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## Brazil: Civil society letter to the Prototype Carbon Fund on Plantar's eucalyptus plantations

The PCF (Prototype Carbon Fund) is the World Bank's fund that mobilizes resources to promote the carbon dioxide trade, whereby contaminating companies --mainly located in the countries of the North-- can "negotiate" with forestry producers which supposedly trap carbon --mainly located in the countries of the South. And it is to the PCF that, representatives of dozens of bodies, citizen movements, churches, parliamentarians, city councillors and citizens of the Brazilian States of Minas Gerais, Espírito Santo, Bahia and Rio de Janeiro will be sending a letter. In this letter, they state their concern over the expansion of large-scale monoculture eucalyptus plantations, which has caused a series of negative social, economic, environmental and cultural impacts. They also stated their perplexity and surprise that the forestry company Plantar S.A. had submitted a project to the PCF.

The forestry sector companies, such as in the case of Plantar S.A., were established in the sixties and seventies, in the midst of the military dictatorship, benefiting from attractive tax incentives. The result was the eviction from their lands of the Tupinikim and Guarani indigenous peoples, the traditional Afro-descendent communities and thousands of farmers, increasing unemployment and the despair of these local populations, left without the land, the biodiversity and the water that enabled them to subsist.

The companies planting eucalyptus in Minas Gerais affirm that their tree plantations are lessening "pressure" on the native vegetation --in this case the Atlantic Forest (Mata Atlântica) and the "Cerrado" ecosystem-- but they forget to mention that nearly two million hectares in the State were planted at the expense of burning a large part of the Mata Atlântica and the Cerrado. Furthermore, as by law the companies could not own a large part of these lands which belonged to the State, they resorted to fraudulent methods and leasing contracts to occupy thousands of hectares of Cerrado, evicting the local populations from their lands, preventing the traditional collective use of this type of vegetation by the local communities and attacking their way of life and subsistence.

The Plantar S.A. Reflorestamentos Company was founded in 1967 and is devoted to three types of activities:

- provision of forestry services to major companies, mainly in the cellulose sector;
- cast iron works (production of iron ingots);
- plantation of eucalyptus on its own lands (it has 280,000 hectares of monoculture eucalyptus plantations --close on 10 million plants, increasingly cloned-- to extract timber and produce charcoal with which it supplies its iron works, thus balancing its business).

The company has FSC (Forest Stewardship Council) certification, granted in 1998 by the certifying firm SCS and covering only 4.8% of its lands where it has eucalyptus plantations. This certification is used by Plantar to sell the so-called "carbon credits" and has already been questioned over a number of serious omissions (see <http://www.wrm.org.uy/actors/FSC/index.html#stop>), one of the main ones being that the local communities were not consulted; thus the seal does not guarantee "sound forestry management."

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The Curvelo region, where the Plantar Company intends installing its carbon "sink" project, is a Cerrado region, which has already been affected by eucalyptus plantations that dried up the rivers where their water sources had been planted and contaminated the local fauna with agro-toxic substances used for forestry management. Another important conflict with this company refers to the establishment of a new tree nursery in the year 2000 which implied deviating almost 5 km of a route traditionally used by numerous inhabitants of the zone, to avoid the "dust" from the route affecting the eucalyptus seedlings being produced in the nursery. This caused prejudice to students, teachers and the community in general, who still cover the route on foot. Additionally, to supply its nursery with water, it built three dams on the Boa Morte River, deviating the water consumed by the surrounding population and affecting its quality. The neighbours have gathered to demand that the company install at least a treatment system for the water coming from the nursery.

The denunciations against the company are also aimed at the "special" treatment received by the company from the authorities, insofar as it does not have an Environmental Impact Assessment or Report on its activities, a legal requisite for any undertaking that may potentially cause environmental impacts.

Furthermore, the abominable labour conditions of the company in the production of charcoal and eucalyptus logging have been denounced --illegal sub-contracting and slave and child labour-- leaving a tragic balance of workers who have had accidents and health problems and even cases of deaths. The company has been audited by the Regional Labour Office and summonsed to a parliamentary commission. In turn, the occupation of Cerrado zones has contributed to a crisis in the local economy, which is based on products from that native vegetation. Various food factories in Curvelo closed down through lack of raw material, increasing the unemployment, already generalised while Plantar was adopting strategies to lower costs and ensure profitability of the business.

The denunciations are the result of the testimony of the communities surrounding the Plantar's plantations and conversations with the Federal Public Ministry of Labour, workers and former workers of the company, parliamentarians and trade unionists in the region.

The signatories of the letter state their interest in the promotion of economic activities that respect the interests of the community and of nature, and their opposition to projects representing the contrary --as is the case of the Plantar S.A. project-- and urge other non-contaminating technologies to be sought, that will generate decent jobs and preserve and restore the environment, an essential requisite for survival and consequently for the future of the local communities.

Finally, they affirm that the Plantar project cannot be considered as a "clean development" mechanism and exhort investors not to invest in this project.

Article based on information from: Public letter to PCF, sent by FASE-ES, e-mail: fasees@terra.com.br ; "Relatório de Avaliação da V&M Florestal Ltda. e da Plantar S.A. Reflorestamentos ambas certificadas pelo FSC - Forest Stewardship Council", November 2002, commissioned by WRM/FOEI, <http://www.wrm.org.uy/actors/FSC/index.html#stop>