

has been traditionally used for pulpwood and sawnwood, while the latter, traditionally used for pit props in coal mining, only in recent times has been industrially processed.

The total land surface under industrial plantations is around 1.5 million hectares, with radiata pine accounting for 85% of the total.

It is important to note that the increase in plantation forestry is the main cause of the surge of Chilean forestry exports. This increase in plantations began basically in 1974, when the government provided strong incentives and subsidized plantations (as explained below).

19.3 Current legislation

Ninety five percent of all plantations and natural forest are privately owned. The rest are managed by the SNAPSE (Sistema Nacional de Areas Silvestres Protegidas), the government entity which manages Chile's National Parks and Forest Reserves, dependent of CONAF (Corporación Nacional Forestal).

The forestry sector has been a subject of legislation since the XVI century, but regulations currently in place are recent. Decree 701 of 1974, and its amendments of 1980, establish the following rights, limitations and incentives for forestry practices:

Private ownership rights are understood here as with other forms of real estate. A prohibition of all harvesting and reforestation not approved by CONAF applies, however. Thus, a