

1. BACKGROUND

Forestry has an old tradition in Mexico. Ever since before the Spanish conquest of Mexico, the Indian population relied on Mexico's vast forests for its food, protection and clothing needs. During the 16th century, the first regulatory measures were taken to avoid the destruction of forests, including limitations on wood cutting and primitive reforestation measures. During the 17th century, the exploitation of mahogany, cedar and oak was reserved to the Spanish crown, although British and Dutch invasions of tropical forests were not uncommon.

The massive destruction of Mexico's forests began with the flourishing mining industry, led by the Spanish conquerors. The mines themselves were built and reinforced with wood structures, the transformation of the primary product into metals was fueled with wood and the indigenous population, deprived of their lands, increasingly moved into the wooded areas, detaching them to grow their crops.

Under the new post-independence regime, a series of regulatory measures were taken to protect the forests and to control the production of wood products. During the 18th century, the exploitation of the woods was subject to a prior permit requirement, the free importation of wood was allowed to avoid the excessive exploitation of local forests, the first inventory of existing resources was made, the cutting and conservation of forests was regulated and national parks were created to protect both the vegetation and the animal life.

Further efforts have been made in the 20th century to regulate the excessive exploitation of forests and to preserve existing resources. In 1926, the First Forestry Law was passed by President Plutarco Elias Calles, in an effort to officially regulate the exploitation of Mexican forests. This law was reformulated in 1945 and again during the administration of President Miguel Aleman (1945-1950), in 1980, President Adolfo Lopez Mateos authorized a new forestry law to meet the requirements of the times. More recently, in April 1985, a new Forestry Law came into effect, followed in July 1988 by the Regulations to the Forestry Law.

Although the forests of Mexico have been commercially exploited during the last 70 years, the industry is still considered in its infancy with respect to exploitation and use of up-to-date technology. Despite the country's rich forestry resources, low yields and scarcity on investment have often made reports of lumber and cellulose easier and cheaper than local production. At the same time, deforestation is progressing at a fast pace, at the margin of existing regulations.

The National Development Plan, which outlines President Salinas de Gortari's 1988-1994 policy, calls for an increased supply of forestry products in order to cover domestic demand within the framework of ecological balance. This includes the reforestation of damaged areas and the thorough application of existing regulations. It also calls for the modernization of the forestry-related industry, the creation of new road infrastructure to reach the forests, the preparation of a new inventory of existing resources and the decentralization of technical services.

The forestry sector has the potential of becoming an important contributor to the nation's economy. It will require considerable financial and technical assistance to improve efficiency in silviculture, public and private resource administration and in the manufacture and marketing of its wood products. This will translate into increased opportunities for Canadian firms in the industry.