

CSO Comments on FP062 FAO Paraguay (BM19, March 2018)

(Proposal was resubmitted from BM18)

Poverty, Reforestation, Energy and Climate Change (PROEZA)

We welcome Component I. "Planting the Future", which targets the most poor and extreme poor households that are highly vulnerable to the impacts of climate change and share the urgency to support them through the program Tekoporã. Likewise, we support Component III. for "Good governance and law enforcement"

However, we still find problematic Component II. "Sustainable Landscapes and Responsible Markets". We acknowledge that the strong focus on Eucalyptus as the potential choice for the plantations under Component I and II is not part of the project proposal anymore. However, the feasibility studies still highlights the use of this specie as a key one.

The suggestion that the plantation of fast growing species will be part of "New Generation Forest Plantations" provides no guarantee that the many negative environmental and social impacts that are associated with monoculture tree plantations establishment will be avoided. The principles that apply to "New Generation Forest Plantations" are vague and their implementation is seldom compared to counterfactual scenarios.

Stakeholder consultation process on this project has been rather sporadic and some environmental organizations and peasant movements have only been invited to project information meetings.

Conditions:

- We call for a proper consultation with stakeholders prior to the project approval through which they could provide inputs to the project design.
- We would like to call for an explicit guarantee that PROEZA as a whole will not promote or otherwise incentivize the planting of Eucalyptus any other potentially harmful exotic and invasive species in Paraguay. An EIA and growth curves with the forest species that could be used in PROEZA should be part of the proposal due to the different social and environmental impacts they could have and therefore, affecting the overall project's outcomes.
- We would like to call for an inclusion in the project proposal of an estimation of how the biomass produced under Component II will be used. A large part of biomass production is aimed to dry soy beans and the soy sector is in fact one of the main driver of forest loss in Eastern Paraguay. Therefore, there is concern among Paraguayan based groups that Component II could ultimately lead to promoting the production of biomass plantations for the soy sector.