

Rettet den Regenwald e.V.

[Redacted]

Justiça nos Trilhos (JnT)

[Redacted]

European Commission

[Redacted]

Possible funding for private railway and port project Grão-Pará Maranhão (GPM) in the Brazilian Amazon by Global Gateway

Hamburg/São Luís, 10th October 2024

Dear Mrs Holzner,

We are writing this letter to urge you, Global Gateway, the European Commission and all other EU institutions **not to finance or support the private railway and port project Grão-Pará Maranhão (GPM) in the Brazilian Amazon region** – nor through **Global Gateway**, the **European Investment Bank** or other European Institutions.

We justify this on **social, legal and environmental grounds** as we explain below and in the annex.

In addition, we **kindly ask for a meeting with you** and/or other people who decide on the allocation of **Global Gateway funding**. For this, we will travel to Brussels with about six persons from different human right, social and environmental organizations from the Brazilian state of Maranhao the days **20th to 22nd of November**.

Global Gateway has been negotiating with **GPM** for a year, and there have been several presentations of GPM in Brussels, including on high-level meetings with the presence of European Commissioners. There have also been talks and visits on site in Brazil. **Now the proposal for finance of GPM is in the pre-FID stage.**

GPM consists in the construction of a **520-kilometer private freight railway line (EF-317)** for the transport of agricultural and mining products such as soybeans and iron ore, the construction of **the industrial and port area of the Alcântara Port Terminal (TPA)** on the Atlantic coast and the construction of a **hydrogen hub.**

The GPM project, located in the Western half of the Brazilian state of Maranhão, has been run for around **eight years** by three Portuguese businessmen¹ with virtually **no public information** and **without the participation of the affected population.** There have been no consultations on the project to date, and fundamental principles such as compliance with **UN ILO Convention 169** and the **Right to Prior, Free, and Informed Consultation** of the communities are not being observed. **Studies on the environmental and social impacts on the population and the environment** are also not available or have not been published.

The two **quilombola² territories of Alcântara and Tanque de Valença, 16 agrarian reform settlements** and the rural areas of **22 municipalities** are directly affected by the GPM³. The freight railway line also passes through the vicinity of **six officially recognized indigenous territories, demarcated or in the process of being demarcated:** Alto Turiaçu, Akroá Gamella, Arariboia, Awa, Caru and Pindaré. In two of these territories, Alto Turiaçu and Caru, there are indigenous groups living in voluntary isolation ("uncontacted indigenous peoples")⁴.

The GPM project is located **entirely** in the south-east of the **Brazilian Amazon region** (Amazônia legal), lies within **two state protected areas⁵** which are also **RAMSAR international protected areas.** The railway crosses the **biodiversity hotspots "Belém endemic area"⁶** and the **"Gurupi mosaic"⁷,** which are the region of the Amazon basin most threatened by deforestation.

² Quilombolas are the descendants of formerly enslaved people from Africa

³ Alcântara; 2. Bequimão; 3. Peri Mirim; 4. Palmeirândia; 5. São Bento; 6. São Vicente Ferrer; 7. Olinda Nova do Maranhão; 8. Matinha; 9. Viana; 10. Pedro do Rosário; 11. Penalva; 12. Monção; 13. Zé Doca; 14. Governador Newton Bello; 15. Alto Alegre do Pindaré; 16. Santa Luzia; 17. Bom Jardim; 18. Buriticupu; 19. Bom Jesus das Selvas; 20. Amarante do Maranhão; 21. São Francisco do Brejão; 22. Açailândia

⁴ Povos Indígenas do Brasil/Instituto SocioAmbiental, 2021. Guajá: <https://pib.socioambiental.org/pt/Povo:Guajá>

⁵ Reentrâncias Maranhenses Environmental Protection Area (APA) (26,809.1 km) and Baixada Maranhense APA (17,750.4 km): <https://uc.socioambiental.org/pt-br/arp/782> and <https://uc.socioambiental.org/en/arp/785>

⁶ M Goeldi, 2015. scenarios for the Amazon: Belém Endemism Area. Executive summary: https://www.researchgate.net/profile/Marcia-Barros-2/publication/323454047_Cenarios_para_Amazonia_Area_de_Endemismo_Xingu_Sumario_Executivo/links/5a96bc51a6fdccceff0a34bf/Cenarios-para-Amazonia-Area-de-Endemismo-Xingu-Sumario-Executivo.pdf

⁷ Celentano, D. et al., 2028. deforestation, degradation and violence in the "Gurupi Mosaic" - The most threatened region of the Amazon: https://www.researchgate.net/publication/324643005_Desmatamento_degradacao_e_violencia_no_Mosaico_Gurupi_-_A_regiao_mais_amecada_da_Amazonia

The transport and export capacities associated with the GPM project for agricultural and mining raw materials and hydrogen will further **increase the pressure on the Amazon rainforest and Cerrado biome**. GPM will not only **exacerbate land conflicts in Maranhao** due to the demand for land for the railway line, industrial zone, port terminal and associated infrastructures, the project will also intensify land conflicts due to the associated expansion of areas for growing and extracting raw materials such as soya and iron ore. The project is therefore **incompatible with the protection of the Amazon rainforest** and the savannas of the **Cerrado** and the **global climate**.

There is a general **lack of transparency** and **uncertainty** about what applications GPM has submitted to the competent authorities and what decisions, preliminary authorizations and permissions GPM has received from the authorities and under what conditions. A partnership agreement that GPM signed with three people from the Association of Residents of the Quilombola Rural Black Community of the Island of Cajual, where the industrial zone and the port terminal will be constructed⁸, is particularly questionable.

Please, see for more information in the annex.

We therefore ask you and all the EU institutions not to support and finance the Grao-Pará Maranhão project for social, legal and environmental reasons.

Yours sincerely,

Rettet den Regenwald e.V.

Justiça nos Trilhos

on behalf of
 Justiça Global
 Conselho Pastoral dos Pescadores
 Movimento dos Atingidos pela Base Espacial de Alcântara
 União dos Moradores do Taim
 Resex Tauá Mirim
 Movimento dos Trabalhadores Rurais Sem Terra
 União dos Moradores do Bairro Collier
 Conselho Indigenista Missionário
 Movimento Quilombola do Maranhão
 Quilombo Porto Novo
 Cujupe Velho
 Quilombo Cruzeiro e Triângulo
 Rádio e TV Quilombo
 Quilombo Iririzal

⁸ Partnership Contract. A pioneering agreement signed between Grão-Pará Multimodal Ltda. and the Association of Residents of the Black Rural Quilombola Community of Vila Nova Ilha do Cajual, published in: Portogente, 2023. Terminal project in Alcântara consists of SPE with port, railway branch and potential to increase Maranhão's GDP by 20%, centre of article: <https://portogente.com.br/arconorte/187-arco-norte/109378-projeto-de-terminal-em-alcantara-consiste-em-spe-com-porto-ramal-ferroviario-e-potencial-de-aumento-de-20-no-pib-do-Maranhão>

ANNEX

We justify our demand in detail as follows:

1. Social and legal reasons

Violation of UN Convention ILO 169

The GPM has been pushing ahead with the project for around eight years without informing and involving the public. The right of indigenous peoples, quilombolas and traditional groups to consultation and free, prior and informed consent, as stipulated by **ILO Convention 169**, signed by Brazil, has not been respected. **Studies** on the social impact on the **population and the environment** are also not available or have not been published.

The Alcântara district, where the industrial area and the port will be built, is home to the largest quilombola population in the country, with 17,000 people, distributed in almost 200 communities⁹. Quilombolas are descendants of people who were enslaved in Africa and, like indigenous peoples, enjoy special protection and rights under the Brazilian constitution.

"Partnership contract" between Grão-Pará Multimodal Ltda. and the Quilombola Association of Ilha do Cajual

A partnership agreement that the GPM signed with three people from the Association of Residents of the Quilombola Rural Black Community of Vila Nova Ilha do Cajual on 29 March 2017 in São Luís¹⁰, is particularly questionable.

In this agreement, the quilombola inhabitants of the island cede **the right to use 1,426 hectares of land on the island** to GPM **for an indefinite period**. This represents almost 90% of their ancestral territory on the island, totaling 1,630 hectares. Apparently, the people of the island are to be resettled from the island to another area, so that GPM can build the planned industrial area, port and hydrogen hub where the inhabitants currently live and make their living. The northern part of the island lies in the tidal area and is mainly covered by mangrove forests.

In return, the company promises to build 51 houses, a school, a health centre, a prayer room and a football pitch for the population in an undefined location and at an undefined time, and to pay the association *"6% of the profits from the project with all the associated benefits"*.

There is considerable evidence that the contract **is not legal**, as it clearly violates several basic requirements and laws. Among other things, the contract was apparently concluded **without the participation and consultation (principle of free, prior and informed consent) of the affected inhabitants**, as required by **ILO 169**. The inhabitants, many of whom are illiterate and without school education, are apparently unaware of the content of the agreement and its far-reaching consequences, such as their planned relocation, as conversations with residents during visits to the island in 2023 and 2024 revealed.

⁹ Instituto Socioambiental, 2024. Quilombolas conquistam acordo para regularizar território de Alcântara (MA): <https://www.socioambiental.org/noticias-socioambientais/quilombolas-conquistam-acordo-para-regularizar-territorio-de-alcantara-ma>

¹⁰ Partnership Contract. A pioneering agreement signed between Grão-Pará Multimodal Ltda. and the Association of Residents of the Black Rural Quilombola Community of Vila Nova Ilha do Cajual, published in: Portogente, 2023. Terminal project in Alcântara consists of SPE with port, railway branch and potential to increase Maranhão's GDP by 20%, centre of article: <https://portogente.com.br/arconorte/187-arco-norte/109378-projeto-de-terminal-em-alcantara-consiste-em-spe-com-porto-ramal-ferroviario-e-potencial-de-aumento-de-20-no-pib-do-maranhao>



Fig.1: Thematic map of the island of Cajual. Source: Anti GPM, 2024: https://www.instagram.com/p/C9zmunHuZtC/?img_index=2

Further, after 44 years of fight, the Quilombola communities of Alcântara, to which the Island of Cajual belongs, formalized a historic agreement with the federal government of Brazil on 19th of September 2024¹¹. At a ceremony attended by President Luiz Inácio Lula da Silva, two ordinances and a decree were signed allocating 78,100 hectares of lands to the communities. This will make it possible to expropriate overlapping private areas and then title

¹¹ Agencia Gov, 2024. Acordo concilia território quilombola de Alcântara e Programa Espacial Brasileiro: <https://agenciagov.etc.com.br/noticias/202409/acordo-reconhece-territorio-quilombola-alcantara-projeto-espacia-brasileiro>

the territory, the last stage of the regularization process. According to the document, the National Institute for Colonization and Agrarian Reform (INCRA) should begin titling within a year.

The company GPM cannot simply occupy community lands, which are now in a regularization process, for the construction of the port, industrial and railway project, through a legally very dubious lease agreements with some local persons.

2. Legal reasons

Project fragmentation

On 23 September 2023, GPM asked the federal environmental authority IBAMA to cancel the provisional environmental approval procedure for the rail and port project. Federal prosecutor [REDACTED] from the Federal Public Prosecutor's Office (MPF), confirmed at a seminar on the GPM project organized by civil society organizations in São Luís at the end of June 2024, that the GPM company intended to license the port through the Maranhão State Environment Secretariat (Sema)¹². However, as the port is located in a federal territory (União), the license must be issued by the federal environmental authority, IBAMA.

The strategy behind this is obviously to split the railway and port project into two supposedly separate projects, in order to avoid a more extensive and rigorous environmental assessment by IBAMA. However, the port is intrinsically linked to the planned freight railway line and vice versa, as it is the only connection to the interior of the country. The MPF has announced that it will legally analyze the attempt to grant the license at Maranhão state level and that, if it finds any irregularities, it will immediately challenge this manoeuvre.

With an open letter dated 28 June 2024, 20 traditional communities, quilombolas and indigenous peoples from Maranhão, as well as the organizations Justiça nos Trilhos, CPT, CIMI, CPP, MABE, MOMTRA, MOQBEQ, MOQUIBOM, MAM, GEDMMA, CONFREM, UNICQUITA, Centro de Formação Saberes Ka'apor, Fórum Carajás, Justiça Global, Fundação Rosa Luxemburgo, Articulação Internacional dos Atingidos e Atingidas pela Vale and Rettet den Regenwald e. V. called on the companies, authorities and politicians involved to stop the project due to its negative impact on people and the environment¹³.

3. Ecological reasons

National and international protected areas

The island of Cajual, where the industrial area and port will be built, and the first 80 kilometers of the planned railway line are within the two **state protected areas** **Área de Proteção Ambiental (APA) Reentrâncias Maranhenses** (26,809.1 km)¹⁴ and **APA Baixada Maranhense** (17,750.4 km)¹⁵. Both protected areas are also protected by the **RAMSAR International Convention** as wetlands of international importance¹⁶. The protected areas

¹² Anti-GPM Articulation, 2024. Title of the seminar "Impacts of the Grão-Pará Maranhão Project: Alcântara Port Terminal and EF-317 Railway": https://www.instagram.com/p/C-LN2sfu8Fy/?img_index=1

¹³ <https://www.regenwald.org/files/de/Declaracao-final-seminario-contra-GPM-28-junho-2024.pdf>
<https://rosalux.org.br/comunidades-enfrentam-projeto-logistico-da-grao-para-maranhao/>

¹⁴ <https://uc.socioambiental.org/pt-br/arp/782>

¹⁵ <https://uc.socioambiental.org/en/arp/785>

¹⁶ RAMSAR, 2021. reentrancias maranhenses: <https://rsis.ramsar.org/ris/640> and RAMSAR, 2020 Baixada Maranhense Environmental Protection Area: <https://rsis.ramsar.org/ris/1020>

are home to a large part of the world's largest and almost completely intact **mangrove belt** (11,000 km²) on the Atlantic coast of northern Brazil, of which 5,050 km² are in the state of Maranhão, 3,960 km² in Pará and 2,269 km² in Amapá¹⁷

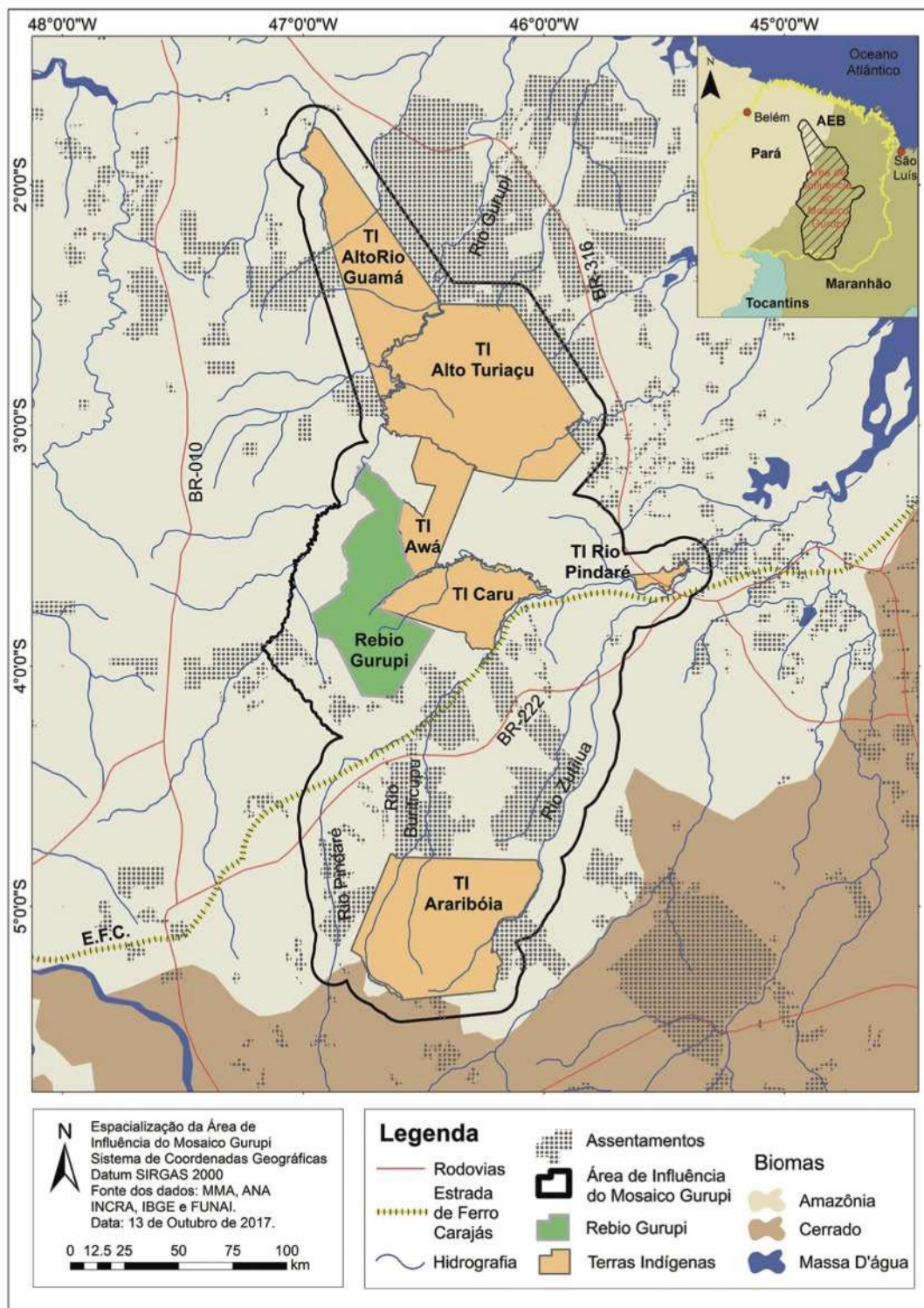


Fig. 2: Area of influence of the "Gurupi Mosaic" in the Belém endemic area (AEB) in eastern Pará and western Maranhão. Source: Celentano, D. et.al., 2018. Deforestation, degradation and violence in the "Gurupi Mosaic" - The Amazon's most threatened region:

https://www.researchgate.net/publication/324643005_Desmatamento_degradacao_e_violencia_no_Mosaico_Gurupi_-_A_regiao_mais_ameacada_da_Amazonia

¹⁷ Chico Mendes Institute for Biodiversity Conservation, 2018. The Atlas of Brazilian Mangroves: <https://ava.icmbio.gov.br/pluginfile.php/459>

In São Marcos Bay, where **Cajual Island** is located and the first part of the railway line passes, around **150,000 migratory birds** stop over every year, including species such as the red-billed curlew (*Limosa haemastica*) and the black curlew (*Numenius phaeopus*). Cajual Island is an important breeding area for the **scarlet ibis (*Eudocimus ruber*)**, which is classified as endangered in Brazil. Scientists have observed **2,500 individuals** of these magnificent animals in a **breeding colony on Cajual Island**¹⁸. Thousands of other species live in the various ecosystems in the sea and on land around Cajual Island, including manatees¹⁹, sea turtles²⁰ and dolphins.

Amazon rainforest, the "Belém endemic area" and "Gurupi Mosaic"

The railway line crosses the "**Belém endemic area**", located in the states of Pará and Maranhão²¹ Maranhão is home to the so-called **Gurupi Mosaic**, which consists of six indigenous areas (Alto Turiaçu, Awá, Caru, Arariboia, Rio Pindaré, Alto Rio Guamá) and the state nature reserve Reserva Biológica Gurupi. The areas are home to the last large contiguous areas of primary Amazon rainforest in the state of Maranhão. It is the region of the Amazon basin most threatened by deforestation²² Between the above listed areas, scientists have identified other areas of high conservation value that are important for connectivity and the protection of water resources and between which ecological corridors should be established. The freight railway line planned by GPM passes right through the middle of these areas and would further complicate efforts to protect and connect them.

Important fossiliferous site in Brazil

On the east coast of Cajual Island, where the piers will be built, geological layers containing fossils are being revealed. The Falésia do Simito, Ponta Leste and Laje do Coringa sites are Brazil's most important fossil deposits from the middle Cretaceous period, around 95 million years ago, including dinosaurs, crocodiles, turtles, fish and ferns²³. The soil layers containing the fossils probably extend through the island's subsoil, as evidenced by fossil finds in other parts of the island.

Misleading information in the company video

In a video presentation published by GPM on its website, the Amazon rainforest is shifted to the west, giving the impression that the port and railway line are outside the Amazon region. The graphic also claims that "**180% Brazilian agricultural production growth in capacity without cutting any trees in the next ten years**".

¹⁸ Rodrigues, A.A. 1995. Reproduction of *Eudocimus ruber* on Cajual Island, Maranhão, Brazil. Download the article as a pdf file: http://www.revbrasilornitol.com.br/BJO/article/download/0314/pdf_63

¹⁹ Caribbean manatee (*Trichechus manatus*)

²⁰ Among them are the critically endangered *hawksbill* turtle (*Eretmochelys imbricata*) and leatherback turtle (*Dermochelys coriacea*)

²¹ M Goeldi, 2015. scenarios for the Amazon: Belém Endemism Area. Executive summary: https://www.researchgate.net/profile/Marcia-Barros-2/publication/323454047_Cenarios_para_Amazonia_Area_de_Endemismo_Xingu_Sumario_Executivo/links/5a96bc51a6fdccceff0a34bf/Cenarios-para-Amazonia-Area-de-Endemismo-Xingu-Sumario-Executivo.pdf

²² Celentano, D. et.al., 2028. deforestation, degradation and violence in the "Gurupi Mosaic" - The most threatened region of the Amazon: https://www.researchgate.net/publication/324643005_Desmatamento_degradacao_e_violencia_no_Mosaico_Gurupi_-_A_regiao_mais_amecada_da_Amazonia

²³ de Carvalho Marchesini Santos, M.E. 2009. Palaeontology of the Parnaíba, Grajaú and São Luís Basins: http://cprm.gov.br/publique/media/paleo/pale_cap15.pdf and EmersonFerreiraTV 2012. Cajual Island: <https://www.youtube.com/watch?v=EnGmZhjn7hY>



Fig. 3: Screenshot from the video presenting the Grão-Pará Maranhão project, minute 1:53; source: <https://graoparamaranhao.com/en/news/tpa-ef-317-institutional-video-is-very-well-received-by-the-market/> (© graoparaMaranhão)

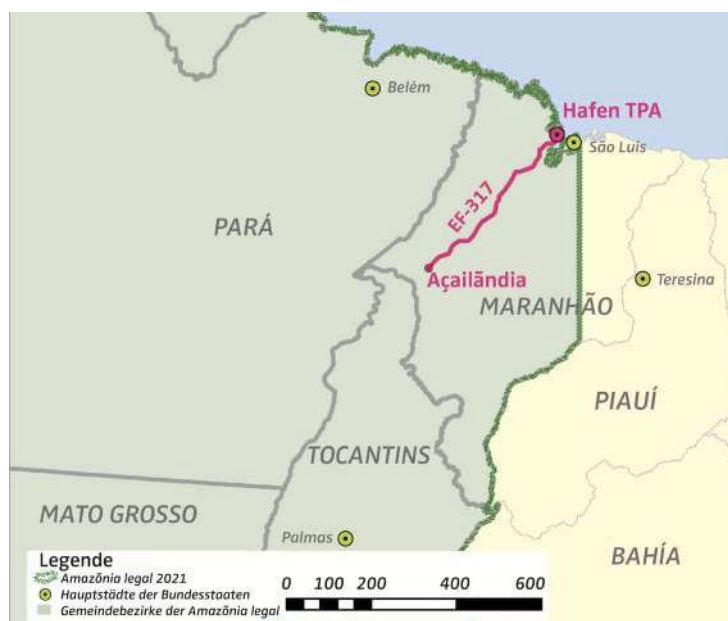


Fig. 4: Map of the north-eastern part of the Brazilian Legal Amazon region (Amazônia legal 2021) with the location of the port of TPA and the EF-317 railway line (source: IBGE, GPM)

The graph and the information provided by the project operators are misleading. The fact is that the location and boundaries of the Amazon region are officially and precisely defined in Brazil as the legal Amazon region (Amazônia legal). Both the port and the entire railway line are clearly located within the legal Amazon region, as our map with data from the Brazilian Institute of Geography and Statistics (IBGE) shows.

Further, the establishment of agricultural lands²⁴ and mining activities²⁵ are the main driver for deforestation in Brasil. The claim that the agricultural production capacity will almost double within the next tens years without any deforestation is totally false. In 2023, in Brazil the three biomes alone - Amazônia Legal (9.064 km²), Cerrado (11.011 km²) and Pantanal (723 km²) - have suffered deforestation on 20.798 km², an area half of the size of Switzerland²⁶.

²⁴ Haddad, E.A., Araújo, I.F., Feltran-Barbieri, R. et al. in Nature Sustainability, 2024. Economic drivers of deforestation in the Brazilian Legal Amazon: <https://www.nature.com/articles/s41893-024-01387-7>

²⁵ Sonter, L.J., Herrera, D., Barrett, D.J. et al. in Nature Communications, 2017. Mining drives extensive deforestation in the Brazilian Amazon: <https://www.nature.com/articles/s41467-017-00557-w>

²⁶ Ministério da Ciência, Tecnologia e Inovação, 2024. Desmatamento na Amazônia cai 21,8% em 2023: <https://www.gov.br/mcti/pt-br/acompanhe-o-mcti/noticias/2024/05/desmatamento-na-amazonia-cai-21-8-em-2023>