



JOINT CIVIL SOCIETY STATEMENT ON FMO'S PROPOSAL TO INCREASE INVESTMENT IN INDUSTRIAL FORESTRY PLANTATIONS

24 FEBRUARY 2025

Undersigned organisations are alarmed by the announcement that FMO wants to increase their investments in industrial forestry plantations with €1 Billion by 2030. We challenge the setup of the forestry investment approach consultation, because of the false and misleading assumption that industrial forestry plantations need to expand, and that this can be done responsibly. These myths have been countered since long.

Industrial forestry plantations **do not**:

- remove pressure from forestsⁱ
- provide for sustainable development of local communities and Indigenous Peoplesⁱⁱ
- reduce greenhouse gases and contribute to halting the climate and biodiversity crisisⁱⁱⁱ

Industrial forestry plantations **do**:

- destroy local biodiversity and drive indirect or direct deforestation^{iv}
- pollute the local environment with the use of pesticides, fertilizers and heavy machinery^v
- contribute to widespread fires and related deaths and health impacts^{vi}
- play a central role in the carbon offset industry to greenwash emissions from destructive industries while generating more profits^{vii}
- provide for fewer jobs than other land sectors and structurally exploit workers^{viii}
- contribute to landgrabbing, displacement and increased land conflicts in a time of increasing land scarcity^{ix}
- often increase the vulnerability of women and girls to sexual harassment and violence due to the presence of external workers near their communities and homes^x

-source to the industrial pulp&paper sector, that has a significant energy, water and waste footprint globally^{xi}

The draft forestry investment approach paints an unrealistic picture of how FMO can improve company practices and does not have clear exclusion criteria for plantations with legacy land conflicts. Civil Society Organisations and affected communities have experienced that FMO's procedures, including the grievance mechanism, are not able to resolve legacy land conflicts.^{xii}

Governments and financial institutions have been financing and subsidizing the plantation industry for decades, based on false premises. This controversial finance favours and expands a sector that would otherwise not be economically viable. The industrial plantation model that produces for the overconsumption of some by exploiting other people and nature is indefensible.

To make things worse, Indigenous Peoples and communities around the world are facing a rush for their lands to be turned into tree plantations to generate carbon credits, which largely benefit the carbon offset industry. FMO's decision to increase forestry investments will exacerbate this. FMO disregards land scarcity, inevitable land conflicts as well as harmful direct and indirect land use change driven by the expansion of monoculture tree plantations.

Investments into responsible forest and land management are possible. The financial sector and governments should promote and develop accessible and just financial products for direct funding of community based and smallholder area management. This should come without restrictive contracts and allowing these communities and smallholders to retain ownership and control over their lands and resources.

The transition in agricultural and forestry sectors is urgent, with the role of Indigenous Peoples and local communities acknowledged by IPBES^{xiii}, the convention on biological diversity COP16^{xiv} and IPCC^{xv} for climate and biodiversity protection. FMO needs to stop banking on biodiversity and climate collapse driven by exploitative models of production. The Dutch Ministry of Foreign Affairs should take its responsibility and urgently address this with FMO.

We call upon FMO and the Dutch Ministry of Foreign Affairs to ensure it

- stops investing in industrial plantations both through direct and indirect financing
- stops using carbon offsets as an added value for investing in these destructive plantations
- starts promoting community based and smallholder area management, where people's rights over land and resources are respected
- starts investing in the reduction of consumption of forest risk materials like single use paper, carton and biomass
- provides redress for the harms related to its current and previous industrial forestry investments (see examples of harmful FMO forestry projects in the ANNEX)
- refrains from using our engagement in this consultation as a way to greenwash its decision making on monoculture tree plantations.

Signatories:

2006 Goldman Prize Winner – Forests - South & Central America	Brazil
Africa Institute for Energy Governance	Uganda
Amadiba crisis committee	South Africa
Amigas da Terra Brasil	Brazil
Armenian Women for Health and Healthy Environment NGO	Armenia
Articulação carioca por justiça socioambiental	Brazil
Asia Indigenous Peoples Network on Extractive Industries and Energy	Nepal

Associação de Amigos e Defensores do Jardim de Alah	Brazil
AXIAL Naturaleza y Cultura	Paraguay
Bangladesh Environmental Lawyers Association	Bangladesh
Biofuelwatch	International
Blue Dalian	China
Bruno Manser Fonds	Switzerland
BSR	France
BUND - Friends of the Earth Germany	Germany
Center of Economic and Law Studies (CELIOS)	Indonesia
Centre pour l'Environnement et le Développement (CED)	Cameroon
Centre pour la Justice Environnementale Togo	Togo
CESTA Amigos de la Tierra	El Salvador
Climate Communications Coalition	USA
Colectivo VientoSur	Chile
Community of Arran Seabed Trust Scotland	Scotland
Cooperativa Laguna El Manzano	Chile
COSOPA	Chile
Dogwood Alliance	USA
Earth Thrive	UK / Serbia
Earthsight	UK
ECOMUNIDADES, Red Ecologista Autonoma de la Cuenca de México	Mexico
EDEN center	Albania
Environmental Paper Network (EPN) International	International
Environmental Paper Network (EPN) North America	North America
Environmental Paper Network (EPN) China	China
Fair Finance Pakistan	Pakistan
Fern	Belgium
Focus Association for Sustainable Development	Slovenia
Forest NOW	Poland
Forests & Finance Coalition	International
Forum Ökologie & Papier	Germany
Friends of the Earth Canada	Canada
Friends of the Earth England, Wales & Northern Ireland	UK
Friends of the Earth International	International
Friends of the Earth US	USA
Fundación Pongo	Chile
GRAIN	Spain
Green Advocates International	Liberia
Green Longjiang	China
Green Squad	Croatia
Instituto amaivos - contém amor	Brazil
Instituto para el Futuro Común Amerindio (IFCA)	Honduras
Justica Ambiental (JA)	Mozambique
Kentucky Environmental Foundation	United States
Leave it in the Ground Initiative (LINGO)	Germany
Leefmilieu	Netherlands
Legal Rights and Natural Resources Center - Friends of the Earth Philippines	Philippines

Les Amis de la Terre Togo	Togo
Milieudefensie – Friends of the Earth Netherlands	Netherlands
Mouvement Ecologique	Luxembourg
National Society of Conservationists - Friends of the Earth Hungary	Hungary
Nenhuma	Brazil
Ong Impacta positivo	Chile
Otros Mundos Chiapas - Amigos de la Tierra México	Mexico
Pastoral da Ecologia Integral	Brasil
Pro Natura - FoE Switzerland	Switzerland
Profundo	Netherlands
Protect the Forest Sweden	Sweden
Quartzo Comunicação	Brazil
Radboud University	Netherlands
Save Estonia's Forests - Päästame Eesti Metsad	Estonia
Socio-ecological Union International	Russia
SOMO	Netherlands
SOS-FORÊTS	Ivory Coast
Tamil Nadu Land Rights Federation - Member Organization of FoE India	India
Tierra Nativa - Amigos de la Tierra Argentina	Argentina
WALHI PAPUA	Indonesia
WALHI - Friends of the Earth Indonesia	Indonesia
Water Justice and Gender	Netherlands
Werkgroep Biodiversiteit van Goed Volk	Netherlands
Women's Earth and Climate Action Network	USA

ANNEX

Examples of documented concerns and adverse impacts from FMO investments in monoculture tree plantations

Arbaro Fund : <https://www.wrm.org.uy/bulletin-articles/arbaro-fund-a-strategy-to-expand-industrial-tree-plantations-in-the-global-south> & <https://www.groene.nl/artikel/het-vergif-dringt-overal-binnen>

BTG Pactual – Timberland Investment Group : <https://news.mongabay.com/short-article/uk-dutch-banks-invest-55-million-in-controversial-cerrado-tree-farms/>

Green Resources : https://africanpeopletribunal.org/wp-content/uploads/2020/11/APT_FOE_6Pa-ger-min.pdf

Suzano : <https://en.milieudefensie.nl/news/pulp-fiction-fact-check-about-suzano.pdf>

York Timbers : <https://www.gov.za/news/media-statements/court-grants-confiscation-order-against-york-timbers-failing-obtain>

New Forests Company : https://reddmonitor.substack.com/p/longer-prison-sentences-for-carbon?utm_source=publication-search & <https://www.wrm.org.uy/bulletin-articles/the-new-forests-company-in-uganda-villages-evicted-deceived-and-dumped-into-poverty>

ⁱ Cossalter, C. And Pye-Smith, C. (2003) Fast-Wood Forestry, Myths and Realities. CIFOR Forest Perspectives.

ⁱⁱ Malkamäki, A., D'Amato, D., Hogarth, N. J., Kanninen, M., Pirard, R., Toppinen, A., & Zhou, W. (2018). A systematic review of the socio-economic impacts of large-scale tree plantations, worldwide. *Global environmental change*, 53, 90-103.

ⁱⁱⁱ Lewis, S.L., Wheeler, C.E.(2019) Regenerate natural forests to store carbon. *Nature*, Vol 568

^{iv} Del Rio, D. D. F., Sovacool, B. K., Griffiths, S., Bazilian, M., Kim, J., Foley, A. M., & Rooney, D. (2022). Decarbonizing the pulp and paper industry: A critical and systematic review of sociotechnical developments and policy options. *Renewable and Sustainable Energy Reviews*, 167, 112706. & Gerber, J. F. (2011). Conflicts over industrial tree plantations in the South: Who, how and why? *Global Environmental Change*, 21(1), 165-176. & Wang, C., Zhang, W., Li, X., & Wu, J. (2022). A global meta-analysis of the impacts of tree plantations on biodiversity. *Global Ecology and Biogeography*, 31(3), 576-587. & Braun, A.Ch, Troeger, D., Garcia, R., Aguayo, M., Barra, R., Vogt, J. (2017) Assessing the impact of plantation forestry on plant biodiversity. *Global Ecology and Conservation* 10, 159-172.

^v Del Rio et al., 2022 & Van Dijk, A. I., & Keenan, R. J. (2007). Planted forests and water in perspective. *Forest ecology and management*, 251(1-2), 1-9.

^{vi} Barguin, J., Concostrina-Zubiri, L., Pérez-Silos I., Hernández-Romero, g., Vélez-Martín, A., Álvarez-Martinez, J.M. (2022) Monoculture plantations fuel fires amid heat waves. *Science*, Vol377, Issue 6614. & McFadden, K. (2021). Understorey vegetation composition and small mammal abundance in an exotic Eucalyptus forest vs adjacent native habitat.

^{vii} Gerber, 2011 & Wang et al, 2021 & Holl, K. D., & Brancalion, P. H. (2020). Tree planting is not a simple solution. *Science*, 368(6491), 580-581 & <https://www.somo.nl/facing-the-facts-carbon-offsets-unmasked/>

^{viii} Malkamäki et al, 2018 & Montague, B (2019) Forestry sector failing to combat forced labour. *The Ecologist*.

^{ix} Gerber, 2010 & Malkamäki et al., 2018 & FAO (2021) The state of the worlds land and water resources for food and agriculture. & <https://www.landcoalition.org/en/whats-at-stake/issues/landgrabbing/>

^x Global Forest Coalition (2020) The impacts of tree plantations on women and women-led resistance to monocultures.

^{xi} Del Rio et al., 2022

^{xii} University of Antwerp (xxxx) Mediating land rights. The frustrating bottom-up account of the ongoing experience of nine communities in DRC & <https://www.wrm.org.uy/node/20634>

^{xiii} <https://www.ipbes.net/indigenous-local-knowledge>

^{xiv} <https://www.cbd.int/doc/decisions/cop-16/cop-16-dec-05-en.pdf>

^{xv} <https://www.ipcc.ch/srccl?s=indigenous>