

Amazon dam flooded with protests

Amid the international protests to stop the building of the Belo Monte dam in the Amazon, plans for construction are progressing. The ongoing battle to dam or not to dam the Xingu river in the Brazilian Amazon has been raging for decades and recently gained heavy publicity in mid-April when the Hollywood director of the movie *Avatar*, James Cameron and *Avatar* actress Sigourney Weaver, traveled to the Amazon to show support for environmentalists fighting against the construction of the Belo Monte dam. Although the suspension of the bidding for the construction and operation of the planned dam was temporarily suspended, a week later Brazil awarded a domestic consortium the rights to build what will be the world's third largest dam.

Environmentalists claim that the construction of the dam will damage a sensitive ecosystem as well as displace around 20 000 local residents. However the government says the dam is expected to provide 6% of the country's electricity needs by 2015, providing electricity to many rural areas currently lacking it. Opponents note that a majority of the power generated from the dam is expected to be used in areas where aluminum smelting mines operate as well as by other industrial mining and construction companies, as opposed to rural communities.

Brazil hoping to save forests with safe sex

The Guardian reported that a new factory was opened in the Amazon state of Acre for producing condoms from latex manually extracted from trees in the area in early April. The US\$20 million factory opened by the Brazilian government is slated to produce 100 million condoms a year, which the government hopes will allow local rubber tappers to profit from the rainforest without destroying it, as well as reducing Brazil's reliance on condoms imported from Asia.

This new government program is expected to contribute to the successful anti-AIDS campaigns that have reduced infection rates within the country in recent years, as well as increasing the economic viability (and therefore sustainability) of its natural tropical forests.

Nestle nestled into carbon trading project

It was reported by the AFP that Nestle Waters France has hired a carbon management company, The Pure Project, to offset the equivalent of their annual carbon emissions from the production of its Vittel mineral water in France and Belgium, which equate to approximately 115 000 tons of carbon emissions per year. The project will provide approximately US\$550,000 to plant 350 000 mostly tropical hardwood trees at project sites in the Bolivian Amazon and Peru with the goal of renewing the same amount of trees every year.

The Pure Project will involve local communities in Peru by paying farmers one Peruvian Sol (around 30 US cents) for every tree seedling they plant on their farmland, with planting intensities ranging from 85 to over 1000 trees per hectare. Once the trees reach the minimum legal diameter to be cut,

they can be harvested by the farmer and sold. The trees will help to rehabilitate areas degraded by slash and burn agriculture and will help to improve local crop productivity (mostly cocoa) through agro-forestry inter-plantings.

New climate partnership to protect forests

It was reported by the Reuters that governments will seek a new climate partnership in 2010 to protect tropical forests with funds going through the United Nations, the World Bank or bilateral channels. This partnership is open for all, whether they contribute to the funding or not. Pledges have already come from the United States, Australia, France, Japan, Britain and Norway for a total of \$3.5 billion to be spent from 2010-2012 to save forests.

According to Norway's Environment Minister Erik Solheim, the money will be under national control of each government but there are plans to establish mechanisms in the United Nations and the World Bank on how to use it. "I think that it will be a mixture of bilateral agreements of the type we have ... as well as global schemes within the UN and the World Bank," he said, adding that each forested nation had sovereignty to manage its natural resources.

New funds to invest in sustainable forestry

According to the PRnewswire, three new funds that invest in tropical tree plantations were introduced in early March by MSS Fund Management, a London based alternative asset manager, and Oxigen, the UK's leading authority on sustainable forestry investments. The "Sustainable Forestry Funds" should give investors direct access to returns generated by commercially managed tropical plantations as well as opportunities to invest with a sustainably focused strategy. The funds will invest in commercially managed mahogany, agarwood (aquilaria), and teak plantations, as well as related agroforestry crops (eg maize, sugar cane and lemon grass) in Brazil, Malaysia, Costa Rica and other specifically selected regions. The objective of the funds is to provide investors with risk-adjusted returns from sustainable forestry while helping to protect tropical forests from deforestation. The funds will work with local communities in project areas to establish community schools, medical centers and projects.

Threat in Indonesia

It was reported by Reuters that billions of dollars planned for Indonesia under a UN backed forest protection scheme are at risk due to the country's weak oversight mechanisms. Indonesia stands to gain billions of dollars every year under REDD, the proposed forest-based greenhouse gas offset scheme formalized in December in Copenhagen. However, a study by Center for International Forestry Research (CIFOR) warns that past cases of corruption and financial mismanagement in Indonesia's forestry sector revealed systematic weaknesses that have some worried about how REDD money will be managed. The report exposed details of mismanagement of a Reforestation Fund, established in 1989 under former president Suharto, which collected billions of dollars in levies from timber concessionaires to pay for reforestation.



The CIFOR study reported that US\$5.252 billion was lost from the fund through systemic financial mismanagement and fraud between 1993/94 and 1997/98. Although a spokesman from Indonesia's Forestry Department said the government is committed to transparency and strict control of all finances, a co-author of the CIFOR report said that unless a transparent oversight mechanism is put into place, the problems of the past may recur.

Alternate farming to save the Amazon

With cattle ranching and farming the biggest cause of deforestation in the Amazon rainforest, a Brazilian government-run experiment is trying a new technique that may slow down forest loss according to reports by the AP. In order to break from the common practice of slash-and-burn agriculture that farmers are used to, which exhausts the land of nutrients in turn causing more forests clearance, this alternate method encourages rotating crops and revitalizing pastures. Such practices can extend the life of farm land by five times. On one experimental farm rows of eucalyptus or balsa trees alternate with wide areas of pasture, with the pasture replaced by a grain or cereal crop every five years to replenish nutrients in the soil. A rancher can have constantly rotating areas of productive grazing and croplands along with commercial timber if large areas of land are managed in this way. This technique has been successful in other countries, but achieving the same results in the Amazon can be difficult with the ever increasing demand for cattle and soy, and where the widely practiced slash and burn cycle consists of very little work for the farmers and ranchers, as opposed to the five year crop rotation plan will demand a lot more from them.

UN Climate report ripped

The UK Times reports that a 2007 report by the UN's Intergovernmental Panel on Climate Change (IPCC) is being criticized for sloppy research, this time for claims about the effects of a drier, hotter climate on the Amazon rain forest. The report was based on the findings of a study produced by the World Wildlife Federation (WWF) about forest fires.

The IPCC report states that "up to 40 percent of the Amazonian forests could react drastically to even a slight reduction in precipitation", highlighting the threat climate change poses to the Earth. The report goes on to say that "it is more probable that forests will be replaced by ecosystems ... such as tropical savannas."

But the claim was based on a WWF study titled "Global Review of Forest Fires", a paper barely related to the Amazon rainforest that was written "to secure essential policy reform at national and international level to provide a legislative and economic base for controlling harmful anthropogenic forest fires."

Slippery fate for certified palm oil

Major European food manufacturers are buying very little sustainable palm oil which may cause a sustainable palm oil union to shut down. The group known as The Roundtable on Sustainable Palm Oil (RSPO) was created by palm producers

to lessen the environmental damages, such as the destruction of tropical forests, greenhouse gas emissions and loss of endangered wildlife, caused by the palm oil industry.

Although palm oil is widely used in everyday household products ranging from baked goods to cleaning supplies, the companies that use palm oil in their products made little effort to purchase and support the RSPO certified palm oil. Although there is no shortage of RSPO certified products, lack of consumer and producer enthusiasm towards the purchase of certified palm oil is making the sustainability of RSPO itself questionable.

Ecuador Minister resigns over Yasuni oil project

Ecuador's foreign minister Fander Falconi was the third government official to resign earlier this year after being criticized by President Rafael Correa over his handling of negotiations to seek international donations of \$3 billion over the next 10 years to keep an estimated 850 million barrels of heavy crude oil under the ground in the remote Yasuni National Park.

The slow pace of negotiations on the project aiming to prevent oil drilling in the pristine Amazon reserve has caused President Correa to threaten to begin drilling in the Yasuni national park. The president has expressed his dissatisfaction with proposed conditions being imposed by potential donors on how the funds would be spent, including suggestions to expand the protected area under the current initiative. The proposal to protect Yasuni from oil drilling is more than two years old but has no confirmed donors to date.

Cameroon and the EU sign VPA

Cameroon and the EU have signed a Voluntary Partnership Agreement (VPA) following nearly three years of negotiations aimed at ensuring that only legally harvested timber from the West African country enters the European market. The VPA, set to commence implementation in 2012, will apply to all wood products harvested or produced in Cameroon, one of Africa's largest exporters of tropical hardwood. In 2008 Ghana signed an agreement, followed by the Republic of Congo in 2009, making the VPA signed with Cameroon the third such agreement signed in Africa by the EU.

Brazilian officials busted for illegal logging

Brazilian Police have cracked down on an illegal logging operation in Mato Grosso state, arresting over 70 people. The operation included the concerted efforts of loggers, landowners, forest managers and environmental officials who were accused of providing false documentation to aid the loggers by certifying that illegally harvested timber came from approved sources. The arrests were the result of a two-year investigation in six Amazon states. Mato Grosso is the worst affected by illegal logging due to forest clearance for expanding soya farms. Those arrested face charges such as conspiracy, active and passive corruption, theft, illegal land appropriation, misrepresentation, false data entry in official computer systems and several other criminal offenses under Brazil's Law of Environmental Crimes.