

## **ANNEX I: Detailed critique of the June 2019 study produced by the AfDB and WWF-Kenya titled “Towards Large-Scale Commercial Investment in African Forestry”.**

1. The study repeats the same **treacherous and false promises** that corporations that promote tree monocultures and their advocates always make. For example:

- *“(...) plantations can have a very significant impact upon the livelihood of these people, particularly women, by providing paid employment, as well as providing opportunities for income diversification”;*
- *“Plantations can also support local biodiversity, reduce soil degradation and improve water quality, all of which greatly benefit local communities that likely lack the resources to manage natural resources otherwise”;*
- *Plantations generate “benefits (...) to the surrounding environment, soil quality and water supply” and “Forestation helps fight erosion”;*
- *“There has been a tremendous reappearance of wildlife in the East African plantation forests and their landscapes”;*
- *“High Conservation Value areas, wetlands, cultural sites and other valuable areas (...) are identified by experts (...) and then managed separately”;*
- *“(...) [corporate] development programs for the local communities are another major attraction of commercial afforestation in Africa”.*

### **Communities’ experiences with industrial plantations in their territories are completely different from the allegations made in the study and from these false promises:**

- Large-scale monoculture tree plantations lead to a large number of violations of social, economic, cultural and environmental rights;
- Plantations create very few jobs, which are poorly paid and hazardous. In Tanzania, for instance, the company Green Resources obtained access in the late 1990s to one third of the lands of the Idete and Mapanda communities for a period of 99 years. However, it currently employs one single person on a permanent basis in each of these communities with thousands of inhabitants;
- Plantations not only are not forests, but lead to the destruction of forests and savannas, and therefore to the destruction of wildlife; plantations degrade soils, contaminate and dry up water sources, and destroy communitarian ways of life;
- Together with the land for the plantations, corporations appropriate ‘high conservation value’ areas, identified by experts hired by the corporations themselves. These areas become inaccessible to communities, restricting their freedom of movement and further putting in danger their way of life based on the territory and its riches: forests, soil, water etc. In Uganda, for example, restrictions to their access to land, water and firewood imposed by the [Green Resources] project exposed people affected by these plantations in Uganda to hunger and malnutrition.
- With the arrival of these corporations, traditional ways of life are destroyed and the number of landless families and people without jobs increases. This worsens social problems like alcoholism and violence. With the arrival of guards, there is a rise in harassment, sexual violence and abuse of women and girls, which is one of the most serious impacts and most often covered up by corporations. This, in turn, tends to lead to a rise in HIV/AIDS prevalence, as reported by communities in Tanzania.
- The alleged community development projects generally are not that, or take an immensely long time to be implemented. For the corporations, the simple promise of these social projects is one of the main bargaining chips to obtain what is most important for them: fertile lands that tend to belong to rural communities. The social projects never make up for the losses incurred by the community due to plantations.

2. Regarding **land conflicts**, the Study refers to them simply as “land tenure challenges”, whose solution is to “follow FSC and other best practises”. The authors state that “The Fund [they want to create] should also focus on FSC certified or certifiable projects only”.

The Study ignores extensive documentation proving that FSC does not solve the structural problems of plantations, especially the land tenure issue. Furthermore, corporations have taken advantage of FSC to legalize their illegal tenure of land, in Brazil, for instance. Meanwhile, corporations dupe investors and consumers in European industrialized countries, as if the finished product of such plantations had been produced in a socially just way. Another structural problem of FSC is that the system considers the model of large-scale monoculture plantation “sustainable”. It is this model that is essential for the corporations because it ensures the highest productivity rates and, therefore, the most profit. But at the same time, this model always leads to the intensive use of agro-chemicals and synthetic fertilizers, and to the usurpation of large tracts of land, preferably fertile and flat lands with availability of water – in other words, the lands normally used by the communities. Lastly, lands where communities do not have land tenure security are preferred because this makes the occupation process even easier. Another key problem of FSC is that the supposedly “independent” company that carries out the certification is contracted and paid by the plantation company that intends to obtain the certificate. In other words, there will never exist real independence of the company carrying out the certification. This further weakens the struggle for justice by communities harmed by plantations. To this day, compensation payments made to the populations that lost their means of subsistence have always been absolutely derisory or inexistent. Meanwhile, the social, environmental, economic and cultural damage caused by tree monoculture in African rural areas has never been compensated by corporations, if at least there existed a way to calculate the damage – and much of the harm done is irreparable.

3. The Study also states that Mozambique is one of the African countries that received the most investment in tree plantations over the last 10-15 years. And refers to a project of the **World Bank/IFC**, stressing that “one important element of the IFC approach will be to **define and register land rights**”.

In fact, the World Bank, as well as financing plantations, has a policy of encouraging governments in countries of the South to speed up the granting of individual deeds and, therefore, the **privatization of land**, in an attempt to prevent its collective recognition as community land. The aim is to facilitate the handing over of such land to private companies. This is also the objective of the current proposal to review the national land policy announced by the government of Mozambique during the State of Emergency owed to the Covid19 pandemic, making it even more difficult for rural populations to mobilize and actively intervene in the process. The World Bank has promoted the handing over of community lands to private capital all over the world. In Mozambique, the World Bank has encouraged the planting of agro-fuel crops since 2005, followed by incentives to the tree plantations of the Portucel corporation and support for other major destructive projects, such as in the mining sector, leaving more and more communities landless.

4. The study intends to deceive readers by stating that tree plantations would be “a stable, long-term carbon sink”, and result in “substantial adaptation benefits” vis-à-vis climate change at the local level.

By stating this, the study ignores a growing body of scientific work showing that monoculture tree plantations are a false climate solution. To mention but a few of the more recent ones: a study conducted in Chile, the Latin American country with most plantations after Brazil, shows how 25 years’ worth of public subsidies for monoculture tree plantations have reduced biodiversity while failing to increase the amount of carbon biomass in the soil. Another study, published in *Science* magazine, casts serious doubt on the long-term safety of storing carbon in trees in an ever warmer world.

Furthermore, the experiences of communities all over the world with monoculture tree plantations show that they only contribute to a local environment much less capable of confronting the ever more perceptible impacts of climate change. Only diversified and healthy agricultural production, free from agro-chemicals and contributing to food sovereignty, can generate the conditions needed to tackle climate change at the local level better, today and in the future – never industrial tree plantations.

5. Another serious and false statement: “the world will need the type of intensive afforestation (...) that the **Brazilian forestry industry is implementing**”.

The truth is that the **Brazilian experience with plantations over the course of the last few decades has led to numerous land conflicts and environmental degradation**. It is not by chance that it was in Brazil that communities created the International Day of Struggle against Monoculture Tree Plantations. There is vast documentation about countless land conflicts, including at plantations managed by Suzano, the largest corporation of the segment. Suzano is one of the largest landowners in Brazil, with 2.1 million hectares of plantations in a country yet to carry out wide-ranging agrarian reform. Suzano also promotes GM eucalyptus trees, with unforeseeable impacts. Brazilian states where Suzano operates owe it R\$ 1.8 billion (more than US\$ 350 million) worth of tax incentives, while failing to ensure dignified health care services for its inhabitants, a situation made worse by the new Corona virus pandemic. Municipalities with the highest concentrations of plantations of this export-oriented corporation are among the poorest, as opposed to those with diversified agriculture based on smallholders and without major landholding companies.

6. The study refers to Uruguay as “the world’s most recently developed forestry country”.

The main negative impacts of plantations that occur in countries of the global South also occur in Uruguay. For example, at the same time as plantations advanced across the Uruguayan territory over the last 20 years, the rural population fell by half. Recently, the Uruguayan people took on enormous debt, owing to a contract between its government and Finnish multinational UPM, signed without public knowledge. According to this contract, the Uruguayan government agreed to carry out multi-million dollar infrastructure works from the centre of the country, where UPM decided to build its second pulp factory, to the port from which its product will be exported. Small towns in the country’s hinterland and some areas of the capital city suffer direct consequences, like the expropriation of lands and the impacts of building work that dismantles existing roads to ensure the transit of UPM’s 800m-long cargo trains, 24 hours a day, 365 days a year.

7. The study also states that “Global oil and industrial companies” want to “become part of the solution rather than a major part of the problem. They are beginning to see the potential of forestry investments.” But oil and gas companies are an integral part of the problem of climate change. They have not shown any interest in addressing this reality; on the contrary, they intend to invest first and foremost in false solutions – after all, profits are above all else. Transnational corporations from the sector, such as Italian ENI and Anglo-Dutch Shell have gone as far as announcing mega tree plantation projects to supposedly “compensate” their mega-contributions to the climate crisis. The African Development Bank is complicit in this strategy. At the same time as the Bank finances the Study about planting more trees in Africa as a false climate solution, it finances in Mozambique a new gas extraction mega-project in the Cabo Delgado province, undertaken by a consortium of companies including ENI. If these corporations really want to be part of the solution, they need to keep the oil and gas in the ground, which would also avoid countless violations linked to this extractive activity.

8. The Study states: “The main barrier to successful investments in African greenfield planting is low historic returns”; and “New planting by private companies has ground to a halt in recent years”.

These phrases reveal once again what really matters to corporations: their profits. At the same time, the consultants deliberately ignore the main reason why the expansion of plantations has been impeded in various African countries: **the resistance of communities against plantations**. Nobody likes losing their land, their freedom, their farm; facing hunger; losing their forests and savannas, including their holy places. The resistance has been and continues to be the main obstacle to the advance of plantations, especially in Africa where the majority of the population still lives in and depends on the countryside, the savannas and forests.

9. The Study seeks to attract investors, suggesting “**the possibility of planting [trees] at significantly lower costs** (...), more or less half of 10 years ago (...)”. Promising companies that they will have to spend less means that the weight of the new plantation projects from the proposed Fund will fall even more upon already indebted African countries and, consequently, on their populations, particularly rural communities that run the risk of losing their most fertile lands. With the promise to investors that now costs may fall by half, impacts will tend to be further enhanced.

10. It is important to stress that a “conservationist” NGO is a co-producer of this Study that deals with investments that intend to benefit only private companies. The Study itself reveals how **NGOs like WWF** should no longer be considered NGOs, since they function and act as the **‘right hand of the plantation industry’**. The Study refers to these NGOs as “environmental NGOs that have focused on raising private finance for forestry and other conservation activities, in particular Conservation International, TNC, WWF and similar organisations”. For this reason, it is not surprising that while various NGOs have abandoned FSC because they no longer believe in the seal, WWF remains and today is the key “environmental NGO” that legitimizes the FSC system, whereas in fact it is one of the main allies of plantation corporations.

11. The report also informs one that: “The strategic concept [of this Fund] was presented in Finland to a roundtable of DFIs [development finance institutions], fund managers and forestry companies. Feedback was generally positive”; “This final report (public version) represents the culmination of the Study”; and “(...) **there is a clear coalition of DFIs interested** in further discussion on this topic, including: CDC [United Kingdom], Finnfund [Finland], IFC [World Bank], NDF [Nordic countries: Finland, Norway, Sweden, Denmark and Iceland] and FMO [The Netherlands]”.

The excerpts of the Study mentioned here reveal, among other things, that there **exists a non-public version of the report, not accessible to the public**. They also reveal that the producers of the Study, in conjunction with other possible public and private investors, held meetings to discuss, prepare and make decisions about investments **without the participation of the communities and civil society from the regions that will be most affected**. That these corporations and investors, after everything has been decided, should hide behind the application of the principle of communities’ “free, prior and informed consent” sounds like a bad joke. How can communities exercise their right to say no to a project if everything has already been defined and decided well in advance of it being presented?