the costs of personal and real insurance policies and premiums will also not be included.

The ruling, already published, should be read by all those who follow – critically – the construction of hydroelectric plants in the Amazon. In theory, there can be no greater environmental damage than that on the last page of Genesis, according to the definition of Euclides da Cunha.

It is worth remembering that, officially, the cost of the Belo Monte hydroelectric plant, on the Xingu River in Pará, will reach almost R\$20 billion by the end of this year. And there will be another R\$10 billion until the completion of the project. This, according to official data from the PAC (Growth Acceleration Program), of which it is the crown jewel. According to the forecasts of critics, it will reach R\$39 billion.

If the case of Chapecó were applied, there would be more than R\$7 billion in environmental compensation.