

3.2 Forest Harvesting

The Chilean market for goods and services in the area of forest harvesting is wide-open and very competitive. The reality of intense competition is already well known to a number of Canadian exporters who have long been active in the Chilean market for timber felling and logging equipment.

Harvesting techniques for natural forests and plantations are significantly different in Chile.

In the natural forest, environment conscious operators must work through selective cutting, reduced volumes per hectare and big heavy logs. In the plantation context, clear cutting, high volumes per hectare and medium to small size logs prevail.

Current harvesting techniques range from chain saw and oxen, to state of the art equipment. With no historic concern about labour saving productivity, the harvesting sector will only evolve as quickly as equipment suppliers can prove to the plantation owners that their equipment can provide cost savings.

Chilean firms, particularly the large ones, are increasingly facing growing volumes of wood to harvest. They are therefore moving into more sophisticated tree harvesting equipment.

The areas of greatest potential for Canadian suppliers are:

Services:

- Harvest equipment, equipment selection, economics and software consultants;
- Services on technical planning and construction of roads for forest harvest operations, including GIS applications, consultants, and training;
- Site preparation;

Industrial Wood Availability: 1990-2020
(1000 000 cubic metres/year)

Year	Plantations			Total
	Radiata Pine	Eucalyptus	Natural Forests	
1990	10.7	0.9	2.7	14.3
1995	16.3	1.7	2.6	20.6
2000	23.3	3.5	2.6	29.4
2020	35	10	13	48

¹ The concept of availability can be estimated systematically for plantations. In the case of natural forests, given Chilean conditions, it is based solely on the existence of the resource.