
Colombia: “Tailor-made” legislation for Smurfit

Private commercial tree plantations began to be implemented in Colombia in the 1960s. Long-fibre wood commercial plantations --pine and cypress-- are mostly located in the West of the country, in the Departments of Antioquía, Caldas, Quindío, Risaralda, Valle and Cauca, while in the central zone --in the Departments of Cundinamarca and Boyacá-- there is a dominance of *Eucalyptus globulus*.

Impacts resulting from large scale tree monocultures in that country have been denounced since the 1970s. A research from that time, ordered by the Colombian State itself to evaluate the effects of conifer plantations in the Department of Cauca reached the conclusion that they were destroying natural ecosystems. Additionally, during the 1990s tree plantations in watersheds of importance for water supply were banned in several municipalities, while several forestry companies were fined for having burnt the forests to give place to plantations. In spite of that, large scale plantations continue being promoted under the influence of the globalization model and with support from government authorities and internacional credit agencies.

One of the most relevant actors has been Smurfit Cartón de Colombia, which is responsible for the environmental damages provoked by the felling of the forests of the Biogeographic Chocó Region, the pollution of the River Cauca and air pollution in the city of Yumbo. The activity of this company in Colombia started in 1957, when Celulosa y Papel de Colombia S.A. (Pulpaapel) was created. It was integrated by the Instituto de Fomento Industrial (IFI), Cartón de Colombia and Container Corporation of America, a subsidiary of Mobil. Later on, Container sold its shares to Cartón de Colombia and the company adopted the name Smurfit Cartón de Colombia. The firm is part of the multinational Jefferson Smurfit Group plc, with headquarters in Ireland, which is one of the biggest producers of paper-based packaging in the world, with operations in twenty countries. Most of its profits are made in Latin America. In 1993, for example, 70% of Smurfit's profits came from Colombia, Mexico and Venezuela.

Why has Smurfit chosen these countries and Colombia specifically? Apart from the good growth rates of pine plantations, the weakness of environmental controls and the low cost of labour --due to the employment of informal workers and subcontractors-- one capital reason has been the capacity of Smurfit --resulting from its powerful influence on government-- to achieve the passing of legislation beneficial to its interests.

To begin with, Law 99 of 1993 allocated a place to the forestry private sector in the National Environmental Council. The Colombian Association of Plantation Companies (Asociación Colombiana de Reforestadores - ACOFORE), created at Smurfit's initiative, obviously nominated Smurfit to occupy that seat.

Additionally there are several legal benefits that favour Smurfit, some of them almost ridiculous. For instance, the so called Forestry Incentive Certificates (Certificados de Incentivo Forestal – CIF), approved in 1993 as a “recognition of the Colombian State to the positive externalities of reforestation resulting from its environmental and social benefits”, plantation projects using exotic species are granted the same benefits as those using native species, whenever “it is shown by

scientific studies and applied research that the used species has exceptional qualities to create a forest cover and for the conservation and regulation of waters". Taking into account the proven negative effects of fast-growth tree monocultures on water dynamics in watersheds, the above is difficult to imagine. Nevertheless, the company is able to achieve such "scientific proofs" and benefits from the CIF.

Smurfit also benefits from different kinds of tax breaks for promoting what the legislation erroneously calls "reforestation". For example: a discount of 20% in rent taxes on new plantations, an 80% deduction in the value of the taxable products from the harvest, tax exemptions on technical services related to tree plantations, established by the 1995 Budget Bill.

Colombia's forestry policy has taken an alarming course. On the one hand, there is no effective protection of the huge forest diversity existing in the vast territory of the country --also affected by illegal crops and by the measures to combat them-- and on the other hand, tree monocultures are promoted, even though they constitute a direct cause of deforestation and forest degradation in Colombia and worldwide. Additionally, laws are passed "tailor-made" for Smurfit and large-scale "reforesters", while farmers --especially small ones-- are left on their own at the mercy of market and atmospheric conditions. All this in a scenario dominated by a violent conflict at the national level, whose basic cause is precisely the unfair land tenure system existing in the country.

In neighbouring Venezuela, Smurfit has already faced severe conflicts with local communities provoked by its tree monocultures (see WRM Bulletins 18, 20, 22 and 23). In Colombia too, the activities of Smurfit are generating increasing opposition, such as that being carried out by the Grupos Ecológicos de Risaralda, a province where the company already owns 10% of the land. In fact, it would be difficult to expect any other reaction than that of opposing an activity which, in order to benefit but a few, generates so many environmental and social impacts to so many people.

Article based on information from: "Smurfit Cartón Colombia y las plantaciones forestales. Caso colombiano" by Herney Patiño Ríos, Grupos Ecológicos de Risaralda