



special **R**eport

Uruguay
With Ricardo Carrere

We must stop foresteing now

Carrere, international coordinator of the World Rainforest Movement, speaks at length in this interview of the accelerated process of “pulpification” of Uruguay, and warns of the need to stop that process now, not so much for the pollution it generates, but because of the model of “development” it promotes and consolidates.

-It has just been confirmed that a new paper pulp mill will be installed soon in the country, this time by the Portuguese company Portucel. This new mill will join three others in Uruguay: the one owned by the Finnish company Botnia, which is already operating; one currently under construction by the Spanish firm ENCE in the Department of Colonia; and one planned by the Swedish company Stora Enso, who has confirmed its intention to build a plant here. Portucel's investment will be the largest sum invested in the country by a foreign company: over 2 billion dollars, double what Botnia invested. Apparently, there are no limits to Uruguay's "pulpification" ...

-So it seems. All this began back in 1987, when the State started to define a policy concerning this industry, with the support of the entire political spectrum. That year, the two conservative parties, who until then had been alternating in power, came to an agreement on two key points with the center-left coalition Frente Amplio: One, the State would promote the plantations through a series of measures and subsidies; and two, it would define certain areas for planting.

This was based on the belief that planting trees was the same as planting forests, and that planting forests was a good thing. The forestry industry claimed then, and still claims today, that any trees that are planted are good for protecting the soil, regulating the hydrological cycle, preserving plant and animal life, and generating jobs. That, which everyone honestly believed to be true in 1987 (I myself believed it), has now been proved to be false. Consequently, it was decided that a massive number of trees should be planted in certain areas of the country with the aim of growing an adequate number that would enable the development of forestry industries. The sole criterion used to determine where to plant these trees was the soil. Neither plant life, nor animal life, nor employment were considered. Only the soil. Advocators spoke of "soils that are not good for anything," as the former Minister of Agriculture, **José Mujica**, recently termed them. And that is not true. All these soils were in production, it wasn't that they weren't good for anything. They were good for livestock, and they were very good cattle-raising lands, because they were located in sandy regions that preserve water.

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The Frente Amplio government modified the definition of eligible soils: it liberated some, but it also incorporated others, and the result is that the amount of hectares identified as forestry priority areas increased, climbing up to a current 3.2 million hectares. As to date only some 800,000 hectares have been planted for that purpose, imagine what awaits us.

-The Minister of Public Works, Victor Rossi, has said that "there's room" in the country for at least five paper pulp mills...

-The Executive Branch maintains that because it considers that paper pulp mills have no negative impacts. What's most disturbing about this is that it denies all the evidence that has been gathered, both nationally and internationally, over the last 21 years since the passing of the forestry law.

Today we know that forestry plantations have serious social and environmental impacts; that is, that they ultimately affect the people. For example, we know now that they impact water resources; there are testimonies throughout the country's forested region that reveal that after planting trees in these areas streams have dried up, wetlands have dried up, water levels have gone down, and some waterways have dried up as well. These are very easily verified facts.





Government authorities continue to claim over and over again that there are no scientific studies proving that foresting impacts water resources. Well, yes, of course there aren't any studies, because the State does not commission them; but there are testimonies everywhere, from people who live in forested areas who reveal what is happening in those areas. There is not a single agricultural producer who doesn't attest to this. What's more: eucalyptus trees have been planted with the express intention of drying areas in order to enable construction works. And they now have a greater drying effect than they used to, because the species that are used are more rapid growth species, which throughout many years have been selected precisely because of that characteristic, so that today most are eucalyptus clones with a faster growth rate.

It is estimated that one eucalyptus tree consumes an average of 4 liters of water a day. How many eucalyptus trees are planted per hectare? Let's say some 1,000; that's 4,000 liters per hectare, and already there are 800,000 forested hectares. That's the most visible and most severe impact, because water is a resource that is essential for everything. In the Department of Salto, located in the region bordering the Uruguay River, there is a town called Las Flores that was heavily forested, where the waterways dried up to such an extent that it is now called Pueblo Seco, which is Spanish for 'Dry Town'.

-And it was also depopulated.

-Yes, there were people who had to move and planted again, but they had to stop planting because the soil was so dry that nothing would grow. Moreover, our organization, which works around the world, has seen similar processes in **Chile**, in **Thailand**, in **South Africa**, in **Brazil**. The State, however, continues to ignore the issue, and, what's even worse, forestry professionals continue to repeat that there are no scientific studies that prove anything.

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Let's look at the impact that foresting has on soils. In **Uruguay**, researchers at the School of Science have found that there have been irreversible changes in soil structure and in the characteristics of soil nutrients. Eucalyptus is the representative species of this model, but pine trees have almost the same impacts. The roots of these trees run much more deeper, they extract nutrients "from below," which later fall onto the soil, chemical components that are deposited in the soil and which are toxic. The researchers at the School of Science say that in some cases there is even a risk of desertification.

-Have processes like these been identified in any area of the country?

-None have been verified yet, but this is still very recent, and it's a process that takes years. The least the State could do is study the soils. This does not involve significant costs; it only entails drilling wells in each of the plantations, and then comparing, and drawing conclusions within a month.

-Is there any difference, in this sense, between the attitude of the current government and that of previous governments?

-The Frente Amplio administration has been characterized for giving signs of having listened to certain criticisms, but it is not willing to change anything. It has adopted several measures, apparently in the right direction, but which tend to cover up the problem. For example, in previous administrations foresting activities had been excluded from environmental impact information. The current administration imposed environmental impact reporting as an obligation for these activities, but how does this work in practice? The company presents a project to the Forestry Board and to the National Environmental Board, and says: "This does not require an environmental impact study, because it will be conducted in forestry priority lands," and if the area covered is part of those lands, the answer given by the State is: "You're right, no impact studies are required."

Let's continue looking at the social and environmental impacts. These areas are large plantations where a single species is grown, a species that is also exotic, in which our animal life finds no source of food. For our native fauna, these are food deserts. And they are large unpopulated areas, so that they are very good grounds for the passage of wild boars and foxes, for example. And there we have another problem. As they can't find any food there, what do these wild boars and foxes feed on? From neighboring productions. In forestry areas, no agriculture production is possible, because these animals destroy crops. Another impact is the proliferation of poisonous snakes. Pine areas are full of pit vipers, and the same is true for eucalyptus areas. In the case of eucalyptuses, as wetlands have dried up, they've taken with them the toads and frogs that were a source of food for non-poisonous snakes. This reduces the population of non-poisonous snakes. And non-poisonous snakes feed on pit viper eggs and on the pit vipers themselves...

In terms of social impacts, the effects are equally severe. If you travel through the forested areas, you will see that there are no houses. Also, the policy of the forestry companies today is to destroy dwellings, so that nothing remains. There's even a new trade now, which is called ranch dismantling. That says it all.

I find it shocking; to me the visual aspect is very important. Rural people in **Uruguay** are grassland people, used to seeing far into the distance. A woman said to me recently: "With the eucalyptuses they've robbed me of the sunset." But it's not just that, there are also aspects that have to do with how people socialize. A man will be sitting there and say: "Look, there goes so-and-so." And you look out into the horizon and you see a dot, and the guy can tell just from the horse that it is so-and-so. These are ways people have of keeping in contact with each other. Besides, the people here are afraid that scoundrels will hide among the masses of trees; it generates a sense of insecurity in them. All of this affects people, not just in their production, but also in their everyday life. So, when they see how production is affected and how their landscape has changed, and you have the security issues, and a forestry company comes along and offers them 3,000 dollars per hectare, they sell it to them and they leave. And that's what's happening.

And then there's the famous issue of employment. Based on statements by the companies themselves, we know that they barely generate any new jobs. And the jobs they do create are unstable; the workers don't know how much they're going to make from one month to the next. If it rains they can't work, if it's too windy they can't work, if there's too much mud they can't even go in. With luck, they work some 12 or 15 days a month.

-According to the official speech, once they're up and running, the paper pulp mills would each generate thousands of jobs, between direct and indirect ones...

-The facts are manipulated. The government compares foresting with cattle raising and says that the latter is not very labor-intensive, but when they speak of the jobs generated by cattle raising activities they don't take into account the indirect jobs. But they do take them into account for foresting, and what's more: among the jobs generated by the forestry industry, they include others, which existed before the installation of the mills. The jobs involved in cutting down the trees, loading the logs onto trucks, and transporting them to the port, those jobs existed already.

They're still clinging to the idea that the forestry industry generates 12 jobs per 1,000 hectares, when it actually generates five or less. Rio Negro, the riverside Department where the Finnish company **Botnia** has installed its pulp mill in Uruguay, is one of the departments with the highest indexes of unemployment. In **Chile's** case, there are studies that prove that the communities with the highest levels of abject poverty are those which are essentially forestry areas and where there are paper pulp plants.

Also, the workers don't earn enough to make it to the end of the month. In Tranqueras, a locality that is something like the Uruguayan capital of foresting, it is the small stores that support the sector's workers, because it is these businesses that give them credit.

-Another issue that movements such as yours have denounced is the issue of the outsourcing of labor in the forestry industry.

-Yes. One can understand that a company operating in the garment industry may decide to employ subcontractors for cleaning or security tasks, but not to employ the workers that actually make the garments. In forestry, however, all the tasks (the planting, the pruning, the harvesting, even the work in the nurseries) are performed through subcontracting schemes.

If you travel through the forested areas, you will see that there are no houses. Also, the policy of the forestry companies today is to destroy dwellings, so that nothing remains. There's even a new trade now, which is called ranch dismantling. That says it all.



What has this government done? It passed a law, which was well intended, but which ultimately consolidated outsourcing practices. Now the companies are co-responsible, and that's a good thing: if the subcontractor doesn't pay the workers, if it files for bankruptcy –as very often happens–, the parent company is liable to the workers. But, since all the tasks are performed by subcontractors, not by the parent company, what's happened is that subcontracting has been legalized. This is another issue where the State has given out a positive signal -indicating that it listens to criticism-, but in which the solution it has found is mistaken.

-The concentration of land holding and the increasing foreign ownership of the land is another issue connected with all of this.

-In the seventies, a large cattle-raising estate -a phenomenon that many of the people now in government fought against- extended over some 20,000 hectares; now there are foreign companies that own 180,000 hectares. And they're all purchasing more and more land, despite the fact that this government passed a law aimed at limiting such purchases. If I were a paper pulp investor, I would definitely come to **Uruguay**.

There are countries, like **Indonesia**, where the land is owned by the State, and anyone who wants to set up a business there and produce has to lease the land; in **Brazil** there are limits restricting purchases in lands close to the borders. Here, I have the assurance that I am the legal owner of the land and I can buy as much as I want to. At the same time, in **Uruguay**, forestry entrepreneurs coming from outside the country are supported by all the institutions of the State, as every political party backs this model from the State. And the mass media has been won over by the same model.

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This all makes it very attractive for paper pulp companies to come to countries of the south such as ours. In **Sweden**, in **Finland**, they've reached a ceiling, and they have limitations. Limitations in the amount of suitable land available (a tree takes 80 years to grow there, here it only takes seven years), in the cost of labor, and in the environmental and social controls they are subject to. In **Uruguay** they don't even pay taxes, because they're set up in free trade zones.

In sum, how does the country benefit from the installation of these forestry companies? According to the government, it benefits from a **GDP** increase because of the billion dollar investments, ... So? People can't feed on a figure, but they do get poorer as a result of a model that fails to generate development, creates no jobs, erodes natural resources in the long term, drives out the rural population, transforms the landscape, and changes culture for the worse...

The "best" argument that forestry companies can give in their favor, and one that is used by some authorities, is that "soy is worse." "If these lands are not devoted to forestry activities –they say–, they'll be used to plant soy." There's no doubt that soy is worse, but soy has one "advantage": it is an annual crop, which after a certain time can be replaced. Eucalyptuses, however, are here to stay.

What we say is that we have to stop foresting now and analyze what's happening, before we can go any further. The great impact of the paper pulp mills is not the pollution they may generate, but rather the fact that it consolidates a model that is unsustainable both socially and environmentally as well as in forestry terms, a model that does not benefit the people and which endangers future resources.



The deception of certifications

-Last July, plantations in Spain owned by the company ENCE, also installed in Uruguay, did not receive the certification that is awarded by the Forest Stewardship Council (FSC) as a result of pressure from environmental groups who are part of the certification proceeding. You are a very harsh critic of the certification mechanism.

-In the 1980s there were huge campaigns conducted by environmental NGOs in the **United States**, **Europe**, and **Japan**, which advocated against the destruction of rainforests. They were very successful, and they were able to raise awareness among the public, in particular in Europe. Then the companies decided to approach NGOs, with the intention of cleaning up their image. A group of NGOs headed by the **WWF** promoted the creation of the **FSC**, under the following principle: "We will extract wood from the forests, but in a sustainable manner, without destroying the forests. And we're going to organize this in such a way as to involve environmental NGOs, social NGOs and companies in the certification process." For that aim of properly managing forests they came up with a series of principles and criteria. And that's when it all got jumbled up, because the **FSC** makes no distinction between forests and plantations, when there is a difference, and a huge difference at that. One thing is a hectare of eucalyptuses to make posts, firewood, and a whole lot of products, and another is the thousands of hectares of eucalyptuses, which is the scale on which paper pulp mills operate.

For years, we have been denouncing, in country after country, that all these productions cannot be certified. The certifications are awarded by locally hired private companies, who make a profit from that, and whose interest is to be hired again and again. In Uruguay, all the plantations owned by **ENCE** and other companies have been certified, and if you could see the "research" conducted to award these certifications, you would be shocked to discover how poorly it is done. I took the reports of one of the certifying companies in **Uruguay**, and examined them paragraph-by-paragraph, to reveal the mistakes and omissions they incur. Ultimately, the **FSC** is a mechanism that may be well intended, but it ends up being used by the companies to dress up their image.* At the most it turns something that is bad into something that is a little less bad.

They may say it's an improvement, but it does more harm than it solves.

From Montevideo, **Daniel Gatti**
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* **Ricardo Carrere** is the author of "Green Makeup. A Critical Analysis of the Certification of Tree Monocultures in Uruguay by the FSC," published by the WRM in March 2006.