REDD and the Green Economy exacerbate oppression and deforestation in Pará, Brazil

The REDD mechanism (Reducing Emissions from Deforestation and Forest Degradation) is a key element of the Green Economy, despite the fact that it does not combat deforestation or growing climate chaos, as its name suggests. This is one of the lessons learned after more than 15 years of REDD (1).

Nonetheless, this mechanism is more alive than ever. REDD projects and programs are multiplying due to the growing demand for carbon credits—or rather, "pollution credits"—from polluting companies and States that are seeking to achieve so-called "carbon neutrality." In order to counter harsh criticism, REDD proponents are making new promises and inventing new initiatives and names, such as "nature-based solutions."

This is what is happening in Pará, the second largest state of the Brazilian Amazon. While private companies and some NGOs are pushing for REDD projects at breakneck speed, the state government is rapidly launching its jurisdictional REDD program, which will encompass the whole territory of the state. In 2025, Pará will host the United Nations Climate Change Conference, and the state government will try to show the world that deforestation in Pará will soon be a thing of the past.

Pará is one of the states that contributes most to deforestation in Brazil. Among the main culprits are logging, ranching, mining and soybean and corn agribusiness industries, as well as infrastructure projects like the construction of highways and hydro-electric power plants. If it were a country, Pará would rank second among the countries with the highest deforestation rates of tropical forests in recent decades—surpassing Indonesia and Democratic Republic of the Congo (2).

But, what can we expect from the new REDD initiatives and the green economy in Pará? Is there truly something new that is capable of curbing the high rate of deforestation in the state?

REDD Projects in Pará: The Case of Biofílica-Ambipar

Among companies that are implementing REDD projects in Pará, Biofílica stands out for its ambition. In 2021, the multinational company, Ambipar, bought Biofílica and gave it a new name: Biofílica Ambipar Environment. At that time, the new company announced that it intended to increase the number of carbon credits generated in the voluntary market tenfold, in order to become "the largest nature-based solutions company" in the world (3).

It is worth noting that Ambipar has ties with several companies and sectors that are directly or indirectly involved in deforestation in the Amazon (4). Biofílica has also been doing the same thing for many years. In 2010, it partnered with one of the largest land grabbers and predators in the Pará rainforest: the Jari Group. Founded by an American, this group has taken over 1.6 million hectares of forest in the states of Pará and neighboring Amapá since 1967. Jari destroyed tens of thousands of hectares of forest to plant tree monocultures, such as eucalyptus, and it degraded thousands of

hectares of forest to extract hardwoods (5).

However, the Jari Group also faced dozens of traditional communities who were already there, and who made their livelihoods from harvesting Brazil nuts and other riches that the forest provided. Unable to evict them, the company decided to besiege and oppress the communities, taking away their freedom and control over the forests that they had cared for and lived in harmony with.

Despite all of this, Jari was awarded the FSC "green" seal in 2004, and it became the company with the largest area of "sustainably managed forest" in Brazil. The FSC recognized Jari's land titles as "legitimate," and it supported the company when it attempted to regularize its titles with the state of Pará. The Jari Group pressured the communities to accept a small parcel of land, so that it could keep the lion's share (6).

In partnership with Biofílica, the Jari Group launched REDD projects in Amapá starting in 2010, and in Pará starting in 2014. These REDD projects also received a "green" certification from VCS/VERRA for a period of 30 years (7). This was justified on the basis that, without the REDD projects, "invaders"—including the communities—would cause extensive deforestation. But in truth, these REDD projects further besieged and oppressed the communities, even though Jari claims that those projects benefitted the communities.

The Jari Foundation, the "social" arm of the company, is in charge of offering "benefits" to the communities. In one of the Foundation's activities, an engineer told the community that he was there to teach the families how to grow Brazil nuts. However, there were no more Brazil nut trees, because a few years earlier, the Jari Group had destroyed the Brazil nut grove—the community's main source of income—in order to plant eucalyptus trees. A villager told him: "If you have come to teach us how to plant Brazil nuts, go away because we already know how to do that. Now, if you really want to help us, ask the people in charge of the company to pull out the eucalyptus trees and replant the Brazil nut trees that they destroyed" (8).

Despite allegations about the Jari Group's participation in illegal logging and the illegal timber trade, and investigations by competent authorities into its use of false documents to forge titles and claim land tenure, Biofílica sold a total of 2,997,953 "pollution credits" from the Jari Group's REDD projects in Pará and Amapá between 2013 and 2023 (9). At an underestimated value of US\$ 5 per credit, these sales represent at least US\$ 15 million, or R\$ 75 million (10).

Among the buyers of the "pollution credits" are companies that participate directly or indirectly in deforestation: banks, such as the Brazilian bank, Bradesco, which was denounced for being the bank that financed the most deforestation in the Amazon (11); the German company, Bayer, an agrochemical transnational company that promotes, sustains and benefits from the expansion of soybean and other monocultures (12); and Seara Brasil, owned by the Brazilian company, JPS, the largest meat processor in the world—whose livestock activity relies on the expansion of pastures, which is the largest direct cause of deforestation in the Amazon rainforest (13).

Biofílica's REDD projects are not only a "solution" for these companies to present themselves as "carbon neutral" and as protectors of the Amazon; they are also useful for the Jari Group to create a smokescreen for its crimes (14). A news article published in 2023 posed the following question: "How can a carbon (...) program continue to operate several years after the State has registered most of its project area as public lands?" (15).

What are Biofílica-Ambipar's new "nature-based solutions?"

One of the new "solutions" proposed by Biofílica-Ambipar is a partnership with the company, Agropalma, to implement a REDD project. In addition to being one of Brazil's leading palm oil producers, Agropalma is looking to expand its business in 2023 into another key sector of the green economy: "renewable" energies (16).

Agropalma and Biofílica's REDD project aims to conserve 50,159 hectares of forests in Pará, in the municipalities of Tailândia, Moju, Tomé-Açu and Acará. Just like Jari and its REDD projects, Agropalma claims that if the project is not implemented, the neighboring communities would destroy the forest—which in this case would be some 13,591 hectares over the course of 30 years. With this project they intend to promote "alternatives" to deforestation and environmental education activities, which, according to them, will improve the well-being of the communities (17).

Just as it did with the Jari Group, Biofílica is once again partnering with a company that has been implicated in the crime of falsifying land titles. This land grabbing is the reason behind the land conflicts between the companies and dozens of quilombola and indigenous communities that have been fighting for years to get their territories regularized (18). As a result, the communities are suffering threats, violence and persecution (19).

Biofílica-Ambipar and Agropalma'a REDD project also legitimizes and further reinforces Agropalma's current strategy of persecuting communities by imposing restrictions and prohibitions on their use of forests; these measures are included in the project. While they blame communities for deforestation, the companies intend to obtain almost US\$ 7 million through the sale of "pollution credits" (20).

One of the primary buyers of Agropalma's palm oil is the US company, Cargill, one of the largest agribusiness companies in the world. As soybean cultivation is advancing in the Amazon, Cargill is closely tied to deforestation in Pará and Brazil. Cargill has a port in the capital city of Santarém, Pará, and it plans to build a second port in the municipality of Abaetetuba. Cargill was recently sued in a US court for not stopping deforestation and violations of human rights in its supply chain in Brazil (21).

Clearly, Biofílica Ambipar Environment's new "solutions," such as the partnership with Agropalma, are a continuation of its previous projects, such as the one with the Jari Group. Thus, could the Pará government's jurisdictional REDD program represent anything new that is capable of stopping massive deforestation?

The Pará State Government's Jurisdictional REDD Program: The Role of Large NGOs

The jurisdictional REDD program is a newer version of REDD. It is, in part, a response to the failure of individual REDD projects that did not manage to reduce deforestation, and that generated conflicts with communities. Proponents argue that by covering a whole jurisdiction, such as a state or a country, these programs could overcome the failures of individual projects and effectively reduce deforestation.

However, the flagship model for jurisdictional REDD in Brazil, which was implemented in the state of Acre, was a failure. Starting in 2012, the government of Acre received tens of thousands of euros, particularly from the German government, as a reward for being the first state government to propose local legislation on the sale of "pollution credits." But as of 2018, after 11 years and millions of euros in remittances transferred to the Acre government, Acre began to register the same high

deforestation rates as other Amazonian states that didn't have jurisdictional REDD programs. Meanwhile, the living conditions of forest-dependent communities worsened, especially for women. This occurred, for example, in the Chico Mendes Extractive Reserve (RESEX) (22). In recent years, the Chico Mendes Reserve, a symbol of the REDD program in Acre, has been destroyed; the rainforest is being turned into pastureland (23). The fact that not even this would result in the cancellation of REDD funding for Acre demonstrates, at the very least, how "flexible" and "manipulable" deforestation calculations are in this kind of program (24).

An important similarity between the jurisdictional REDD program in Acre and the same process in Pará is the protagonism of large international conservation NGOs in the design and definition of how REDD will work. Another similarity is the lack of participation by the population, especially forest-dependent communities, in shaping this definition. One of the first key steps for the jurisdictional REDD program in Pará was the development of the Plan Estadual Amazônia Agora (Amazon Now State Plan), a strategy that proposed "a development model based on the conservation and valorization of environmental assets." Not by chance, this plan was presented for the first time at an event held by the US-based NGO, The Nature Conservancy (TNC) that took place in Madrid, far away from Pará, during the 2019 UN Climate Conference (25).

TNC and other NGOs, such as Forest Trends and Environmental Defense Fund, act as "riot squads" that defend the interests of large corporations and international capital banks (26). That is, they institutionally establish a green economy that allows companies to maintain and expand their profits from the extraction of oil and other fossil fuels, while also opening new "green" markets to grow their businesses.

TNC drafted the Bioeconomy Plan for the State of Pará (30) and won the bid to create the legal-institutional framework for the state's jurisdictional REDD program (31). In addition to TNC benefitting from the "consulting" fees, which constitute a significant amount of money in all REDD programs and projects, it is noteworthy that a US institution—with the aforementioned interests—is leading a whole political process on REDD in Pará, Brazil.

Moreover, in 2022, the governor of Pará signed a letter of intent with a coalition called LEAF, which in English stands for "Lowering Emissions by Accelerating Forest finance."

What is The Nature Conservancy (TNC)?

While many small environmental NGOs suffer from a shortage of resources, that is not the case with The Nature Conservancy (TNC), which the Washington Post called "the world's richest environmental group," with US\$ 3 billion in available assets (27). TNC looks a lot more like a company than an NGO. For example, a former conservation director [of the organization] earned an annual salary of US\$ 1.168 million (approximately R\$ 5.5 million) (28). Furthermore, the organization's Global Council includes representatives of some of the largest international financial capital institutions, such as JP Morgan Chase and Goldman Sachs. A report that analyzed investments in fossil fuels after the Paris Agreement drew the "undeniable conclusion that JP Morgan Chase is clearly the world's worst bank when it comes to climate change." This only confirms how TNC is strongly tied to the interests of the oil extraction industry, which itself is one of the biggest investors in REDD projects (29).

What is the LEAF Coalition?

The LEAF Coalition was created in 2021 and describes itself as the "largest public-private effort to ever come together to end tropical deforestation"; it has US\$ 1 billion in financing from private companies and from the governments of Germany, Norway and the United States (32). Its members include some of the key players implicated in the increase in deforestation in Brazil, such as Nestle, Unilever and Bayer. Its list of financiers also includes the US company, Blackrock, one of the largest investors in oil companies in the world—including in tar

sands projects, one of the most destructive forms of extraction on the planet. In this context, Blackrock itself has stated that it wants to "see these [oil] companies succeed and prosper" (33). Ironically, Guyana, the first country to sign a contract with LEAF, is generating "pollution credits" for new offshore oil drilling. This shows that LEAF responds to the exact same logic as REDD, i.e. it grants polluters the "right to pollute" and it accelerates climate chaos.

Implementation of the Amazon Now State Plan in Pará will fall under the auspices of the State Environmental Secretariat—the very entity that should, in theory, combat deforestation and other activities that harm the environment. But the Secretariat continues to make vague commitments that don't reflect the reality of its actions, as a group of social organizations observe and denounce in an open letter: "Year after year, the state makes investments and approves projects whose socio-environmental impacts put the very survival of the Amazonian biome, its indigenous peoples and traditional communities at risk." The organizations mention the Volta Grande project, which aims to be the largest open-pit gold mine in the region. And this is a region that is experiencing socio-environmental collapse, due to, among other things, the impacts of the construction of the Belo Monte hydroelectric dam. Despite the huge resistance to this mining project, the state of Pará is pushing for it to happen quickly (34).

The government of Pará also seems to want the state to become a new oil frontier, like Guyana. Brazil's Petrobras is conducting studies to extract oil at the mouth of the Amazon River, in the coastal zones of Amapá and Pará. While dozens of environmental entities—except TNC and allied organizations—sent a letter expressing their opposition to the proposal (35), the governor of Pará, Helder Barbalho, declared that "impeding the search for Brazilian assets, whether in the environmental sector or through other activities, is a step backwards (...)" (36).

Change without changing anything

To stop the process of deforestation, there must be political will. The magnitude of this will can be measured by the progress of new trade agreements related to the export of Brazilian raw materials, or by the government's recent celebration of the increase in GDP in 2023 due to the "exceptional results" from agribusiness. These "results" have to do with the expansion of soybean cultivation, mostly in pasture areas; that is, in areas where deforestation has occurred (37).

This article shows how REDD and the green economy in general are instrumental in not only maintaining and expanding oil extraction and combustion, but also in advancing deforestation. These proposals are conceived in the Global North and are neocolonial: they presuppose more appropriation and control of territories, and, consequently, more oppression. They are created so that companies like Cargill, Unilever, Bayer, Blackrock and others can profit even more. It's all about making changes that don't actually change anything. For these companies, the green economy means new business and markets.

Likewise, conservation NGOs, also from the Global North, are now helping put a "green" face on something that actually means more destruction of territories, forests and livelihoods—all while seeking to increase their own earnings and those of the main companies that finance them. Meanwhile, the government, companies and NGOs in Pará are vying for the money they can earn by participating in these new "green" markets and businesses. All of this demonstrates how the interests of corporations, states, and the "conservation industry" represented by large NGOs intersect in the "green economy." Even though they all claim to be fighting against deforestation and its causes, all of them actually profit, in one way or another, from the destruction of forests and the eviction of

communities from their territories.

And this process comes with new threats to communities who are fighting to control their territories. These include new digital markets based on blockchain technology, such as cryptocurrencies and non-fungible tokens, linked to "green" transactions; and new drone technologies to surveil forests and communities (38).

Another new feature of the LEAF program is the possibility for communities in its jurisdictional REDD programs to receive payments to protect forests that have never registered high levels of deforestation. This is supposed to recognize, albeit indirectly, the role of communities in forest conservation. However, this measure seems to actually be a form of co-optation—an old tactic of companies and States—to silence the numerous criticisms of the REDD mechanism over the last 18 years. They are throwing communities a few crumbs of what they have the most of—money. Once again, big capital is taking advantage of the real needs of many communities that have been marginalized and oppressed since colonial times. Colonial times!

WRM International Secretariat

- (1) WRM International Secretariat, https://www.wrm.org.uy/publications/15-years-of-redd
- (2) OECO, Amazônia perdeu cerca de 44 milhões de hectares para agropecuária em 35 anos.
- (3 Carbon pulse, 2021. REDD developer Biofilica targets tenfold carbon credit growth following merger.
- (4) The Ambipar Group has a presence in dozens of countries and owns other companies. <u>Ambito</u>, <u>for example</u>, operates in Latin America and collaborates with companies that directly and/or indirectly increase deforestation—such as Suzano, Unilever and Klabin.
- (5) WRM, 2018. <u>Are FSC and RSPO accomplices in crime? Jari Florestal and Agropalma's unresolved land question in the Brazilian Amazon.</u>
- (6) Ibid
- (7) Verra Registry.
- (8) Statement made during a visit to the region; for security, the names of the community and the person who reported the episode will remain confidential.
- (9) In 2017, denouncements <u>led the FSC to suspend Jari</u>, until Jari was finally expelled in 2019—something that rarely happens to a certified company. The FSC alleged that Jari was involved in the illegal logging and trade of timber, and that it had failed to recognize the existence of traditional communities in the area. However, the press release did not mention Jari Florestal's falsification of land titles or FSC's collaboration in trying to regularize ill-gotten lands.
- (10) Verra Registry.
- (11) See O Fato, Bancos deram R\$ 165 milhões para desmatadores da Amazônia.
- (12) Brasil de Fato, <u>Syngenta</u>, <u>Bayer e JBS se reuniram 216 vezes com alto escalão do governo Bolsonaro</u>.
- (13) Reporter Brasil, <u>JBS mantém compra de gado de desmatadores da Amazônia mesmo após multa de R\$ 25 milhões</u>.
- (14) For example, <u>Seara</u>, <u>owned by JBS</u>, <u>advertises the pollution credits</u> that it bought from the Jari REDD project in the Jari Valley, where "the Jari Group's properties are located" [our emphasis], as if they were legitimate properties. Seara also claims that the group "promotes the well-being of communities, who become allies in the conservation of forest resources." This statement is a complete inversion of reality, as it presents Jari as the protector of forests and communities as a threat.

- (15) Economia UOL, <u>INVESTIGAÇÃO-Na Amazônia brasileira</u>, projeto de crédito de carbono em xeque alimenta receio de grilagem de terras.
- (16) Forbes, Agropalma retomará produção de biodiesel no Pará em 2023.
- (17) Verra Registry.
- (18) Ibid 5
- (19) Mongabay, Certificação de exportadora de óleo de palma suspensa após investigação da Mongabay; Agropalma also lost its certification in early 2023, in this case, the RSPO certification ("Roundtable on Sustainable Palm Oil"), following an investigation that revealed that over half of the lands it occupies have false and illegal titles.
- (20) US\$ 6.7 million, based on a price of US\$ 10 for each of the 671,744 pollution credits that the project is supposed to generate. See here.
- (21) The Guardian, Grain trader Cargill faces legal challenge in US over Brazilian soya supply chain.
- (22) SOS Amazonia, Taxa de desmatamento no Acre em 2021 é a maior da última década.
- (23) OECO, <u>Em meio a mudanças políticas e avanço do desmatamento, Semana Chico Mendes acontece no Acre, and WRM, 10 Years of REDD+ in Acre and Its Impacts on Indigenous Women and Female "Extrativistas".</u>
- (24) Deforestation in the Amazon and the REDD+ Money that Keeps Coming to Brazil.
- (25) <u>Plano Estadual Amazônia Agora (PEAA)</u>, Secretaria de Estado de Meio Ambiente e Sustentabilidade, and TNC, <u>Recomendações para a consolidação do Plano Estadual Amazônia Agora</u>.
- (26) Forest Trends, with the support of the funder, CLUA, <u>is determined to integrate Brazil's indigenous communities into the carbon market</u>, while the Environmental Defense Fund believes that there are "many new opportunities" in Brazil, such as the jurisdictional REDD project itself.
- (27) Washington Post, The Nature Conservancy.
- (28) Charity Navigator, The Nature Conservancy.
- (29) Report Reveals JPMorgan Chase To Top The list of Global Banks With \$1.9 Trillion Post-Paris Agreement Investment in Fossil Fuels
- (30) Governo do Estado do Pará, Plano Estadual de Bioeconomia do Pará.
- (31) TNC, Implementação do mecanismo financeiro de REDD+ do estado do Pará.
- (32) Leaf Coalition.
- (33) CBS News, BlackRock touts investment in fossil fuels after threat from Texas official.
- (34) International Rivers, <u>Carta De Preocupação Com A Chamada "Política Verde" Do Estado Do Pará</u>.
- (35) OECO, Atividades de exploração de petróleo e gás na Bacia Sedimentar da Foz do Amazonas.
- (36) NeoFeed, <u>Governador do Pará sugere "exploração sustentável" de petróleo na foz do</u> Amazonas.
- (37) Folha de São Paulo, <u>Brasil cresce com soja, minas e ouro preto, mas consumo e investimento fraquejam.</u>
- (38) WRM, Blockchain and Smart Contracts: Capital's Latest Attempts to Seize Life on Earth.