Chile: Serious impacts of FSC certified tree plantation company

The results of a research study carried out in different region, in 2010, by the Association of Forest Engineers for Native Forests were published last July. This Independent Forestry Monitoring led to a report on the environmental and social impacts caused by large scale tree plantations established by the company Anchile Ltda., and formal complaints were filed at the National Forestry Corporation ("Corporación Nacional Forestal" – CONAF), a body that is part of the Ministry of Agriculture.

The company Forestal Anchile Ltda., owned by Japanese firms Daio Paper and Itochu Corporation, has become one of the most important wood chip exporters in Chile, with its business focused on the Japanese market. The company's property covers an area that goes from the Toltén Municipality in the Araucanía region, to Fresia in the Lakes region. The monitoring work was carried out in the Rivers and Lakes Region, and in the Valdivia, Corral and La Unión Municipalities, where most of the company's net worth is located, currently amounting a total of 61,069.1 hectares, 28,043.8 ha of which correspond to monoculture tree plantations, particularly Blue Gum (Eucalyptus globulus), Shining Gum (Eucalyptus Nitens), Radiata Pine, and Oregon Pine, among other varieties.

The research focused on three sectors on the mountain range along the Valdivia Coast, in the Los Ríos Region. One of these sectors included plots located nearby fragments or extended areas of native forests that are part of the coastal humid rainforest, identified among the 25 areas in the world with the highest priority for preservation, mainly due to its level of fragility and because it is home to a great diversity of highly endemic fauna and flora species.

The substitution of the native forest with plantations of exotic tree species (like Pinus radiata at first and later with Eucalyptus spp) - started in the 1980s as a result of the large-scale acquisition of lands by forestry companies -. The subsequent migration of the rural population of these areas to the Valdivia region constitute one of the main factors that bring along a significant loss of biodiversity and the fragmentation of native forests.

The resulting report informs of the plantations' management practices with significant environmental impact that are taking place on all of Forestal Anchile's sites visited, in addition to evident non-compliance with applicable forestry regulations. Such practices imply "intervention in and/or destruction of areas that protect water courses, the removal and loss of soil in areas with steep slopes due to mechanical harvesting systems, progressive substitution of native vegetation that provides protection to water courses, felling in areas of young native trees during the harvest of plantations and clear felling on extensive areas that cause a strong landscape impact in adjacent areas that include sites on Chilean territory where the preservation of biodiversity is a priority."

The study also reveals the effects of pesticides to the micro-basin tributaries of the Futa River."

The results of the forestry monitoring process show that "Forestal Anchile's bad practices in establishing and harvesting plantations generate a strong impact on land and water ecosystems throughout the region, as well as on different activities and initiatives by the local rural communities that are intended to promote tourism, and recover landscape value and the native forests'

ecosystemic functions, mainly the production of water for domestic and irrigation purposes".

Notwithstanding all the above, Forestal Anchile continues to be a company certified by the FSC, meaning that its tree plantations are supposedly "sustainable". On 15 December 2002, the company was certified by the FSC (Forest Stewardship Council) system, and such certification has been renewed since 2003 upon audits performed on a yearly basis. This comes to prove that aspects as serious as deforestation – often inherent to extended tree monoculture – and its impact are not taken into account in the Forest Stewardship Council (FSC) certifying system.

The results reveal the weaknesses of the forestry legislation in force, as well as of the certification processes, which ensure them impunity on their impacts, as they present an obvious lack of rigor in the controls applied on the sites reported, and define insignificant fines as compared to the magnitude of the damages caused on the lands that are actually subject to punishment. This, in addition to the lack of transparency in certification processes, on the part of companies as well as on the part of auditors, thus affecting the reliability of the FSC's system, as a result of making evident the inconsistency of the criteria and principles governing forestry certifications with the actual practices detected in part of the activity of a company that has been granted certifications since 2002".

WRM would also add that this is yet another proof of the fact that certifications have become an instrument for big companies to legitimize their business activity. The "green seal" allows them the imposition of production systems that are intrinsically harmful and hazardous for high-value ecosystems, as is the case of monoculture tree plantations.

Article based on: "Informe de resultados. Monitoreo forestal independiente a patrimonio de Forestal Anchile Ltda. en la región de Los Ríos y Los Lagos", (in Spanish) July 2012, by the Asociation of Forestry Engieneers for the Native Forest,<u>http://www.bosquenativo.cl/descargas/documentos</u> <u>AIFBN/Informe Monitoreo Anchile 28 08 12.pdf</u>