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OUR VIEWPOINT

- Tree plantations, GM trees and agrofuels: A call to CBD

The main aim of the Convention on Biological Diversity (CBD) is the conservation and sustainable use of the world's biological diversity. It would thus seem obvious that anything that threatens biodiversity should be adequately addressed by signatories to the convention.

Given that the Convention's Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA) will be

meeting in Paris at the beginning of July, we believe this can be a good opportunity for addressing the impacts of monoculture tree plantations, genetically modified trees and agrofuel development on biodiversity.

Regarding monoculture tree plantations, their expansion is heavily impacting on plant and animal diversity, particularly –though not only- in the biodiversity-rich tropics. In spite of that, official bodies continue defining them as “forests”, thus providing them with a positive image. We believe that the CBD should challenge –from the broader biodiversity perspective- the use of the terms “forest plantations” and “planted forests” in reference to monoculture tree plantations. In this respect, SBSTTA could provide scientific advice to the Conference of the Parties requesting it to clearly separate forests from monoculture tree plantations and to include the latter as a threat to biodiversity which needs to be adequately studied and addressed.

As respects to genetically modified (GM) trees the last Conference of the Parties (COP8) took an important and positive step (Decision VIII/19), recommending Parties “to take a precautionary approach when addressing the issue of genetically modified trees”. In a letter sent to the CBD secretariat in November 2006, a large number of NGOs provided analysis and information on the threat posed by GE trees and concluded that “GM trees have no role to play in the conservation of global forest biological diversity and, on the contrary, are likely to reduce forest biodiversity, with attendant social consequences”, adding that the “high risks indicated by the available though incomplete science show that the technology could result in the extinction of forest plant and animal species with severe negative impacts on biodiversity.” The letter urged the CBD “to move forward from the current recommendation to Parties to take a precautionary approach, to a mandatory decision declaring an immediate ban on the release of GM trees.” This is another issue where we believe that SBSTTA could play an important role, recommending such ban.

In reference to agrofuels, it is clear that agrofuel plantations are being strongly promoted throughout the world and particularly in the South. In most cases, such plantations will consist of large-scale monocultures of different agricultural crops (sugar cane, soya, corn and other), as well as tree and oil palm plantations. All these monocultures –in most cases accompanied by heavy use of agrochemicals- will impact on biodiversity. To make matters worse, in the case of tree plantations, research is being carried out to genetically modify trees for the production of ethanol. Here again SBSSTA could provide the CBD with relevant information about the impacts of agrofuel development on biodiversity.

All the above constitute major threats to biodiversity which have yet not received sufficient attention from the CBD. We therefore hope that SBSTTA will address them at its upcoming meeting and will provide the necessary scientific advice to the Conference of the Parties.

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COMMUNITIES AND FORESTS

- **Brazil: Indigenous Amazon people forced into contact**

In May this year, a group of indigenous people who had remained in voluntary isolation established contact with the outside world. This happened in the north of the State of Para. The indigenous people walked for 5 days for over 100 kilometres through the dense Amazon forest, crossing the frontier from Mato Grosso until unexpectedly appearing in an indigenous Kayapo village.

It should be noted that this contact was not the result of a free decision but because of loggers invading their territory, forcing them to flee and make this long and difficult journey until they reached this village.

They are a group of 87 indigenous Metyktire people, a sub-group of the Kayapo – who were initially contacted in 1950 but at the time decided to re-enter the forest and chose to remain in voluntary isolation until now.

According to reports, the first contact was made by two men who made noises at the back of one of the houses in the village and were seen by two young men. After overcoming the initial mistrust resulting from this unexpected encounter, the rest of the group gradually entered the Kayapo village.

As a precautionary measure, it has been decided that only members of the village can have contact with the Metyktire, as a way of preventing contagion from diseases that these people have no immunological defences against. The village members are indigenous people of the same ethnic group who made first contact with white people in 1950. The leader of the village, -Megaron Txucarramãe- who is also the FUNAI (National Indigenous Foundation of Brazil) representative - is in charge of communicating with the new arrivals. According to FUNAI, there is still no information as to whether there are any injured or dead Metyktire members in the forest, or if they have simply decided not to come out.

The Metyktire were thought to have disappeared and nothing was known about their whereabouts. They were received with much rejoicing and singing and dancing by the Kayapo. There are still no pictures available but their songs were recorded and played over the local radio and can be listened to at <http://www.survival-international.org/news/2462>). The reports say that the Metyktire speak a much purer version of Mebengokré (the Kayapó language), they are tall and strong, with long hair and have a "botoque" (lip plate) on their bottom lip.

According to Gilberto Hazaña and Sydney Possuelo from the Centre for Indigenist Work, the indigenous people in voluntary isolation are peoples that "...throughout this time (500 years!), have sought isolated regions or taken refuge there, or more rightly stated, have sought regions that were not coveted by the commercial (or missionary) cruelty of our 'expansion frontiers'. In the Amazon, (mainly the Brazilian Amazon, but also the Bolivian, Peruvian, Colombian, Venezuelan, Ecuadorian and Guyanese Amazon) we estimate that there are still dozens of indigenous peoples living in almost the same way as they did five, six, seven or one thousand years ago: dressed in feathers or loincloths, surviving on hunting, fishing, gathering and small scale agriculture, using stone axes and fire. They do not have viral diseases and live in a fully abundant environment. It is a fact that today most of the peoples in isolation in the Amazon are subject to an extremely serious situation because of the advance of predatory fronts (logging and mining) on the region's last virgin areas."

This recent contact of the Metyktire people provides a good opportunity to reflect and think about the future of these peoples, setting aside the folkloric and the sensationalist coverage made by most of the media.

The first point to reflect on is that they did not establish contact of their own free will. On the contrary, the first versions reported that they were escaping from loggers and that they had fled through the dense forest for 5 days until they finally established contact with their Kayapo relatives. This means that they could have been shot dead by the loggers – as has often been the case – leaving no traces behind them. Fortunately however, they were able to escape.

At the same time, many questions arise: what is the future of these communities that are forced to make contact with an outside world where commercialism is rife and where what is of most interest in this story are the pictures of the indigenous people with their bare bodies and lip plates? What will be the future of these communities when they become members of a world – and a country – where racism is prevalent and where most of the indigenous peoples live in extreme poverty? What is the future of the dozens of communities still living in the forest – particularly in Brazil – whose territories are handed over to logging, mining and oil companies in the name of the country's "development and economic growth?"

However, perhaps the most important question: is what can we do to ensure the rights of these peoples and to enable them to choose freely either to live in isolation or not?

In this respect, we consider that the first step is to make their existence known and to understand and respect their

decision to live in isolation. To make people understand that they are not ignorant peoples living in poverty, but peoples with their own culture, adapted to making a sustainable use of the “fully abundant environment” in which they live.

At the same time, it is essential to get the governments to recognize the territorial rights of these people – who were there before the existence of the present national states – and to ensure that they are respected, preventing entry into their territories of loggers, miners and other agents of destruction.

These peoples are not in a position to defend their ancestral territories from the well-armed and unscrupulous external agents without the support of outside society and will only have the choice between contacts against their will, or disappearance. For this reason, we appeal to all of you, and in particular to the peoples of the Amazon countries, to step up efforts to protect the rights of the indigenous peoples living in voluntary isolation.

Article based on information from: “Indio brabo”, article by Rodolfo Salm published in Correio da Cidadania, <http://www.correiocidadania.com.br/content/view/434/57/>; Survival Internacional, <http://www.survival-international.org/news/2462> ; WRM Bulletin No. 87 <http://www.wrm.org.uy/boletin/87/AM.html#Brasil>

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- Central African Indigenous Peoples: Losing their health along with their forest

The Indigenous hunter-gatherers of the central African forests, so-called Pygmy peoples, consist of at least 15 distinct ethnolinguistic groups including the Gyéli, Kola, Baka, Aka, Bongo, Efe, Mbuti, western Twa, and eastern Twa living in ten central African countries: Angola, Cameroon, Equatorial Guinea, Central African Republic, Gabon, Republic of the Congo (Congo), Democratic Republic of the Congo, Uganda, Rwanda, and Burundi. Their estimated total number is from 300 000 to 500 000 people.

The term Pygmy can have pejorative connotations, but is used here as a term adopted by indigenous activists and support organisations to encompass the different groups of central African forest hunter-gatherers and former hunter-gatherers, and to distinguish them from other ethnic groups who may also live in forests, but who are more reliant on farming, and who are economically and politically dominant.

Pygmy peoples' health risks are changing as the central African forests -which are the basis for their traditional social structure, culture, and hunter-gatherer economy- are being destroyed or expropriated by logging, farming, and conservation projects:

“...since we were expelled from our lands, death is following us. We bury people nearly every day. The village is becoming empty. We are heading towards extinction. Now all the old people have died. Our culture is dying too...”
Twa man displaced from the Kahuzi-Biega National Park, Democratic Republic of the Congo.

Traditionally-living Pygmies live in small, mobile, egalitarian groups whose livelihood strategies are based on hunting, gathering, small-scale farming, and exchange of forest products with farming neighbours. They regard themselves as belonging to the forest, intimately connected through the spirits of their ancestors and of the forest. Pygmy communities continue to maintain forest-based livelihoods where possible, but many are spending more time in roadside settlements, with closer contacts with neighbouring Bantu farming communities, and more reliance on farming and wage labour.

In the Great Lakes area of central Africa, extensive forest clearance has made most Twa Pygmies landless, impoverished, and struggling to maintain cultural identity.

Mortality rates in Pygmy communities are high, as are fertility rates. Loss of a forest-based life can be associated with increased mortality. The crucial importance of land for survival is indicated by a reported drop in mortality in children younger than 5 years from 59% to 18% when Twa families in Uganda were given land.

Where forest dietary resources are depleted by destructive logging or commercial poaching and Pygmy people do not have lands on which to grow alternative foods, nutritional status decreases. Children and pregnant women are especially vulnerable, the problem being exacerbated by the breakdown of traditional food-sharing systems.

Loss of forests also deprives Pygmy communities of their renowned traditional herbal pharmacopoeia, which contains compounds active against diseases including helminthiasis, guinea worm, jaundice, malaria, diarrhoea, toothache, and cough.

As Pygmy communities spend more time outside the forest in fixed settlements, malaria increases and parasites accumulate because of increased population density and poor sanitation.

Traditional cultural mechanisms for dealing with tension and discord (such as nocturnal singing ceremonies to restore harmony between the group members and the forest) are eroded; alcohol abuse and domestic violence against women increase.

In much of rural central Africa, primary health services are absent, function only in a rudimentary way, or have been destroyed during conflict. Even where health care facilities exist, many Pygmy people do not use them because they cannot pay for consultations and medicines, do not have the documents and identity cards needed to travel or obtain hospital treatment, or are subjected to humiliating and discriminatory treatment.

Pygmy peoples have shown themselves to be resilient; for centuries they have been adapting to new situations while maintaining their cultural distinctiveness, as long as they can still have access to forests. Pygmy groups who are still able to lead a largely forest-based life have better health in several respects than nearby farming groups. Forests are also where they feel at ease, a vital component of their sense of wellbeing, and mental and spiritual health. By contrast, loss of forest lands and resources, and the consequent sedenterisation, increases Pygmy communities' risks of inadequate nutrition, infectious diseases, parasites, and HIV/AIDS without necessarily increasing their access to health care.

To protect and improve Pygmy peoples' health, governments, development agencies, missionaries, and non-governmental organisations must work to secure Pygmy peoples' rights to their customary lands and resources -to their forests.

Excerpted and adapted from: "Health of Indigenous People in Africa", Nyang'ori Ohenjo, Ruth Willis, Dorothy Jackson, Clive Nettleton, Kenneth Good, Benon Mugarura, Series of Social Determinants of Health, http://www.who.int/social_determinants/resources/articles/lancet_ohenjo.pdf

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- Ecuador: Uprising in demand of a country free from large-scale mining

The Ecuadorian communities affected by mining convened a Mining Uprising to take place on 5 June, World Environmental Day. Different points of resistance were established covering the national geography in Imbabura, Quito, Chimborazo, Cañar, Azuay, El Oro, Zamora and Morona. Although the protest was peaceful, law enforcement agents repressed the communities protesting during the first days, particular in Tarqui, Victoria del Portete, Molleturo and San Carlos-Balao, causing the indignation of the population over the police's brutal and arbitrary treatment. Investigations and sanctions regarding their responsibility are being demanded.

At all events, the Uprising was a success as it mobilized thousands of people affected by the mega mining projects in the most conflictive locations of the country. This strengthened the decision of the communities and organizations established as a National Coordination Committee for the Defence of Life and Sovereignty, to continue struggling until they attain the objectives set out in their plan of action and to obtain the declaration of Ecuador as a "country free of large-scale mining." Furthermore, the efforts deployed by the communities served to place the mining problem on the national and international agenda.

One of the greatest concerns of the communities resisting mining activities in the country is the lack of political decision by the Government to respect and ensure respect for the Constitution and the collective interests of the Ecuadorian people vis-à-vis the terrible threat hanging over the lives of the affected communities, with the omnipresence of transnational mining companies and their imminent activities in some of the cases. On taking up a stand against mining, the communities are defending their rights, their water, their forests and a healthy environment for future generations. For their part, mining companies have relied on public law enforcement agents or on their own security bodies and on a maze of the so-called "community public relations officers" harassing and intimidating community leaders, creating a permanent state of insecurity and violence (see Bulletin No. 118).

In the Amazon province of Zamora, the Yantzaza canton is totally covered by mining concessions. This area with a rich and diverse flora and fauna, unique in the world, still has dense forests that have managed to survive the attacks of the depredatory rationale prevailing since the times of the conquest. Zamora Chinchipe is the cradle of originating peoples, generously hosting thousands of families from Lojas and other provinces, displaced by deforestation and the consequent droughts and other critical situations. The farming culture they have developed in the fertile river basins enables them to enjoy food self-sufficiency and provide healthy food to other parts of the country. This province's Network for the Defence of Nature, Dignity and Life states: "We want the State to establish policies that will help us to stay in our villages, living in the country we always dreamed of, an ecological and agricultural country and not a mining country."

On the western slopes of the Andes, the communities of the northeast area of Intag, in the province of Imbabura, also defend a cloud forest, the habitat of biodiversity unique in the world. Thanks to an alternative organizational process, innovative in the country, the communities from this area have developed diverse productive activities consolidating the process against mining, which means not only the displacement of families and communities to leave the way clear to mining, but also the destruction of these valuable forests.

The National Coordination Committee also stated its "decision to put pressure on the Government to make it decide to act in favour of its people." Mining activities have been experiencing difficulties over the past few days following the resignation of the Minister of Energy and Mines, Alberto Acosta. Mr. Acosta had appeared willing to support the communities and had been considered as a possible ally within the government in spite of the fact that he had never taken any steps to withdraw any of the mining concessions, one of the firm demands made by the affected communities. It is very probable that the pressure from the various interest groups was instrumental in the removal of Minister Acosta this week. He will be running as candidate for the Constitutional Assembly.

With or without an allied Minister, the anti-mining struggle continues, convening all sectors of society to take an active part in the Uprising that aims to continue at the end of June, to halt the invasion of foreign transnational companies intending to plunder minerals from the ground, leaving poverty, unemployment, environmental and social pollution behind them. The National Coordinating Committee is urging the government to "listen to the clamour of thousands of families that are defending their lives and their national dignity and to act urgently, annulling the concessions, immediately suspending the activities of transnational mining companies throughout the country and requiring them to abandon our communities."

In anticipation of the Constitutional Assembly, other measures proposed by the resisting communities include, among

others, declaring the whole Amazon region and the springs and banks of rivers as intangible ecological reserves, to remain untouched by private commercial extracting and exploitation interests. That ground and surface water cannot be subject to any type of privatization. Nationalization of natural resources and their use according to ecological, social, cultural and ancestral characteristics of the peoples and communities. Immediate compensation for the psychological and social damage caused to the communities by mining activities. A regulatory framework to improve artisan mining practices, guarantees for farmers regarding their possession of the surface and subsoil, guaranteeing their activities over mining extraction, ensuring that the communities will not be displaced.

By Guadalupe Rodriguez, e-mail: guadalupe@regenwald.org

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- Indonesia: The forest assaulted by the forestry industry

Indonesia has the world's third largest area of tropical forest, after Brazil and the Democratic Republic of Congo. Although only 1.3 per cent of the world's total forest area, Indonesia's forests are home to 10 per cent of the world's flora species, 12 per cent of the world's mammals, 17 per cent of the world's reptiles and amphibians, and 17 per cent of the world's birds. Indonesia is the second country in the world in terms of wildlife richness. Indonesia's forests are also home to endangered species such as orangutan, tigers, rhinos and Asian elephants.

Forests are the second largest contributor to the Indonesian national economy after oil. The State used revenue from the forests to maintain its power during the 32 year New Order regime under the former President Suharto. Forestry operations – in the form of forest concessions (Hak Pengusahaan Hutan – HPHs), industrial tree plantations (Hutan Tanaman Industri – HTIs) and other plantations (such as oil palm and rubber) – were distributed among the ruler's families, friends and partners, among key military officers and political elites as a reward for their loyalty. Those who controlled the forests had considerable wealth and power.

For forest-dependent village communities, forests have a completely different meaning. Abusive and destructive forest management has stripped forests and has greatly affected the rural poor. For these people, forests embrace cultural values. Most rural communities living outside the densely-populated islands of Java, Bali and Madura practice a combination of subsistence and commercial agriculture with gogo rice (upland, unirrigated rice), other annual crops and tree crops. They also collect various forest products, such as rattan, honey, resins, herbs, fruits, fish and wildlife, for both commercial and domestic purposes. About seven million people in Sumatra and Kalimantan rely for their livelihoods on their rubber gardens, which cover a total area of about 2.5 million hectares. In Sumatra, local communities manage about four million hectares of forest using various agroforestry practices which combine natural forest management and fruit gardens, without external aid.

Forest communities have a profound understanding of traditional forest management, which they inherited from their ancestors. This traditional forest management has been specifically acknowledged in the 1945 National Constitution.

As most forest peoples have no written or official certificates of ownership, the state under President Suharto ignored indigenous rights and exercised control over Indonesia's vast, profitable forest lands. Suharto's "New Order" regime included a development agenda which was driven by logging the country's forests. The state claimed more than 90 per cent of the total forest land outside Java. This so-called "state forest" was designated without either due process or proper compensation for local communities. Mature forests which had been managed sustainably by indigenous communities for generations and which were rich in flora and fauna, were exploited for timber and converted into vast plantations of monocultures of exotic fast-growing trees.

The rapid expansion and development of wood processing industries exceeded the supply capacity of production forest areas and the plantations. As a result, the loggers expanded ever deeper into natural forests, logging in

protected areas as well as state forest still claimed by indigenous communities. The World Bank, which has more recently produced critiques of illegal logging driven by the over-development of the pulp industry, is itself partly responsible for the problem. In the 1980s, the World Bank was one of the agencies involved in promoting the expansion of the pulp and paper industry. In 1984, for example, the World Bank financed a study, carried out by Finnish forestry consulting firm Jaakko Pöyry, aimed at “strengthening the structure of the Indonesian pulp and paper industry”.

A research from the Indonesian NGO WALHI indicates that at least 72 per cent of the country's forests have been destroyed. In a press release in 2004, WALHI pointed out that the deforestation rate in Indonesia had reached 3.8 million hectares annually, the highest rate of forest loss in the world. To put this rate of forest destruction into perspective, this means that an area of forest equivalent to six football pitches is destroyed in Indonesia every minute. Based on this calculation, every minute the Government of Indonesia loses US\$1,300 in unpaid tax and customs (three times the average annual income of an Indonesian family), while a few conglomerates and elite business people pocket US\$24,000 from the theft of Indonesia's forests.

The impacts of this rapid deforestation have been widespread and various. Impacts on the environment include the loss of unique biodiversity, increasing occurrence of floods and drought, decreasing water quality and quantity, and increasing occurrence of forest fires that pollute the air and contribute to global climate change.

Although more and more people have become aware of the environmental impacts, they know little about and rarely discuss the impacts of illegal logging on human rights. The over-capacity of the wood processing industry and the inability of industrial tree plantations to supply the demands of this industry have driven the destructive exploitation of Indonesia's forests, both legal and illegal. As in other sectors that are illicitly profitable, criminal networks play an important role as blackmailers and protectors of illegal operations, which unhesitatingly use violence to put down opposition to their operations. In Indonesia, the illegal sector and the use of violence are often linked to governmental officials.

Ironically, deforestation and the loss of local communities' livelihoods are driven by government policies which the government claimed were designed to bring prosperity to the nation. Suharto's development concept, like the one adopted by many emerging industrialised countries, was to accelerate the expansion of the economy through natural resource exploitation. However, the goal of expansion of the economy became less important and was eventually, replaced by Suharto's agenda to consolidate his power through political patronage, where he handed out permits for exploitation of natural resources. More than 62 million hectares of forest land were awarded as forestry concessions (HPHs), without a proper tendering process, to tycoons and state-owned forestry companies that had family ties to Suharto's family, or ties to the military. Although Suharto fell in 1998, the nation still lives with his regime's legacy of bad forestry governance and law enforcement.

Excerpted and adapted from “Social conflict and environmental disaster: A report on Asia Pulp and Paper's operations in Sumatra, Indonesia”, by Rivani Noor and Rully Syumanda, August 2006, <http://www.wrm.org.uy/countries/Indonesia/Book8.pdf>

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- Laos: No Success Like Failure - Policy Versus Reality In The Forestry Sector

Over the past decade, tens of millions of dollars have been invested by funding agencies to improve forest management in Laos with the stated aim of aiding rural development and livelihood security. Despite these investments – including multi-million dollar projects backed by the World Bank, the Government of Finland and the Swedish International Development Cooperation Agency (Sida), among others – mismanagement of Laos' production forests remains the norm.

In the latest edition of Watershed Magazine (Vol. 12 No. 1, July 2006-February 2007), Benjamin D. Hodgdon, a forester and social ecologist with a decade of experience in Indochina, chronicles the experience of an NGO-supported project recently discontinued by the Lao government to highlight the serious problems plaguing the country's production forests.

His article – No success like failure: Policy versus reality in the Lao forestry sector – offers a rare glimpse into the real world of logging in Laos, a reality that stands in stark contrast to the forestry legislation signed by the government at the behest of its major financial supporters.

The article begins by presenting the rationale for community forestry in the Lao context, as well as the development of the Lao version of community forestry focused primarily on timber production, called “participatory sustainable forest management” (PSFM). The result of a decade-long policy process supported by the World Bank and the Government of Finland, PSFM stipulates on paper that villagers living in or adjacent to designated production forest areas have the right to be involved in forest planning and management, and that they are entitled to a significant percentage of the profits from timber sales.

This is the policy. But the reality is something quite different.

To illustrate this point, Hodgdon tells the story of a WWF-supported project that aimed to initiate PSFM in Xekong Province, a remote and overwhelmingly indigenous province in the south of the country. The project – implemented in a 10,000 hectare area called Phou Theung – worked with provincial and central-level government forestry agencies to involve seven villages (ethnic Krieng, Alak and Souay) in forest planning and management in accordance with national PSFM legislation.

Over time, however, and especially as the logging season moved into full swing, serious malfeasance on the part of the project's government partners emerged.

“Foresters routinely left their work with the project or were reassigned to work with companies that were illegally removing timber from the project area” Hodgdon writes. Presented with evidence of such malfeasance, provincial authorities pleaded ignorance or claimed that they were the activities of “rogue” operations. In reality, however, as the article shows, such illegal timber removals had “the full knowledge and approval of government officials.”

As a result of the project's activities to improve forest management and implement national law, powerful individuals in the Department of Forestry and the Xekong provincial government colluded to discontinue the project, citing the fact that “only the state” has the right to make decisions about logging.

The closing of the project, Hodgdon writes, illustrates how many in the Lao government do not support PSFM, for both political and economic reasons. Politically, the project represented a shift away from the government in decision making power over valuable timber resources, while economically it “translated as less money flowing into the pockets of a connected few.”

The article concludes by asserting that without fundamental changes to political and legal institutions in Laos there is little hope for PSFM to take hold. “In essence,” says Hodgdon, “democratizing reforms such as the PSFM legislation require democratic institutions in order to work.”

The full article is available at [http://www.terraper.org/pic_water/Watershed%2012\(1\).pdf](http://www.terraper.org/pic_water/Watershed%2012(1).pdf)

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COMMUNITIES AND TREE MONOCULTURES

- Brazil: Response to Veracel's attempt to obtain the FSC label for its plantations

The certifying firm SGS has launched a consultation process for the FSC certification of Veracel Celulose's eucalyptus plantations. This company is owned by the Swedish-Finnish company Stora Enso and the Norwegian-Brazilian company Aracruz Celulose and its plantations are established on 78,000 hectares of land in the extreme south of the State of Bahia. The negative impacts of those plantations are resulting in considerable local resistance (see Bulletin No. 109). The main assessment will be made between 23 and 27 July 2007.

Here below is an Open Letter aimed at preventing Veracel from obtaining FSC certification, which reflects indignation over the attempt at certifying a company that has caused, and continues to cause, so much pain and suffering.

Open Letter to women and men of goodwill

I am going to talk about things that I consider to be very contradictory. How does one understand certification of TREE PLANTATIONS? Well, it is not as simple as it would seem. This does not involve native trees from the ATLANTIC RAINFOREST biome where I was born and raised. Where I lived through various cycles of destruction, but nothing compares with this: monoculture eucalyptus plantations! I saw the forest felled to give way to eucalyptus plantations! I SAW IT. I saw rivers, streams and springs dry up! I saw a rural worker, a country man who did not know how to read or write and who had only learnt how to work the land, with his ten or eleven children coming to the city in tears, fearing an uncertain fate. Presently, the older children are selling drugs on street corners, some of them have even been to prison, and the eldest was killed by a police officer. A very dangerous bandit! Just imagine. And the father in tears, repeating as if to convince himself that he was not to blame – I didn't teach my son to steal or to kill. I taught him how to plant and to harvest, I taught him the crop cycle, what to plant in each season. And he learnt, he was very good at it, but the land was missing.

The younger ones and the grandchildren, the children of the dead son, have gone to the Recovery House SOS Life, to recover from serious under-nutrition caused by the lack of food.

And now I receive a text from the newspaper "Valor Econômico" under the heading "Veracel is taking up arms against the factory's opponents," that states: "The pulp mill industry is gathering statistical information commissioned to independent institutions to show the economic and social effects of their investments and to refute criticism against their factories."

Veracel, a company with a pulp mill located at the extreme south of Bahia, today disseminated a study indicating that it is already responsible for 15 % of the agricultural GDP in the region. The mill, which started operating in May 2005, answered for 60% of the total economic growth of the region for the period 2003-2006.

"We know that Veracel has a positive effect on Bahia and on the region, but we do not know precisely how much," stated the president of the company, Renato Gueron.

He explained that one of the reasons for preparing the study undertaken by the Project Division of the Getulio Vargas Foundation (FGV) was to obtain concrete data to counteract the opinion of people contrary to the pulp mills. "There are ideologically-motivated non-governmental organizations and other groups lacking technical arguments who are opposed to our type of activity," alleged Gueron.

I am part of the group that, according to the director of the company, is ideologically-motivated and does not have any technical arguments. So I suppose that what I see is not reality, it has not been scientifically proven. In order to scientifically prove something I need a technician, an academic to follow pre-established and manipulated standards

and rules, a person who has read hundreds and hundreds of books and who states in a lengthy and incomprehensible report that what I have seen and experienced is true!

But this situation has been seen and experienced by men, women, teen-agers and children in the worst way possible. Every day we feel in our skin the noxious consequences of regional economic growth corresponding to 60% between 2003 and 2006. What growth are they talking about, and for whom? Probably they are talking about the profits distributed between Aracruz and Stora Enso, Veracel's partners. This is the only truth: profits are technically verifiable. And what if later on no-one is willing to prove that the people in this region are living in poverty? How can it be proved? Poor people going hungry, poor people assaulting and robbing, what is wrong with this? What we have to do is to build prisons! Eunapolis should already have its own prison!

Justice, politicians, scientists, shareholders, they do not live here and the few ones who do have private security and build high walls to protect their houses and their families. They are honest men, who hold the truth. And the truth is that the region has grown economically and is responsible for 15% of the GDP. Considering this, we will forget that to obtain this result, the company cut down the Atlantic rainforest; that the company was fined by IBAMA in 2005 for having prevented regeneration of 1200 hectares of forest in process of regeneration; that it was again fined by IBAMA in 2007 for having dumped poison in springs; that justice determined that the law should be enforced and the eucalyptus plantations should be removed from the surroundings of National Parks (Pau Brasil, Descobrimento and Monte Pascoal); that it is being obliged by federal justice to pay labour rights that had not been paid to the workers of the Veracel Institute. We will also forget that this institute is a façade where children are given new clothes and shoes to receive illustrious visitors from Sweden and Finland and when the visitors depart, the officials are obliged to remove the clothes and shoes, leaving the children crying with no shoes and torn clothing. We will forget that the company does not comply with the conditions set out in the environmental permit granted by the Environmental Council of the State of Bahia, for example providing timber for other purposes to avoid pressure on what is left of the Atlantic rainforest, or not acquiring smallholding areas without the endorsement of the Rural Workers Trade Union. We will forget that in one single municipality, Eunapolis, between 1996 and 2000 almost 7000 families left rural areas because the lands were sold to Veracel, that they destroyed a community (Maurília) to build the mill and that the people of this community are now living in the outskirts of cities, without jobs and in poverty. That in the community neighbouring the Mill (Barrolândia) there are people who are dying of starvation because they can no longer obtain their livelihood from rural activities as they are surrounded by eucalyptus trees; that in addition to hunger, people in this community are dying of leprosy and tuberculosis. We will forget the company's lack of respect for the Brazilian legislation and go ahead and CERTIFY IT.

The objective of Veracel is to achieve FSC (Forest Stewardship Council) certification. FSC is a non-governmental organization that was established in 1993 in Canada. This certification verifies that the entire productive process of a factory, from the production of eucalyptus seeds to the manufacturing of paper, is carried out in an environmentally responsible, socially beneficial and economically viable way. However, the only thing we can verify is that it is economically viable for foreign shareholders. Only poverty, hunger and unemployment is left for the BRAZILIAN PEOPLE!

Uncontrolled plantation of eucalyptus in the extreme South of Bahia has already taken over almost all the productive land, traditional farms, rural reference communities, farming towns, highways, streams, hundred year-old settlements, in fact all the components of a peoples' culture.

All this was conquered by the company through false promises and deceit. The regional population was deceived by the economic power and intellectual capacity of the company's experts. Today the peoples of the region are aware of the curse caused by Veracel and periodically we find in the press statements made by grassroots organizations, accusing the company of lack of respect and irresponsible behaviour.

Granting certification to a company such as Veracel is the same as saying that the BRAZILIAN PEOPLE should not

exist, that the BRAZILIAN PEOPLE are condemned to die of hunger!

Eunapolis, 20 June 2007

By Ivonete Gonçalves, Educational Teacher and Executive Coordinator of CEPEDDES - Centro de Estudos e Pesquisas para o Desenvolvimento do Extremo Sul – Bahia. She was born and bred in Eunapolis, a municipality impacted by monoculture eucalyptus plantations and the Veracel Pulp mill.

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- Ecuador: Public outcry demanding revision of the Agrarian and Forestry Plan

Through various programmes and state incentives, under the auspices of international cooperation agencies, monoculture tree plantations of fast growing species have been established in the three continental regions of Ecuador and are rapidly becoming widespread, generally destroying primary ecosystems.

Whether it is the plantations for carbon sinks in the Paramo area, the pine plantations in the Central Sierra, or the eucalyptus and oil palm plantations in the tropical zone of the Province of Esmeraldas in the Choco region, they all develop along the same lines: large-scale monocultures for the great export market and for the benefit of agro-business. Local economies, community ways of life and cultures, their food sovereignty, water, soil, and the future, are all abandoned on the way.

Facing this situation, many of the affected communities met last month and submitted the following:

“Open letter to President Rafael Correa and the Ecuadorian People on the National Forestation Plan and the National Agrarian Plan

Indigenous, Afro-descendent and peasant organisations meeting in the city of Quito on 24 May 2007 to analyse the national forestation and agrarian plans wish to convey our concern to President Rafael Correa.

We are aware that it is your government’s priority to work in benefit of traditionally excluded peoples such as the indigenous, Afro-descendent and peasant peoples of this country. We have placed our hopes on your government plans, because in the past State policies traditionally benefited large landowners, large farmers and agro-exporters, to the detriment of peasant economies and they continue to do so.

However, we have seen that the programme of the present Minister of Agriculture follows the same line as before: the country continues to belong to a handful of people. This programme benefits agro-business, promotes monoculture tree plantations and attempts to strengthen the technological package damaging natural resources, the soil, the water, biodiversity and increasing inequality in rural areas and peasant impoverishment processes. The production of monoculture crops for biofuels is promoted, disregarding the demands for food sovereignty and defence of the collective rights of Nationalities and Peoples.

Furthermore, the aim is an anti-ecological forestation with monoculture plantations lacking prior studies of the impacts on peasant and rural ways of life, but using an approach that considers monoculture tree plantations for industry and export as the only strategy.

Ecuadorian rural, peasant, Afro-descendent and indigenous organizations present at this meeting – the fundamental subjects of State policies – demand that Mr. Correa’s National Government insists on coherence from the Minister of Agriculture with the proposal for recasting Ecuador to the benefit of the poorest people in the country.

Ecuadorian rural, peasant and indigenous organizations present at the Meeting, demand:

1. Overall Agrarian Reform, controlling and eliminating concentration of land and enabling small farmers to access productive resources with justice.
2. Protection and promotion of national agro-food production, favouring sustainable productive programmes, co-managed by the country's rural organizations.
3. Defence of biodiversity, plant resources and ancestral knowledge, and prevention of the promotion of monoculture plantations involving agriculture and trees that affect them, and prevention of the introduction of transgenic seeds and aggressive technological packages.
4. Inclusive policies for the farm sector, respecting the diversity of peoples, nationalities and peasants, and the promotion of intercultural relations, and acknowledgement of the contribution of women to sovereign productive processes.
5. That all agrarian and forestation policies should be prepared with the participation of peasant, indigenous and Afro-Ecuadorian organizations, respecting their own ways of managing and guaranteeing their control over the natural resources within their territories.
6. Guaranteeing local and national food sovereignty, enabling resources such as land and water to be used to satisfy the population's food needs over any other extractive activity (mining, oil or timber) and that water be used for human consumption and not for hydroelectric dams.
7. State resources must be used to guarantee fulfilment of the above demands and not to promote agro-business. Mechanisms of indebtedness fostering unjust marketing of land should not be promoted.

We appeal to you, Mr. President so that this 24 May, day on which we celebrate the independence of Ecuador, can also be the day on which the peasant, indigenous and Afro-descendent organizations celebrate the end of the long neo-liberal night.

(Signatures follow below)".

Information sent by: Acción Ecológica, email: cbosques@accionecologica.org

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- Indonesia: Common Vision towards a stop to the expansion of pulpwood plantations

Members of twenty-five Indonesian NGOs and community organisations met in Riau, Sumatra, on 13th January 2007, to give voice to their serious concerns about the impacts of the pulp and paper industry and its fastwood plantations on people and forests.

Under the program referred to as HTI (Hutan Tanaman Industri), "Industrial Timber Plantation and Pulp Industry Development" launched by the government in the early 1980s, more than 5 million hectares were allocated for fast growing monoculture tree plantations (Acacia mangium and Eucalyptus) to support the pulp, paper and rayon industry. This massive expansion is underway to convert primary forest into timber --as well as rubber and oil palm plantations.

Representatives from the civil society organisations which have been discussing the basic demands to be made to the pulp and paper industry and the government, have submitted and signed a document which expresses their strong

feeling that the expansion of pulpwood plantations “has surpassed the limits that the forests and humanity can bear”.

The process leading to include the country within the global paper market as a cheap provider of raw material has been sustained by the strip-mining of nature as well as the suffering and dispossession of forest people. As they put it in the document: “The use of forests to meet demand for raw materials from the pulp and paper industry in order to supply paper for international consumption has a terrible history of expropriating and violating communities' rights which has left its scars. We have seen how the workings of the market, facilitated by various government policies, have directly and indirectly brought about company practices that damage peoples' livelihoods and the environment in general.”

The negative impacts of the pulp and paper industry on the environment and the surrounding communities deprives them of their livelihoods and generates social conflicts and poverty. So, the claim is “to save the remaining forests and protect local and indigenous peoples' rights in all the areas affected by pulpwood plantations and pulp and paper factories from unimaginable disaster.”

Among concerned parties there is now “a shared vision on the reconstruction and transformation needed in the development of Indonesia's pulp and paper industry.”

They have stated that: “A number of points have been arisen as we have shared our experiences of organising advocacy and supporting affected communities through serious discussions about the pulp and paper industry. These have motivated us to take a stand together and to press for policy changes in order to stop all damaging practices and any further expansion of this industry. Over the next few years, we intend to monitor closely all policy instruments and to press for changes or revisions in these, working together in our different ways.

Based on these experiences, we have drawn up this Common Vision for Changes in Indonesia's Pulp & Paper Industry which addresses policies, the industry and social conditions.

AIMS

To ensure that local and indigenous communities' rights and interests are respected and ecological priorities are protected in fulfilling demand for Indonesian paper.

OBJECTIVES

1. To intervene in policy changes at local, national and international level that promote the expansion of pulpwood plantations and the pulp and paper industry in Indonesia.
2. To extend recognition of local and indigenous communities' sustainable forest practices;
3. To close down pulp and paper factories that cause environmental pollution and damage communities' interests; to oppose the construction of new plants; and to stop the expansion of pulpwood plantations.”

The ensuing action of the civil society organizations is to hold a strategic follow-up meeting later this year.

Article based on “CSOs take a stand on pulp”, Down to Earth N° 73, May 2007, e-mail: dte@gn.apc.org, <http://dte.gn.apc.org>

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- South Africa: Commercial timber plantations as “take it or leave it” development option for rural areas

The web page <http://www.southafrica.info>, published for the International Marketing Council of South Africa, included in March an article which stated that “South Africa has identified the Eastern Cape and KwaZulu-Natal provinces as key for development in the forestry, wood and paper sector, with reforestation a vital part of the strategy”. For those

who don't know the forestry language, it is important to note that in South Africa the word "reforestation" really means planting vast monocultures of alien tree species on native grassland ecosystems. The article was accompanied by a photo with the following text: "South Africa is looking to the forestry, wood and paper sector to boost investment and employment in the Eastern Cape and KwaZulu-Natal."

After all these years of experience with tree plantations and their impacts on people and the environment, it seems amazing that the industry can seriously talk about plantations as generating employment and that the government can continue to promote them.

The good thing about the article (available at http://www.southafrica.info/doing_business/investment/oppurtunities/forestry-010307.htm) is that it generated an interesting debate. What follows is a message sent by Sinigugu Zukulu, who works for the Endangered Wildlife Trust, describing his own personal experience in Northern Zululand.

Sinigugu starts by explaining why he thinks that "people will welcome this as a great move": because "it is brought to them as an option or no option. (Take it or leave it development option for rural areas!)."

He then explains why this has already proven to be a bad option:

"I have had an opportunity to look at what forestry has done to Northern Zululand. I once visited a Mlambo family that goes to my church in Mtubatuba in about 1995/6, which was in the middle of Gum [eucalyptus] plantations. All families had converted their land into either sugarcane or Gum tree plantation. The result was that all the springs and local streams were drying up. There were long queues in what used to be a permanent spring. People had to wait for water to come up. When I told them this was because of the gum trees they had planted, they did not believe me. I also predicted that the streams and spring would soon dry up.

Few years down the line they phoned to tell me that my prediction was correct. The grazing lands for cattle were gone, as gum trees replaced all the grasslands. Water in streams that used to flow freely and permanently in places such as Mtunzini were now stagnant and some dried up.

People had to rely on shops for grocery every month. These commercial crops were not food crops. People who had no money to buy grocery went starving. Maize crops surrounded by gum plantations turned yellow, as gum tree roots were spreading all over the place sucking up all water. They were scorched under high temperatures as they were sheltered from cooling winds.

Is this what they want us to be subjected to? Will people be educated about all these side effects or environmental impacts? As it is, we already have more than enough gums and Black wattle [acacia] plantations. It looks like to me, it's another quick fix solution where no environmental impact assessment has been done to inform the public about implications. What the government of our country fails to do is to implement the wonderful constitution we have, which guarantees us a right to a healthy and harmless environment, and an environment protected for the benefit of future generations. Environmental impact assessments (EIA) are useless unless people have been educated so that they can engage the process. So educating the public is the first step. Our governments take chances of bringing wrong development since they know people are illiterate in rural areas.

I for one would not support this for my community. I would be happy to support anything to reduce the number of gum plantations we already have. This is another scheme to satisfy the greediness of big timber companies such as SAPPI and MONDI. In this country the number one culprits in the loss of biodiversity are timber plantations. They are also the biggest funders in the field of environmental education. I find it very strange that Environmental Education Centres are funded by the same companies who cause the problem. This puts environmental education practitioners in a tight corner for they cannot say anything against the culprits while educating the public. It is ridiculous."

All the above impacts are not Sinegugu's inventions. Almost the same impacts are well documented in every single country –from Latin America to Asia- where such plantations have been established. Until when will the pulp and paper sector prevail over people and the environment? Until when will southern governments support this destructive activity? Until when will they continue to lie about employment?

Article based on email sent by Sinegugu Zukulu, who authorized its use by WRM

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- Thailand: Advance Agro's greenwash

Advance Agro is one of Thailand's largest pulp and paper companies, producing 427,000 tonnes of pulp and 470,000 tonnes of paper a year. The company markets its "Double A" brand of photocopy paper with a series of environmental claims. In May 2007, an Australian company called Access Economics added to these claims with a report titled "Environmental Benefits of Double A Paper".

The report compares pulp and paper operations in several countries by putting a price on the environmental impacts of pulp production and concludes that the environmental costs of Double A paper are less than any of the other paper mills examined. Since the report was commissioned by Advance Agro and Mango Communications (an Australian public relations company hired by Advance Agro since November 2006) we shouldn't be too surprised. However, it is revealing to look at how Advance Agro's consultants reached their conclusion.

First, Access Economics ignores Advance Agro's track record. "No native forests are damaged in Double A's operations," claims the report. But forests were destroyed in order to establish plantations for Advance Agro's operations. Advance Agro is part of the Soon Hua Seng group. In 1990, one hundred employees of Suan Kittii (a subsidiary of Soon Hua Seng) were arrested for illegally logging forest on 1,600 hectares of Forest Reserve land in Chachoengsao province in preparation for establishing plantations to feed Double A's pulp mills. Suan Kittii Reforestation was also charged with illegally logging in a 4,800 hectares area in Prachinburi province. Soon Hua Seng group's pulp mill was to be called the "Suan Kittii pulp mill", but after this scandal, the company changed the name to Advance Agro.

"The Access Economics report is based on Double A's current production policies and farmed tree processes," Thirawit Leetavorn, regional senior executive vice-president at Advance Agro, told WRM by e-mail.

Second, Access Economics fudges the pollution data. According to a footnote to a table in an appendix to the report, no data was available about Advance Agro's wastewater discharges. So Access Economics uses a figure produced from the average of two Finnish mills, "on the grounds that the Thai plant producing Double A paper uses Finnish technology".

As such information is a crucial part of any analysis of environmental impacts of pulp and paper production, I asked Thirawit Leetavorn to explain why Advance Agro did not provide this information. His answer, in full, was "no".

Absorbable Organic Halides (AOX) are a group of chemical compounds produced when chlorine reacts with wood during the bleaching process of pulp manufacture. According to Access Economics, Double A's AOX discharge is 2.00 kilogrammes per air dried tonne of pulp produced -the highest of any of the mills considered (more than double the figure given as the average in the US, for example). This fact is not mentioned anywhere in the report.

I asked Thirawit Leetavorn for records of measurements of pollutants in Double A's wastewater for the past 12 months. He declined to provide the records, but assured me that "Double A ensures the measurement of the elements

contained in the wastewater comply with the highest environmental standards."

Third, Access Economics tries to make Advance Agro's plantations disappear. According to Access Economics, Advance Agro sources its wood from "farmed eucalyptus trees grown by farmers along the edges of rice plantations". The company claims to have contracts with one million farmers. Thirawit Leetavorn sent me some nice photographs of eucalyptus trees planted along the edges of rice fields. "No, we do not have industrial tree plantations," he wrote in answer to my question about what area of plantations the company has.

Four years ago WRM visited Thailand. We talked to villagers living near the plantations and heard how villagers had sold their land to the company. We heard how the company had established eucalyptus plantations right up to villagers' rice fields. And we saw large areas of eucalyptus plantations.

There are three more pieces of evidence which suggest that Advance Agro's plantations have not gone away. Access Economics mentions that "Treated wastewater [is] used to irrigate tree plantations." In a December 2006 article, about Advance Agro, Pulp and Paper International reports that "Fiber comes from five year-old cash crop plantation trees." And one of Advance Agro's websites states: "In the production of Double A Paper, we use raw materials from our own plantations."

Advance Agro is currently planning to build a new 500,000 tonnes a year pulp mill and a 500,000 tonnes a year paper mill. Finnish consulting firm Pöyry completed a feasibility study in 2006. Advance Agro has submitted an environmental impact assessment to the Thai authorities and is in negotiations with Mitsubishi (Japan), Voith (Germany) and Metso (Finland) about the supply of machinery. Access Economic's report is a marketing tool aimed at expanding Double A's sales in Australia in anticipation of the new pulp and paper capacity expansion. The report is greenwash.

By Chris Lang, <http://chrislang.org>

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- A meeting in Europe with bankers about pulp mills and finance

The entrance to the bank has nothing to do with human scale. Built of steel and glass, the building towers over visitors like a spotlessly cleaned, giant machine. A machine for swallowing people and making money, perhaps.

I visited the bank headquarters last week as part of a meeting organised by the German NGO Urgewald to discuss banks' financing of the pulp industry. Up on the 50th floor, where the meeting took place, the view is spectacular. The sun was shining, glistening off the river as it curves through the city. It didn't feel like being in the belly of the capitalist beast. About a dozen bankers, from seven major banks, turned up to listen to presentations from six NGOs. (The meeting took place under the "Chatham House Rule", which means that I can use the information from the meeting, but I can't tell you who said what, or who else was at the meeting.)

Before the meeting, I'd calculated that the pulp industry has plans to build about 25 million tonnes of new capacity over the next five years. The vast majority is planned for Brazil, Uruguay, Russia, China, Australia and Indonesia. Even allowing for more closures of pulp mills in the North, this is a dramatic increase in capacity. Over the past decade, the industry has expanded at about one million tonnes a year. It is now planning to expand at five times this rate. During the meeting it became clear that my figure of 25 million tonnes was an underestimate. Three new pulp mills are planned in Russia and one in Malaysia, none of which I'd included in my calculations.

The pulp industry's boom and bust cycle is directly linked to the industry's overcapacity. The industry expands when the price of pulp is high. When all the new capacity comes on stream the price collapses. It's happened before

(repeatedly) and it looks like it's about to happen again.

During the meeting, the bankers heard about the promises given 20 years ago in Indonesia. The pulp industry would bring prosperity. It would provide jobs and it would save the forests, by providing an economic use for wood. The reality is that the industry has brought pollution, few jobs, social conflicts, land rights conflicts and destruction of vast areas of forests. Even where plantations have been established they have replaced forests. Today, pulp companies in Sumatra are clearcutting peat swamp forest and draining the swamps to establish plantations. In the process they are releasing large amounts of carbon stored in the peat to the atmosphere.

The pulp industry's reliance on wood as a raw material means that large areas of industrial tree plantations are required to feed today's million tonnes-a-year pulp mills. This inevitably leads to land rights conflicts, because such large tracts of land are not simply lying around unused. Land rights conflicts in Brazil are increasing, and the Movement of Landless Peasants (MST) has repeatedly targeted the pulp industry's eucalyptus plantations in its land occupations.

The bankers heard about the impact of industrial tree plantations on water. How wells dry up, ground water levels fall, seasonal streams become permanently dry, swamp areas dry out, water sources for washing and drinking water dry out, and how it becomes impossible to grow staple crops such as rice in fields that are surrounded by plantations.

The bankers also heard suggestions for how they could draw up standards in order to avoid investing in the worst pulp and plantation projects. They heard about a mapping project which delineates old-growth forests. They heard about the range of mechanisms under international law that could be applied in cases of human rights abuses linked to pulp mills, for example. They heard how several commercial banks in the US, the Netherlands and the UK have drawn up forest policies, partly as an attempt to avoid getting involved in destructive projects such as those of APP and APRIL in Indonesia. ABN Amro is working on applying its forest policy to all bank activities and not just project financing – which is crucial in the pulp sector, because most pulp mills are financed through bonds, shares, equity and general corporate loans.

The banks told us they don't have enough capacity to develop their own forest policies. Even carrying out due diligence, it seems, is difficult. Some of the banks said that if a project is covered by the German credit insurer Euler Hermes, they'd invest without too much further analysis. This is extremely worrying news to the NGOs who have campaigned for years to get Euler Hermes to develop meaningful standards to exclude socially and environmentally destructive projects. In 2004, Euler Hermes provided export credit insurance for APP China despite the problems APP has caused in Indonesia. Greenpeace China has documented how APP China has illegally logged forest in Yunnan and established tree plantations inside protected areas in Hainan.

We pointed out the problems with relying on Euler Hermes. Well, there's the World Bank's forest policy replied the banks. Or there's the OECD's common approaches for export credit agencies. Or the Equator Principles. Anything, it seems, rather than the banks admitting that they must look critically at their involvement in the massive problems caused by the pulp industry and its industrial tree plantations. Coming from banks that employ tens of thousands of people and generate billions of Euros profit each year, this is a little difficult to take.

By Chris Lang, <http://chrislang.org>

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AGROFUELS

- **Agro-fuels: A turn of the screw in power concentration**

With much song and dance, Agro-fuels have quickly found a place on the agendas of the governments of the North...and of the South. They promise energy independence, business, a solution to global warming, business, more foreign currency, business!!!

They also give rise to new political and regional positioning. During a controversial trip through Latin America, the United States was seeking to strengthen a partnership with Brazil regarding ethanol. Cuba has stated its rejection of agro-fuels, together with Venezuela and Bolivia. Others look, listen and remain silent...but have agro-fuels on their agendas and the enabling legal frameworks are being established.

The possibility of using rice husks, used cooking oil, grass or hay may conjure up a picture of good use and recycling of resources. However, if we apply a macro vision, agro-fuel fever comes in a very different package: intensification of industrial agriculture (together with the well-known model of monoculture crops – from food crops to trees – on a large-scale) and conversion of vast stretches of farm land into plantations for energy, no doubt in the countries of the South. Summing up, a turn of the screw by colonization. And another step forward in accumulating power.

The case of cellulosic ethanol provides an ideal scenario for this concentration of power.

Current research on obtaining ethanol from the cellulose of woody species (also known as "Treethanol") follows two main lines of work:

- * enzymatic hydrolysis of cellulose; and
- * thermo-chemical cellulose conversion

The first option is still at the laboratory stage and genetic engineering work is being done to obtain, on the one hand transgenic enzymes and, on the other, trees that grow faster, producing less lignin or more easily degradable cellulose. Synthetic biology (a combination of genetic engineering and nanotechnology) is working on the creation of totally new organisms, in this case, enzymes. Genencor (US), Novozymes (Denmark), and Diversa, are working to find cheaper and more efficient enzymes. These techniques and research strengthen the monoculture model, in detriment to species diversity, considering that it would be more costly to research the multiple enzymes necessary to degrade cellulose from different species of trees.

In the attempt to lower the cost of enzymes (transgenic or synthetic ones) to obtain cellulosic ethanol, millions of dollars are at stake. Among the major investors is the US Department of Energy, which granted a four-year 385 million-dollar subsidy to six projects aimed at producing cellulosic ethanol. The US Department of Agriculture is also funding numerous projects at various universities throughout the country.

Cellulosic ethanol has become a new commodity attracting powerful groups from various sectors that are constructing an intricate labyrinth of interconnections, mergers, partnerships. Biotechnology companies such as Diversa Corp, Genencor (US), Novozymes Inc. (Denmark), share interests with automobile manufacturers such as Ascoma (US), or Volkswagen, and with oil companies such as Chevron and BP. In their research they are supported by research centres such as Craig Venter (US), Scion and AgResearch (New Zealand), and the Swedish SweTree Technologies. For its part, ArborGen –involving the paper companies International Paper and Mead Westvaco and the biotechnology company Genesis— is assessing the feasibility of marketing bio-fuels made from cellulose.

The other line of research to obtain cellulosic ethanol through thermo-chemical conversion carried out in bio-refineries, opens the door to another series of partnerships. The pulp and paper companies are going into partnership with chemical companies, as it would seem that it is relatively simple to convert pulp mills into thermo-chemical or integrated bio-refineries to process cellulosic ethanol. The pulp mill could gasify biomass to create synthetic gas (syngas) and then convert it into a series of fuels and chemical materials. For the pulp and paper companies this is just another opportunity for trade as it opens up another market and they could then choose the best bidder.

Thus, the biomass gasification model has created convergence of interests between the pulp and paper industry and the chemical industry. Partnerships have already been established such as that of the forestry company Weyerhaeuser with the Chevron oil company.

This is perhaps one of the most alarming aspects of agro-fuels: that of joining powerful actors from different sectors that previously had not collaborated so closely and thus enabling them to take a qualitative jump forward in the concentration of world power.

However, it also generates another process in the opposite direction. Resistance to this advance of agro-fuel, with the greater usurpation it involves, has given rise to greater synergy between social organizations and movements that previously had perhaps carried out parallel struggles. Peasant communities, with their models of bio-diverse agriculture under threat, indigenous forest communities endangered by the destruction of their habitat with the advance of energy crop plantations; those defending water and soil, alert to the expansion of an agriculture that takes away water and soil; those who struggle for human rights, because the progress of power groups is made at the expense of the peoples' rights.

All these movements are converging around resistance to this new attack and are gathering forces to denounce what it generates: an irresponsible, merciless, inhuman production, trading, and consumption model. In this process, other values, other principles, other models, another world is taking shape.

By Raquel Núñez, WRM e-mail: raquelnu@wrm.org.uy

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- Eucalyptus plantations as biomass fuel: substituting evil for wrong

More and more the rush to use biomass as an alternative source of energy allegedly to reduce CO2 emissions is concealing the unsustainable consumption pattern that underlies global warming and climate change.

Reduccionist approaches focus on solutions which create even greater harm. That is the case of a major European project which has enthusiastically identified industrial-scale eucalyptus plantations as an answer for so said less polluting steel manufacturing processes.

Led by the main European steelmakers, the European Ultra Low CO2 Steelmaking (ULCOS) project involves the French Agricultural Research Centre for International Development (CIRAD) and its central theme is to replace fossil fuels with biomass, notably from monoculture tree plantations in the tropics.

Apart from developing more efficient processes for converting biomass into charcoal, the project addresses the biomass availability from eucalyptus plantations, and CIRAD conducts research on the availability of such woody biomass. It has identified "good candidates" for biomass production --which means where to establish industrial-scale eucalyptus plantations.

The 'candidates' chosen to host such plantations are: Brazil, which CIRAD considers could have 46 million hectares available in 2050, and several central African countries -- Congo (South), the Democratic Republic of Congo (West), Angola (North and East), Zambia (West), Tanzania (West and South), Mozambique (North) and the Central African Republic (West and Centre)-- with 46 million hectares.

This amounts to increase the area of monoculture tree plantations, with the ensuing severe impacts on soil, water, biodiversity and livelihoods. Even worse, the establishment of such large-scale plantations would destroy existing

ecosystems –as is already happening- such as grasslands, forests, peat lands, wetlands, which provide livelihoods to local populations. Such destruction implies the release of enormous amounts of greenhouse gases, which challenge the basis of those kinds of projects.

Replacing the major problem of burning huge amounts of fossil fuels with further problems like the encroachment of highly diverse ecosystems and the depletion of soil and water by fast growing eucalyptus will only make matters worse. Meanwhile, the climate keeps changing.

Article based on information from “Ultra low carbon steelmaking process”,
<http://www.engineerlive.com/features/17481/ultra-low-carbon-steelmaking-process.shtml>

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CARBON TRADE

- Proposed changes to CDM rules will give incentive to clear forest and provide subsidy for plantations industry

To the disappointment of some and the relief of others, tree plantation projects, particularly those involving large-scale monocultures, have been struggling to access a new subsidy offered by the Kyoto Protocol's Clean Development Mechanism: in the three years since the rules for afforestation and reforestation projects were adopted, and after twelve rounds of baseline methodology submissions, only one plantation, in China, has been registered as a CDM project.

This is set to change with a recent recommendation from the CDM Working Group responsible for such tree planting projects. The changes put forward by the Working Group (1) will make substantive areas used for controversial large-scale plantation management eligible as CDM projects. The proposed changes also introduce the perverse incentive to clear land that was actually forested after 1990: a proposed CDM project would pass the new land eligibility criteria if it took place on land that may not have been forest on 31 December 1989 but where a secondary forest has developed since. Nothing in the proposed new rules would prevent the clearing of the secondary forest that had developed since 31 December 1989 and then a plantation company could establish thereafter a monoculture tree plantation that is credited under the CDM. In addition to risking negative social and environmental impacts and providing a subsidy to the plantations industry, allowing for such practise would also not result in emission reductions, since in the absence of the project the secondary forest would have continued to exist.

In addition to providing an incentive to clear areas that have developed into forests since 31 December 1989, the proposed changes to the CDM rules would also make replanting after regular rotational timber harvest eligible as a CDM project. If the new rules are approved by the CDM Executive Board it would be possible for a plantations company to carry out regular harvesting operations, pass the new CDM land eligibility procedures and be able to increase profit margins by selling CDM carbon credits for re-establishment of the plantation after such a regular harvest. The text requires that the company demonstrate that “the land was not intentionally converted to non-forest land for the purpose of implementing an A/R CDM project activity”, but this requirement would certainly be possible to fulfil.

How would this work?

A plantations company carries out a regular rotational harvest of its plantations. It then puts forward a proposal to the CDM arguing that without additional funding it would not be able to replant (as V&M Florestal and Plantar did in their proposals to the CDM in 2003-2005). The plantation company's argument would persuade the CDM experts that replanting of the plantation would not deliver sufficiently attractive economic returns and would only be replanted if

extra CDM finance was made available. The CDM project – the establishment of a monoculture plantation – would likely be considered additional, and the CDM would provide extra funding to plantation companies for the very activities they are doing anyway: re-establishing plantations after regular rotational harvesting.

There is no shortage of land that was cleared before 1990, where community-based forest restoration would provide both environmental and social benefits. Judging from the list of proposed CDM tree planting projects, this is not where the interest of most CDM project proponents' lies. The large majority of proposals involve establishing commercial, large-scale timber plantations. The proposed new rules – if adopted in their current form by the Executive Board – will open up large areas of land currently not eligible for the CDM plantations subsidy. Such a CDM subsidy from the sale of carbon credits may increase the economic return of plantations in locations where other land uses might make much more economic, social and environmental sense and where land use conflicts between local communities and plantation companies are frequently a reality. The 2003 CIFOR report "Fastwood" concluded that "[t]he sooner subsidies to commercial plantations are phased out, or at least dramatically reduced, the better." It would be ironic if the CDM, not least in light of its objective to promote sustainable development, were to provide the very kind of subsidy the CIFOR report, numerous WRM publications and others have shown to cause a raft of negative social and environmental impacts.

(1) Available at http://cdm.unfccc.int/public_inputs/EB31_ARWG_Land_eligibility/index.html

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- Brazil: Third V&M's go under CDM for their tree plantations

Registered on last January 22, the "Project 0143 : UTE Barreiro S.A. Renewable Electricity Generation Project" of Vallourec & Mannesmann (V&M), the world's largest manufacturer of seamless hot-rolled steel tubes, is the third try of the company to get funds under the Clean Development Mechanism (CDM) scheme. The registered project will provide V&M with 67954 carbon credits it can sell to companies in the North who prefer buying such carbon credits to reducing emissions at home.

The project alleges to be "a renewable energy project" which consists of the construction and operation of a thermoelectric plant fired by blast furnace gas and wood tar to generate part of the electricity required by V&M Barreiro's Integrated Steel Plant (Usina Siderúrgica Integrada de Barreiro), thus displacing electricity generation from a more fossil-intensive grid and reducing greenhouse gas emissions in the process.

According to the Project Design Document (PDD) "wood tar is collected during the carbonisation process where charcoal is produced from wood obtained through **sustainably managed** forestry activities" (emphasis added). This refers to wood extracted from the same eucalyptus tree plantations located in Minas Gerais, Brazil, where V&M company guards shot peasant Antônio Joaquim dos Santos in February 2007 (see WRM Bulletin N° 116).

As a result of the ensuing denunciations about the killing,, and because V&M's plantations were FSC certified, an audit was carried out by the FSC accredited certifier, SGS. The company preempted a potential loss of the certificate by announcing its "decision to voluntarily withdraw from FSC after 8 years of very close relationship" on the grounds that it did not agree with the way in which the certifying body (SGS) had carried out its audit (see WRM Bulletin N° 116).

Those "sustainably managed" eucalyptus plantations have also been intrusive because they have encroached on lands previously occupied by peasants and are now undermining the struggles of the local people to recover their lands. They have also generated disputes with the small farmers regarding the use of agrochemicals, the blocking of

roads or the alteration of and access to water resources.

In spite of all this, Det Norske Veritas (DNV), one of the main validators of CDM projects, had approved the controversial V&M Fuel Switching project, which was another CDM project of the company where it asked for carbon credits in order to keep using charcoal for their steel plants. V&M argued that without those carbon credits it would be unable to maintain the plantations. V&M and DNV had claimed that V&M plantations were managed sustainably and used the FSC certificate as evidence.

The fuel switch methodology was rejected by the Executive Board of the Clean Development Mechanism, pointing to "doubts" about the scenario presented by V&M: that without additional carbon money a switch to coal under current trends in the Brazilian pig iron industry would be unavoidable. The Panel expressed concerns about the "immaterial nature of the project activity and the moral hazard related to the fact that [it] consists of continuing current practice." (See WRM Bulletin N° 92)

The CDM however accepted V&M's 'renewable' energy project, and its project documents make no mention anywhere that the plantations were at risk should there be no extra carbon money available. This contradiction between the two project documents aside, the 'renewable' energy project that has been registered as CDM project now has another problem: V&M does not possess an FSC certificate anymore hence its "sustainability claims" and claims about "renewable" energy production are not backed up by anything anymore and the previous justification has been cancelled. As a result the CDM should de-register the project immediately.

All this may be a good example of how impossible it is to really verify the claims made about additionality of CDM projects, the poor checking of any sustainable development claims in the CDM process as well as a perfect example of how polluting companies use the CDM to gain extra carbon credit money for their business.

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