Re: World Bank Project “Piauí Pillars of Growth and Social Inclusion” (P129342) – Rural communities and civil society organizations call upon the World Bank to take responsibility to stop land grabs and environmental destruction in the state of Piauí, Brazil

Dear Ms. Anós Casero:

In its recent response to a complaint filed by rural communities from the State of Piauí, the World Bank’s Inspection Panel declined to investigate a complaint filed about the ongoing dispossession of traditional communities and indigenous peoples from their lands. Several communities that are located in the southwest of Piauí had submitted the complaint on 6 December 2019. The communities asked for swift action to ensure that a World Bank-financed land titling project does not legitimize land grabs and ecosystem destruction.

Over recent years, the state of Piauí has witnessed a surge in land grabs and violence against communities linked to the expansion of industrial soy monocultures and related land speculation. Civil society organizations (CSOs) have documented the severe impacts on the human rights and livelihoods of rural communities and proven the role of international investors, in particular pension funds and endowment funds. The situation has recently further deteriorated due to increasing deforestation, including through intentional fires, intimidation and violence against rural communities. Reports from rural communities in Piauí indicate that incursions into the lands of traditional communities and acts of violence have also continued during the COVID-19 pandemic.

In March 2018, a statement signed by Brazilian and international environmental and human rights organizations called upon the World Bank to take action to ensure that its 120 million USD project “Piauí: Pillars of Growth and Social Inclusion” (project no. P129342) does not legitimize dispossession of local communities. Through this project, the World Bank supports the implementation of Piauí’s Land Tenure Regularization Program, which has allegedly been used by land grabbers and agribusiness corporations to legalize illegitimate land claims. In response to that statement, the World Bank carried out visits to affected communities and

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3 Letter sent by rural communities and local support organizations to the government of Piauí in June 2020.
Piauí’s Land Institute (INTERPI), and initiated a procedure to issue land titles to eight communities located in the southwest of Piauí. However, two years later the communities’ tenure rights are still not effectively protected, placing them in a situation of ongoing vulnerability.

On 20 February World Bank management responded to the communities’ request for inspection and on 20 March 2020, after the Inspection Panel conducted an eligibility visit to Brazil, the Panel issued a report declining the request to investigate. While acknowledging severe gaps regarding the effective protection of rural people’s tenure rights, the Panel states it did not find a link between the project’s activities and the land grabbing. In a lengthy report describing their decision, the Panel claims that:

- The communities that have submitted the complaint have not been directly adversely affected by the project and that existing gaps regarding the effective protection of communities’ tenure rights are not related to the project and are beyond the Bank’s control;
- The project is compliant with the World Bank’s policies and procedures.

Despite the Panel’s decision not to investigate, the undersigned organizations emphasize the World Bank has a responsibility to act in response to the ongoing land grab and environmental destruction in the state of Piauí. In response to the World Bank’s management response and the Inspection Panel’s report, we would like to state the following:

1) The core assumption of the Inspection Panel’s report is that the World Bank project can be disconnected from the context of current dynamics of land grabbing, speculation and dispossession of rural communities as well as ecosystem destruction in Piauí. This assumption is wrong.

The World Bank’s response and the Inspection Panel report state that the documented human rights violations of rural communities are not a direct result of the project’s support to the land titling (or “regularization”) process. While it may be correct that the funding provided by the project has not been used to issue land titles to agribusiness firms and large-scale landowners, the project is implemented in a context, which is marked by an aggressive expansion of industrial production of agricultural commodities, rising land prices and speculation. Given the current dynamics in the region, in particular the high degree of violent dispossession, falsification of land titles and corruption, the World Bank’s support to Piauí’s land regularization program needs to be accompanied by effective safeguards to ensure that it respects and secures people’s tenure rights against dispossession by local agribusiness and speculators.

Project documents prove that the World Bank was aware of the complex land situation in Piauí at the time of project approval in 2015, including a high degree of land inequality and increasing land speculation. Since then, the situation of rural communities has deteriorated, as documented by several reports that have been brought to the attention of the World Bank by CSOs, including in meetings with World Bank representatives and panel presentations at the World Bank Land and Poverty Conference in Washington, DC.

As the Inspection Panel’s response notes, Piauí’s Land Institute, INTERPI, is implementing the project’s objectives under subcomponent 1.4, while it is also responsible (by its institutional mandate) for handling all requests for land titles, including those filed by large-scale land owners and companies. The World Bank

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4 The Inspection Panel’s report as well as the World Bank’s response to the complaint are available here: [https://www.inspectionpanel.org/panel-cases/piaui-pillars-growth-and-social-inclusion-project-p129342](https://www.inspectionpanel.org/panel-cases/piaui-pillars-growth-and-social-inclusion-project-p129342).
provides institutional support to INTERPI and can therefore not pretend to strictly separate project activities from the rest of the institute's work. We appreciate that the World Bank has requested INTERPI to review all land titles that have been issued under the land titling program, in order to assess how many titles have been given for large farms.\(^5\)

We would also like to highlight that the World Bank management’s response and the Inspection Panel report acknowledge that the project’s scope had to be broadened beyond the issuing of a defined number of land titles, in order to respond to structural problems of land governance in Piauí. The World Bank project’s support to the Grupo Especial de Regularização Fundiária e de Combate à Grilagem (GERCOG, Special Group for Land Tenure Regularization and Combating Land Grabbing) as well as to the dissemination of the revised State Land Law (State Law n° 7.292/2019) are clear indications of the World Bank’s acknowledgement that an effective implementation of the land regularization process requires an enabling environment, and adequate legal and institutional frameworks in particular.

2) The World Bank’s management response and the Inspection Panel report state that the project’s objectives foresee the issuing of land titles only to a defined number of Quilombola communities and farmers in agrarian reform settlements, and that the Bank can therefore not be held responsible for land grabs or the regularization of lands claimed by large-scale landowners or companies. This argument, however, points to serious shortcomings in the project rather than absolving the World Bank.

In its report, the Inspection Panel repeatedly refers to the project’s stated objectives, which define a limited number of target communities, in particular Quilombola communities and agrarian reform settlements. However, given the current reality of Piauí, such an approach is inadequate, as it leaves a large number of rural communities without protection. As stated by the Inspection Panel, and as indicated in project documents, Piauí is characterized by small-scale family farms, which account for 91 percent of the state’s farms, many of whose land rights are not recognized. The lack of effective protection of farming communities persists despite the fact that they need to be protected under Brazilian legislation, according to which land and tenure rights that have been used by communities for several generations are recognized. The World Bank’s support to the Land Regularization Program should therefore aim to secure the tenure rights of all rural communities, in order to protect them against land grabbing and the operations of agribusiness corporations. The priority should be given to the most vulnerable and marginalized communities. The revised land law of the state of Piauí clearly establishes that communities’ traditional territories need to be the top priority of the land regularization process.\(^6\)

As stated by the Inspection Panel, the World Bank included eight communities in the activities under the project, after having received their complaints through letters and during field visits in 2018. The World Bank management’s response and the Inspection Panel report present the inclusion of these communities in the land regularization process as a concession. However, it is first and foremost an acknowledgement that the World Bank project cannot be implemented without taking into account the reality of land grabbing in Piauí. While we welcome the World Bank’s decision to include these communities in the land titling process, we would like to highlight the fact that they have not yet received the requested collective land titles. We would also like to underline that

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\(^5\) Para. 48 of the World Bank’s response to the communities’ complaint.

\(^6\) Law 7292/2019, Article 5.
the demarcation process that started in some of the communities has encountered problems inasmuch as INTERPI has reportedly refused to demarcate the entire territory claimed by the communities, particularly lands situated on the plateaus (chapadas). The regularization of the lands of the remaining communities is still pending. The absence of collective land titles leaves these communities in a situation of ongoing vulnerability.

The Inspection Panel report attributes the delays to the complexity of the land regularization process, in particular in those communities where land conflicts have been documented. While we acknowledge the complexity of the situation in Piauí, we would like to emphasize that it is precisely the prevalence of land conflicts and the land claims of outsiders that put the communities at risk. The complexity of the situation must not be used as an excuse to leave traditional communities out of the land regularization program nor the World Bank project.

We would further like to point to the fact that the project’s approach to include agrarian reform settlements as one of the main targets of land titling is highly problematic. According to information in the Inspection Panel report, 600 titles were issued to small-scale farmers in a well-established agrarian reform settlement during the final months of 2019. Communities situated in previously demarcated agrarian reform settlements already have recognized land rights according to Brazilian law, but they cannot sell their land. By enticing agrarian reform participants to apply for individual titles that can be sold on the land market, the World Bank puts them at risk of losing their land, taking into account the current context in Piauí, which is characterized by high degrees of land grabbing and speculation. Approaches aimed at implementing agrarian policies that ensure the provision of basic services to rural communities are much more appropriate in such a setting.

The undersigned organizations would like to emphasize that the World Bank is a UN institution and therefore bound by the UN Charter and the international human rights framework. This includes the responsibility to respect, protect and guarantee rural communities’ right to land and related natural resources, as enshrined in Convention no. 169 of the International Labour Organization (ILO) the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) as well as the UN Declaration on the Rights of Peasants and Other People Working in Rural Areas (UNDROP). The Bank should further follow the guidance provided by the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (Tenure Guidelines), which constitutes a clear framework for the governance of land, fisheries and forests, prioritizing the realization of the human right to food and other human rights of marginalized groups. We would also like to point out that all member states of the World Bank have distinct human rights obligations under international law.

We therefore call upon the World Bank and its member states to take responsibility and action to stop land grabbing and environmental destruction in the state of Piauí in the context of its project. This includes:

- Ensure the swift issuing of community titles for the communities of Melancias, Morro d’Água, Salto I, Salto II, Sete Lagoas, Brejo das Meninas, Santa Fé and Baixão Fechado by INTERPI, taking into account the entirety of communities’ territories.

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7 Inspection Panel report, p. 10, para. 38.
Ensure that INTERPI gives priority to the regularization of rural communities, in particular those most vulnerable and threatened by dispossession, in line with Piauí State Law 7292/2019, in particular articles 5 and 15. The World Bank should further require INTERPI to suspend the issuing of titles to large plantations and to agribusiness corporations until the collective land rights of all communities of small-scale farmers and indigenous peoples are secured state-wide, and the need for further redistributive land reform has been fully considered.

Disclose the land titles conceded by INTERPI to large plantations and agribusiness corporations.

Stop the individualization of titles in agrarian reform settlements, and instead work with peasant farmers and communities to address their needs and promote their rights. The Bank should support work with these communities to ensure that their land rights remain secure while ensuring the provision of basic services and promoting sustainable livelihoods.

Take into account the current reality of land grabbing and environmental destruction in the implementation of the current project, including current discussions about a restructuring of the project, as well as the elaboration of any possible future project. The process to develop a possible follow-up project needs to be participatory, including in particular the effective and meaningful participation of rural communities and their representatives. Such a project should be geared towards protecting and promoting rural communities’ right to land, in accordance with ILO Convention no. 169, UNDRIP and UNDROP as well as the Tenure Guidelines. It should further contain effective safeguards to ensure that it does not lead to the legalization of land grabs and privatization of collective lands.

Please keep us informed about any step that you are planning to take in this context.

On behalf of all the signatories,

Philip Seufert
Natural Resources Coordinator
FIAN International

Signatories:

ActionAid International
Associação dos Advogados dos Trabalhadores Rurais da Bahia
Associação dos Geógrafos Brasileiros (AGB)
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Ecoa – Ecology & Action, Brasil
Family Farm Defenders
FIAN Brazil
FIAN Germany
FIAN International
FIAN Nepal
FIAN Sweden
FOCSIV – Italian federation of Christian NGOs
Friends of the Earth USA
Grassroots International
Grupo ReExisTerra - Povos Indígenas e Povos e Comunidades Tradicionais em Resistências e Re-Existências na Terra
International Accountability Project (IAP)
LEMTO - Laboratório de Estudos de Movimentos Sociais e Territorialidades da UFF
Maryknoll Office for Global Concerns
Metro New York Catholic Climate Movement
Movimentos dos trabalhadores e Trabalhadoras do Campo (MTC)
National Family Farm Coalition (USA)
National Fisheries Solidarity Organization, Sri Lanka (NAFSO)
Rede Social de Justiça e Direitos Humanos
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