ACTIVITIES OF THE FOREST SECTOR IN BOLIVIA
Bolivian forest

53 millions ha.
MAP OF FOREST AREAS IN BOLIVIA

BOLIVIA: 108.7 MILL. HAS.

BOSQUE: 53 MILL. HAS.

AREAS SELECTED FOR THE PERMANENT FOREST PRODUCTION: 28.7 MILL. HAS.

FORESTS LANDS UNDER FOREST MANAGEMENT (2004): 8 MILL. HAS.

ONLY 28% OF THE POTENTIAL
AREAS SELECTED FOR THE PERMANENT FOREST PRODUCTION
INSTITUTIONAL ORGANIZATION

REGULATOR

Forest Superintendence and SIRENARE

- Collect the Patent Forest Money
- Franchises Register
- Supervision of the National Forest Legislation

NORMATIVE ISSUES

Ministry for Rural and Agricultural Development

- Viceministry of Biodiversity and Forestry Resources
- Normative issues
- Technical assistance for Forest Programmes and Projects
FOREST LANDS UNDER SUSTAINABLE FOREST MANAGEMENT

Source: Annual Report of Forest Superintendence
Elaborated by: C.F.B.
AREA OF FOREST LANDS DURING THE YEAR 2003 (has.)

TOTAL AREA OF BOLIVIA: 108,7 MM HECTARES

Source: Forest Superintendent
Elaborated by: C.F.B.
SUSTAINABLE FOREST MANAGEMENT

0% 20% 40% 60% 80% 100%


<table>
<thead>
<tr>
<th>Year</th>
<th>CLP</th>
<th>PPE</th>
<th>CASL</th>
<th>PP. TCO</th>
<th>CE</th>
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</thead>
<tbody>
<tr>
<td>1997</td>
<td>361.721</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5.498.017</td>
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<td>1998</td>
<td>339.000</td>
<td>93.443</td>
<td>0</td>
<td>121.609</td>
<td>5.516.615</td>
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<td>1999</td>
<td>294.022</td>
<td>199.791</td>
<td>0</td>
<td>141.150</td>
<td>5.330.853</td>
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<td>2000</td>
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<td>239.670</td>
<td>0</td>
<td>238.259</td>
<td>5.302.520</td>
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<td>2001</td>
<td>112.000</td>
<td>238.812</td>
<td>0</td>
<td>444.406</td>
<td>4.972.447</td>
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<tr>
<td>2002</td>
<td>225.400</td>
<td>544.387</td>
<td>407.721</td>
<td>559.201</td>
<td>5.399.253</td>
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<tr>
<td>2003</td>
<td>225.400</td>
<td>739.121</td>
<td>429.697</td>
<td>560.273</td>
<td>5.344.960</td>
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<tr>
<td>2004</td>
<td>256.436</td>
<td>1.246.142</td>
<td>683.369</td>
<td>655.504</td>
<td>4.976.622</td>
</tr>
</tbody>
</table>

Source: Annual Report of Forest Superintendence
Elaborated by: C.F.B.

CE (Companies franchises)
PP.TCO (Private property of Common Lands of Native Communities)
CASL (Franchises for the Social Associations of the local areas)
PPE (Property of the Private Companies)
CLP (Long Term Contracts)
MFS: Sustainable Forest Management
NATIONAL WOOD PRODUCTION
1998 - 2004

<table>
<thead>
<tr>
<th>Year</th>
<th>Thousands of m³</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>796.829</td>
<td>-36.95%</td>
</tr>
<tr>
<td>1999</td>
<td>502.428</td>
<td>-1.31%</td>
</tr>
<tr>
<td>2000</td>
<td>495.835</td>
<td>12.77%</td>
</tr>
<tr>
<td>2001</td>
<td>559.159</td>
<td>4.05%</td>
</tr>
<tr>
<td>2002</td>
<td>581.782</td>
<td>19.26%</td>
</tr>
<tr>
<td>2003</td>
<td>693.847</td>
<td>5.25%</td>
</tr>
<tr>
<td>2004</td>
<td>730.267</td>
<td></td>
</tr>
</tbody>
</table>

Potential: 10 Millions of m³, with 20 mill. Ha. under extraction, using 10 m³/ha.

Source: Annual Report of Forest Superintendence
Elaborated by: C.F.B.
### National Wood Production by Categories

<table>
<thead>
<tr>
<th>Year</th>
<th>Franchises</th>
<th>Private Prop.</th>
<th>Cutting-Slash</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>258.594</td>
<td>105.753</td>
<td>72.043</td>
<td>360.437</td>
</tr>
<tr>
<td>1999</td>
<td>224.275</td>
<td>39.536</td>
<td>160.992</td>
<td>77.623</td>
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<tr>
<td>2000</td>
<td>221.986</td>
<td>112.777</td>
<td>86.851</td>
<td>74.218</td>
</tr>
<tr>
<td>2001</td>
<td>151.561</td>
<td>313.796</td>
<td>93.802</td>
<td>0</td>
</tr>
<tr>
<td>2002</td>
<td>239.976</td>
<td>230.062</td>
<td>76.982</td>
<td>34.762</td>
</tr>
</tbody>
</table>

Source: Annual Report - Forest Superintendence
Elaborated by: C.F.B.
NATIONAL PRODUCTION OF PRODUCTS NOT DERIVATED FROM TIMBER

Source: Annual Report - Forest Superintendence
Elaborated by: C.F.B.
Source: Annual Report - Forest Superintendence
Elaborated by: C.F.B.

IN US$ MILLIONS


62 72 113 106 125 136 120 109 120 86 88 110 114

Source: Annual Report - Forest Superintendence
Elaborated by: C.F.B.
TAXES PAYED BY THE FOREST SECTOR

Source: SIFORBOL Bulletin
MAIN DESTINATIONS OF NATIONAL FOREST EXPORTATIONS

Data: Viceministry for Exportations
Elaborated by: C.F.B.
Certified Forest Area

Bolivia has the largest area of certified in the world under the Forest Stewardship Council (FSC), with 2,27 millions of hectares!!.
National Exports of Certified Forest Products

<table>
<thead>
<tr>
<th>Years</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>*2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>US$</td>
<td>181,087,20</td>
<td>2,845,634,99</td>
<td>9,065,523,63</td>
<td>13,070,014,00</td>
<td>13,934,603,36</td>
<td>14,570,930,00</td>
</tr>
</tbody>
</table>

Source: CADEFOR, CFV, CFB  *Preliminary Data
Elaborated by: Cámara Forestal de Bolivia
## POTENTIAL OF THE BOLIVIAN FOREST SECTOR

<table>
<thead>
<tr>
<th></th>
<th>Actual Situation 2003</th>
<th>Potential</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.- Area with SFM</td>
<td>8.48 Mill. Ha.</td>
<td>28.7 Mill. ha.</td>
<td>21.5</td>
</tr>
<tr>
<td>2.- Area with SFM certification</td>
<td>1.47 Mill. Ha.</td>
<td>5 Mill. ha.</td>
<td>19.6</td>
</tr>
<tr>
<td>3.- Annual Production</td>
<td>0.69 Mill. m³</td>
<td>6 Mill. m³ (1)</td>
<td>17.0</td>
</tr>
<tr>
<td>4.- Exportations</td>
<td>110.3 Mill. USD</td>
<td>400 Mill. USD-Short term</td>
<td>22.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1000 Mill. USD-long term</td>
<td>9.0</td>
</tr>
<tr>
<td>5.- Exportations with certification</td>
<td>9 Mill. USD</td>
<td>100 Mill. USD-Short term</td>
<td>9.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>500 Mill. USD-long term</td>
<td>45.0</td>
</tr>
<tr>
<td>6.- Employment</td>
<td>50,000</td>
<td>250,000</td>
<td>20.0</td>
</tr>
</tbody>
</table>

(1) Estimation of 15 Million of has., 10 m³r/ ha.
Elaborated by: CFB
STRENGTHENESS

• Leaders in tropical forest certification.
• Recovery of the exportations, with increase in the employment generation and production, after 5 years of crisis.
• Extensive network of markets assured, with different products of diverse species.
• The forest chain have been fortified, increase of companies and institutions inside the Industry.
• Well positioned in high prices market niche.
• Different type of forestry players, under a well regulated regime.
• Solid and consolidated public and private institutions (Forestry Superintendence and Bolivian Forestry Chamber)
WEAKNESS

• Political uncertainty and instability, that discourage the investments and the creation of new jobs. Any new direct foreign investment in the sustainable forest production and manufacture of forest products.
• Absence of incentives and/or finance of the sustainable forest management.
• Absence of integral politics of forest development. Scarce attention of the government with the sector.
• Legal insecurity.
• Weakly Transport infrastructure.
CURRENT PORTFOLIO OF CDM PROJECTS UNDER THE AFFORESTATION & Reforestation Activities
CATEGORIES OF CDM PROJECTS

PROJECTS UNDER THE FORESTRY SECTOR

- REFORESTATION
- AFFORESTATION
- SOIL CONSERVATION
## A&R PROJECT PORTFOLIO

<table>
<thead>
<tr>
<th>A&amp;R</th>
<th>Afforestation</th>
<th>3</th>
<th>7,865,030 tCO2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reforestation</td>
<td>3</td>
<td></td>
<td>2,850,942 tCO2</td>
</tr>
<tr>
<td>Soil conservation</td>
<td>1</td>
<td></td>
<td>620,256 tCO2</td>
</tr>
<tr>
<td><strong>Total A&amp;R</strong></td>
<td>6</td>
<td>1</td>
<td>11336228 tCO2</td>
</tr>
</tbody>
</table>
1) Afforestation and Reforestation Program in the Inquisivi Province, La Paz – Realtora Ltda.
   - 30 Years: 3,044,951 tCO2

2) Forestry in the interandean valleys communities of the department of Cochabamba, Bolivia – Centro de Investigación y Desarrollo Regional, CIDRE.
   - 30 years: 3,236,079 tCO2

3) Massive Afforestation and Reforestation Program with native species and implementation of agroforestry systems in the High Valley region of the Cochabamba Department with the purpose of carbon sequestration – Asociación de Municipios de Cochabamba, AMDECO.
   - 14 years: 1,584,000 tCO2
1) Carbon sequestration through sustainable management of forestry resources in the Bolivian tropics by smallholders, Cochabamba – Fundación CETEFOR.
   - 21 years: 1,555,713 tCO2

2) Carbon sequestration through integrated sustainable management of natural resources in the buffer zone of the “Madidi” National Park and the Biological Reserve and original communal land “Pilon Lajas”, La Paz and Beni - Fundación CETEFOR.
   - Up to and including 2017: 381,006 tCO2

3) Protection plantations in the riverside of the Sacta river, tropic of Cochabamba, Bolivia. Environmental Committee of Sacta Valley, Municipality of Puerto Villarroel.
   - 30 years: 914,223.80 tCO2
1) Small Scale for the carbon sequestration and the soil conservation in the indigenous communities of Kayanakas, interandean valleys of Chuquisaca. Universidad Mayor Real Pontificia de San Francisco Xavier de Chuquisaca and Honorable Prefectura Departamental de Chuquisaca.

- 30 years: 620,256 tCO2