
Bolivia: tropical dry forests in danger

On March 9th, the Board of Directors of the Overseas Private Investment Corporation (OPIC) will consider providing political risk insurance for a natural gas pipeline that will cut through 200 km of primary tropical forest and 100 km of pristine wetlands in the Bolivian Amazon. The proposed 630-kilometer pipeline starts in Ipias, Bolivia, where it branches from the main Bolivia-Brazil pipeline (already under construction), runs northeast to San Matias, and then to Cuiaba, Brazil. It will bisect the world's largest intact tropical dry forest.

In a joint letter sent to OPIC's Board this week, Amazon Watch, Friends of the Earth, and World Wildlife Fund reminded the agency that OPIC is prohibited by the Foreign Assistance Act from funding projects in primary tropical forests and asked the board to deny financing to the project at this time. The letter further pointed out that "approving the Project would seriously undercut President Clinton's 1997 United Nations General Assembly Special Session (UNGASS) pledge for strengthened environmental standards for bilateral lending agencies including a prohibition on extractive and infrastructure projects in primary tropical forests."

Whereas the Project's Environmental Impact Assessment and independent scientists classify this region as "primary tropical forest", Enron -the main project sponsor- contends that the forest is "secondary" due to sporadic logging activity in some parts. OPIC staff is accepting the company's contentious conclusion even though it is contradicted by scientific authorities and the project's own EIA.

Opposition to the project is based on the following reasons:

- negative impacts on the fragile primary tropical forest and wetland ecosystems traversed by the pipeline;
- lack of sufficient consultation and final agreement between project sponsors and affected populations regarding compensation, mitigation, and indigenous peoples development plans (the proposed route crosses the Santa Teresita indigenous area);
- increased logging, hunting, and colonization resulting from the use of the pipeline's 30-meter wide right of way as an access road, situation that is already occurring with the main Bolivia-Brazil pipeline project;
- inadequacy of the EIA, which does not contain ecosystem assessments sufficiently effective mitigation proposals.

Source: Amazon Watch and Friends of the Earth-US, 3/3/1999.

