

WORLD RAINFOREST MOVEMENT



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OUR VIEWPOINT



[Intensification of land grabbing and more concentration of land ownership in the era of "green capitalism": News from Indonesia](#)

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GRABBING AND ACCUMULATING UNDER "GREEN" CAPITALISM: MORE PRESSURE ON COMMUNITIES' TERRITORIES



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[Brazil - Profiting more from doing the same: The financialization of Fibria's eucalyptus monocultures](#)

A piece of news that circulated in Brazil in 2013 appeared odd at first glance: Fibria, one of the world's largest producers of pulp wood from eucalyptus monocultures, owner of nearly 1 million hectares of land in Brazil, sold 210 thousand hectares of "its" land. On the surface that seems like good news: perhaps the land will now be back in hands of communities which once inhabited and cultivated it. Sadly that's not the case. The sale was carried out to improve the company's finances, and even provide resources to further expand land and plantations the company controls in Mato Grosso do Sul. How does this new form of "sale" work? How do the plantation companies and the new "owners" benefit? And what are the challenges for the communities fighting against this new form of land grabbing?



[Territories being seized in Cambodia: protecting corporate profits](#)

Violent, systematic grabbing of peasants and indigenous peoples' territories in Cambodia is resulting in a threefold increase in the number of families affected by land conflicts during 2014 when compared to the previous year (1). The Cambodian League for the Promotion and Defense of Human Rights (LICADHO) launched a "land concession dataset" in

March 2010, showing the vast areas of corporate control and use of land in Cambodia (2). Further, areas under a REDD project claiming to “preserve” communal forests in the country are being cleared and communities being displaced in order to “open up” space for private profits.



[Brazil approves commercial use of the first GM eucalyptus tree](#)

As expected and despite the strong national and international opposition, on April 9, the Brazilian National Technical Commission on Biosafety (CTNBio) approved the commercial use of a genetically modified (GM) variety of eucalyptus. The request was made by the company FuturaGene, a subsidiary of the giant Suzano Pulp and Paper. CTNBio's decision made Brazil the first country worldwide to approve a variety of GM eucalyptus, setting off alarm in the country and in the Latin American region.



[FSC: Certifying accumulation markets](#)

For a long time, WRM, along with other organizations and social movements, has denounced the certification of projects that are destructive to forests and their web of life. These projects have also proven to be detrimental to communities living in and depending on forests. The Forest Stewardship Council (FSC) certification not only legitimates industrial logging in tropical forests and vast areas of monoculture plantations, but has also been associated with carbon markets, by certifying trees planted for “carbon capture”. Furthermore, by the end of 2015, the FSC aims to have a comprehensive plan to certify so called “ecosystem services”. Without addressing the underlying causes of deforestation, FSC promotes the idea that “nature” can be quantified and commodified, while encouraging increased consumption of timber and wood products - provided they have their label.

PEOPLES IN ACTION



[Stop the corporate fire in Chile! Forest fires and their causes](#)

OUR VIEWPOINT

**Intensification of land grabbing and more concentration of land ownership in the era of "green capitalism": News from Indonesia**

On April 17, farmers around the world celebrated the Day of Peasant Struggle, in tribute to the 19 peasants of the Landless Workers Movement (MST) of Brazil who were killed by police on April 17, 1996, as they fought for land reform. Today, one of the main peasant struggles is against land grabs and concentration of land ownership that profoundly affect peasant communities, indigenous peoples and other communities who depend on forests. This struggle has become even harder, not only due to the expansion of agribusiness, mining, oil and gas, monoculture tree plantations, hydroelectric plants, etc., but also by new phenomena such as the "green land grabs" in an era which we can call of "green capitalism or green economy". Indonesia is a case in point, with some signs of hope and many of concern.

In this bulletin, we show how the process of land concentration and land grabbing has become even worse in the global South, especially in regions with tropical forests. In Cambodia, the number of families affected by land disputes tripled in just one year. In Brazil, Fibria, a company controlling large expanses of eucalyptus plantations and owning some of the world's largest pulp mills, sold part of its land to a financial market company while at the same time maintaining control over the eucalyptus monoculture on the same land. Resources from this sale were intended fund, among others, it's the company's expansion plans. Another article explains how the approval of GM eucalyptus by the Brazilian authorities serves as a stimulus for the future expansion plans of plantation companies like Suzano. In Liberia, the World Bank is effectively proposing "green land grabs" by recommending "compensation with biodiversity credits." We also warn of the Forest Stewardship Council (FSC) initiative to certify not only industrial logging and monoculture tree plantations, but also the so-called "ecosystem services" in forest areas, adding legitimacy, and thus facilitating the expansion of such projects. Finally, while land grabbing continues, there are a number of processes, some new others not so new, which directly or indirectly worsen the process of land grabbing and concentration of land ownership, including the so-called "green land grabbing".

In the case of Indonesia, a country with one of the largest areas of tropical forest in the world, these forests have been appropriated and largely destroyed by corporations, often for export-oriented production. According to the Indonesian NGO Walhi (1), the timber sector controls 25 million hectares of land classified as forest, tree plantations take up 10.1 million hectares, oil palm plantations 12.5 million hectares and mining 3.2 million hectares. These, together with other sectors, control about 57 million hectares of a total of 120 million hectares of forests in the country.

The acquisition and concentration of land ownership within the violent, predatory model has intensified in the context of the "green" economy or "green" capitalism. According to the NGO Walhi, "green land grabbing" has already resulted in 2.6 million hectares of land having been acquired by actors promoting projects and schemes such as REDD+. They aim to trade carbon for the benefit of polluting companies and countries in the North, especially in Europe. The government of Norway, for example, has recently invested in projects to "avoid deforestation" and supported so-called "ecosystem restoration" activities in the provinces of Sumatra, Sulawesi, Nusa Tenggara, Kalimantan, Papua and Maluku. But their policy is incoherent. While investing in REDD+, Norway also invests in the expansion of the predatory and violent model. In Indonesia, the Norwegian state-owned company Statoil announced the expansion of oil extraction activities while the state pension fund continues investing in coal mining. (3)

Furthermore, a large number of peasant and indigenous communities in Indonesia resist and defend their territories against these incursions. According to the Peasant Alliance for Agrarian Reform (AGRA, acronym in Bahasa), in recent years, the number of hectares in dispute between companies and communities reached at least 5.6 million hectares of land, involving nearly 1 million families. Clashes with state and private security forces have resulted in hundreds of peasants being imprisoned and persecuted as well as dozens injured or even killed, such as in the recent conflict with the tree plantation and pulp company Asia Pulp and Paper, APP (2).

As a result of this serious situation, as well as years of struggle and pressure by the communities and organizations in Indonesia, the Indonesian Government and its President, Joko Widodo, have finally signaled a willingness to change track. On the one hand, the country's REDD Agency was closed, while at the same time, President Widodo promised to transfer 12 million hectares of forests to indigenous and non-indigenous communities for community management. This April, in an event organized on the island of Lombok by Walhi, HuMa, KNPA (Coalition of civil society organizations for an Agrarian Reform) and the Epistema Institute, the new Minister of Environment reaffirmed this commitment.

The commitment is obviously laudable. However, for this "new track" to become reality of Indonesia's forest policy, it is important:

- That those 12 million hectares include the areas under dispute between communities and large logging, plantation, mining companies, etc. areas the companies appropriated;
- That the government publicly recognizes that REDD+ -type projects, all of which have been financed with external resources, have failed to reduce deforestation. In 2014, according to Walhi, deforestation reached 5.6 million hectares, while the Government admits a little more than 1 million hectares. It would also be important to recognize that REDD+ has also been a failure for communities, especially because they had to hand over control of their territories to large foreign NGOs and/or companies that determine what can be done on the land, leading to restrictions and prohibitions (4).
- That the government resume sovereignty over forest policy and recognize that the most effective way to preserve forests, and thereby mitigate forest-related climate change is not through REDD+ nor through new trends inspired by it, such as Blue REDD, Landscape REDD or "climate smart agriculture", fueled mainly by the World Bank and governments of the North (see [WRM Bulletin of July 2014](#)). The most effective way of conserving forests is to ensure by law that communities who depend on them regain control over their forests and territories. This measure has been proven to be effective in other countries. For example, in Brazil, indigenous lands have been regularized, guaranteeing control of communities living on them; those are the best preserved forest areas of the country and the world.
- That the government prioritize, once and for all, policies oriented towards their own people in order to restore their land, rather than prioritize, as it has done until now, forest policies that facilitates

the destruction of forests and the removal of communities by large corporations. According to the NGO Walhi, if the current government policy does not change, it is expected that large palm, logging, mining and other companies will increase control over the forests in Indonesia, from 57 million hectares so far to about 80 million hectares by 2020. This means devastation across a far greater area than the 12 million hectares that the government has promised to return to communities.

A change of track not only requires that communities and NGOs be attentive and vigilant throughout the whole process to ensure the return of land promised by the government. But also and above all, it requires strengthening and supporting local resistance and struggles in defense of their territories and forests to convey a clear NO to the continuation of a government policy that allows land grabbing, including "green" land grabbing by large companies.

We hope that every April 17 celebration with actions and demonstrations throughout the world will be an additional encouragement and source of strength for the people's struggle in countless countries.

(1) <http://www.walhi.or.id>

(2) <http://wrm.org.uy/articles-from-the-wrm-bulletin/section1/pulping-the-local-food/>

(3) See <http://www.zacks.com/stock/news/168321/statoil-awarded-new-exploration-license-offshore-indonesia>

And <http://www.redd-monitor.org/2015/03/26/norways-climate-pollution-oil-gas-coal-and-carbon-trading/>

(4) <http://wrm.org.uy/books-and-briefings/redd-a-collection-of-conflicts-contradictions-and-lies/>

GRABBING AND ACCUMULATING UNDER "GREEN" CAPITALISM: MORE PRESSURE ON COMMUNITIES' TERRITORIES



World Bank paving the way for a national biodiversity offset strategy in Liberia

In March 2015, the World Bank presented a report that will help mining companies operating in Liberia present themselves as saviours of biodiversity even though their operations will continue to destroy some of the country's most biodiverse forests. The report "explores the feasibility of implementing a national biodiversity offset scheme in Liberia", and the World Bank sees potential for profiting from such a plan not only for the mining industry but also for oil palm and forestry corporations. Whether the authors of the report consulted with local communities who risk losing access to the land that provides their livelihoods not only through the mining operations but also from the biodiversity offset areas that are meant to

compensate for the mining companies' destruction, is not known. What is known, however, is that they consulted international conservation NGOs and mining and oil palm corporations: They are explicitly thanked for their contributions in the report.

The World Bank has been a central player in the development of carbon offsets. The idea behind carbon offsets is that polluting industries can continue to do so as long as they "compensate" their pollution through the implementation of some "offset" project that claims to reduce an equivalent amount of pollution elsewhere. The Bank manages 10 "carbon funds" that help industrialized countries buy carbon credits. These credits allow them to continue burning fossil fuels in their own factories and refineries and claim this has no negative impact on the climate because they have paid someone else to supposedly reduce an "equal" amount of greenhouse gas emissions for them. But these fossil fuel emissions in industrialized countries are the principal cause of climate change, and it is in those countries that the excessive use of fossil fuels must stop.

The World Bank is experimenting on how to expand the flawed idea of carbon trading. Its Carbon Unit is managing five funds that aim to expand carbon markets, for example by including emissions from deforestation and from agriculture into carbon markets (see [WRM Bulletin of January 2014](#) and (3) for the problems with this idea). And the World Bank sees potential in offset markets far beyond the carbon market. Since 2012, the International Finance Corporation – the arm of the World Bank which lends money to corporations in the private sector – requests that companies it funds show how they will "offset" the damage their activities will cause for biodiversity. (4) As long as a company can show a plan that explains how what is destroyed in one place will be recreated elsewhere, the destruction can continue. Offsets need destruction! WRM has documented extensively what is wrong with this concept, how the impacts of industrial land use on communities are ignored in the offset idea and how many carbon offset initiatives have caused harm to communities and resulted in conflict (see among others WRM report [REDD: A Collection of conflicts, contradictions and lies](#)). Because the idea of offsets is flawed - it justifies more destruction or pollution on the promise that the damage can be undone elsewhere and therefore does nothing to stop the mining and the destruction it causes in the first place - offsets are as much a false solution to the biodiversity crisis as they are for the climate and forest crises.

This does not stop the World Bank, however, from proposing that Liberia implement a national biodiversity offset strategy – and the World Bank has already worked out for Liberia what such a plan should look like. In March 2015, the Bank presented "A National Biodiversity Offset Scheme: A Road Map for Liberia's Mining Sector", a report "which explores the feasibility of implementing a national biodiversity offset scheme in Liberia to help minimize adverse impacts on biodiversity and ecosystem services resulting from mining." The two consultants who had written the report summarised their proposal during an online seminar on 27 March 2015, hosted by BBOP. (1) BBOP stands for 'Business and Biodiversity Offsets Programme'. (2)

The report looks at different ways in which money from the mining sector can be used to fund "protected areas" in Liberia. What the report does not mention is that the mining concessions are located in the most biodiverse region of Liberia and will destroy not only forests rich in biodiversity but also the livelihoods of the communities who depend on those forests and the biodiversity they contain. Instead, the report describes biodiversity offsets as "an opportunity for the private sector to contribute to an underfunded protected areas network" – possibly leading to communities losing access to land they rely on for their sustenance not just to the mining but also to the biodiversity offset that is meant to compensate the destruction from the mining.

There is little information in the report about how local communities were consulted in the preparation of the World Bank proposal for a national biodiversity strategy for Liberia. By contrast, the report's authors thank among others individuals from international conservation NGOs Flora Fauna International and Conservation International, the International Council on Mining and Metals, mining corporations ArcelorMittal Liberia, BHP Billiton, Vedanta, Putu Iron Ore Mining, oil corporation Exxon Mobil, and oil

palm corporation, Sime Darby, for their contribution. One of the authors also proudly commented during the online seminar that during the report's launch at a meeting in the Liberian capital Monrovia the day before the online seminar, they "had every single mining company operating in Liberia present at the workshop, as well as the minister." She further explained that "a couple of mining companies in Liberia [...] would like to offset inside protected areas," and that this had contributed to the idea of developing the proposal for a national biodiversity offset plan for Liberia. The discussion that followed the online presentation of the report also revealed the World Bank's intention to explore how other industries that rely on destruction of biodiversity to carry out their business could be included in the national biodiversity offset plan.

Asked about the possibilities for other sectors, one of the report authors commented that "the oil palm sector would be an obvious one." Oil palm companies, Sime Darby and Equatorial Palm Oil PLC (EPO) in particular (see action alert [Support the Jogbahn Clan in Liberia: Tell Equatorial Palm Oil NO means NO!](#) and [WRM Bulletin of April 2014](#)), have faced severe opposition from communities in Liberia and caused significant conflict with their plans to expand oil palm plantations onto land that communities rely on. Without any reference to this history of conflict, one of report's authors considers the "high-conservation value forest" areas that an oil palm company like Sime Darby might set aside to comply with the RSPO standard as possible biodiversity offset sites. (5) By dedicating such "high-conservation value forests" as biodiversity offset, the oil palm company that spares this piece of forest from destruction for oil palm plantations can still generate a profit from the land by selling the biodiversity as an offset to a mining company!

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1. http://bbop.forest-trends.org/documents/files/liberia_webinar.pdf
2. The BBOP initiative was set up by Forest Trends, an organisation promoting markets in 'ecosystem services'. BBOP members include companies, financial institutions, government agencies and conservation NGOs. Their aim is "testing and developing best practice on biodiversity offsets and conservation banking worldwide." http://bbop.forest-trends.org/pages/about_bbop
3. Report about the World Bank Forest Carbon Partnership Facility by FERN and Forest Peoples Programme (2014): Implement in haste, repent at leisure. <http://www.fern.org/implementinhaste>
4. IFC Performance Standard 6 on 'Biodiversity Conservation and Sustainable Management of Living Natural Resources'.
5. For more information on the Round Table of Sustainable Palm Oil, RSPO, and how it helps companies greenwash their expansion of oil palm plantations, see <http://wrm.org.uy/books-and-briefings/12-replies-to-12-lies-about-oil-palm-monocultures-plantations/>. One of the RSPO requirements is for companies to agree on a map with NGOs about what areas are considered 'high-conservation-value-forests' within the concession, and spare these from conversion to plantations. Many communities, however, consider the whole of their territory 'high value'.





Brazil - Profiting more from doing the same: The financialization of Fibria's eucalyptus monocultures

A piece of news circulating in Brazil in 2013 appeared odd at first glance: Fibria, one of the world's largest producers of pulp wood from eucalyptus monocultures, owner of nearly 1 million hectares of land in Brazil, sold 210 thousand hectares of "its" land to Parkia Participações. When Brazilian press reported the transaction, the company stated it was considering selling almost half of its land in Brazil, i.e. about half a million hectares (1) in a similar fashion. Thus, questions arose, such as, why would a company which – like its peers - had previously always sought to seize more and more land to expand its eucalyptus plantations, be willing to let go of the land? How does this work?

How can getting rid of land be good business?

First, this sales agreement can be an excellent business proposition for Fibria in the short term: with the transaction Fibria received R\$ 1.65 billion (approximately 695 US\$ million), out of which R\$ 1.4 billion was a cash payment. Fibria used the money to reduce its debt (2). "This transaction is in line with the company's strategy to strengthen its capital structure," and it also "puts Fibria in position for a new growth cycle", Fibria said in a statement (3). According to the director, the agreement with Parkia also aims to ensure Fibria's expansion project, in this case a new production line at the pulp mill in Três Lagoas in Mato Grosso do Sul (4).

It is important to note that the sale does not mean that Fibria will stop planting eucalyptus on the land the company sold. As stipulated in the agreement, Fibria and Parkia plan to maintain the eucalyptus plantations for pulp production. Both companies would benefit: Fibria would get 60%, and Parkia 40% of the wood. Furthermore, Fibria has the right to buy this wood now owned by Parkia at fixed price, which will serve as a "lease" payment to investors for using the land. (5)

Another benefit derived from the agreement is that Fibria's land tax payments are transformed into "deductible expenses." Fibria confirmed that the "use of tax losses will bring the income tax on capital gain back to zero" As such, this business helps the company pay less tax. It is important to remember that exporting companies like Fibria already receive incentives and tax exemptions inside and outside Brazil. (6)

How can this also be a good deal for those who buy the land?

Having paid R\$ 1.4 billion in cash to Fibria, is Parkia also benefiting from this transaction? It is evident that there is no immediate profit for Parkia. It was able to pay cash because its purchasing power comes from investors with ample disposable financial capital. Since the last economic and financial crisis of 2008, investment funds such as pension funds have increasingly sought new markets to invest. Land investments, in tree plantations for pulp/paper in countries in the global South such as Brazil, are considered a relatively safe and timely investment; over time, they promise significant returns - especially when compared with interest rates for investment funds in the funds' countries of origin. Funds for new financial capital inflows to pulp monoculture businesses can be seen as a large scale "financialization" of the sector, and of "nature" itself. (See Bulletin June 2013).

Fibria emphasized that Parkia is controlled by Brazilian investors, since as per Brazilian legislation, foreign companies cannot own large tracts of land. But, the fact that Fibria admits that Parkia also has foreign investors, such as pension funds, through the Participation Fund (FIP), explains the "formula" adopted by

Parkia appears to be banking on the value of land increasing, and thus benefitting from such increase in land valuation. The company is speculating on the fact that in Brazil, as in many other countries, the price of land has increased substantially over the years, which made land an excellent source of profit. Economic recovery and speculation on the back of this recovery are so crucial to this transaction that Fibria will only receive the additional value of the purchase - the purchase price which was not paid in cash - if land values actually increase (8).

But that is not all. As mentioned above, as part of the transaction Parkia now owns 40% of the wood produced on "its" land; Parkia can profit from selling this wood for pulp production, which continues unaffected by the land "sale". Detailed information on the agreement between Fibria and Parkia (9) is available online. The agreement is publicly available but written in technical-financial English, even though the official language of Brazil is Portuguese. The text states, e.g.:

- That the purchase is related to a set of assets. In fact, such business "assets" are plots of land, with names, and locations;
- That the purchase is not done directly, but through four new special purpose companies – collectively referred as "NEWCOS" - whose shares are immediately purchased by Parkia.
- That Fibria and Parkia can sign "forestry partnership agreements" which are agreements on activities (planting and cutting of eucalyptus) in the selected "assets" (i.e. plots of land), on the basis of mutual benefit.

Challenges for affected communities

While the company celebrates that: "this transaction (...) puts Fibria in position for a new growth cycle" (10), it is important to ask: what does this type of transaction mean for communities resisting Fibria's plantations or for affected communities or social movements in rural areas?

On the one hand, and without doubt, it is more difficult for communities to identify the owner of the land with this type of sales agreements, since there is no transparency. In the case of Parkia, there is a lack of public information about the company: its objectives and activities, who its investors are, including which pension funds and others that are part of the transaction and take control of the land. There is no company website with this basic information available on the internet, only some press releases and the English contract between Fibria and Parkia quoted above. The latter simply mentions that Parkia is based in Rio de Janeiro in the posh neighbourhood of Barra da Tijuca. (11)

Another consequence is that the transaction strengthened Fibria because it provided the company with a new way of access to more financial resources. The company already announced it will be taking advantage of the transaction for expansion of its activities in the State of Mato Grosso do Sul (12). That expansion of plantations also means that a larger number of communities will be affected.

Perhaps one of the biggest challenges is to transform the resentment against this latest form of profiteering which labels vital and unique community areas as 'assets' into motivation for the affected social movements to renew their struggle against monoculture plantations in Brazil and the rest of the world. These new financialization trends have serious implications for all those who have already been struggling for a long time to regain control over their territories, but also for other communities trying to resist Fibria's further expansion. Not to mention workers who will also suffer with this unprecedented type of agreement, since Fibria and Parkia seek to increase profit for their shareholders and investors.

The International Day of Peasant's Struggles was celebrated in April, an opportunity to remember that social movements in rural areas have always emphasized that land gives us life. Therefore, we cannot

then accept that land be transformed or mineralized, to become a mere object of speculation. Such moves must always be rejected.

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1. <http://economia.estadao.com.br/noticias/negocios,parkia-e-brasileira-diz-fibria-sobre-venda-de-terreno,170311e>
2. http://www.fibria.com.br/web/pt/midia/releases/release_2014mai13.htm
3. <http://exame.abril.com.br/negocios/noticias/fibria-conclui-venda-de-terras-para-a-parkia--2>
4. <http://tissueonline.com.br/fibria-anuncia-venda-de-210-mil-hectares-de-area-florestal/>
5. See reference (3)
6. See reference (1)
7. See reference (1)
8. See reference (2)
9. http://www.sec.gov/Archives/edgar/data/1110649/000110465914014508/a14-6529_1ex4d4.htm
10. See reference (3)
11. See reference (9) and more news on who is behind Parkia <http://tijolaco.com.br/blog/?p=12171>
12. See reference (4)



Territories being seized in Cambodia: protecting corporate profits

Violent, systematic grabbing of peasants and indigenous peoples' territories in Cambodia is resulting in a threefold increase in the number of families affected by land conflicts during 2014 when compared to the previous year (1). The Cambodian League for the Promotion and Defense of Human Rights (LICADHO) launched a "land concession dataset" in March 2015, showing the vast areas of corporate seizure and use of land in Cambodia (2). Further, areas under a REDD project claiming to "preserve" communal forests in the country are being cleared and communities being displaced in order to "open up" space for private profits.

In 2014 alone, LICADHO registered 10,625 families, or an estimated 49,519 individuals, newly affected by land conflicts. A detailed list of the documented cases (3), mostly confined to 13 provinces where LICADHO has field offices, show the involvement of mining operations, tree plantations, agribusiness, hydroelectric construction, among others, as well as the military and security state officials. The affected families in 2014 represent more than three times the number of families documented in 2013 (3,475) as

from as nearly three the number recorded in 2012 (9,072), many of these land conflicts have led to forced evictions. These are frequently violent and state forces are commonly deployed against civilians to protect private sector interests and their own gain.

Due to the government's lack of transparency, the information LICADHO has collated for the "land concession dataset" remains incomplete. However, the dataset already shows the large amount of concessions given for rubber plantations and extraction, sugar and cassava, as well as plantations for palm oil and for pulp and paper. Many other concession areas though remain "unknown" in terms of extension, ownership and use (4).

The Cambodian government keeps denying the serious situation confronted by peasants and indigenous peoples who are forced to stand up to defend their territories. A previous statement by LICADHO, from April 2014, already warned of the increasing "wave" of land conflicts. As LICADHO director, Naly Pilorge, said at the time, "each number represents a potentially ruined life, an individual who faces severe and long-term hardship. Without land, they no longer have the means to provide the basic requirements for a decent life." (5) As a reaction to the statement, the government staged a press conference to claim publicly that LICADHO's findings were "not real". Less than four months later, a 19-year-old Cambodian was shot and killed by soldiers, who fired on a group of peasants involved in a land dispute with the military unit in Preah Vihear province.

According to the human rights organization, the renewed "wave" of conflicts comes after the government's May 2012 directive, which suspended the granting of new economic land concessions and ordered a systematic review of existing concessions. That directive was followed in late 2012 and early 2013 by a land-titling program for large extensions of areas, including communal lands. However, a loophole allowed land concessions that were "already in the pipeline" to be issued after the directive. In the seven months following the moratorium announcement, a total of 208,805 hectares of land was handed over to concessionaires (6). The land-titling program appears to be a complete failure. As LICADHO says, "one part of the country in which the government claims to have reallocated land from a concession and granted titles to villagers is the area in Preah Vihear province in which the indigenous Kuoy continue to struggle to save their forests" (7).

The government must disclose all of its land dealings to the public. However, to date the Ministry of Agriculture, Forestry and Fisheries (MAFF) has published an oversimplified and incomplete list of companies; the Ministry of Environment (MOE) has done even less, simply releasing the total number of companies involved and the total land area leased. Neither ministry has disclosed the exact location of the over 2.1 million hectares of Cambodian land covered by existing land concessions.

REDD in Cambodia

The "Oddar Meanchey Community Forestry REDD project", set up in 2008, is run by the Cambodian branch of a US-based NGO called PACT and Cambodia's Forestry Administration. PACT Cambodia brought in Terra Global Capital, a US-based carbon trading firm, although no credits have yet been issued. The project claims that the aim is to protect 13 community forests managed by 58 villages. The community forests range in size from 400 hectares to over 18,000 hectares, and cover a total of around 65 thousand hectares.

In November 2011, a US Government agency, the Overseas Private Investment Corporation (OPIC), provided US\$ 900,000 in political risk insurance for Terra Global Capital, the private investor in the project. The insurance protects US investors against various possibilities, including war, civil strife, coups, terrorism and other politically-motivated violence, as well as host government interference such as expropriation, among others. OPIC's support for Terra Global Capital is the world's first political risk insurance coverage for a REDD project (8).

Despite the Ministry of Agriculture, Forestry and Fisheries (MAFF) to the one in charge to establish community forests, the Cambodian military has been clearing forest in the area of the Thai border, including the REDD project's community forest areas, for several years. In 2012, the military told the head of the community forest network, Sar Thlai, that it would take over 2,500 hectares in two of the community forests. Sar Thlai told the *Cambodia Daily* that the military had set up bases in at least six of the 13 community forests in recent years (9). Further, in April 2013, two armed soldiers stopped community forest patrollers and forced them to hand over two chainsaws and 100 planks of luxury timber that they had seized from illegal loggers. The soldiers said that the logging was to construct a new building for their garrison (10).

Deforestation continues in and around the community forests in Oddar Meanchey province and REDD is doing nothing to stop this. Threats include companies and armed forces moving into the area and large-scale economic land concessions. In 2014, the *Cambodia Daily* reported that villagers from Banteay Ampil district found five armed Cambodian soldiers bulldozing their community forest. The community forest is part of the Oddar Meanchey REDD project (11) and the MAFF is doing nothing to stop this.

Large-scale concessions have had a track record of destroying livelihoods and forests. Cambodia's leading campaigner against illegal logging and land grabs, Chut Wutty, was shot dead by military police in 2012, while guiding two journalists from the *Cambodia Daily* to investigate illegal logging in the Cardamom Mountains in Koh Kong province (12). "Cambodians have the right and need to know who occupies areas next to their homes," said LICADHO Director, Naly Pilorge. Urgent action is required to support communities struggling to avert this continuing plunder.

1. <http://www.licadho-cambodia.org/pressrelease.php?perm=374>
2. http://www.licadho-cambodia.org/land_concessions/
3. <http://www.licadho-cambodia.org/press/files/LICADHO-ConflictsData2014-English.pdf>
4. See note (1)
5. <http://www.licadho-cambodia.org/pressrelease.php?perm=342>
6. <https://www.globalwitness.org/campaigns/land-deals/rubberbarons/>
7. See note (5)
8. <http://climatemarkets.org/topics/public-sector-ifis-and-leveraging-private-finance/fact-sheet-about-the-module-topic#sdendnote3anc>
9. <http://www.redd-monitor.org/2014/06/13/military-clearing-of-community-forests-in-oddar-meanchey-cambodia-photos/>
10. <http://www.redd-monitor.org/2013/06/21/oddar-meanchey-redd-project-runs-into-problems-selling-carbon-credits-as-the-cambodian-government-misses-deal-signing-deadline/>
11. <https://www.cambodiadaily.com/archives/military-continues-to-cut-down-forest-and-carbon-credits-50964/>
12. <http://www.redd-monitor.org/2012/04/27/environmental-activist-chut-wutty-shot-dead-in-cambodia/>





Brazil approves commercial use of the first GM eucalyptus tree

As expected and despite the strong national and international opposition, on April 9, the Brazilian National Technical Commission on Biosafety (CTNBio) approved the commercial use of a genetically modified (GM) variety of eucalyptus. The request was made by the company FuturaGene, a subsidiary of the giant Suzano Pulp and Paper. CTNBio's decision made Brazil the first country worldwide to approve a variety of GM eucalyptus, setting off alarm in the country and in the Latin American region.

The approval of the GM eucalyptus was originally scheduled for March 5. But the decision was postponed thanks to the actions of thousands of women and peasants. Women from different social movements in Brazil occupied the nursery in the State of Sao Paulo where the GM seedlings were grown and warned of their destructive and pernicious effects on biodiversity and rural communities. Simultaneously, in Brasilia, peasants accessed the CTNBio meeting venue with chants and placards rejecting the approval of several GM plan varieties, including GM eucalyptus. These actions were held on the Day of Women Farmer's Struggle against the violence of agribusiness and its effects on women and peasants.

The GM variety which was finally approved, called H421, was created to increase yield by 20% in tree plantations. According to the company's statement, issued on the day of the approval, "yield increase provided by the GM eucalyptus will provide economic, environmental and social benefits ... The main environmental benefits derived from using less land to produce more fiber will include lowered carbon emission through the reduction of distance between the forest [sic!] and mills, reduced use of chemical inputs and greater availability of land for other purposes, such as conservation and food production". Stanley Hirsch, Executive Director of FuturaGene said "Producing more wood without increasing the use of natural resources is a constant challenge for all industry players. We are proud to have developed an innovative technology that is capable of potentiating forestry industry competitiveness while benefiting society as a whole" (1)

However, the benefits FuturaGene expects are intended for the interest of its owner's pockets: the Brazilian giant Suzano Celulosa & Paper, owner of almost 900,000 hectares of land within Brazil (see WRM's website for [more information about the Suzano company](#)).

There are no grounds for the argument of "using less land to produce more fiber" if one looks at plantation industry history. First, the plantation industry has always encouraged excessive and unnecessary paper consumption, which has resulted in the current excessive consumption by a minority concentrated in the North (See the [WRM video on paper consumption](#)). Besides, while the industry has managed to increase tree plantation production, it has also invaded large tracts of new land. In Brazil, in the 1980s, when production was 27m³ per hectare per year, plantations occupied an area of about 4 million hectares. Currently, production is around 44m³ per hectare per year, and about 7.2 million hectares of land are occupied. It is estimated that by 2020, if companies receive the necessary incentives from the Brazilian States, the area will be extended to 14 million hectares. (2)

There are no signs that the plantation industry is thinking of occupying less land to make room for food production. On the contrary, the planned expansion will increase existing land conflicts and food sovereignty issues in Brazil.

It is scarcely credible that yield can increase without intensifying the already known negative impacts of monoculture plantations on biodiversity, soil, water, etc. Brazilian and international organizations have

...eucalyptus that the GM eucalyptus will consume far more water. This new tree is expected to achieve the required growth in four years, instead of seven years. But it is during its first years that a tree consumes more water to grow; therefore, the genetic modification to speed up the growing process will cause severe impacts to watersheds and nearby communities due to the loss of water. There will also be the water and soil pollution caused by the use of pesticides and negative effects on local food sovereignty (see more information in [WRM Bulletin of March 2015](#)).

Another complaint submitted to the CTNBio by peasants and social movements in Brazil is linked to the socioeconomic impacts of the GM eucalyptus because of its connection with honey production. Brazil is the second-largest global producer of organic honey and it is estimated that about 350,000 families depend on this activity (3). Eucalyptus is the main source of pollen for bees in Brazil. The new GM variety of pollen can be detected in honey, which will close the doors to Brazilian honey in several international markets - in addition to its unknown health impacts.

The Global Campaign against Agrotoxics criticized Brazil's decision, yet another in a list of recent steps backwards. While many countries are discussing measures to reduce transgenic and pesticide use, Brazil has decided to approve a GM eucalyptus variety and ignore the precautionary principle of the Convention on Biological Diversity, by turning a blind eye to the lack of information on environmental and social risks that transgenic organisms will bring to the population as a whole.

However, given such a bleak scenario, social movements, Brazilian and international organizations have waged an exemplary struggle. The brave actions undertaken by social movements in Brazil, along with the thousands of organizations and individuals who sent letters calling on CTNBio to refuse the approval, were a wake-up call in Brazil and elsewhere. The reaction alerted organizations and movements to this new threat. Forest companies like Fibria, Suzano, Stora Enso, International Paper, all occupying vast areas of land with tree plantations, are conducting experiments with GM trees worldwide (4). We must remain alert and prevent other countries from following Brazil's example.

1. <http://www.futuragene.com/FuturaGene-eucalyptus-approved-for-commercial-use.pdf>
2. <http://worm.org.uy/es/todas-las-campanas/carta-abierta-a-la-comision-tecnica-nacional-sobre-bioseguridad-de-brasil/>
3. <http://www.mst.org.br/2014/12/09/a-quem-interessa-o-brasil-ser-o-primeiro-pais-a-liberar-eucalipto-transgenico.html>
4. <http://worm.org.uy/es/libros-e-informes/ge-tree-research-a-country-by-country-overview/>



FSC: Certifying accumulation markets

For a long time, WRM, along with other organizations and social movements, has denounced the certification of projects that are destructive to forests and their web of life. These projects have also proven to be detrimental to communities living in and depending on forests. The Forest Stewardship Council (FSC) certification not only legitimates industrial logging in tropical forests and vast areas of monoculture plantations, but has also been associated with carbon markets, by certifying trees planted for "carbon capture". Furthermore, by the end of 2015, the FSC aims to have a comprehensive plan to certify so called "ecosystem services". Without addressing the underlying causes of deforestation, FSC promotes the idea that "nature" can be quantified and commodified, while encouraging increased consumption of timber and wood products - provided they have their label.

Forest certification systems are voluntary market-based schemes to assess "forest management" through a set of indicators related to the economic, environmental and social "sustainability" level of a given project. Thus, certification labels are regarded by consumers as an "insurance" that those products have been produced or extracted with "sustainable forest management" practices. In the early 1990s, various certification systems were created through "public private partnership"- initiatives between governments, companies and conservation NGOs. The Forest Stewardship Council (FSC) was one such initiative, which currently enjoys widespread recognition and credibility.

The FSC, established in 1993, has a set of principles and criteria to certify wood extraction as "ecologically, socially and economically viable" and thus, consumption of these labelled products is believed to be "responsible". But, how can logging at industrial level be awarded a label ensuring a "socially beneficial and environmentally appropriate" management? How can one ignore that the growing demand for tropical timber has driven corporate expansion at all stages of the production process - from raw material extraction, through manufacturing, marketing and distribution? The reality is that social disintegration and destruction of forests are common consequences of industrial logging and this often violates the territorial rights of indigenous peoples and other traditional communities – the same groups who have been major defenders of their forests and territories for generations (see [WRM Bulletin of October 2014](#)). Besides, the FSC defines monoculture plantations as "forest areas", which allowed the possibility of certifying monoculture tree plantations, adopted since 1996. Despite countless criticism and strong resistance in the affected territories, millions of hectares of monoculture tree plantations are considered by the FSC as "certified forests". In practice, the FSC approves and certifies land grabbing worldwide for the economic benefit of few forestry companies (see [further information on the FSC](#) at WRM's website).

Later on, the FSC also decided to support the carbon market by certifying forest and plantation areas that are marketing themselves as "carbon sinks". With this decision, the FSC not only helps to legitimize a false solution to global warming, but, again, sides with large forestry industries, at the expense of local populations (see WRM publication "[REDD: A Collection of Conflicts, Contradictions and Lies](#)").

Increasing the market, intensifying the plunder

The FSC aims to provide the global market as much certified timber as possible. Although at first glance this sounds like a laudable goal, the only way to achieve it is to certify as many large-scale operations as possible. The goal then is not to stop excessive consumption of timber and wood products - demand fueled by corporations that profit from excessive consumption of paper and timber products, mainly from the industrialized North - nor is it to question the steady increase in logging and industrial monoculture plantations. By contrast, FSC wants its "green" label to be increasingly consumed. So, who is benefiting?

Behind the label and attractive marketing campaigns are the countless communities that are directly and severely affected by this insatiable demand. Monoculture plantations throughout Africa, Asia and Latin America are sweeping away forest territories that are home of communities, biodiversity, water sources and complex webs of life, and leave behind dispossession, poverty, destruction and social repression (see

success of resistance against monoculture plantations on their territories, who are sick due to pesticide pollution, impoverished by the loss of their livelihoods or criminalized for attempting to hinder those projects, have been ignored while the big forestry companies worldwide have been certified?

The WRM, along with many local and international networks, has consistently criticized the misleading description of tree plantations as "planted forests" due to their harmful environmental and social impacts (1). The FSC reinforces this idea when certifying large areas of monoculture plantations under a "forest" certification label. From certified forestry companies to auditing companies (which are paid by the same companies who want to be certified), there is a network of interests that seek to maintain and expand the model of excessive consumption of pulp and wood products. More recently certified plantations include those for possible ethanol production and/or wood pellets for burning in power plants (2).

Expanding market certification: "Ecosystem services"

A project called "Forest Certification for Ecosystem Services" (ForCES) is focused on assessing how the FSC can become the global leader in the certification of "ecosystem services". The project involves implementing ten pilot projects to "evaluate and reward the provision of critical ecosystem services such as biodiversity conservation, watershed protection and carbon storage/sequestration" (3).

Trading "ecosystem services" transforms nature into quantifiable units that can be translated into marketable assets, also called "certificates", "titles" or "credits". It is based on the idea that nature, with its "ecosystem services" can be destroyed provided that such destruction is "compensated" with "protection", "recovery" or "improvement" somewhere else. "Ecosystem services" trade is something radically different from the way in which people who depend on forests value them (See WRM [Bulletin of February 2012](#)).

According to ForCES's website, FSC is "well positioned to extend its market-based approach and promote ecosystem services". Within this context, by the end of 2015, FSC plans to have "an enhanced global system which targets key ecosystem services with present or future market potential", as well as "successfully certified demonstration sites for ecosystem services". The ten projects currently carried out by ForCES are located in Chile (3 projects with a total of 320,000 hectares), Indonesia (3 projects with a total of 290,000 hectares), Nepal (2 projects with a total of 57,000 hectares) and Vietnam (2 projects with a total of 37,000 hectares).

ForCES's website highlights that the pilot sites in Chile aim to expand FSC certification at the "landscape level". This will help to promote "sustainable forest management" around "natural and planted forests" (4). In a context of opposition to extensive monoculture plantations, the FSC has granted its approval to plantation companies which are facing serious social conflicts over land disputes and evictions. One of the ForCES pilot projects in Chile, Bosques Cautín, has as a partner Forestal Mininco, a company that in 2011 was reported for having many of its certified hectares on Mapuche indigenous territories (see article WRM [Bulletin of January 2015](#)).

In the case of Indonesia, ForCES promotes it as the biggest timber production country in Southeast Asia, while at the same time asserting that deforestation has dropped sharply in the past seven years. How could deforestation drop "sharply" in a country that has, to the detriment of forests, the largest area of industrial oil palm plantations worldwide, an area which is still expanding, alongside other extensive areas of tree monocultures? Such a conclusion can only be drawn if a plantation is regarded as a forest. ForCES affirms however that even though deforestation is still a problem in Indonesia, the cause is that "ecosystem services" are not being economically accounted for (5). Once again, the FSC emphasizes the ideology that nature has to be turned into market units.

In Nepal, planned activities include "guidance to policymakers and stakeholders in drawing up rules, laws, regulations and policies [to certify ecosystem services]" (6). And in Vietnam, ForCES plans to contribute to

All these plans and pilot projects clearly illustrate that the FSC legitimizes the expansion of accumulation markets, not only with large forestry companies and their logging operations, but also creating projects and laws for the so-called “ecosystem services”. As pointed out by Zenzi Suhadi from the Indonesian NGO Walhi, “Decisions on forests in Indonesia are still in the hands of powerful institutions. The Government fails to mention land ownership issues or deforestation causes, such as the model of production and consumption. These topics are intentionally excluded from discussions to avoid the enormous responsibility that the State and corporations would need to take for their crimes.” (8)

It is time to listen and respect people who live in and depend on forests, the communities who have defended and depended on their territories for generations. This should start by radically transforming the plantation and energy production model which is fed by corporate expansion and the generation of increased profits. To certify this expansion is to certify ongoing environmental and social devastation.

1. See some WRM materials in: <http://wrm.org.uy/?s=FSC>; “FSC: Unsustainable certification of forest plantations”, WRM, September 2001, <http://wrm.org.uy/oldsite/actores/FSC/libro.html>; and also see FSC-Watch: <http://fsc-watch.com>
2. <http://www.isealalliance.org/online-community/news/forest-plantation-first-to-receive-rsb-and-fsc-certification>
3. <http://forces.fsc.org/index.htm>
4. <http://forces.fsc.org/chile.11.htm>
5. <http://forces.fsc.org/indonesia.26.htm>
6. <http://forces.fsc.org/nepal.27.htm>
7. <http://forces.fsc.org/vietnam.28.htm>
8. <http://wrm.org.uy/articles-from-the-wrm-bulletin/section1/indonesia-forests-are-more-than-land/>

PEOPLES IN ACTION



Stop the corporate fire in Chile! Forest fires and their causes

Forest fires in the south of Chile have been very aggressive this year, affecting thousands of hectares of forests from three protected areas in the Araucanía region, south of Chile. On April 14th, a march was organized to denounce the root of the problem: the expansion of the forestry industry. The high concentration of land property and the intensive use of agrotoxics, together with the precarious working conditions for the majority of workers in the industry contribute to generating poverty and misery in the territories where these tree monocultures have impeded the existence of other ways of survival. The march denounced that it is not enough to put out fires. The increase

and expansion of the tree plantations industry in Chile is the central problem. See further information (in Spanish):

[https://www.facebook.com/events/680477575427907/;](https://www.facebook.com/events/680477575427907/)

[http://resumen.cl/2015/04/fotos-marcha-en-concepcion-contra-la-industria-forestal/;](http://resumen.cl/2015/04/fotos-marcha-en-concepcion-contra-la-industria-forestal/)

and <https://www.facebook.com/bosquessin.forestaes/timeline>



Wilmar International: Destroying lives for profit

The radio program Growing Voices, from *Radio Mundo Real*, discusses the impacts of the highly criticized Wilmar International, one of the largest palm oil corporations in the world. The program looks closer at the case of Kalangala in Uganda, where over one-hundred Ugandan small-scale farmers were evicted, and their lands grabbed by Oil Palm Uganda Limited, a subsidiary of Bidco Uganda Ltd - which in turn is a venture co-owned by Wilmar International. Farmers have presented a lawsuit in March 2015, claiming compensation for their lost lands and the damages caused. You can hear the program in English here: <http://radiomundoreal.fm/8171-growing-voices?lang=en>



African resistance to land grabs by plantation companies Bolloré and Socfin

Peasant farmers deprived of their lands launch a series of occupations on Socfin's plantations in Cameroon, Liberia, Cambodia and Côte d'Ivoire between the end of April 2015 and the annual shareholder meetings of the Socfin group (27 May) and the Bolloré group (4 June). The Bolloré group is the biggest shareholder (39%) of Socfin, which has industrial oil palm and rubber plantations, among others in the countries where the protests are taking place. Since 2008, the expansion of these plantations has intensified. Read full article in English at:

<http://farmlandgrab.org/post/view/24811>

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