<u>"Forest in exhaustion": a new trick to subsidize monoculture tree plantations</u>

"Forest in exhaustion" stems from a controversial proposal by Brazil under the UNFCCC negotiations in Poznan. The interest of Brazil to amend the Clean Development Mechanism (CDM) in order to include "Forests in exhaustion" is that it would allow the CDM to award credits under the Kyoto Protocol for reforestation projects on forest land that has been so over-exploited as to become "exhausted", and without additional money from the carbon credits would not be replanted. However, it's not about forests but tree plantations, a main economic activity in Brazil and other Southern countries. Indeed, the Executive Board of the Clean Development Mechanism agreed on the definition of "forest in exhaustion" as "an area of land that contained forest (sic) – established through planting, seeding and/or the human-induced promotion of natural seed sources – on 31 December 1989 and/or at the starting date of the project activity." (http://unfccc.int/resource/docs/2009/cmp5/eng/16.pdf)

This has the major implication that the CDM can subsidise monoculture tree plantations in the South, where they are already very profitable, through credits awarded under the Kyoto Protocol as reforestation projects on previously planted land that has been so over-exploited as to become "exhausted".

In its 33th session held in Cancun in December 2010, the Subsidiary Body for Scientific and Technological Advice (SBSTA) of the Framework Convention on Climate Change (FCCC) invited Parties and admitted observer organizations to submit to the secretariat, by 28 March 2011, their views on the implications of the inclusion of reforestation of lands with forest in exhaustion as afforestation and reforestation clean development mechanism project activities.

As an organization that has been long defending forest and forest-dependent people in their struggles to secure their livelihoods against threats such as industrial monoculture tree plantations, WRM submitted the following main points of concerns about the Board's definition of 'forests in exhaustion' and what would supposedly happen to these 'forests', as well as about the proposal to include as a possible CDM activity reforestation activities on lands that did not contain or contained 'forests in exhaustion':

"1. According to your description of 'forests in exhaustion' these supposed 'forests' can include industrial tree monocultures. In our supportive work to local communities that are affected by these monocultures, we learned that these tree monocultures have nothing to do with forests. The only similarity is that both contain trees. However, while forests offer a huge range of nutritional, water, medicine, spiritual and other benefits to forest peoples, industrial tree plantations are being called "green deserts" by local communities for the fact they do not offer any benefit, and life is totally absent inside the identical rows of trees of these monocultures which have only one purpose: supplying wood to industry. The fact that even the FAO still considers industrial tree plantations as forests, has had dramatic consequences for thousands of communities in the South and has favored Industry interests. However, over the past years, many academics, state officials, representatives of different social and environmental organizations, etc. have opposed against the FAO definition. The

fact that UNFCCC opts for maintaining the FAO definition is disturbing and tends to perpetuate and create new conflicts all over the world between expanding plantation companies and local communities.

- 2. This new proposal permits tree plantation companies to present a CDM project for any of their plantations, be these existing or new plantations. What we have learned from the practice is that the companies that started their plantations long before 1989 always have counted with sufficient financial support and resources to maintain their activities until now and the main proof is that the major companies always have been replanting their areas. Especially in the global South where this activity is extremely profitable, which has led to a process that Northern tree plantation companies are in a process of transferring their activities to the Global South where they can make more profits. It is therefore that this activity can not be considered as 'additional', on the contrary, it is clear that what the industry is aiming at is another subsidy for an already very profitable sector.
- 3. Industrial tree monocultures of eucalyptus, pine, oil palm and rubber trees cause many negative impacts, in spite of a discourse of industry that it is a 'sustainable and renewable' sector. The attached studies (1) show very clearly that these plantations have severe impacts on the land distribution, expelling people directly and indirectly from their land. Large scale plantations have huge impacts on water resources availability and quality and several scientific studies on the issue are also publicly available. Plantation companies need to apply pesticides that affect soil, biodiversity and the workers. This type of agricultural activity creates 10 to 15 times fewer jobs if compared with small-scale agricultural production and the majority of jobs are dangerous and relatively badly paid. Women are relatively most impacted by industrial tree monocultures. And also, the expansion of these monocultures continues to be one of the important direct and indirect drivers of deforestation, which means in fact the emission of even more carbon to the atmosphere.
- 4. And finally, but of extreme importance: be it plantations or be it forests, not one of these planted trees areas are able to guarantee a structural and long-lasting contribution to mitigate global warming, because, among other reasons, the carbon emissions resulting from deforestation may be chemically identical to those coming from the burning of fossil fuels, but the two are climatologically different. Carbon released from deforestation does not increase the total amount of carbon being exchanged among the atmosphere, the oceans, soils, forests, and so on. Carbon released from fossil fuels, on the other hand, does increase this above-ground carbon pool."
- (1) This refers to the document that was sent to the UNFCCC with some of the research made by WRM related to the impacts of monoculture tree plantations and which can be read at http://wrm.org.uy/actors/CCC/Letter_to_the_SBSTA.pdf