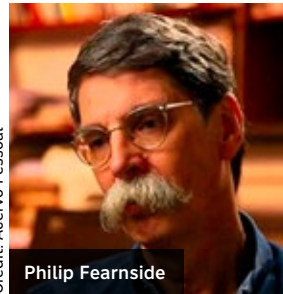




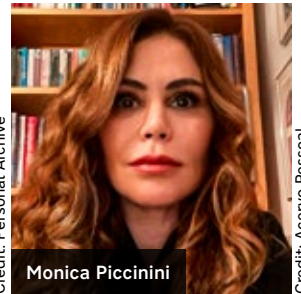
Lucas Ferrante

Credit: Acervo Pessoaal



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Environmental disaster in the Amazon and violation of Indigenous rights facilitated by governance projects on BR-319

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The Ministry of Transport plans to "rebuild" the BR-319 highway (Manaus-Porto Velho) (Figure 1. Reference 1), a road that was abandoned in 1988 but has been gradually improved since 2015 under a programme called "maintenance." BR-319 is now passable, at least in the dry season, but the reconstruction project to build a new highway along the same route has yet to receive an environmental licence. Rebuilding the BR-319 would connect central Amazonia, which remains relatively intact, to the notorious deforestation hotspot known as "AMACRO," an acronym formed from the initials of the states of Amazonas, Acre, and Rondônia.

The route of the BR-319 passes through one of the most preserved sections of the Amazon rainforest, and planned roads connecting to BR-319 would open vast forested areas west of the Purus River that run parallel to the highway [2-6]. The road would also facilitate the migration of deforesters from the "Arc of Deforestation" in southern Amazonia to Roraima, which borders Venezuela in the northern Amazon [7], as well as to other areas already connected to Manaus by roads (e.g., [8]). In total, approximately half of what remains of Bra-

zil's Amazon rainforest would be impacted, not only along the BR-319 itself, which is the focus of the licensing process [9] and efforts by non-governmental organizations (NGOs) to mitigate impacts. Much more information on the project's impacts and why it should be halted is publicly available [2, 3, 5, 6, 10-13].

A key factor driving the environmental and social disaster that the BR-319 project represents comes from an unexpected sector: several environmental NGOs and the foundations that support them. It is difficult to imagine an environmental organization that does not oppose the BR-319 highway project, and many do, but not all. The Climate Observatory, composed of 120 Brazilian NGOs, has taken a firm stance against the BR-319 project and filed a Public Civil Action (ACP) against federal environmental authorities for having granted a preliminary licence for the project. The lawsuit was ruled in favour on 25 July 2024 [14], suspending the preliminary licence that had been granted during the 2019-2022 administration of Jair Bolsonaro, which had ignored negative technical opinions from the licensing team to accommodate political pressures [14]. The preliminary licence does not permit road construc-

tion but allows significant preparations to obtain an installation licence that would permit the commencement of construction.

NGOs that refused to condemn the BR-319 project took the position that approval and environmental execution of the reconstruction project are inevitable and that organizations should therefore remain neutral on whether the road should be built, focusing only on governance plans after its construction. Needless to say, the road is not a foregone conclusion, and assuming the project is inevitable contributes to making it a self-fulfilling prophecy.

These NGOs maintain that the project should proceed as long as all environmental licensing requirements are met, including consultation with affected indigenous peoples. This became evident on 5 February 2020, when the Federal Public Prosecutor's Office in Manaus held an event to discuss the impacts of the BR-319 project. The second author of this text gave a presentation explaining why the road project should not be approved, and both the first and second authors participated in the discussion. Three organizations active in the project area took the position that the reconstruction project should not be contested and could proceed if indigenous

peoples were consulted and strong environmental conditions were included in the licensing requirements: the Getulio Vargas Foundation (FGV), the Amazon Sustainable Development Institute (Idesam), and the World Wide Fund for Nature (WWF).

The lessons of the past must not be forgotten. The situation parallels the history of the fight against the construction of the Belo Monte Dam on the Xingu River in the state of Pará. While most environmental NGOs vehemently opposed the dam project, some arrived in the dam area offering to help the displaced population obtain better compensation and social programmes, telling them that the dam project was inevitable and that they should not oppose it. Dom Erwin Kräutler, bishop of Xingu and a prominent opponent of the dam, pointed out the obvious conflict of interest: NGOs that promoted better compensation for displaced people would have no reason to be present if the dam were not built and the population displaced [15, 16]. In the case of Belo Monte, the dam company and the politicians who promoted it succeeded in provoking discord among NGOs and indigenous leaders, contributing to the approval and execution of this notoriously disastrous project [15-17].

None of the indigenous peoples impacted by the BR-319 project were consulted, as required by International Labour organization (ILO) Convention 169 [18] and Brazilian law implementing it ([19], formerly [20]). Among the requirements is that such consultation be prior, not only to the construction project itself but to the decision on whether or not to implement the project, and that indigenous peoples have the right to say "no" to the project ([21, see [1]). Some interpretations of the convention soften this requirement to ensure indigenous peoples have a "voice," but not a veto, in decisions affecting them (see [22]). The Ministry of Transport's plan has been to "consult" only five indigenous groups ([23], p. 22), but at least 68 groups would be affected by the project [1]. The plan has been to "consult" these groups while construction is already underway, with the task being completed before the new road is formally inaugurated.

The BR-319 project has a long history of utterly unrealistic "governance" scenarios, including the first Environmental

Impact Study (EIA) claiming that the highway would be like roads in Yellowstone National Park, where millions of tourists drive without causing deforestation ([24]; see [25]). Similar scenarios persist, as demonstrated by a report from a working group composed of five departments of the National Department of Transport Infrastructure (Dnit) ([26]; see [27]). Unfortunately, history does not follow these scenarios, even when supported by significant efforts from the government and civil society organizations, as demonstrated by the BR-163 highway (Santarém-Cuiabá), which the Dnit working group report cites as an example (see [27, 28]).

The NGOs that adopted the position that including strong environmental conditions in the licensing requirements would prevent an environmental and social disaster are, in fact, endorsing the official "governance" scenarios as justification for allowing the project to proceed. Members of the Federal Police and the Brazilian Army with whom we spoke made it clear that a future governance scenario is fictitious, as oversight bodies would lack resources and personnel to monitor the area due to its size, complexity, and danger. Organised crime already controls land grabbing and mining in the region, which has severely impacted traditional communities [29].

Although neutrality has been professed regarding the licensing and reconstruction of the highway, in practice, these organizations, particularly Idesam and FGV, were working to facilitate the road's approval. One example is the FGV project titled Promoting transparency and territorial governance in the context of highways installation in the Amazon – the case of BR-319 [30]. As the title suggests, the project assumes that the highway will be built. Indigenous leaders we consulted expressed strong opposition to the project, fearing that any agreement could be misinterpreted by decision-makers as support for construction, despite community resistance to the road.

Another FGV document, titled "Territorial Development Agenda for the BR-319 Region: Strengthening Territories for Well-being" [31], seeks to promote territorial development in Vila Realidade, in the municipality of Humaitá. According to a report by the Federal Court of Accounts

(TCU) [32], the only economic activity in this area is illegal deforestation. Illegal roads originating from Vila Realidade are already invading Indigenous territories [11, 33], and it is unlikely that land grabbers and loggers will cease their activities, driven by the lure of quick and easy profits.

Indigenous leaders have made a series of complaints regarding the "governance" projects of NGOs operating on BR-319. To ensure their protection, throughout this text, we have omitted the names of the leaders, as well as their ethnic groups and communities. All complaints were made during a scientific event and leadership meeting held at the Federal University of Amazonas (Ufam), with the official presence of a representative from the Federal Public Prosecutor's Office (MPF) and the Ministry of Environment and Climate Change (MMA).

Indigenous leaders stated that FGV representatives suggested it would be in their best interest to accept the proposed environmental conditions since the BR-319 highway would be built regardless. They were informed that the most prudent approach would be to focus on mitigating the impacts on their territories by negotiating conditions with the Dnit. Although some of these NGOs have expressed the desire to promote governance with all parties [31], attempting to establish agreements and commitments between invaders and the invaded is impractical, as this would only intensify conflicts and increase threats to traditional communities [34].

According to indigenous leaders, the most serious violation of indigenous rights was committed by the International Institute of Education of Brazil (IEB). A document, which indigenous leaders report was prepared by the IEB and presented to them for signing, denounces a land invasion that is an urgent concern for the group but also includes a statement approving the BR-319 reconstruction project, provided that an extractive reserve is created to protect the Brazil nut groves used by the group. The leaders only became aware of the statement approving the road project after signing the document and following the IEB's instructions to send it to the Brazilian Institute of Environment and Renewable Natural Resources (Ibama),

the National Foundation for Indigenous Peoples (Funai), and the Dnit.

NGO support for the BR-319 project remained subtle until July 2024, when Idesam withdrew from the Climate Observatory and sent a statement to selected media and pro-BR-319 politicians [35]. The trigger for this rupture was the judicial approval of the Climate Observatory's lawsuit contesting BR-319's preliminary licence, with Idesam's statement openly endorsing the highway reconstruction.

The General Attorney Office (AGU) filed an appeal in the hope of overturning the suspension of the preliminary licence on 25 July. Note that, unlike the tradition in the United States, the Brazilian AGU does not enjoy independence and acts to facilitate the president's political agenda. The BR-319 project has no economic justification; the motivation for the project lies in electoral politics [36]. The project's benefit in gaining votes in the state of Amazonia explains not only the support of local politicians but also that of President Luiz Inácio Lula da Silva [37].

On 23 August, the appeal was rejected by the Regional Federal Court of the First Region (TRF1) [38]. However, the AGU can continue to appeal, and future appeals may succeed because Brazil still has its "security suspension" laws in place, which were initiated by the military dictatorship in 1964, allowing any decision to be overturned if deemed to cause "serious" harm to the economy, health, or public order (e.g., [39-41]). This mechanism has already been used in favour of the BR-319 project to overturn a court decision that had suspended the first public hearing, thus allowing the project to proceed regardless of irregularities [42-44]. The Brazilian legal system allows for an almost endless sequence of appeals, and the AGU can keep appealing until it finds a favourable judge.

THE SEARCH FOR AN EXPLANATION OF NGO MOTIVATIONS

We attempted to uncover the motivations behind the (tacit or explicit) support for the BR-319 reconstruction project by certain NGOs. This has not been easy, given the lack of transparency among these organizations and their funders. An extraor-

inary coincidence is that the NGOs that refused to condemn the BR-319 project are all funded by the Gordon and Betty Moore Foundation (GBMF). The GBMF prohibited the NGOs it funds from taking positions against the BR-319 project. This could have been explicitly enforced through a clause in grant agreements (which neither the GBMF nor the NGOs are willing to disclose) or even through some form of verbal warning. This remains an open question.

The GBMF was established in 2000 by Intel co-founder Gordon Moore and his wife, Betty Moore, with the aim of supporting scientific research and environmental conservation. The GBMF's grants to Brazilian institutions began in 2004 as part of the Andes-Amazon Initiative. The foundation focuses its donations in Brazil on one area: land, terrestrial ecosystems, and land use. Its strategies for protected areas and indigenous territories include conservation, consolidation, management, and monitoring. The area along the BR-319 highway is a particularly important part of the foundation's funding. The GBMF has provided funding with the desirable goal of promoting governance, but NGO governance projects have had a clear effect in facilitating the approval of the BR-319 highway reconstruction project. In response to a question about BR-319, a GBMF spokesperson shared the following statement with us: "The construction and paving of roads in ecologically fragile regions can cause great destruction. We are not against roads; we are in favour of establishing environmental and social safeguards that will protect nature and people."

Beyond the effect of NGO "governance" projects in facilitating the licensing approval for construction, these projects and the implicit continuation of governance funding after the road is built are part of the dilemma that NGOs and their funders face with harmful development projects worldwide—namely, the fact that NGO activities reduce the overall cost of construction projects, making them more likely to be realised. The BR-319 project becomes far more attractive if the government only bears the cost of asphalt and other physical parts of the project, while international funders, including philanthropic organizations, cover the expenses for governance measures, such as deforestation control and

the protection of indigenous territories. In the case of BR-319, the Minister of Transport stated that he wants to use money from the Amazon Fund to make the BR-319 project "viable" [45, 46].

An unanswered question is whether the GBMF might be funding projects that facilitate BR-319's approval to benefit its own investments. An alignment between investments and the highway project's beneficiaries does not necessarily mean that such an influence chain exists. Many foundations delegate asset management to an outsourced firm or to an internal department separate from grant-making activities. These arrangements generally mean that assets are managed to maximise profits without considering the environmental and social impacts they cause. It cannot be assumed that the GBMF's grant-making process is influenced by BR-319's implications for the foundation's investments. However, we suggest that this and other environmental foundations should divest from investments in environmentally harmful activities.

The presence of oil and gas in GBMF's investment portfolio is notable. In addition to being globally harmful to the climate and other concerns, the oil and gas sector is a major beneficiary of BR-319. GBMF's investment portfolio does not include Rosneft, the Russian oil and gas giant that purchased the first 16 drilling concessions in the area to be opened by the planned AM-366 highway, which would branch off from BR-319 [47, 48]. However, the GBMF has invested in SberBank [49], Russia's largest investment bank, which is a financier of Rosneft [50]. The enormous proposed Solimões Sedimentary Area [51] oil and gas project west of BR-319 has broad scope for investment by companies other than Rosneft. The project's total area is 740,000 km², larger than the U.S. state of Texas. The GBMF holds investments in Brazilian oil company Petrobras, Russian oil company Lukoil – PJSC, American company Anadarko Petroleum, China Petroleum and Chemicals, Indonesia-active American company Perusahaan Gas Comstock, Indian Petronet LNG, and TownGas China [49].

Brazil's National Petroleum Agency has designated nine major drilling blocks along the BR-319 route [52]. Although they are not in the "middle stretch" of the highway, they would benefit from the road project.



Launch event of the publication "Environmental and socioeconomic analysis of municipalities under the influence of the BR-319 Highway"

One of these blocks (AM-T-107) was purchased by Eneva in partnership with ATEM [53] at the "end-of-the-world auction" in December 2023 [54]. Eneva is a Brazilian gas and oil company highly recommended by Dynamo [55], which is GBMF's asset management firm in Brazil. Dynamo itself holds a 10.06% stake in Eneva, and Eneva may merge with Vibra, a gas and oil company in which Dynamo holds a 10.28% stake [56]. Due to the impact on indigenous peoples, a court ruling suspended the signing of drilling contracts for Block AM-T-107 (as well as four other blocks purchased by these companies in Amazonas outside the BR-319 area) [57]. Regardless of whether this suspension persists, the increased profitability that BR-319 would bring to the oil and gas sector in areas accessed by this highway and its secondary roads would stimulate large-scale fossil fuel extraction and increase the chances of overcoming indigenous opposition.

The GBMF has also invested in JBS [49], which prides itself on being the "world's largest animal protein company." JBS slaughterhouses and the farms that supply cattle to them are a major force in Amazon deforestation. Large ranchers from the AMACRO deforestation hotspot, as well as soybean and other agribusiness interests, plan to exploit the area to be opened west of BR-319 by the planned AM-366 highway, which would also provide access to oil and gas areas [58].

GRANTS

The International Institute of Education of Brazil (IEB) received a total of 10 grants from GBMF between 2004 and 2022, amounting to more than US\$14 million [59], includ-

ing US\$2 million for work on BR-319 [60]. The funding objectives include "increasing engagement" of indigenous peoples in the middle section of BR-319 and enhancing "public understanding" of "opportunities and benefits for sustainable development along the highway corridor" [61, p. 12].

The Getulio Vargas Foundation (FGV) received funds from GBMF exceeding US\$6 million [62]. The funding is for conducting studies and promoting the creation and implementation of a territorial governance plan along the BR-319 highway corridor in the Amazon [63, 64].

The Amazon Sustainable Development Institute (Idesam), an NGO based in Manaus responsible for coordinating the BR-319 Observatory, received five grants from GBMF between 2011 and 2023, totaling US\$2.4 million, with more than half (US\$1.24 million) received in November 2023 [65]. An Idesam report, titled "Analysis of the Implementation of Conservation Units under the Influence of the BR-319 Highway," in collaboration with the Brazilian Biodiversity Fund (Funbio), which is also funded by GBMF [66], described the benefits and opportunities that the reconstruction of BR-319 could offer to the Amazon region [67].

CURRENT SCENARIO: THE NEED FOR CHANGE

Environmental NGOs and philanthropic organizations must oppose projects that put biodiversity-rich areas at risk. The proposed reconstruction of BR-319 threatens much of what remains of Brazil's Amazon rainforest and is undoubtedly one of the most environmentally damaging projects in the world (e.g., [5, 6]). These organizations

must ensure that their efforts genuinely benefit their intended recipients: the environment and indigenous communities. They also need to significantly increase their transparency.

The image opening this article is by Alberto César Araújo/Amazônia Real and shows the middle section of BR-319 near the district of Realidade in Amazonas. ■

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