

World Social Forum 2009
Belém do Pará, Brazil, January 27 to February 1, 2009

MANIFESTO ON THE MADEIRA RIVER COMPLEX

We, citizens and representatives of civil society organizations from Brazil and other countries, gathered at the World Social Forum 2009 in Belém (Pará), manifest our extreme concern with the process of implementation of the Madeira River Complex, part of the Initiative for the Integration of the Regional Infrastructure of South America (IIRSA), within a context of blatant disregard for Brazilian and international legislation concerning human rights and environmental protection.

Considering the extremely dangerous precedent that the Madeira River Complex represents within the context of IIRSA and the global dimensions of the social and environmental problems involved, this mega-project will be a campaign priority in the coming years in our respective countries and areas of activity.

The basin of the Madeira river, the largest tributary of the Amazon, is shared between Brazil, Bolivia and Peru, which requires collaborative efforts among these three countries within parameters of environmental and social justice. There is a clear link between the region's social and biological diversity that should result in respect for the territories occupied by Indigenous communities and other traditional populations. It is also worth mentioning that the enormous biological complexity of the Madeira River basin is closely associated with the fundamental importance of the Amazon region in maintaining equilibrium within the climate system in Brazil, neighboring countries and the entire Planet.

Initial plans for the Madeira River Complex call for construction of the Santo Antônio and Jirau hydroelectric dams in the state of Rondônia (Brazil) with expected power generation of 6,500 megawatts, together with a system of navigation locks and a 2,450 kilometer power line, at a total cost of approximately R\$ 40 billion (US\$ 17,3 bilhões). Two additional hydroelectric dams are also planned upstream in the border region between Brazil and Bolivia. The main objective of this mega-project is to stimulate a model of economic integration of the Amazon based on production of cheap energy for the center-south region of Brazil and exports of commodities (beef, soy, minerals, timber) to global markets.

The Madeira Complex was initially conceived in 2001 by the Brazilian construction conglomerate *Construtora Norberto Odebrecht S.A.* and a state electric company, *Furnas Centrais Elétricas S.A.*, based in the country's southeast region. Since 2003, the project has become a top priority for the administration of President Luis Inácio Lula da Silva. The conception and approval of this project are an example of the influence of large private contractors in the planning of Brazil's electrical sector that has created a strong bias in favor of giant hydroelectric dams in the Amazon. Using the argument that mega hydroelectric projects in the Amazon region are the only means to avoid an imminent "black-out" in the country, programs for energy efficiency and promoting the use of Brazil's enormous potential for solar and wind generation have been largely neglected.

The initial planning and implementation phase for the Madeira Complex, focused on the

construction of the Santo Antônio and Jirau hydroelectric plants, has demonstrated the following problems:

- Irregularities in the environmental licensing process, associated with strong political pressures from the government, which has resulted (counter to the position of technical staff within the federal licensing agency - IBAMA) in illegal approval of: (i) a Preliminary License (Licença Prévia - LP) for the Santo Antônio and Jirau hydroelectric dams in July, 2007, (ii) an Installation License (Licença de Instalação – LI) for the Santo Antônio hydroproject in August of 2008, and (iii) a "partial" Installation License for the construction site and cofferdams of the Jirau hydroelectric dam at a new location, in November of 2008;
- Underestimation of the area of direct and indirect influence of the two hydroelectric dams in the Environmental Impact Study (EIA), particularly with regard to Indigenous lands and neighboring countries (Bolivia and Peru) in the hydrographic basin of the Madeira River;
- Lack of adequate evaluation of the socio-environmental impacts of the Santo Antonio and Jirau dams with regard to key issues, such as the presence of isolated Indigenous groups, fish migrations, mercury, malaria and problems related to the huge amount of sediments carried by the Madeira river (around 500 million tons/year, equivalent to all other rivers in the Amazon basin).
- Lack of consideration of the social and environmental impacts (individual and cumulative) of the Madeira Complex and other infrastructure projects, such as the Inter-oceanic Highway, included in the Peru-Bolivia-Brazil axis of the Initiative for the Integration of the Regional Infrastructure of South American (IIRSA);
- Disregard for the protests of social movements and other civil society organizations of Brazil, Bolivia and Peru, concerning non-compliance with national legislation and international agreements regarding environmental protection and human rights, especially those of Indigenous peoples and riverine populations.
- Lack of minimum guarantees for ensuring the quality of life of riverine families and other affected local communities whose fate remains uncertain and who have been deprived of fishing activities and transportation because of dam construction;
- Indifference of the Brazilian government to condemnation of the Madeira Complex by the Latin American Water Tribunal (TLA) in September 2008, as well as disregard for a recent study of the National Report for Environmental Human Rights, published by the Brazilian Platform for Economic, Social, Cultural and Environmental Human Rights (*Plataforma DhESCA-Brasil*); both demonstrated human rights violations associated with the Rio Madeira hydroelectric projects, while calling for the Brazilian government to ensure compliance with relevant international agreements;
- Diplomatic tensions between Brazil and Bolivia concerning the construction of the Santo Antônio and Jirau hydroelectric plants, due to transborder impacts in the Madeira basin that were not effectively studied; inquiries and letters of protest from Bolivian authorities have not received responses from Brazilian authorities;
- Evidence of political intervention and irregularities in the use of public funds for social purposes (Constitutional Fund for the Northern Region – FNO; public investment programs that borrow from taxpayer-supported funds aimed at protecting unemployed workers (FGTS/FI, FAT), involving public financial institutions (BNDES, BASA, Banco do Brasil, Caixa Econômica Federal) in financing the Madeira Complex, to the detriment of the interests of workers and Brazilian society as a whole, and counter to the guidelines of a "Green Protocol" signed by the above-mentioned banks along with the Ministry of the Environment in August,

2008.

- Disrespect for the Equator Principles on the part of private banks involved in the Madeira Complex, concerning analysis and management of socio-environmental risks in project finance.

In summary, the implementation of the Madeira River Complex, beginning with the Santo Antônio and Jirau hydroelectric dams, has been characterized by insufficient environmental studies, a lack of transparency and irregular practices in the concession of environmental licenses. This context brings to light serious risks for irreversible social, environmental, and economic damage throughout the region, from the headwaters of the Madeira river in Peru and Bolivia to its meeting with the main stem of the Amazon River.

Considering the extremely dangerous precedent that the Madeira River Complex represents within the context of IIRSA and the global dimension of the problems involved, this mega-project will be a campaign priority in the coming years in our respective countries and areas of activity. Specifically, the undersigned citizens and civil society organizations demand:

- 1) Immediate suspension of environmental licenses for the Santo Antônio and Jirau hydroelectric projects;
- 2) Organization of a round-table seminar, with support from the Permanent Secretariat of the Amazonian Cooperation Treaty Organization - SP/OTCA, including participation of representatives from the governments of Bolivia, Brazil, and Peru, civil society organizations and the scientific community from the three countries, regarding an agenda of multilateral cooperation that includes: i) planning and implementation of integrated management actions for the Madeira river hydrographic basin, (ii) a strategic environmental assessment that should provide the basis for a review of and improvements in the portfolio of projects in the Peru-Bolivia-Brazil axis of IIRSA, with due attention given to alternatives, (iii) review and evaluation of proposals for infrastructure projects to be implemented in transborder areas, and iv) other measures for territorial planning, environmental monitoring and control and support for sustainable productive activities, with special attention to the rights of Indigenous populations and other vulnerable social groups.
- 3) Suspension of financing from public and private sources for the Madeira Complex until guidelines for sustainability and socio-environmental responsibility, such as the Equator Principles and the "Green Protocol", are effectively adopted.
- 4) Organization of a round-table seminar, with the participation of the Ministry of Mines and Energy (MME), IBAMA/MMA, specialists and representatives of social movements and environmental agencies in Brazil, regarding the current status and challenges for strategic planning within country's electrical sector, covering alternative strategies for investments in the generation and conservation of energy, considering analyses of social, economic and environmental costs and benefits.
- 5) Compliance with Brazilian, Bolivian, and Peruvian legislation, as well as international agreements, regarding universal principles of respect for the human rights of local populations impacted by the Madeira River Complex.

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