

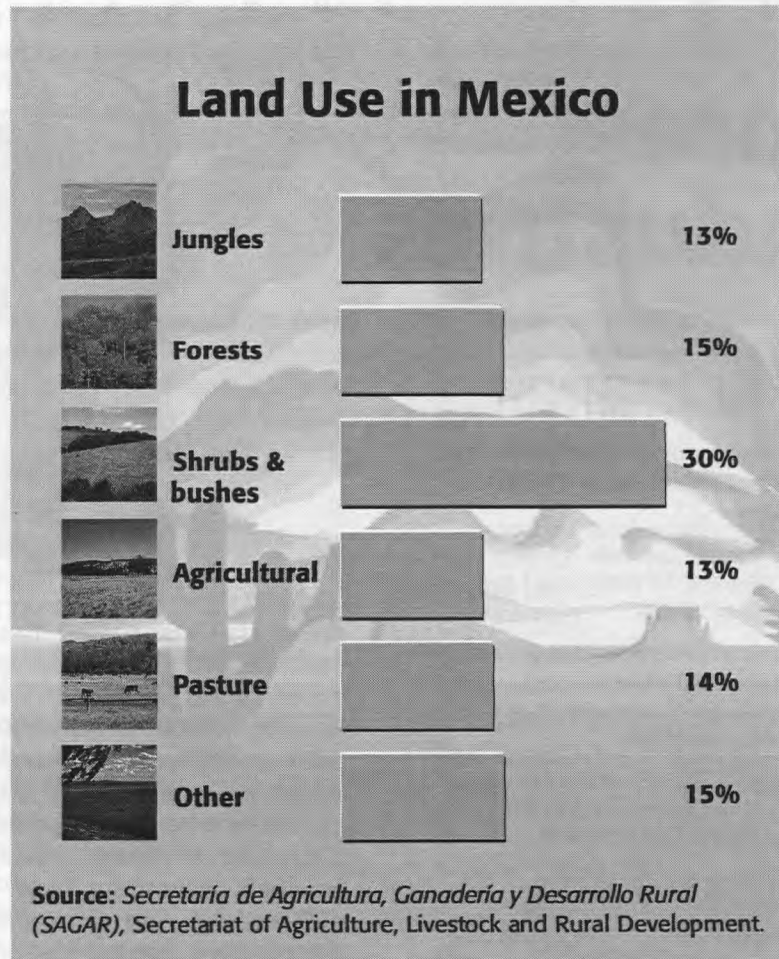
Temperate forests are the main source of trees for the forest industry. They are located mostly in the mountains, in the states of Chihuahua, Durango, Jalisco, Michoacán, Guerrero, Oaxaca and Chiapas. The tropical forests are concentrated in the south and southeast. They have not been extensively exploited.

About 80 percent of Mexico's forest resources are part of *ejidos*, community properties, which have been officially assigned by the *Secretaría de Agricultura, Ganadería y Desarrollo Rural (SAGAR)*, Secretariat of Agriculture, Livestock and Rural Development. There were about 7,000 *ejidos* in 1993. Another 15 percent of forest resources are distributed among about 100,000 small, private owners. The remaining 5 percent comprise the 123 national parks.

Deforestation is an ongoing problem. An average of 270,000 hectares of forest were lost annually between 1989 and 1993. Most of the loss was concentrated in the tropical rainforests. Severe environmental damage, including water pollution, floods and reduced biodiversity has been attributed to deforestation.

The expansion of agricultural and cattle ranching activities around forest borders is a major cause of deforestation. Illegal cutting and fires are also contributing causes. In recent years, reforestation efforts have been able to replace only about half of the losses.

Amendments to the Mexican Constitution in 1992 changed the system of land tenure to allow longer-term property rights. As a result of the new legislation, private properties are likely to gradually replace the *ejidos*. A new *Ley Forestal*, Forestry Law, enacted in 1993, will regulate this new system and is expected to encourage long-term investment in forestry. The government has recognized that a 20-year tenure is a minimum for the



development of commercial plantations. Nonetheless, reform will come slowly. As one observer put it: "It is hard to sell starving *ejidatarios*, forestry workers, on the benefits of a 20-year investment".

THE WOOD SUBSECTOR

Although Mexico's formal forest industry is some 70 years old, it is still in its infancy in terms of technology, infrastructure and forest

Mexico's Forest Resources, 1993

millions of hectares

Forest Type	Total Resources	Commercial Availability
Temperate and cold-climate species	25.4	15.0
Softwood	17.3	
Hardwood	8.1	
Tropical and subtropical	24.2	6.0
Mid- and low-forests	19.7	
High-forests	4.5	
Total	49.6	21.0

Source: *Cámara Nacional de la Industria Forestal (CNIF)*, National Chamber of the Forest Industry.