

## EXECUTIVE ORDER ELIMINATES DEADLINE FOR REGISTRATION IN CAR

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Executive Order ("MP", in its abbreviation in Portuguese) No. 884, published last Friday, June 14, amended the Forest Code (Law No. 12,651/2012), so as to determine that registration in the Rural Environmental Registry (CAR) "shall be mandatory for all rural properties and holdings." The amendment redrafted the third paragraph of article 29, which sets forth the end date for registration in the CAR.

The time limit originally provided for in the Forest Code had been extended by regulatory changes, and was last defined as being December 31, 2018. The discussion was resumed following the non-conversion into law of Presidential Decree No. 867/2018, which had postponed that deadline to December 31, 2019.

The expectation is that MP No. 884/2019 and its effects will trigger debate. On the one hand, the elimination of the deadline for registration in the CAR implies the possibility of joining the Environmental Regularization Program ("PRA", in its abbreviation in Portuguese) at any time. This is because article 59, paragraph two, of the Forest Code conditions the joining of the PRA on registration in the CAR. On the other hand, it may be thought that the amendment imposed by MP No. 884/2019 implies the immediate enforceability of registration in the CAR, subjecting all rural properties not yet registered to penalties.

Discussions may arise, for example, regarding the good standing of properties whose registrations are in progress and the respective practical effects if the presidential decree is not converted into law within the time limit determined in the Brazilian Federal Constitution. In addition, there are reports that two lawsuits have already been filed with the Federal Supreme Court (STF) challenging the constitutionality of the measure.

