
The Swedish pulp and plantation industry's plan for moving South

On April 26, the Swedish Royal Academy of Agriculture and Forestry organized in Stockholm the seminar "Tilting forest industries from North to South", aimed at discussing the growing tendency of the Swedish tree plantations and pulp industry to invest in Southern Countries such as Brazil, Uruguay and Indonesia.

Unfortunately, the organizers declined to open up a space in the panel for representatives of southern countries present at the time in Sweden. Such representatives included experts on the social and environmental impacts of plantations and pulp mills from Brazil, Indonesia, South Africa, Swaziland and Uruguay, as well as a number of Swedish students just returned from a field study on Veracel and Aracruz's plantations in Brazil.

The panel therefore only included pro-plantation and pro-pulp industry representatives which provided a biased view about the possible effects of the Swedish industry's move to the South. Several speakers highlighted the 'fantastic' performance of the eucalyptus plantations in Brazil, producing up to 10 times more wood per hectare than Swedish forests, making one speaker affirm that "if you want to have trees growing fast, speak Portuguese". Countries like Angola, Brazil, Chile, Mozambique and Uruguay were classified as "interesting prospects" for plantations and pulp mills and as "low cost countries". Mention was made that costs in Brazil were half of those in Sweden.

The above, coupled with the predicted global increase in paper and cardboard consumption and the availability of "cheap money" for investments in Southern countries, has resulted in the Swedish industry's decision to move its raw material base to the South (plantations) as well as the production of pulp.

While on the one hand only one speaker gave a few comments on the negative impacts of tree plantations in Indonesia, on the other hand the 'successful' and 'responsible' tree plantation management of Veracel Celulose in Brazil (50% owned by Stora-Enso and 50% by Aracruz Celulose) was presented by Otavio Pontes, vice-director of Stora-Enso Latin America, as the example of sustainable tree plantation management.

Unfortunately, the representative from the Brazilian Alert Against the Green Desert Movement was not given the opportunity of challenging from the panel Mr Pontes' propaganda with some recent examples from Veracel Celulose:

- the company was fined by IBAMA –the Federal Environmental Agency- on 13 March 2007 in approximately US\$ 200,000 for having applied herbicide in 31.6 hectares of a permanent preservation area in the municipality of Eunápolis, destroying the local vegetation and contaminating an even larger area.
- in Ponto Central, municipality of Santa Cruz de Cabralia, on April 1st 2007 the local population blocked the road to impede buses with Veracel workers to get to the pulp mill because the company refused to comply with demands from the local community.
- a recent study carried out by Cepedes –Centre for Development Studies of the Extreme South of

Bahia- shows that since tree plantations started to be implemented in the municipality of Eunapolis by Veracel in the beginning of the 90s, the rural population has decreased in 59.3% while the national percentage in the same period has shown a decrease of 28%.

- Mr Pontes's statement that Veracel "created 30,000 jobs" is in contradiction with the company's own figures, according to which Veracel created 739 direct jobs and 3,400 indirect jobs.

- The "socially responsible" Veracel closed in November 2006 in Eunapolis a project that attended with educational activities some 300 children between 7-15 years old. It is good to remember that in the same period -election campaign in Brazil for President, governors and parliamentarians- Veracel spent hundreds of thousands of dollars in supporting all candidates, especially those with chances to win, like the two main candidates for governor of Bahia (one candidate with US\$ 100,000 and the other with US\$ 50,000).

From the public, Southern participants and Swedish students managed to raise issues and to challenge the biased views about plantations coming from most panelists. This was not an easy thing to achieve, given that the seminar's chairperson not only tried to avoid those voices to be heard but even positioned himself clearly in support of tree plantations and pulp mills in the South. In one of his interventions he challenged the critical voices in the discussion posing the question: "if you are against tree plantations, how do you think we can provide school children with school books?" and adding: "what is your alternative?". It was made clear to him that people in countries like Brazil and Uruguay consume 10 times less paper per capita than the Swedish population and that the plantations and pulp mills in those countries will not produce a single sheet of paper but will export cellulose to mostly northern countries with excessive paper consumption. For example, in Sweden, 46% of the paper consumption has to do with wrapping and packaging other products, while 10% are tissue papers.

Regarding "alternatives", the chairperson was told that the first alternative would be to NOT to plant tree monocultures because they result in net job losses at the local level and in a number of other impacts that worsen local peoples' livelihoods.

In sum, the seminar provided evidence that for the Swedish pulp industry, the "fantastic" performance of the eucalyptus tree in countries in the South is above all related to the huge profits that this industry can make, making them fantastically blind about any negative impact that might threaten this enormous gain.

By Winnie Overbeek, FASE/ES, e-mail: winnie.fase@terra.com.br and Ricardo Carrere, WRM