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## Industrial Tree Plantations Company Suzano's agenda at the UN Climate COP26: Expansion, GE Trees and FSC Certification

*Suzano was present at the 2021 UN climate negotiations for one main reason: to promote tree plantations as a 'solution' to climate change, under the name of 'nature-based solutions'. From biomass energy, plantations for carbon sequestration, to GE trees, Suzano aims to profiteer ever more from the so-called climate policies.*

People arriving at Glasgow train station in November 2021 to attend COP26, the UN climate meeting, were handed copies of the *Financial Times*, with a front-page advert from Suzano, the Brazilian pulp and paper giant. "We support a regulated carbon market to deliver the Paris Agreement," the advert states. (1)

In a series of bullet points, Suzano, *the world's largest producer of eucalyptus pulp*, argues that rapid decarbonisation requires "building a truly global regulated carbon market". Suzano describes itself as a "carbon negative company" that has "demonstrated that positive change is achievable today".

And the company announces its goal of achieving "a net removal of 40 million tons of carbon from the atmosphere" by 2025.

At COP26, Walter Schalka, CEO of Suzano, told the 'Business for Nature' coalition that, "Biomass is going to transform the future." (2) Schalka argues that his company "can be part of the solution of the climate change, because we are on both sides of the equation. We are absorbing carbon on one side, and on the other side we are replacing fossil materials."

The reality is that the burning of biomass to produce electricity is booming in part at least because the UN considers biomass as a carbon neutral source of energy. This allows nations and companies to burn biomass without having to count the emissions, thus helping them meet their carbon reduction targets. But the expansion of industrial tree plantations and the burning of wood pellets are highly detrimental for the climate and for forest dependent communities.

Moreover, Suzano is responsible for a massive land grab in Brazil, including of Indigenous Peoples' territory. The company is hoping to continue expanding its monoculture plantations under the guise of 'nature-based solutions'. Another key tactic for Suzano to keep expanding its eucalyptus plantations, is to market itself as a company that practices 'conservation' and 'restoration'. This conceals its disastrous track record related to forest and forest-dwelling people.

### ***Suzano and Eucalyptus Monocultures***

In 2019, Suzano Pulp and Paper merged with Fibria to form Suzano SA. (3) Fibria was a company that resulted from a previous merging between Aracruz Celulose and Votorantim Celulose e Papel. Aracruz was one of Brazil's most controversial pulp and paper companies. (4)

Suzano has an annual production capacity of 11 million tons of pulp and 1.4 million tons of paper. Its

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annual exports amount to US\$4.5 billion. The company has a total of 2.4 million hectares of land in seven states in Brazil (*Espírito Santo*, Bahia, Maranhão, Ceará, Pará, Mato Grosso do Sul, and São Paulo). About 1.5 million hectares of this land consists of fast-growing eucalyptus monocultures.

The impact of Suzano's vast plantations on communities and their environment is serious. The plantations have dried up streams and watercourses. Working conditions on the plantations are terrible. (5) The plantations in the Brazilian state of Espírito Santo that Suzano took on when it merged with Fibria were established on land belonging to the Tupinikim and Guarani Indigenous Peoples. After 40 years of struggle, the Indigenous Peoples managed to take back 18,070 hectares of their land (6). The plantations also took the land of quilombola [descendants of escaped enslaved people] communities. Suzano also took over Fibria's 50% share in Veracel, becoming co-owner, with Stora Enso, of plantations established on the lands of the Pataxó Indigenous People in Bahia.

On its website, the company states that it is "looking into possibilities of generating carbon credits by forestry (eucalyptus and native) and engineering projects". (7)

Suzano claims that in 2020 its industrial tree plantations removed a net total of 15 million tons CO<sub>2</sub> from the atmosphere. The company states that these figures have been verified by a 'third party', but gives no details about how the figures were calculated. Suzano fails to explain how much biodiversity, soil and cultural destruction these plantations have caused; how much pollution was created due to the large amounts of agrottoxics used in the plantations, the heavy machinery for cutting and transporting, as well as the pulp factories and the related infrastructures; how much violence the plantations have created for Indigenous, quilombola and other traditional communities.

The fact that Suzano was at COP26 promoting carbon markets illustrates how much of a business opportunity tree plantations have become in the new 'climate package.'

### ***Suzano and GE Trees***

In 2010, Suzano bought a UK-registered company called FuturaGene, which is carrying out research into genetically engineered (GE) trees. (8) A company called Suzano Trading Ltd, registered in the tax haven of the Cayman Islands, owns FuturaGene. (9)

A FuturaGene corporate brochure explains that "FuturaGene obtained, in 2003, the H421 event genetically modified eucalyptus, developed to increase biomass accumulation." (10) The company claimed that this genetically engineered tree would be 20% more productive. In 2015, Brazil's Technical Commission on Biosafety (CTNBio for its acronym in Portuguese) approved Futuragene's application for the commercial use of the H421 eucalyptus tree.

While Suzano argues that this will make its industrial tree plantations more efficient, the reality is that faster growing trees will use even more ground water. And more profits for Suzano, along with its ambitions of expanding into biomass production as well as pulp and paper, will mean a major expansion in the area of the company's plantations. The company continues to expand. Suzano is constructing another huge pulp mill with an annual production capacity of 2.3 million tons in Mato Grosso do Sul. This will result in yet more land converted into monoculture tree plantations in and around this state.

So far, however, FuturaGene is losing money. In 2019, FuturaGene made a loss of £13.3 million (around US\$17.6 million). The following year, the loss was £8.9 million (around US\$11.7 million). In total, FuturaGene has cost Suzano SA about £121 million (around US\$160 million).

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A 2016 interview with Stanley Hirsch, CEO of FuturaGene, illustrates the ambition of his company. (11) Hirsch talks about a “major opportunity for industrial bio-tech”. And he reveals the gigantic land grab that his company is aiming for:

*“I think part of the solution is analysing where we have degraded lands. There is about two billion hectares of degraded lands, agricultural and forest land worldwide. 75% of that is in Africa. That is a huge opportunity, both in terms of economic opportunity and in terms of maintaining the sustainability of the planet.”*

*While COP26 in Glasgow was taking place, in Brazil, CTNBio approved the 751K032 event genetically engineered eucalyptus for “its release into the environment, its commercial use and any other activities related to this GMO and any progeny derived from it”. Suzano applied for approval of this new glyphosate resistant GE eucalyptus to CTNBio.*

*The use of agrottoxins is already [a major problem where monoculture plantations are established](#). Soils, water, biodiversity, workers, and communities suffer the contamination. Glyphosate resistant GE eucalyptus will lead to an increase in herbicide use in Suzano’s monocultures. The contamination impacts will also increase.*

### **Suzano and the Forest Stewardship Council**

Despite the environmental and social impacts of Suzano’s operations, the company’s plantations are certified by the Forest Stewardship Council as well managed. (12)

FSC’s standards prohibit the use of genetically modified organisms. But FSC managed to wriggle its way out of confronting the fact that Suzano has invested large sums of money in genetically engineered trees, with the clear intent of using them commercially. (13) FSC argues that,

*“The permission to commercially deploy the GM clone does not bring Suzano into conflict with FSC rules as long as they do not make use of it. However, should Suzano proceed with planting GM trees for commercial purposes, FSC would initiate a formal process under our Policy for Association, leading towards disassociation from the company.”*

Suzano has been lobbying FSC to weaken its position on GE trees even further to allow certified companies to plant GE trees. FSC recently held a consultation on weakening its policy on genetically engineered trees. The Global Justice Ecology Project set up a petition opposing the proposed changes. (14)

In its 2019 Annual Report, FuturaGene explains that (15),

*“Because of continuing issues with obtaining certification of Genetically Modified Organism (“GMO”) products from the Forestry Stewardship Council (FSC), it is considered unlikely that there will be major commercial deployment of the product before 2022.”*

But in its 2020 Annual Report, Futuragene does not mention FSC and states simply that,

*“Commercial deployment of H421 (the technology developed by the company’s subsidiaries) has now commenced.” (16)*

Suzano’s plantations remain FSC-certified.

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Suzano is getting ever closer to commercial plantations of genetically engineered eucalyptus trees. This, then, is what 'nature-based solutions' are going to look like. Vast areas of genetically engineered monocultures, grown for corporate profit.

For industrial tree plantation companies, COP26 was an opportunity to lobby for accelerating the 'low carbon economy' by planting more trees! Carbon markets and greenwashing tactics perpetuate the exploitative relationships and discrimination that are inherent to industrial-scale production. The people that live in and depend on the territories sacrificed for this industrial so-called 'low carbon economy' is left to carry the heaviest burden.

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- (1) Lauren Gifford, [The Financial Times, with a laminated pro-compliance market cover advertisement from Suzano, being handed out to COP26 attendees at the Glasgow train station](#). November, 2021, Twitter
- (2) Business for Nature, [COP26 Nature's Newsroom: Walter Schalka \(CEO, Suzano\)](#), November 2021
- (3) [Suzano](#)
- (4) Brazil: [Aracruz – Sustainability or business as usual?](#), 2005; Brazil: [Quilombolas protest against Aracruz Cellulose](#), 2005; and Brazil: [Worked to death by Aracruz](#), 2005
- (5) Brazil: [Worked to death by Aracruz](#), 2005
- (6) [A Struggle Lasting More than 40 Years](#), World Rainforest Movement Bulletin 258, December 2021.
- (7) Suzano, [Indicators Center 2020](#)
- (8) Futuragene Limited, [Overview](#)
- (9) Futuragene Limited, [People](#)
- (10) Futuragene, [Innovation is Action](#); and International Service for the Acquisition of Agri-Biotech Applications, [Event Name: H421](#)
- (11) GlobalBiotechRevolution, [GapSummit 2016 - Interview with Dr Stanley Hirsch](#), 2016
- (12) FSC certificates – Suzano:  
<https://info.fsc.org/details.php?id=a024000005sSqiAAE&type=certificate>;  
<https://info.fsc.org/details.php?id=a024000005uzwTAAQ&type=certificate>;  
<https://info.fsc.org/details.php?id=a024000008fRYJAA2&type=certificate>;  
<https://info.fsc.org/details.php?id=a02f300000jmYnSAAU&type=certificate>; and  
<https://info.fsc.org/details.php?id=a024000000H4SozAAF&type=certificate>
- (13) FSC, [Application of Suzano for commercial use of genetically modified trees](#)
- (14) The Campaign to STOP GE Trees, [FSC Petition Demands Strong GE Tree Ban](#)
- (15) Futuragene, [2019](#)
- (16) Futuragene, [2020](#)