

Forest Plantations: Good for What and for Whom?

Invited Commentary to Asian Timber (May/June 2003 issue) by Andy White
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There is a lot of interest, and debate, about forest plantations today. An international conference sponsored by the UNFF on 'Planted Forests' was held in Wellington, New Zealand March 24 to 28. There were two articles on plantations in the last edition of Asian Timber, one describing increasing production in New Zealand and their concern in finding new markets, and the other proposing more plantations for Malaysia. And to top it off, CIFOR just announced that it is soon to launch a new report on plantations entitled "Fast Wood: Good or Bad Land Use".

The conference and the two articles focused on the many benefits of plantations. Each repeated the common claim that plantations 'reduce pressure on natural forests' and thus help save them. This latter argument is perhaps best articulated by Dr. David Victor (Stanford University) who gave a keynote presentation in Wellington. Dr. Victor argues that the best way to save the remaining natural forests of the world is to aggressively boost yields in fast growing plantations.

While plantations can play important roles in restoring degraded landscapes, supplying demand and contributing to rural development, to claim that higher yielding plantations can save natural forests globally is equivalent to arguing that the best path to solving world hunger is to double corn yields in Iowa. Unfortunately, the relationships between plantations and natural forests – like the relationships between poverty and corn yields - are far more complex, and while there are many positives to plantations, they also can threaten, and even undermine, the conservation of natural forests.

First of all, plantations in many parts of the world – including New Zealand until the Forest Accord of 1991 – were often, and continue to be, established at the expense of natural forests. Add to this the fact that that agriculture, not bad forestry, is the leading cause of forest conversion in much of the world – a threat that higher plantation yields will not affect. Furthermore, in most of the world, harvesting 'pressure' on natural forests is by and large driven by domestic markets and some products are not substitutable with products from plantations. Plantations in South Africa do not diminish pressure on the Congo Basin's natural forests by the millions of local people who depend on them. Where commodities from natural forests and plantations do compete, plantations can actively undermine wood prices, inadvertently discouraging incentives for natural forest management, and threatening all industry and communities based on natural forest management. Eucalyptus lumber, produced by the new Aracruz sawmill in Brazil, directly competes with products from the natural forests of the Amazon, further discouraging investment and management of those threatened natural forests.

There are also social implications of plantations. Many plantations have been established on lands claimed by indigenous peoples, and with at least 25% of developing country forest now legally owned or administered by indigenous and local people, 'reducing pressure' on natural forests can equate to 'reducing incomes' of some of the poorest, and most disenfranchised people on earth. The New Zealand decision, for example, to discourage natural forest management, negatively impacts the Maori people who are the largest landowners of private natural forests. The Maoris are now advocating for greater social and political acceptance of natural forest management – a move that would allow the country to use its own resources rather than continue

to export its 'pressure' on natural forests by importing natural forest products from other countries.

Finally, the fact that many, if not most, industrial plantations in the world were established with substantial direct subsidies to large-scale industry, and that a good portion of the wood volume on the market today was subsidized, has both market and social implications. Subsidized plantation wood accelerates the ongoing decline of commodity timber prices, and since the majority have gone to large industry – further tilt the playing field in the favor of the big guys over the little guys, as well as further tilt the playing field in favor of plantations over natural forests. After spending the last 30 years struggling for their land rights and establishing their forest industry, the forest communities of Mexico – who own as private land 80% of all forest in Mexico, are now being undersold in their own domestic market by subsidized plantation wood from Chile. Clearly, the relationships between plantations and natural forests are many and complex, and they extend way beyond political boundaries.

This is not to argue that plantations are inherently 'bad' and natural forests are inherently 'good'. Both have important contributions to make to the landscape, to timber markets, and to local development. This is to argue that we all need to better understand, and appreciate these complex relationships, and to adjust our government policies and business models accordingly. Forest industry, who perhaps has the most to lose, and to gain, from these debates on plantations, should be taking the lead.

Here are a few recommended steps forward:

1. Adopt the precautionary principle : Do no harm – to natural forests or indigenous and other low-income forest peoples. Cease conversion of natural forests, restore and respect rights of indigenous peoples to natural forests and reform regulations that allow them to benefit from the sustainable management of their forest assets;
2. Stop all direct subsidies to forest industry. Subsidies to large-scale industry continue in Chile, China, Indonesia, among other countries. These drive down prices, distort markets, and facilitate appetites for corruption. They also discourage natural forest management and reduce opportunities for the poor, many of whose only asset, and hope for development, is their natural forest. All national governments need to understand the global footprint of their domestic policies.
3. Focus attention on supporting natural forest management and expanding opportunities for low-income people to benefit from their natural forests. The plantation industry has had plenty of help. To conserve natural forests, and improve the livelihoods of their some 500 million inhabitants, governments, industry and environmental organizations need to focus on advancing the practice of sound natural forest management. The lungs of the earth, and the futures of millions of the world's poorest, depend on it.