## Brazil: Follow-up on the Juma REDD project in the Amazon

On 15 July we received a message from the Amazonas Sustainable Foundation (FAS) expressing that "the article <u>'Brazil: Juma REDD test case in the Amazon</u>', published at the WRM monthly bulletin issue 155, presents various inaccuracies regarding both information and overall understanding of the Bolsa Floresta Program, as well as the Juma REDD Project. Therefore, the Amazonas Sustainable Foundation (FAS) sent clarifications to WRM in order to be published at the WRM's website."

We have published <u>FAS's message in full in our website</u>. However, the "clarifications" –posed as a question and answer game- do not clarify much. On the contrary, they basically serve to strengthen what the WRM article said.

Their first clarification asks: "Do Families have additional costs to obtain the benefits from the "Bolsa Floresta Family" Program?" The answer is: "No, they do not. The families withdraw the money when they go to the nearest cities, which they often do every two months. If they wish, they can wait several months and withdraw the money which has been accumulated over the period. For example, if the family goes to the nearest city every six months, then they can withdraw the money accumulated. Thus, there is no need to the family to go to the city just to withdraw the payment of the "Bolsa Floresta" Program."

All the above explanation assumes of course that every single family does go at some time to the nearest city and that none of them really need the money on a monthly basis for their livelihood needs. Both assumptions are questionable. However, our article simply said that "for residents like Dalvina Almeida, it takes a two-day roundtrip journey by boat just to receive their 28 monthly dollars." We never mentioned any "additional costs". Interestingly enough, the response confirms that local people are forced to go to town to receive their money.

FAS explains that "The Bolsa Floresta Program is not a welfare program. The "family" component within the Bolsa Floresta Program IS NOT MEANT to provide all needed resources to keep and improve the life of the community residents. The concept of this cash payment is that it is a reward, a short-run return to the families which have agreed on **zero-deforestation** [emphasis added] commitment."XX

The above is in clear contradiction with point 4 of FAS's response, which asks: "Are the participants of the Bolsa Floresta Program forbidden to plant crops and to maintain their agriculture practices? No, they are not. The participants of the "Bolsa Floresta" Program are allowed to keep their traditional agriculture practices on secondary forests as they are used to do. They have a formal commitment not to cut primary forests."

That seems to imply that "participants" –who formally commit to not cutting primary forests- are allowed to cut down secondary forests in order to maintain their traditional agriculture practices. Even though WRM can support that approach, it contradicts FAS's own stated commitment to "zero-deforestation", because cutting down secondary forests is also a form of deforestation. It is also in contradiction with the testimony of a local person (mentioned as Dalvina Almeida's husband in our

article) who said "When this became a reserve they told us that we could no longer plant in the forest."

The second question posed by FAS is: "Is the monthly payment of BRL 50.00 [US\$28] the only benefit provided by the Bolsa Floresta Program? No, it is not. The "Bolsa Floresta Family" is just one of the four components of the whole Program." The other 3 components are:

- "Bolsa Floresta" Income (BFI), "which invests annually about BRL 4,000 [US\$2270] per community ..."

- "Bolsa Floresta" Social (BFS) "which invests annually about BRL 4,000 [US\$2270] per community in order to improve education, health, transportation, and communications ."

- "Bolsa Floresta" Association (BFA) "which provides support to local organizations ..." [no monetary figure is provided in FAS's "clarification"]

The above means that families only receive –as stated in our article- "US\$ 28 per month [that] represents US\$ 0.93 per day." The WRM article stressed that "For an average rural family of at least 5 people the per capita income drops to US\$ 0.18 per day. It would be good to inform the Juma Project managers and funders that this meagre payment is well below the poverty line, estimated by the World Bank as people earning less than 1.25 US dollars per day."

The money invested annually in communities –some 2270 US dollars in BFI and the same amount in BFS- is equivalent to monthly payments of US\$190 in each case. Clearly very little for BFS's stated aim of "improving education, health, transportation, and communications."

Additionally, no figures are provided regarding how many people live in each community, thus making the amount mentioned almost meaningless.

After showing the amount of money received by families, the WRM article compared those sums with the "US\$ 25,000 per month payment received by the Juma Project foundation director." The FAS response on this is a new question: "Is the salary of the FAS's CEO over the market?"XX That is clearly not the right question, because WRM never said that the salary was"over the market". We only mentioned the sum of money. The adequate response would have been: "No, the FAS CEO's salary is US\$1000" or whatever amount the person receives.

FAS's answer to that question is fascinating though clearly not an answer at all. It says:

"No, it is not. The value published by the WRM is nonsense and it is obviously incorrect. The salary of FAS's CEO, according to a survey by Deloitte Touche Tohmatsu, considering the major Brazilian NGOs, requested by WWF, is 5% less than the national average. In addition, the costs of FAS with human resources are also lower than the national average considering the Brazilian NGOs as well."XX May we ask a very simple question -just to know how nonsensical and incorrect WRM's article was on this issue: How much does this person earn?

Another question raised by FAS was: "Will the conservation of such forests allow polluters to continue to emit carbon due to fossil fuel use?"

That question is related to the last paragraph of WRM's article, which stated: "What makes matters even worse is that the preservation of this forest will allow polluters to continue emitting fossil fuelrelated carbon. This means that the inclusion of the Juma forest into emissions trading will in fact contribute to climate change, because it will allow polluting corporations and rich countries claim that they are 'offsetting' their carbon emissions by conserving a patch of forest in Brazil."

FAS's answer is: "No, it will not. The conception of the offsetting initiative proposed by FAS is that the major effort on emission reduction should be made by the developed countries and their industries. Our vision comprehends that offsetting must be limited to a small part (e.g., 10%) of the overall emission reduction targets of such countries and industries. Therefore, the most of part of emission reduction is on consumption patterns and improvement on production systems."

According to the above the "offsetting initiative proposed by FAS" will "be limited to a small part (e.g., 10%) of the overall emission reduction targets of such countries and industries." Which means that FAS is proposing offsets for a 10% reduction, thus allowing –as said in the WRM article-"polluters to continue emitting fossil fuel-related carbon." And may we remind FAS that that 10% is not a "small part" of emissions.XX The second paragraph of the response is yet more illustrating: "The offsetting shall be also seen as an opportunity to all economic sectors in developed countries, as the hotels' one, in order to be summed to a global effort on reducing greenhouse gases emissions. Within that context, innovative projects, such as the Juma Project, provide opportunities to the guests of Marriott International to offset their personal carbon footprint."

FAS should know that you cannot "offset" a ton of carbon emitted through the use of fossil fuels. Once emitted, it simply increases the carbon pool in the atmosphere. The Juma project is supposed to be aimed at avoiding emissions from deforestation and not at providing "opportunities to the guests of Marriott International to offset their personal carbon footprint." However, the response simply confirms that what the WRM article said is correct.

The last part of FAS's response is much less diplomatic. They say that "it is not worth to pay attention to a catchpenny article" and they add: "We shall also pay attention on how this article has been used by people and institutions that have political and institutional motivations against the "Bolsa Floresta" Program."

So please everyone be careful with how you use this article, because FAS will be watching you!

Ricardo Carrere WRM International Coordinator