

Tree Plantations: Impacts and Struggles

World Rainforest Movement

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Cover photo: The photograph in the cover shows Tupinikim and Guarani indigenous peoples in the act of demarcating their lands, appropriated by Aracruz Celulose's eucalyptus plantations in the State of Espirito Santo, Brazil.

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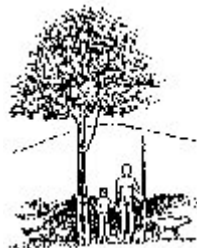
The logo for HIVOS, featuring the letters 'HIVOS' in a stylized, bold, serif font. The letter 'I' is replaced by a vertical line with a small circle above it, resembling a stylized 'H' or a specific symbol.

The logo for Svenska Naturskyddsföreningen, featuring a stylized black silhouette of a bird in flight, with its wings spread and tail feathers visible.
Svenska Naturskyddsföreningen

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Selection of articles published in the
WRM bulletin (1997-1998)



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About this book

This book includes a selection of articles published in the World Rainforest Movement's (WRM) Bulletin on the issue of industrial tree plantations. Given that the aim of most monoculture tree plantations is to produce wood pulp, we have also included articles related to the pulp and paper industry. In many tropical countries, tree and oil palm plantations have similar impacts --which result in similar struggles-- and we have therefore also included articles on oil palm plantations. Finally, given the strong support that carbon sink tree plantations are receiving from governments and intergovernmental agencies , we have also included articles dealing with that issue.

The level of detail and analysis greatly varies from article to article due to the bulletin's character, which aims at being a useful tool both to people and organizations working at the local level and to those who work at the international level. In spite of that, we decided not to omit any article, in the belief that all of them can help to raise awareness on an issue such as this, which is still unclear to many people.

The authorship of the book is shared by WRM's International Secretariat and by the numerous people and organizations which either sent us articles or relevant information to produce them. Responsibility over the mistakes that might have been made is exclusively ours.

Regardless of the authorship of the book or the individual articles, the true protagonists are the many thousands of people who suffer from and organize opposition to this inequitable and unsustainable forestry model, which the articles try to reflect. To all of them, our most sincere homage.

Tree plantations

The need to raise awareness on the true character of tree plantations

One of the main reasons which explains why large-scale industrial tree plantations can be promoted at the global level while they are being strongly opposed at the local level, is the manipulation of concepts and information to feed the uninformed public. Trees -any trees- are presented as synonymous to forests and forests are rightly perceived by most people as good and necessary to humanity. The fact that plantations have nothing in common with forests is not that easy to be understood by the general -particularly the urban- public.

On the contrary, local people can easily see the difference. Shortly after large-scale tree monocrops are planted, they begin to perceive -and suffer- that difference. Wildlife begins to become scarce in the area and almost inexistent within the boundaries of the plantations. Changes in the hydrologic cycle leads to water scarcity and in some cases also to over-flooding after heavy rains. Useful plants disappear. Water courses are damaged through increased siltation due to soil erosion originating in the plantations. Plantation management results in chemical pollution due to the widespread use of agrochemicals. Such changes have strong implications for local peoples' livelihoods. Wild animals, fish, mushrooms, fruit, honey, vegetables, form an important part of their diet. Water security is basic for their agricultural and animal husbandry activities. The forest provides fodder, firewood, medicines, wood for housing, grasses for thatching, fibres and many other products and services. Plantations do not provide any of

those and, to make matters worse, deprive people from most of the available agricultural land, which is taken over by one large company.

However, plantations are being promoted throughout the world as “planted forests”. As if a forest, in its complexity of interactions involving people, energy, climate, soil, water and biodiversity, could be planted. Sooner or later, people begin to perceive that plantations are not “forests” and plantation companies then resort to a different set of arguments, trying to convince people that plantations are good, even accepting they are not forests. One of the more widely used arguments is that which states that “plantations help to alleviate pressure on native forests”, by providing goods that would otherwise be obtained from forests. This argument sounds appealing, particularly to the increasing number of people concerned about deforestation. . . only that it is not true.

All plantations in tropical countries have directly or indirectly resulted in increased destruction of native forests. Most plantation companies clear the existing forest to make way for their tree crops. On the other hand, fast-growth tree monocrops are mostly oriented to the pulp industry and therefore do not alleviate any pressure from the logging of tropical timber for the sawnwood and plywood industry. Additionally, many pulp and paper companies which implement plantations to feed their pulpmills also use wood from tropical forests, either prior to the moment when the plantations mature or simultaneously use wood from the forest and from plantations.

As each argument falls apart, the companies' hired "experts" invent another one, trying to make this unsustainable forestry model acceptable by different audiences. For example, that plantations create employment. The fact that plantations destroy more jobs than the ones they create and that the quality of employment they provide is dismal seems to be irrelevant to such "experts". Or that plantations are necessary to supply an increasing demand for paper in an increasingly literate world. This hides the fact that some 40% of the paper produced ends in packaging and wrapping, as well as the fact that pulp-exporting Southern countries with extensive plantations (such as Indonesia, Brazil, South Africa or Chile) consume 10 times less paper than industrial countries.

The inventive of these "experts" to prove the impossible seems to be inexhaustible. The truth is that plantations are simply tree crops aimed at ensuring the future supply of the pulp and paper industry once its traditional resource base -native forests- becomes depleted. As with any other industry, its purpose is to produce, and sell, and make a profit. The difference is that this industry -which is in fact one of the most destructive and polluting in the world- tries to portray its tree plantations, as a "greening the earth" operation. Trees are green . . . and so is the American dollar, which is the only colour they are interested in.

Plantations are not forests

The expansion of tree monocultures, especially in the South, is favoured by the combination of inexpensive land,

low labour costs, fast tree-growth, subsidies, support from international “aid” agencies and multilateral development banks, technology provided by northern suppliers and advice by northern consultancies.

Plantations are not forests. Plantations are uniform agroecosystems that substitute natural ecosystems and their biodiversity, either in natural forests (e.g.: Chile, Brazil, Indonesia) or in grasslands (e.g.: Uruguay, South Africa). When natural ecosystems are substituted by large-scale tree plantations they usually result in negative environmental and social impacts: decrease in water production, modifications in the structure and composition of soils, alteration in the abundance and richness of flora and fauna, encroachment on indigenous peoples' forests, eviction of peasants and indigenous peoples from their lands, loss of livelihoods.

Pulpwood plantations

Industrial tree plantations occupy more than 100 million hectares worldwide. This production model is not based upon the material or spiritual needs of local people, neither aimed to favour them or their environment. Their goal is to provide the global paper industry with cheap raw material –mainly from eucalyptus- to assure the present overconsumption of paper and paper products, particularly in the North. Already 29% of the fiber used in the paper industry comes from fast-growing plantations and this figure is increasing.

Local people and social organizations from Brazil to Hawaii and from Spain to Congo have organized against this model. Nevertheless we need to be aware of some

difficulties: generalized public opinion that planting trees is a good thing for the environment and for the preservation of natural forests, increase of paper consumption shown as associated to education and literacy in underdeveloped countries, lack of serious environmental impact assessments, proposal of alternatives to the dominant model, etc.

Timber plantations

The production scheme and consequences of timber plantations -pine, teak or other species- are similar to those of pulpwood plantations, with some differences in management, since they aim at the production of timber.

Oil palm plantations

Among non-timber plantations, oil palm is especially important. Global consumption of palm oil products increased 32% in the last five years. In Malaysia -the major palm oil exporter in the world- and in Indonesia, natural forests are being felled or set on fire to clear land for these plantations. Peasants are deprived of their lands and resources. Oil palm companies were responsible for fires that destroyed 80,000 hectares of forests in Indonesia this year. Plantations are expanding in Ivory Coast, Brazil, Colombia, Honduras, Ecuador and other countries with similar negative environmental impacts.

Carbon sink plantations

Even if OECD countries are responsible for 77% of the world fossil fuel-related emissions of CO₂ -whose increasing concentration in the atmosphere is one of the

main causes of global warming- they advocate for a "solution" that consists on using the photosynthetic activity of tree leaves to capture CO₂ and retain carbon in the wood. These so-called "carbon sinks" are fast-growing species' plantations to be installed in the South. The model is simple: the North will continue emitting CO₂ to the atmosphere and the South will be responsible of capturing it through the new installed "forest cover". They call it "joint implementation" and is the most recent argument used by plantation promoters to justify their activity. According to one calculation, 300 million hectares of fast-growing trees are required to absorb the annual global emissions of CO₂ if the present rate of emissions continues, as is expected. There's no scientific evidence of their efficiency, since their capacity to capture CO₂ can be much influenced by climate change.

The above named four types of plantations have commonalities:

- All of them are large-scale
- They are all monocultures that correspond to an industrial scheme, aimed at the production of an export good or service obtained at low cost in a Southern country
- They result in strong negative social and environmental impacts
- Their implementation is the result of top-down oriented decisions that see reality only at a global scale and are focused mainly -if not exclusively- on the obtention of economic benefit
- Local people and national societies are ignored at decision-making levels. They are just used to provide cheap labour force and their land and related resources are

directly or indirectly appropriated by powerful national or foreign agents

The Montevideo Declaration. June 1998

-A call for action to defend forests and people against large-scale tree monocrops

In June 1998, citizens of 14 countries around the world gathered in Montevideo, Uruguay out of urgent concern at the recent and accelerating invasion of millions of hectares of land and forests by pulpwood, oil palm, rubber and other industrial tree plantations.

Such plantations have little in common with forests. Consisting of thousands or even millions of trees of the same species, bred for rapid growth, uniformity and high yield of raw material and planted in even-aged stands, they require intensive preparation of the soil, fertilisation, planting with regular spacing, selection of seedlings, mechanical or chemical weeding, use of pesticides, thinning, and mechanized harvesting.

As people from six continents engaged in fighting such industrial monocultures and near-monocultures have testified, the resulting radical conversion of the landscape, together with the disruption of social and natural systems, can threaten the welfare and even survival of local communities.

The following are the most frequently cited environmental impacts:

- * reduced soil fertility
- * increased erosion and compaction of the soil
- * loss of natural biodiversity
- * reduced groundwater reserves and stream-flow
- * increase in fires and fire risks

These effects frequently extend far outside plantation boundaries, with nearby or downstream areas being affected by erosion, desiccation and radical, sometimes irreversible changes in the local flora and fauna. All these impacts damage local peoples' lives and livelihoods.

Industrial tree plantations have in many cases been preceded by firing or clearcutting of native forests and have therefore become a new and major cause of deforestation. In agricultural areas, industrial tree plantations have undermined food security by usurping productive cropland and pastures, thus contributing to local poverty. In many cases they have resulted in forced displacement or forced resettlement of local people, in widespread human rights abuses and in violation of local peoples' land rights. Nearly everywhere they have been established, industrial tree plantations have destroyed people's livelihoods in agriculture, fisheries, animal husbandry and gathering. The pitiful number of jobs they create --insecure, seasonal, badly paid frequently, dangerous, and susceptible to market cycles-- cannot compensate for the loss of employment that they cause.

Pulpwood plantations can be particularly huge. The scale of these plantations --most often of eucalyptus, pine or acacia-- is influenced by the immensity of the factories which process the trees they grow. A \$1 billion pulp mill may produce a half million to a million tons of pulp a year

and divert an entire river through its machines as it squats amid sixty thousand hectares or more of plantations. The cost of reengineering and simplifying landscapes in this way can be paid only through massive direct and indirect subsidies --including tax breaks, government handouts, infrastructure, research and suppression of labour organization-- captured through the exercise of political power. The power exercised by the industry locally tends to result in further subsidies, further expansion, political repression, hostility to democratic procedures, and contempt for local needs and landscapes.

The plantation industry is increasingly moving to the South, where cheap land, labour and water, fast tree growth, and loose environmental controls result in lower production costs. This encourages the current pattern of excessive and growing paper consumption in the North and parts of the South.

Assisting or underwriting the spread of industrial tree plantations is a set of supporting actors ranging from the World Bank and bilateral "aid" agencies to research institutions and university scientists. Money badly needed to support the development of local livelihood security (including the development of small-scale, locally-appropriate and environmentally-responsible paper production techniques using locally available raw materials) is directed into forestry research supporting the use of fertilizers, herbicides, pesticides, biotechnology, cloning and a Green Revolution-like package of techniques which has proven to be detrimental to local environments and livelihoods. In the name of "development", other public monies are diverted to forestry consulting firms, pulping machinery

manufacturers, and pulp and paper companies which are often also involved in logging native forests.

To counter growing resistance, the industry is attempting to "green" its image by presenting tree monocrops as "planted forests" and as carbon sinks. Although tree plantations have little in common with forests and although most of the carbon stored by plantations will be released to the atmosphere again within five to ten years, such myths are sometimes accepted by uninformed audiences.

In view of these concerns, we pledge our support to an international campaign to:

- * support local peoples' rights and struggles against the invasion of their lands by these plantations
- * encourage awareness of the negative social and environmental impacts of large-scale industrial monocrop tree plantations, and
- * change the conditions which make such plantations possible.

We therefore commit ourselves to joining the movements opposed to such plantations --movements which have already achieved significant successes. We are confident that the struggle against the industrial forestry model will at the same time help enable local communities to implement local solutions to local problems --solutions which will simultaneously have positive impacts on the global environment, and whose continuing evolution we also pledge ourselves to support.

International discourse and on-the-ground reality

Since the 1992 Earth Summit, many trees have been felled to provide paper for the voluminous documents produced by a number of intergovernmental processes --including parallel expert meetings-- aimed at addressing the urgent problem of deforestation. Many solutions have since then been found ... on paper.

The real world is clearly going in another direction. Forests are set on fire to give way to "development" plans, including eucalyptus, oil palm, soya and other monocrops; forests are cleared to be substituted by cattle-raising; mangroves are disappearing to provide shrimp to mostly Northern consumers; tropical forests are being destroyed and polluted by oil exploration and mining; and forests are still being exploited for their valuable wood.

All the above problems --and more-- had already been highlighted by the World Rainforest Movement in its 1989 Penang Declaration: "The current social and economic policies and practices that lead to deforestation throughout the world in the name of development are directly responsible for the annihilation of the earth's forests, bringing poverty and misery to millions and threatening global ecosystems with collapse. Such policies and practices include: plantations, both for industrial forestry and for export crops, ranching schemes, dam projects, commercial logging, colonisation schemes, mining and industry, the dispossession of peasants and indigenous peoples, roads, pollution, tourism."

Nothing much seems to have changed or to be changing in spite of the seemingly concerned declarations of the governments of the world. Even worse, while forests are depleted mostly by greed, many of their hopes are based on the assumption that free trade will be the solution to the problem. While most governments --North and South-- either directly or indirectly continue degrading forests at home and/or abroad, the forest discussion seems to be going no-where.

In such a context, the World Rainforest Movement and Forests Monitor chose the second meeting of the Intergovernmental Forum on Forests (Geneva, August 1998) to present the results of their joint research on the activities of Malaysian logging companies abroad. The report ("High Stakes: the need to control transnational logging companies, a Malaysian case study"), stresses that "Malaysian-based logging companies are far from unique in terms of the negative social and ecological impacts that they cause in some of the countries where they operate". However, the activities of Malaysian logging companies constitute a useful example of the impacts resulting from the liberalization process promoted by institutions such as the International Monetary Fund, the World Bank and the World Trade Organization.

This report --which will be followed by another on forest destruction by Canadian mining companies abroad-- shows that transnational companies and international trade are not only not the solution, but they are in fact an important part of the problem. While the international governmental community continues to support the ideologised concept that an abstract "market" will solve most problems, the real market continues destroying

forests and with them the people that live within. Until such approach changes, the protection of most forests will depend on the ongoing struggles of local peoples, supported by local and international citizens' organizations.

Tree plantations and climate change

Message from Bratislava to Kyoto on tree plantations

The fourth meeting of the Conference of the Parties to the Convention on Biological Diversity took place in Bratislava from 4-15 May. Among its many decisions, we wish to highlight one related to forest biological diversity which "Notes the potential impact of afforestation, reforestation, forest degradation and deforestation on forest biological diversity and on other ecosystems, and, accordingly, requests the Executive Secretary to liaise and cooperate with the Secretariat of the United Nations Framework Convention on Climate Change to achieve the objectives of the Convention on Biological Diversity."

What is the coded message behind such apparently obscure phrasing? The Climate Change Convention process is actively promoting tree plantations as one of the major mechanisms to act as carbon sinks to counteract fossil fuel emissions. Article 2 of the Kyoto Protocol states that:

"1. Each Party included in Annex I [those responsible for major fossil fuel emissions], in achieving its quantified emission limitation and reduction commitments under Article 3, in order to promote sustainable development, shall:

(a) Implement and/or further elaborate policies and measures in accordance with its national circumstances, such as:

(ii) Protection and enhancement of sinks and reservoirs of greenhouse gases not controlled by the Montreal Protocol, taking into account its commitments under relevant international environmental agreements; promotion of sustainable forest management practices, afforestation and reforestation;"

The terms "afforestation and reforestation" in fact mean millions of hectares of monoculture tree plantations of fast growing species, particularly eucalyptus. Under this light, the Bratislava meeting's message becomes clear: if such plans are implemented, this will certainly affect biodiversity in forests and in other ecosystems. Forests will be substituted by efficient "carbon sinks" composed of few fast growing species and there is therefore an antagonism between the aims of the Convention on Biological Diversity and the mechanism put forward by the Climate Change Convention. We share, welcome and support such concern.

WRM statement to the Fourth Conference of the Parties of the Climate Change Convention, Buenos Aires, November 1998

The WRM is deeply concerned about the direction in which the climate change negotiations seem to be leading, particularly after the Kyoto Protocol. A great number of Northern governments appear to be currently more concerned about seeking to buy their way out of their responsibilities to the global environment --particularly through the Clean Development Mechanism-- instead of implementing actions to effectively counter the greenhouse effect. On the other hand, many Southern

governments seem to be equally interested in such approach, and eager to sell their environmental services at the best price possible.

The climate change problem which the world is confronting is however well-known and so are the remedies. The buildup of greenhouse gases in the atmosphere is the result of unsustainable production and consumption practices. One of the main greenhouse gases is carbon dioxide. The majority of the emissions of this gas stem from two main sources: the use of fossil fuels and deforestation processes (which release carbon stored in biomass). The remedy is therefore to eliminate the use of fossil fuels and to put a stop to deforestation.

The question is not whether these solutions are possible to achieve now (the knowledge and technology certainly exist), but if governments are creating conditions to reach that objective and if solutions will be implemented before the world's ecosystems and societies reach a total collapse. Unfortunately, this does not seem to be the case.

Tropical forest peoples from all over the world are witnessing a major push in oil and gas exploration --in many cases promoted by multilateral development banks-- and are struggling to put a stop to it. Southern governments, hand in hand with Northern oil and gas companies, repress those peoples, while Northern governments turn a blind eye on what their companies do. Those local peoples, while defending their own rights, are simultaneously defending the global environment, given that if their struggles are successful it will mean that less fossil fuel emissions will be released to the atmosphere and fewer tropical forests destroyed.

Deforestation processes continue unabated and the destruction will continue until major changes are introduced to the current unsustainable global economy. Here again, local peoples are standing up to defend their forests and forest lands and are also repressed by their governments to the benefit of local elites and transnational corporations in the logging, mining, oil, plantation, agriculture, aquaculture and other production areas.

Tree plantations, promoted as one of the main solutions to climate change, are themselves resulting in further deforestation processes in many Southern countries, where forests are being substituted by monoculture tree plantations. At the same time, this solution is creating further problems to local peoples and local environments, as the displacement of local populations (resulting in further deforestation), the depletion of soil and water resources, the elimination of habitats of local wildlife and flora, etc.

We therefore demand governments present at the COP4:

- 1) To undertake real commitment to forest conservation by supporting --instead of repressing-- local communities willing to preserve their forests
- 2) To create conditions to allow local communities to manage their community forests, including the legal recognition of the territorial rights of indigenous and other traditional forest and forest-dependent peoples

- 3) To address the land-tenure issue and promote a genuinely participatory agrarian reform in order to avoid planned and unplanned peasant migrations to the forests
- 4) To avoid the promotion of large-scale monoculture tree plantations (particularly exotics) and to promote the re-establishment of forests through the plantation of species native to each area in those cases where local communities are willing to bring their forests back
- 5) To avoid the implementation of infrastructure and other projects which could directly or indirectly result in deforestation processes
- 6) To address the international underlying causes of deforestation and forest degradation
- 7) To coordinate with other international processes dealing with equally important environmental issues, such as the Convention of Biological Diversity and the Intergovernmental Forum on Forests, to make sure that initiatives within the different processes are not antagonistic to each other, such as in the case of the promotion of large-scale carbon sink tree plantations, which contribute to further deforestation and biodiversity loss.

Are tree monocultures a solution to global warming?

The Kyoto Protocol, agreed in December 1997, has been criticised for its market-oriented approach, since it tends to establish a trading system to buy and sell carbon emissions. Tree plantations have gained a major role in

relation to this issue because of their supposed condition of carbon sinks. The Protocol established that afforestation is one of the activities that Annex I countries can undertake to achieve their “quantified emission limitation and reduction commitments” for greenhouse effect gases (Art. 2). It also stated that “removals by sinks resulting from direct human-induced land-use change and forestry activities, limited to afforestation, reforestation and deforestation, since 1990, measured as verifiable changes in carbon stocks” are to be considered by Annex I countries to meet such commitments (Art 3.3.). According to the Framework Convention on Climate Change (UNFCCC) this group includes industrialised countries and ex-planified economy countries, in process of transition to a market economy.

The so-called Clean Development Mechanism (CDM), defined by the Kyoto Protocol in Article 12 as a form of cooperation between both groups, provides a way by which Northern countries will be able to comply with their commitments, simply through the establishment of extensive tree monocrops in the South. When a public or private entity of an Annex I country invests in a plantation project in the South, it is the investing country that will receive emission reduction certification for the project. As a matter of fact this provision, that goes together with the net approach, means that industrialized countries are freed of their responsibility to cut their carbon emissions in a significant way, while the South will offer their territory to projects aimed at capturing them, which will bring negative environmental consequences with them, as tree monocrops do. On the other hand it is not fair that those countries historically responsible for global warming

would now receive assistance from poor countries. This is “foreign aid” upside down, isn’t it?

Let’s take the case of the tree plantation project promoted by the Dutch FACE Foundation (Forests Absorbing Carbon Dioxide Emissions). This organisation aims to plant 150,000 hectares of trees to absorb CO₂ equivalent to that emitted by a modern 600 MW coal fired power plant. Half of this area has been set up in the Ecuadorian Andes. Far from promoting the use of native species, the project is based on eucalyptus and pines. Even though these exotic species grow slowly in that environment, FACE justifies their use by saying that most of the native species in Ecuador have disappeared because of deforestation and that local people’s knowledge about them have been lost with the forests themselves. This is however untrue and the only reasonable argument to justify the use of exotics is that they are easier and cheaper to plant.

Large-scale monoculture plantations are known to be detrimental to the environment, both in natural forests and in grassland ecosystems: decrease in water yield at the basin level, acidification and loss of permeability of soils, nutrient depletion, alteration in the abundance and richness of flora and fauna. Nevertheless, there is an aspect of plantations that is perhaps not so well known: their social and cultural effects. Indigenous peoples and local communities that live in the forests are suffering encroachment of their lands by plantation companies and are forced to leave them, losing their lands and livelihoods, what means undermining the material and spiritual basis of their respective cultures. In many cases, plantations require the previous destruction of the natural

forests. The case of the Tupinikim and Guaraní indigenous peoples in Espírito Santo, Brasil, is paradigmatic. After a long and unequal struggle to recover their ancestral lands, taken away by Aracruz Cellulose to establish eucalyptus plantations for pulp production, they were recently forced to sign an agreement that reduces significantly the area of their lands, to the benefit of the company. In the Portuguesa state of Venezuela, Smurfitt Cartons is dispossessing local peasants of their lands and destroying and replacing riverine forests with eucalypts, pines and gmelina monocrops. Oil palm plantation companies in Sumatra, Indonesia, are expropriating local peoples' lands, which has resulted in civil unrest, since they are willing to defend their lands and livelihoods. Similar situations involving either eucalyptus and/or oil palm are also frequent in Sarawak, Malaysia, where indigenous peoples are being dispossessed of their traditional lands to make way to plantations and are fighting back to defend the forests. In Chile, large-scale pine plantations have expelled peasants from their lands and substituted the forests that provided to people's livelihoods. The list of local communities affected by tree plantations is indeed very long and the above are just a few examples to prove the social and environmental destruction that this "solution" can imply if implemented at an even larger scale.

Other global processes --as the Convention on Biological Diversity and the Intergovernmental Forum on Forests-- are now warning about the potential impacts of tree plantations on forest biological diversity and on other attributes of natural ecosystems. Even the Kyoto Protocol itself mentions that Annex I countries "shall strive to implement (their) commitments ... in such a way as to

minimize adverse social, environmental and economic impacts on developing country Parties” (Art. 3.14). However, actions are going in the opposite direction to words. National inventories of greenhouse-effect gases that every state has to prepare for monitoring its situation in relation to the commitments of UNFCCC consider the increase of tree plantation areas --called “planted forests”- - as positive for the global environment and include carbon capture by plantations in their respective budgets. Such methodology was adopted without taking into account the mentioned negative impacts nor the regional or local features that can affect the calculation. The net effect of a plantation on carbon intake --once all the variables are taken into account-- is still at the hypothesis stage.

In sum, the promotion of tree monoculture plantations under the CDM by the ongoing global process on climate change has a weak scientific basis. From a political, social and environmental perspective, far from being a solution to the problem, they contribute to consolidate a scheme that is threatening people and the environment worldwide. A change in this approach is urgently needed. Article 9 of the Kyoto Protocol itself considers the possibility of implementing such changes “in the light of the best available scientific information and assessments on climate change and its impacts, as well as relevant technical, social and economic information”. But, of course, this is not a matter of wording but of political will. Shall the COP4 in Buenos Aires be another lost opportunity?

For and against forest conservation and climate stabilization

Deforestation and forest degradation worldwide have been and are cause of concern. Rates of loss in tropical as well as in temperate and boreal areas are alarming. All tropical forests have suffered an increase in the rate of deforestation, while the few remaining primary temperate forests, as well as boreal forests are under severe threat.

Forests are not empty. They are the home of millions of indigenous peoples and local communities, which live in or near them and depend on their resources. Besides the services forest ecosystems provide at the local level, they are a major factor for the stabilization of the global climate. This function is of course not new, but the ongoing process of discussions and negotiations on global warming have emphasized its importance. In effect, the UNFCCC in its Art. 1.7 defines “reservoirs” as “a component of the climate system where a greenhouse gas or a precursor of a greenhouse gas is stored”. Since, according to the above mentioned definition, mature forests are enormous carbon reservoirs, their conservation is capital for avoiding an increase in the atmospheric carbon dioxide concentration. On the contrary the destruction of primary forests, through fires for example, adds considerable quantities of carbon dioxide to the atmosphere. Deforestation and changing land-use patterns also add other greenhouse gases to the air. The conversion of forest to rangelands increases the liberation of methane and the burning of forests adds nitrous oxide to the atmosphere. It is out of discussion that forest conservation worldwide would be an effective way of achieving the ultimate objective of the UNFCCC, that is “the

stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system” (Article 2). Article 4.1.d of the Convention establishes – among the commitments of all Parties- their obligation to promote and cooperate in the conservation and enhancement of sinks and reservoirs, including forests.

Nevertheless, and in spite of the official conferences, consultations and workshops happening here and there, that result in nice declarations and recommendations, very little has been done to stop this destructive process and avoid its detrimental effects. This cannot reasonably be attributed to the evil nature of the stakeholders involved, but to the logics of the dominating economic system. The market oriented approach has completely ignored the negative effects of forest destruction on the forests themselves as a natural resource, on global climate and, for sure, on the people that live in and on them. Promotion of cash-crops, ranching schemes, tree monocrops, commercial logging, oil exploitation, large dam projects are showing that deforestation is not casual or “natural” but the consequence of such an approach. Some cases shall be mentioned.

- Southern countries are being more and more pushed to deplete their natural resources –forests included- to generate funds to pay their foreign debt. Indonesia, for example, aims at becoming the first oil palm exporter in the world. Local communities and indigenous peoples are deprived of their land and forests by oil palm companies, that do not hesitate even in setting fire to natural forests to clear up land for plantations. The increase of paper consumption in the North is causing the expansion of tree

plantations for pulp in lands previously occupied by natural forests that are substituted after logging, as it is happening with pine plantations in the temperate forests of Chile. Paradoxically in Tasmania, Australia, center of origin of the genus *Eucalyptus*, massive native clearance and replacement by monoculture plantations are underway.

- Local communities and environmental organizations are denouncing and facing destructive logging activities. In Gabon, for example, the primary tropical forest of the Okano River Basin is being felled down by Malaysian logging companies. Environmental groups of Guatemala have recently succeeded in dissuading the US logging giant Simpson Forestry to continue its logging activities in the Rio Dulce area. These kinds of activities are not limited to the South: logging is also destroying the Pacific old-growth rainforests of Canada and the USA and environmentalists have suffered even physical violence for their activities.

- Oil exploration and exploitation is an important factor for the destruction of tropical forests, which adds yet another negative point to the performance of oil companies in relation to global warming. The Yasuni National Park, a UNESCO Biosphere Reserve in Ecuador, and Kithar National Park in Pakistan, are being menaced by oil exploration by Perez Compact of Argentina, Elf of France and Premier Oil. In Nigeria, Shell has not only been depleting the forests and encroaching native peoples lands, but also using the apparatus of State security to threaten those who oppose its activities. At the same time Shell is setting up tree plantations in the South, with the aim of creating a “green image”.

- Mining activities are also an important factor of forest degradation. Virgin rainforest of Suriname are threatened by the increase of mining concessions that the Government is granting to foreign companies. The Grasberg gold mine in Irian Jaya, Indonesia, is polluting water resources and provoking the loss of local forests. Similar effects is having copper exploitation in Bougainville and Ok Tedi, in Papua New Guinea.

The above mentioned examples are a token of the present discouraging situation and illustrate what the text of the UNFCCC really means by “human activity that alters the composition of the global atmosphere” (Article 1.2).

At the opposite side, other people are confronting these destructive schemes in their everyday actions to conserve their land, resources and cultures, and are thus positively contributing to climate stabilization:

- The Dayak, indigenous ethnic groups of Sarawak (Malaysia) and Kalimantan (Indonesia), have been leading a long struggle, started in the late 1980s, to stop the destruction of their rainforests by “development” plans such as commercial logging and plantations, large dams and industrial shrimp farming.

- The Cofan indigenous peoples, who have recently occupied the Dureno 1 oil well in the Ecuadorian Amazon; the ‘Uwa struggling against Occidental Petroleum in Colombia, and the Kolla of Salta, Argentina, opposing the San Andres gas pipeline to protect the “yungas”, a mountain forest ecosystem rich in biodiversity.

- Small farmer communities of Pucallpa, Peru, who are reverting crops and pasture lands to secondary forests, that provide fuelwood and timber for domestic use, and offer environmental benefits such as biodiversity conservation and carbon sequestration.

- Nigerian environmentalists and indigenous peoples, which are defending the Okomu Forest Reserve, an area that still boasts of pristine forests in spite of economic pressure from the huge monocrop plantations established in it by Michelin Rubber Company and Okomu Oil Palm Company and the logging company Africa Timber and Plywood.

- Environmentalist groups in the North American Pacific Coast, who are bravely facing logging companies to protect the remaining old growth boreal forests.

These people and many others in similar conditions should be regarded as the authentic contributors to the achievement of the “ultimate objective of this Convention” (Article 2). Several international legal instruments and initiatives mention the role of indigenous peoples and local communities in forest conservation. For instance, the Indigenous Peoples Convention, introduced by the ILO in 1989, calls upon the signatory states to take measures to protect and preserve the environment of the territories indigenous peoples inhabit and to recognize their land rights. The “Call for Action” issued during CBD COP2 in Jakarta, in 1995, stressed “the need to develop and implement methods for sustainable forest management which combine production goals, socioeconomic goals of forest-dependent local communities, and environmental goals.”

Unfortunately, the present trend of global negotiations on climate change does not seem to go in this direction. The Kyoto Protocol is being regarded more as a trading agreement than as an environmental agreement, since Northern countries and private corporations –main responsible for the alteration of the world’s climate- are the most relevant actors in the diplomatic scene and seek to impose their points of view. The “promotion of sustainable forest management practices” –as stated in Article 2.ii of the Kyoto Protocol as an obligation of Annex I countries- seems to be only dead letter.

Trees, forests and climate in Buenos Aires

The Conference of the Parties (COP4) of the Climate Change Convention will be meeting during the first two weeks of November in Buenos Aires. Much of the discussion will concentrate on the role of forests as carbon sinks and many negotiations will include deals between Northern and Southern countries on how to trade emissions and sinks: we emit, you sink.

While the whole world expects that COP4 will bring about solutions to global warming, the fact is that many Northern governments --and particularly the major emitters-- will try to trade much of their emissions instead of limiting them at source. On the other side, many Southern governments will be eager to sell their sinks at the best price possible. If it weren't tragic it would be funny: humanity is facing a major threat and governments are tinkering with figures and money instead of implementing real solutions.

Apart from the above, there are a number of further problems which confuse the whole issue, namely the definition of forests, the confusion between carbon reservoirs and sinks, the reductionist view of forests, and the question of whether tree plantations can be carbon sinks.

The climate change negotiations are based on the FAO's definition of forests. According to this organization, a forest is "an ecosystem with a minimum of 10 per cent crown cover of trees and/or bamboos, generally associated with wild flora, fauna and natural soil conditions, and not subject to agricultural practices." The term 'forest' is further subdivided, according to its origin, into two categories: natural forests and plantation forests. Natural forests are "a subset of forests composed of tree species known to be indigenous to the area", while plantation forests are subdivided into: a) "established artificially by afforestation on lands which previously did not carry forest within living memory" and b) "established artificially by reforestation of land which carried forest before, and involving the replacement of the indigenous species by a new and essentially different species or genetic variety."

Amazingly enough, such definition has gone basically unchallenged until now. Any lay person can see that a plantation is not a forest, but the "experts" confuse the issue and define any area covered with trees as being a "forest". The only case in which a plantation could be termed a forest is that in which an area originally covered by forests is replanted with trees and shrubs original to the

area. However, this category is explicitly not included in the definition of plantation forests!

From our perspective, tree plantations have only one thing in common with forests: they are full of trees. But the two are essentially different. A forest is a complex, self-regenerating system, encompassing soil, water, microclimate, energy, and a wide variety of plants and animals in mutual relation. A commercial plantation, on the other hand, is a cultivated area whose species and structure have been simplified dramatically to produce only a few goods, whether lumber, fuel, resin, oil, or fruit. A plantation's trees, unlike those of a forest, tend to be of a small range of species and ages, and to require extensive and continuing human intervention. Plantations are much closer to an industrial agricultural crop than to either a forest as usually understood or a traditional agricultural field. Usually consisting of thousands or even millions of trees of the same species, bred for rapid growth, uniformity and high yield of raw material and planted in even-aged stands, they require intensive preparation of the soil, fertilisation, planting with regular spacing, selection of seedlings, weeding using machines or herbicides, use of pesticides, thinning, mechanised harvesting, and in some cases pruning.

The above is not an idle or academic discussion. Accepting the FAO's definition implies accepting plantations as a substitute for forests and therefore accepting that, being "forests", they have a positive social and environmental role to play. This is totally false. It is well documented that large-scale industrial tree plantations have already proven to be detrimental to people and the environment in a large number of countries and in many

cases they have been a major cause of deforestation. We therefore demand of the FAO --and those who accept its definitions-- that "natural forests" be called simply forests (primary and secondary) and "forest plantations" be called tree plantations.

A second important confusion is that between carbon reservoirs and carbon sinks. A full-grown forest is a carbon reservoir. Its carbon intake through photosynthesis is balanced with its carbon emissions. The amount of carbon contained in a forest is basically the same all the time. If the forest is destroyed, the stored carbon will be released --sooner or later-- to the atmosphere, thus contributing to the greenhouse effect.

Forests that have been cut and are regrowing can be very efficient in capturing carbon (both in trees and undergrowth) and therefore, as part of many other equally important functions they perform, they can be considered as carbon sinks. As trees grow, their intake of carbon is higher than their emissions, thus having a net positive balance regarding the amount of carbon dioxide (the main greenhouse gas) in the atmosphere.

On the other hand, tree plantations --which are being publicised as the main carbon sinks-- have yet to prove this role. In general terms, any area converted to tree plantations should until proven otherwise be regarded as a net carbon source and not as a carbon sink. In numerous cases, plantations have replaced either primary or secondary forests and this has meant the release of more carbon than that which the growing plantation can capture, even in the long run. There is a second crucial issue: will these plantations be harvested or not? If harvested, then

they would at best be no more than temporary sinks, capturing carbon until harvest and then releasing most of the captured carbon in a few years (in some cases even in months) as the paper or other products of the plantation are destroyed. If not harvested, then tree plantations would be occupying millions of hectares of land which could be dedicated to much more useful purposes, such as providing people with food. There is yet another issue concerning the changes that a plantation introduces to the local environment. Converting wetland to plantation can, for instance, result in the release of important amounts of carbon dioxide from the soil.

There are therefore many uncertainties about the assumption that plantations anywhere can be carbon sinks for any length of time longer than the early period of fast growth --and perhaps not always even then. This "common sense" assumption needs to be supported by research before plantations are accepted as carbon sinks.

The distinction between carbon reservoirs and sinks is not a theoretical discussion either. The conservation of a forest cannot be seen as a measure to mitigate global warming, but as a measure to avoid increasing the problem. A forest can be compared with an oil deposit underground. If the oil is kept there, the current situation will not improve, but it will not be aggravated. Therefore, forest conservation should be seen as a necessity to avoid further problems.

On the other hand, it is true that secondary forest regrowth can have a beneficial effect. However, until now, governments and "experts" have emphasized plantations (and not secondary forests) as one of the main solutions to global warming. This is linked to the above discussion on

the definition of forests as well as to the discussion that questions the reductionist approach to forests.

At the climate change level, forests are being seen strictly as carbon stores; at the forestry level, forests are seen as wood for industry; at the agricultural level as obstacles to crops; at the pharmaceutical level as potential medicinal plants. Such approaches are all wrong if each is considered in isolation, because forests contain all those potential functions, but only as long as they are viewed as a whole and not as divisible parts. When they are seen and treated as having just one function, then the consequences are negative impacts to local societies and to local environments.

Such an approach is obviously present in the following argument, already being promoted by some "experts": given that primary forests are only carbon reservoirs --and not sinks-- then it makes sense to cut them, to convert them into durable goods (whereby the carbon within will remain locked in the wood until the "durable goods" are destroyed) and to plant a fast growing tree monoculture instead (which will supposedly retrieve extra carbon from the atmosphere). As economists would say: a win-win solution. But forests are not only carbon reservoirs. They perform a number of environmental and social functions which cannot be replaced by those of any plantation. The win-win situation becomes a lose-lose one for local peoples, water catchments, local flora and fauna, agricultural production, etc.

The reductionist approach of seeing forests and trees as carbon reservoirs and sinks is also antagonistic to the policy of biodiversity conservation to which the world's

governments have committed themselves, particularly when large-scale plantations are promoted as a major solution to the problem. This contradiction was noted by the Conference of the Parties of the Biodiversity Convention (Bratislava, 1998) which "notes the potential impact of afforestation, reforestation, forest degradation and deforestation on forest biological diversity and on other ecosystems, and, accordingly, requests the Executive Secretary to liaise and cooperate with the Secretariat of the United Nations Framework Convention on Climate Change to achieve the objectives of the Convention on Biological Diversity." Translated, the message is: you are looking at forests and plantations only from your own narrow viewpoint and forgetting that forests (and not plantations) are essential for biodiversity conservation.

Both from a social and environmental perspective (including but not limiting the issue to climate change), we strongly support forest conservation, including primary and secondary forests. But we equally strongly oppose the conversion of forests, forest lands and grasslands to supposed "carbon sink" monoculture plantations, which entail only one (dubious and unproven) positive impact (the capture of carbon dioxide) and a much larger number of negative impacts on peoples' livelihoods and on their environment.

COP4 should thus focus on the emissions side of the equation (limiting the use of fossil fuels, including the much-promoted natural gas). This would involve real commitments to reductions from Northern countries. On the reservoir side of the equation, it should support other ongoing international processes aimed at forest conservation. Regarding sinks, it should only provide

incentives for secondary forest regrowth in all countries of the world --and not just in Southern countries-- with the involvement of local communities willing to have an opportunity to bring their forests back. And put the crazy idea of covering millions of hectares of fertile lands to "carbon sink" tree plantations where it belongs: in the dustbin.

Climate Change Convention: much ado about nothing

Nothing much seems to have happened during the 4th Conference of the Parties held in Buenos Aires (COP4) from 2 to 13 November. From a broad perspective, this can be regarded as very bad news, given that climate change is happening and will increasingly affect the lives of millions of people. From a more concrete perspective, the same news can be seen as positive, given that the majority of governments don't seem to be willing to make the difficult decisions that need to be made: substitution of fossil fuels by renewable, clean and low impact energy sources and worldwide forest conservation. As the whole discussion on how to address climate change is focused on negotiations to avoid major cuts in fossil fuel use and to avoid real measures to halt deforestation, the seemingly bad news coming from Buenos Aires can be considered - in such a context- as good news.

Regarding forests and tree plantations as carbon reservoirs and sinks, decisions on the definitions of deforestation, reforestation and afforestation as per Article 3.3 of the Kyoto Protocol will be taken by the first COP following release of the Intergovernmental Panel on Climate Change (IPCC) of a Special Report on Land-Use Change and

Forestry (which will take place at COP6). Additionally, it was agreed that decisions on the inclusion of any additional human-induced land-use and forestry activities eligible for consideration by Parties under the Kyoto Protocol (Article 3.4) will also be decided at the first COP following release of the IPCC-Special Report (additional activities could include forestry, forest conservation, soil conservation, other agricultural activities, etc.).

There was pressure from some countries, including Australia and some EU countries to accelerate decisions on definitions under article 3.3 to be made prior to the IPCC Special Report. In the end, these pressures for early decisions were held back, which can be considered a good thing given the important consequences that such definitions may result in. Canada -for instance- has taken the position that clearcutting of forests, including old-growth forests, should not count as a carbon "debit" since they do not consider that as "deforestation", but that replanting clearcuts should count as a carbon "credit" under reforestation. Absurd as this may seem -it would be like a bank account where none of your checks are debited, and all your deposits are credited- Canada's position is indicative of the wide range of problems that will emerge if definitions on deforestation, reforestation and afforestation are adopted without careful analysis of their consequences.

The Buenos Aires meeting also witnessed marked differences in NGO opinion regarding sinks. Some US based NGOs (namely the Environmental Defense Fund, The Nature Conservancy and the World Resources Institute) promoted very wide expanded use of sinks. The World Rainforest Movement, Friends of the Earth,

JATAN, WWF, Greenpeace and many other NGOs took the opposite view, stating that not only will wide use of sinks undermine achievement of the objectives of the Convention -which is to stabilize greenhouse gases at levels below which irreversible impacts to ecosystems, including forest ecosystems, will occur- but that additionally, activities promoted under it will more likely lead to overall negative impacts on forest biodiversity and local communities. Concerns included perverse incentives to log and clear primary forests, accelerated expansion of fast-growing monoculture tree plantations and impacts resulting from those processes on local communities and indigenous peoples.

In sum, neither governments nor NGOs are particularly united at the climate change level and many issues still remain open for discussion. Such situation provides a breathing space for all those concerned with people and the environment, to raise awareness among the public about the role that their governments are playing in these negotiations, so as to influence them in a more positive direction than the one they seem to be heading to.

Contribution to the debate on carbon sinks

One point that is not being sufficiently taken into consideration in the debate about plantations as carbon sinks is the production end of the issue. That is, most of these monocultural non-native species plantations are being grown for either of two products: paper or fiberboard. In both cases, the trees will be turned into chips and then made into something else.

How much of the actual wood fiber grown on the plantation is sequestered? Very little, especially in the case of paper.

Let's see: the trees grow, sucking up a certain amount of carbon as wood fiber mass. Much of the soil around the trees is compacted in the logging process. This does two things: drives out much of the carbon in the organic layer, and makes the soil more prone to erosion, which further frees up the carbon it holds.

Much of the carbon, of course, is turned into leaves which eventually fall to the ground as the tree grows. These leaves rot into the soil, becoming part of that organic layer mentioned above.

The trees are cut and chipped, eventually being turned into pulp and then into paper or cardboard. These products are then used and most often thrown away. In the case of corrugated cardboard, very few countries have achieved recycling rates over 50%. Most of the corrugated in the world is used once and then landfilled.

Even in the US, a country with a relatively high recycling rate (as compared with the rest of the world, not with other industrial countries, that is), only about 14% of white office paper is recycled. Much of the plantations in Brazil and Indonesia, two of the world's leading pulp and paper producers, is going into office paper.

So, this paper --where one would argue that most of the carbon taken up by the plantation has been sequestered-- is pretty much landfilled. Here, the bulk of it will, over time, decompose in an anearobic environment -that is, without

the presence of oxygen- and be released into the landfill (and eventually the atmosphere) as methane. Methane is 25 times more effective as a global warming gas than is carbon.

Therefore, most of the sequestered carbon will be ultimately released as methane or simply re-released as carbon in the process of harvest, chipping, pulping, waste, production into paper, and finally, decomposition.

A small portion (that going into fiberboard) will become non-durable wood products which will also soon be landfilled. That is, even fiberboard is disposable over a relatively short period of time (at least in America, where this type of furniture lasts only a few years). And when it is buried in the landfill at the end of its short life, it too, will generate methane.

A tiny fraction of the wood fiber produced by the plantation will be sequestered over the long term as durable wood products, far exceeded, however, by the methane generated by the disposal of all the paper and fiberboard thrown out by an ever-expanding overconsumptive global economic machine.

The science behind carbon sequestration in plantations is not science at all, but is instead smoke and mirrors used to generate more plantations, benefitting large paper, pulp and wood products companies, at the expense of the Earth and local people.

Carbon sink plantation promoters seem to have forgotten that in order to actually sequester the carbon, the trees must either:

- be left to grow; or
- be turned into durable products that will hold that carbon for hundreds of years; and
- never be allowed to decompose in an anaerobic environment.

None of this is happening in any substantial way when it comes to fast-growing non-native plantations.

Source: Tim Keating, Rainforest Relief

Can expansion of plantations be a solution to combat global warming?

Large scale overseas plantation projects planned by Japan's paper industry cannot be accepted in joint implementation or in the Clean Development Mechanisms of the Kyoto Protocol to combat climate change.

What is actually resulting from plantations is forest degradation and related carbon emissions. At the same time, carbon contained in the wood that is extracted from plantations is released almost immediately in the case of pulpwood plantations, because wood is transformed into paper, much of which is short-lived, thereby releasing the stored carbon back to the atmosphere. Before assessing any CDM projects, it is therefore necessary to close a number of loopholes contained in forestry accounting.

1. The expansion of plantations was part of 'forest degradation' in the 1980s, causing loss of closed forests and carbon emissions.

In order to achieve high precision estimates of deforestation and forest degradation in developing countries, the FAO conducted a satellite sampling research ("Forest Resource Assessment 1990", FAO 1995). This land use change measurement by the FAO can be utilized in the context of global warming. Estimates are based on the concept of Carbon Stock Change method accounting, which is one candidate to be used in the Framework Convention on Climate Change and the Kyoto Protocol.

According to the satellite image analysis, in the 1980s, 75% of the new tree plantations in developing countries in the tropics were made by replacing closed natural forest that had existed there ten years earlier. Plantation projects therefore serve as agents of destruction for natural forests. Most of these new plantations may be for oil palm or pulpwood production purposes.

Original tropical forest stores biomass at average rates of 220 tonnes per hectare. Typical plantations store biomass at average rates of 120 tonnes per hectare. A decrease of 100 tonnes of biomass is equivalent to roughly 50 tonne-carbon, or 183 tonne-CO₂ emission. Therefore, the 3.95 million hectares of forest converted to plantations in the 1980s means 725 million tonnes of CO₂ emissions.

The result of initial logging and subsequent plantation is therefore an increase in the net carbon emissions that contribute to global warming, and accounted for as 'forest degradation'. Although remaining plantations can sequester carbon dioxide, part of that carbon is extracted as timber or other products, while net Carbon Stock remains constant in the remaining plantations.

High expansion rate of plantations is expected in the future, just as the case in the 1980s, which expanded plantation area 25% within the decade, so the total plantation related carbon accounting is net 'emission' of carbon dioxide.

2. Consumption patterns are essential for Carbon Stock estimates

Most afforestation schemes such as those initiated by Japanese paper companies are large scale and involve profitable non-native species. This extension overseas of Japan's "expanded forestation" paradigm is causing social, environmental and human rights problems in many targetted areas.

In the process of pulp and paper production, more than half of the carbon stored in the woodchip is consumed as a biomass energy resource and emitted into the air as CO₂. Paper products are subsequently used for only one year on average. Half of these products are then recycled, but the other half are burned as waste, producing further CO₂ emissions.

Wood used for pulp and paper production is therefore fundamentally different from timber products that are used on a longer term basis as the timber industry claims. Rather it should be treated as the same usage as fuelwood.

3. IPCC's guideline of Sink inventory is contradictory, thus causing a loophole.

Cutting activities are accounted for the host country's activity by now, while part of planting credit will be given to the donor country. This is a carbon leakage problem, which allows the developed country to abandon its emission reduction target. A trade related cost internalization scheme, such as traded timber vs Annual Allowance Unit barter trading or simply barter accounting scheme should be developed to close the loophole.

Reference: Forest Resources Assessment 1990 (Global Synthesis, 1995, FAO Forestry paper No. 124)

Source: Tadashi Ogura, Japan Tropical Forest Action Network (JATAN)
<PBC00720@nifty.ne.jp> <oguogu@jca.ax.apc.org>

Tree plantations and international processes/institutions

Plantations and the Intergovernmental Forum on Forests

In 1995, the U.N. Commission on Sustainable Development established an Intergovernmental Panel on Forests (IPF) to address a wide range of forest-related issues. The IPF produced a final report in early 1997 containing a set of 135 proposals for action, that governments have agreed to implement. This package of proposals was formally endorsed at the June 1997 UN General Assembly Special Session (UNGASS) on the implementation of Agenda 21.

As a follow-up to the IPF, at UNGASS, governments established the Intergovernmental Forum on Forests (IFF) to promote implementation of the IPF proposals for action, to monitor such implementation; and to address matters left pending by the IPF. The first meeting of the IFF took place on 1-3 October 1997 in New York, and will be followed by three more meetings before reporting back to the CSD in the year 2000: August 1998, May 1999 and another one sometime later that year.

The IFF is now an extremely important forum, where governments talk about forests together. It is being assisted by the Inter-agency Task Force on Forests, integrated by: the Centre for International Forestry Research (CIFOR), the Food and Agriculture Organization of the United Nations (FAO), the International Tropical Timber Organization (ITTO), the Secretariat of the Convention on Biological Diversity (CBD), the United

Nations Department for Policy Coordination and Sustainable Development (DPCSD), the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP) and the World Bank. So the whole complex of the IFF is an important discussion forum among governments about forests.

The IPF and tree plantations

The IPF's proposals for action, whose implementation is now going to be promoted by the IFF, contain a number of contradictions as respects to plantations, which reflect the different interests at stake among the governments involved in the process. Some of them seem to wish to preserve native forests, others want to replace them by plantations; some wish to create extensive plantations, others want to simplify existing forests, converting them into something similar to plantations; some are interested in the continuing provision of raw material for the pulp industry, others are focused on plantations as carbon sinks. The result of the ensuing discussion, influenced by other actors such as industry, bilateral and multilateral agencies, NGOs, indigenous peoples' organizations, and others, has been a very confusing set of proposals. This confusion has also been influenced by the FAO's definitions, which includes plantations under the term "forests". Although the IPF's proposals for action do differentiate between natural forests and plantations, the terms used allow for confusion ("natural" forests and "forest" plantations) and therefore pave the way for them to be used as synonyms, for the benefit of the promoters of plantations.

The first time plantations are mentioned is in paragraph 22, which says: "Both sustainably managed natural forests

and forest plantations, as components of integrated land-use that takes account of environmental and socio-economic concerns, fulfil a valuable role in meeting the need for forest products, goods and services, as well as helping to conserve biological diversity and providing a reservoir for carbon. The costs, benefits and disbenefits of different types of forest management, including forest plantations, need to be appraised under different social, cultural, economic and ecological conditions. The role of forest plantations as an important element of sustainable forest management and as a complement to natural forests should be recognized."

That paragraph contains a number of conceptual errors:

- 1) Plantations are not forests
- 2) Plantations do not provide for most of the services provided by forests
- 3) Plantations do not help to conserve biological diversity
- 4) Plantations are not a durable reservoir of carbon
- 5) Plantations in many cases conspire against sustainable forest management, by replacing forests
- 6) Plantations are seldom a complement to natural forests.

At the same time, it contains another major contradiction in that it declares that "[T]he costs, benefits and disbenefits of different types of forest management, including forest plantations, need to be appraised under different social, cultural, economic and ecological

conditions", but immediately recognizes (with no appraisal whatsoever) "[T]he role of forest plantations as an important element of sustainable forest management and as a complement to natural forests . . ."

The above paragraph is reinforced by paragraph 28, through which the "Panel urged countries:

(a) To assess long-term trends in their supply and demand for wood, and to consider actions to promote the sustainability of their wood supply and their means for meeting demand, with a special emphasis on investment in sustainable forest management and the strengthening of institutions for forest resource and forest plantations management;

(b) To recognize and enhance the role of forest plantations as an important element of sustainable forest management complementary to natural forests;

The above clearly shows a wood supply approach to forests. In spite of all the international processes which have taken place particularly after the Earth Summit, forests are here still being basically considered as wood producers. In that context, obviously plantations make sense, to ensure an ever increasing consumption of wood and wood products. However, they do not make sense from a social and environmental perspective, where local people and local environments suffer the impacts, either of "sustainable" logging or of plantations, and usually from both: the latter following the former.

Paragraph 43 states that in "some countries" [without specifying in which] plantations of fast-growing trees have

had good and cost-effective results in terms of soil protection." Given that in many cases the opposite has been proven true, this should be brought to the attention of the IFF in order to avoid a wrong generalization of this type.

On the positive side, the document at least mentions that plantations should be implemented preferably with native species and should not replace natural forests. Paragraph 58 (b ii) urges "countries with low forest cover:

(ii) To plan and manage forest plantations, where appropriate, to enhance production and provision of goods and services, paying due attention to relevant social, cultural, economic and environmental considerations in the selection of species, areas and silviculture systems, preferring native species, where appropriate, and taking all practicable steps to avoid replacing natural ecosystems of high ecological and cultural values with forest plantations, particularly monocultures;"

We obviously strongly support the last part of the paragraph (avoiding the replacement of natural ecosystems by tree monocultures), but at the same time it raises some questions:

1) Why does this recommendation only apply to "countries with low forest cover"? Shouldn't all countries avoid replacing forests (whether with high ecological and cultural value or not) with plantations and shouldn't all not avoid monocultures?

2) Who is going to "plan and manage" those forest plantations": the local communities, the Forestry

Department? Is the "provision of goods and services" aimed at the local community or at the international market? How are the decisions going to be made? What does "paying due attention" mean?

3) From a Western forestry science point of view, plantations of native species are seldom "appropriate", either because their wood production is slower, or because they don't have a market value, or because when planted in closed stands they tend to be affected by "pests and diseases" (animals and plants which make part of the local ecosystems). So "preferring native species, where appropriate" seems to be only wishful thinking, to appease environmentalists.

In sum, as respects to plantations, the IPF's proposals for action appear to be more a problem than a solution. However, there seems to be room for influencing their implementation and one of the campaign's main targets should be to generate awareness on the drawbacks of plantations, particularly the social and environmental effects that they have at the local level. The awareness-raising activities should obviously focus on IFF participants, but should at the same time aim at a much wider audience which will itself also influence decision-makers, both within and outside the IFF process.

Comments on the IPF's proposals for action on tree plantations

The IPFs proposals for action contain a number of items which refer to tree plantations, which the WRM believes

should be further reflected upon by the IFF in view to their implementation. Paragraph 22 states that:

"Both sustainably managed natural forests and forest plantations, as components of integrated land-use that takes account of environmental and socio-economic concerns, fulfil a valuable role in meeting the need for forest products, goods and services, as well as helping to conserve biological diversity and providing a reservoir for carbon. The costs, benefits and disbenefits of different types of forest management, including forest plantations, need to be appraised under different social, cultural, economic and ecological conditions. The role of forest plantations as an important element of sustainable forest management and as a complement to natural forests should be recognized."

Few human productive activities are good or bad *per se*, and most impact on people and the environment. Depending on a number of issues, their advantages can in some cases outweigh their drawbacks, while they can be basically negative in others. The above paragraph clearly incorporates this approach by stating the important role that plantations can have, while taking into account "environmental and socio-economic concerns" and the need to appraise plantations "under different social, cultural, economic and ecological conditions."

The WRM believes that representative existing examples of plantations need to be appraised to determine how they benefit or disbenefit local populations, which type should be promoted in which situations, by whom they should be implemented, and how.

First, there are many types of tree plantations, ranging from agroforestry systems to large-scale industrial plantations. Some have been beneficial, while others have had strong negative impacts. Most of the negative impacts --on people and the environment-- have been documented in large-scale plantations: deforestation, displacement and loss of livelihoods of local peoples, erosion and nutrient depletion, biodiversity loss, water shortages, etc. On the other hand, positive impacts have been recorded in some agroforestry systems which have been carried out by local communities.

Tree plantations are therefore neither positive nor negative *per se* and their impact in one way or the other will depend --as paragraph 22 states-- on the "different social, cultural, economic and ecological conditions."

The IPF's proposals for action contain another very important element in paragraph 58 (b ii), which also needs to be considered for implementation of these proposals:

“(ii) To plan and manage forest plantations, where appropriate, to enhance production and provision of goods and services, paying due attention to relevant social, cultural, economic and environmental considerations in the selection of species, areas and silviculture systems, preferring native species, where appropriate, and taking all practicable steps to avoid replacing natural ecosystems of high ecological and cultural values with forest plantations, particularly monocultures . . .”

The above is an important step forward in that it correctly addresses one type of destructive forestry model --large-scale exotic tree monocultures-- which in many cases have

replaced "natural ecosystems of high ecological and cultural values with forest plantations, particularly monocultures." At the same time, this paragraph provides clear guidance on the steps that should be taken before implementing plantations:

- social, cultural, economic and environmental considerations should be addressed in the selection of species, areas and silviculture systems
- native species should be preferred
- monocultures of exotic species should be avoided.

The WRM believes that if these guidelines are taken into account, they will result in a radical change in the currently predominant plantation forestry model, based on a few exotic species (particularly eucalyptus and pines), planted as large-scale monocultures, which are having dramatic negative impacts on local communities and on local environments.

The World Bank: a major actor

The World Bank has been and still is an active and influential promoter of industrial scale tree monocrops using different mechanisms. The first one is providing technical advice for forestry planning. The Bank has carried out dozens of forest sector plans for various countries, which include models on how to zone land and how should land be allocated for different uses, including particularly for plantations. This was a process that the Bank tried to institutionalize -as a global response to

deforestation- through the Tropical Forestry Action Plan in the 1980's, which received very strong criticism, particularly from the World Rainforest Movement, which was actually created during that struggle. That is still one of the major ways through which the Bank influences and lays the ground for plantations.

The Bank also supports specific forestry projects. Some of these projects are now known under other names, such as national resource management projects, environmental projects and so on. But basically many of them have forestry and plantations as a focus. Between 1984 and 1994, the Bank lent 1.4 billion dollars to create 2.9 million hectares of plantations. Additionally, the proportion of money lent does not really reflect the scale of its influence. Many of its loans trigger other institutions into committing money into projects, because the Bank provides them with some kind of guarantee. This creates an attractive environment for other investors, so for every dollar that the Bank invests, many other dollars follow.

Apart from helping to establish industry around the plantations, the Bank also funds "social forestry programmes", which provide outsourcing for paper mills. An example of such a programme is in southern India, where eucalyptus plantations are promoted on farmers' land, leading to the displacement of many farm workers.

In terms of industrial scale tree monocrops for pulp, the Bank also funds --and has funded for decades-- so-called small holder nucleus estates, which are set up by and large to furnish the para-statal industries with tree crop material such as palm oil and so on. Billions of dollars have gone to Indonesia to promote these plantations and some of

these are linked to the transmigration programmes, whereby the workers are relocated to the Outer Inlands - again financed by the World Bank- to furnish labour to these small holder nucleus estates (the nucleus is the industrial plantation). The small holders are then trapped into a near monopolistic relationship with the company to provide the tree crop products. When the Bank got criticised for actually supporting the export of labour to the Outer Islands, it subsequently invested most of the money in so-called second stage development. The agricultural model was failing on many of these resettlement sites and so it encouraged the settlers to switch to tree crops, again as a way of providing material to the mills.

Plantations are also supported through agricultural sector loans in a whole range of kinds, included providing credit to agricultural banks. In Papua New Guinea, for example, all the coastal plantations are funded by the Multilateral Development Banks.

It is also necessary to bear in mind that the Bank influences or creates the conditions for promoting plantations through structural adjustment lending. The basic objectives of structural adjustment lending being to promote foreign direct investment, to create a better fiscal climate for overseas investments, and to promote an export-based economy. Guyana is an example where promotion of the forestry sector for export is now leading into plantation companies coming in as a natural follow up to logging. The loggers come in, log the forest saying that they are doing selective logging, but all along they actually admit that they are coming in to do oil palm plantations. That is something which is starting there, and

that has come up very explicitly in the context of structural adjustment programmes.

The International Finance Corporation (IFC, part of the World Bank Group), invests directly in projects linked to plantations. Bahia Sul Celulose in Brazil, for instance, has the IFC as one of its shareholders, In Kenya, while the World Bank lent money to promote tree plantations, the IFC was investing money in the Kenyan pulp, paper and packaging industry.

The Global Environment Facility, which is a grant facility where the World Bank is the main implementing agency, has also provided money to set up plantations under the guise of carbon sinks, at least in Ecuador and Kenya.

The World Bank is therefore one of the major agents in the promotion of industrial-scale tree monocrops and much effort will need to be directed in order to make it introduce changes, not only into its forestry sector loans, but to the whole range of those of its activities which result in the substitution of native ecosystems (both forests and grasslands) by monoculture tree plantations.

ITTO moving to tree plantations?

B.C.Y Freezailah, executive director of the International Tropical Timber Organization compared in Tokyo sustainable management of tropical forests with tree plantations and concluded that tropical forestry will need to switch to tree plantations.

He stated that 'tropical timbers from natural forests are increasingly facing competition with timbers from temperate forests, against which tropical timber from sustainably managed natural forests is at a distinct disadvantage.' (the 'temperate forests' mentioned are in fact plantations in Chile and New Zealand.)

'It is quite clear -he said- that any further increase in the management costs for tropical timber due to rigid standards for the sustainable management of natural tropical forests, timber certification, and other costs will render it increasingly uncompetitive with the large quantities of commodity timbers becoming available especially from plantation-grown timbers from temperate countries.'

He thereby concluded that 'the future of tropical timber based on the sustainable management of natural tropical forests, is regrettably, more than bleak. It is in forest plantations that tropical countries have certain comparative advantages.' Therefore, tropical forestry must focus on 'wood production from intensively managed plantations of species selected for timber production.'

Contrary to what one might think, the above thinking is bad news for tropical forests. If logging is bad, plantations are even worse, both to people and to the environment. As an indigenous person from Sarawak, with years of experience fighting against logging companies, said: the logging companies come in, degrade our forest and leave; plantation companies come in, destroy the whole forest and stay!

Source: ITTO information from CIFOR 19, June 1998

Statement of the World Rainforest Movement for the Intergovernmental Panel on Forests meeting, New York, February 20th, 1997

The forest crisis: clear commitments and accountability

Deforestation and forest degradation -including conversion to industrial monoculture tree plantations- need to be addressed by all governments, since practically all governments hold some direct or indirect responsibility over the forest crisis. Although the issue has a global scope -both in causes and consequences- it needs to be addressed at a national level. Underlying and direct causes of deforestation and forest degradation vary from country to country as well as within countries and therefore efforts to stem these processes should be tailored to specific situations. In those cases in which some of the causes of deforestation and forest degradation lie outside the national boundaries, such situation should be made clear and the international community should assist in the removal of those causes.

As deforestation and forest degradation have global consequences, such as climate change and biodiversity loss, the international community -including governments, intergovernmental agencies and civil society organizations- must play a role to generate the necessary conditions to halt and revert such processes.

Northern governments have a role to play, both nationally and internationally. At the national level, some of them must commit themselves to halt current unsustainable

logging practices in their own countries and -where relevant- to respect indigenous peoples' rights; others must focus on the protection of remaining old-growth forests while others must change from industrial plantation-style management to ecoforestry practices.

At the international level, northern governments must commit themselves to the removal of a number of underlying causes of deforestation -particularly in the South- such as overconsumption of forest products and products produced in forest areas, unfair terms of trade, external debt issues, structural adjustment programs, etc. They must also avoid exporting their forestry practices to totally different southern environments and evaluate if their development aid in the forest and agricultural sectors favour the conservation of forests or if it contributes to further deforestation in the South.

Southern governments also have a major role to play and must commit themselves to the removal of national causes of deforestation and forest degradation. In some cases, they must ensure land security to peasants and indigenous peoples; in other cases they should make other energy sources available to local people depending exclusively on biomass fuel, in others they should not embark on development schemes which result in large-scale deforestation and forest degradation.

Both in North and South, civil society in general and forest people and forest-dependent people in particular, must play a major role in the elaboration of national, regional and local forest conservation and use plans, as well as in their implementation, monitoring and evaluation.

We urge the CSD to request all governments -from North and South- to make public commitments on the concrete steps they will take to halt deforestation and forest degradation at home and -where relevant- abroad. By this means, governments will become accountable to their own people and to the international community as a whole. All governments should also commit themselves to produce an annual report on the implementation of those commitments and to the national dissemination of such report, requesting comments from all interested parties, both on the commitments themselves and on their implementation. The CSD or another UN agency selected by the CSD -e.g. UNEP- would then produce a report collating the information received from governments and the information produced by non-governmental entities. In cases where the official and unofficial reports differ widely, the CSD -or the selected agency- would send a team of researchers to produce its own report, which would also be made publicly available.

Many of the world's forests have disappeared and many others are threatened, both in the North and in the South. There are no doubts about it. But until now, governments have been either unable or unwilling to find solutions, while local people -particularly indigenous people- are struggling to defend their forests and the NGO community has a long history in the same direction. As a concrete step to show a change of course, we request all governments to sign on ILO Convention 169 and the UN Draft Declaration of the Rights of Indigenous Peoples. If governments are really willing to defend the forests, then they should make clear commitments, empower local people, recognise indigenous peoples' rights to their

forests and open up participation to all parties truly interested in the conservation of forests, particularly indigenous and forest-dependent people and the NGO community.

Latin America

Integration can aggravate deforestation

A group of NGO representatives from many countries of the region met in the Environmental Forum of the Peoples' Summit of the Americas held in Chile and analyzed the forest issue within the framework of the trade-related integration process being promoted by governments through ALCA (Free Trade Agreement of the Americas).

The results of the analysis clearly showed that deforestation and forest degradation constitute a common denominator in practically all de countries of the region and that the current integration process, which emphasizes on the economy in detriment of the environmental and social issues, will do nothing but aggravate the situation.

Given the enormous importance of forests both for the peoples that inhabit them and for the maintenance of a number of vital functions they play both at local, regional and global levels (biodiversity conservation, water and climate regulation, etc.), participants decided to present a number of demands to governments to ensure forest conservation in the region. What follows is the synthesis report prepared by the Forest Group of the Environmental Forum:

"FORESTS

During the month of April 1998, civil society present at the Peoples' Summit demand governments to carry out an evaluation of the risks that the current model implies for the conservation of native forests, which hold the largest

part of existing terrestrial biodiversity in the hemisphere and that play a number of essential ecological functions, both at the local and global level. In such context, it is important to take into account that industrial tree plantations, frequently treated as forests, have very few of the latter's characteristics and thereby must not be considered as such. Plantations are not forests.

Past experience shows that commercial liberalization agreements which do not include environmental and social safeguards have more negative than positive effects. The Free Trade Agreement between the USA, Canada and Mexico has weakened forest protection measures and standards, has resulted in the loss of employment in the US forest sector and has intensified the exploitation of native forests in Canada, without upgrading its inefficient and destructive logging practices, and has put Mexico in clear disadvantage in relation with its commercial partners. Consequently it must not be assumed -as is being done by governments in the region- that there is a mutually beneficial relationship between trade liberalization, market opening and sustainable use of forests.

The promotion of international trade and economic liberalization, exclusively based on market opening, has not taken into account the environmental consequences in the short, medium and long term. The citizen organizations of the hemisphere understand that it is necessary to urgently promote, in all international, bilateral or multilateral negotiations, the respect for the principles and criteria of sustainable development.

Within this context, the organizations present at the Peoples' Summit call on governments to consider:

1. That forests are varied and complex ecosystems, depositories of great biodiversity and that must therefore be used with respect to the balance of the biotic and abiotic elements which compose them. In the Americas, forests are the home of multiple peoples, particularly indigenous, forest-dependent peoples and other traditional communities. Their territorial, social and cultural rights, their style of life and civilization and their use of natural resources must be guaranteed. That is an essential condition to build more equitable and sustainable societies and to ensure the conservation of forests and of the environmental functions they perform.
2. That forest conservation must be prioritized in a true integration process. Commercial and investment agreements must be subordinated to international environmental agreements and to the relevant national, regional and local legislation.
3. They must promote and support broad and effective citizen participation in decision-making which affect forests.
4. They must design and implement territorial management systems contributing to link agrarian policies to forest policies, incorporating the needs and priorities of local populations.
5. They must adopt criteria and indicators to verify if forest use is sustainable in their respective territories and

to evaluate if commercial integration affect them negatively or positively.

6. They must eliminate existing environmental and economic subsidies which favour the unsustainable use of forests and accelerate their destruction, while establishing subsidies for environmentally beneficial technologies, sustainable practices and particularly remove subsidies to large-scale tree monoculture plantations.

7. They must implement an in-depth institutional reform which subordinates the institutions in charge of forests to national environmental institutions which should ensure the effective implementation of forest protection legislation and be provided with the necessary economic resources to carry out such task.

8. They must include legislation in order that investments which might affect forests contemplate prior evaluations of their potential environmental and social impacts, in which all interested groups, particularly local populations, are able to participate in the final decision.

9. They must protect forests from large-scale exploitation and avoid all substitution of native forests for plantations. Special emphasis must be put on the protection of endangered species.

10. They must ban the export of non-processed wood, particularly logs and wood chips."

Latin America's forests: the time is ripe for change

The Climate Change Convention meeting held in Argentina is a good opportunity to highlight the issue of forests and tree plantations in Latin America. We have therefore focused this issue of the Bulletin on a number of representative examples of the problems and struggles which are currently occurring in the region.

Government double-speak is exemplified -though by no means monopolized- by Brazil. While championing forest protection in global fora, its policies and actions continue resulting in further forest loss. Government-sponsored migration to the forest, conversion of forest lands to agriculture and cattle raising, forest fires, dam building and illegal logging continue unabated, while its global international discourse clearly pertains to the area of virtual reality, with little in common with what is actually happening at the ground level.

Large-scale tree plantations -one of the cherished solution of global technocrats to climate change- are increasingly being opposed by local people affected by their social and environmental impacts, as well as by most environmental NGOs. Struggles against them are mushrooming from Mexico to Argentina, but governments seem to be deaf and blind to peoples' opposition to such forestry model. We are improving the environment! they say. We are planting forests and countering the greenhouse effect! they add. Impacts on people, on water, on soils, on biodiversity are quickly dismissed as scientifically unproven facts. Supported by multilateral development institutions, bilateral aid agencies, northern consultancies and machinery providers, Latin American governments increasingly subsidize transnational wood-based companies with both Northern and Southern taxpayer

money to increase the area of fast-growing tree monocultures. In most cases, such policy results in the substitution of forest ecosystems by plantations (therefore becoming a direct cause of deforestation), while in some few countries (particularly those located in temperate areas such as Uruguay and certain regions of Argentina), plantations substitute grassland, thereby implying the total destruction of the native prairie ecosystem.

Government-sponsored "development" projects continue resulting in further deforestation and forest degradation and in most cases the only visible change has been the inclusion of the word "sustainable" to the same type of projects which have proven to be detrimental to forests in the past.

Guyana's and Suriname's forests, for instance -some of the more well preserved forests in the region- are being destroyed by foreign mining and logging companies through concessions awarded by government, without the approval and with the opposition of indigenous peoples and other local communities who struggle to preserve the forest.

Mangroves throughout the region continue to be destroyed -with government support- by shrimp farming, with the aim of increasing exports to obtain foreign currency to pay back loans from international credit institutions. Local peoples, whose livelihoods depend to a large extent on products obtained from the mangroves, are deprived access to them and only receive back a completely degraded ecosystem once the shrimp farms are abandoned.

Oil and increasingly gas exploitation are being promoted throughout the region, both by governments and multilateral institutions, with the resulting destruction of forests, (including water and air pollution and biodiversity loss) and peoples' livelihoods. Local communities are opposing such activity and a number of struggles are under way to halt it. Among them, we wish to highlight the successful struggle of the Cofan indigenous peoples in Ecuador, who have recently closed down an oil well in their territory.

Deforestation is further increasing the consequences of natural disasters. The tragedy which recently happened in Honduras and Nicaragua during the occurrence of hurricane Mitch could have been much lesser if forests areas had not been cleared. Mudslides and deadly floods were the result of years of deforestation. Clearance of forest land in the region is always a direct or indirect result of government policies and not -as they try to portray- the result of ignorance and poverty. Unfair land-tenure policies, the promotion of logging and of the substitution of forests by other "more productive", export-oriented activities, as well as many other policies leading to deforestation, are all the result of government-led "development."

Road-building, now acknowledged as one of the major underlying causes of deforestation, continues being promoted both by governments and multilateral agencies. In Ecuador, a large tract of primary forest belonging to the Chachi indigenous peoples will be soon affected by a new road linking the area to southern Colombia and to other Ecuadorian provinces.

Even in cases where governments seem to have finally decided to protect the forest by creating reserves, they break their own rules whenever their economic policy decides that the economy comes before conservation. Such a case is highlighted by the struggle of local communities in Venezuela, fighting to protect the Imataca forest reserve, which the government is destroying to export electricity to Brazil and to produce cheap energy for mining companies which will further destroy the forest.

Indigenous peoples are struggling throughout the region to achieve the official recognition of their territories, which constitutes a basic step to ensure forest conservation. Such struggle has achieved some important successes in specific cases, but almost always against a background of lack of political will from the government and the frequently violent opposition of local or transnational economic interests.

In general terms, the protection of local communities' human rights and the conservation of forests and other ecosystems are dangerous activities in the region. The long list of people murdered increases every year and we sadly inform about the most recent deaths in Colombia.

Within such context, there are however positive signs. Both at country and international level, more and more people are becoming aware about the vital need to protect the forests and are taking action to support the rights of forest peoples and forest-dependent peoples as a means to ensure such aim. At the local level, more communities are standing up to defend their rights and their forests. Even though governments' discourse is clearly divorced from

their actions, the adoption of such a discourse is a clear sign that the time is ripe for change.

Argentina

Investors' paradise for forestry projects

After the attempt of the Argentinian authorities during the recent COP4 on Climate Change in Buenos Aires to gain the favour of Annex I countries putting forward the polemic issue of voluntary reductions of greenhouse gases by developing countries, the Argentinian government continues its efforts to pave the way for the entry of the country into the globalized economy. Last September the Lower House passed a forestry promotion bill that offers tax breaks and subsidies for foreign investors interested in establishing tree plantations in that country. The government hopes that an average of 200,000 hectares a year will be planted between the year 2000 and 2009. Tree plantations averaged 23,000 hectares during the year 1992 but the annual plantation rate reached 126,000 hectares in 1998 as a result of promotional policies by some provincial governments. Spokespersons of the Secretary of Agriculture, stated that the guarantees offered to private investors in the forestry sector can be considered a model for the whole of Latin America, and expressed that as a result of this law a large influx of foreign investment is expected. To their eyes, Argentina is an investors' paradise for forestry projects, since growth rates in several species –as yellow pines and eucalyptus- is very high and land prices are even cheaper than in Brazil.

However, it is not hard to realize that there is actually nothing new in the Argentinian Forestry Law. It is the same scheme repeated in the neighbour countries Chile, Uruguay and Paraguay: neoliberal oriented economies, that deny resources for social security and education or to promote other productive sectors, but devote large sums of money not only for directly supporting private investors in the forestry sector, but also for creating the required infrastructure such as roads, ports, etc. Obviously a very good deal for investors. A number of foreign companies have quickly perceived this. The Chilean firms Arauco and Compania Manufacturera de Papeles y Cartones (CMPP) are keen to occupy vast grassland areas with tree monocultures. While giant Arauco already owns the second largest plantation in the country, CMPP is expanding its plantations to feed a large pulp mill to be installed in the near future. Other newcomers include New Zealand's Fletcher Challenge, US' Inland Container and Germany's Danzer. In a workshop held in Rosario this November, organized by the forestry industry, Mr Erik Kivimaki, Ambassador of Finland to Argentina, promoted the import of Finnish machinery and know-how for promoting the development of the forestry sector in Argentina. Finland is a strong stakeholder in the sector worldwide and its forestry model for export has been severely criticised by environmental organizations in the host countries and in Finland itself.

Of course the Anglo-Dutch oil company Shell –that also owns big eucalypts plantations in Uruguay, Chile, Brazil and Paraguay- could not be absent in this process. Shell's move looks still more worrying for the environment, since the company aims to obtain environmental credits on greenhouse gas emissions -under the Clean Development

Mechanisms established by the Kyoto Protocol- for the 24,200 hectares of plantations it has installed in Buenos Aires Province. Another plantation project with ponderosa and oregon pine in Chubut Province, in the Patagonia region, is also seeking to obtain carbon credits. Such project, in charge of CIEFAP and supported by the German Agency GTZ, already occupies 55,000 hectares and 10,000 additional hectares are to be planted by the end of this year. According to its promoters, exotic trees would act as pioneer species in this southern savanna ecosystem, to be later replaced by native species, but such reasoning does not seem to make much sense.

Having faced severe criticism over the development of monoculture tree plantations in tropical areas --that imply the destruction of natural forests-- now foresters and governmental agencies are seeing with good eyes projects related to LUCF (Land Use Change and Forestry) in temperate regions, under the Clean Development Mechanisms. They are claiming that tree plantations in grasslands would contribute to recover degraded soils, as well as to counteract the greenhouse effect, which are seemingly good arguments to obtain public support. However a capital issue is being put to side: grasslands are not only the natural and physical basis for production in those regions, but also the major source of biodiversity in their ecosystems. Large scale plantations are definitively not a positive factor to this regard. Therefore promotion of large-scale tree monocrops in Argentina must be seen as a different type of environmental destruction under the guise of a "green" activity.

Sources: Financial Times, 24/9/98; La Capital, 5/11/98; Buenos Ayres Issue # 6 9/11/98.

Bolivia

Eucalyptus and pines in the Bolivian Andes

What follows are quotes from research carried out in the Bolivian Andes by Danish researcher Thor Hjarsen. The full text can be found in the following web site: <http://www.aki.ku.dk/zmuc/ver/staff/thjarsen.htm>

“During the last 13 years a forestry project: "Programa de Repoblamiento Forestal" (PROFOR), has planted more than 15 million trees in the Andean zone in Cochabamba. About 80 per cent of the trees are *Eucalyptus globulus* and *Pinus radiata*. This important project [funded by the Swiss government] has largely neglected to acknowledge the role of native tree species for erosion control and preservation of ecosystems and water catchments. Little attention has also been given to the fact, that the indigenous communities also rely on the non-timber resources offered by the *Polylepis* forests such as medicine plants, game and wild tuber plants.

Fast growing exotics should only be used when a rapid supply of firewood and construction timber is needed and -with great care- for urgent erosion control. Long-term ecological, hydrological and rural socio-economical goals require instead protection and regeneration of the endangered *Polylepis* forests by true reforestation, and zonation of different land-uses.

I have identified land-use practices in the forestry sector that should be halted immediately due to documented

negative effects on the highly threatened biodiversity of the Bolivian Andes. I will express concerns for the negative effects on water-balance, agricultural production and socio-economy from this forestry, which mainly relies on the establishment of plantations with *Eucalyptus* spp. and *Pinus* spp. It was found that the exotic plantations did not remove human pressure on native forests, because the exotic trees were regarded as a cash crop by the peasants and landowners. Therefore, wood for household needs was continuously collected in the natural forests and woodlands. The major promoter of plantation forestry in the Cochabamba area is a joint-venture forestry project: Programa de Repoblamiento Forestal (PROFOR). This study also documents that several exotic plantations have been established inside or very close to the native woodlands of the conservation dependent kehuia trees (*Polylepis*).

I myself worked in the Cochabamba area of Bolivia (one of the endemism centres) trying to assess the impacts on the avifauna and natural vegetation from (traditional) agriculture forestry in the mountain, and from modern plantation projects mainly relying on exotics (*Pinus* and *Eucalyptus*). My data shows that the agriculture and forestry practised by the village communities does not pose any significant threat to the endangered bird species or the general biodiversity, as long as native forest vegetation is left between fields or in mosaics. The endangered bird species seems to accept even high levels of human "disturbances". The major factor replacing the endangered avifauna was 1) lack of natural forests and 2) establishment of plantations.

From the above "stories" the approach in these areas to protect biodiversity and regenerate water resources is to:
1) Help farmers with true reforestation and land management
2) Avoid exotics as far as possible."

Source: Thor Hjarsen, August 1998

Brazil

Tupinikim and Guarani indigenous peoples vs Aracruz Cellulose

Thanks to the letter campaign and the pressure from Brazilian and international organizations and institutions, FUNAI (the State Agency on Indigenous Peoples issues) published in the official gazette -with considerable delay- the identification reports on the extension and demarcation of the indigenous lands of Tupinikim and Guarani on January 13th. Eight days later Aracruz Celulose filed its response, aimed at proving that the company is the legitimate owner of the land presently claimed by the Tupinikim. The company chooses to ignore history, since the Tupinikim already occupied a vast territory -that is currently part of the States of Espirito Santo, Rio de Janeiro, Sao Paulo, Minas Gerais and Bahia- when the Portuguese arrived at the beginning of the XVI century. In 1610 the Portuguese Crown gave back to the Tupinikim one "sesmaria" of land they asked as first people in the region. The presence of Tupinikim in the area was also already recorded in reports of 1912 and 1919 by the Indian Protection Service. Since 1934 the Brazilian Constitution guarantees the rights of indigenous peoples to the possession of their traditional lands, which cannot even be

handed over to third parties. In 1960 a group of Guarani arrived at the region in their search for "the land without evil", they were received by the Tupinikim and stayed there since. A number of national and international organizations -as well as the Government of Espirito Santo- support the indigenous peoples claim for a further 13759 hectares, situated next to their present reserves. Due to the expansion of eucalyptus plantations following deforestation by Aracruz Celulose, the Tupinikim had been forced to abandon part of their ancestral territories, which are now being claimed as necessary for the maintenance of their traditional subsistence economy and livelihood based on forest resources. On April 22nd, the WRM Secretariat sent a letter to FUNAI expressing our support to its decision in favour of the indigenous peoples claim and one to the Minister of Justice of Brazil asking him to finally establish the limits of the territories according to Tupinikim and Guarani legitimate rights. Representatives of these indigenous peoples are up to travel to Great Britain and Norway, during two weeks, to let NGOs, governments and companies know their points of view and details of their struggle. On arriving back home a press conference will be held.

Source: Based on information provided by CIMI, May 1997.

The Tupinikim/Guarani struggle continues

Even if the Minister of Justice devoted just a few minutes to meet with Indigenous Peoples' delegates and representatives of CIMI on July 15th, they were able to hand him 3800 signatures from 29 countries expressing

support to their struggle. A meeting with the undersecretary was arranged for August 12th. In the meantime, Aracruz does not seem to change its attitude towards Indigenous claims. It hired Burson-Marsteller -the biggest public relations company in the world- known for its previous activities in favour of the past Argentinian dictatorship, of Philip Morris in the USA and Union Carbide after the infamous accident in India. As a reaction against Aracruz's main trade union SINTICEL, that has shown its support to the Indigenous Peoples' struggle and even denounced problems with the firm's management in Norwegian newspapers, Burson-Marsteller began a big campaign trying to show that SINTICEL does not represent Aracruz workers. LO (the biggest confederation of trade unions in Norway) and CUT (Brazilian Confederation of Trade Unions) support SINTICEL's firm position.

Source: Winfried Overbeek. CIMI-Leste. July 1997.

The pulp and paper industry faces problems in the Amazon

The four big pulp and paper projects in the Brazilian Amazon (Companhia Suzano de Papel e Celulose and CELMAR in Maranhao, Jari Celulose in Para, and Champion in Amapa) are facing important problems from the economic, social and environmental points of view. The anarchic character of the pulp and paper industry has resulted in falls in the prices of market pulp. Rural workers denounce illegal work contracts while peasants protest about the expansion of the lands owned by the companies. Champion bought a total of 448,000 hectares

in Amapa. Regional governments -as that of Amapa- have denounced that some of the land sales to the companies have been illegal since those were publicly owned. The utilization of agrottoxics in eucalyptus plantations has raised workers' protests. They claim suffering from headache and pains in their eyes and muscles as a consequence of the application of Round-up and DMA and denounce not having received the required health care.

Source: Instituto Socioambiental. Parabolicas 30, June 1997

Tupinikim and Guarani: Does the Government respect the law?

On August 12th representatives of the Tupinikim and Guarani, the federal deputies Nilton Baiano and Joao Coser and CIMI held an audience with the Executive Secretary of the Ministry of Justice Mr. Jose de Jesus Filho, to claim once again the delimitation of the boundaries of indigenous lands. During the audience, the representative of the Brazilian government asked about the possibility of an exchange and/or a reduction of the claimed lands, with the aim of not jeopardizing the activities of Aracruz Celulose S.A. (ARCEL) and even questioned about the necessity of the claimed lands. He also expressed that the Ministry had decided to carry out an additional survey within the period of 90 days. Even if such a decision is made possible by Decree 1775/96, the Secretary's attitude and arguments looked very close to those of ARCEL and raised doubts among the delegation. Is the Government taking into account the report of the Working Group of FUNAI, that recommended the

extension of indigenous territories to 13579 hectares? Is Article 231 of the Federal Constitution -which affirms that “the lands to which this article refers shall be inalienable and unavailable, and the rights to them shall not lapse”- being respected?

After the audience, the Executive Commission of the Tupinikim and Guarani decided: to denounce any attempt of the Brazilian government in proposing or implementing measures aimed at the exchange and/or the reduction of indigenous lands, to put pressure on the Government so that it reaffirms the conclusions of the Working Group and to mobilise supporting organizations in the same direction, and to ask customers, shareholders and investors of ARCEL to ask the company to recognise the report of the Working Group of FUNAI and to collaborate in the just demarcation of the land claimed by the indigenous communities.

Aracruz: Tupinikim and Guarani demands close to a decision.

The Executive Commission of the Tupinikim and Guarani had met in the village of Comboios on 13 September to evaluate the visit of representatives of FUNAI’s Regional Administration (ADR) and FUNAI’s officials on September 9 and 10. The visitors alleged that ADR was not well-informed about the land matter and also that they had some useful information to support the indigenous struggle.

Nevertheless, the leaders of the Executive Commission did not believe so. “FUNAI came here, without telling us in

advance. They said that the struggle had already been going on for a long time and that it could go on for another 10 years. And if we would win this matter, Aracruz Celulose would go to court. They asked us if it would be better to have land or to get aid for the communities” states Alair, Chief of Comboios. According to Antonino, Chief of Pau Brasil, the members of FUNAI warned them that Aracruz Celulose and the Municipality would stop the aid in case they did not renounce to their demands for land. The same thing happened in other villages, as Caeira Velha, Iraja and Tres Palmeiras. Even if the visitors looked like defending the indigenous rights, they really acted under pressure from Aracruz and wanted to persuade the indigenous to cease their fight. The Chiefs are convinced that the Ministry of Justice planned the visit with the clear intention of convincing them that it would be better to make a deal with Aracruz, just as it happened in 1981.

Even though the communities rejected the possibility of an agreement that will reduce their lands, FUNAI delegates said that a representative of Brasilia would visit the communities very soon.

FUNAI’s visit to the villages was in fact a kind of preparation for the next step: an invitation from Aracruz Celulose to the indigenous peoples for a meeting which took place on September 19, that was attended by 30 indigenous representatives of all the villages and one CIMI-member. Aracruz wanted the indigenous peoples to approve a study of EMBRAPA (Federal office for Agriculture) in the villages, which should start the following week. This socio-economic study should result in an economic occupation plan based on the present

indigenous areas for 4 years, to be presented to the Minister of Justice. The Tupinikim and Guarani understand that this proposal was aimed at challenging the Working Group's report by presenting an economic plan - financed by Aracruz itself- which certainly should result in a minimal extension or maintenance of the present lands in order to minimise the damage for the company. At the same time FUNAI is responsible for having encouraged Aracruz to present this proposal.

The indigenous peoples decision after the discussion in the communities was the following:

"We, Tupinikim and Guarani, do not accept that Aracruz Celulose and EMBRAPA enter in our lands to carry out an economic occupation study or plan, because we understand that this is not for our benefit. It will only help to defend the interests of the company and will be used as an argument against our claim. Besides, the study carried out by the Working Group of FUNAI concluded that it is necessary to extend our lands, and the company already has had the opportunity to present its challenges, which were refused because of lack of legal grounds. If EMBRAPA has the intention to help us, we would like them to look for us after the land problem has been resolved. We hope that Aracruz Celulose and EMBRAPA will respect our decision."

The indigenous communities are planning a general assembly for November 3, to decide how to put pressure on the Minister so that he decides soon and in favour of their claim. The Tupinikim and Guarani are willing to go to the end in this matter: they want the 13,579 hectares, not less.

On October 6, the WRM International Secretariat sent letters to FUNAI, to the Minister of Justice and to Aracruz supporting the indigenous' demands.

Source: CIMI-Leste

Tupinikim/Guarani: a reply from Aracruz

We received a reply from Aracruz's Environment and Corporate Quality manager Carlos Alberto Roxo to our letter of 6 October in support of the Tupinikim/Guarani's right to their lands. Mr Roxo is "pleased to have the opportunity of explaining the company's position in relation to this matter, which has been deeply misinterpreted by some segments."

The letter includes an interesting heading in its annex, which we think contains useful information about the company's economic interests in this issue. The heading's title is "The importance of the lands under dispute to Aracruz" and says: "In addition to having the legal right to the lands, Aracruz considers them as very important for the following reasons:

- Aracruz's pulp mill is expanding its production capacity by 20 per cent this year. Since Aracruz uses planted Eucalyptus only (no native wood is used in the process), all the planted trees will be necessary to supply the mill.

- The lands under dispute account for 22 per cent of the company's land in the area of the mill. Since these lands are the closest to the mill, they also provide the cheapest

wood (as transportation costs represent a high proportion of the wood costs), which is a key factor for maintaining the company's international competitiveness.

- Aracruz has already invested considerable resources in the development of these lands, through the establishment of plantations of high quality and productivity.”

Assembly of the Tupinikim and Guarani

On November 4 the period of 60 days ended during which FUNAI had to make a restudy, according to a letter of the Minister of Justice dated August 4. Concerning the decision of the Minister, there are three possible options:

- to declare the boundaries of the claimed lands and establish its demarcation. In this case Aracruz will go to court, according to declarations of representatives of the company;

- to declare the boundaries, but proposing a reduction of the area;

- to take no decision.

Based on the two audiences which indigenous peoples representatives had at the Ministry of Justice, the Tupinikim and Guarani know that the minister has little willingness to decide in favour of the indigenous claim for an additional 13,579 hectares. Aracruz is interfering strongly at the level of FUNAI and the Ministry of Justice with this aim. During the month of September the

indigenous peoples suffered a strong direct pressure from FUNAI and Aracruz Celulose.

For these reasons the affected communities are organizing an assembly in order to decide on how to continue the struggle. The First Indigenous Assembly of the Tupinikim and Guarani is to take place on December 8. The assembly will also be attended by allies -among them the WRM- and representatives of indigenous organisations of other parts of the country, as well as authorities such as the Minister of Justice, the President of FUNAI and the State Governor.

Source: Leonardo da Silva Goncalves and Antonio Carlos Pinto dos Santos, Preparatory Commission of the Assembly. Sent by CIMI-Leste

Indigenous Assembly of Tupinikim and Guarani

The 1st Indigenous Assembly of the Tupinikim and Guarani took place in December 8th at the Community Center of Coqueiral in Aracruz.

The organizers consider that the event was a success. There were about 200 indigenous people participating (160 Tupinikim and 40 Guarani) of all the six villages. Most important authorities were the vice-governor of Espirito Santo, the secretary of justice of Espirito Santo and the attorney general of Espirito Santo. Two other regional indigenous movements -APOINME and the Council of Indigenous Peoples of Minas Gerais- also sent representatives. There were 3 state members of parliament present and a large number of social organisations

including the Church and the workers' union SINTICEL. Notorious absences were that of the Minister of Justice and of the President of FUNAI. They did not send a representative either. This fact was strongly denounced by the assembly.

The indigenous peoples decided to make a statement of support to SINTICEL, since the whole directory of the trade union has been sent to court by Aracruz Celulose, because they showed their indignation with measures by the company to cut in health benefits of the workers. SINTICEL is seeking for support in this struggle by asking activists to contact trade unions in all countries to write to Aracruz Celulose expressing their disagreement with its attitude.

The assembly stressed that nowadays in Brazil, indigenous peoples will only succeed in guaranteeing their rights if they struggle, and if they take their own decisions.

Source: Winfried Overbeek, CIMI-Leste, November 10 1997.

Document of the 1st Indigenous Assembly of the Tupinikim and Guarani.

By way of this document we want to bring to the attention of the Minister of Justice, Iris Resende, the documents no. 08620.1352/97-74 and no. 08620.1353/97-10, which refer to the unification of the indigenous lands Caieiras Velhas and Pau Brasil, and the extension of the indigenous land Comboios. The extension in total of our lands will be more than 13,579 hectares.

The Federal Government has already complied with two phases of the administrative procedure for the demarcation of our lands. It realised the identification of the area and has analysed the contestations presented by Aracruz Celulose. Soon afterwards the documents were sent to the Minister of Justice to comply with the third phase: the signature of the decree for the delimitation, declaring the boundaries and determining the demarcation of our lands. In the act of the Minister of Justice, dated 4 August 1997, the Minister recognized that we have the legitimate right of permanent ownership to the lands that we have traditionally occupied and he rejected Aracruz Celulose's contestations, because they lacked legal basis. At the same time, he asked FUNAI to do an additional study. This request has already been attended by the Working Group GT 0783/94 of FUNAI within the legal period of 90 days. This means that since 4 November 1997 we have been waiting of the Minister's final decision, in other words the signature of the decree for the delimitation of our lands.

We want to emphasize the importance of our struggle, because our needs are great. We cannot wait for much longer, for we have been fighting for four years and we still have not received a decision.

First, our struggle is just and supported by the Federal Constitution, which states in Article 231: "The social organisation, customs, languages, beliefs and traditions of the Indians shall be recognised, as well as their native rights to the lands traditionally occupied by them. The Union shall be required to demarcate that land, to protect it, and to make others respect the property of the Indians."

Second, it is necessary for us to get back our lands, for the land we occupy at the moment is not sufficient to grow enough crops. As well we not have space for the new families in the villages nor can we offer our displaced Indian brothers a place to live. We want more land so that we can live in liberty, according to our culture and tradition.

Third, we are not only worried about the teenagers, adults and elderly of the villages, but we are also thinking of the future of our children. If we continue to live on the little land we have, where are they going to live? We also want to reforest our land so that they will have better living conditions.

The reason why we have this problem at this moment, is because the Brazilian Government allowed Aracruz Celulose to invade our lands. Now we want the Government to correct this mistake and to give back the lands we are claiming. We want justice to be done, because at this moment Aracruz Celulose has the use of our lands without a legal basis. Whereas we the Indians have the support of the laws, but we do not have the ownership of the lands.

We know that the Minister of Justice does not have a time set when he will hand down his decision. However, we cannot wait any longer because all of this does not make sense. We are absolutely convinced that the moment for a final decision has come. All the necessary studies have been done, the arguments are clear, precise and legitimate.

We are also very worried about the fact that Aracruz Celulose is using all its power and influence to pressure the Brazilian Government.

Because of all these reasons, we the Tupinikim and Guarani, gathered at the 1st Indigenous Assembly, urgently request the Minister of Justice to sign the decree for the delimitation of our lands. We are willing to wait for an answer until 20 January 1998. After that date we will take all the necessary measures to guarantee our rights.

We are sure of our rights, and we hope that the Minister of Justice will take a decision soon that will take into account our claims and we hope that our friends and supporters will continue to help us in this struggle.

Coqueiral (ES), 8 December 1997

This document is signed, on behalf of the Tupinikim and Guarani communities, by their chiefs:

Village of Caeira Velha: Jose Sizenando, Tupinikim

Village of Pau Brasil: Antonio dos Santos, Tupinikim

Village of Iraja: Jonas do Rosario, Tupinikim

Village of Comboios: Alair Severo Elizario, Tupinikim

Village of Boa Esperanca: Antonio Carvalho, Guarani

Village of Tres Palmeira: Nelson Carvalho dos Santos,
Guarani

Tupinikim and Guarani lands: Imminent decision

The difficult process related to the definitive recognition of the indigenous territorial rights in Aracruz seems to come to an end.

The President of FUNAI, Mr. Sullivan Silvestre Oliveira - responding to pressure from Aracruz Cellulose- has continued trying to delay a final decision on land demarcation. On January 8th, a new Working Group (WG) was sent to the indigenous communities in order to carry out yet another study, because according to him the previous re-study was insufficient. The indigenous peoples did not accept this new WG, that they considered useless, because it could add nothing to the studies already carried out and was a mere way to delay the whole procedure for at least another six months. As a result of this firm opposition the President of FUNAI sent on January 15th the documentation to the Minister of Justice, confirming the last study of FUNAI in favour of granting the claimed 13,579 hectares to the Tupinikim and Guarani.

But only one week later a delegation of FUNAI, headed by Mr. Oliveira visited the Tupinikim. He threatened them that he would set in motion all possible repressive instruments to impede the demarcation action of the indigenous people after January 30th. The President of FUNAI and other government officials resorted to a very strong pressure, combined with an authoritarian attitude in their conversation with the indigenous leaders, and forced them to take a decision at the end of the meeting, instead of consulting their communities like some leaders suggested. He also offended CIMI people and threatened to get them arrested. The authorities looked very much

worried for the support that the Movement of Farmers Without Land (Movimento dos Sem Terra) has expressed to the indigenous struggle.

The chiefs and leaders of the Tupinikim and Guarani villages that attended the meeting with the governmental authorities issued a statement which says:

"We, Tupinikim and Guarani, reaffirm that if the Minister of Justice does not sign the decree which will order the demarcation of our lands by the 24th of February, we will implement the self-demarcation of our lands, and we expect that the President of FUNAI will comply with the commitment which he assumed in the presence of the Executive Commission of the Tupinikim and Guarani and will support us and give us protection".

On March 2nd. a meeting between Mr. Iris Rezende, Minister of Justice, and a delegation of the Tupinikim and Guarani will take place. It is expected that this will be the last event before a final decision about their land claim is taken.

Source: CIMI.

Tension and uncertainty in Espirito Santo

On March 6th the Brazilian Ministry of Justice finally decided to demarcate only 2,571 additional hectares for the Tupinikim and Guarani. The argumentation of the Ministry denies all the studies done up to now by FUNAI which argues the necessity of extending and demarcating 13,579 hectares, as requested by the

indigenous peoples. This decision is exactly the same proposal that Aracruz Celulose put forward to the indigenous peoples in a meeting on February 18th, which clearly shows that the authorities acted defending the interests of the company. The Commission of the Tupinikim and Guarani declared that they rejected this decision and announced immediate actions to resist it.

In effect, early in the morning of March 11th around 300 Tupinikim and Guarani people entered the eucalyptus plantations of Aracruz Celulose and started demarcating the 13,579 hectares which they have been claiming for the last 4 years. They were accompanied by several hundred supporters, including around 160 people belonging to the “Movimento dos Sem Terra” (MST - Brazilian landless peasants’ organization), different trade unions headed by the regional president of the “Central Unica de Trabalhadores” (National trade union), three members of Parliament from the State of Espirito Santo, leaders of the state’s “Partido dos Trabalhadores” (Workers’ Party), representatives from the Church, human rights organizations, etc. Regional, national and Norwegian media were also present.

In between the cutting of the eucalyptus, the Tupinikim and Guarani gave encouragement to the action with traditional dances and songs. At the beginning no police force was ordered to disrupt the demarcation. FUNAI representatives came to the scene, trying to make the indigenous peoples stop the action, offering them negotiations with Aracruz Celulose instead, which they firmly rejected. The company has also refused to accept the decision of the Minister of Justice, taking it to court. They challenge the Ministry’s argumentation that the

indigenous peoples have traditional rights to get back the land. Aracruz Celulose succeeded to get a decision of the judge in its favour. The first is to get its areas protected against “invaders”. And the other case is to get the MST - which is supporting the indigenous peoples' struggle- out of the area, as well as other supporting people and organizations. The company also proposed to the indigenous authorities that if both parties accept the decision of the Ministry and land demarcation is stopped, Aracruz will fund an “assistance programme” for 10 years to prevent land problems with them in the future. Naturally the indigenous peoples do not trust this proposal and answered that they were willing to sit with Aracruz but at the same time they wanted to continue demarcation.

As a way to intimidate the action to recover the indigenous lands, some days later the Federal Police detained and submitted to long interviews several persons who are supporting the struggle of the indigenous peoples. The most serious case until this moment is the decision to expel from Brazil the missionary of CIMI, Winfried Overbeek, without any serious accusation.

Source: CIMI March 1998

A dictatorship-type action gives Aracruz a spurious victory

Last 18th of March the Brazilian Government launched a military operation -similar to the actions against the indigenous peoples undertaken during the dictatorship period- seeking to put a definitive end to the struggle of the Tupinikim and Guarani for the demarcation of their traditional lands. Clearly the aim of the authorities' action

was to create the necessary conditions for the indigenous peoples to be forced to accept the imposition of Aracruz Cellulose.

The roads giving access to the indigenous villages were occupied by armed members of the Federal Police. Every contact between the villagers and the organizations that had been supporting their struggle was then interrupted. Leaders from CUT (Central Unica dos Trabalhadores - Central Workers Union), that had participated in the demarcation initiated on March 6th, were arrested and treated like criminals. Similarly members of the Movimento dos Sem Terra (Landless Peasants Movement), who had also supported the indigenous action, were removed by force from the villages. The Dutch missionary of CIMI Winfried Overbeek was arbitrarily arrested by the Federal police and threatened to be expelled from the country.

The negotiations between the Government, the indigenous leaders and Aracruz Celulose took place in Brasilia. During this whole period, the indigenous representatives were kept isolated and impeded to establish contact with any person or organization that could give support and advise to them.

Finally, on April 2nd., the Tupinikim and Guarani leaders signed an agreement called "Term of Adjustment of Conduct" valid for a period of 20 years. According to it, the indigenous peoples "accept" to exchange the limits of their traditional lands -occupied by Aracruz Celulose- for financial assistance provided by that corporation. The President of FUNAI and representatives of the Federal Public Prosecution Service also signed the agreement.

The presence of the armed police was maintained until April 8th in order to guarantee that this agreement would get the approval of the indigenous communities. A decree of FUNAI (Dec. nr. 268/98) forbade the indigenous peoples to receive in their own lands representatives of the organizations that had been in close contact with them for many years.

The intention of the Brazilian authorities to expel Winfried Overbeek from the country was neutralized by a judicial decision that accepted an Habeas Corpus appeal presented by CIMI. Nevertheless the Federal Police initiated an inquiry against him under the accusation of “practising political activities, or interfering directly or indirectly in the public affairs of Brazil”. In case he is declared guilty, the punishment can vary from one to three years of detention. Fabio Vilas, also a member of the CIMI team, was denounced for inciting the Tupinikim and Guarani to commit crime, in the case of the “illegal” self-demarcation action.

In the meantime Aracruz Celulose is celebrating the agreement. During a visit to Comboios (the only village which did not participate in the demarcation action and signed a separate agreement) on April 19th to celebrate the National Day of the Indian, the President of the Company, Mr. Lorentzen, announced that the originally stipulated U\$S 500,000 that during 20 years Aracruz would give to the village were raised to U\$S 2,000,000. Money seems not to be a problem for the Company. At the same time the claim of Comboios for 1,300 additional hectares was not accepted and only 121 hectares were awarded to them instead.

Nevertheless, other people do not find reasons for celebrating. At a meeting held in the village of Caieiras Velhas to commemorate the National Day of the Indian, representatives of other four villages as well as members of Parliament, academic institutions, trade union leaders and CIMI, denounced the Brazilian Government and FUNAI for their attitude regarding the conflict. Many people of the communities showed their dissatisfaction with the agreement. Internal conflicts have emerged in relation to the money offered by Aracruz as well. As a consequence of the above named decree of FUNAI -that literally isolated the Tupinikim and Guarani villages- the education project undertaken by CIMI and other three NGOs was interrupted.

In a declaration dated April 20th. CIMI states:

“1. Considers the ‘agreement’ SCANDALOUS and IMMORAL. It was obtained by means which offend seriously the fundamental rights and liberties guaranteed in the Federal Constitution valid for any individual - including the Indians. Also, it is extremely harmful to the rights and interests of the mentioned indigenous communities and to their physical and socio-cultural integrity. Finally, it is flagrantly UNCONSTITUTIONAL by violating Art. 231, par.4, of the same Constitution which orders that indigenous lands are ‘NOT TRANSFERRABLE’ and ‘UNAVAILABLE’, and therefore NOT NEGOTIABLE.

2. Rejects vehemently the role of the President of FUNAI in the whole episode, since who has the legal duty to protect and make respect the indigenous rights never could

have assumed a supposedly impartial posture and much less participated in the pressures on those whose rights he should defend.

3. Denounces the anti-indigenist policy of the Federal Government, which prefers to hit the Constitution in its sacred rights which recognise the demarcation of lands traditionally occupied by indigenous peoples, benefitting the interests of a multinational company which invaded these mentioned lands.

4. Clamours, for the benefit of the public interest and a state which respects democracy and civil rights, for the immediate repeal of the decrees nrs. 253 and 268/98, which forbid the entrance of non-governmental organizations in the indigenous lands Tupinikim and Guarani in Espirito Santo

5. Elevates the gestures of solidarity that the Indians received from so many parts of the land and from abroad, especially from the society of Espirito Santo which always has been in favour of the Indians struggle. It is worth emphasizing that the support and solidarity of the MST, CUT, the Workers Party, Human Rights organizations and other organizations of the state of Espirito Santo, obtained special importance during the self-demarcation promoted by the Tupinikim and Guarani. At the same time, CIMI rejects the usage of legislation to impede the fundamental right of showing solidarity.

6. Wants to show all its solidarity with the Tupinikim and Guarani communities, victims of so much pressure, and reaffirms its uncompromising support to their struggle for a real solution of the problem, that is to say, the

demarcation of the 13,579 hectares, untransferrable and essential right which no agreement can undo."

Brasilia-DF, 20th April 1998"

CIMI has started an evaluation process about this serious problem. Supporting organizations of the land struggle are asked to keep mobilised and to think of a future strategy.

The WRM will continue coordinating actions with CIMI and the Brazilian organizations that have been supporting the Tupinikim and Guarani struggle. We strongly condemn the agreement, which is the result of the open alliance between the Brazilian authorities and Aracruz Cellulose. We consider that the Tupinikim and Guarani were in fact forced to enter a no way out situation and compelled to renounce to their legitimate claims.

Source: CIMI, April 1998.

The paradigmatic case of Aracruz

Up to the decade of the '50s the Brazilian government provided subsidies for the import of pulp. With the military government, beginning in 1964, a forestry policy was set up trying to promote tree plantations and large export-oriented pulp companies by means of subsidies and loans. Eucalyptus for pulp is grown in Brazil with rotation periods of only 7 or even 5 to 6 years.

Nowadays there are more than 250 pulp and paper companies all over the country, with a total planted area of about 3 million hectares of eucalyptus. According to

estimates, the total area of tree plantations reaches 7 million hectares, 30% of which are for pulp and paper production. Its main objective is the international market and 90% of pulp exports are concentrated in 5 major companies, mostly integrated with foreign capital: Aracruz Cellulose in Espirito Santo, CENIBRA, Bahia Sul Cellulose, Riocell and Monte Dourado in northern Brazil. The present total planted area of these companies comprises 350.000 hectares, but new projects are under way.

The tendency of the companies is to expand more and more and to establish alliances in order to maintain their competitiveness in the world market. Being land availability a crucial issue in this strategy, companies forcefully extend their land holdings.

Some people gain and some others lose with plantations. Pulp companies, which receive strong support from the government, are obviously the main winners. Consulting companies for the modernization of mills and plantations, as well as a restricted number of industrial workers have also profitted of this process. In front of these few winners, there are many losers; as a matter of fact, most of the Brazilian people.

The case of Aracruz Cellulose is paradigmatic of the social and environmental impacts produced by a plantation and pulp production megacompany that acts under a "green cover". Being the biggest producer of bleached eucalyptus pulp in the world, it earned 3 billion dollars between 1989 and 1995. Due to tax breaks, Aracruz saves annually U\$S 88 million at the expense of the state government of Espirito Santo. Water supply problems

originated in the region are similar to those reported in other parts of the world. Water analysis performed at the laboratories of the company are not reliable and agrochemicals are producing a negative environmental impact on waters.

The area chosen by Aracruz to establish its plantations and pulp mill was not empty; it was part of the Tupinikim indigenous peoples' ancestral lands. The Tupinikim already occupied a vast territory -currently part of the states of Sao Paulo, Rio de Janeiro, Espirito Santo, Minas Gerais and Bahia- when the Portuguese arrived in the sixteenth century. The presence of the Tupinikim in the area was also recorded in reports of 1912 and 1919 by the Indian Protection Service. Since 1934 the Brazilian Constitution guarantees the rights of indigenous peoples to the possession of their traditional lands, which cannot be handed over to third parties. In 1967 -the same year when Aracruz began its operations in the area- a group of Guarani joined their Tupinikim brothers and sisters and stayed there, considering it "the land without evil". Aracruz Cellulose chose to ignore history as well as the Brazilian Constitution when in 1967 it began to occupy the indigenous lands, advocating that it was a degraded and empty territory.

A long struggle began since then. Due to the expansion of eucalyptus plantations following deforestation by Aracruz Cellulose, the indigenous peoples have been forced to abandon part of their ancestral territories. They claimed during four years for a further 13,579 hectares, situated next to their present reserves. In March 1998 the Brazilian Ministry of Justice decided to demarcate only 2,571 additional hectares for the Tupinikim and Guarani,

ignoring all the studies previously done by FUNAI, which supported the indigenous peoples' claims. "Coincidentally", this was the same proposal that Aracruz Cellulose had put forward in February 1998. It is thus clear that the authorities acted defending the interests of the company. The indigenous people, supported by social and human rights organizations, reacted against the judicial decision and began the demarcation of their lands by themselves. But they and their supporters were intimidated and repressed by the military and the police, in an action similar to those common during the dictatorship period. Driven to a no way out situation, they were forced to accept an "agreement" according to which they exchange the limits of their traditional lands -occupied by Aracruz Cellulose- for a 20-year financial assistance. Concern for the consequences of such an agreement is growing.

For the time being, Aracruz seems to have eliminated one of its main problems. However, in the long run this may become a boomerang, because all the efforts that the company has invested in creating an image of a socially and environmentally responsible corporation may have been thrown down the drains through this dictatorial-type of forced agreement.

Aracruz: some polite suggestions from a forester

We received the following message from Brazilian forester Jackson Roberto Eleoterio (from the University of Sao Paulo), which we can't but share with our readers:

Why doesn't your "organization" mind your own business instead of mixing yourselves with the confusion created by indian delinquents incited by a bunch of unemployed leftists, who only wish to embarrass a productive enterprise such as ARACRUZ, which is thereby forced to make concessions to avoid an international scandal. The situation is that the indians destroy the fertility of their land, which has already been demarcated, and want new lands, preferably with all the infrastructure in place.

Original version in Portuguese

Por que a "organizacao" de voces nao cuida de seus proprios problemas e vem se meter nas confusoes criadas por indios delinquentes incitados por um bando de desocupados da esquerda, que soh querem atrapalhar uma empresa produtiva como a ARACRUZ e que assim eh obrigada a ceder, senao formaria-se um escandalo internacional. A situacao eh que os indios destroem a fertilidade de sua terra, jah demercada e querem novas terras, de preferencia com toda a infra-estrutura.

“We want orchards, not eucalyptus plantations”

After a long struggle started in 1995, Brazilian NGOs and peasant organizations, with support from representatives of the Catholic church, succeeded in halting a megaproject of eucalyptus plantation in the state of Amapa in northern Brazil. The plan of Champion Paper and Cellulose, and its subsidiary Chamflora Amapa Agroflorestal Ltda to set up 100,000 hectares of eucalyptus, would have affected the lands and livelihoods of the peasants of the region. Local people joined in the Organized Civil Society Forum

(Forum da Sociedade Civil Organizada), which, with the support of the Pastoral Commission for Land (Comissao Pastoral da Terra) carried out a complete study to demonstrate that the company had illegally occupied the peasants' lands. They had to face a powerful opponent, with much influence on the media and specialised in showing a "green image". In spite of that, they managed to stop both the first project based on eucalyptus and a second one, started in 1996, when Champion bought AMCEL (Amapa Celulose), a company installed in Amapa since 1974, and whose pine plantations occupy 93,000 hectares.

In 1998 Champion had to recognize the irregularities committed during the purchase and occupation of lands: some 140,000 hectares had to be given back to their legitimate owners, the peasants of Amapa. This victory is celebrated every July 25 --Rural Workers Day-- by peasant organizations, whose slogan is : "We want orchards, not eucalyptus plantations."

Nevertheless, globalization of the economy implies new threats for the Brazilian people. Since the international cellulose and paper markets have been affected by the Asian crisis and environmental pressures to stop the exploitation of forests in Southern Asia are increasing, projects to produce nearly 10 million tonnes of those products were abandoned in that region, and part of them could be transferred to Brazil.

One example is the association between two of the largest paper producers in the world (Stora from Sweden and ENSO from Finland), with the Odebrecht Group in Brazil, to invest 1.6 billion dollars in a cellulose plant in the state

of Bahia. Another example is the association between the US Kimberly-Clark and the Brazilian Klabin Group, to invest in Brazil and Argentina. Chilean paper producers are also interested in investing in Brazil. One of them has already purchased a factory in Santa Catarina. The Celmar project, which includes the recently privatized Rio Doce Valley Company, involves a possible association with several international companies to produce cellulose in the state of Maranhao. The Rio Doce Valley is negotiating an association between giant pulp producers CENIBRA and Bahia Sul, seeking more profitability and more competitive prices on the international market.

Sources: Sandro Gallazzi (CPT-Amapa) and Rosa Roldan (IBASE), September 1998

Response to article published in 'Aracruz News'

By means of this letter, we would like to comment the article of Mr. Julio Cesar Centeno, published in the October edition of 'Aracruz News', bulletin of the pulp and eucalyptus plantation company Aracruz Celulose. In his article, Mr Centeno praises the eucalyptus plantations at Aracruz Celulose because of their "capacity to have a significant impact on local and national economies". Although the author admits that plantations have both positive and negative implications, he merely considers the positive implications, clearly supporting the interests of Aracruz Celulose in promoting its tarnished image. Unfortunately, in spite of the 'objective' tone of his article, Mr. Centeno is one more of the group of so-called 'specialists', that plantation companies need to justify their activities and to cover the well-known negative impacts

that their plantations have on local people and environment.

We would like to make some remarks:

- It should really be a principle, as Mr. Centeno suggests, that “plantations should not involve the replacement of the natural tree cover on a particular site”. However, Aracruz Celulose cleared extensive areas of native forests to implement its eucalyptus plantations, as has been proven by aerial photographs and local testimonies, and causing a disaster for local biodiversity.

- The author states that 'plantations can significantly improve the livelihoods of surrounding populations'. However, the more Aracruz company occupied intensively the geographical space, the more it contributed to the loss of structure in the socially, culturally and economically valid forms of production, organisation and land use, especially of the Tupinikim and Guarani indigenous communities.

- For sure 'plantations of eucalyptus must carefully match water demand to availability', because in the Aracruz case the water levels of the streams and brooks in the few native forest which was left, have dropped, often resulting in the complete disappearance of these streams, which anyone can check in the region, just asking elder Tupinikim and Guarani Indians to show these places.

- Finally, if what Mr Centeno means by 'significant impact' of Aracruz on the local and national economy is that it had had a significant negative impact, then such assertion is especially true, for instance in the number of people employed by the company, which dropped from 7.400 in 1990 to around 2.000 at present (in spite of the continuous growth of the company), having severe

consequences for the local economy. Inversely, it must be stressed that the national economy has had a strong positive impact on Aracruz, which has received all sorts of economic support from the Brazilian state since it began its operations and is even exempted from most taxes because its production is export-oriented.

Conselho Indigenista Missionario-Espirito Santo

Colombia

Monoculture tree plantations promoted in the Andes

As in a number of other countries, the Inter-American Development Bank (IDB) is now promoting the development of pulpwood plantations in Colombia. The bank has recently approved a "non-reimbursable" loan of 2 million dollars --through the Multilateral Investment Fund-- to support the creation of a Training and Technological Development Centre for the Pulp, Paper and Cardboard Industry (CENPAPEL).

According to journalistic reports, the objective of this centre is to find alternatives for pulp production in view of the depletion of appropriate and abundant pulpwood resources from native forests. It will be located in Pereira, home of the country's two main paper companies (Papeles Nacionales and Colpapel). The project had been presented four years ago to the IDB by a group of entrepreneurs from Colombia, Ecuador, Venezuela and Peru and receives support from Pereira's local government and from the Risaralda government.

Additionally, the Organization of American States will also provide financial support to the project and had previously paved the way for the participation of foreign companies, establishing contact with 25 such firms, of which six are already participating.

Given that the stated aim of this project is to find alternative raw material for the pulp industry, it is no secret to local populations that this will mean the establishment of large-scale eucalyptus and pine plantations in the region.

In such situation, local environmentalists are organizing a regional meeting to support local peasants, based on the analysis of the impacts that commercial pine and eucalyptus crops will have on the Andean biodiversity and on soils and water.

Source: Margarita Florez, ILSA, Colombia

Chile

Community opposes pulp mill project

The fishing community of Mehuin in the 10th Region of Chile is opposing the project of Celulosa Arauco y Constitucion S.A. (CELCO) -a huge pulp and paper company- to build a pulp mill coupled with a pipeline that would discharge toxic pollutants resulting from the production process in the bay where they live. More than 600 lts. of effluents a second would be poured into the waters, causing severe environmental effects on the population of fish that is the livelihood of this

community, and on their own health. The community of Mehuin has firmly stated that it even opposes the realization of an Environmental Impact Assessment and so has the Mapuche community, according to which those lands are protected by the Indigenous Law. This shows the growing discredit of environmental assessments carried out by consultants -usually paid by the company- whose findings are almost always basically favourable to megaprojects and only include "mitigation" measures. In this case, people are simply against the whole idea and that is the reason for the opposition to the EIA. Nevertheless the provincial Government considers the project essential for the "development" of the region, severely affected by unemployment and is strongly in favour of its implementation.

The megaproject undertaken by CELCO is expected to produce 550,000 tons of cellulose annually, consuming 2,240,000 cubic meters of pine and 563,000 cubic meters of eucalyptus every year. This would mean a further increase in the plantation area in Chile, that is increasingly perceived as a big problem by the peasants.

Source: Observatorio Latinoamericano de Conflictos Ambientales, RENACE, IEP - Chile.

Native forests cleared for plantations

One of the more widely publicized arguments for the promotion of industrial tree plantations says that fast growing plantations help to alleviate the main pressures on native forests and consequently help to preserve them.

This argument has been proven false in all cases and Chile is no exception.

According to the local NGO CODEFF, the substitution of native forest by fast growth exotic plantations constitutes - within the process of destruction of native forests- one of the most important factors. A recent study carried out by the government agency CONAF shows that annual deforestation during the 1985-1994 period reached an annual average of 36,700 hectares and that almost 40% of such area was deforested to make way to industrial tree plantations.

CODEFF itself carried out a survey in the VIII region (which concentrates the majority of tree plantations), which revealed that from 1978 to 1987 almost 30% of the forests of the Coastal Andes were clearcut and substituted with radiata pine plantations.

Such destruction is the result of a number of pressures, both from within and outside Chile. However, the more obvious cause can be traced within the government, which since 1974 has been heavily subsidizing this type of plantations. Many forestry firms decide -legally in some cases and illegally in many more- to clearcut the existing forest and replant it with pines or eucalyptus in order to have access to government subsidies.

Source: Bosques Templados 6 (6) 1998

An unsustainable forestry model

Forests cover about 30 million hectares in Chile while plantations occupy 2,1 million hectares. Chilean forests - with more than 100 native species- are one of the most biodiversity-rich temperate forests in the world. In marked contrast, 80% of the plantations are composed by radiata pine and 12% by eucalyptus monocultures.

The Chilean forestry model -based upon plantations in spite of the vast and rich forests existing in the country- has been trumpeted as an example for developing countries and one of the factors of the Chilean economic boom. Such model is being promoted in different countries, from Uruguay to Mozambique. Albeit its negative side is not publicized.

The promotion of vast monocultures in Chile began with the military dictatorship in the '70s. In line with the imposed economic model, subsidies and tax breaks benefitted a few powerful economic groups. Nowadays only two groups -Angelini and Matte- own respectively 470,000 hectares and 340,000 hectares of plantations, involving more than 50 forestry companies in Chile as well as in Argentina, Paraguay and Peru. In the meantime, peasants are expelled from their lands, progressively occupied by plantations or affected by their effects on water and biodiversity. Recent independent studies have revealed that plantations have not helped to alleviate poverty in rural areas and local communities oppose them.

One of the more publicized arguments for the promotion of industrial tree plantations says that fast growing plantations help to alleviate the main pressures on native

forests and consequently help to preserve them. This argument has been proved false in Chile. The annual deforestation during the 1985-1994 period reached an annual average of 36,700 hectares, 40% of which were deforested to make way to industrial tree plantations. In the southern VII region -which concentrates the majority of tree plantations- from 1978 to 1987 30% of the Coastal Andean forests were clearcut and substituted by radiata pine plantations.

The pulp industry -closely associated to the plantation scheme- is a relevant polluting factor. Five of the six pulp industries existing in Chile cause strong negative impacts on the environment, while only one is adopting a less harmful production process. The fishing community of Mehuin in the X Region, for example, is opposing the project of Celulosa Arauco y Constitucion S.A. (CELCO) -a huge pulp and paper company- to build a pulp mill coupled with a pipeline that would discharge toxic pollutants resulting from the production process in the bay where they live, affecting the population of fish that is the livelihood of this community, and their own health.

Some of the main consequences of tree monocultures in Chile have been the destruction of native forests, a decrease in water yields, loss of biodiversity and livelihoods of local communities, rural-urban migration, soil erosion and industrial pollution on the one hand and in the concentration of land and wealth on the other. Obviously not a model which can be described as either socially or environmentally sustainable.

Mexico

The beginning of the plantations' invasion

Acting under pressure from international forestry companies and funding agencies, the Mexican Government is trying to modify the Forestry Law in order to promote large monoculture tree plantations in several regions of the country. As surprising as it may seem, one of these regions is Chiapas -one of the poorest states of Mexico- which has been the scene of a major armed uprising by the Zapatista movement. In June 1995 Edward Krobacker, from International Paper, a company interested in establishing industrial tree plantations in the state of Chiapas, sent a letter to the Mexican Government, pushing for changes to the national forestry law in order to "create a more secure legal framework" for IP's investments. Two years later, this seems to have been wholly accepted, and the Council of Ministers has presented a project to Parliament, which provides enormous facilities for foreign investment in the Mexican forestry sector, among which a subsidy of 65% of the plantation costs.

Other regions targetted by the planned industrial tree monocultures are Veracruz and Oaxaca. In the former, a vast eucalyptus plantation plan is being implemented by Temple Island and Simpson -both American companies- while in the latter, pine plantations are being promoted. The aim of such plantations is the production of pulp and paper and lumber. Not only such kind of "forestry development" is a menace for the ecological sustainability of the territory, but also ignores indigenous and rural communities' rights, since their lands will be occupied by plantations. As Jaime Aviles, journalist from "La

Jornada", wrote in May 1st. 1997: "Without the agreements (between the Zapatista National Liberation Army -EZLN- and the Government), disorder will manifest itself in many ways; even if Mr. Krobacker gets his forestry law, nobody can guarantee that it will be applied. The plantations will be invaded, sooner or later, and will be the source of many conflicts... The areas selected for the eucalyptus plantations are simply condemned to desertification".

The "Mexican version" of pulpwood plantations

The increased activities of the "maquiladora" industry (installed within Mexico and based on imported inputs and external export markets), have resulted in an enormous deficit in packaging papers --which are currently being imported from the US and Canada-- used in the necessary packaging of the industrial goods for the supply of external markets. Responding to pressures from the country's industrial sector, the Mexican government is now paving the way for the promotion of large scale pulpwood plantations to provide industry with raw material to produce cheap pulp and paper to fill in that gap.

The adopted strategy has three components: 1) to introduce changes to the legal framework; 2) to profit from the "comparative advantages" of Mexico for producing cheap pulpwood; 3) to promote plantations through direct and indirect subsidies.

The first component was already implemented in April 1997, with the passing of the Forestry Law, which was

approved after strong lobbying from high ranking federal officials, parliamentarians linked to the national paper industry and the active participation of International Paper's CEO. This new law provides plantations with a clear legal framework, including the right of association with the peasants who own the land. As a result of pressures from peasant, environmental and civil organizations --and to a lesser extent from political parties-- plantations are not allowed to be established in forested areas and some conditions are established for large-scale plantations, including management plans and impact assessments.

The second component has also been addressed by the federal government, though the Environment Agency (SEMARNAP), which has incorporated the proposals of the national and transnational companies as if being its own. Its implementation has consisted of a discourse to convince the public about the alleged advantages for the country of tree plantations subsidised by public resources, cheap labour with no rights, and with the lack of requirements concerning social and environmental impacts. Not surprisingly, one of the most active high-ranking officials promoting this strategy is a former employee of one of the large paper transnationals. As much of this propaganda has not convinced the majority of the Mexican people --particularly the peasants-- the plantation proponents have established new alliances and created a "National Committee from Tree to Book".

The third component is half way through. The Environment Agency has created a "Support Programme for the Development of Commercial Forestry Plantations". Under this programme, plantations will receive subsidies

covering 65% of the plantation and management costs for up to seven years, and will also be exempted from taxes. However, there are still some problem areas. The first is that the distribution of resources wasn't as easy as imagined and some companies were left out. Another issue, linked to the drop in oil prices and oil revenues, is that the tax holiday will still need some time to be implemented, as well as some additional subsidies which were expected to be in place. Additionally, a new and unexpected problem has arisen: now other forest-based enterprises and peasant organizations are demanding subsidies to assist them in taking care of the forest, so as to be kept in line with state support to the plantation sector.

In sum, the Mexican version of plantations holds nothing new. Its aim is to integrate the transnational productive process, to subordinate the environmental policy to the needs of the transnational demand of the export-oriented industrial capital and to ignore the rights of indigenous peoples and peasants and their environmental culture. The new logic has imposed itself as a result of the official abandonment of other people-based alternatives.

However, the above is only part of reality. Peasant and indigenous peoples' reactions are surfacing, such as in the case of the recent massive action of peasants from the state of Guerrero against the US wood and paper company Boise Cascade or the complaints of Tabasco peasants against the unfair contracts of the plantation companies. These are also part of reality.

Source: Alejandro Villamar.- Datos de la "version mexicana" de la estrategia global de la industria maderera-papelera internacional bajo el TLCAN, April 1998.

Uruguay

Forestry model in Uruguay under siege

Concern for the environmental consequences of the forestry schemes applied in Uruguay is growing all over the country. The planned installation of a pulp and paper mill in the small city of Fray Bentos, on the River Uruguay coast, has raised a wave of protest. This fact is impressive since the unemployment rate in that city is particularly high.

WRM is active on both issues (plantations and the pulp and paper mill) and has facilitated the creation of a coalition of NGOs aimed at raising awareness and organizing opposition against the model. The coalition adopted the name of "Guayubira" (*Patagonula americana*), an almost extinct native tree of northern Uruguay. The coalition is becoming very active in different areas of the country and is also beginning to lobby parliamentarians to introduce changes to the current forestry legislation and to eliminate subsidies to plantations.

Anti-pulpwood plantation movement on the rise

The situation in Uruguay, where Parliament unanimously passed a forestry law in 1987 to promote industrial tree

plantations with almost no opposition from civil society organizations, has radically changed since then. In spite of almost total governmental and academic support to eucalyptus and pine tree plantations, NGO-led opposition has totally changed the scenario. The WRM secretariat facilitated the creation of an NGO coalition (the Guayubira Group), which has since been at the centre of a number of anti-plantation and anti pulp mill activities.

The Guayubira Group actively supported a local struggle in the densely planted area of Rio Negro against the installation of a pulp mill near the city of Fray Bentos, which has resulted in the detention of a process which seemed to be impossible to halt. The increasing requirements over environmental controls -mostly resulting from organized public pressure- have apparently made the company desist to build the projected pulp mill.

In the forestry area, the exponential increase of plantations (from some 2,000 annual hectares in the early 1980s to more than 50,000 hectares annually at present), the increased presence of multinationals and foreign capitals investing in plantations and the impacts that such plantations are now having on society and the environment, have resulted in an increasing -though largely uncoordinated- opposition front, including NGOs, trade unions, parliamentarians, cattle-ranchers, farmers, local people and concerned individuals. This has recently led to contradictions within the government itself, where the pro-plantation lobby is losing ground. A few days ago, the Minister of the Environment declared in the state-owned television channel that plantations seem to be having a strong negative impact on soils and water and that his ministry will present an initiative to Parliament to

remove all subsidies currently being provided to the plantation industry. An important, though yet insufficient step forward.

Venezuela

Increasing conflict with Jefferson Smurfit

Smurfit Cartons Venezuela --a subsidiary of the Dublin-based transnational Jefferson Smurfit-- has been operating in Venezuela's Portuguesa state since 1986. Its extensive pulpwood plantations for the production of paperboard have resulted in equally extensive social and environmental problems. This situation has been analysed by the Venezuelan Senate's Environment Commission, which has recently produced a 120-page report documenting such impacts.

We have been informed about some of those impacts, which include human rights violations, dispossession of local peoples' lands, corruption, disregard towards national legislation, substitution of riverine forests by tree monocrops.

Jefferson Smurfit is a vertically integrated corporation, including forestry operations, pulp production from virgin fibre and recycled paper, cardboard, paper and packaging production. Its facilities are located in the USA, Europe (Germany, Belgium, Spain, France, Netherlands, Ireland, Italy, Portugal and the UK) and Latin America (Argentina, Chile, Colombia, Mexico, Puerto Rico and Venezuela). In May 1998 it signed an agreement to merge with another giant paper manufacturer (Stone Container Corporation) to

create one of the world's largest manufacturers of paperboard and paper-based packaging products. The combined entity, with annual sales of US\$8 billion, will be called Smurfit-Stone Container.

In order to be able to confront this giant, our friends in Venezuela require as much information as possible concerning Jefferson Smurfit, and in particular:

- negative impacts in other countries
- planned expansion in Latin America
- environmental or other restrictions in the USA

They are also interested in receiving information on a consulting firm linked to Smurfit, called Monitor Company (which might have links with Jaakko Poyry).

If any of our readers is able to facilitate information on the above, please send it to us and we will forward it to Venezuela

Source: personal communication with Venezuela and Jefferson Smurfit's web page (<http://www.smurfit.ie>)

Forests menaced...plantations promoted.

The highway Venezuela-Brazil was blockaded by a group of indigenous peoples of the Imataca and Gran Sabana regions to stop a high voltage electrical transmission line (Macagua II-Santa Elena de Uairen), that is being built through the Imataca Forest Reserve. This is a particularly rich in biodiversity and vulnerable area, menaced by mining projects promoted by the controversial Decree

1850, which was highly resisted by indigenous communities, environmental NGOs and academics.

In spite of their efforts to have their rights over their ancestral territories recognized by the subsequent governments, the indigenous communities of this country have always been ignored and deceived and their wish that Venezuelan society becomes a multicultural and multiethnic one, is still far from being achieved. According to local organizations, Venezuelan legislation is even less progressive than that of other Latin American countries to this regard.

A group of representatives of the indigenous communities of Imataca, Gran Sabana and Paragua sent a letter dated October 3rd to the Brazilian Ambassador in Caracas, denouncing to the Brazilian people and authorities the terms of the Guzmania Protocol –signed by Brazil and Venezuela in 1994- that promotes mining, tourism and forestry in Imataca and Gran Sabana, ignoring the ancestral rights of indigenous peoples over these lands and inducing negative environmental consequences. They expressed that the Guzmania Protocol violates Article 77 of the Venezuelan Constitution, where an exception regime for indigenous peoples is recognized to guarantee their territorial rights.

Continuing their actions, on October 22nd a group of indigenous leaders, representatives of several indigenous peoples of Imataca and Gran Sabana regions, addressed the Supreme Court of Justice, demanding the total suspension of the construction of the transmission line, since it will negatively affect the environment, their livelihoods and culture. They claim that while the

Universal Declaration of Human Rights –whose 50th anniversary is celebrated in 1998- establishes that every people has the right to create and enjoy its own culture, and that the Venezuelan Constitution guarantees an exception regime for indigenous peoples territories, they are actually plunged into material and spiritual poverty. Land tenure is at the centre of the problem. Indigenous peoples' ancestral territorial rights and their communal property regime are not recognized. Meanwhile their territories are sold out to transnational companies, squandering the national heritage. There are many examples of this depredation, besides that of Imataca: the indigenous territories of the Amacuro Delta, Monagas and Anzoategui have been occupied by oil companies, and the Bari and Yukpa of Zulia Estate are facing coal exploitation in their traditional lands.

Unwilling to protect the forests and the people that make a sustainable use of them, the Venezuelan State is actively promoting tree plantations under the usual scheme. The so-called National Programme for the Development of Forest Resources establishes a zonification for plantations in soils considered marginal for other activities. Putting to side the issue of the adequacy or not of such zonification (zones considered as marginal by the state are usually considered very useful by local people), the fact is that there are cases where the law has been ignored and tree plantations have been established in lands considered apt for agriculture and cattle raising. A paradigmatic example is that of the transnational company Smurfit -established in 27 countries all over four continents- which has occupied fertile peasants' lands in Portuguesa State with pine, eucalyptus and gmelina monocultures, forcing their displacement.

Unfortunately, the Venezuelan case is not an exception in Latin America: repression to those who protect the forests and benefits to those who destroy them.

Sources: Alfredo Torres (pers.comm.); AMIGRANSA, 7/11/98; “Contra los pinos, eucaliptos y melinas de Smurfit”, *Ecologia Politica*, 14, 1997

The struggle against Smurfit’s plantations

Smurfit Carton of Venezuela, a subsidiary of the Dublin-based transnational Jefferson Smurfit, which recently merged with Stone Container, thereby becoming the world’s largest producer of paper and paperboard, is both creating and facing big problems in Venezuela.

A previous merger with the US-based Container Corporation in 1986, led Jefferson Smurfit to becoming the major shareholder of Carton de Venezuela, changing its name to the current Smurfit Carton de Venezuela. Until then, the company’s mill had produced pulp from sugarcane bagasse (a by-product in sugar production). In 1994 it switched its pulp production to wood, to be supplied from plantations and primarily from tropical forest.

The company’s operations in Portuguesa state have resulted in overt or hidden confrontation with local communities, whose lives and livelihoods have suffered - and are still suffering- from its activities. At the base of all this lies the issue of the concentration of land and power in

the hands of a transnational, against a background of lack of land by poor peasants.

The company began buying lands back in 1986 and currently holds 15 properties involving some 27,000 hectares in the state of Portuguesa and 7,000 additional hectares in the states of Lara and Cojedes. At least half of those lands are classified as agricultural. According to Venezuelan law, those lands could have not been planted with trees. But they have and much of them is now covered with eucalyptus, pines and gmelinas.

In 1997, the relationship between Smurfit and local peasant communities was already at a critical level, as a result of aerial spraying of herbicides, which had destroyed 190 hectares of peasant's crops and even intoxicated school children in the village of Tierra Buena, when the situation erupted dramatically. That year, Smurfit purchased a large estate (La Productora, with 2,700 hectares), which had until then been dedicated to commercial agriculture and cattle raising. Peasants from two adjacent communities (Morador and Tierra Buena), had expected to receive this estate as part of the government's agrarian reform programme. Smurfit changed the whole situation, not only by planting trees in land that peasants needed to grow crops, but also by changing the relationship which peasants had had with the previous owner, which allowed them free access to his property, including fishing and hunting. Within this context, Smurfit fenced the whole estate with barbed wire and brought in guards to keep people out.

On July 14th 1997, local peasants occupied La Productora, demanding the government to assign part of those lands to

them. The answer was to bring in the National Guard. The repression was ruthless, and hundreds of men, women and children were brutally beaten, shot at and imprisoned. Many of them still suffer from the injuries received and those considered to have led the occupation are still lacking freedom of movement and must report regularly to the authorities. Although there is ample evidence of the torture inflicted on people (including photographs and written testimonies), those responsible have not been sentenced in court and remain unpunished. On the contrary, repression is still rampant in the area and terror is the basic tool used to try to keep people out of the company's properties. Especially trained dogs (complete with trainers) have been brought in from Colombia; machine-guns are fired during the night; squads of masked "vigilantes" on horseback patrol the area; houses are searched without warrant; people are shot at in front of their homes; they are detained on the road and beaten if they are found with matches in their pocket (which is considered near-arson by the company).

To make matters worse, plantations are not only occupying the land peasants desperately need, but are also impacting on other resources they depend on, such as water and wildlife. The company has been as ruthless with the environment as it has been with local people. Impacts on forests and water are a direct consequence of its activities, while impacts on biodiversity are a by-product of the industrial plantation model.

Deforestation is part of the company's policy. In spite of having extensive plantations, its pulp mill has until now been mostly fed with tropical wood, extracted both from its own properties and from other forests in the region.

Although such activity is illegal, the company manages to “legalize” it with the assistance of some government officials. There is ample proof that the company has deforested many of its land holdings. In the case of its estate La Productora, it obtained a permit from the government to deforest 600 hectares of highly diverse tropical forest. In other of its properties, logging has been carried out illegally. Additionally, anyone can observe trucks loaded with “firewood” (a denomination to avoid control of protected tree species) moving along highways all night in the direction of the company's Mocartel pulp mill in the state of Yaracuy.

Impacts on water are not only the result -as happens elsewhere in the world- of high intake of water by fast-growing trees. They are also the result of the destruction of water courses with bulldozers, which flatten the terrain to give way to more trees (particularly Gmelina arborea). Every inch of the land must be planted. Impacts on water are also the result of the destruction of riparian forests that protect water courses.

Local animals, fish and plants, which provided to many of the local peoples’ food needs are disappearing at an increasing rate, as their natural habitats are substituted by green deserts of trees and more forests are cleared to feed the pulp mill.

In spite of all the problems it is causing, the company does not seem to be succeeding in breaking people’s will to oppose its operations and there is a question mark as to for how long its plantations will be able to survive -even protected by barbed wire, dogs and armed men- while at the same time being surrounded by hundreds of people

who hate those trees and the company they represent. If plantation forestry is unsustainable in general, in this case it seems to be more unsustainable than ever.

Africa

Gambia

A different type of forest degradation

As in many other countries, Gambia's forests are facing a type of forest degradation which implies the substitution of native species by an exotic. But this is not the common situation where plantation companies substitute native forests by eucalyptus, pines or palm oil plantations. In this case, the villain is a "good" tree, brought into the country by Indian immigrants: the Neem tree (*Azadirachta indica*). In India, this tree has a number of positive features, among which the production of a useful natural pesticide. In Gambia, it is becoming a pest. But not because native forests are being cut to plant neem: the tree is slowly invading the forest and getting increasingly out of control.

Such situation is not unique to Gambia. Many non-native trees and shrubs are becoming invasive in many of the world's forests, leading to dramatic changes in forests' floristic composition and subsequent changes in local wildlife and peoples' livelihoods. For a more detailed description of this process worldwide, we recommend Chris Bright's chapter on forests in "Life out of Bounds: bioinvasion in a borderless world" (New York, Norton, 1998, <http://www.wwnorton.com>).

Source: Jato S. Sillah (pers. comm.)

Ghana

FAO supports private plantations in Ghana

The Ghanaian Government has signed an agreement with the FAO to support private forestry plantations in the country. The government will benefit from a US\$ 138,500 assistance package under the agreement, to design long term mechanisms to support private forestry plantations in the country.

Under a two-month project by the FAO and the Ministry of Lands and Forestry, FAO is providing the money and two foreign consultants to team up with local experts to research into private forestry plantation development and a flexible scheme for providing plantation incentives to firms, land owners, communities and individuals.

It will also come out with terms for the necessary institutional capacity for implementing practical options and ensuring effective monitoring of the results. The results envisaged by the project are long-term financing mechanisms including incentives to support a financially viable private forest plantation programme in Ghana, and information for improved private plantation management and the improved participation of small farmers in plantation development.

The Minister of Lands and Forestry, Mr Cletus Avoka, who signed the agreement on behalf of the government, said that for some time now, the government's attention has been captured by the issue of sustainable forest management and the need to maintain a raw material base.

He said reasonable programmes had been established to ensure that the numerous mills in the country were satisfied to enable them to produce to feed both local and international markets.

Ghana lost about one third of its forest within 17 years between 1955 to 1972. Since 1977, the country's virgin forests have been reduced from 7.44 million hectares to 1.84 million hectares through what government officials term as illegal and unconventional means. The rate of 1.71 per cent mean annual deforestation in this area exceeds that of both Asia (0,66%) and Tropical America (0,84%).

By: William Appiah, Third World Network, Africa Secretariat

South Africa

Malaysians in South Africa, South Africans in Brazil

Malaysian forestry companies could be given a thirty-year concession in South Africa to establish 300,000 hectares of industrial tree plantations in the Transkei in Eastern Cape province. Such project has raised very difficult and delicate questions given that this is probably South Africa's most impoverished area and plantations are being presented as providing development, jobs and money. Malaysian companies would also receive exclusive rights to develop elite and exclusive tourist resorts in the most pristine areas of coastal forest endemism. For sure this will prevent rural people from having access to their own natural resources and will degrade the local ecosystems.

On the other side of the ocean, South African pulp and paper company Mondi became, in May 1996, one of Aracruz Celulose's three major shareholders. Aracruz is the world's largest bleached eucalyptus pulp producer and owns 203,000 hectares of land in the Brazilian states of Espirito Santo and Bahia. Those plantations have invaded indigenous peoples lands, who are struggling to recover them and have resulted in widespread environmental degradation. Development, jobs and money are also used here as catchwords, but the true beneficiaries are mostly the companies' shareholders.

Sources: Chris Albertyn, EJNF, South Africa; Aracruz Celulose: Facts and Figures 1996

More pulp industry development

A new pulp mill that will produce between 400,000 and 500,000 metric tonnes a year, largely for export, is being planned for the Umtata-Kokstad-Ugie triangle. According to Enoch Gogongwana, provincial MEC for Economic Affairs, Environment and Tourism, such project would create 600 direct and 1000 indirect jobs. The total investment would involve some 1.5 billion Rands.

The above implies a cost of 937,000 rands per job -direct and indirect- created. By comparison, a non forestry-related community project put together at Mkambati, will provide 138 jobs at a cost of 6000 rands per job, and all enterprises (more than 10) participating in the project will be owned and run by the community, with the result that the money will stay in the community.

Additional problems are the environmental and health impacts associated with pulp mills, which are not something new to South Africa. It has been said that "the smell, choking and feeling of skin burning just driving past the pulp mill near Nelsruit is terrible." If the new pulp mill is to be situated in the Kokstad-Ugie-Umtata triangle, then at least one river may end up being polluted, given that all rivers in this area flow into the Umzimvubu river, which catches 56% of Transkei's water.

Sources: Daily Dispatch 6/10/97; Chris Albertyn and Marlene Powell (pers.comm.)

"Social benefits" of industrial tree plantations

The Forest Owners' Association recently released a report from results of a survey during the first nine months of last year on "crime and violence" in the so-called South African forests (in reality large industrial eucalyptus and pine tree plantations) in the Kwazulu Natal area. The survey covered 54% of total afforestation in the country - over 800,000 hectares.

According to a company's forest manager, plantations "were increasingly becoming safe heavens for people who lived in violence-torn rural townships, which mostly neighboured the plantations."

Crime, arson and theft were the main problems highlighted by the survey. Crime against individuals resulted in 380 deaths and 115 seriously injured people. According to the report, "people were being shot on the way to work, timber-carrying trucks were being fired at,

and intimidation was becoming a serious problem." Arson was responsible for 1093 or 74% of all forest (plantations) fires and 2825 hectares were damaged by arson during the period. Some 30,000 tons of timber was stolen in the same period.

Industry is "deeply concerned" about the issue and the largest corporations (including Mondi and Sappi) have met the South African Police Service and the South African National Defence Force to find solutions. It has also had to invest heavily in security, fire fighting and communications equipment.

Source:"Crime joins arson as a threat to forest profitability", Business Report (South Africa), December 10, 1997

The ways of the powerful pulp industry

Timber plantations have been a part of the South African landscape for more than a century. Colonial settlement brought a wide range of exotic tree species. Not all were successful, but it soon became clear that Australian acacias and eucalyptus were well suited to conditions in the Eastern part of South Africa.

It has always been accepted that these trees, together with Pine species introduced more recently, play an important role in the local economy. As natural forests had been seriously depleted during the nineteenth century, it was considered necessary to obtain alternative, fast-growing trees to meet the growing demand for building timber, mine-props, packaging material and of course more

recently, to feed the local paper mills. This situation soon began to change when it was realised that external demand for timber products could stimulate exports from South Africa.

A Rayon mill was built by an Italian company at the coastal town of Mkomazi around 1950. Effluent from the mill was pumped directly into a river which entered the sea a few kilometres downstream. This gave South Africans their first taste (and smell) of serious atmospheric and marine pollution.

Subsequently the SAPPI mill was built on the Tukela River at the town of Mandeni. The smell of this mill was detectable up to 50 km away, and liquid effluent was sprayed onto a large tract of land near the mill.

Only after the giant SAPPI mill at Ngodwana, and the MONDI mill at Richards Bay, were put into production did people start to take a more serious view of the situation. Environmental awareness helped people to make the connection between respiratory disease and atmospheric pollution. A serious effluent spill at the Ngodwana Mill put shocking pictures of dead fish on the front pages of newspapers and people started to ask questions about the true impacts of these mills.

As raw timber was desperately needed to feed the hungry mills, the two companies already mentioned, SAPPI and MONDI, together with a number of smaller players, went on a buying spree, paying very high prices for land in close proximity to their mills so that they could consolidate their operations into vast estates and take advantage of lower transport costs.

In their hurry to plant up all this new land, very little consideration was given to environmental impacts -trees were planted in wetlands and streams and estate managers were paid bonuses to maximise production in these areas. Even public land including road reserves and commonage was ruthlessly planted to trees with no thought given to the consequences.

At about this time the South African government decided to “commercialise” the state-owned timber plantations and SAFCOL (South African Timber Company Ltd) was born. Before very long they (SAFCOL) too had jumped onto the bandwagon and got busy with planting more trees into all the natural grasslands that had been excluded previously due to their ecological sensitivity.

The ways of Corporate tree-planters

It has been estimated that the larger corporate entities responsible for the expansion of pulpwood plantations in South Africa spend more money and effort on propaganda than on actual environmental protection and restoration. Their reaction to public criticism of their actions is to spend more money on advertising in journals and newspapers. They sponsor a wide range of “Environmental” projects -from bird and flower books to education and waste recycling.

In recent years it has been part of the timber companies’ strategy to employ “environmentalists” to interface with their critics. In many cases these people are recruited from government conservation agencies who appear to be easily tempted by prospects of employment in the

corporate world. These paid “environmentalists” are used as spokespeople -making statements to the media-speaking at schools and clubs, spreading the false message that their employers are actually improving the environment by planting millions of exotic trees. At shows and fairs, pine tree seedlings are given to schoolchildren as part of the brainwashing exercise. Poorly informed people are duped into believing that all trees are good.

In order to defuse public anger over loss of natural surface water caused by plantations they install boreholes in the affected areas. People who previously had clean water virtually at their doorsteps are then forced to carry water over long distances to their houses and gardens. Areas where crops such as bananas, potatoes, cabbages and many others could be grown without irrigation before are now too dry.

Cattle and goats are forced to overcrowd the few remaining natural springs and rivers -damaging rivers and stream banks- trampling and polluting springs and ponds, making this water unfit for human consumption.

The two large pulpwood producers have embarked on promoting “community woodlots” on an extensive scale in rural areas. MONDI has claimed that their scheme is part of the RDP (Government Reconstruction and Development Program), to fool the community.

The companies provide seedlings and basic information on how to establish the woodlot, after persuading subsistence farmers that they will become wealthy when their trees are ready for harvesting in seven or eight years’ time!

What they fail to do is to inform prospective “woodlot” owners of the environmental and social consequences of their actions.

- They do not warn them not to plant in wetlands or close to rivers and streams.
- They do not tell them that they will have to find other land for their livestock to graze on.
- They do not warn them about loss of income from their land for the next seven years at least.
- They are not warned that their water supply may be affected negatively.
- They are not told that there is no guarantee that the company will buy their trees when they are ready.
- They are not adequately informed about the costs of services provided by the company.
- They are not told how difficult and expensive it will be to convert their land back to pastures or other crops.

Claims of creating employment for local people do not explain what happened to people previously employed on the land. With the expansion of the plantation companies’ landholdings, many people who were employed in vegetable, sugar cane or livestock farming are ejected from homes and land they have occupied for many years. It is the policy of the plantation companies to consolidate smaller farms into large “blocks” which can be managed by a single “forester”. Farm houses, sheds and

staff accommodation cottages are demolished to make way for contiguous plantations. People who may have lived on these farms all their lives are forced to relocate to overpopulated tribal areas where they have to build new houses -relocate their children to already overcrowded schools- look for new jobs in sectors where they lack appropriate experience and know-how.

To make matters worse, most of the work opportunities created by the timber companies is sourced out to contractors who are not obliged to offer normal fringe benefits associated with permanent employment. Many of these contractors prefer to use desperate illegal immigrants who are prepared to work for lower wages and cannot belong to a labour union.

State complicity in the development of the industry

Pulp and paper mills in South Africa have benefitted from massive financial incentives, both directly through assistance from the IDC (Industrial Development Corporation) and indirectly through access to cheap water and electricity, free pollution, and very favourable tax laws.

This gives the industry a significant advantage, together with its ability to manipulate the price of roundwood through its own extensive plantations. By holding the raw log price as low as possible, it is possible to ensure that maximum profits are accrued to the mills.

Both MONDI and SAPPI have acquired mills in Europe and other northern countries. The simple explanation for this is that they need a guaranteed outlet for the products

of their South African operations. The less obvious explanation may be that these investments are a way of laundering the surplus accumulated profits made at the expense of South Africa's environment and people.

Planned expansion of plantations

It is the stated intention of the industry to increase the area in South Africa by 600,000 hectares more -which would add to the existing 1.5 million- and they also aim to establish extensive plantations in Mozambique.

What is of serious concern is that intensive research into the development of cold-resistant strains of eucalyptus species is being undertaken. If this research is successful it could mean that vast tracts of the interior which presently consist of grasslands and grain production farms, could fall victim to tree plantations.

The grassland areas inland of the sub-tropical coastal belt are vital to water production in South Africa. They are able to absorb rainfall in the summer which is then released slowly to feed rivers and streams during the dry winter. If extensive tree plantations were to be established in these areas, it would jeopardise the supply of water to farmers and townspeople situated downstream as well as exacerbate soil erosion.

Computerised mechanical harvesting machines have been imported by MONDI. These machines operate 24 hours a day, felling, pruning, debarking, cutting and stacking. Three eight-hour shifts employing three people as opposed to an estimated 200 workers using manual methods - leaving 197 workers made redundant by a single machine.

Most plantation operators have also converted from labour-intensive weed control methods to using herbicides applied by specialist contractors. Once again resulting in fewer people being employed directly by the industry.

In sum -as elsewhere else- this forestry model is clearly showing that, although highly beneficial for large corporations, its social and environmental impacts make its unsustainable in the long run. People in South Africa are already organizing oposition and its environmental and social impacts are becoming clearer as the industry expands over larger areas of the country and even to neighbouring countries.

Asia

East Timor

A shady bussiness in East Timor

One of the main reasons why Indonesia continues occupying East Timor after its invasion in December 1975 and based upon a continuous repression of the Maubere people are the business interests of president Suharto's family in that country. The Indonesian Army is heavily involved in protecting the First Family's interests in the occupied land, that cover many different economic activities, from coffee and sugarcane plantations to textiles and mining.

Since 1995 they are also planning to enter the forestry sector. The company PT Fendi Hutani Lestari, which is directed by businessman Bob Hasan, one of Suharto's best friends, has planned to establish nearly 50,000 hectares of tree plantations in an area covering eleven villages in the district of Viqueque. Even if not much has been heard since the official launching of the plantation in July 1995, the strong popular opposition to other projects of this company in East Timor seems to have prevented the plan to reach its target.

Source: George J. Aditjondro (21/8/97) and The World Guide 1997/98

Indonesia

Indonesian forests under threat

An enormous pulp mill - PT TEL- is being established in South Sumatra by a syndicate of foreign banks and export credits from Europe, North America and Japan. The agreement for nearly US\$ 1billion was signed in March. PT TEL involves a number of Barito Pacific subsidiaries, President Suharto's daughter Tutut and Japanese companies.

Mature rainforest, local people's plantations and farms are being destroyed to make way for the paper pulp mill at Tanjung Enim and the industrial timber estates to supply it. Local communities have been forced off their land with little compensation and no alternative means of making a living.

Source: Down to Earth Newsletter Nr. 32, February 1997

Oil palm scheme in Siberut

The Indonesian military are putting pressure on the indigenous people of the island of Siberut to allow a 70,000 hectare oil palm plantation and associated transmigration scheme to go ahead, regardless of the fact that the island has been designated as a Biosphere Reserve by UNESCO. Indonesia's palm oil industry is currently undergoing a boom. The Indonesian government wants the country to overtake Malaysia as the world's largest palm oil producer early next century. All over Sumatra, mature

rainforest is being felled to make room for more plantations. There are signs the boom may already be peaking. Earlier this year the government put a stop on new foreign investment in this sector in Western Indonesia. But the speculators cannot lose. Whether or not they plant oil palms, the timber from the forest sites they have cleared will earn them billions of rupiah.

Source: Down to Earth 33, May 1997

PT TEL's plan mounts protests

PT Tanjung Enim Lestari (PT TEL) has plans to establish a huge pulp mill in South Sumatra. Despite protests from local communities and NGOs the project continues. Although PT TEL has not still received the necessary government license (which is to be taken for granted since President Suharto's eldest daughter, Tutut, is a shareholder in the project herself), the company has already cleared 800 hectares of the 1,250 hectares of forested lands the factory site will occupy. On June 23 -with the strong opposition of the Indonesian Forum for the Environment (WALHI)- the Environmental Impact Assessment of the project was approved. This study completely ignored several important issues, e.g.: the source of raw materials; the way local farmers, rubber tappers and villagers were forced by the company to give up their lands for the developing of the project; how wastes will be treated before their disposal in the River Lematang, which is the only source of water for domestic use for the surrounding communities and source of livelihood for local fishermen.

Source: Down to Earth. 34. August 1997.

UPM-Kymmene and APRIL destroy rainforest

UPM-Kymmene of Finland and Singapore-based Asia Pacific Resources International Holdings Ltd.(APRIL), have agreed to establish a strategic alliance to develop jointly their respective fine paper operations in Europe and Asia. In Europe, UPM-Kymmene will hold 70% and APRIL 30% of a new company called UPM-Kymmene Fine Paper, which will comprise UPM-Kymmene's fine paper units, Nordland Papier in Germany and Kymi in Finland. This new company will be the largest fine paper producer in Europe with a combined annual capacity of 1.7 million tonnes of paper and 460,000 tonnes of related pulp. Similarly, in Asia, APRIL will hold 70% and UPM-Kymmene 30% of a new company, APRIL Fine Paper, which will comprise APRIL's paper mills under construction in Sumatra, Indonesia and China. These mills are expected to come into production in 1997 and 1998.

Even if APRIL states that it is not involved in logging in rainforests, the fact is that the material basis of the new alliance is the nearby Riau Pulp pulpmill, whose production is almost completely based on rainforest wood. The mill, which started operations in 1994, produced last year about 600,000 tonnes of short-fibre pulp from natural forests. Until now the company has only planted 7,000 hectares of acacia, which are not only totally insufficient to feed the giant mill, but additionally will only be ready for logging by the year 2002. It is expected that the mill will run on rainforest wood, which will be needed at a rate of over 3 million m³/year. This will mean clearcuts of at

least 25,000 hectares of rainforest each year and a total of 200,000 hectares.

APRIL has also a bad reputation in the social area. Land acquisitions by the company have caused serious conflicts with local communities and working conditions in its pulp and paper mills are poor.

Source: Friends of the Earth-Finland Forest Group. Press release 15.9.97. For further information, please contact: Marko Ulvila +358 3 212 0097; ulvila@iki.fi

Alliance of UPM-Kymmene-APRIL under siege

The alliance between UPM-Kymmene of Finland and APRIL of Singapore to develop jointly their respective fine paper operations in Europe and Asia has been severely criticized by environmental and human rights groups.

A letter, whose text is included below, was addressed to the owners and managers of UPM-Kymmene and APRIL, as well as to the Finnish press as a part of a campaign aimed to stop the alliance.

Friends of the Earth-Finland has also compiled an Internet page on the UPM-Kymmene/April case. The page includes documents and links to the company sites as well as relevant links to related topics such as forests fires, human rights and labour union concerns. The address is:

<http://www.kaapeli.fi/~maanyst/link-upm.htm>

1. no more natural forests (even so called logged-over or degraded) are clear-cut and converted to monoculture plantations;
2. the traditional land tenure rights (adat) of the local communities are fully recognised within the concession area and in other areas where the company is active;
3. if the communities agree in a democratic and open process to allow logging, plantations or construction on their lands, they must be fully compensated;
4. land alienated in the past are returned to the communities or the losses are fully compensated;
5. the basic labour standards, including right to free union association and collective bargaining, are observed in the mills and the companies make an effort to promote such policy nationwide.

We would like to get a substantial reply from you as soon as possible responding on our concerns and indicating your intentions regarding the alliance.

Sincerely yours

(Signatures of 31 representatives of environmental NGOs)”

SE Asia menaced by renewed fires in Indonesia

Concern is growing in Singapore and Malaysia that the region will again be smothered in smoke pollution from uncontrolled forest fires in Indonesia. Last year, such fires caused widespread health problems, disrupted air and sea traffic, and affected tourism in the region. Indonesian fires cannot merely be considered a "natural disaster" but the result of both an economic policy based upon the over-exploitation of natural resources and government corruption.

If the fires continue to gain a strong foothold in Indonesian Kalimantan and Sumatra, then Brunei, Malaysia, Singapore, southern Thailand and the Philippines could see a repeat of the pollution that blotted out the sun for days at a time in the worst-affected areas between August and November 1997.

Indonesian officials have recently identified through satellite images more than 90 "hot spot" areas in Kalimantan. Last December Malaysia, Singapore and Indonesia agreed on a joint action plan to prevent a recurrence of the smoke pollution, under which Jakarta agreed to improve its fire-fighting capabilities. Nevertheless the apparent inability of Indonesian authorities to control the fires, despite an official ban on burning and evidence that most fires are deliberately set by plantation companies to clear land, are causing increasing concern in neighbouring countries that have to bear the consequences.

A reforestation fund that was intended to help replant and protect the country's tropical forests -the second largest in

the world after Brazil- was not used last year to fight the fires. According to Gerry van Klinken, editor of "Inside Indonesia", a magazine published from Melbourne, this money administered via presidential decree, has been diverted to provide cheap loans to commercial timber plantation companies, which replanted cut forests with quick-growing eucalyptus, pine or acacia trees for pulp factories.

What international press agencies tend to forget, however, is the terrible problems that local populations are facing with these fires that affect their lives, health, homes and livelihoods. Neither do they emphasize on the fact that local peoples' lands are being appropriated by huge national and transnational corporations, converting forest and agricultural land into deserts of trees for feeding pulpmills instead of people. The disappearance of forests and their biodiversity and the regional and global problems stemming from the Indonesian fires seem to be more important than the lives and livelihoods of the local people of Kalimantan, who are seldom mentioned at all.

Source: Michael Richardson, International Herald Tribune, 13/2/1998.

Comments: WRM secretariat

Local people burn oil palm plantation company's base camp

A land dispute between local farmers from Kuala Batee and the oil palm plantation company PT Cemerlang Abdi has erupted into violent conflict. After several months of attempts to negotiate over land rights, hundreds of angry

villagers went to PT Cemerlang Abdi's base camp and told the staff to leave. They took away vehicles, heavy machinery and a generator before burning the base camp to the ground. A security police post was also burnt down. No-one was killed, but six people were shot and injured (two seriously) and 49 were held in custody after security forces moved in.

The villagers claim that the company has violated their land rights. The Government of South Aceh, where the conflict is taking place, is seemingly moving to find a solution to the controversy. According to the local administrator, the government has settled a fair compensation to the farmers, which would also be given 1,000 hectares of land to make up for that taken from them by the company.

Source: Down to Earth, 37, May 1998.

Jaakko Poyry: more than mere consultants

Jaakko Poyry is one of the actors involved in creating the conditions for establishing plantations. This consulting company was born in Finland 40 years ago. It grew up together with the boom of Scandinavian forestry after the war, when Finland, Sweden and Norway became one of the superpowers of industrial forestry. Jaakko Poyry was there, helping them to do it. It's role was to provide special expertise about planning pulp mills, paper mills, plantations, logging, how to plan industrial operations. At first its clients were Sweden, Finland, Norway and the rest of Europe. In the last couple of decades it started to expand globally and this has followed the pressures to

expand plantations to the South, the pressures to exploit the forests of the South. This is a result of that but it is also one of the things that has facilitated this move to the South. Because as a consultancy, Jaakko Poyry plays an important role to get the land together with the machines, to get the officials together with the executives, to get the consultants together with the Forestry Department, so that the land can be converted to something which will support industrial forestry for pulp and paper.

Its role in the South especially --although obviously in the North as well-- is essentially political. They advertise themselves as technicians, but their role is largely networking, getting people together, getting the industry together with the officials, selling pulp and paper machinery, selling forestry machinery from Scandinavia and other countries, getting together the technology with the political infrastructure in each country. That's basically what they do. They have offices in 25 countries around the world and employ almost 5,000 people.

Indonesia provides a clear example of Jaakko Poyry's work. First hired by the World Bank to do surveys, assessments and planning for the entire forestry sector in Indonesia, this later resulted in contracts to help the specific private firms who were involved in plantations and industrial forestry in Indonesia, where many pulp mills are now being built.

In 1988 Jaakko Poyry did a study of Indonesia's timber resources for the Asia Development Bank and this was to identify sites for the development of the pulp industry in that country. As a result of that there are now 65 big pulp mills planned for Indonesia, with another 15 with

permission to operate. Since then, the Finnish government agencies have provided guarantees, bank loans, technical advisors and equipment for the pulp and paper development in Indonesia, and this includes setting up the plantations and then setting up the pulp factories which work from that. A number of other Finnish agencies and companies benefitted later from this.

Jaakko Poyry did the feasibility study for Indorayon in the North of Sumatra, and advised and supervised the plantations, the nursery and the equipment that went into that. It was also involved in Indah Kiat, which is another huge development in Riau, including pulp mills and paper production and in the Riau Andalan plant as well, where UPM/Kymmene (from Finland) is now involved. The PT TEL pulp mill also included Jaakko Poyry involvement, as well as the Finantara Intiga project in West Kalimantan, which is a joint venture between ENSO (The Finnish forestry state agency) and the Indonesian cigarette company Gutam Garang, who established a large plantation and there's a factory due for construction there in East Kalimantan.

Those are just some examples within the whole pulp industry and the plantations on which they depend, that are a result of Jaakko Poyry's work. These pulp mills are at the moment using native forests because the plantations are not yet mature. In the case of Indorayon the plantations are mature now, but to create those plantations they destroyed the forest. The only example where mills have not been built first and then the plantations set up is the case of Finantara Intiga, where they have set up the plantations before they even built the mill. But the general pattern is

the other way round: they build the mill, they get a timber concession, clear-fell and then establish the plantation.

In spite of all the above -which are only some examples in one single country- Jaakko Poyry is now trying to promote itself as a "green" consultancy. However, its activities are being challenged, not only by the people directly affected, but also by Finnish NGOs, who have organized a number of seminars to show this to the Finnish public, on whose support the company depends to a large extent.

A depredatory economic "miracle"

Indonesia's forests occupy about 120 million hectares. Although at least 2-3 million families of indigenous peoples live in or around the forests and many of the 220 million inhabitants of the country depend directly or indirectly on forests for their livelihood, the government's approach has been to consider forests as "empty" land. Logging and plantation companies are responsible for the high deforestation rates (1 million hectares a year according to the World Bank, but 2.4 million according to Indonesian NGOs). The depredatory activities of such companies are a token that Indonesia's economic "miracle" has been driven by ruthless exploitation of natural resources and by the use of cheap labour.

In the last 20 years logging and associated industrial plantations -for pulp, plywood and palm oil- have been increasing in Sumatra, Kalimantan, Sulawesi, Moluccas and West Papua. The whole of the timber, pulp and oil palm industry has been closely tied to the political situation. Former President Suharto, his family and the

military have controlled the economy and benefitted from it.

According to the Industrial Plantation Scheme (HTI) companies are supposed to establish plantations in degraded forest areas. But what really happens is that once they get the concession they clear forests, extract the valuable timber, set fire to the rest and then plant introduced species, as acacia, eucalyptus and pines. The government itself has recently accused several logging-plantation companies for the destructive fires that affected the country's forests this year. The present crisis in South Asia has diminished the international demand for Indonesian timber, plywood, pulp and minerals. But in the long run, the economic crisis can mean that more people are going to be pushed into becoming spontaneous migrants, relocate in other islands and possibly establish tree plantations to supplement their incomes.

During the 1990's there has been a boom in the creation of oil palm plantations as Indonesia plans to replace Malaysia as the first South East Asia's producer in the XXI century. Private palm oil plantations are dominated by big conglomerates. The economic crisis is pushing smallholder transmigrants to establish oil palm plantations hoping to receive the benefits of the so called Nucleus Estate Smallholder or PIR-trans System.

The case of Indonesia shows clearly that the much publicized myth that plantations help to alleviate pressures on native forests and consequently helping to preserve them is totally false. On the contrary, they are a major factor for their destruction. Forests are actually being cut and set on fire to make way for pulpwood and oil palm

plantations. From an environmental point of view, the increasing substitution of forests by plantations means a loss of biodiversity, in this case coupled by the atmospheric pollution produced by the heavy smoke arising from forest fires. Socially, plantations are having the effect of destroying indigenous and forest-dependent peoples' livelihoods, by usurping their land and undermining their means of living derived from their biodiverse forests. For many other Indonesian people, forests have always been a valuable survival resource in times of crisis. In the current situation, where many people are suffering from a crisis they are not responsible for, much of the original forests have been depleted, many of them to make way for monoculture plantations, which provide practically nothing in terms of useful products for survival.

The changes that occurred in May 1998 -which led to Suharto's resignation- could mean the beginning of a reform period. Indigenous peoples and local communities openly oppose plantations. A recently formed alliance of NGOs is calling to stop any new plantations and to carry out a review of the social and environmental impacts of the existing ones and of the concessions already granted. However, the problem of industrial plantations is part of the wider issue of land reform, that can possibly be discussed in the near future, and therefore it is expected that plantations will be analysed under such wider approach.

The struggle against Indorayon in Indonesia

On July 20 over 1,000 security forces arrived to break through a blockade set up by villagers and students at Indorayon's paper and rayon pulp factory (PT IIU) in Porsea, near Lake Toba in North Sumatra. Demonstrations have hampered production since mid-June. Hundreds of local people supported by university students and members of environmental groups had blocked roads leading to PT IIU's mill, forcing the factory to stop production since its supplies of timber and fuel have been cut off.

After the violent confrontation at least 13 local people are reported seriously injured and some are missing.

That of Indorayon is a long history of actions undertaken by local people and environmental groups in defence of the environment. It became a landmark case after the environmental NGO WALHI brought a court case against the company and the government which sanctioned its construction in 1989 for the high pollution it was provoking. Powerful interest soon moved in, but the villagers continued their struggle against the company. Some 300,000 people are thought to have been affected by the mill and the plantations that feed it. By 1997 the company had established approximately 41,000 hectares of eucalyptus and acacia plantations . The Finnish company Jaakko Poyry was responsible for the feasibility study for the PT IIU plant and acted as consultant for the feeder plantations.

Last February people from four villages affected by pollution caused by the plant formed a campaign group against PT IIU with others from the island of Samosir in Lake Toba. This is one of the areas where forests are being

felled, since natural wood is the second supply of raw material for the pulp plant. The company has cleared 150,000 hectares of rainforest. The group, called KAPAL, refused to be placated by company officials or intimidated by local officials and issued an ultimatum to PT IJU on Environment Day (June 5th) to stop logging on Samosir.

Huge popular demonstrations took place in June in front of the Governor of North Sumatra. The Environment Minister himself, Panangian Siregar added to the debate by stating that the Indorayon plant should be closed due to public complaints over many years, which surprised the Indonesian public opinion. Nevertheless the plant did not close. Indorayon's response was limited only to temporarily suspending logging on Samosir island. In view of the company's unwillingness to respond to local communities' grievances regarding its operations, people reacted blocking the street in Porsea and preventing supplies of raw materials from reaching the Indorayon factory.

Resisting local communities are facing harsh problems in relation to this issue. There is some tension between local activists and larger city-based NGOs. While local people feel having suffered all the costs, without enjoying any of the benefits in terms of employment and development the company promised that the factory would bring, city-based NGOs consider closure of the mill is an unrealistic demand and that the community would gain more from campaigns to make the company take responsibility for its negative impacts. A second point is that the strategy PT IJU has adopted since 1996 to neutralize opposition is to set up new community organisations through which to

channel contributions and organise social events instead of recognising traditional community leaders.

Source: Based on an extended version of an article in the Down to Earth newsletter No. 38 (now at the printers).

Sawit Watch: an Indonesian network against oil palm plantations

Oil palm (know as "Sawit" in Indonesia) is an increasing problem for people and the environment in that country. In May this year, the Minister of Forestry and Plantation Estates stated that the government had allocated 30 million hectares of forest for oil palm plantations. Indonesia has already 3.2 million hectares of oil palm plantations, mainly located in Sumatra (1 million ha). Every year 330,000 hectares of forest is targeted for conversion into new plantations and 650 investors --75% of which foreign companies-- are applying for converting forest into oil palm plantation.

The negative impacts of oil palm plantations

Oil palm plantations have resulted in numerous negative impacts on the environment, on indigenous peoples, on people's livelihoods, on the national economy, and have resulted in the concentration of land in the hands of few companies.

Negative impacts on the environment are a consequence of this being a large-scale industrial monocrop which therefore reduces biodiversity. At the same time, it implies high levels of agrochemical inputs --fertilizers and

insecticides-- that have polluted many rivers, and have directly and indirectly caused deforestation and forest fires.

Much of the land allocated to oil palm plantations are not even technically appropriate for such crop. According to a study carried out in 1998 by JICA (Japan International Cooperation Agency) and BAPENAS (National Development Planning Board), only 15% of the 3.2 million hectares of land earmarked for that purpose by the provincial government of West Kalimantan are suitable for planting oil palm. But, even within this 15%, the environmental impacts will be enormous: land erosion of 57-1,500 ton/year, loss of soil nutrients of 386,000 ton/year, pollution caused by 145,000 liters/year of insecticides and 5,900 ton/year of other chemical substances.

Plantation projects ignore the existence of indigenous peoples and expropriate their lands. For example, in West Kalimantan oil palm plantations are developed in the productive gardens of Dayak people, which include rubber trees, fruit trees, etc. The government of Indonesia has encouraged companies to cut down hundreds of thousands of trees in Dayaks' gardens and to replace them with oil palm. As a result, local peoples' economy, based on local resources is destroyed.

If millions of hectares of lands are converted to oil palm plantation, the regional and peoples' economy will be very dependent on a single commodity that is subject to international price fluctuations. On the other hand peoples' economy, that is based on non -timber forest products such

as honey, medicinal plants, fruit, etc., is destroyed by the expropriating process.

The Central Bureau of Statistics (1996) has noted that 457 large oil palm companies control already more than 3.2 million hectares of land. In the future, 650 new companies will control 30 million hectares more. This means that there is and will be high concentration of land holdings. Experience shows that when indigenous and local peoples' lands are expropriated for this purpose, many more people become landless and are thus pushed into a massive poverty process.

- The creation of "Sawit Watch"

Many Indonesian NGOs are very concerned about this trend and have conducted activities during the last six years to empower indigenous and local peoples to fight for their rights in their respective regions. Given the need to work and develop plans together for strengthening all efforts at the local, national and international levels, some Indonesian NGOs initiated on July 25, 1998 Sawit Watch and since then more NGOs joined the initiative.

The Sawit Watch has three main goals: 1). To support local and indigenous peoples' struggle against large-scale oil palm plantation companies; 2) To campaign against the IMF/World Bank's Sectoral Adjustment Loan for liberalizing oil palm plantation; 3) To raise public awareness at the local, national and international levels on the social and environmental impacts of oil palm plantations.

For achieving those goals, Sawit Watch will carry out activities such as:

1. Support local and indigenous peoples' struggle against large scale oil palm plantation companies: Land expropriation and environmental destruction caused by oil palm plantation are major problems to local and indigenous peoples. Advocacy and empowerment activities are carried out to support them to reclaim their expropriated land. More than 10,000 people regained last month control over about 10,000 hectares of land in North Sumatra that had been given to military and bureaucrats. Reclaiming activities by indigenous and local peoples in Sumatra, Kalimantan, Sulawesi and Java over large-scale plantations and forest concessions range from taking to court land right cases to the direct occupation of lands. Sawit Watch's support consists of providing legal advice, putting political pressure on provincial governments and the military, and litigation at court. Compensation for environmental destruction is also being demanded from the companies.

People are poor and don't have funds to cultivate their land after reclaiming and therefore fund-raising activities are also carried out to support, for instance, the purchase of seeds. People are encouraged to cultivate alternative crops, so in the future they are not dependent on one crop (oil palm), to develop mixed crops and to increase biodiversity. People-based management of the forest that was once destroyed by large-scale oil palm plantations, could therefore be developed again.

2. Campaign against IMF/World Bank's Sectoral Adjustment Loan for liberalizing oil palm plantation.

The Indonesian government stopped new foreign investment in oil palm plantation in early 1997, because 1.5 million hectares of land had already been allocated for oil palm plantation to Malaysian and other foreign investors. The IMF/World Bank's 50 point programme package for Indonesia to counter the economic crisis included liberalization of oil palm plantation. This means that Indonesia will have to re-open for new foreign investment in the oil palm sector. The IMF/World Bank's crisis program for Indonesia comprises lending of US\$ 4.5 billion, divided into US\$ 2 billion for fast disbursing support and US\$ 2.5 billion for regular investment lending support, among which an Agricultural Sectoral Adjustment Loan of US \$ 400,000 that will be disbursed in November 1998. It is important to note that this programme for liberalizing oil palm plantation is not based on any social or environmental studies carried out by the World Bank.

This loan therefore increases new investments in the oil palm sector, ignoring the social and environmental problems that people will have to face. To campaign against it will therefore be an important part of Sawit Watch activities to stop new investment in oil palm plantation.

3. Raise public awareness at the local, national and international levels on the social and environmental impacts of oil palm plantations by implementing activities such as:

- Policy study on oil palm plantation in Indonesia. The aim of the policy study is to draw a picture of the whole

"sawit" complex for monitoring, campaigning and advocacy purposes, and also to predict its trends in the future. The policy study includes a number of aspects such as the ecology (analysis of biodiversity loss, soil erosion, pollution, etc.); social and economic aspects (analysis of impacts of oil palm plantation to the social and economic condition of people at the local, regional and national levels); legal and policy aspects (analysis of regulations on oil palm plantations, trend of policy adopted by government in relation with the intervention of institutions such as the IMF/World Bank and other multilateral banks); political aspect (analysis of main actors --e.g. government and private sector, multilateral banks-- and respective interests); supply-demand analysis in relation with consumer patterns and foreign trade.

- Compiling investigated data/facts from local level. Many NGOs have conducted investigations in oil palm plantation areas that affected indigenous and local peoples' life. For the purpose of raising public awareness, all data and facts will be compiled as evidence of the negative impacts of oil palm plantation, in different formats such as slide packages (in Indonesian and English) and video films.

- Providing data and facts (newsletters, fact sheets, slides, video films and online information in Indonesian and English) on social, economic and environmental impacts of oil palm plantations.

- September 24 is Agrarian Day in Indonesia. On September 24, 1998 rallies in all regions in Indonesia will be organized simultaneously by members and supporters of Sawit Watch, together with indigenous and local people

affected by oil palm plantations. This will be part of the activities to put political pressure on the provincial and national governments.

- A national seminar on oil palm plantation will be held in October 1998, with presentations of the policy study, the compiled investigated data/facts from local and regional levels, testimonies of indigenous and local people. A press conference will be also held during the seminar. The seminar will not only be aimed at raising people's awareness on the impacts of oil palm plantations, but also at putting pressure on the IMF/World Bank, which will disburse the agricultural sector adjustment loan in November 1998, as well as on the Indonesian government for stopping new investments in this sector.

To date, the following organizations are participating in Sawit Watch:

Bentayan, Palu, Central Sulawesi; Bioforum, Bogor; Community Based Forest Management (East Kalimantan), Samarinda; Community Based Forest Management (West Kalimantan), Pontianak; Consortium for Supporting Community Based Forest Management (KPSHK), Bogor; ELSAM, Jakarta; Institute for Dayakology Research and Development (IDRD), Pontianak-West Kalimantan; International NGO Forum on Indonesian Development (INFID), Jakarta; Lembaga Alam Tropika Indonesia, (LATIN) Bogor; Lembaga Bela Banua Talino (LBBT), Pontianak-West Kalimantan; LRA, Padang-West Sumatra; Plasma, Samarinda-East Kalimantan; RMI-Institute for Forest and Environment, Bogor; WALHI Aceh, Aceh; WALHI, Jakarta; Warung Informasi (WARSI), Jambi; WATALA, Lampung; Yayasan Alam

Hijau Indonesia (YAHl), Bogor; Yayasan Evergreen Indonesia, Palu-Central Sulawesi; Yayasan Lingkungan Hidup Irian Jaya (YALI), Jayapura-Irian Jaya; Yayasan Padi Indonesia, Samarinda-East Kalimantan; Yayasan Telapak Indonesia, Bogor

Source: Titi Soentoro, Coordination Office of Sawit Watch.

Email: euron@indo.net.id

Conflict over oil palm plantations

Since the Indonesian government wants this country to become the first world exporter of oil palm --overcoming Malaysia-- this industry is currently undergoing a boom. To face the negative effects that oil palm plantations are producing at the local level on the environment and on peasants and their livelihoods, last July a group of Indonesian NGOs created Sawit Watch. Several actions have since then been carried out.

Oil palm plantation companies PT Batanghari Sawit Sejahtera (BSS) and PT Dasa Anugerah Sejati (DAS) expropriated lands of people in Tanjung Katung and Lubuk Bernai villages in Jambi province, in Sumatra. Local people are now demanding that the Ministry withdraw the license given to those companies. M. Haris Yatim, one of the villagers, said that PT DAS expropriated lands of the people with help from the military and local government officials, by intimidating villagers. Protesters also met the Agrarian Minister and Head of the National Board for Lands. At the meeting the Minister offered them to work as contract farmers of the estate owned by PT.

DAS. Taking into account that this scheme --aimed at cash crops, including oil palm-- has resulted in the deprivation of small farmers of control over their land and production factors, they rejected this offer and reaffirmed their demand of getting back their lands. The Minister then promised them to send a fact-finding team.

After waiting for a whole week, and in the absence of an effective response, people from eight villages went to the House of Representatives of Jambi Province. Once again they received promises that a team would be sent to the conflict area as soon as possible.

At the same time, local villagers have been trying to negotiate directly with PT DAS. Both parties agreed to go to court to settle the dispute. The company however --with assistance from the police-- started to intimidate the farmers who had taken the case to court. During these intimidatory actions some of them were even arrested under the false accusation of stealing rubber in plantation areas of PT DAS.

Several demonstrations have been programmed by Sawit Watch for September all over the country, from Jakharta to Bali, to protest against the expansion of oil palm plantations.

Source: Sawit Watch: Campaign Against Big Scale Oil Palm Plantations in Indonesia, September 1998.

APRIL the troublemaker

Finnish and Indonesian NGOs have repeatedly denounced that UPM-Kymmene's partner -the Singapore-based APRIL (Asia Pacific Resources International Holdings Ltd.)- is violating human rights and causing severe environmental problems in Indonesia. The company has converted rainforests to exotic monoculture plantations, to feed their pulp mills and NGOs demand that the project is abandoned.

Four representatives of the human rights group of the Finnish Parliament recently visited APRIL's pulp mill in Riau Province to check the situation in situ. Even if all of the parliamentarians were at the same place, not all of them were able to see the same things . . . While the representatives of the Greens and the left wing parties concluded that the logging of thick rainforest looked ruthless, the deputy of the Conservatives considered that population pressure is the cause for forest destruction and that acacia plantations in Indonesia are similar to Finnish fields in their homogeneity.

UPM-Kymmene stated that the methods used by APRIL are the best option for supplying the mill. UPM also reminded that last Spring APRIL committed itself to a wide environmental programme.

APRIL is still in financial trouble and hasn't been able to find finance for the second paper machine in Riau. Before that machine is ready, its full alliance with UPM will not take place. Even if Finnish export credit has in some way already granted some US\$500 million loan for APRIL, the

loan has not been awarded yet, probably due to conditions in Indonesian markets.

The above is not the only conflict created by APRIL in Indonesia. The holding owns 61.3% of the shares of Inti Indorayon Utama, a pulp mill in North Sumatra Province. Indorayon produces up to 240,000 tons of pulp and 60,000 tons of viscose fiber for the production of paper and rayon by APRIL. The company was hurt by the 1997 economic crisis and decided to close down the mill, which would mean the loss of their jobs for about 7,000 workers, who thereby oppose the closure. At the same time, villagers of Porsea demand that the factory remains closed, since the company's activities had been causing acid rain, damaging water supplies and fisheries, and plundering natural forests. Residents of Porsea continue to live under military intimidation. Environmental groups and university student organizations support this struggle and state that the eucalyptus trees in Indorayon's reforestation programme are draining water reserves. On the opposite side, APRIL's shareholders in New York have recently addressed president Habibie warning about the "negative effects" of the closure on the confidence of foreign investors in Indonesia. The conflict has even resulted in direct confrontations between workers and villagers. On November 22nd, villagers burned logging trunks and workers' accommodations in Porsea.

The case of APRIL can be considered an example of how workers and villagers are held hostage by a situation created by the economic interest of investors and central government decisions. Given that neither local people nor the environment were taken into account when the mill and the plantations were set up in the area, this has

resulted in environmental degradation and social conflict, where workers trying to protect their jobs confront villagers trying to protect their livelihoods. Comfortably seated in Jakarta or New York, APRIL's shareholders use the dire needs of the workers to serve their purposes.

Sources: Otto Miettinen, Friends of the Earth/Finland, Forest Group, 8/11/98 (based on Minna Asikainen, "MPs disagree about environmental impacts of April. Finnish MPs visited mill of UPM's partner", Helsingin Sanomat, 5/11/98); Tom Bannikoff, "A company copes in post-Suharto Indonesia", Asiaweek, 8/11/98, Liz Chidley, 23/11/98 (based on SiaR WEBSITE: <http://apchr.murdoch.edu.au/minihub/siarlist/maillist.html>)

Students break up meeting to promote transmigration and oil palm plantations in the Mentawai islands

For perhaps the first time since Indonesia's independence, the West Sumatran authorities called together 120 Mentawai people for negotiations with the local government in Padang. The representatives were community leaders, religious figures and village heads from the whole Mentawai island chain (off the West coast of Sumatra.)

The subject of the meeting was how to bring 10,800 transmigrant families to the Mentawai islands for a commercial oil palm development (PIR-Trans) by PT Citra Mandiri Widya Nusa -owned by ex-Employment Minister Abdul Latif.

The thirty or so students from the Mentawais who attended managed however to break up the meeting. The students said that if their demands had not been met that day, the entire school and university student population of Padang would have come and forced the meeting to be dispersed. The chronology of the events was as follows:

On December 8th at around 10.30 am local time, some thirty demonstrators (Mentawai young people and students who jointly formed the Mentawai Reform Movement GERAM) held a protest outside the building in Padang which was the venue for a 'consultation meeting' organised by the provincial Transmigration & Forest Resettlement Department, local government officials and about 120 community representatives and village heads from all the Mentawai islands.

The meeting was opened at 8.30 am by head of the West Sumatra transmigration office, Dr. Ngumar Prayitno. Speakers on the platform were then to give the following presentations:

- The head of the West Sumatra Transmigration Department: "The Transmigration Programme in the Mentawai islands during the current Five Year Plan";
- The head of the West Sumatra Forestry & Agriculture Department: "Forestry Development in the Mentawai islands";
- Local (district) government official: "Development of the Mentawai islands in this Era of Reform";
- Yuhirman from SPKM (an NGO selected to speak for the Mentawai people by the provincial Transmigration Department head): "Integration and cultural assimilation";

- Suhaimi, an investor from PT Citra Mandiri Widya Nusa: "The development of oil palm plantations on the island of Siberut".

When it was the turn of the speaker from SPKM, the demonstrators shouted that he should step down and that the meeting should be closed. His speech and that of the company representative were drowned out by the microphones of the demonstrators outside, so the meeting was stopped temporarily.

The students then entered the building and spoke directly to the audience. They said that transmigration was not needed in the Mentawai islands. The many transmigration schemes which had been tried had created many problems and the condition of the surrounding communities was a cause of concern. The government used the Transmigration Programme as a Trojan horse, as means to exploit natural resources in the Mentawais, especially timber. Government officials, in this case from the Transmigration Department, were cooperating with logging concessionaires and timber companies to prepare sites and generating all kinds of problems in the process.

The GERAM demonstrators pointed out that it was clear that PT Citra Mandiri Widya Nusa had been invited to speak at this 'consultation meeting' because the oil palm plantation company was going to take on transmigrants in Siberut, even though the indigenous community had rejected these plans. The Minister of Forestry and Agriculture had already issued an official letter (No 850/Menhutbun -VI/1998) which recommended that the planned plantation was located elsewhere. The demonstrators threatened to continue their speeches and to

bring more protestors along unless the meeting was closed.

Some of the Mentawai representatives went outside to try to pacify the demonstrators and invited them to discuss matters with the government officials. The members of GERAM completely refused to enter the meeting room and said they would not stop their protest until the Transmigration Department came to talk with them outside and declared the 'consultation' officially closed. The rest of the Mentawai participants started to drift outside to the demonstrators. The government officials suggested the protestors joined the discussion inside, but they refused.

The protestors also demanded that the company representative spoke to them outside. When he did, the demonstrators bombarded him with questions and gave him a copy of the Minister's letter. In his response, Mr Suhaimi said he would convey their rejection of its plan to the head of the company. The demonstrators replied they didn't want to know about the head of the company.

The demonstrators then read a statement to the government officials who had come outside. The main points were that:

- The Mentawai islands should become an official district as soon as possible so they were no longer administered as part of the mainland;
- They refuse to be part of any Transmigration Programme schemes until the Mentawai islands were given district status;

- The Transmigration Department must immediately rectify the problems on existing transmigration sites in the Mentawai islands;
- The authorities should immediately withdraw all operating permits from PT Maharani Puri Citra Lestari, PT Citra Mandiri Widya Nusa and PT Sagu Siberut Perkasa, as these companies have caused conflict and damaged the cultural and natural environment of the island of Siberut.
- All the Mentawai village heads and community representatives should be careful not to be deceived or misled by the pretext of development for the Mentawais at the expense of the indigenous community.

The head of Transmigration for West Sumatra, Dr Ngumar Prayitno Winota said that he understood the demonstrators' position. Transmigration policy in the current era of reform had changed because the local community had input into every scheme. He declared the meeting officially closed and said that the presence of the company was outside his department's authority. The demonstrators accepted his statement and dispersed straight away.

The meeting was initially planned to take 2 days.

* Note

Government plans to open up the Mentawai islands for massive oil palm plantations using transmigrant labour have been around since the early 1990s. The most recent version was in late 1996, when the Governor of West Sumatra approved plans for a 70,000 hectare oil palm plantation in the buffer zone of Siberut National Park. Protests by Indonesian and international groups have

persuaded Ministers in Jakarta to block these developments so far. Now, as Indonesia struggles to solve its economic crisis by increasing exports, large-scale oil palm schemes are scheduled for many forest areas of the outer islands and the ban on the export of raw logs has been lifted.

Source: Translation by Liz Chidley (dtecampaign@gn.apc.org) from news received from Indonesia

Malaysia

Sarawak: violence against natives continues

Once again Sarawak natives have been victims of violent actions from the Police: on June 25, 42 Dayak-Ibans - among them 9 women- were arrested at Miri, for resisting the oil palm plantation that is to be implemented within their customary land area. Some of them were even brutally harassed and assaulted by the Police, which caused them physical damages. The Police found it difficult to find any legal reason to accuse them. However, brought to court, the Magistrate ordered them to sign a bond of peace for six months. The Ibans refused to do so, arguing that they were just defending their customary land. So on June 27 they were sent to prison. Their appeals for medical treatment -both under remand and in prison- have been ignored.

Responding to the urgent call for action of the Borneo Resources Institute, to denounce this new abuse against the Dayak-Ibans people, the International Secretariat of

the WRM sent faxes to the governments of Malaysia and Sarawak as well as to police and judicial authorities of the country, expressing our concern about these facts and claiming for justice to be done. What follows is the letter written from prison by the detainees:

30th June 1997

LETTER FROM MIRI CENTRAL PRISON AT
LAMBIR SARAWAK, MALAYSIA

To all our friends,

We are writing to all of you from inside the above prison to tell you of our suffering and how we had ended up here. On 24th June 1997 we met with Surveyors from the Sarawak land and Survey Department who came to survey our native Customary Land in Upper Teru River, Tinjar, Baram, Miri Division, Sarawak, Malaysia for an oil palm plantation company to implement an oil palm plantation scheme which was against our consent.

We told them to stop their survey work so they told us to wait for their boss to come the next day. At about 3.30 pm on 25th June 1997, it was not their boss who came but about not less than forty Para-Military Police or Police Field Force. As soon as they arrived they immediately proceeded to arrest us without telling us our crime. We refused to be arrested. But they resorted to assaulting and beating us by kicking, punching us and butting us with their M16 rifles. As a result many of us were bruised and suffered cuts and pains all over our body. They took us into their trucks and brought us down to Miri and locked us up in the cell at Miri Central Police Station.

On 26th June 1997, they produced us before the Miri magistrate Court and applied for us to be released on bond to keep the peace for six months with two sureties in the sum of RM3000.00. The Miri Magistrate, Monica Ayathi Litis then ordered us to execute the said bond despite of our protest as we were innocent and the Land belongs to us and also that we refused to accept the oil palm plantation on our said Land. And further, the Police admitted in their application that "it was difficult to charge us for any offence" (which clearly shows we are totally innocent). The Police accused us that we have criminally intimidated the Surveyors and are likely to do so if we are released hence the need to bind us to keep peace. But as the Police themselves had admitted, there is no evidence to charge us for any offence. And most pertinently, they did not even produce the alleged Police report supposedly lodged by the Surveyors against us or called the Surveyors to come to the Court to testify to confirm whether or not we had indeed criminally intimidated (and will do so after our release) the Surveyors. Therefore the Police application and complaint against us was baseless and the order made by the Magistrate was completely unjustified.

On the 27th June 1997 at about 4.00 pm, we were brought to prison here for detention which according to the Magistrate was because we failed to get sureties which is again not true. There are more than enough sureties for us. But that is not the point here. Our case is that it is simply wrong and most unfair for the Police to arrest, detain, assault us and then apply for the Order. And further, it is against all principle of justice for the Magistrate to make the said order against us. And most important of all, it is very undemocratic and an abuse of our most basic human

rights for the Sarawak government to systematically force, harass, intimidate, suppress and sabotage us to accept the oil palm plantation on our customary Land which is the only source of our livelihood.

Since our arrest and detention, some of us who are suffering from body pain that being beaten, kicked, punched and butting us with M16 rifles could not be able to have medical treatment as the Police purportedly denied their requests from obtaining medical/health treatment in the nearby hospital. Worse still, our young children who are breast-fed have been left alone in our longhouse in the interior of Baram, which is about one hundred miles from this prison. This is because our husbands are also here detained with us. We know siblings are crying for our breast milk, our mother care every day and night not knowing where their parents are or what is happening to us here. But to us, it is a very painful choice. Either we make some sacrifices by fighting to protect our land now or we just let the plantation company take it away from us which means we will have no more land to live on for the rest of our life and those of our generations to come. And therefore we now appeal to all of you to urgently protest and appeal to the Malaysian and Sarawak governments to leave our land alone and also not to simply and very cruelly arrest and detain us like this. We know our voice and protest alone will just be swept under the carpet by the Malaysian and Sarawak governments as has happened in the arrests and detentions of our other indigenous brothers and sisters in similar protests previously. This is the reason we make this urgent appeal to you.

We sincerely and earnestly hope you will respond to our appeal because if we lose our land that is the end for our

community as we have no where to go to live. We thank you for your support and we appreciate very much for any possible assistance or welfare-in-kind for our children and siblings while we are here in the prison.

Thank you.

Regards from the Prison,
Francis Anak Imban & 38 others

Good news from Sarawak

We informed about the imprisonment of 42 Dayak-Ibans at Miri for resisting the expansion of oil palm plantations in their customary lands and disseminated their letter from Lambir Miri Central Prison. We are now pleased to inform that all of them have been freed.

On July 7 a group consisting of 11 persons was bailed by their wives and relatives who were worried about their health. One of them -Mangagat Ak Bukong- was sent to hospital due to severe chest pains, while the others are seeking medical treatment as a consequence of the violence suffered in jail.

Additionally, on August 5 the Miri High Court revoked a lower court's decision that three Dayak Ibans had acted illegally by protesting an oil palm plantation being developed on their Native Customary Land. They are Longhouse Chief TR. Riggie Ak Beloluk, Gengga Ak Timbang and Ungkok Ak Atau, all of them from Rumah Riggie, Sungai Nat, Tinjar in Baram area in Miri Division.

The above three, together with six Ibans who had been arrested and detained on April 17 this year, were ordered

by the Miri Magistrate's Court to execute a six month "bond to keep the peace," before they would be released.

Three of the nine individuals chose to remain in prison for 18 days to protest the court's original decision. According to their statement at the time, "We do not agree with the Order because we never committed any criminal offense . . . the thing that is uppermost in our mind is the fact that by signing the bond to keep the peace as ordered, we are also accepting the Sarawak government and the oil palm plantation companies' baseless allegation that we do not have any right over our native customary land."

On August 6 the High Court granted an appeal filed by the Ibans immediately after their imprisonment and squashed an order made by the Magistrate's Court for them to execute a bond to keep the peace. The High Court considered that the 42 Ibans had not been accorded the statutory protection provided under the Criminal Procedure Code for a fair hearing. Therefore the order to keep peace was considered illegal.

This case can be considered an important victory for the Ibans of Riggie Longhouse and an important precedent for Dayak-Ibans communities throughout Sarawak, as the High Court's decision finally seems to consider their right to protest against the illegal entry of oil palm plantation companies into their customary lands.

Call for action on Sarawak

About 300 Iban of Rumah Bangsa longhouse, about 100 kilometres from the town of Miri, put up a blockade to

protect their Native Customary Land after two companies, Segarakam Sdn Bhd, and Prana Sdn Bhd. -which are contractors to Empresa (M) Sdn Bhd.- trespassed on and cleared their land, which resulted in extensive damages to their property.

Without notice or consultation with the Iban, the land and Survey Department -a Sarawak State government department- had issued a provisional lease to Empresa (M) Sdn Bhd, an oil palm plantation company.

Even if according to the law a survey must be done first over the leased area to determine whether other people have rights over the same area of land, the area covered by the lease includes the Native Customary Land of the Iban. However, the Iban first and only came to know of the issue when the machines of Segarakam Sdn Bhd and Prana Sdn Bhd trespassed and started clearing their customary land. Then the Iban lodged a police report at Beluru Police Station, in Bakong, Sarawak. They also addressed the Land and Survey Department and other government departments requesting that the lease be withdrawn or revoked or that a survey be done so that their land could be excluded from it. Their requests were completely ignored by the authorities.

Worried that the companies would continue to destroy more of their land and crops, the Iban reacted and put up a barricade, that was rapidly destroyed. Left with no other alternative, they were forced to detain three bulldozers belonging to the companies which they kept safely at their longhouse. The companies, instead of going to the court apparently went to the police and Police Field Force (PFF). On December 19, acting without any court order,

warrant or summons, the police and PFF took it upon themselves to retrieve the bulldozers from the Iban at their longhouse on behalf of the said companies.

On their arrival at the Iban longhouse they immediately proceeded to arrest and detain the Iban, that turned from victims into criminals. Naturally they refused to be arrested since they were just exercising their rights to private defense to prevent their properties from the offences committed by the companies on their customary land. The police and the PFF reacted violently: several of the Iban were beaten-up with batons, punched and kicked. Without any warning or warning shots, three of the Iban were shot, one in the head. He is now in the intensive care unit of the Miri General Hospital and in critical condition.

On December 21 the police surrounded the longhouse, and a helicopter is patrolling the area. The PFF from Sibul and other parts of the State have been called to the area. The area around the longhouse and the only road leading to the longhouse is heavily patrolled by police and people trying to get to the longhouse have been denied access. Eleven people of the longhouse have been menaced by the Baram district Chief of Police to be arrested and taken to Miri town. The people in the longhouse are scared of what is to follow.

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“A fortune for the people” of Sarawak?

The Malaysian Ministry of Economic Affairs has announced an increase in pulpwood plantations throughout Malaysia, Sarawak included. At present, an area of 10,000 hectares is occupied by tree plantations in Sarawak and it is increasing as in other regions of the country. While in the past most of the tree plantations were established by the State, at present private companies are becoming more and more involved. The role of the State is changing: Dr. Haji Abdul Taib Mahmud -Sarawak's Chief Minister- has recently announced that “a part” of the 64,000 km² forest reserve will be declassified and this land will be devoted to tree plantations. The intention of transforming Malaysia into one of the most important world producers of cellulose seems to be a relevant factor in this policy. Taib Mahmud announced this at the ceremony marking the start of construction of “Borneo Pulp and Paper Sdn. Bhd”, a new pulp mill, situated in Ulu Tatau, near Bintulu, that will cost US\$ 600 million. The project is a joint-venture between the Sarawak Timber Industry Development Corporation and the Asia Pulp & Paper Company Ltd. In this case it is the government itself who is going to establish 200,000 hectares of fast-growing species to supply the paper factory, that will start production in 1999, with an initial annual production of 750,000 tons of cellulose. According to the Chief Minister, “such projects could mean a fortune for the people who have lived in poverty for generations.”

Such statement is contradicted by reality. The development of large scale monocultures -both oil palm and industrial tree plantations- is together with logging, dam building and tourism resorts another activity that

severely threatens the customary land rights of the Dayak Iban. The Sarawak State Government plans to "develop" 1.5 million hectares of native customary land (NCL) as oil palm plantations. In implementing the land development programme, the government mainly grants provisional leases to the State statutory bodies/agencies or private companies for a period of 60-90 years. Once the land has been leased, the agencies or the private companies become the proprietors of the land. Without the knowledge or consent of the native communities, most of their NCL has been appropriated to companies which are either state owned or owned by the same people who were granted the logging licences or permits to develop these land areas into oil palm plantations. The native communities are opposing and resisting these activities.

The Government has also targetted one million hectares of land for industrial tree plantations. Some 10 timber companies have met with the Sarawak Timber Association and the Forest Department to carry out a scoping exercise to identify the concerns of potential investors in this venture.

In Tatau in Bintulu Division, the Borneo Pulp & Paper Sdn. Bhd. has been provided with 373,700 hectares of land for the planting of acacia, eucalyptus and other fast-growing tree species. The site for the pulp and paper mill is affecting 12 Iban longhouses in Upper Tatau. The Ibans are challenging the extinguishment of their NCR and also filed an arbitration in the High Court.

It is very clear that -unless stopped- there projects could certainly "mean a fortune" to a few powerful people, but

will result in poverty for the people who have lived in harmony with nature for generations.

Sources: Roger Graf, Bruno Manser Fonds Newsletter, January 1998; Forest Peoples Programme, January 1998.

Japanese "green" tours

A Japanese tree planting tour group called "Green Mission" is planning to visit Malaysia in March 1998. The tour is organized by Kumon-Child Institute and Forest Culture Association of Japan, and backed up by the Ministry of Education of Japan, the Environment Agency of Japan, the Forest Agency of Japan, and the tourism department of the Malaysian Government. There will be around 60 children and adults participating in the tour. They will stay in Kuala Lumpur on the 25th, and then travel to other regions of the country, where tree planting activities will take place. A visit to elementary schools and to the mangroves area is also planned.

It would be interesting to know the aims behind this unusual interest of Japanese governmental organizations to promote "green" activities, as well as their real nature. The Japanese cooperation agency JICA has been very active in promoting the large-scale fast-growing species plantation model in several countries of the Third World, as for example in Uruguay. At the same time, Japanese companies have been performing unsustainable logging activities worldwide.

Source: Kazuko Matsue, Forest Research Center Japan, e-mail:

mkazuko@sanmedia.or.jp

Oil palm plantations in Sarawak: promotion and resistance

Sarawak will open up some 50,000 hectares of land every year for the next few years to be developed into oil-palm plantations due to rising demand for edible oil. Business will be developed and managed jointly by state development agencies and publicly-listed companies that have the experience and expertise in plantations. According to the government, the state is prepared to invest heavily in the palm-oil sector because the products would remain attractive despite the economic downturn, as can be seen from the increasing demand for edible oil worldwide.

Local communities strongly resist the installation of oil palm plantations in their lands, since they mean the destruction of the forest and the loss of their livelihood. For example, on December 29th 1997, Iban Headman Banggau and two other chiefs, on behalf of themselves and all the members of their longhouses, filed a suit to stop the activities of the oil palm plantation companies, Empresa Sdn. Bhd, Prana Sdn. Bhd, and Segarakam Sdn Bhd within their native customary land.

Source: Stephen Then, The Star, December 1997; BRI, 23/1/1998.

Thailand

Two opposite approaches to forest conservation

What has been happening in Thailand during the past years has developed into a showroom of some of the best and worst practices as respects to forest conservation. Local people and their allies have been fighting -in many cases successfully- against powerful actors who are denying them their rights and destroying their means of subsistence. At the same time, they have been creating an alternative approach to forest conservation and use. What follows are some comments from a field trip which took place last November to the Northeastern provinces of Thailand, hosted by the Project for Ecological Recovery, a Thai NGO affiliated to the WRM. These comments are restricted to observations in the visited areas and do not pretend to give an overall view of the problem as a whole.

The logging ban and "reforestation"

After years of large scale logging, forest cover in Thailand declined from almost 60% to only 25%. Such extensive destruction derived in devastating floods, which in turn resulted in the loss of human lives and the destruction of villages and people's means of subsistence. In answer to public outcry, the Thai government approved in 1989 a logging ban which is still in force. At the same time, forestry academics came up with the idea that the country needed to increase its forest cover to 40% and began working in that direction. However, what they understand by forest cover is completely different to what most people understand as such. For these -and most- foresters, forest cover means simply to have a canopy of trees -any trees. So they chose one tree from Australia to increase Thailand's forest cover. The chosen tree was the fast-

growing species *Eucalyptus camaldulensis*, the activity carried out was called "reforestation" and the result was "planted forests".

At the beginning, villagers didn't have any opinion about this tree, so there was no opposition. In short time opposition began to grow due to different factors. In the first place, because eucalyptus started to be planted in the communities' lands, thus depriving them of a number of vital resources such as grass for grazing, food from wildlife and flora, medicines, fibres, fish, etc. Secondly, because plantations began to modify the environment in a way that resulted in impacts on their production, particularly due to a decrease in the availability of water for their crops and animals. It thus became very clear to villagers that "planted forests" were not forests, because these provide water and a number of other products and services which these plantations not only do not provide but on the contrary they deplete. Now only foresters believe -or try to- that they are "reforesting" the country.

The pulp and paper industry

Plantations are however not only being implemented with a stated environmental objective of increasing forest cover: there are other more concrete interests at stake. Northern forestry consultants (particularly the Finnish Jaakko Poyry) and "aid" agencies (for instance, Australian), as well as local and transnational actors working with and for the pulp and paper industry, as well as the pulp industry itself have played a major role in the expansion of this type of plantations. The main objective is to produce large amounts of cheap raw material to feed an export-driven pulp industry.

As elsewhere in the world, the Thai pulp industry is highly destructive, both in terms of pollution and in terms of the dramatic social and environmental changes it imposes on the surrounding area. The industry needs to feed its mills from nearby sources because the cost of transport is a limiting factor, so plantations are concentrated in the surrounding area. Pressure is put on the local people to either sell their land or plant it with eucalyptus or suffer the consequences. If people have no land titles, then they are simply dispossessed. It also applies the same policy of initiating its activities with no pollution control. Over the years, organized opposition forces the industry to implement some measures with the least costs possible and then tries to show them as an example of corporate responsibility over the environment. In the case of Phoenix Pulp and Paper in Khon Kaen, the latter is shown through something they euphemistically call "Project Green", where eucalyptus planted in small holdings are irrigated with effluents from the mill. While eucalyptus grow very fast, other existing trees and vegetation die and the polluted water contaminates the water table and reaches the surrounding paddy fields destroying the crops. Certainly not a very "green" attitude.

The unpopular national parks

The "increase forest cover" policy is complemented with national parks aimed at ensuring the preservation of forests. The approach is however that people are seen as outside dangerous actors, which need to be excluded. The boundaries are defined by the government, with no consultation with the people, who see that their lands are being encroached by government officials. But people

don't see forests in that way. They see forests as part of their means of subsistence and they don't view -as foresters do- forests as only composed by valuable wood. When I asked the people we met why forests were important to them, they seldom mentioned wood, except for firewood. Vegetables, mushrooms, ants, medicines, meat, fruit, water, were always mentioned before wood.

Absurd as it may seem, monocultures of eucalyptus and teak are also being planted inside the boundaries of the national parks. The intention is probably twofold: to increase "forest cover" and to plant what they consider to be "valuable" wood. Although perhaps the reason is even more simple: eucalyptus and teak are easy to grow and the technical package is well known by foresters, who know little about the majority of the numerous species which grow in Thailand's diverse forests.

The peoples' struggle

Local people have suffered and resisted imposed "solutions" such as exclusive national parks and eucalyptus plantations. The pattern has been similar in all areas. Firstly, the government tries to convince people that its projects are either not going to affect them negatively or that they will benefit from them. The second stage is when people begin to realize that they are being affected and try to do something about it. The third stage implies organization and capacity building (where NGOs have played a major role.) Finally, the affected communities get together and carry out a number of actions to defend their rights. These actions have ranged from dialogue to confrontation and from local to regional and national. Cutting, uprooting and setting eucalyptus plantations and

nurseries on fire have gone hand in hand with meetings, peaceful demonstrations and discussions with government officials. Numerous meetings have been held at village and regional level and huge demonstrations have been held for many days in front of the provincial government house. They have created a wide range of networks on different issues. They have travelled to the provincial capitals and to Bangkok to hold meetings with government officials and private enterprise managers. They joined their different struggles in the Assembly of the Poor, which organized a nationwide demonstration in Bangkok.

All this has meant that thousands of people have had to dedicate an enormous amount of their time and effort to defend their rights. They have had to travel long distances to make their voices heard by provincial and national government officials. Many have received life threats and some have been imprisoned. Among these, I would like to mention the following people from one of the villages we visited: Chom Sutponit, Som Jorjong, Visit Rotchanasom, Won Ponpruek, Bunnaaw Pairao, Noopha Mekdon and Sai Jaroen. Although none of them are currently in prison, they still face charges in relation to their anti-eucalyptus campaigning activities and could still face imprisonment. A different case is that of Kam Butsri from Buriram province, who has been in prison for over 3 years and could be kept in prison for 4 more years. His major "crime" was that of cutting down eucalyptus trees that were damaging his community's livelihood. Comparing the offense with the punishment, I tend to see him as a political prisoner, whose imprisonment is meant to serve as an example to bring fear to other possible opposers.

The people's struggle has been successful in many places. In one of them, the powerful Asia Tech company has agreed not only to stop planting eucalyptus, but also to cut them down. In another case, the government has agreed to pay for the removal of the stumps of the eucalyptus. Phoenix Pulp and Paper has had to pay damages to local villagers affected by its effluents. Shell company decided to withdraw from a large scale plantation project. All these are positive examples to show the power of apparently powerless villagers once they organize and fight for their rights.

The people's approach

Widespread deforestation has not only had negative impacts on the environment; more importantly, it has impacted on people's livelihoods. Many local communities are thus striving to bring their forests back, but with a totally different approach from that of mainstream professional foresters. Forest regeneration is not seen as increasing forest cover but as increasing the numerous products and services that forests provide. Forests and agriculture are not viewed as opposed: on the contrary, they constitute an interactive system. People need food and other products, and the forest not only provides many of them, but also supports crop production and cattle raising.

This approach -called community forest management- is completely different from most forest conservation policies and practices. Trees do not have an abstract environmental -and even less commercial- value: what is valuable is the forest as a whole, including water, grass for grazing, vegetables, fruit, etc., all linked to the satisfaction

of local human needs. Local people are the decision-makers over their forests and establish democratically agreed rules and regulations on forest use. Shared satisfaction of local needs and shared decision-making and monitoring ensures forest conservation. Such forest management compares favourably with the "biosphere reserve" approach. For example, one of the community forests we visited had a central strict conservation zone, surrounded by what experts would call a "buffer zone", which is in fact the forest production area, where grazing and gathering activities take place. The approach differs, however, in that biosphere reserve management is imposed on communities, while community forest management is decided by them. Such difference is essential, because the latter ensures peoples livelihoods as well as forest conservation, while the former only aims at controlling that local people don't destroy the forest.

The hated tree

As a forester, can you tell us how to kill eucalyptus trees? This question was posed to me by villagers in the province of Sakhon Nakhon. In another village, a man put very strongly forward the idea of a world-wide anti-eucalyptus day. An Australian colleague visiting the area with us felt very embarrassed by questions posed accusingly to him by villagers about this terrible tree from his country. Although a long time opposer of large scale eucalyptus plantations myself, I have never heard such a deeply rooted hatred towards a tree as I felt during my visit to the northeastern provinces of Thailand. Neither Australia nor its tree are of course guilty of the way in which the tree is being used. But given that eucalyptus are being planted in numerous countries in a way that dispossesses local people

of their basic resources and in a way that depletes those same resources, it has become a symbol of destructive forestry. People in Spain and Portugal are fighting against this tree in similar manners as in Thailand and India. Hawaiian people have recently succeeded in halting a eucalyptus development project. Organizations from Brazil, Chile, Uruguay, Colombia, Venezuela, South Africa, Malaysia, Indonesia, New Zealand, Spain and from many other countries are getting together to fight against the spread of this type of plantations. While all this is happening, the FAO, the World Bank, the "experts" and forestry officials continue promoting a forestry model based on this tree and trying to prove that people are wrong. What's happening is exactly the contrary: more and more local people are proving, not only that they are right but also that they have positive solutions to the local and global problem of deforestation.

The message from Thailand

The long and increasingly successful struggle of the Thai people is enlightening and needs to be shared with other people facing similar problems in other parts of the world. The main message is that success is possible. They have experienced failures, but learnt from them. People have learnt to organize themselves at the village, local, regional and national level and to build a shared leadership. They have put an emphasis on capacity building in order to acquire the necessary skills for effective action. They have used different tactics at different stages of the struggle. But furthermore, they have been convinced, not only that they were right, but that they could succeed. And that's just what they are now doing.

For more information on the plantations' issue in Thailand, you can consult Larry Lohmann's chapter 12 (From "reforestation" to contract farming) in "Pulping the South: Industrial Tree Plantations and the Global Paper Economy", Carrere, R. and Lohmann, L., Zed Books, 1996

The strong muscle of the pulp industry

Phoenix Pulp and Paper Company in Khon Kaen province in northeastern Thailand is the recipient of a large credit extended by the Finnish DIDC (Department of International Development Cooperation of the Ministry for Foreign Affairs), former FINNIDA. Between 1990 and 1994 Scandinavian companies including Ahlstrom, Sunds Defibrator, Valmet and Jaakko Poyry delivered most of the machinery, equipment and services for the Phoenix P&P's second pulp line and waste water treatment plant. The second pulp line increased the mill's production capacity to some 200,000 tonnes per year, using kenaf (sister plant to jute), bamboo and eucalyptus as raw materials. This second pulp line is the first mill in South East Asia producing Elemental Chlorine Free pulp. One of the main arguments for Finnida's concessional credit was that by supporting the construction of the waste water treatment plant, the effluents of the pulp mills discharged into the Phong river would be reduced despite the increase in production. As part of the solution, Phoenix P&P Co decided to establish a scheme where the treated effluents would be discharged as irrigation water to the nearby eucalyptus plantations. This scheme, begun in 1995, received the name of "Project Green".

Although Phoenix Pulp and Paper Co argues that the effluent-treatment plant was built to world-class standards and that the effluent quality even exceeds many Western countries' standards, serious problems have been reported since Project Green was launched. The waste water discharged to the eucalyptus fields spreads to the adjoining rice fields, wetlands and groundwater, harming the agriculture and causing health hazards to the people. The company has also regularly been accused by local villagers of the death of a large number of fish in the Phong River.

The Industry Ministry of Thailand on July 20 ordered Phoenix Pulp and Paper Co to close the first pulp line of the plant for 180 days. "The closure will last until the company fixes the treatment facility and prevents untreated water discharged into the plantations from spilling into Huay Chote, a tributary of Nam (River) Phong", said the decree. Earlier in July, thousands of fish raised by riverside villagers were found dead after heavy rain flushed the waste from the ponds and Project Green areas into the river. The order was based on the company's poor performance in handling its waste, since the quality of treated water was below standard.

Phoenix executives rejected the decision and argued that the closure was politically motivated and would mean the ruin of the company and that of 60,000 farmers who supply it with raw material. The company also considers this will lead to a total closure of the company, affecting exports and disrupting the lives of about 4,000 workers and farmers. Surprising as it may seem, even the Science Minister Yingpan Manasikarn warned that the closure would cause serious economic damage to the country and

thousands of workers would lose their jobs. He said verification of the cause of pollution was needed before such drastic action was taken against the company.

Local environmental activists have a different view. They say that the closure order was a temporary measure when what was needed was a long-term solution to a problem that has persisted for more than a decade. Saneh Wichaiwong, manager of Ecological and Development Project of Watershed Phong River, said the problem would persist without a total overhaul of the plant and the introduction of environmentally-sound technology. Activists consider that since a large number of villagers depend on the plant, the government should come up with long-term solutions and the company should compensate villagers who lost their fish.

The decision was implemented on July 29. Two days later the company, giving no reasons, informed that the second pulp line would also be shut down. Later the same day, Industry Minister Somsak Thepsuthin visited the firm to check the situation, and later declared the water in the Phong River was clean and that it wasn't Phoenix that was creating its pollution. Such "environmental assessment" was carried out --according to George Davidson, the chairman of the company-- in the following manner: "The minister took a glass of water from the canal and said that it was very clean and good quality water." Local sources said the closure of the firm's second pulp line was a pressure tactic to force the ministry to allow the company to open its first line, considering that the new closure would mean the loss of a source of income for more than 1,200 employees and some 60,000 northeastern farmers.

At last the company's pressure on the government had the desired effect and the plant was reopened on August 11, with the main problem still remaining unsolved.

Source: Based on a summary of press articles performed by PER (Project for Ecological Recovery), August 1998.

The pulp industry tries to strike back

The pulp and paper industry, which lost a number of battles to peasants opposing both plantations and pulp mills in Thailand, is now putting pressure on the government for the approval of an expansion of eucalyptus plantations. The Thai Pulp Industry Association is suggesting the Agriculture Ministry amend the existing forestry law which curbs the planting of eucalyptus. The reasoning is simple: that "the law should acknowledge that eucalyptus is an economic plant." The already well-known social and environmental impacts don't seem to be a major source of concern for the industry.

The Association is saying that the existing two million "rai" of eucalyptus plantations (some 320,000 hectares) are insufficient to supply the industry with raw material and that some 160,000 additional hectares of plantations would need to be planted within the next 10 years.

It is not known whether the recent purchase of shares of Advance Agro (a major local pulp and paper manufacturer) by the ENSO Group from Finland and a preliminary agreement to buy shares by Oji Paper from Japan, have something to do with the mounting pressures to develop eucalyptus plantations.

Sources: 'Producers want more eucalyptus plantations', Bangkok Post, 10/11/98; 'Finns pay for shares in Advance Agro', Bangkok Post, 12/11/98

Vietnam

A “paper tiger” in South East Asia?

Between 1974 and 1990 the Swedish International Development Agency (SIDA) invested over US\$ 1 billion in a project for a pulp and paper mill in Vietnam, as a way of showing the opposition of former Prime Minister Olof Palme and his government to the United States policies towards that nation. After a feasibility study performed by the Finnish forestry consultant group Jaakko Poyry in 1974, SIDA hired the Swedish company WB Systems AB to build Bai Bang pulp and paper mill in Vinh Phu province, northern Vietnam. Five years later, due to increasing problems in the process of construction, a consortium of Scandinavian companies - Scanmanagement, 60% owned by Jaakko Poyry- took over the task. The first stage was completed in late 1980 and in 1982 the second phase started. Several problems emerged in the first five years after completion, since post-war Vietnam lacked the necessary technical capability to maintain and run such a huge mill, as well as enough foreign currency to import the spare-parts and chemicals needed for pulp and paper production. SIDA provided technical staff and supported Vietnamese exports of paper to Korea, Taiwan and Japan.

Since Bai Bang began to operate, it has had problems in finding enough raw material to meet its design capacity. A concession of 200,000 hectares of forest land granted in 1982, was expanded to 1,200,000 hectares in 1983 and to 4 million hectares in the late 1980s, affecting natural forests situated in the provinces of Ha Tuyen, Hoang Lien Son and Vinh Phu. An investigation of the socioeconomic conditions in 1985 concluded that conditions for the forestry workers of the project were poor, with low pay and forced labour. To face the problem of wood shortage, SIDA established 6,500 hectares per year of *Eucalyptus camaldulensis*, *Pinus caribaea* and *Styrax tonkinensis* plantations. But these plantations were often not successful, since in many cases village people resisted the competition for land use that plantations meant for their cattle breeding and agriculture.

Environmental impact of the mill on local communities of the surrounding villages of Phuloc, Phulo and Phunham was also severe: effluents from the Bai Bang mill have been poisoning for years agricultural rice land and rivers. A total of over 50,000 m³/day of waste water -containing 3 to 6 times as much untreated pollutants as in Scandinavia- is discharged into the Lo and Red Rivers. In 1993 the Bai Bang paper company had to pay US\$ 1800 to the people of Phunham as a compensation for its polluting activities.

Even if SIDA cancelled further contributions to the mill in 1990, problems have not disappeared, since Vietnamese Ministry of Light Industry -now in charge of the mill- kept on importing pulpwood from Thailand and Indonesia to keep the industry in operation, while pollution is not being controlled. The Ministry is also looking for foreign funds

to expand the mill but until now no donors have been found.

In the meantime, the pulp and paper industry in Vietnam continues to expand: Oji Paper (Japan's second largest paper manufacturer), Central Trading and Development (Taiwanese consortium) and Itochu Corporation (one of Japan's largest trading companies) are involved in fast-growing species' plantations. Vietnam already has over 245,000 hectares of eucalyptus plantations.

Source: Chris Lang. Bai Bang Pulp and Paper Mill: Paper Tiger? Watershed. People's Forum on Ecology. vol. 2 Nr. 3. March-June 1997.

Good old incentives for plantations

It seems amazing that tree plantations can be promoted all over the world as a profitable activity, while at the same time they need to receive a number of incentives to make it really profitable.

Recent reports from Vietnam shows that this country is following the lead from what other countries have either done in the past (e.g. Brazil) or are doing at present (e.g. Chile, Mexico, Uruguay): to promote via subsidies an activity which in this way will indeed become very profitable ... for the powerful pulp and paper industry and other connected and equally powerful corporations. The subsidies will be paid by the people and so will the impacts of the plantations and the attached future pulp mills.

As usual in these cases, the Food and Agriculture Organization (FAO) appears in the forefront, with its representative Christy Lawrence declaring that "the state must construct a sound legal basis in order to guarantee the legitimate interests of forestry investors." And what about --might we ask-- the "legitimate interests" of the peoples whose land will be taken over and whose environment will receive the impacts?

For the government's plan to establish five million hectares of new plantations by the year 2010 to be successful, a number of incentives are being offered to the plantations industry:

- land leases for longer periods than for other activities
- exemptions from land rent for the first five years
- a 50% reduction of land rent for the following five years.

However, these incentives seem to be yet insufficient for plantation and industrial companies, who are putting pressure on the government to obtain further subsidies such as:

- revenue tax breaks of at least 50% during the first five years
- exemptions from import taxes on equipment, machinery and vehicles for plantation and processing activities
- low interest rate loans
- long term loans

Neither the government nor the industry are inventing anything. The same pattern repeats itself all over the South and the real reason is not to help "development" of

"developing" countries but to serve --as usual-- the interests of the powerful to make them yet more powerful.

Source: WRM analysis based on information from Minh Anh's article "Incentives sow seeds for forestry investment boom", Vietnam Investment Review, 22-28 June 1998.

Forestry model in crisis

Vietnam is currently involved in a large scale "reforestation" programme. According to official sources 850,000 hectares of trees were planted nationwide between 1993 and 1995. Large areas of the country have been covered with monoculture plantations, often for export as wood chips to Taiwan and Japan. This scheme is not aimed at attending the needs of farmers, villagers, or even the Vietnamese economy in the long run. The Vietnamese paper business is currently suffering a severe crisis, since more wood is being produced than the country's pulp processors can handle.

So far 364,000 hectares of land in the north of the country has already been turned over to forestry by government-sponsored agencies with the help of foreign consultants and "aid" agencies. NGOs have facilitated the implementation of a further 327,426 hectares. The aim of the Ministry of Agriculture and Rural Development is to have a total of 1.3 million hectares of plantations producing wood, to output 450,000 tonnes of pulp a year by 2010.

However, that development is not being matched by an increase in pulp processing capacity and now wood is

being stockpiled by suppliers with no apparent possibility of anyone buying it. This leaves the industry in the absurd situation of having to import pulp for paper manufacturers, while hundreds of cubic metres of wood are being stacked up for the day when pulp producers are able to process them.

Despite the declarations of the paper industry, little efforts have been made to increase manufacturing capacity. Observers say that the authorities have not coordinated the effort to solve the problem. Bai Bang Paper Company, for example, recently increased its production rate from 48,000 to 55,000 tonnes of finished paper per year. But the plan makers have neglected to stimulate the production of pulp, without which the paper cannot be produced. This means that wood producers cannot sell their crop. The biggest losers, as usual, are the farmers, that were seduced by the promise of rapid benefits emerging from their plantation plots. To date they are either stockpiling or selling their wood at rock-bottom prices. They are even scared they could lose their livelihood and that is dissuading them from planting the trees the government wants grown.

For detailed information on plantations and the pulp and paper industry in Vietnam, please see "Reforestation in Vietnam in the context of the globalization of the paper and pulp industry" by Chris Lang, Oxford University, 1996 (complete text in our web page under Plantations Campaign/Campaign Material/By Country/Vietnam)

Source: "Touch Wood: Vietnam can't produce enough paper pulp", Vietnam Economic Times, September 1998

Oceania

Australia

Eucalyptus natural forests under threat

The federal government has handed over the regulation of forests to the state of Tasmania in the country's first state-wide Regional Forests Agreement (RFA). Export woodchip quotas have been abolished in a package giving an unprecedented legally binding guarantee against federal interference in a state's forests. North Limited, the biggest woodchip exporter has already announced plans to raise production from Tasmanian native forests, that currently reaches around 3.4 million tonnes annually.

In exchange, some 50,000 hectares (123,550 acres) of land will be added to National Parks, but it includes few "icon" areas sought by environmentalists to extend the Tasmanian Wilderness World Heritage Area. Officials defend this decision and stated that general criteria were met, for setting aside 15 per cent of each forest community, 60 per cent of old growth forests, and 90 per cent of wilderness. However, Tasmanian environmentalists say the reservations provided only small patches of additional reserved trees. The very tall eucalyptus forest of Beech Creek in the island's centre has got trees exceeding 80 metres in height, what makes them some of the world's tallest flowering plants. Beech Creek was assessed by scientist advisors to the RFA as possibly the best global expression of the species. Nevertheless, only one third of the proposed reservation was set aside.

A US\$95 million compensation package is to help the industry move out of some reserved forests to plantations and forest thinnings. Industry leaders consider that the agreement would lead to hundreds of new jobs. According to the Forest Industries Association of Tasmania, the RFA would give the industry 20 years of stability and resource security, and would mark the end of constant battles with "the Australian Heritage Commission and a host of other (federal) government points of interference."

The Wilderness Society instead states that the industry is being given money and unlimited woodchip and log exports. The new reserves mainly consist of areas already rejected by loggers.

Source: Andrew Darby, Forest deal sets new rules for Australia, Envirolinks, 21/11/97.

Growing concern over plantations in Australia

For many years the Australian environmental movement has chosen to "lay off" plantations as an issue, as it was seen that in the Australian context, they could be a useful alternative to native forest logging. This situation has now changed with the Tasmanian Greens, for instance, opposing the establishment of any further plantations.

This is as a result of the "Regional Forest Agreement" process, which seeks to remove the Federal Government from forestry conflicts with the states, by allowing for unlimited woodchip exports in exchange for a so-called "comprehensive, adequate and representative reserve system" (CAR reserve). Needless to say the RFAs signed

to date have produced inadequate and unscientific reserves, while chip exports are rising dramatically.

In Tasmania, massive native forest clearance and replacement by plantations is well underway, with state government targets of 10,000 hectares per annum. Australian mining giant NORTH Ltd has entered into a joint venture with Mitsubishi to alienate 23,000 hectares over a 10 year period. US giant Weyerhaeuser has just bought in to the state of Victoria's recently privatised plantation estate and is looking at investing in Tasmania.

On a government policy level, there is much to be concerned about. A number of schemes have been established to increase native forest clearance under the guise of plantation establishment, particularly the so-called "Plantations Vision 2020" program, which seeks to double plantations by 2020 --with significant Federal support.

The Federal government is now trying to use the Kyoto Protocol as another means of supporting the timber industry by encouraging "carbon sequestration" through plantation establishment. The federal environment minister Robert Hill has been very vague about ensuring that no plantations are established --and exchanged for credits-- at the expense of native forests.

Few people are aware that Australia has a voracious and destructive forest industry that has been granted open slather to export woodchips - currently about 7,000,000 tonnes annually to Japan (Mitsubishi, Daishowa, New Oji, etc.) --or about 40% of Japan's hardwood chip imports-- all from a continent which is only 5% forested. NORTH

Ltd is a very large player in the national industry and a large owner of plantation lands (about 150,000 hectares in Tasmania). It is logging oldgrowth forest for plantation substitution.

There is growing concern that the kind of references to "sustainable" native forest management and plantation establishment in the Intergovernmental Panel on Forests' documents will encourage countries like Australia to continue their current rate of clearance and substitution. "Native" trees could still mean that monocultures may proliferate, given that *Eucalyptus globulus* is "native" to Tasmania, though it has been genetically engineered and established beyond its original range.

Source: Tim Cadman, Native Forest Network, Australia

Hawaii

Eucalyptus plantations arriving

Amid strong local opposition, eucalyptus plantations are coming to Hawaii.

Following a move by Bishop Estate, a huge local landowner, to lease 6400 hectares of ex-sugar lands on the Big Island of Hawaii to a subsidiary of Prudential Insurance company for eucalyptus pulpwood plantations, the state and county of Hawaii are preparing to offer a rental agreement to Oji Paper/Marubeni on an additional 4150 hectares of public land.

Oji/Marubeni are also seeking private land leases on the Big Island and elsewhere. Some 10,000 hectares of state lands, in addition, may soon be taken out of cattle grazing and put into pulp timber.

The eucalyptus would be chipped on the island and shipped to Japan as a raw material for paper production, joining a flow of wood chips to Oji from countries as far-flung as Chile, Australia, South Africa, New Zealand, Viet Nam, and Fiji.

State officials have denied any interest in eventually also bringing a pulp mill to the island. But local critics of the plantations, more than 2000 of whom have expressed concerns about Prudential's aerial spraying of herbicides and large-scale field burning, remain unconvinced.

A local non-government organization called Friends of Hamakua, in conjunction with local farmers and community organizations, is in the midst of formulating an alternative land-use plan for the 4150 hectares on the verge of being leased to Oji/Marubeni.

Hamakua County Councilman Dominic Yagong suggests that, instead of turning to tree monoculture, the county lease its lands to 144 landless members of a local agricultural co-op as a way of tapping the diversified potential of these "prime agricultural lands".

Such a move, he claims, would provide far more jobs than would giving over public lands to the pulp industry for 55 years.

A decision on the state and county lands is expected in the next month or two.

Source: Larry Lohmann, August 1997.

For more information please contact: Ada Pulin-Lamme, Friends of Hamakua; PO Box 1060 Honoka'a, HI 96727, USA;email: luana@aloha.net

Resisting pulpwood plantations

Pulpwood plantations being proposed for the Big Island (Hawaii) are a long way from being real forests, full of a variety of different kinds of mixed ages trees, rich with vegetation and wildlife. Tourists who come to Hawaii for its natural tropical beauty will see instead industrial enclaves of mile after mile of one type of tree, planted in straight, easily harvested rows, kept clear of undergrowth. Fast growing eucalyptus are repeatedly aerial sprayed with poisons, and clear-cut every five to seven years, with the field debris burned. Left behind is barren land susceptible to soil erosion and runoff.

Pulptree plantations have nothing to do with sustainable forestry, despite a recent propaganda smokescreen by State officials. The leasing of thousands of acres to Oji Paper Co. -Japan's largest paper supplier- will neither improve the environment nor create many jobs. Wherever these industrial plantations have been established they have created major environmental, health, economic, and social problems. The pulptree deal with Oji Paper Co. primarily benefit large multinational corporations and a few locally-connected businessmen and politicians. Hamakua Timber's parent organization is Prudential

Insurance Co., which has already successfully developed ex-sugar cane land for commercial purposes on the region. Giant Oji Paper Co. is part of the Mitsui Keiretus industrial group, with strong business connections to the Dai-Ichi and Mitsubishi trading companies.

It is feared that the thousands of acres of monocrops proposed for Hamakua and Kohala will significantly damage existing ecological systems. A grove of eucalyptus trees growing near Kalopa Park on Hawaii Island can be a token of what vast areas in the future are to become: a barren soil with no undergrowth.

On already depleted soils such as those of old sugar cane lands of Hamakua and Kohala, the number of crop rotations before the soil is completely exhausted can be as few as two or three cycles. This brings up the possibility that these lands will be used for only 7 to 20 years and then abandoned for agricultural purposes, because the soil's fertility is exhausted and uneconomical to farm. What then? After the harvesting the landscape will have an unappealing clear-cut look. What about the efforts to promote eco-tourism on Big Island?

Local communities already know how the companies work. Over 1,500 signatures were collected by Friends of Hamakua (FOH) last March and April, pleading with Prudential Insurance - Hamakua Timber to stop their spraying and burning. Hamakua residents gravely worry that Oji Paper Co. will dump even more dangerous toxic insecticides, fungicides, and pesticides into their community if granted leases to more nearby State and county lands. Their fears are confirmed by independent studies.

Source: Pulptree Plantations Are Not Sustainable Forests: Facts About Eucalyptus Estates That Mayor Yamashiro and DLNR Officials Don't Tell You". Ira Rohter Department of Political Science. University of Hawaii - Manoa. 13/10/97.

Good news from Hawaii

This is the latest news about the struggle of Friends of Hamakua, in conjunction with local farmers and community organizations, to stop eucalyptus plantations planned by Prudential Insurance Co. and Oji/Paper Marubeni in the Big Island of Hawaii. The organization also presented an alternative land use plan for the area. A final decision by the regional authorities was expected. We are very happy to inform that Friends of Hamakua has sent us a postcard containing the following text:

“On November 14 the full moon, amidst the howling public. The Hawaii DLNR voted down the pulp proposal! Thank you so much for your help in creating this rare and unusual turn of events. Hamakua residents extend to you our warmest aloha”.

New Zealand

Clonal tree monocultures and genetic engineering in New Zealand

Aotearoa (New Zealand) has planted extensive industrial tree plantations (more than one and a half million

hectares), mostly based on one exotic tree species: *Pinus radiata*. In recent decades planting clonal stock has become standard practice. Currently, more than 95% of new planting (this includes new afforestation and planting after harvest) is based on *Pinus radiata* clones, selected primarily for rapid growth (and thus reliance on fertilisers), tree form to maximise the amount of clear' (knot free) wood, and qualities that suit industrial purposes. Current research focuses indicate that it won't be long before the industry will be attempting to release genetically engineered material, particularly for herbicide (glyphosate) resistance, particular growth form or wood quality traits, and sterility (to stop naturalisation into indigenous ecosystems).

Source: Grant Rosoman, Greenpeace New Zealand, author of "The plantation effect: an ecoforestry review on the environmental effects of exotic monoculture tree plantations in Aotearoa/New Zealand." Wellington, Greenpeace, 1994.

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