

Many promises, little commitment



The country's development model is tied to resource extraction and the Government is still prioritizing energy sources such as coal that have serious negative ecological effects. Chile has made a series of international commitments to adopt environmental-protection policies, but very little has actually been done in terms of effective legislation or concrete action. The country urgently needs to develop or strengthen institutions to handle environmental threats, a new energy policy, regulations to govern biodiversity, to change its electricity generating profile and also to bring civil society organizations into the debate about sustainable development.

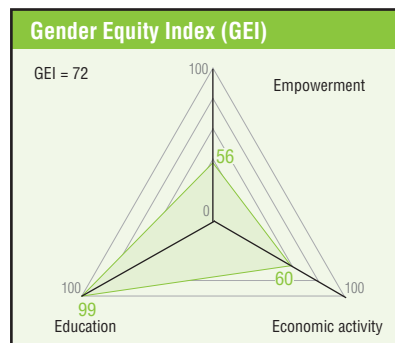
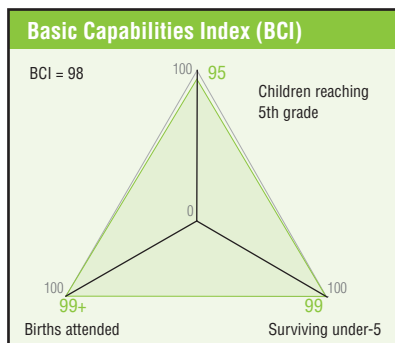
Fundación Terram

Luz M. Fariña
Flavia Liberona

In the 20 years since the 1992 United Nations Conference on Environment and Development in Rio de Janeiro (Rio 92) Chile has undergone big political, economic, environmental and social changes. Its extractive economic model, however, has remained virtually unchanged. The mainstay of the economy is still the export of natural resources with low levels of processing, and the environment is still being intensively exploited, particularly by the mining, fishing, agriculture and forestry sectors.

Rio 92 produced a series of commitments to pursue sustainable development policies, agreed to by more than 100 countries. Chile subscribed to all of these but has made almost no progress in the areas in question. For example, it has not promulgated a biodiversity protection law, it does not have a regulatory framework to protect its philogenetic patrimony and traditional techniques and systems, and it does not have a register of endangered species or plans to restore stocks of these fauna. Weaknesses in regulations that involve authorization and permits have allowed the introduction and cultivation of transgenic organisms that, according to Greenpeace,¹ negatively affect food security, and that many believe constitute an environmental and health risk.²

The successive administrations of Patricio Aylwin, Eduardo Frei Ruiz-Tagle, Ricardo Lagos and Michelle Bachelet (1990 to 2010) adhered to a neoliberal export-oriented growth model that benefits the big groups of enterprises but has widened social and economic differences. According to the IMF, in 2008 Chile had the highest per capita income in South America (about USD 14,600³), but the effective



distribution of this income - as measured by the GINI index - makes Chile one of the most unequal countries in the world, with a coefficient of 0.55.⁴

In the first decade of the 21st century Chile's image was "made greener" in response to international requirements, but this has not been translated into better democracy or greater respect for the environment. With the adoption of the 1994 General Law of Bases of the Environment, which became operational in 1997, the environment management system should have been improved by developing control and monitoring instruments like quality standards and limits on emissions into water, soil and the atmosphere. However, more than a decade later only a fraction of these measures have been implemented.

Moreover, according to a 2005 OECD report⁵, systems for the protection and conservation of natural resources and to manage nature in line with international parameters have not been developed. In practice the environment law only generated a single window system to obtain environmental authorization for Chilean and foreign investment projects.

We might even question whether sustainability is possible at all in a country that is being pillaged, where water is provided free and in perpetuity to big foreign business consortiums, where copper is mined with no environmental safeguards and where the predominant forestry model is based on plantations of exotic species.

In Chile water is legally classed as a public good but it is supplied for private sector use. This makes it a tradable good even though these enterprises are awarded rights to consumption free of charge and with no time limit. The forestry model in Chile was implemented during the dictatorship period through Decree-Law No. 701, whereby forestation was subsidized and the planting of exotic species of pine and eucalyptus promoted with State disbursements covering up to 90% of the cost.

Regulations governing copper mining are either deficient or not yet in place and the sector is fraught with problems: the State levies a specific tax rather than receiving royalties, mining operations have only been obliged to close works since the environment law came into force in 1997, there are projects currently in operation whose environmental impacts have never been evaluated, there is no public register of places that have been polluted by mining and there is no plan to deal with mining sites that have been closed down or abandoned.

New institutions for the environment

Chile urgently needs to consolidate its new environmental institutions, including the Ministry of the Environment, the Environment Evaluation Service and the Superintendent of the Environment, which were set up at the beginning of 2010 in line with Law 20.417. This new system of institutions promotes policy dialogue and cooperation in environmental matters, separates environment evaluation policies and regulations from investment project influence, sets up an autonomous body to monitor compliance with environment regulations, and implements new environment management instruments like the evaluation strategy.

1 Greenpeace, *Transgénicos*, (2010), <www.greenpeace.org/espana/es/Trabajamos-en/Transgenicos/>.

2 EcoPortal, *Tema especial: transgénicos*, (2010), <transgenicos.ecoport.net/>; G. Persley and J. Siedow, *Aplicaciones de la biotecnología a los cultivos: beneficios y riesgos*, (December 1999), <www.agbioworld.org/biotech-info/articles/spanish/ensayo.html>; GreenFacts, *Consenso científico sobre los cultivos transgénicos y OMG*, (2005), <www.greenfacts.org/es/omg/index.htm>.

3 IMF, *World Economic Outlook (WEO), Crisis and Recovery*, (April 2009), <www.imf.org/external/pubs/ft/weo/2009/01>

4 Government of Chile, Mideplan, *CASEN 2009*, <www.mideplan.gob.cl/casen2009/distribucion_ingreso_casen_2009.pdf>.

5 OECD, *Environmental Performance Reviews: Chile*, (2005).

However, discussions about reform did not tackle the basic issues but merely led to political agreements between the Socialist members of Parliament, the right-wing interests and the Government. These excluded subjects and proposals from civil society organizations and demands for crucial measures to strengthen democracy and safeguard the environment, arguing that this was necessary in order to move the process along. But the resulting legislation does not contain instruments to protect Chile's environmental heritage and does not promote full civil society participation and thus fails to remedy the serious defects in the way the country's democracy works.

Energy going the wrong way

Between 1999 and 2008 the electricity generating sector grew by 32% and installed generating capacity increased by 428%. In 1993 the sector's potential output was 2,162 megawatts (MW), which amounted to around 40% of total electric capacity, but by December 2008 this had risen to 9,251 MW and accounted for 64.7% of the total. This shows how dependent the country has become on fossil fuels, and it is precisely these that have severe negative impacts on the environment. In the period 2004 to 2008, the use of coal to generate energy went up by 72% while the use of natural gas – which is less damaging to the environment than other fossil energy sources – fell by 31%.⁶

In the electricity sector there is no framework through which to govern or monitor such aspects as water emissions, the useful life of power stations, fuel quality, the introduction of up-to-date technologies or consideration of the environmental costs of generation. This means that the State cannot plan or

make projections about power output for the middle and long term; this depends entirely on the plans of the private enterprises that run Chile's electricity sector.

Vulnerability, climate change and desertification

Chile has seven of the nine vulnerability categories established in the UN Framework Convention on Climate Change (UNFCCC): low-lying coastal areas, mountain ecosystems, arid and semi-arid land vulnerable to drought and desertification, areas at risk of natural disasters, areas prone to forest deterioration, highly polluted urban areas and fragile ecosystems.⁷

Greenhouse gas emissions in the country make up only 0.23% of the world total, but per capita emissions are increasing at a faster rate than anywhere else in the continent (1.2 tonnes per year in 14 years).⁸ According to the International Energy Agency, in 2008 Chile had the second highest percentage increase in CO₂ emissions in the world;⁹ only China was in a worse situation. And when the inevitable consequences of the decision to use coal as a main energy source are considered the outlook is even more discouraging.

Chile made an early commitment to combating climate change when it subscribed to (1992) and ratified (1994) the provisions of the UNFCCC, and signed (1997) and ratified (2002) the Kyoto Protocol. The 2006 National Climate Change Strategy and the Climate Change Action Plan 2008-2012 are also in force. But despite these national and international commitments, climate change is not high on the Government's agenda.

One of the most alarming consequences of climate change is desertification, which is among

Chile's most serious socio-environmental problems. According to official data, this phenomenon is affecting some 62.3% of the country (47.3 million hectares), mainly in the north (Region 1 to Region 8) and in the south (Regions 11 and 12).¹⁰ Chile signed the UN Convention to Combat Desertification (UNCCD) in 1997, but the main causes of this phenomenon in the country – drought, deforestation, forest fires, soil erosion and changes in land use – are still operating, so this problem is nowhere near being resolved.

Proposals

As regards the environment, the main tasks the country faces are as follows:

- To consolidate and implement a new national environment institutional structure;
- To implement biodiversity regulations and adopt a new law to safeguard the country's native biodiversity and its phylogenetic patrimony;
- To design and implement a middle and long term energy policy and to revise current regulations to enable the State to plan electricity generation and lay down standards to control the sources and types of fuels used in this sector;
- To improve people's access to information about the environment and to engage the population more effectively in these processes;
- To move forward in implementing the National Plan to Adapt to Climate Change;
- To establish and/or implement pollution prevention and clean up plans. Air pollution has got worse in both the north and the south of the country and this has serious consequences for people's health in those regions. ■

6 Fundación TERRAM, *Evaluación, Actualidad y Proyección del Sistema Termoelectrico Chileno*, (Santiago: November 2009), <www.cambioclimaticochile.cl/documentos_terramp.php>.

7 Government of Chile, Conama: *Plan de Acción Nacional de Cambio Climático 2008-2012*, (Santiago: 2008), p. 13.

8 UNDP, *Informe de Desarrollo Humano 2007-2008. La lucha contra el Cambio Climático: solidaridad frente a un mundo dividido*, (New York: 2007).

9 *World Energy Outlook 2008*, (International Energy Agency, 2008), <www.worldenergyoutlook.org>.

10 University of Chile, Instituto de Asuntos Públicos, Centro de Análisis de Políticas Públicas, *Informe País: Estado del Medio Ambiente en Chile 2008*, (Santiago: March 2010), p.251.