

4.2 Production

The Secretariat for Agriculture and Hydraulic Resources (*Secretaría de Agricultura y Recursos Hidráulicos* (SARH)) must authorize the exploitation of certain areas and varieties of Mexico's forests before it is undertaken. During 1990, 2,355 authorizations were granted as compared to 4,313 in 1989 (see Table 6).

Table 6: Authorized Volumes (000 m³ logs)

	Authorized Volume		Production Volume	
	1989	1990	1989	1990
Pine	10,823	6,702	7,462	6,817
Other coniferae	611	305	311	303
Oak	3,208	2,279	438	383
Other leafed	330	261	170	190
Precious	127	14	74	40
Tropical	794	161	433	369
Total	15,893	9,722	8,888	8,102

Source: *Memoria Económica 1990-1991 and 1991-1992, CNIF*

About 80 percent of forestry resources are community properties (*ejidos*) that are officially assigned by the Secretariat of Agricultural Reform (*Secretaría de la Reforma Agraria* (SRA)). The remaining 15 percent is held by small proprietors and the state. The purpose of this system of land holdings was so that the land could be distributed to a large number of families for agricultural purposes or eventually for cattle raising, both of which are basically short-term activities. This land use is in strong competition to forestry, which has a long-term yield and requires large and long-term investments.

Additionally, land concession agreements for the exploitation of forestry resources are only valid for one year. (Before President Echeverría's term, concessions had been granted for 20 years.) The short terms have made investment in the sector riskier, and long-term exploitation and reforestation more difficult. The local forestry industry also has to face high transportation costs because, due to the lack of rivers, wood has to be trucked over land, usually on small mountain roads.

Table 7: Mexican Total Production of Timber Products, 1985-1989
(000 m³ logs)

	1985	1986	1987	1988	1989	1990
Scantling ¹	6,082	5,508	6,137	5,840	5,807	5,487
Pulp	2,864	2,410	2,664	2,591	2,349	1,954
Posts & piles	237	173	149	164	156	139
Fuel	484	454	492	495	443	440
Sleepers	279	413	349	224	133	82
Total	9,946	8,958	9,791	9,314	8,888	8,102

1. Includes boards, packaging wood, carved wood, wood for veneer, wood waste, pieces for sawmills and veneer, and other log products.

Source: *Memoria Económica 1991-1992, CNIF*

Table 8: Mexico's Total Production of Non-Timber Products, 1985-1989 (tons)

	1985	1986	1987	1988	1989	1990
Resins	43,463	30,410	44,180	43,443	36,296	32,923
Fibres	6,171	7,394	6,257	6,914	3,047	4,790
Rhizome	1,970	3,912	3,129	1,388	1,081	415
Wax	657	2,058	1,387	1,983	1,385	2,205
Gum	186	220	392	548	834	415
Other	14,587	17,055	17,859	52,512	31,445	27,613
Total	67,034	61,049	73,204	106,788	74,088	68,316

Source: *Memoria Económica 1991-1992, CNIF*

The decrease in the production of timber and non-timber products during the last three years (see Tables 7 and 8) is due to the longstanding and structural problems of Mexico's forestry sector, already described. It is also due to a lack of policy definition by the central government, trade liberalization, which has brought about the strong competition of imported wood products, and a decrease in technical services for the forestry sector.

4.3 Trade Balance

Total imports of forestry materials and manufactured products increased by 51 percent during 1989, from U.S.\$444.7 million to U.S.\$673.5 million. In 1990, it decreased an estimated 19 percent to U.S.\$545.9 million. The large volume of imports is mostly because local production has been unable to meet demand (see previous section, "Production").