Ecuador: draft bill against mangroves defeated

To face the critical situation of public finances and meet the demands ot the IMF, last March President Jamil Mahuad sent to the National Congress a draft bill for the so called Rationalization of Public Finances, that among other measures, paved the way for the privatization of 60,000 hectares of land along the Pacific Coast by the shrimp industry. The operation would have meant an income of U$S 60 million dollars to the State budget. At the same time, the government added that the idea of opening new concession areas for shrimp farms would not be discouraged. The initiative was strongly resisted by environmental NGOs and the public opinion in general, since it meant the promotion of further degradation of natural resources to obtain short term incomes (see WRM Bulletin 21).

Thanks to the opposition from environmental and community organisations, the article of the draft bill concerning the privatization of mangroves was voted down. The struggle was facilitated by the fact that shrimp farmers, who are facing problems with the white spot disease, found that the one-time price of $1,000 per hectare for a 25 year lease ($1,500 for illegal occupants) established in the draft bill was too hard to bear. It is interesting to note that a recent decree of the Environment Ministry, related to the establishment of penalties to illegal cutting of mangroves, establishes that for purposes of the fines, the mangrove is valued in approximately U$S13,000 per hectare per year. This figure is considerably higher than the U$S 1,500 per hectare established by the polemic draft bill, which shows that the Ecuadorian government has two widely differing ways of valuing the mangroves. Why?

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