

Brazilian Policy for Planted Forests

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SAE mission:

- Main goals:
 - Strategic national long-term planning
 - Promote coordination with the government and society and discussions on future scenarios
 - Generate information for government actions.

Why SAE works with policy for planted forests

- Long-term planning sector
- Forest policy linked to other environmental agendas (different governmental agents)
- Linked to many important production chains (e.g. paper, construction, energy, metallurgy and furniture)
- Very important to rural development
- Important as an alternative source for illegal logging and to reduce pressure over native forests

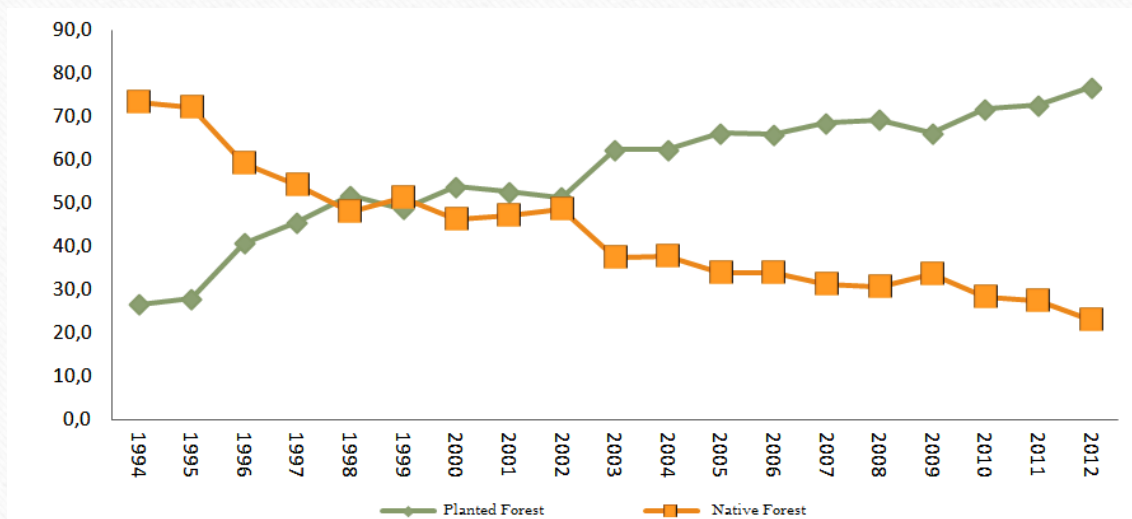
Importance of Planted Forests

Participation of native and planted forest extraction in the national timber production (2013)

Products	Planted Forest	Native Forest
Roundwood	90.5%	9.5%
Charcoal	84.7%	15.3%
Firewood	64.1%	35.9%

Source: IBGE, 2013.

Share of native forest and planted forest timber production in Total Value of Timber Primary Production- 1994-2013 (%)



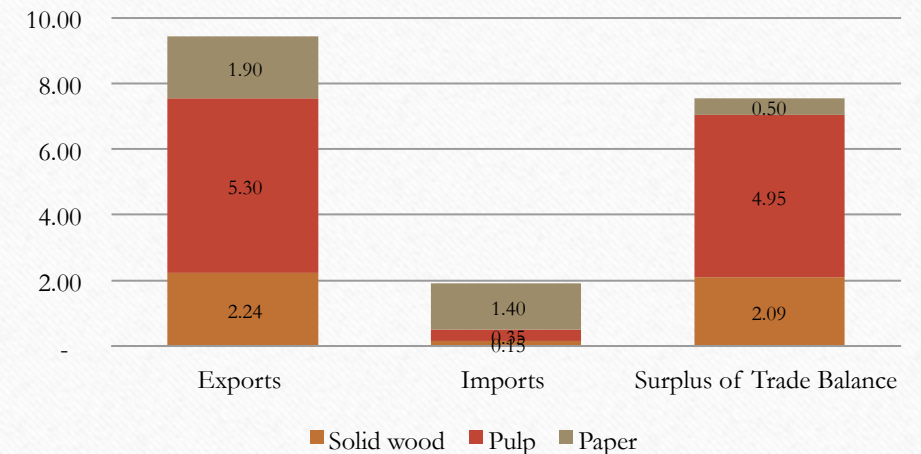
Source: IBGE, 2013.

Why SAE works with policy for planted forests

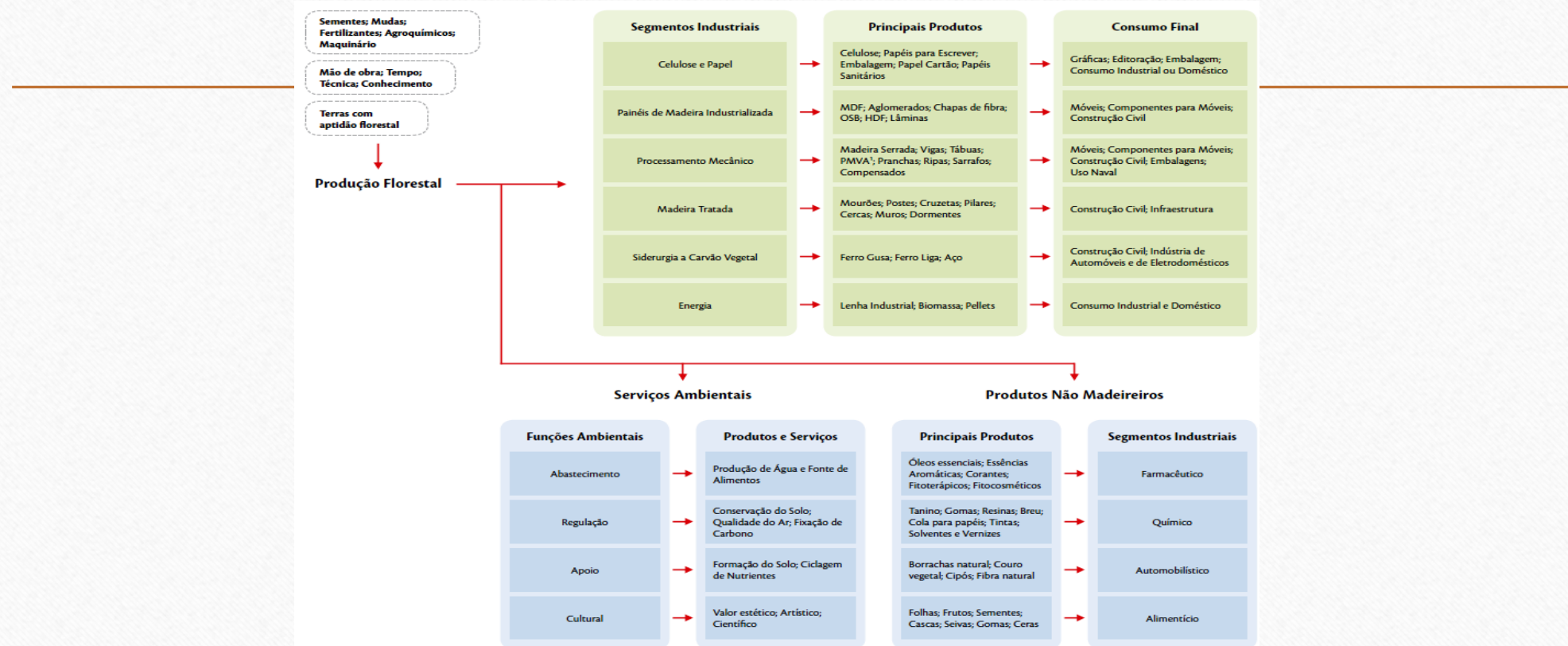
Cont...

- Brazil has over a hundred years of development of planted forests
- The brazilian silviculture (*Eucalyptus* and *Pinus*) is recognized worldwide
- It is a strong intermediate sector
- Poorly organized as a whole (many segments with disparate interests)
- Primarily oriented to the domestic market:
 - Sectorial Gross Domestic Product – USD 56 billions
 - Exports: USD 9.4 billions *

* **Brazilian Trade Balance of Wood Products 2014** (USD billion)

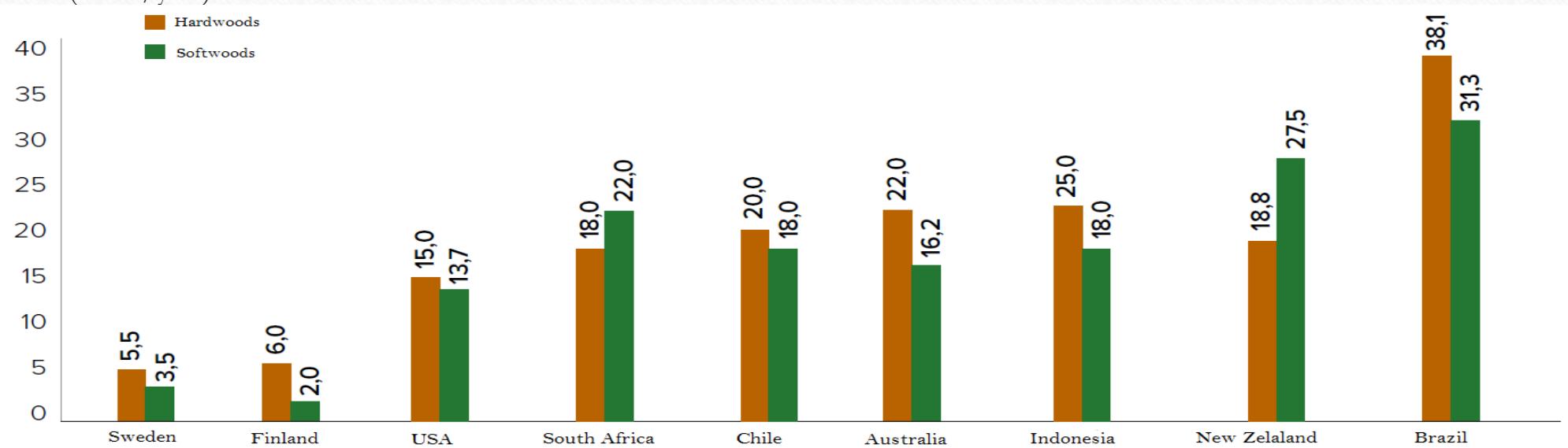


Production Chain of Forest Sector



Productivity of planted forests

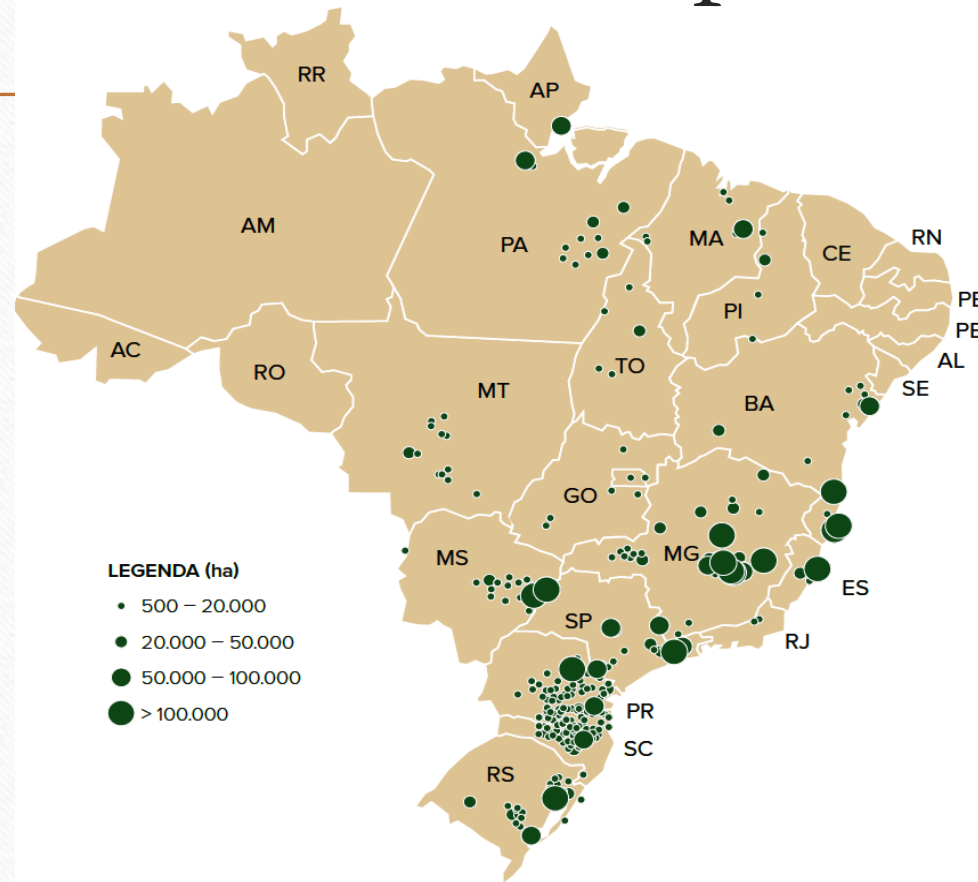
- Comparison of productivity of softwoods and hardwoods in some countries (m³.ha/year)



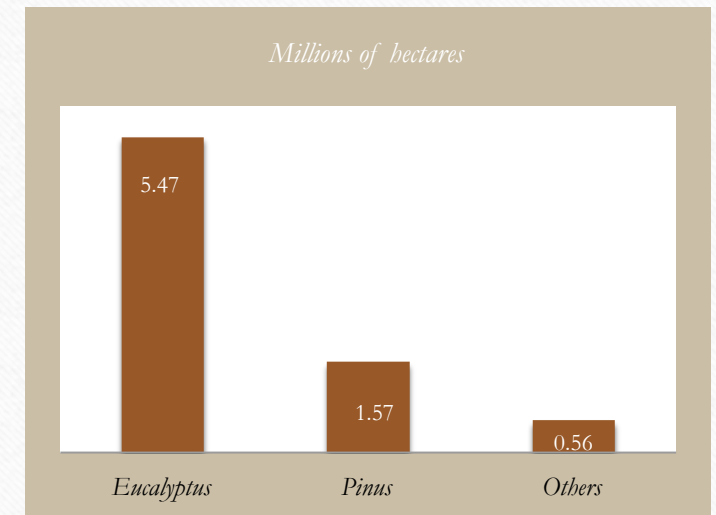
Consumption of Roundwood for Industrial Use by segment and forest species in 2012 (m³):

Segment	Eucalyptus	Pinus	Others	Total
Pulp and paper	55,033,172	9,108,030	5,000	64,146,202
Reconstituted panels	5,580,247	7,252,635	158,576	12,991,458
Solid timber	7,034,315	27,424,294	288,000	34,746,609
Charcoal	23,144,200	-	-	23,144,200
Industrial firewood	37,067,120	3,829,361	3,786,103	44,682,584
Chemically treated wood	1,650,320	-	-	1,650,320
Others	1,061,617	31,135	-	1,092,752
Total	130,570,991	47,645,455	4,237,679	182,454,125

Distribution of forest plantations in Brazil



Area occupies planted forest in Brazil -
by species

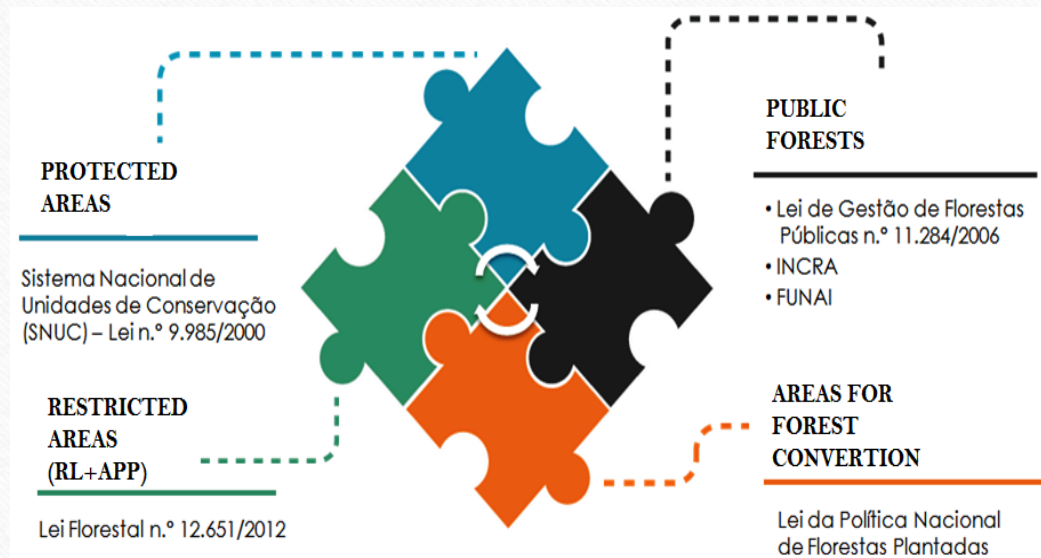


Construction process of the National Planted Forest Policy

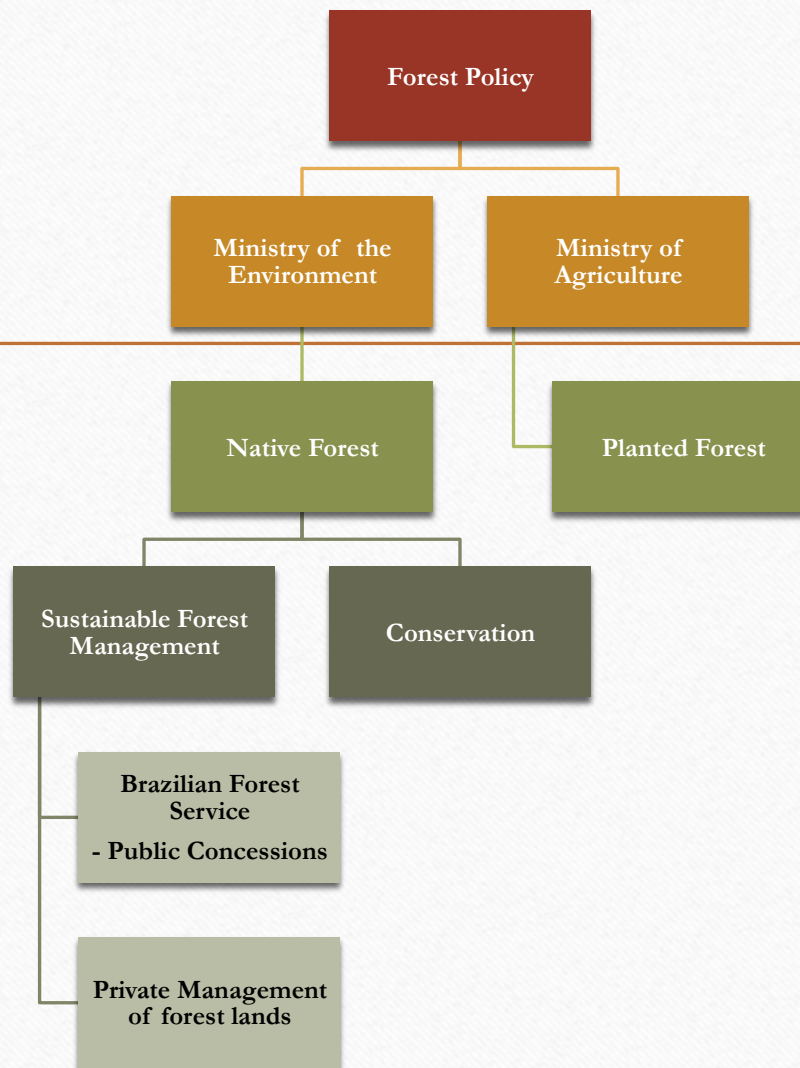


New National Governance about Forests

Family public policies of land use in Brazil



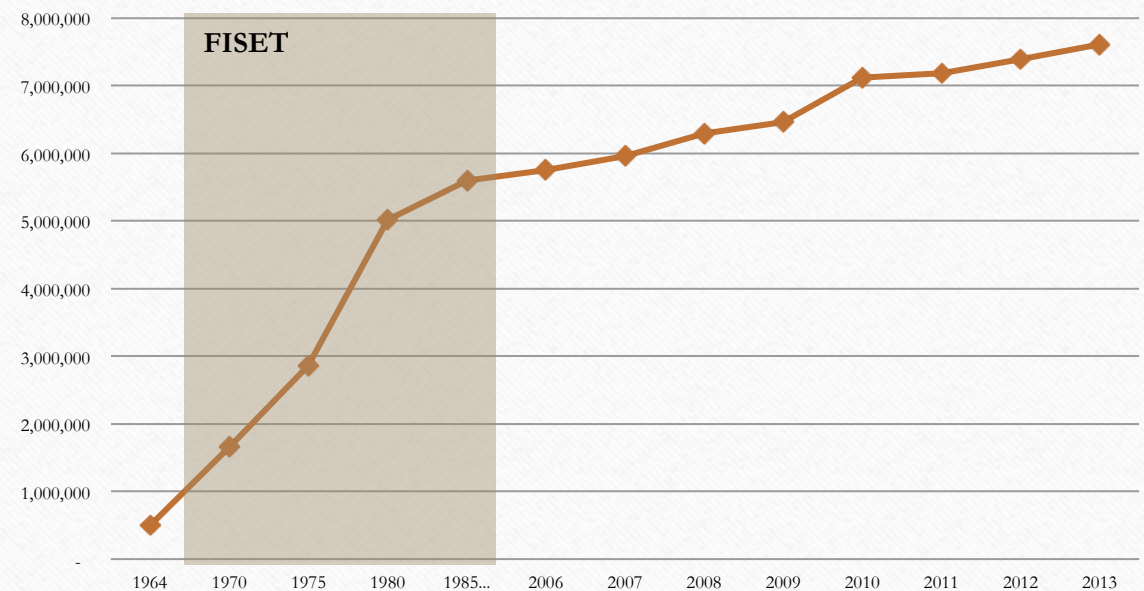
Governance



How public policy can help

- 1960's:
 - Forest Code
 - Brazilian Institute of Forest Development (IBDF)
 - Sector fund to support financially reforestation (FISET)
- 1970's - National Development Plans
 - Objective of developing an industrial park in Brazil (reducing imports)
 - Forest Sector:
 - Pig Iron Mills
 - Paper industries

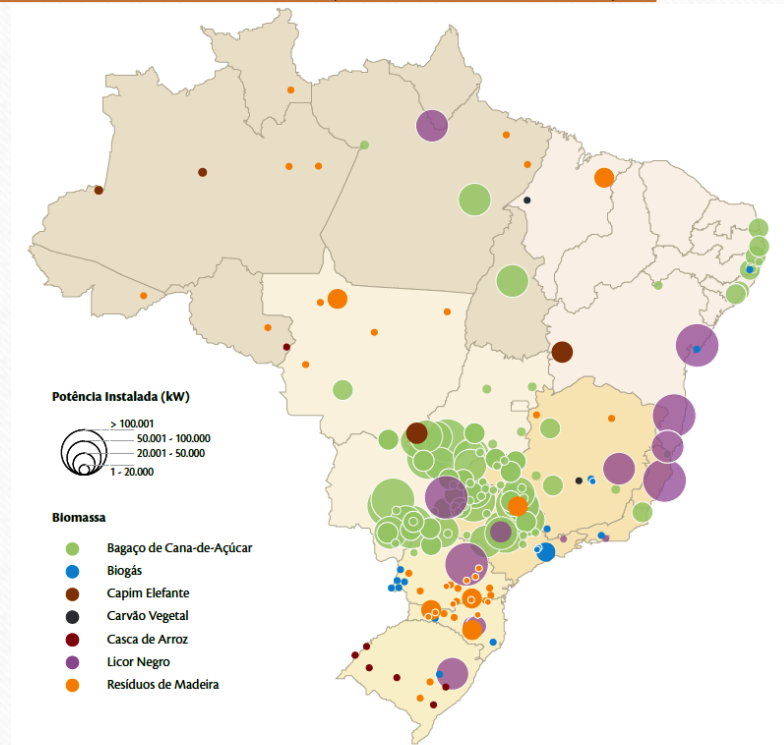
Evolution reforestation area in Brazil between 1964-2013 (ha)



Policy objectives:

- Integrated policy: **rural and industrial**
- More **diverse forest economy** and with greater **added value** products
- Increase the involvement of forest products in the **international market** (Currently less than 3%)
- Promote **new markets & products** (energy, housing, bioproducts, genetically modified trees, and services)

Distribution of Biomass Thermal Power Plants in Brazil
in 2013 (Power Installed - kWh)



Fonte: ANEEL (2012).

Desired Conditions

- Good policy coordination at the national and local level
- Long-term financing (public and private)
- Support for scientific and technological development
- Structuring of production chains (not only in one product/commodity)
- Favorable business environment (environmental permits and land ownership)
- Infrastructure and logistics
- Investment in information, analysis and strategic intelligence (market research, production costs)
- Integration with rural development (forest development, integrated crop/ livestock/forestry)
- Development of national capacity and investment in increased productivity
- Commercial and technological exchange with other countries

Challengers

- How to include small producers in forestry development:
 - Directed credit
 - Technical assistance
 - Production integration with other chain links (forest promotion)
 - Promoting diversification of the rural production (Integration Crop-Livestock-Forest)
 - Stimulating cooperativism

Instruments

- Financial instruments:
 - Direct credit for plantations (ABC Program / Pronaf florestal / Constitucional funds)
 - Credit notes (agriculture notes)
 - Credit for productive chains (habitational programs, furniture, renewable energy...)
- Resarch & Development integrate to tecnical assistance (Embrapa + ANATER)
- Sanitary plant defense (nursery for seedlings, control of pest and diseases)
- Forest/rural insurance
- Good governance directed to forestry development
- Good formulation and implementation of Comand & Control policy (Forest Code)
- Othes: Payment for ecosystem services (REDD+), Forest Reserve Quota, Water producers, etc..

Thanks

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