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Sustainability by Marc Gunther

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Don't chop down that tree!

How Marriott will try to protect the Amazon and prevent deforestation by paying locals not to cut down trees.

By Marc Gunther, senior writer

(Fortune Magazine) -- Preventing the destruction of rainforests should be high on the to-do list of anyone worried about global warming. Scientists say burning or destroying forests accounts for at least 20% of global, greenhouse gas emissions.

But what can be done, as a practical matter, to slow down deforestation in Brazil or Indonesia, where poor people focus on survival, and not on abstract threats like climate change?

Marriott International, the \$13-billion a year lodging company, and the government of Amazonas, a Brazilian state that oversees rainforests bigger than Texas, have come up with a creative, if unorthodox, answer: Marriott will pay villagers in an endangered corner of the Amazon not to cut down trees.

It's not quite simple as that, of course, but that's the essence of an agreement worked out by Marriott, the Amazonas state government and a new Brazilian foundation that will run the program.

"We realize that we are all guests on this planet," said Bill Marriott, chairman and CEO of Marriott International. "We're very concerned about climate change."

Governor Eduardo Braga of Amazonas said the agreement would promote a "new relationship between global companies, the environment and the people who are really the guardians of those trees and animals."

Marriott **announced the deal** Monday inside a misty Amazon exhibit at the Smithsonian National Zoo in Washington, D.C. Presumably this was for the benefit of TV cameras. I doubt that the delegation of Brazilians from the real Amazon was much impressed by the zoo's fake Amazon.

In any event, here's how the agreement will work: Marriott will donate a relatively small amount of its own money - \$2 million over the next three years - to the Sustainable Amazon Foundation, a newly-formed nonprofit organization.



Marriott says it will pay certain inhabitants of the Amazon forest not to raze trees.

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The hotel company will also solicit contributions from hotel guests who want to offset their Villanova Project Management Certification A week in Free Info of our group customers are interested in holding 'green' meetings," explained Arne Sorenson, Marriott's CFO. **Project Management-Online** Nation's Leading Online PMP Course Get Certified Find Out More Now! Project Management VillanovaU.com

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See your updated 2008 credit report and score instantly and online. www.FreeCreditReport.com In Amazonas, some of the money will go to subsistence payments, known as "bolsa florestas," for the 500 or so people who live in a 1.4-million acre area known as the Juma Sustainable Preserve. (That's about the size of Delaware, officials said.) The Amazonas Foundation will also use the money to improve local schools and help villagers engage in more sustainable livelihoods, such as subsistence agriculture. Money will also fund monitoring in the area to insure that trees are not cut down, and to enforce existing Brazilian laws against illegal logging.

Projects like this one raise thorny questions - such as why can't the Brazilian government enforce its own laws against illegal logging, and how do we know that, without any action by Marriott, deforestation would have occurred?

When I asked Gov. Braga, he told me that anti-logging laws are all but impossible to enforce in such a vast region, particularly in places where the local people have few other ways to support themselves. He also said the forests in question would likely be cleared for cattle ranching, soybean farming or even gold mining if nothing is done.

Nevertheless, because of such uncertainties, these kinds of carbon offset projects, which are known as "avoided deforestation," cannot be used to offset the emissions of companies that are regulated in Europe and Japan. Instead, they appeal to companies like Marriott that voluntarily offset their emissions and would like a story to tell about how they are doing so. In fact, Marriott may promote its efforts on TV sets in hotel rooms and on its Web site, in an effort to grow its business.

The Marriott-Amazonas connection was first made, improbably, at a Super Bowl party at the home of Mark London, a Washington, D.C., lawyer and the co-author with Brian Kelly of "[The Last Forest: The Amazon in the Age of Globalization](#)" (Random House 2007). London, a longtime Amazon-watcher, had invited Marriott's Sorenson and Gov. Braga, who got to talking about how they could work together.

London says the project is unusual because it ties together not just Marriott and the state government in Brazil, but hotel customers and community people in Amazonas.

"This is not just about the environment," London said. "This is about creating economic opportunities," for Brazil and for Marriott ([MAR](#), [Fortune 500](#)), if all goes according to plan. ■

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