

UPM Forestal Oriental
Conserving palm savannas
in Uruguay



Overview

Intensive cattle ranching nearly wiped out Uruguay's palm savanna – but the unique yatay palm is regenerating alongside UPM's plantations.

Background

Around 85 per cent of land in Uruguay is used for agriculture, most of it for cattle ranching. Intensive grazing and deforestation has destroyed much of the palm savanna that once covered the south of Brazil, Uruguay and north-east Argentina. Today, only isolated fragments remain. Conserving native tree species such as the majestic yatay palm is a national priority, and is crucial in maintaining biological diversity and ecological integrity.

UPM Forestal Oriental owns around 200,000 hectares of former agriculture land in Uruguay. Around 60 per cent of this area is available for plantations: UPM Forestal Oriental plants eucalyptus, supplying around 4 million m³ of wood per year to the UPM pulp mill in Fray Bentos, Uruguay. A third of the land is left unplanted: this consists of grasslands or savannas, native forests (which are protected by law), waterways, wetlands and ecological corridors. The remaining land is classified as infrastructure.

The project

The yatay palm (*Butia yatay*) is endemic to the Uruguay savanna ecoregion. It is a high conservation value (HCV) species and is protected by law. The tree produces edible fruits which local people use to make jams and liqueur, and which are a source of food for numerous bird species.

The palm trees are threatened by agriculture practices such as grazing, cultivation and herbicides. Young palms are eaten by grazing animals, destroyed by weed killers or ploughed up, so the yatay is unable to regenerate. By comparison, UPM's forest plantations allow the plants a chance to grow. Herbicide is only applied once per 10-year rotation, there is less disturbance to the soil, and there is less grazing.

In December 2009, UPM Forestal Oriental commissioned a study with a local expert to prepare management recommendations for the yatay palms. This study covered a large area (about 10,000 hectares) that had been planted 10 years before, where palm populations were increasing. Young palms were found among mature plantations and within recently replanted areas among the planting rows, as well as in conservation areas, biological corridors and firebreaks adjacent to plantations.

The presence of the palms within the commercially productive sites presented a challenge. In 10 years' time when these plantations are mature and ready for harvest, the palm trees will also be much larger. The study made a number of recommendations for keeping the existing plantations productive while conserving the yatay palms:

- Palms within conservation areas should be preserved
- Palms should be connected through biological corridors
- Adult palms within all plantations should be maintained
- UPM should investigate the option of transplanting young palms from recently established and older plantations to other areas (e.g. corridors, conservation areas)
- UPM should look to develop economic activities within the neighbouring communities, such as selling palm trees for landscaping.

The Uruguayan government has accepted these recommendations. This means young palm seedlings can now be transplanted into biodiversity and public access areas.

RECOMMENDATIONS FOR CONSERVING THE YATAY PALMS



Benefits

UPM Forestal Oriental has developed a spatial database of yatay palms on its lands through field reconnaissance, Geographic Information Systems (GIS) and aerial photos. This has enabled the company to develop an ecologically responsible spatial plantation design and palm conservation strategy that incorporates the local palm expert's recommendations. The plantation design protects adult palm trees, connects palm patches through biological corridors, and delineates large palm conservation areas.

The palm conservation programme will help this native tree species and valuable habitat to regenerate. By protecting young and mature trees and connecting isolated patches of palms, it will help to preserve and restore the integrity of the palm savanna ecosystem. A hotspot for relocation is a 200-hectare palm grove about 60km north of Paysandu, close to the banks of the Uruguay River.

Maintaining the palm trees will create structural diversity within plantations, benefiting biodiversity. The palm fruits also provide a source of food for numerous animal, bird and insect species.

Palm tree conservation will also benefit local communities. As well as continuing to provide fruits, the palm trees have the potential to create economic opportunities for local people.

A future project is considering the potential to improve the sales and marketing of the traditional local liqueur which is prepared from the fruits of the yatay palm.

There are business benefits for UPM Forestal Oriental too:

- operations – taking care of the Yatay palm ensures forest management and harvesting can continue uninterrupted
- regulatory and legal – yatay palms are protected by law in Uruguay
- revenue generation – selling palms can cover part of the costs of conservation initiatives in the region
- reputation – taking care of biodiversity such as the yatay palm demonstrates responsible forest management to customers and stakeholders of the mill
- sales and marketing – protecting HCVs is a criteria for FSC certification, so conserving yatay palms allows UPM to use the FSC label on its mill products
- business financing – HCV protection may be part of funding agreements for new business developments.



Uruguay's unique palm savanna has a chance to regenerate alongside UPM's plantations.