

Who is UPM's largest shareholder, and what does he think?

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The president of UPM, Björn Wahlroos, one of the Finland's richest men, argues that thanks to tree plantations, Uruguayans can now hunt deer and wild boar.



Björn Arne Christer Wahlroos

The economist Björn Arne Christer Wahlroos, born on October 10, 1952 in Helsinki, chairs the Board of UPM-Kymmene Corporation since 2009. Wahlroos has chaired the Nordea Bank Abp and the Sampo Group, respectively the largest bank and the largest insurer in northern Europe. And he heads the Board of the Hanken School of Economics, with offices in Finland and Sweden.

Wahlroos is familiarly called 'Nalle', "teddy bear" in Finnish and Swedish, which derives from his first name Björn, which means "bear" in Swedish. But he is not angelical at all.

Considered to be one of the richest Finns in recent decades, 'Nalle' Wahlroos has been a member of Nordea's board of directors since 2008 and chairman from 2011 to March this year. Since 2009, he has also been president of Sampo, a position he plans to retain. Sampo is by far the largest owner of Nordea, with a shareholding of more than 20 percent.

The Nordea Bank Abp is the main shareholder of UPM, with 34.26 percent of the total, followed by the Skandinaviska Enskilda Banken Ab, with 25.5 percent. The following shareholders have a much smaller share, equal or lower than 2.58 percent. Among the minor shareholders, the presence of some state pension funds and Swedish and Finnish cultural institutions is striking.

Wahlroos is a member of Libera, a foundation organized under the Mont Pelerin Society, an international classical liberal entity made up of economists, philosophers, historians, intellectuals and leading businessmen, in favor of freedom of expression and the free market. Among its presidents were the American Milton Friedman, between 1970-72; and the Uruguayan Ramón Díaz, between 1998-2000.

The ten worst economic theories. From Keynes to Piketty

A natural defender of economic liberalism, Wahlroos published a book called "*The ten worst economic theories, from Keynes to Piketty*". Among the remarkable considerations presented in this book, the Finnish top executive argues that it is difficult to implement stable economic development in a democratic social system.

Björn Wahlroos is invited to Bilderberg Group meetings, the select club that brings together approximately 130 people considered the greatest agents of global power: politicians, intelligence chiefs, military, bankers, businessmen and European royalty. They meet once a year to discuss the world's problems in luxury establishments where the press has no access.

UPM Kymmene prides itself on being ranked 23rd of the "Global 100", the 100 most sustainable corporations in the world according to the list created by the corporate publication "Corporate Knights, The Magazine for Clean Capitalism". Let's see then what the vision of the president of UPM is on his contribution to the sustainability of Uruguay.

"Happy hunters of deer and wild boar"

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MT+ Metsä 17.04.2019
Eija Mansikkamäki

UPM:n hallituksessa puhetta johtava Wahlroos arvioi, että Suomeen mahtuisi enää yksi uusi iso sellutehdas.

KARI SALONEN



UPM:n hallituksen puheenjohtaja Björn Wahlroos kertoo, että yhtiön lopullinen päätös uudesta Uruguay-investoinnista tehdään kesällä.

<https://www.maaseuduntulevaisuus.fi/politiikka/artikkeli-1.414621>

Last April, Wahlroos gave an interview to "Maaseudun Tulevaisuus", the second largest newspaper in Finland, to discuss the situation of the pulp industry in that country and he dedicated some comments to the investments in Uruguay. The executive confirmed that UPM is planning a new pulp mill and considered that the final decision will be taken this summer, that is, next July or August.

According to Wahlroos, afforestation has had a positive climatic impact in Uruguay. "In 1990 there were less than 30,000 hectares of forest in the country, but now the trees are growing by 950,000

hectares. Half of the industry is owned by UPM and its contracted farmers", said the Finnish executive. He added: "Its only a minority that has criticism on the pulp mill project."

Wahlroos' opinion ignores the scientific evidence, but a more surprising statement followed: "In addition, the locals love it because of the biodiversity: not many animals live in the pastures, but now there are deer and wild boars that the locals can poach and enjoy and we don't mind."(sic).

The president of UPM paints an idyllic picture for the Finnish population, in which it is a blessing for the Uruguayan people that the numbers of wild boar and deer have increased, as they can now be hunted, thanks to their company. This is a totally distorted vision of the impact of afforestation, which has displaced thousands of family farmers from the countryside, and of the problems of these species in the country.

The first environmental evaluations of afforestation, which have been carried out by the Interdisciplinary Center of Studies on Development, Uruguay (Ciedur) anticipated what numerous national and international scientific investigations would prove: acidification of soils, reduction of annual average yield of forested watersheds and significant loss of biological diversity. (1)

Since their arrival in the country, forestry companies have claimed that tree plantations are better carbon sinks than grassland, the country's natural ecosystem, as they increase the absorption of carbon dioxide, the main gas greenhouse gas. However, national and international scientific research has shown that exactly the opposite occurs.



Tesis de Maestría en Ciencias Biológicas
Subárea Zoología
Programa de Desarrollo de las Ciencias Básicas
(PEDECIBA)

Ecología de mamíferos exóticos en predios forestales de los Departamentos
de Río Negro y Flores, Uruguay



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Orientador: Dr. Alejandro Brazeiro

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Montevideo, 2017

"It was possible to demonstrate soil carbon loss in land planted with eucalyptus, compared to grasslands", said Carlos Céspedes, a researcher at the Faculty of Sciences, in his Doctoral Thesis from the Institute National Polytechnique in Toulouse, France, in 2007. According to his study, the average carbon retention time of planting, pruning, cutting and replanting tree plantation, is of low value on a global scale. (2)

Finally, the president of UPM ignores that the wild boar has been a national pest since 1982, for its enormous damage to the ovine culture and agriculture, and that the deer was declared a Natural Monument of Uruguay in 1985 and its a species at risk. According to the most recent research, afforestation does not contribute to the increase of these populations, but it does broaden the territorial space for the wild boar and it increases its predatory nature. (3)

The other international image of UPM



'BankTrack' is an international non-profit organization dedicated to monitoring activities, conducting campaigns and supporting civil society organizations (CSOs) in everything related to commercial banks in the private sector and the activities financed by them.

"BankTrack's mission is to stop banks from financing harmful business activities; to promote a banking sector that respects human rights and contributes to just societies and a healthy planet; and to support fellow civil society organisations in their engagement with banks", according to the website.

One of the sections of the reports provided by BankTrack is called 'Dodgy Deals', whose translation would be "dishonest or unreliable businesses". Bank Track defines them as "harmful projects or companies financed by banks". In this section we find a profile and a report dedicated to UPM-Kymmene.

BankTrack presents a brief history of the group:

"UPM-Kymmene is a Finnish company which operates in the sectors of pulp and paper, timber and energy. It was created in 1996 from the merger of Kymmene with Repola Ltd and its subsidiary United Paper Mills. It subsequently expanded its operations to China and Uruguay, among others. It now owns four pulp mills with a total pulp capacity of 3.7 million tonnes. Three of these mills are located in Finland, one in Uruguay (Botnia). In China the company owns the Changsu paper mill. UPM has paper mills in Austria, Estonia, Finland, France, Germany, UK, Russia, Uruguay and in the USA. UPM also owns 574,000 hectares of certified forest in Finland, 76,030 ha of forest land Minnesota USA as well as 255,000 hectares of plantation forests in Uruguay. It further sources wood from 12 other countries. The company has done a major rebranding effort to transform from paper and pulp to the "bioeconomy" by renaming its business sector of pulp and forestry as biorefinery and by adapting the slogan "The Biofore Company"

And it justifies the inclusion of UPM-Kymmene in the Dodgy Deals in this way:

"In 2017 UPM-Kymmene announced its plans to build a new large pulp mill in Uruguay. These plans are a cause for concern due to the impacts that the additional plantations will have, the impacts of the effluents that will be discharged in the relatively small Rio Negro and the social impacts, including strengthening the rural exodus. UPM signed a controversial agreement with the government of Uruguay which action groups have challenged as being unconstitutional, due to the high investment commitments the government makes, without any approval by congress."(sic)

Notes

- (1) "Forestry development and the environment in Uruguay. Towards an evaluation of the environmental effects of afforestation in Uruguay with introduced species ", Caffera, R., C. Céspedes, A. González, O. Gutiérrez and D. Panario, CIEDUR (Series Investigations No. 85), Montevideo, 1991.
- (2) "Dynamics of organic matter and some physicochemical parameters in Molisoles, in the conversion of a pasture to forestry in the Piedras Coloradas-Algorta region (Uruguay)", Carlos Céspedes Payret, Doctoral Thesis presented before L ' Institut National Polytechnique de Toulouse, France, in November 2007.
- (3) "Ecology of exotic mammals in forest lands of the Departments of Río Negro and Flores, Uruguay", by Lic. María Ruiz, Master's Thesis in Biological Sciences (PEDECIBA), 2017.