

## SECURING LAND RIGHTS AND ACCESS TO COMMONS: NEW HOPE FOR THE ARGENTINE CHACO'S PASTORALISTS?

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### WHAT IS THE LAND MATRIX?

The Land Matrix is an independent global land monitoring initiative that promotes transparency and accountability in evidence-based decisions over large-scale land acquisitions (LSLAs) in low- and middle-income countries across the world.

Deal narratives are investigations of specific LSLAs by our regional and global partners that provide an in-depth and detailed analysis of single deals in addition to our global database. This deal narrative focuses on Land Matrix deals [#1060](#) and [#4130](#). By making this information available, the Land Matrix aims to support broad engagement and information exchange, facilitating the continuous improvement of the data. The information on the deals is based on both secondary research and in-depth field research in the region involving the relevant stakeholders.

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The Chaco region, which spans Argentina, Bolivia, and Paraguay, is the second largest forest in South America after the Amazon rainforest. It is also one of the fastest growing agricultural frontiers in South America and a global deforestation hotspot. Since the 1990s, the Argentine Chaco has experienced a massive expansion of soy production, while new political and economic conditions have contributed to the development of a vibrant land market. Along with the expansion of commercial agriculture, however, came increasingly limited access to common-pool resources for local communities.

The land tenure structure in this region has a long history of land concentration and displacement of indigenous peoples and local communities such as the "criollo" pastoralists. The latter have inhabited this land since the mid-nineteenth century and traditionally produced livestock in land holdings with undefined boundaries and a customary land tenure system.

This deal narrative demonstrates how, despite struggles for access to and control of commons in the Argentine Chaco dating back nearly half a century, marked by frequent clashes between state-owned companies, private actors, and pastoralists, a combination of more favourable policy conditions for pastoralists, a company environment that encourages engagement with local communities, and the involvement of representatives of government institutions could positively affect land governance and promote a shift towards more inclusive and sustainable development models in the future.

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### THE ERA OF STATE OWNERSHIP (1975 – 2000)

In 1975, despite concerns raised by civil society about the potential negative impact on local communities, an agreement was signed between the government of the province of Salta and the national General Directorate of Military Manufacturing (DGFM) for the commercialisation of forest and agricultural products and by-products on 320,000 hectares (ha) of state-owned land. This agreement led to the establishment of Salta Forestal S.A., a state-owned company primarily intended to produce coal to meet the needs of the iron and steel industry.

With the fencing off of around 30,000 ha for forest regeneration and research facilities being the company's first order of business on commencing operations, these civil society concerns soon proved not to be unfounded. Indeed, various stipulations in the company's management plan set the scene for the subsequent disenfranchisement and displacement of local communities: specific tree species important to their livelihoods could not be used anymore, wood extraction for firewood and other uses was only allowed in designated areas, and other areas of the forest were completely closed off to make way for the setting up of charcoal kilns, a sawmill, and a wood workshop to speed up production.

Territorial divisions and closures determined by the tree-cutting cycle generated a first wave of displacement of criollos and their livestock, allegedly to avoid overgrazing. At the same time, population and administrative centres were also established, to which a substantial proportion of the displaced population was relocated. However, these

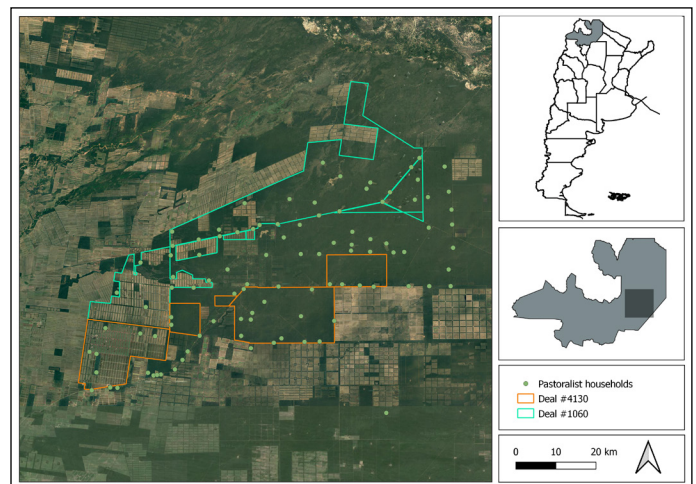


Figure 1. Land deals #1060 (Southern Area) and #4130 (Northern Area) in the Chaco region of the province of Salta

developments also led to some positive spillovers, including employment opportunities within the company and the improvement of infrastructure, such as the upgrading of surrounding roads, the implementation of the first public transport system, and the building of a health centre, police station, school, and basic housing for workers.

### ENTER CONCESSIONS (2000-2019)

In 2000, after a relatively long period of state ownership, the land administered by Salta Forestal S.A. was concessioned to a private company, Ecodesarrollo S.A., for a period of 35 years, with a possible extension for another 29 years. The concession contract established several obligations for the



A typical pastoralist household

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company, such as pasture implantation for intensive cattle ranching, infrastructure for pastoralist's households, road maintenance, infrastructure for agroindustry, the building of a new population and administrative centre, installation of sources of renewable energy such as solar panels, ecotourism activities, and an annual fee of U\$S 30,000, among others.

In 2003, this concession was split in half (160,000 ha each) between Ecodesarrollo S.A. (deal #4130) and Agropecuaria Cervera S.A. (deal #1060), which later merged with another company (Cresud SACIFyA). Five years later, the contract with these two companies was revised, whereupon 30,000 ha was returned to Salta Forestal S.A.

In 2011, at the legislature's request, the General Audit Office of Salta undertook an investigation and discovered that mandatory periodic environmental audits had never been conducted, investments were misallocated, and both companies had numerous conflicts with pastoralists, leaving at least 200 families dispossessed and their livestock barred from concession land. Moreover, in addition to making little to no progress in fulfilling their contractual obligations in terms of ecotourism and the building of infrastructure, the companies cleared 30,000 ha of forest for agriculture. While not explicitly banned in the concession plan, this substantially contributed to the 67,000 ha of deforestation that has been carried out for agricultural and livestock production in the region.

The provincial government subsequently sued Ecodesarrollo S.A. and recovered an additional 80,000 ha, while imposing a 10% fee on all agricultural produce from their lands. In 2017, Ecodesarrollo S.A. transferred all its concession rights to Grupo Anta del Plata S.A., which holds this concession to date.

### SEE-SAWING OWNERSHIP'S IMPACT ON PASTORALISTS' LAND TENURE

While changes in company ownership since 1975 have undeniably had significant implications for land tenure in the area, oral history interviews with local inhabitants illustrate that they have their own perception of the changes in access to and control of the common-pool resources since the intervention of the state. For example, one pastoralist pointed out that:

*When Salta Forestal was established, they evicted many poor people from their ranches. Some died of grief because their ranches were taken away. They had to sell their animals.*

Moreover, several pastoralists' accounts show that the companies imposed various, sometimes inconsistent, restrictions to their production practices in line with the state's argument that they were degrading the forests, resulting in their livelihoods becoming insecure, as demonstrated by this pastoralist:

*Before, it was forbidden to cut a stick of wood. One year they even told us that if, for instance, a fence was broken in the farmyard, we had to go to Salta Forestal S.A. to ask for authorisation to cut a wooden pole... They never came to control, but they were always threatening that they were going to fine us. I didn't know how to deal with that.*

At one point, a "grazing rights" fee was also imposed, causing further confusion, as described by another pastoralist:

*Before, when Salta Forestal S.A. was created, a grazing fee was paid. But then they stopped charging it. Then they started to ask to pay in kind – a steer, a calf. But they stopped charging a long time ago.*

**Territorial divisions and closures determined by the tree-cutting cycle generated a first wave of displacement of criollos and their livestock, allegedly to avoid overgrazing.**

The exploitation of the native forest for timber, although not as evident as deforestation for agricultural production, has profoundly altered the environment, in turn transforming the practices and livelihoods of the pastoralists. As one pastoralist pointed out:

*One day, I had a grudge because we went with my aunt, and they were cutting down the quebracho trees. And I said to the man who was there at the time, 'Why have they uprooted all those trees?' It may be theirs, but they must respect where the livestock are going to graze, where the animals are going to rest. Now they have stopped cutting the quebracho trees to make charcoal.*

Another explained:

*Here there were cattle, cattle in the bush. The vegetation then was not the same as it is now. Moreover, the rainfall then was not the same as now, and the heat was not as strong. It was customary to sow with a manual plough, you always had fodder as a reserve.*

In general, interviews with the pastoralists revealed a serious lack of access to basic services, such as electricity, drinking water, and roads, coupled with considerable vulnerability to climatic shocks, such as drought and soil erosion, which affected the quality and survival of the livestock. Although it is true that many of these conditions predate the concessions, the companies have nevertheless not complied with the benefits proposed in the contracts, thereby exacerbating the situation. In fact, in certain aspects, the companies have deepened the state of marginalisation, vulnerability, and confinement of most pastoralists through the clearing of land for crops and intensive cattle ranching, which has reduced access to forest resources essential for their livelihoods. Ranches are also often 'trapped' by forest curtains and fences erected by companies, limiting livestock access to forage and causing animal mortality, sometimes forcing companies to distribute supplemental fodder or allow animals to graze on fallow fields.



The research team interviewing a pastoralist family



Gasoline and water are precious goods in the region

## INCOME SOURCES OF PASTORALISTS

In 2019 a social, environmental, and economic assessment showed that the income sources of pastoralists are diverse. Their main activity relates to livestock, mostly the sale of cattle to local or regional slaughterhouses. They also trade by-products such as milk, cheese, and hides. Additionally, they supplement their income and their diets by raising small animals like goats, pigs, chickens, and sheep. A smaller part of the local population also carry out temporary work or "changas" in other cattle ranches, while a few have a formal job, in many cases in one of the concessionary companies that are part of Salta Forestal S.A. Two of the most frequently mentioned sources of income were retirement pensions and the Universal Child Allowance, but in most cases, none of these sources of income reach a desirable amount per household, resulting in most existing in a state of social and economic vulnerability.

In terms of farm assets, a third of the pastoralists have both corrals and paddocks, and in general there are drinking troughs for the cows to be fed with water from shallow wells. However, most expressed the need for implanted pastures to feed their herds and for more and better equipment, including wire fences, corrals, pens, and water tanks for animal consumption. Some indicated that, if they had the title of their lands and financial support from local institutions, they would carry out other activities, like venue hire, improvements in the genetics of their animals, and increasing their herds.

With the fencing off of around 30,000 ha for forest regeneration and research facilities being the company's first order of business on commencing operations, these civil society concerns soon proved not to be unfounded.



Most of the households have a few solar panels, acquired through a government programme. These are commonly used for lighting and refrigeration



The availability of natural forage supply provided by the forest has a direct impact on livestock survival and quality

## NEW ERA, NEW HOPE?

The recovery by the state of 110,000 ha previously in the hands of private companies is likely to be a fresh beginning for local pastoralists, who are also organising themselves into different producers' associations. At the same time, the new management of Salta Forestal S.A. is more supportive of land reform and has even sought the technical assistance from national scientific and technical institutions, including the National Institute of Agricultural Technology (INTA) and the National Research Council of Argentina (CONICET), resulting in the proposal of a protocol to estimate production areas and set the ground for distributing the recovered land to pastoralists. The protocol aims to establish viable cattle ranches that could generate both income for criollo families and promote sustainable practices.

The next steps are already underway and involve the spatial delimitation of exclusive areas for each cattle ranch, legal formalisation of pastoralists' land tenure rights, identification and regulation of areas of common use, delimitation of areas for biological conservation, and definition of more sustainable production alternatives. While these steps are an integral part of a development model that mitigates the negative effects of the expansion of agribusiness in the Dry Chaco region, it is crucial that they also consider the customary tenure arrangements that regulate access to and control over the land of the pastoralists to ensure the sustainable and equitable development of the region.

Salta Forestal S.A. (northern area) Deal #1060	
<b>Concession area</b>	130,000 ha
<b>Concession duration</b>	35 years
<b>Investor</b>	Cresud SACIFyA in Argentina
<b>Production area</b>	24,000 ha
<b>Start of operation</b>	2003
<b>Crops</b>	Corn, soya beans, beans, sorghum
<b>Livestock</b>	Cattle

Salta Forestal S.A. (southern area) Deal #4130	
<b>Concession area</b>	87,000 ha
<b>Concession duration</b>	35 years
<b>Investor</b>	Grupo Anta del Plata
<b>Production area</b>	30,000 ha
<b>Start of operation</b>	2003
<b>Crops</b>	Corn, beans and soya beans
<b>Livestock</b>	Cattle

# CONICET



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