
[Tupinikim/Guarani: a reply from Aracruz](#)

We received a reply from Aracruz's Environment and Corporate Quality manager Carlos Alberto Roxo to our letter of 6 October in support of the Tupinikim/Guarani's right to their lands. Mr Roxo is "pleased to have the opportunity of explaining the company's position in relation to this matter, which has been deeply misinterpreted by some segments".

The letter includes an interesting heading in its annex, which we think contains useful information about the company's economic interests in this issue. The heading's title is "The importance of the lands under dispute to Aracruz" and says: "In addition to having the legal right to the lands, Aracruz considers them as very important for the following reasons:

- Aracruz's pulp mill is expanding its production capacity by 20 per cent this year. Since Aracruz uses planted Eucalyptus only (no native wood is used in the process), all the planted trees will be necessary to supply the mill.
- The lands under dispute account for 22 per cent of the company's land in the area of the mill. Since these lands are the closest to the mill, they also provide the cheapest wood (as transportation costs represent a high proportion of the wood costs), which is a key factor for maintaining the company's international competitiveness.
- Aracruz has already invested considerable resources in the development of these lands, through the establishment of plantations of high quality and productivity."