

NRK Brazil documentary – background and facts

In the documentary ‘Et lite stykke regnskog’ (‘A piece of the rainforest’), the Norwegian national broadcast company NRK presents the story of the Tauá people, local contractors and Hydro’s Alunorte alumina refinery in Brazil. Here is background information on the topic.

Since April 2018, NRK’s ‘Brennpunkt’ investigative documentary series has visited the Alunorte area in Barcarena twice, interviewed Hydro President & CEO Svein Richard Brandtzæg, and twice interviewed John Thuestad, Head of the Bauxite & Alumina business area.

Hydro has discussed dilemmas openly and transparently with [NRK Brennpunkt](#). In addition, Hydro representatives have had several meetings with the documentary team, answered many questions and delivered large quantities of background information and documentation.

Rainfall in February

The situation at Alunorte, which began with extremely heavy rainfall in February, has been demanding for Hydro and the organization in Brazil, and is very complex. We have therefore gathered background and facts, which you can read more about on [Hydro.com](#).

Tauá people

The NRK Brennpunkt documentary begins with the Tauá people, a group that claims they have the right to engage in agricultural activities in the area purchased in 1982 by the aluminium company Vale in order to establish the Alunorte alumina refinery and the Albras aluminium plant. The purchase agreement between Vale and public development authorities from 1982 stipulated that land should be set aside for agricultural purposes and a nature reserve. This agreement was not established in law, but was an agreement between buyer and seller.

In the agreement was a clause stating that if the two areas were not established within 24 months, the seller could cancel the agreement and demand the return of the parcels. The two areas were never established, but the seller did not claim return of the parcels. At the same time, local authorities established a land-use plan for Barcarena, which changed the basis for establishing these two areas. Therefore, the two areas never existed for agriculture and nature reserve protection.

Disagreement with the Tauá people includes understandings of the 1982 contract, and whether it is in force today. We know that the area where Alunorte and Albra are located was expropriated in the early 1980s. Alunorte and Albras are of the opinion that areas for agriculture and a nature reserve were never established. This is confirmed by Codec, the government development authority which at the time sold the area to Alunorte and Albras.

Hydro, and Alunorte, believe that we have abided by valid regulation regarding the area. Decisions about rezoning land parcels are often challenging and demanding for those who live there. It is important to point out that this is an area where the local authorities have been clear that they desired to use for industrial purposes to develop the region. Hydro is both a significant employer and driver of economic activity in the state of Pará, where Barcarena is located. The area owned by Alunorte and Albras has been rezoned several times by the Barcarena authorities: in 1982, 2006 and 2016. Today it is zoned in its totality for industrial purposes.

Illegal settlements are a widespread problem in Brazil, and illegal settlements have been established inside of Alunorte's industrial area. These have also been sold without proven ownership rights. In these cases, the authorities have been informed and courts have the power to order the police to remove illegal occupants. This occurred in 2017, when an illegal settlement of 300 families in Agua Verde was relocated. At Hydro's initiative, a third-party observer, Instituto Peabiru, followed the process, in which belongings, buildings and other items were moved to where the families themselves desired. In an area called 'Tauá forest', an illegal settlement and an illegal sawmill were discovered.

The Brazilian Ministério Público (Public Prosecutor's Office) investigated, and in 2017 charged four persons with illegal logging in one of the areas Brennpunkt says is occupied by the Tauá people. One of them is also charged with illegal possession of a weapon. Two of them are referred to as leaders of the Tauá and are among NRK Brennpunkt's sources.

AC Vilaça and the mayor of Barcarena

The local development company AC Vilaça has been a supplier to Alunorte and Albras since 2003, including for industrial maintenance services as well as various construction projects. In 2013, one of the AC Vilaça owners became mayor of Barcarena. At that point, AC Vilaça had several contracts with Alunorte. Today the company is operated by the mayor's family.

In connection with construction of the new bauxite residue storage area, AC Vilaça won a tender process for construction of infrastructure between an older bauxite residue storage area and the new one. As one of the company owners was also mayor of Barcarena, we undertook a thorough internal investigation covering legal and social responsibility aspects. The investigation concluded that the contract could be awarded to AC Vilaça, but acknowledged that there were dilemmas regarding possible conflicts of interest. Therefore, a clause was included in the contract that would handle possible conflicts of interest. At the same time, it was decided that we would phase out relationships with companies in which the mayor had an ownership stake.

The contract with AC Vilaça was approved at the end of 2014, and it was decided to phase out use of Vilaça companies. A smaller contract was entered into after this, in 2015. The last contract with AC Vilaça expired in the end of 2016.

Further activities

Alunorte remains under an order by authorities to reduce production and continues a dialogue with authorities in Brazil to resume full production and contribute to a sustainable society in Barcarena. For more information about our support for local communities, see an [overview on our web pages](#).