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BRAZIL

NORTHWEST REGION DEVELOPMENT PROGRAM

FIRST PHASE

AGRICULTURAL PRODUCTION AND ENVIRONMENTAL PROTECTION PROJECT

PROTECTION OF AMERINDIAN COMMUNITIES IN THE NORTHWEST REGION

A. The Present Situation

Amerindians in the Northwest Region

- 1. Since the colonial period, Brazil's Amerindian population has fallen from an estimated two to five million to a present-day population of less than 200,000. This dramatic decline (which is similar to that of other lowland South American Indians) has been the result of a combination of factors, including early slave raiding expeditions, intermarriage and, more recently, with the gradual occupation and development of the Amazon region, diseases transmitted by new settlers, which have decimated some tribes, and a reduction of the area available for hunting, fishing and agricultural activities.
- Knowledge of the Northwest Amerindians is still scarce, and information from different sources is sometimes contradictory. It is estimated that some 4,600 Amerindians live in offically designated areas. The total indigenous population of the area is, however, probably close to 8,000, including yet uncontacted tribes and groups or individuals living outside the designated areas. There are more than 20 different tribal groups, some of which may be interrelated. There are 58 known villages distributed over the entire program area (26 in Rondonia and 32 in Mato Grosso). Tribal groups vary considerably with regard to culture, language, economic activities, size and contact history. The smallest known group has only 10 members, the largest 1,750. Some groups have been in continuous contact with the Brazilian population since the rubber boom at the end of the last century, and others, mainly in the Northeast of Rondonia, have been contacted only since the construction of the Cuiaba-Porto Velho highway in the 1960s. Still other groups do not maintain regular contacts. An area of some 880,000 ha has been interdicted 1/ in central Rondonia where the uru-eu-wau-wau tribe is thought to be located. A pacification mission made first contact with this tribe in March 1981. Another area of some 200,000 ha has been interdicted for the yet isolated Tubaroes-Massaca Indians in the southeast of Rondonia.

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Interdiction is an administrative measure prohibiting the entrance of anyone, except FUNAI staff, into an area believed to be inhabited by Amerindians. Then, the area can be delimited, i.e. mapped and legally recognized as an Amerindian reserve. Demarcation follows delimitation.

- Overall some 5.2 million hectares have been designated official Amerindian areas (i.e., demarcated, delimited or simply interdicted) in the Northwest region (2.4 million ha in Rondonia and 2.8 million ha in Mato Grosso). However, not all lands in which Amerindian communities are present have been declared Amerindian lands, and of those that have been so designated, at best a third (1.7 million hectares) would appear to have actually been demarcated, a step essential for their protection. The presence of squatters and other intruders (miners, hunters, rubber-tappers) within Amerindian reserves has been a recurrent problem. In some cases, designated Amerindian lands are inadequate to sustain their assigned population and/or are not the traditional lands used by the groups in question. In some past instances, the National Indian Foundation (FUNAI) has improperly turned Amerindian areas over to ranchers, and the interdicted uru-eu-wau-wau area appears on maps to be juxtaposed in large part with the area reserved for the Pacaas Novos National Table 1, attached, shows the approximate populations of known Amerindian groups in the Northwest region. Table 2 provides data on official Amerindian areas in the region.
- Most of the Amerindians of the Mato Grosso portion of the region are at relatively advanced stages of acculturation with the exception of some Nambikwara groups and the recently contacted Saluma and Menku Indians. Some groups engage in partially mechanized agriculture and maintain commercial relations with the outside society. As elsewhere in the Northwest, the most important issues in Mato Grosso are related to land rights. The best known case in point involves the Nambikwara bands of the Guapore Valley. These bands, which once controlled almost one million hectares, are today in possession of six small reserves totalling less than 200,000 hectares (of which less than 60,000 hectares have been demarcated) interspersed among a number of extensive cattle ranches established in the region within the last ten years. Since a new stretch of the Cuiaba-Porto Velho road is expected to cut through the Guapore Valley in the near future, the adequate protection of Nambikwara Indians in the new environmental context has become an international issue. A special Bank mission visited Brazil and the Guapore Valley in September/October 1980 and reviewed with the Government its findings and specific recommendations concerning FUNAI activities in Nambikwara areas. The Guapore Valley Nambikwara consist of some 10 bands, one not yet contacted, totalling some 300 people. FUNAI has in the past unsuccessfully attempted to move some of these bands away from their traditional territories to different areas. Sooner or later, these bands, walked back to their areas of origin, but their population meanwhile decreased to less than a third of what it is estimated to have been in 1960. Today, their land, health, economic and social situation is still tenuous. Even though their number has recently been on the increase as a result of improved health treatment, 300 /oo of babies born over the last five years did not survive their first year. 1/

^{1/} Infant mortality during the first year averages 82°/00 in Brazil, between 110 and 120°/00 in Hato Grosso and 138°/00 in the Territory of Rondonia.



Amerindian Policies and Legislation

- 5. Brazilian policies with respect to Amerindians aim at ensuring their cultural and physical survival through adequate protection and assistance while their culture undergoes gradual modifications, with the long term goal of their eventual emancipation, individually or as communities, from the present Government tutelage. It is part of the policy that the protection provided duly recognize the cultural distinctness of the Amerindians and their need, given their existing economic system, for large areas of land.
- The indigenous population of Brazil has its status and rights defined in a body of legislation comprised of Article 198 of the Constitution of 1969, the Indian Statute of 1973 (Law No. 6,001), and a series of laws and decrees enacted between 1967 and 1980 which established and now govern This legislation was designed to ensure the survival of the Amerindian population, regulate their contacts and interaction with the larger national community, and provide adequate time for the acculturation of the Amerindian society the modern world. The most important parts of the legislation are the guarantees regarding Amerindian land rights. Prior to the 1969 Constitution, Amerindians were considered to own the lands they inhabited. Article 198 of the 1969 Constitution modified this precept. It guarantees to Amerindians the inalienable right to the use of the lands they inhabit, but grants ownership to the Union. The Indian Statute calls for protection of native lands from illegal trespass and gives FUNAI the right to call on the armed forces and on the federal police for enforcement of this law. It also states that squatters rights do not apply to Amerindian lands. According to the Indian Statute, intervention within native lands is permitted through presidential decrees, but only in special situations, such as fighting between tribal groups, serious outbreaks of epidemics, national security requirements (including public works or subsoil deposits of outstanding national interest) or to repress encroachments upon Amerindian lands. If, for any of the above reasons, a tribal group must be removed to another area, the native community is to be assigned an area equivalent to the former one. However, these qualifications can reduce (and in some cases have reduced) the force of the legal guarantees provided in the Amerindian legislation.

The National Indian Foundation (FUNAI)

FUNAI was established in 1967, to replace the Indian Protection Service (SPI), which had been discredited by the existence of widespread irregularities in the activities of the organization. FUNAI is administratively linked to the Ministry of the Interior and maintains administrative headquarters in Brasilia, responsible for coordinating and overseeing the work of 13 regional delegations, including those of Cuiaba and Porto Velho in the Northwest. Direct contacts with the indigenous population takes place mainly at local Indian Posts. The area, population, and number of villages attended by these posts varies considerably, sometimes encompassing a large area with a dispersed population. In principle, each post is to be equipped with a medical dispensary and staffed by a Post Chief, a health attendant, a teaching aid, a radio operator, and workmen as needed.



- 8. At present, there are 13 Indian Posts in Mato Grosso and 13 in Rondonia. However, in 1980, only 12 of the existing posts were staffed, and a number of Amerindian villages had no post at all. Few of the posts were equipped or staffed according to FUNAI standards. There was furthermore a noticeable difference between the quality of FUNAI operations in Rondonia and Mato Grosso. The 5th Delegation (Mato Grosso) has been poorly managed in recent years, and its chief has been replaced; FUNAI is now giving special attention to upgrading the performance of this Delegation. A total of three mobile health units operate in the Northwest region (one also attending areas outside the region), each staffed by a doctor, a dentist, a nurse and a laboratory technician. These teams carry out routine preventive care missions and emergency missions (e.g., for the control of epidemics). Additional support for the health posts in the Guapore Valley would be provided from Vilhena.
- 9. FUNAI depends on a number of revenue sources for financing its activities. The most important source is the annual allocation from the national budget. This source is followed in importance by allocations from the Social Assistance Fund and PIN/PROTERRA. Funds generated by FUNAI itself are relatively insignificant. In 1979, FUNAI was budgeted at slightly less than US\$17.5 million equivalent, of which over half was used for administration. A serious problem in the history of FUNAI has been the chronic shortage of funds which has forced the postponement or cancellation of important programs, including the demarcation of Amerindian lands and the training provided to Indian Post managers.
- 10. Various missionary groups, such as the Brazilian Christian Mission, universities or institutions such as the Summer Institute of Linguistics, have provided more or less regular health and education services to Amerindians in Brazil, in varying degrees of cooperation with FUNAL. There are also a number of pro-Amerindian pressure groups (Comissoes pro-Indio) organized in various locations of Brazil, usually around a core of university anthropologists.

B. Issues Arising from the Implementation of the Northwest Program

The rapid regional development that will ensue from the POLONOROESTE Program is bound to place increasing pressures on the Amerindian communities in the Program area. Without adequate protection, such communities are likely to be increasingly in competition with settlers for land traditionally used by the Amerindians, and subject to diseases resulting from increased contacts with non-indigenous people and from the ecological changes associated with settlement and deforestation. This question has, from the onset, been identified among the critical issues to be addressed and satisfactorily resolved prior to the further implementation of the proposed Northwest Program.

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As a result, there have been extensive reviews by the Bank and the Brazilian Government authorities of measures which would be required to minimize the possible negative effects of POLONOROESTE activities on the Northwest's indigenous population. It has been agreed that FUNAI would give two areas priority treatment: (a) the protection of Amerindian lands, particularly those near areas of settlement, through their demarcation and regularization, and the removal of illegal squatters from such land; and (b) health care, through stepped up preventive campaigns and increased capacity for providing effective assistance in instances of infectious diseases. Economic development measures taking into account the felt needs and conditions of individual groups would be progressively implemented. It was further agreed that measures for protecting and assisting the indigenous population must be synchronized with the implementation of development activities envisaged under POLONOROESTE and, where appropriate, precede the latter.

C. Proposed FUNAL Activities

In order to mitigate the adverse effects of current and future development on the Amerindian population in the area, FUNAI is carrying out, in the context of the POLONOROESTE program, a special project specifically addressed to the needs of these indigenous communities. To this end, the POLONOROESTE Program provides for additional human and financial resources to supplement FUNAI's present staff and budget to carry out land demarcation, health, administration, education, and economic development activities in the Northwest Region. The description that follows summarizes FUNAI's "Project to Assist Indigenous Communities in the Area of Influence of the Cuiaba-Porto Velho Highway, 1980-1985" (hereafter called the "Special Project") as amended following review and comment by various Bank missions.

Land Demarcation and Regularization

Recent migration into frontier areas of the Northwest and the consequent patterns of land settlement make the effective protection of Amerindian lands crucial to the preservation of the welfare of Amerindian communities. Such protection is essential to ensure the continued subsistence of these communities while they adapt to the modern world, as well as to shield them from the initial shocks of contact. The first step to effectively protect Amerindian lands is to demarcate the borders of reservations. It is felt that this would discourage a good deal of the illegal trespassing taking place in the region, much of which occurs out of ignorance. Demarcation involves the clearing and marking of a six-meter swath of land around the reservation. The FUNAI Special Project calls for an estimated 3,941 km of perimetral demarcation by 1982, which would affect approximately 2.5 million hectares of Amerindian lands. These areas, as well as all areas previously demarcated, are to be regularized through inscription in the "Servico do Patrimonio da Uniao," also by 1982. However, funding delays slowed initiation



of the 1,321 km of demarcation that were programmed for 1980, and the meeting of overall targets of the Special Project will now require exceptional efforts if they are to be achieved on time. The total estimated cost in May 1980 prices for the demarcation and regularization component amounts to Cr\$165.6 million (US\$3.2 million). This estimate could be revised upwards if new demarcation requirements were to be identified. Corresponding costs would be met by the FUNAI budget.

15. Effective monitoring is also necessary to protect designated tribal lands from encroachment. To monitor Amerindian lands, FUNAI requires adequate means (manpower, vehicles, sirplanes) to survey these areas regularly. To evict trespassers, FUNAI must depend on the state and federal police forces to effect their removal, and on INCRA, to resettle squatters elsewhere. In the past, both means and support have been inadequate. Under the Special Project, once the remaining reserve areas are delimited, a preventive early detection strategy is to be enforced via (a) periodic surveillance on the part of FUNAI; (b) control on the part of the Amerindians themselves, who are to report all irregularities to FUNAI; (c) an improved FUNAI internal reporting mechanism from the Indian Posts to the Delegations, and from the Delegations to Brasilia; and (d) forceful and swift response on the part of FUNAI with the backing of the state government, the police, and/or the military.

Health

The health component is intended to upgrade FUNAI's existing health services with the objective of extending full coverage to all indigenous groups in the program area. At present, coverage is spread thinly because of a lack of funds, personnel, equipment and physical infrastructure. The component emphasizes the strengthening of health services; the strengthening of health infrastructure is to be carried out only once service oriented goals have been met. FUNAI has established the following areas of priority: (a) immunization of all Amerindians in the Program area, as well as non-Indian groups in the vicinity of Amerindian areas; (b) strengthening FUNAI's capacity to quickly and effectively respond to epidemics; (c) control of tuberculosis and malaria; (d) maintenance of adequate supplies and storage of medicine in infirmaries; and (e) training of Post Chiefs and Indian Health Monitors to dispense medicine and provide first aid. Specific measures to be implemented under the health component to address these areas of priority include (a) upgrading the existing mobile units; (b) the creation of a new mobile unit to work out of Vilhena; (c) the addition of a new agreement with a hospital in Vilhena; (d) upgrading the FUNAI clinic in Cuiaba; and (e) training seminars for Post Chiefs and Indian Health Monitors. Once these priority measures are achieved, the component provides for measures to strengthen FUNAI's health infrastructure. The estimated cost of the health component in May 1980 prices is Cr\$ 312.3 million (US\$ 6.2 million).

Administration

17. The viability of the Special Project as a whole depends on a substantial strengthening and improvement of FUNAI's regional and local administration. A personal assistant to the President of FUNAI has been appointed



Special Coordinator of FUNAL activities within the Northwest program at Brasilia headquarters to help expedite related activities and improve coordination between FUNAI and other key institutions involved in the program's implementation and administration. At the field level, the special FUNAI project will (a) establish Indian Posts for groups that have so far not been attended on a continuous basis; (b) increase the efficiency of existing services through improvements in staffing, communications, transport, maintenance, and equipment of the Indian Posts and Delegations; (c) upgrade basic infrastructure at the Indian Posts in order to attract and maintain field staff; and (d) step-up assistance to Amerindians in the project area through the establishment of a new support base in Vilhena in 1981. The cost of the administration component in May 1980 prices is estimated to be Cr\$298.8 million (US\$ 5.97 million). A decision taken by the Minister of the Interior to advance FUNAI Cr\$50 million should facilitate FUNAI activities under its special project. Finally, special attention and supervision are already being given by FUNAI to upgrade the performance of their Cuiaba delegation.

Education

Bilingual education is part of the assistance to which Amerindians 18. are entitled by law. FUNAI's capacity to fulfill this function has been constrained by the requirement that a given tribe's language be studied prior to introduction of schooling, and by the termination of the contract with the Summer Institute of Linguistics under which the Institute was preparing educational materials for various indigenous groups. Improvements are likely to require a build-up of capacity over several years. The education component is to provide start-up salaries for newly recruited teachers, as well as for maintenance, equipment, and school construction and upgrading costs. foresees the distribution of school lunches in collaboration with the National School Lunch Campaign. In March 1981, FUNAI held a course for "bilingual monitors," i.e., native speakers who will learn how to teach their own communities. FUNAI has agreed that (a) teacher training, rather than school construction, must be given priority; (b) teachers could move among different Amerindian groups, given that the latter would be unlikely to attend school on a year-round basis; (c) simple school facilities would be adequate; and (d) teacher training, which is not part of the Special Project, would be adequately covered by existing FUNAI programs. The cost of the education component in May 1980 prices is estimated to be Cr\$37.5 million (US\$ 750,000).

Economic Development

19. Economic development projects for Amerindian communities would be possible, with the objective of gradually replacing traditional subsistence activities, should the communities so wish. The objective in expanding the subsistence base would be, first, to enable Amerindians to satisfy their increasing demand for commercial goods and, second, to prevent regional development from having a negative impact on tribal subsistence either because of reductions in game and fish reserves or because of related changes in trading patterns with surrounding populations. Economic development projects would vary with the respective degree of acculturation and the specific resource base of each group. Activities could include measures to increase



agricultural production and productivity, forest management, the introduction of livestock, the expansion of extractive activities, the fostering of non-farm activities, crop processing and marketing. Marketing would be facilitated by the organization of 18 pre-cooperatives with trading posts (Cantina Reembolsavel). These Cantinas would provide credit facilities and basic goods for purchase or trade. The objective of these arrangements is to reduce the need for outside contacts to a minimum by providing the Amerindians with options for procurement of goods and marketing services within their communities. A further measure will be to contract a natural resources manager or agricultural expert for each Delegation (to train and supervise Indian Post Chiefs) and 20 agricultural technicians. The cost of the economic development component in May 1980 prices is estimated at Cr\$257.2 million (US\$ 5.1 million).

D. Future Monitoring Requirements

- 20. Funding factors hampering implementation of FUNAI's program are in the process of being removed. This should now afford a better opportunity to further gauge FUNAI's ability to carry out the special assistance project. The following points of FUNAI's action plan deserve close monitoring:
 - (a) completion of demarcation of all Nambikwara areas in 1981;
 - (b) eviction of squatters from the Sete de Setembro reservation immediately after the end of the 1981 harvest season (June/July);
 - (c) recruitment of additional staff for strengthening the FUNAI organization in the Guapore Valley, including the thirteen new health posts and the back-up health unit in Vilhena;
 - (d) finalization of arrangements to be worked out between FUNAI, the Ministry of Transport, an the National Highways Department (DNER) for specific measures and procedures to protect the Amerindian groups that may come into contact with the road construction crews. These arrangements will be reflected in the bidding documents for the highway.
- The Government has offered to provide the Bank with semi-annual reports on the progress of FUNAI's activities in the POLONOROESTE area. The Government would be requested to make the first such report available to the Bank by the time of negotiations, and in any case prior to presentation of the Northwest I loan package to the Board. The Government is aware of the need to have an outside evaluation of the impact of FUNAI's program on the Amerindian communities in the POLONOROESTE area as well as the impact of other POLONOROESTE activities on these communities. The Government would establish a group of independant experts, possibly under the responsibility of CNPq, to help it evaluate the impact of the development activities on the Amerindian community as well as on the natural environment and advise it on measures required for improving the efficiency of the protection measures considered under the program.

Table 1: Northwest Brazil - Approximate Populations of Indian Groups

Northeast Rondonia	2,703
Arara Gaviao Digint Karipuna Monde	105 100 95 150 60
Surui Cinta Larga Kaxarari uru-eu-wau-wau Tubaroes-Massaca	314 1,750 129 ?
Northwest Rondonia	1,450
Makurap Jaboti Tupari Kanoe Pacaas Novas Karitiana	50 10 56 150 1,100 84
Mato Grosso	1,549
Nambikwara Irantse Pareci Umutina Saluma Menku	500 143 500 132 124 150
• • •	<u>5,702</u>

Source: FUNAI



Table 2: Northwest Brazil: Population, Size, and Status of Official Indian Areas

		Population	Size ('000 ha)	Status
8th Delegation	RONDONIA	2,619	3,078.1	•
	Roosevelt 1/	109	233.1	Demarcated
	Ribeirao —	96	47.9	Demarcated
	Lage	162	107.3	Demarcated
	Lourdes	379	185.5	Demarcated
•	Rio Guapore	170	69.8	Demarcated
	Rio Negro Ocaia	193	104.1	Demarcated
	Pacaas Novos	621	279.9	Demarcated
	Sete de Setembro	304	247.9	Demarcated
•	Karitiana	77	89.7	Demarcated
	Rio Branco	186	240.0	Identified
	Karipuna	20	202.0	Identified
• .	Tubaroes-Massaca	103	•200.0	Identified
,	Kaxarari	109 (?)	83.0	Identified
•	uru-eu-wau-wau	n.a.	878.0	Interdicted
i i	Serra Morena 2/	89	110.0	Demarcated
	Zoros 2/	?	?	Interdicted
5th Delegation	MATO GROSSO	2 ., 369	2,527.3	
	Negarote 3/	29	12.2	Demarcated
	Santana	128	6.3	Demarcated
	Bakairi	237	50.0	Demarcated
	Umutina	137	24.6	Demarcated
	Sarare 3/	31	69.3	Identified
	Nambikwara 3/	·273	912.0	Delimited
•	Wasusu 3/	47	13.5	Demarcated
	Alantesu 3/	29	10.8	Demarcated
•	Hahaintesu 3/	57	. 28.3	Demarcated
•	Mamainde 3/	64	63.4	Identified
	Saluma —	126	640.0	Identified
	Irantxe	149	62.0	Delimited
	Pareci	860	556.0	Delimited
	Brito	19	2.0	Identified
**************************************	Figueira	12	10.0	Identified
4 9	Formoso	58	19.7	Identified
•	Waikisu 3/	23	?	Being restudied
	Menku' .	100	47.1	- -
	TOTAL	4,988	5,605.4	
		•	· / /	

^{1/} Partly in Mato Grosso.

Source: FUNAI, Projeto de Apoio as Communidades Indigenas da Area de Influencia da Rodovia Cuiaba/Porto Velho, 1980-85 (Brasilia, September 1980); FUNAI (July 1981 updating).

^{2/} In Mato Grosso .

^{3/} Nambikwara tribes.

Table 3: NATIONAL INDIAN FOUNDATION (FUNAL)

Total Special Project Cost (Cr\$ million, May 1980)

SOURCE	COMPONENTS	Year 0 (1980)	Year 1 (1981)	Year 2 (1982)	Year 3 (1983)	Year 4 (1984)	Year 5 (1985)	TOTAL
	Administration	16.765	24.870	24.870	24.870	24.870	33.267	149.512
	Health	7.771	10.522	10.522	10.522	10.522	10.522	60.381
FUNAI	Education	1.595	2.294	2.294	2.294	2.294	4.455	15.226
	Economic Development	32.800	46.500	39.000	39.000	39.000	39.000	235.300
	Demarcation	12.600	92.000	61.000				<u>165.600</u>
	Sub-Total	71.531	176.186	137.686	76.686	76.686	87.244	626.079
	Administration	10.770	-	•••	***			10.770
	Health	4.565	. -	, ***	 .	- · · -	-	4.565
POLOAMAZONIA	Education	4.565	- 1 <u> </u>	, -	<u> </u>	 `		4.565
	Economic Development	5.100	· -	•		-	-	5.100
	Demarcation			**************************************		<u> </u>	•	· · · · · · · · · · · · · · · · · · ·
	Sub-Total	25.000	**************************************	. -		-	Qua.	25.000
	Administration		52.717	26.427	33.127	26.247	-	138.518
•	Health	-	49,603	44.455	50.277	47.723	55.249	247.307
POLONOROESTE	Education	_	4.961	3.179	2.863	6.747 -		17.750
	Economic Development		3.600	4.600	5.600	3.000	· -	16.800
	Demarcation						-	
	Sub-Total		110.881	78.661	91.867	83.717	55.249	420.375
	Total Base Cost	96.531	287.067	216.347	168.553	160.403	142.493	1,071.394
		Andrew Control			at Jan. 81 at Jan. 81		•	1,810.656 26.6

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