TROPICAL FORESTRY WORKSHOP

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Consensus Statement On

COMMERCIAL FORESTRY SUSTAINED YIELD MANAGEMENT AND TROPICAL FORESTS

Co-sponsored by
The Smithsonian Institution
and
International Hardwood Products Association

SMITHSONIAN INSTITUTION
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Tropical Forestry Workshop
Thomas E. Lovejoy, Chairman

In October 1989, a number of the world's foremost authorities on tropical forestry management practices and the environment gathered at the Smithsonian Institution in Washington, D.C. to discuss the causes of tropical deforestation and action that can be taken to preserve these natural resources. The group, called together by the Smithsonian Institution and the International Hardwood Products Association, was carefully balanced to include disciplines with interests related to and within tropical forestry and representatives from major tropical regions of the world.

The conclusions of the group include the following:

- Tropical forests will be preserved only if they are accorded economic value.

- Blanket bans and embargoes (as contrasted to selective ones), on tropical hardwood will tend to depress the value of these hardwoods and the forests that contain them. Such constraints generally diminish the economic incentives to conserve and manage these forests in the face of alternative land uses which lead to their destruction.

- In areas where prices received for timber do not fully cover the cost of forest management, there is lack of incentives and commitment to these practices.

- Funds obtained from products of the tropical forests must be rechanneled into managing and regenerating those forests.

- The international tropical timber industry should encourage the continued establishment of conservation areas solely dedicated to forest preservation.

The working group concluded that the key component in preserving and maintaining the tropical forests is to ensure these resources maintain their economic value. This objective can be met only by a commitment of human and financial resources and the continued cooperation between governments and international organizations.

On reflection, it is apparent that there is a real need to continue the dialogue represented by this Workshop on a periodic, perhaps annual, basis. Targets and timetables for implementing these recommendations, and for more effectively limiting purchases to suppliers practicing sustainable management, should be developed in conjunction with producing countries and periodically reviewed. Such meetings can consider the need for a policy against clearing tropical forest for plantations, and discuss other topics such as indigenous vs. exotic species in plantation forestry.

Sincerely yours,

Thomas E. Lovejoy

Thomas E. Lovejoy
Assistant Secretary for External Affairs

Enclosure: Tropical Forestry Workshop Consensus Statement on Commercial Forestry, Sustained Yield Management and Tropical Forests

TROPICAL FORESTRY WORKSHOP
Consensus Statement *

COMMERCIAL FORESTRY, SUSTAINED YIELD MANAGEMENT AND TROPICAL FORESTS

Background: Description of the International Hardwood Products Industry. The U.S. international hardwood products industry is composed of companies which import tropical hardwood products from Asia, South and Central America, and Africa. Most of these companies are members of the International Hardwood Products Association (IHPA). Members of the Association purchase directly from the mills in the various regions. The industry is very concerned about long-term sustained use of the tropical forests, which provide economic benefits to supplier nations and consumer nations alike, and provide other major contributions to national, regional and global environments.

The main import products are plywood, lumber, veneer and specialty products made from lumber. Tropical hardwood products are marketed for properties and qualities not always found in temperate species. Total imports of tropical hardwoods to the U.S. approximate $1 billion per year. Although imported hardwood products only account for a small percentage of total domestic hardwood consumption, they are nonetheless important to the U.S. market, and provide needed revenues to the supplying countries.

U.S. buyers are the marketing arm for industrial tropical forests and are therefore very interested in the long-term productivity and availability of products from the supplying regions. Most of the buyers are members of the IHPA, which is recommending principles and activities to promote conservation, utilization and regeneration of tropical forests so that they can be used and enjoyed in perpetuity.

Overview of Tropical Forest Depletion vs. Deforestation

Deforestation is total conversion out of forest conditions to other land use (no forest remains), and must be distinguished from (a) managed depletion and (b) unmanaged depletion, both of which are caused by logging or local usage (removing some trees, but allowing the forest to remain).

The fundamental causes of tropical deforestation are related to misguided government policies, poverty, overpopulation, insecure land tenure, inequitable distribution of land and wealth, the need to put land to more intensive use, and other such reasons. These factors give rise to the more proximate causes, i.e., agriculture, mining, hydroelectric dams, encroachment and logging.

Timber is normally harvested from: forest lands under conversion from forest to other land uses; production forests, designated to be managed to provide continuous timber supply; tree plantations generally dedicated to continuing production; and unmanaged forests.

Commercial logging for export is not the primary cause of deforestation on a global basis, although commercial logging can be a very important problem on a national or local basis. The 1982 FAO (Food and Agriculture Organization of the United Nations) report on tropical deforestation found that shifting agriculture was the single greatest cause of forest loss. However, in some regions, normally frontier areas with low population density and limited prior forest disturbance, the economic gain from logging can be the catalyst for road penetration and land clearing.

When timber is harvested, some major causes of damage to the forest commonly accompany logging. Damage may be caused during the logging process to seedlings and residual trees which should form the regrowth forest. Erosion can result from poor road alignment, construction and clearing, or when logging occurs on steeply sloped land. The forest's susceptibility to wildfire is also enhanced by dry matter left behind after logging operations, as well as by the drying effect of canopy opening. Finally, roads built by loggers are often used by farmers (who move in and clear the residual forest), or by hunters (who enter along the roads), or by timber poachers (who steal from the residual forest).

Sustainable Forestry

Forestry, in theory, has to be sustainable; that is, harvesting should not diminish the benefits to future generations. Sustainable forestry requires the protection of soil, water, wildlife and timber resources in perpetuity.

Current exploitation of tropical forests, ranging from highly selective removal of a few choice trees (without taking the necessary steps to ensure regeneration of the stand), to deforestation, burning, cultivation, and pasturing, is not forestry, in that it degrades remaining forests and the soil as a source of future benefits and products.

Sustainability must be measured in terms of quality and diversity as well as quantity, and should be measured within a reasonable time frame. The mix of benefits and products may vary from place to place, but in the aggregate must be as useful to future generations as the primary forest.

Primary Forests. Primary forests are those essentially unmodified by recent human intervention. They contain a wide range of species and products. Primary forests can best be sustained by the preservation in perpetuity of tracts of such forests which are representative of diverse environments. Once sufficient areas of protected primary forest are secured, other primary forest areas may be subjected to sustainable utilization by practices that preserve the structure and function of the ecosystem. Such management must be carried out with caution and continuously monitored to ensure sustainability.

Secondary Forests. Secondary forests are those left after exploitation of marketable timber, and the regrowth after deforestation and agricultural abandonment. The immediate goal in managing these forests should be to accelerate the rate of growth to reach maximum sustainable production. All resource values (e.g., water, soil, wildlife) must be considered.

Tree species of secondary forests, previously seldom used, are rapidly becoming acceptable in local markets. Therefore, the management of these forests should be increased, but should be done in a way that preserves a broad spectrum of species. Research is needed to determine the values of secondary forests that are being developed for their timber productivity.

Management and economic valuations must also consider non-timber benefits such as conservation of water and wildlife habitat.

Plantations. An increased proportion of tropical lands, now deforested or inadequately stocked, must be planted with useful trees to meet future needs for industrial forest products, to reduce the pressure on primary forests and to generate other benefits derived from tropical forests. To ensure that plantations do not degrade the soil and are sustainable, they will require continuous monitoring and flexible management. The economic feasibility and sustainability of mixed species plantations vis-a-vis single species plantations ought to be explored.

Basic Principles of Tropical Forest Management

Forests are dynamic. If not utilized, trees are continually dying and being replaced. Sustainable utilization systems can be devised and are viable so long as they mimic natural forest dynamics and work within the nutrient limitations of the ecosystem. The problems arise not so much in devising such management systems, but in making them work under the prevailing socio-economic conditions.

Forests provide a wide variety of goods and services. Non-timber products, such as fruits, nuts, rubber, and rattan, often harvested by forest-dwelling people, provide economic benefits that can be more valuable than timber removal. Economic analysis of the value of timber harvesting should take into account the potential threat to other major opportunities if log extraction damages production of these products.

Timber should realize its true value. Where timber prices do not fully cover the replacement and environmental costs, there is no incentive to restore the forest so that it can be sustained at its original level. Governments commonly collect far too little forest revenue to reinvest in replacement efforts that incorporate all of the affected environmental factors. Where the logger has no incentive to utilize low grade and waste products, maximum utilization will not occur, and sustainability could be endangered by high-grading and forest fires (fueled by dry matter left behind after logging operations).

Fiscal and financial incentives for conservation and regeneration must be provided. In the same way that logging should bear its environmental costs, conservation, regeneration and reforestation should enjoy profits from the environmental benefits they convey to the society at large.

Re-entering a forest to cut (re-cutting) too frequently is a common problem, which inevitably degrades the forest. Re-cutting may occur in order to satisfy the annual volume a logger is obliged to cut, or to take advantage of remaining stands of commercial value if the logger's concession is too short to ensure him the access to the next harvest. Re-cutting often takes place before there has been adequate re-growth. Frequent re-cutting compounds any damage from the first cut, thereby slowing down regeneration.

Timber concession agreements are currently much too short in duration. Most are not more than 20 to 30 years. As a result, the concessionaire does not have practical reason to invest in the long-term future of the concession. Concession contracts should extend over at least two cutting cycles, and should be subject to periodic review for compliance with good management practices.

How Members of the International Hardwood Products Association Can Encourage Sustainable Forestry

The international tropical timber industry shares the growing concern that tropical forests should be managed for a wide array of benefits. Towards this end, the industry should encourage the further establishment of more conservation units with strict preservation objectives, as well as reserves to protect the rights and cultures of native populations. Forest management for timber production should be confined to production forests.

The tropical forest products industry of consuming nations can collectively encourage sustainable forestry by taking the following steps:

- Promoting the development of internationally acceptable and verifiable operational guidelines and criteria for defining the sustainability of management in the tropical timber producing countries.

- Improving the effectiveness of the policy to buy timber only originating from legal sources by working for better information about sources.

- Recognizing the usually counter-productive consequences of constraints of trade (blanket bans, embargoes) in tropical hardwoods, and further recognizing that the most effective means to prevent such constraints is by supplying sustainably managed timber. Such constraints would tend to depress the value of the hardwoods and the forests that contain them, thus diminishing the economic incentives to conserve, manage and regenerate these forests in the face of alternative land uses which lead to their destruction. Selective constraints could be beneficial in some areas where logging affects rare species, national parks, indigenous lands, or open frontier regions to intensive over-exploitation. However, in other areas, reduced timber prices would have the unintended result of providing incentives to clear forests for other uses.

- Urging sale of forest products on a free market basis that requires that prices fully reflect replacement costs and environmental costs of the resources utilized. Urge that mechanisms be in place to ensure that proceeds are reinvested in forest regeneration, research and management.

- Encouraging incorporation of all forest products, timber and non-timber, in cost-benefit analyses. Attempts should be made to make log extraction compatible with these other uses.

- Encouraging suppliers and governments to involve local populations more actively in forest management to ensure better distribution of the forests' benefits, and more efficient and cost-effective management of remote and fragile resources.

- Urging suppliers and governments to establish long-term and secure tenure over forestry resources. Secure tenure and management responsibility for production forests must be vested in the same entity. The entity could be the central, state or local government with annual auctioning of logging rights to accredited logging companies with satisfactory past performance. Alternatively, the management entities could be accredited private companies with long-term concessions covering at least two cutting cycles. Finally, the entities could be local communities having customary rights and sufficiently cohesive organization to manage the resource on a sustainable basis. This is best achieved, whatever the form of tenure chosen, if it is long-term, secure and exclusive with corresponding rights and responsibilities to provide the right incentives for sustainable management.

- Encouraging suppliers and governments to minimize timber losses through more efficient logging operations, improved recovery techniques, and wood preservation.

- Assisting producer nations to develop new markets for lesser known species (through means such as sampling and testing) and promoting use of those species.

- Promoting improved utilization through the use of better grading and measurement systems.

- Encouraging suppliers to identify and promote examples of good forest practices.

- Encouraging high value end uses for tropical hardwoods.

- Supporting and promoting efforts in producer nations to process their raw materials as far as is economically beneficial, prior to export.

- Supporting fair trade in timber products.

The problems concerned with forestry can be most effectively tackled by concerted action of members of the International Hardwood Products Association in conjunction with comparable associations in other consuming countries and export associations in producing countries. IHPA should also promote the goals and objectives set forth by this Workshop through stronger involvement in the International Tropical Timber Organization (ITTO), and other such international organizations and governments that have responsibilities and interests in tropical forestry.

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** The viewpoints expressed in this paper represent a consensus of opinions of the individual participants and do not necessarily represent opinions of the organizations they represent.*

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LIST OF PARTICIPANTS

Chairman: Dr. Thomas E. Lovejoy
Assistant Secretary for External Affairs
Smithsonian Institution
Washington, D.C.

Mr. Robert Buschbacher
Director
Tropical Forestry Program
World Wildlife Fund
Washington, D.C.

Dr. Marc Dourojeanni
Senior Environmental Specialist
The World Bank
Washington, D.C.

Dr. Stephen P. Hubbell
Princeton University
Department of Biology
Princeton, New Jersey

Mr. Walter Jarck
Corporate Director
Forest Resources
Georgia-Pacific Corporation
Atlanta, Georgia

Dr. Kuswata Kartawinata
Office of the UNESCO Representative to Indonesia, Malaysia and the Philippines
Jakarta
Indonesia

Dr. Philip R.O. Kio
Federal Ministry of Science & Technology
Forest Research Institute of Nigeria
Ibadan
Nigeria

Mr. S.T. Mok
Director
ASEAN Institute of Forest Management
Kuala Lumpur
Malaysia

Dr. Theodore Panayotou
Harvard Institute for International Development
Harvard University
Cambridge, Massachusetts

Dr. Murca Pires
MUSEU Emilio Goeldi
Para, Belem
Brazil
(Unable to attend workshop -- approved consensus statement via correspondence)

Mr. Russell C. Stadelman, Sr.
Founder/Chairman
Russell Stadelman & Company
Germantown, Tennessee

Dr. Frank Wadsworth
U.S. Forest Service
Institute of Tropical Forestry
University of Puerto Rico
Rio Piedras, Puerto Rico

Dr. Gary B. Wetterberg
Program Manager
Forestry Support Program
U.S.D.A. International Forestry Staff
Washington, D.C.

Dr. Timothy C. Whitmore
University of Cambridge
Department of Geography
Cambridge, England

INDUSTRY/ASSOCIATION OBSERVERS

Mr. Keith Johnson
IHPA President
Tumac Lumber Company
Portland, Oregon

Mrs. Wendy Baer
Executive Vice President
International Hardwood Products Association
Alexandria, Virginia

Mr. Keister Evans
Legislative Liaison
International Hardwood Products Association
Alexandria, Virginia

Mr. Claus-Peter Wolff
Chairman
IHPA Forest Resources Management Committee
C.P. Wolff America Corporation
Marietta, Georgia

CONSERVATION GROUP OBSERVER

Mr. Ivan Ussach
Vice President
Rainforest Alliance
New York, New York

The Tropical Forestry Workshop and resulting statement – *Tropical Forestry Workshop Consensus Statement on Commercial Forestry Sustained Yield Management and Tropical Forests* were commissioned by the International Hardwood Products Association (IHPA) in conjunction with the Smithsonian Institution in October 1989. The successful completion of this workshop resulted in the formation of the Tropical Forest Foundation (TFF) by the International Hardwood Products Association.*

One of the first actions of the newly-formed TFF Board of Directors in January 1991 was to endorse the findings of the Tropical Forestry Workshop and resulting "Consensus Statement."

The non-profit Tropical Forest Foundation is organized under section 501(c)(3) of the Internal Revenue Code.

* Currently known as the International Wood Products Association (IHPA).

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TROPICAL FOREST
FOUNDATION

For More Information Contact:

Tropical Forest Foundation
2121 Eisenhower Avenue, Suite 200
Alexandria, VA 22314
Tel: 703-518-8834 Fax: 703-518-8974
Email: tff@tropicalforestfoundation.org