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## Argentina: Environmental pressure defeats “carbon sink” project

In February last year, “Río Foyel S.A.” a company set up in March 1999 and recent owner of a 7,800 hectare plot located in the zone of El Foyel, in the southern province of Rio Negro, submitted a project for the logging of four thousand hectares of ñire native forest and then reforestation of the zone with exotic Oregon and Radiata pine and the “sustainable” management of over 1,800 hectares of native species (see WRM Bulletin 38, September 2000).

The ñire is a native species, essential in the conservation of the biodiversity of the Cordillera forests, even the most degraded ones, and the plot in question borders with the Nahuel Huapi National Park, near the tourist city of Bariloche.

According to the project’s Master Plan, “the ultimate objective would be in the short and medium term to increase the global capacity for trapping atmospheric carbon dioxide, with the consequent mitigation of the “greenhouse effect” on a world level. The long term objective is the production of high quality wood at prices that are competitive on internal and external markets.”

This is the “carbon sink” business, promoted by the new Clean Development Mechanism established by the Kyoto Protocol (Convention on Climatic Change). Wood companies have found in carbon sinks an ideal tool with which to widen their areas of exploitation and economically improve their business with the sale of carbon bonds.

However, although the El Foyel project had the endorsement of the provincial government, it found major resistance. Both the Andean Forestry Service and the National Park Administration’s technical delegation pointed out the possibility that large scale deforestation would cause prejudice to other associated native species and the high “invasiveness” of one of the species used in the plantation, the Oregon pine, would displace other native species. The National Park technicians also referred to “possible modifications in the hydrological regime of the basins” shared with the National Park.

For its part, in October 2000, the “Limay Community” lodged an application for legal protection against the forestry mega-project. A positive sentence was issued by the court, stopping the logging that the company had already started (see WRM Bulletin 39, October 2000). It also considered that, according to the provisions of the provincial law, a project of this nature required “calling a prior hearing with the participation of all sectors interested in the preservation of environmental values.”

Finally, on 23 October, a public hearing was held in which the president of the company stated his annoyance at the extensive public exposure they were being subject to because of the claims made by different environmental bodies. A few days later and unexpectedly, before the sentence which everybody thought would be favourable to the company’s project was issued, the president sent a letter to the Director of the Rio Negro Forestry Office, stating that “we have decided to withdraw the Master Plan for Forestry Production and Planning project,” alleging a climate of hostility.

This is no doubt good news, showing that it is possible to halt destructive projects, even if they are masking as “ecological.” However, it is also true that some local people, with hopes fed by promises

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advertised by the project, do not see this news as positive, and in this respect it should be understood that the region of El Foyel is a region that has been relegated and that its inhabitants saw in this project a possibility for obtaining jobs, that are presently non-existent. These same people are now blaming the environmentalists for having closed up this opportunity, and it is therefore essential to show that responsibility for unemployment falls entirely on the State and that if, instead of subsidising tree plantations, it would use this money for other socially and environmentally beneficial projects, the story would be different.