Envira REDD+ project in Acre, Brazil: Gold certificate from carbon certifiers for empty promises

A rubber tappers community, part of a 40,000-hectare REDD+ project, faces a difficult struggle to maintain their way of life. The project has already sold carbon credits, yet to date only provided the local community with dental kits and a visit to the dentist.

The 'Envira Amazonia Project' is one of three forest carbon (REDD+) offset ventures that the USbased company CarbonCo LLC is pursuing in the Brazilian state of Acre. The project area covers almost 40,000 hectares of Amazon rainforest, and is part of a massive 200,000 hectare property claimed by the company JR Agropecuária e Empreendimentos EIRELI. That claim, however, is disputed. **Rubber tapper families have been living on the land for generations** but most have been unable to obtain legal title documents that confirm their rights to the land. **The REDD+ project threatens the future of the community** because it imposes restrictions on the future use of the land and prevents reactivation of peasant farming plots abandoned in the last decade.

The main owner of the Brazilian company involved in the Envira Amazonia REDD+ project is Duarte Jose do Couto Neto. Do Couto Neto is involved in a number of enterprises (1), and was candidate for the ultra-right Prona party in Acre in the 1990s. As recently as September 2017, he expressed his support for the current presidential candidate of the ultra-right in Brazil, and the military dictatorship stating that he was longing for the military regime ("Saudades e muita do regime militar"). (2) Like in most parts of the Brazilian Amazon, land tenure within the project area is complicated and disputed, but you would not know that from reading the project or certification documents: the land owner's claim to a massive 200,000 hectares is taken for granted and no disputes over land are mentioned. Nor do the auditors who approved the Climate, Community and Biodiversity (CCB) certificate question how one person, in this case, Duarte Jose do Couto Neto - was able to legally acquire such a vast expanse of privately held land in relative proximity to the country's border area with Bolivia and Peru. Rubber tappers have used the land for generations and therefore, have legal rights to the land they occupy. Yet, very few families hold land titles. Approximately 10 rubber tapper-turned-peasant families hold land titles inside the almost 40,000 hectares that make up the Envira Amazonia REDD+ project. In addition, around 40 families live inside the surrounding area but outside the REDD+ project site. According to project documents, the REDD+ project claims to protect the entire 200,000 hectares and suggests these communities outside the project area also as beneficiaries but does not explain why or how they are involved or affected.

In 2015, the Envira Amazonia REDD+ project was certified under the Climate, Community and Biodiversity (CCB) standard by the Rainforest Alliance's Brazilian partner, Imaflora. The assessments for the Verified Carbon Standard (VCS – now called Verra) certification were carried out by Environmental Services Inc. (3) In 2016, the certifiers issued the first batch of carbon credits from the project, a second batch of carbon credits was issued in November 2017. (4) The VCS database shows that during 2016/2017 at least 750,000 carbon credits from the Envira Amazonia REDD+ project have been sold. (5)

Community unaware that the project is already selling carbon credits

When the World Rainforest Movement (WRM) visited families living within the almost 40,000 hectares of the Envira Amazonia REDD+ project site in March 2018, **community members were unaware that the project had been 'approved' and was selling carbon credits already**. Residents explained that many foreigners had been to the area in the previous years, but few had spoken to them and many did not seem to speak Portuguese. They had carried out studies and one **person had been visiting each family individually to convince them to support the carbon project**.

Most families had signed a form suggesting support for the project or had been photographed when receiving a dental kit. **This dental kit contained a small tube of toothpaste and a toothbrush**, and has been, along with the offer of a gratis visit to a dentist the only tangible benefit that community members have received to date.

(Empty) Promises the basis for issuance of CCB Gold Level certificate

While residents have not seen any tangible benefits beyond the dental kit and a one-off visit to the dentist, many promises were made when the project was presented to the families. Residents confirmed that the promises made are in line with those mentioned in the project document prepared for the CCB certification: "the landowners will also implement numerous activities to assist local communities and mitigate deforestation pressures such as: offering agricultural extension training courses; beginning patrols of potential deforestation sites in the early stages of the Project; granting land tenure to local communities; and establishing alternative economic activities including commercializing the collection of medicinal plants and açaí." (6)

Imaflora granted a 'Gold Level' CCB certificate to the Envira Amazonia REDD+ project in 2015 / 2016, based on the project developer's promises to the community. **Yet, none of these promises have been fulfilled**. As mentioned above, the project owners seem to not even have informed the community that the REDD+ project had passed the certification assessments and was already selling carbon credits. Advertising for the Envira Amazonia REDD+ project also highlights the benefits the project supposedly brings to the community. A <u>carbonfund.org</u> advert for the project, for example, claims that the community is benefitting from the REDD+ project: "Social projects and activities to mitigate deforestation pressures and benefit the local communities include, but are not limited to: agricultural extension training courses; boat patrols of potential deforestation sites; improving local schools and health clinics; and developing local infrastructure to collect, transport and sell locally-sourced açaí, medicinal plants and rubber." (7) Pictures of children in front of the community school (which has not been operational for the last two years and is in a poor state) and a picture of a community meeting inside the school building are included to suggest a project that is beneficial for the local community.

Envira Amazonia REDD+: Restrictions, not benefits, the reality for families

While project owners and certification bodies create a virtual reality of the Envira Amazonia REDD+ project benefitting families in the project area, the reality for the community on the ground is similar to that faced by communities affected by the other two CarbonCO LLC REDD+ projects in Acre: the Purus and Valparaiso / Russas REDD+ projects. (8) A large-scale land owner with questionable land title takes advantage of the insecure tenure situation and isolated location of the community and uses his position of power over the families to impose land use restrictions that are likely to accelerate a rural exodus. The Envira REDD+ project prohibits use of the forest by rubber tapper families outside the 150 hectares currently available to each of the families living inside the REDD+ project site. Residents are thus not allowed to reactivate recently abandoned plots that were used by rubber tapper families as late as the 1990s. This will force youth who have grown up in the area and wish to continue their parents' way of life as rubber tappers and peasant farmers to leave the land and migrate to the city where employment opportunities will be scarce. Deforestation for cattle ranching continues to be pursued in the surrounding areas by large-scale land owners, yet rubber tapper and peasant families are denied the land that has been used for generations for rubber tapping and peasant farming.

The virtual reality of a REDD+ project providing 'Gold Level' community benefits, that adverts on the <u>carbonfund.org</u> website and certification reports create is in sharp contrast to the reality of empty promises and future land use restrictions that characterize the Envira Amazonia REDD+ project on the ground.

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(1) A partial list of companies and properties in Acre and Mato Grosso that is apparently monitored as part of the REDD+ project certification (to prevent so-called leakage, i.e. the owner just moving cattle ranching to these other properties) is included in the certification documents. Several of the properties (e.g. Seringal Canada) listed form part of the massive 200,000 hectare land holding of which the REDD+ project is part. However, the list appears to be incomplete and not include activities in the Amazonas state which several residents of the area referred to. At least two companies that list do Couto Neto as Partner are not on the list: Santa Cruz Da Amazonia Empreendimentos Ltda and Start Up Da Amazonia Projetos De Exploracao Sustentavel Ltda Me.

(2) Comment Duarte Jose do Couto Neto to article 'General do exército bate forte no STF'

(3) Financial reports of the non-profit organisation Carbonfund.org show a payment of USD 136,802 in 2015 to Environmental Services Inc.The reports do not explain whether this was the cost of validation and verification of the Envira Amazonia REDD+ project to the VCS carbon standard. CarbonCo LLC is a wholly-owned subsidiary of the non-profit organisation Carbonfund.org. The Carbonfund.org Foundation 2016 annual report is available <u>here</u>; documents filed for exemption from income tax are available <u>here</u>.

4) See <u>here</u> for the long list of documents linked to the Verra / VCS carbon and CCB certification documents.

(5) Link to VCS / Verra database

(6) Envira Amazonia project document prepared for CCB certification

(7) Carbonfund.org advert for the Envira Amazonia REDD+ project.

(8) For information about the impacts of these projects on communities inside the REDD+ project sites, see the WRM publication <u>'Observations on a private REDD project in the state of Acre, Brazil'</u> and C. Faustino & F. Furtado (2015): <u>Economia Verde, Povos das Florestas e Territórios: violações</u> <u>de direitos no estado do Acre Bericht für die Plataforma DHESCA Brasil</u>.