



# MADISON'S TIMBER PREVIEW

PO Box 2486, Vancouver, BC V6B 3W7 ✦ Tel: 604-984-6838 ✦ Email: madrep@shawcable.com ✦ Web: www.madisonsreport.com

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Brazil's President, Dilma Rousseff, sent shock waves through that country's forest industry this week by vetoing parts of a bill proposing changes to Brazil's Forest Code, which governs how much forest landowners are required to preserve. Environmental groups, for their part, criticized the President's office for not going far enough. They demanded a veto of the entire bill.

The Forest Code in Brazil applies to all privately owned rural land, not just plots in wooded areas. The updated code, originally approved in 1965, would reduce both the amount of vegetation landowners must preserve and the future penalties paid for those who currently flout environmental laws. After valuable wood is sold, much of the land in deforested areas currently ends up being cleared for grazing cattle and agriculture.

Since harsher penalties and enforcement were introduced in the late 1990s the ruralistas, as Brazil's powerful farming lobby is known, have been trying to revise the code. On April 25th, after 13 years of arguments, rewrites and stalling, the final text landed on the desk of the President. On May 25th, Ministers went to Congress to say that the president would veto 12 of the new code's 84 articles and make 32 smaller cuts.

Rousseff vetoes include the controversial and unpopular rule that allowed amnesty to illegal deforestation before 2008. Rousseff did modify that rule to lessen the conservation requirements for small farmers in her Executive Order on Monday. Reduction of forest cover on land, which decreased from 80 per cent to 50 per cent under the new code, was vetoed, as well as clearing forests in parks and protected areas. With the exception of some small holders representing about a quarter of rural properties, landowners will be required to restore deforested areas up to levels specified by the law, including along waterways. Rousseff extended the protected area to 100 metres for large rivers on properties owned by large producers, with more limited protected areas along smaller rivers and for smaller properties. Failure to meet Forest Code obligations will result in fines and loss of access to subsidized agricultural loans.

The code is trying to do several things at the same time, according to *The Economist*, both to regulate land use and to halt deforestation in the Amazon all the while freeing farmers elsewhere to carry out their business. The original Forest Code was pioneering in some ways, in requiring farmers to set aside part of their land for natural vegetation. This may look odd to foreign eyes accustomed to governments holding pristine land as national parks and letting private owners do as they wish.

Critics claim that by merely signing up to a leisurely process of making good, any landowners who had violated the code before July 2008 would be regarded as in compliance.

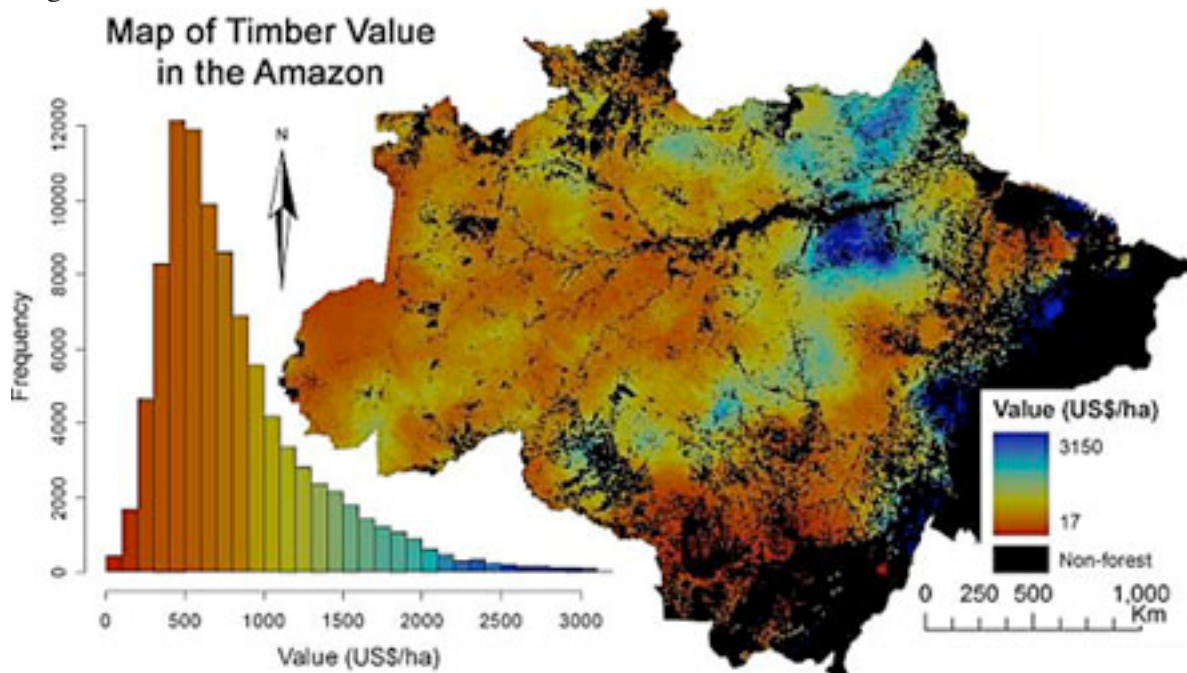
Although Rousseff enjoys widespread support among Brazilians, her party controls only 15 per cent of the seats in a Congress divided between more than 20 parties. Rousseff often has difficulty corralling a coalition to support her positions and may not have been able to hold back revisions to the forestry law any more than she did, analysts say, according to the *LA Times*.

The destruction of Brazil's Amazon rainforest had slowed in the last decade under tougher government enforcement, but at the same time the country has lived through an economic boom fueled largely by

selling commodities. The producers of products that rely on cleared land, such as soybeans and beef, have increased the country's monetary wealth and become politically more powerful.

The new legislation also codifies the establishment of a land registry that requires ranchers and farmers to report the boundaries of their holdings to the government, which will enter the coordinates into the national deforestation tracking system. The government will then use satellite imagery on an ongoing basis to determine whether landowners are in compliance with the forest reserve requirement.

Meanwhile, UK Researchers exploring the value of different types of timber across the Amazon rainforest have produced a fascinating choropleth map to illustrate their findings. Building on a previous study which found a high correlation between deforestation and road networks, with almost all logging taking place within 25 km of roads, a team from Imperial College London say their map of timber prices could be used to model regional vulnerability to deforestation across the Amazon rainforest, according to *The Guardian* last week.



"The spatial patterns of deforestation are determined largely by the patterns of roads that open access to frontier areas [ . . . ] largely determined by profit seeking logging activities. Here we present predictions for the spatial distribution of standing value of timber across the Amazon. We show that the patterns of timber value reflect large-scale ecological gradients, determining the spatial distribution of functional traits of trees which are, in turn, correlated with timber values," explains the abstract to '*Spatial Pattern of Standing Timber Value across the Brazilian Amazon*' published on May 8 by Sadia Ahmed and Robert Ewers.

The research document can be found here: <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3348144/>

Keta Kosman

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