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## Madagascar: The “offsetting non-sense”

*"It is an absurdity, as well as an injustice that they take away our forest claiming that they want to protect it, while in reality it is only a way for them to continue to devastate, with their mines, another forest somewhere else."*

This is how we were received sometime ago by the assembly of the village of Antsontso, a small community at the far south of Madagascar. It was September of 2016. For the third time in a few years, the Italian organization Re:Common decided to go back to the big island to continue unveiling the scam of biodiversity offsetting, which is making the fortune of mining companies and the misery of communities around the world.

### **What is biodiversity offsetting about?**

For some years now, transnational companies, mostly involved in mining, industrial agriculture and construction of large infrastructure projects, along with international financial institutions such as the World Bank and the European Bank for Reconstruction and Development, some major international groups for the conservation of nature and an increasing number of governments have started to use, more and more frequently, a strategy known as “biodiversity compensation,” or biodiversity offsetting.

According to them, this mechanism would help protecting biological diversity, with the argument that for every hectare destroyed by the companies’ operations, the biodiversity and ecosystem functions linked to those same hectares of land would be protected or restored elsewhere.

### **“A mine at the rescue of biodiversity”?**

Rio Tinto’s QMM mine in Fort Dauphin, Madagascar, in the Anosy region, has been operating since 2005. It has a permit to dredge 6,000 hectares of unique littoral forest, in order to extract ilmenite, an industrial whitener used in a number of products, from paint to toothpaste. The operation has been removing the last strands of forest in the south-eastern edge of the island, one of the most biologically and culturally diverse areas in the world.

In order to counter-balance the talks around the negative impacts to such a fragile and precious environment, in the past years, Rio Tinto (RT) has paved the way to push back against environmental criticisms of its operations by investing millions of dollars into an internationally supported Biodiversity Action Plan. Despite being the most powerful multinational mining company in the world, with socio-environmental conflicts spread across six continents, RT managed to obtain recognition as the “global champion” in the protection of biodiversity. To achieve that, the multinational company made strategic alliances with influential conservation groups as well as with accredited experts in the academia, who enabled the corporation to publicly claim that the ilmenite mine “came to save the unique biodiversity of the coastal area of Fort Dauphin”. (1)

The Rio Tinto/QMM biodiversity offset project in Madagascar is, in fact, the most widely advertised

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offset project in the mining sector. It is intended to compensate for biodiversity loss resulting from the destruction of the unique and rare coastal forest at Rio Tinto QMM's ilmenite mining site, by "preserving" a forest in Bemangidy-Ivohibe, some 50 kilometres to the north of the mining site. "Preservation" however is translated in the introduction of restrictions to local communities on their forest use.

A joint Re:Common and World Rainforest Movement (WRM) field investigation in September 2015 aimed to collect the views of villagers living in the vicinity of one of the three sites that make up the Rio Tinto QMM biodiversity offset plan for the company's ilmenite mine in Fort Dauphin (2). Our conversations with the villagers of Antsontso, where the compensation project is carried out, revealed that the real situation is very different from the stories told by the company abroad.

In particular, the biodiversity offsetting project has made the livelihoods of the people living at the compensation site even more precarious by imposing extremely severe restrictions to their forest use, almost the unique source of survival for the people in the area. Income-generating alternatives to alleviate the loss of access to the forest had been promised but have yet to materialise. Meanwhile, people are confronted with a daily struggle to feed themselves.

In September 2016, about one year later, the ground-braking video-documentary, *Your Mine* (3), was shot with the inhabitants of Antsontso, which allowed to unveil who is really benefiting from the biodiversity offsetting project, and who is carrying the unbearable consequences of it.

### **Scaling up the protest**

In order to strengthen the solidarity with the people of Antsontso, so harshly impacted by the restrictions imposed on the access to their forested lands, as well as to support their quest for justice, Re:Common, together with a group of European-based groups, engaged in supporting the community's attempt to bring their voices to where decisions are usually taken, and where often stories told much differ from the reality on the ground. Rio Tinto's 2017 Annual General Meeting with the Shareholders was going to be unusual, since it would host Antsontso community representatives, as part of the wider civil society joint action to draw attention on QMM's social license to operate. The villagers representing the community affected by QMM's biodiversity offsetting programme, which has left them without fertile lands and no compensation for the loss of their forest access, food security and livelihoods, were supposed to bring new questions for the company to answer.

But Antsontso villagers were told a few days before their travel date that their UK visas were denied. The reasons given belied not only questionable prejudices of the UK Government towards indigenous peoples but also raised serious, unaddressed suspicions of company interference.

The community member who had planned to attend the Annual General Meeting was outrageously informed by British officials that he had a "lack of qualification" to speak about environmental and human rights concerns (4). This, in fact, makes Rio Tinto to rapidly lose its credibility. Interestingly enough, back in October 2016, QMM's much hauled biodiversity committee had already resigned, stating that Rio Tinto and QMM had watered down their commitment to responsible mining by creating "a vague and fundamentally weakened strategy" (5).

The story however does not end here.

Even though Antsontso community's struggle for justice is still on going, and any prediction of an end to that struggle is probably still far away, some more general reflections can be drawn from this very

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telling story.

## **Offsetting for whom?**

In recent years, we are assisting an increasing number of researchers, activists and practitioners engaging in discussions and analysis focused on how to assign economic values to nature, under the assumption that the only way to protect it is by making it “economically visible”. This quest for measuring the immeasurable has produced a plethora of metrics, accounting systems and even biodiversity banks, together with large debates surrounding these tools, with the only result being that the most fundamental issues of social justice have remained largely unaddressed.

We take a fundamental opposition to an approach that wants to lock “people” and “nature” into two separate opposing blocks as well as an ethical rejection of a process aimed at abstracting complex and dynamic habitats into equivalences based on questionable metrics and units, with the short-lived experience of carbon credits in mind. However, we even question the effectiveness of biodiversity offsets as being able to make ‘biodiversity credits’ both financially appealing and efficient in terms of biodiversity conservation at the same time.

However, it is not on the (lack of) efficiency and effectiveness of these mechanisms that we want to build our argument, but rather on questioning their very purpose.

Protecting nature and biodiversity has little or nothing to do with biodiversity offsetting as the actual goal of these schemes is to allow further destruction and appropriation, by way of legitimizing or even legalizing environmental crimes. Behind the gloomy story of the protection of nature, in fact, there are hundreds of millions of public money being diverted into the pockets of transnational companies.

Extractivism, meant as the systematic extraction of wealth and sovereignty from territories, is in constant need of new mining projects or large dams in biodiversity-rich areas (more often in the South), as well as mega infrastructural projects such as highways or residential areas in more anthropized areas.

In order to achieve control over these resources, the extractive machine has to overcome increasing opposition from those communities that would simply not give up on their right to decide what will happen on their territories. From here comes the necessity for companies to elaborate new and more sophisticated ways to gain their license to destroy.

By launching and promoting offsetting projects, companies not only can continue undisturbed with their business as usual, but they can do so while at the same time presenting themselves as champions of nature conservation, with the active support of well-accredited research institutes, conservation NGOs, a part of the academia, and with the support of another powerful ally, the State. The State is in fact structurally indispensable for this predatory model to succeed, as it has the power to make it legally possible - by adjusting the rules of the game - but also socially justifiable – by allowing it in the name of a ‘public interest’ that is reframed so as to equate with private profit. This way, entire territories that are most targeted by extractive companies become also subject to repressive militarization, leaving little room for discussion and let alone opposition.

The evidence collected during our journeys through biodiversity offsetting areas raises a fundamental question of justice (6).

Hundreds of families are losing their means of survival to allow the world’s mining giants to increase

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their profits. Private companies and conservation organizations supporting these projects with their sustainability trademarks do not even feel obliged to inform affected communities about the real motivations behind the restrictions imposed on the use of their territories.

However, perverse mechanisms such as biodiversity offsetting are extremely effective in one thing: to shift the attention from the *what* to the *how*. By focusing on how to make business-as-usual more socially acceptable or ecologically sustainable, they prevent the emergence of a truly democratic and transparent discussion about meaningful alternatives to a predatory development model that continues benefiting only a few at the expense of many.

It is crucial not to waste precious time searching for ways to reform a broken system that should instead be rejected as such. We can no longer afford distractions.

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(1) [http://wrm.org.uy/wp-content/uploads/2016/06/Article\\_Rio\\_Tinto\\_in\\_Madagascar.pdf](http://wrm.org.uy/wp-content/uploads/2016/06/Article_Rio_Tinto_in_Madagascar.pdf)

(2)

<http://wrm.org.uy/books-and-briefings/rio-tintos-biodiversity-offset-in-madagascar-double-landgrab-in-the-name-of-biodiversity/>

(3) target="\_blank" rel="noopener">

(4)

[https://www.theguardian.com/global-development/2017/apr/07/madagascar-farmer-mining-firm-rio-tinto-agm-ousted-from-land-athanase-monja?mc\\_cid=c25820a07c&mc\\_eid=5e52a8e9f0](https://www.theguardian.com/global-development/2017/apr/07/madagascar-farmer-mining-firm-rio-tinto-agm-ousted-from-land-athanase-monja?mc_cid=c25820a07c&mc_eid=5e52a8e9f0)

(5) [http://www.theecologist.org/download/403726/qmm\\_biodiversity\\_committee\\_resignation\\_statement\\_final.pdf](http://www.theecologist.org/download/403726/qmm_biodiversity_committee_resignation_statement_final.pdf)

(6) <http://www.recommon.org/eng/biodiversity-offsetting-license-destroy/>