

exploitation of forestry resources is reserved exclusively to Mexican citizens and is subject to a permit granted by SARH based on studies for integral management. This includes permanent, temporary, eventual (including a forest) exploitation, and first for scientific, construction or plantation purposes. Integral management should consider the use and exploitation of forestry resources with the highest possible productivity and without damage to the environment. No permit is granted without such approved study. Additionally, SARH grants technical services to the forestry sector, mostly through concessions granted to land owners or professionals, which are in charge of overseeing the integral management, as stipulated in the study and of conducting the exploitation of forestry resources. These services are payable by the exploitation permit holders.

8.2. REGULATIONS TO THE FORESTRY LAW

- These were designed to spell out and enforce the Forestry Law in its administrative and specific aspects. It includes regulations on the following items:
- Preparation of the inventory of forestry resources by SARH;
 - Preparation of the Forestry Sector Program by SARH;
 - Coordination agreements with state and municipal governments, parastatals, companies, unions, committees, social and private organizations;
 - The Forestry Development Fund for the promotion of financing and investment programs;
 - The division of the national territory into regions, each of which is to be managed integrally based on individual studies to be prepared with the cooperation of SARH, state and municipal governments, the private and social sector, to define areas used for forestry exploitation, reserves, reforestation, roads, etc.;
 - The requirements to change the use of land from forestry to other uses, including an application and a technical study with their specifications;
 - National forestry reserves and areas to be used for conservation;
 - The prevention of fires and responsibilities in fighting them by the federal, state, municipal governments and land owners;
 - Sanitary measures to avoid and fight infections and other diseases in forested areas;
 - The determination of closed seasons;
 - The reforestation and restoration of forests by SARH;
 - The exploitation of forestry resources in cold and temperate climates can be made with four methods: total cut, with father trees, with successive or protection cuts (leaving the total area and rotating the zones exploited), and with selective cuts (cutting only certain trees within the whole area). Which one is used will depend on the characteristics of the land and forest and on the integral management studies;
 - The exploitation of tropical forests needs to be complemented by improvement measures such as cutting old and malformed trees, reforesting with high value species, cleaning and sanitary cuts;
 - Exploitation permit holders are responsible for the regeneration of the vegetation in the exploited area;
 - SARH grants its permits for the exploitation of forestry resources, change in the use of land, and collection for scientific, educational and other purposes;
 - A technical study is necessary to obtain exploitation permits;
 - SARH or a concessionaire of SARH will provide technical services to each region such as the preparation of the integral management studies, providing training and education in forestry related matters, supervising the application of the management studies, preparing production and distribution programs for raw materials, preparing infrastructure programs, providing information, coordinating the management studies.