

Latin America & Forest Plantations

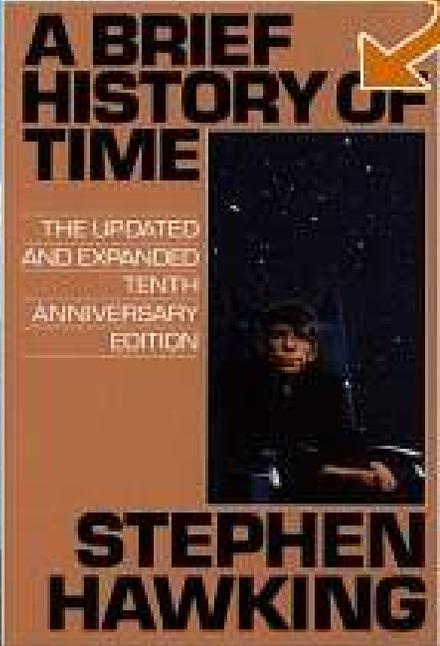


Celso Foelkel

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www.eucalyptus.com.br

A brief story of the time





Brazil - Years 60's

(15 m³/ha.year)

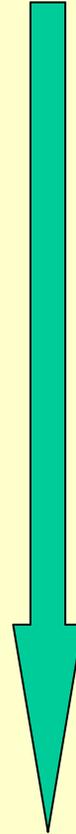


Brazil - Years 60's

(15 m³/ha.year)



What about the year 2030, as example ???



Today



What about 2030 ???



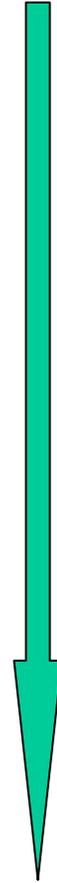
Thanks to Mr. Manoel de Freitas who helped me with some of the old technologies photos



40 m³/ha.year



Today



?
?



Technological Development

“People, who plant forests, believe in the future”

Past



Present



Future

?



Today's forest technology





Please, allow me some reflections...

“People, who build competitive mills, deserve to play the best markets”



Today's technology is definitively better and more environmentally sustainable than yesterday's



Tomorrow's technology will be much better and sustainable than today's



Tomorrow, our vision about forestry will be different
in relation to what we believe and trust today





Tomorrow, our concept about sustainability will be different





We are good, but no so wonderful as we believe in our proudish self-evaluations



In a controversy dispute, the truth is, in most of the cases, located somewhere in between the two extreme positions



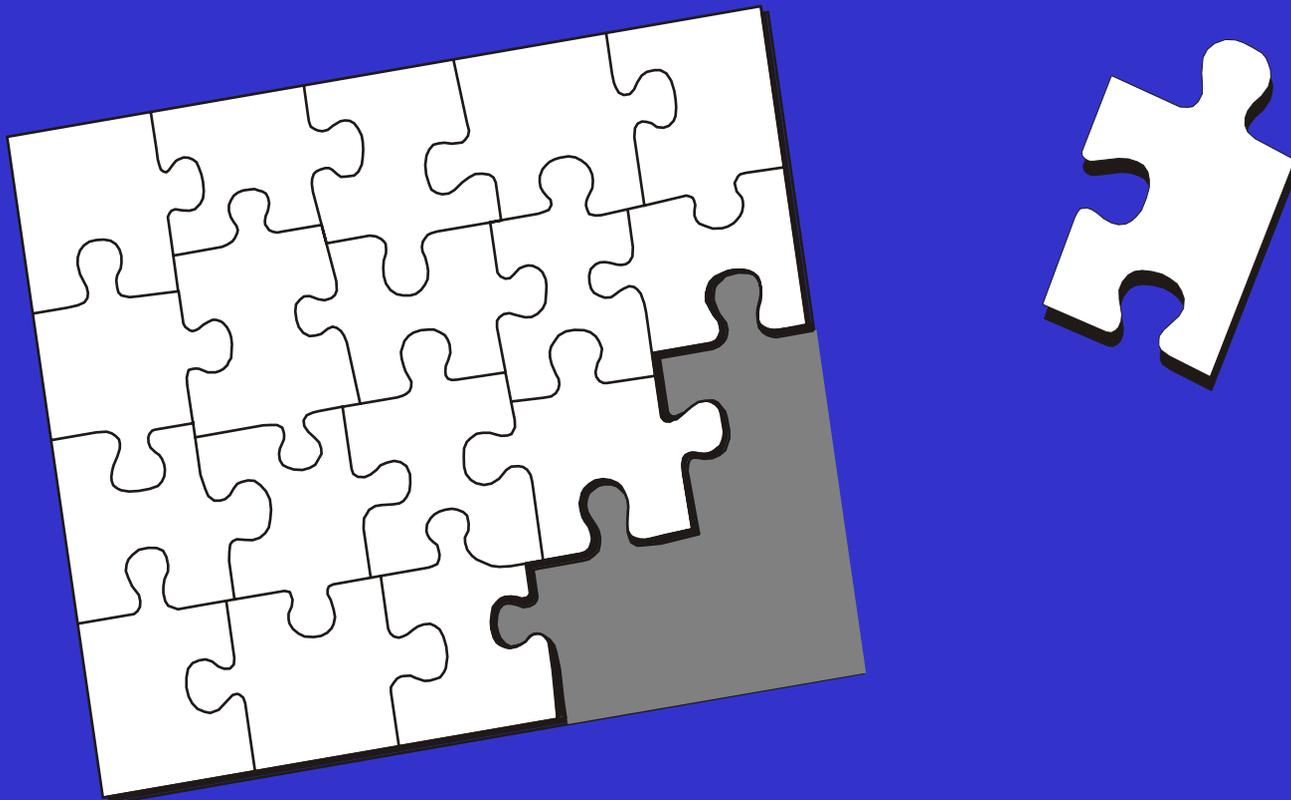
“The truth is not absolute. What is good today, may not be good tomorrow”



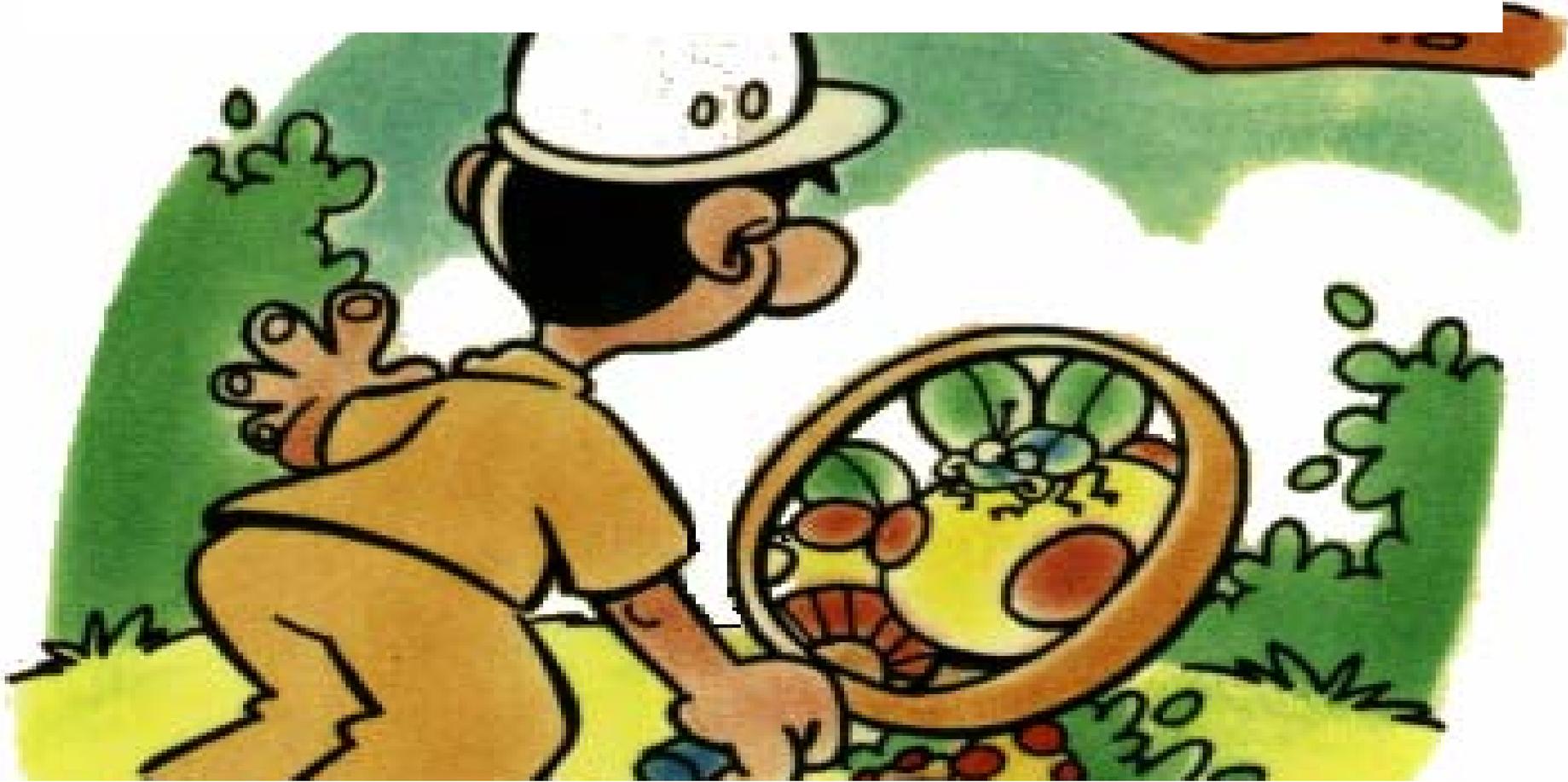
We are competitive, efficient, skilled, keen and clever.

Is this enough? Surely not...

But, what is enough in this game?



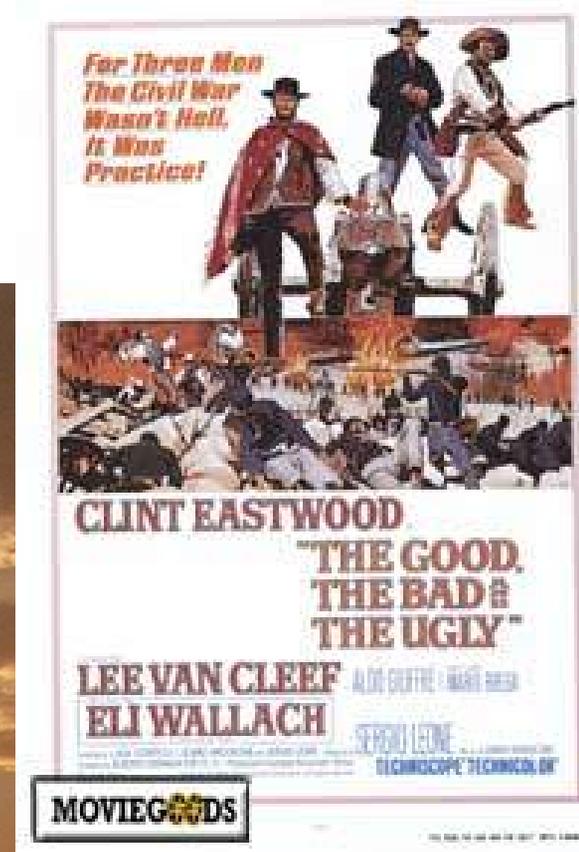
What are we searching for now?



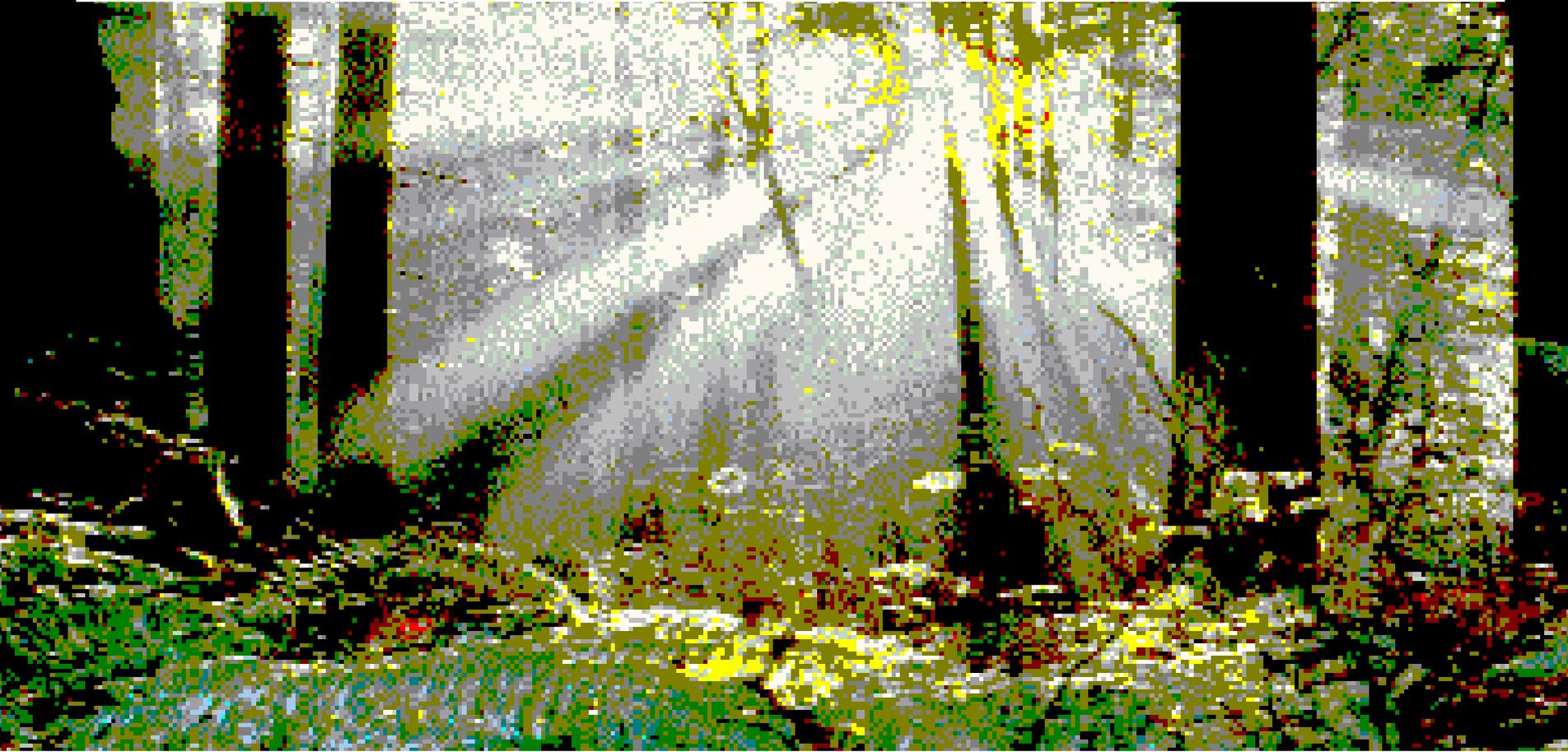
The Future, the competitive and Sustainable Future
to the forest based industry in Latin America.

Is it far away?

More Reflections: The Good, the Bad and the Ugly



THE GOOD



Forestry sector is growing fast and there is enormous room for further growth in Latin America

Forest and Wood Certification



- ISO 9001 e ISO 14001
- Good Forest Management (FSC & CERFLOR)

In Brazil, early 2006, the area of certified plantations (forest management) was 2.5 million hectares, this means, close to 50% of this kind of forests in the country



The good players in Latin America today



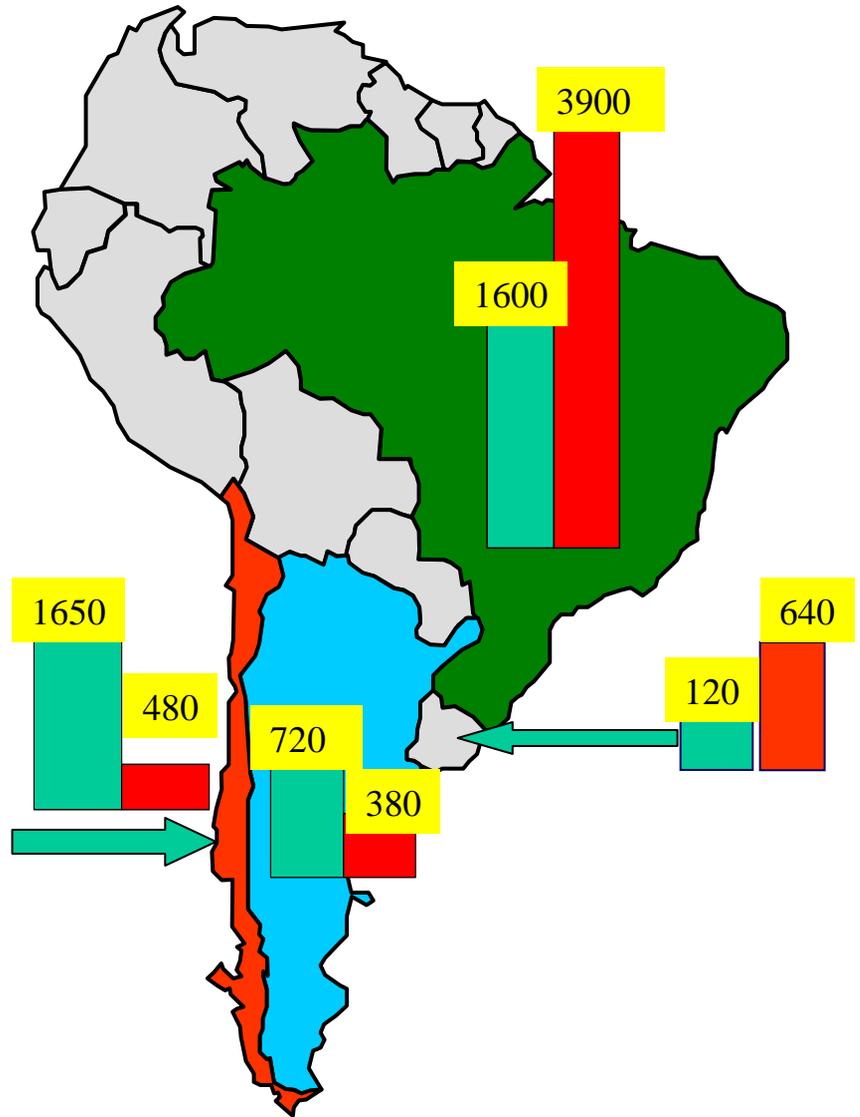
ABC & U plantation areas

In thousand hectares

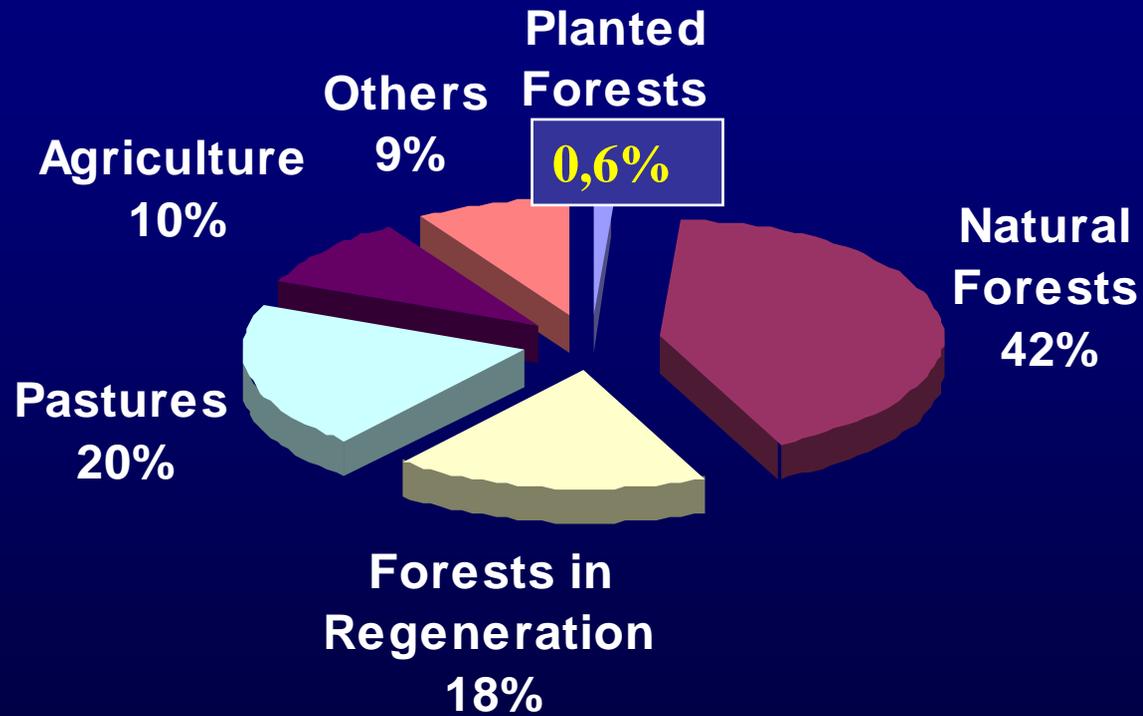
Total: 9,490 ha

Softwoods (green): 4,090 ha

Hardwoods (red): 5,400 ha

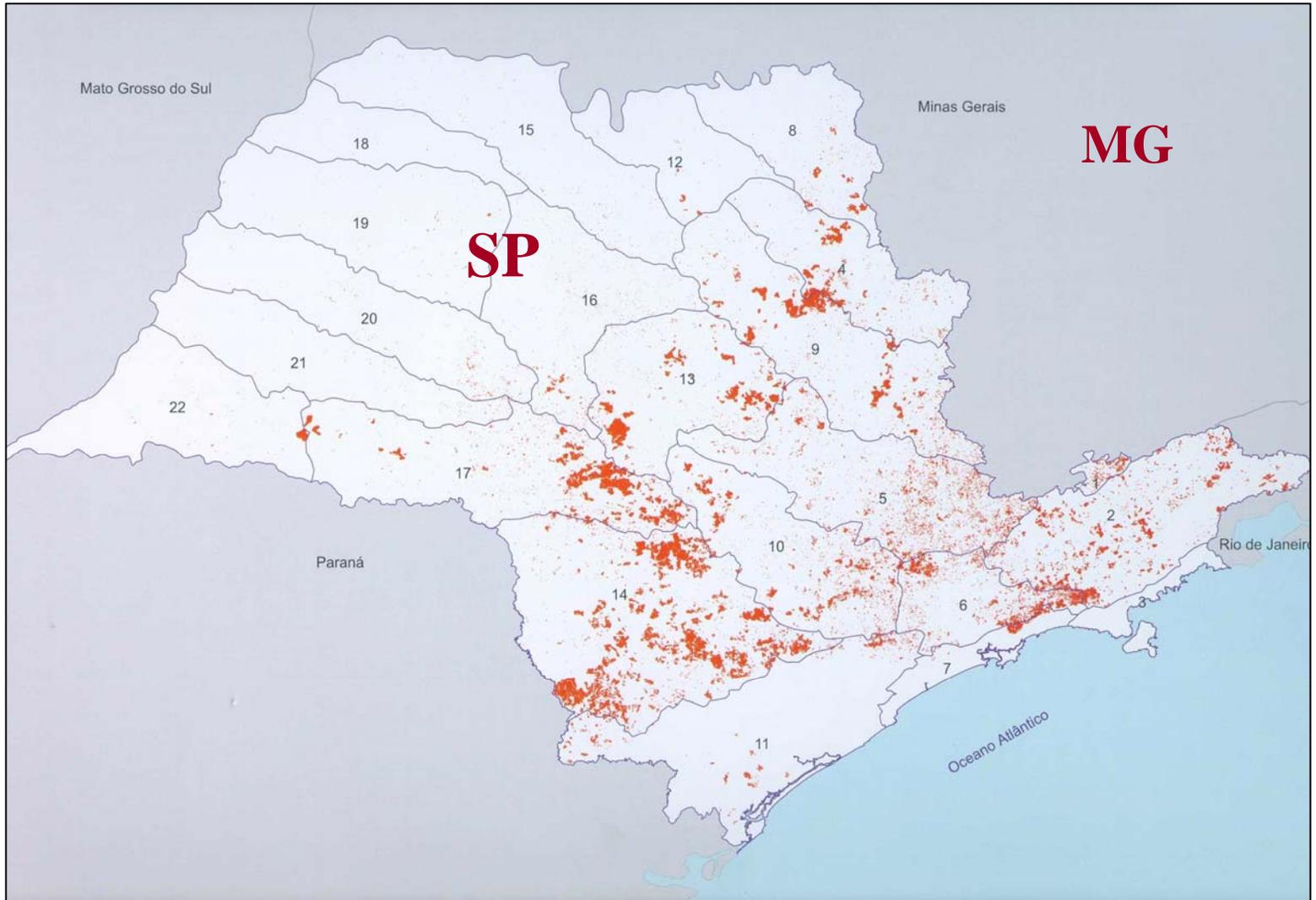


Soil utilization in Brazil



% of Sao Paulo State covered by plantations: 3.1%

Minas Gerais State: the largest planter of forests in Brazil: 1.7 million hectares (2.9% of state area)



% of Uruguayan land covered by plantations: 4.5%



Social Silviculture is coming, sharing the results with communities (rural owners and agroforestry)

Next forest growth is to happen more in partnership with society.



The Bad and the Ugly

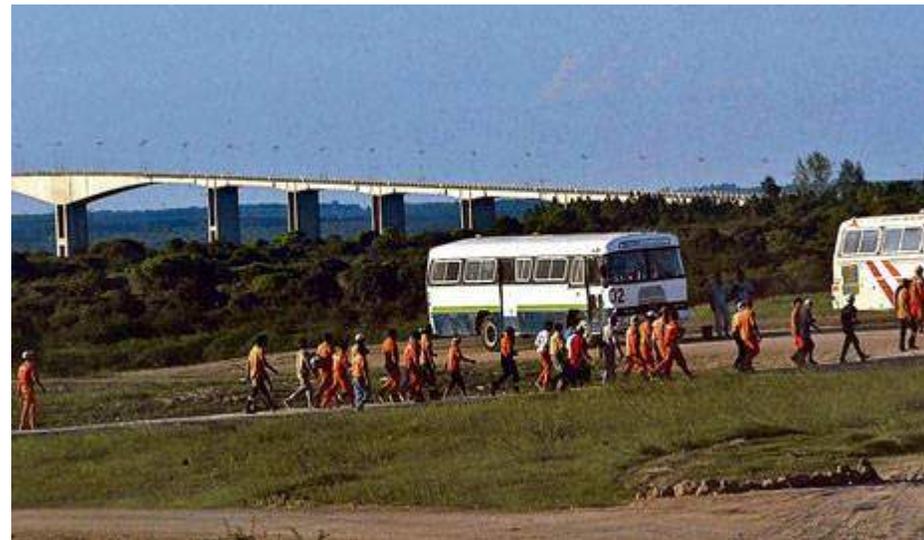


**“Lack of dialogue
(among the interested
parties)
and emotional behavior”**



The Bad and the Ugly

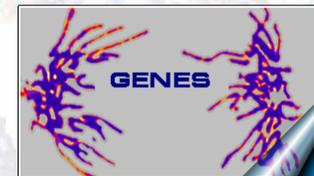
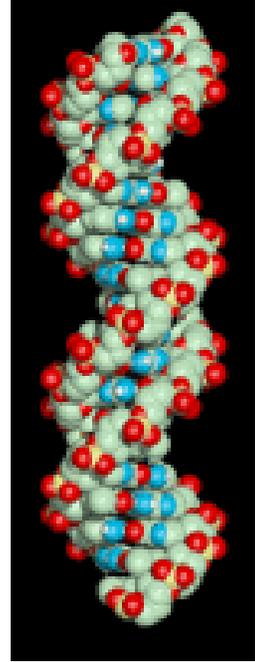
“Lack of good will (from the interested parties) to find common ground in search of sustainability (economic growth, environmental care and social justice)”



The Bad and the Ugly



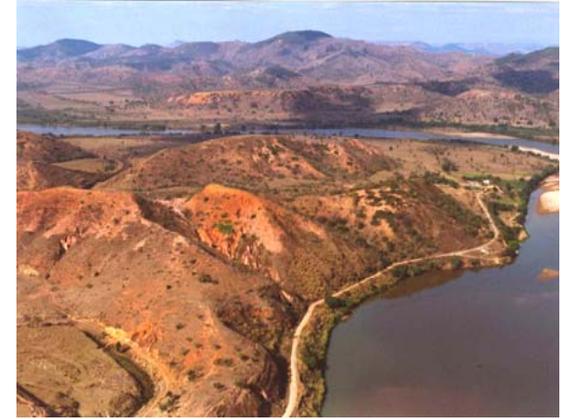
“Lack of good will (from the interested parties) to find common ground in search of sustainability (economic growth, environmental care and social justice)”



Genética Quantitativa e Estatística Experimental - VS

We humans, we have the ability to change the landscape

From the worse...



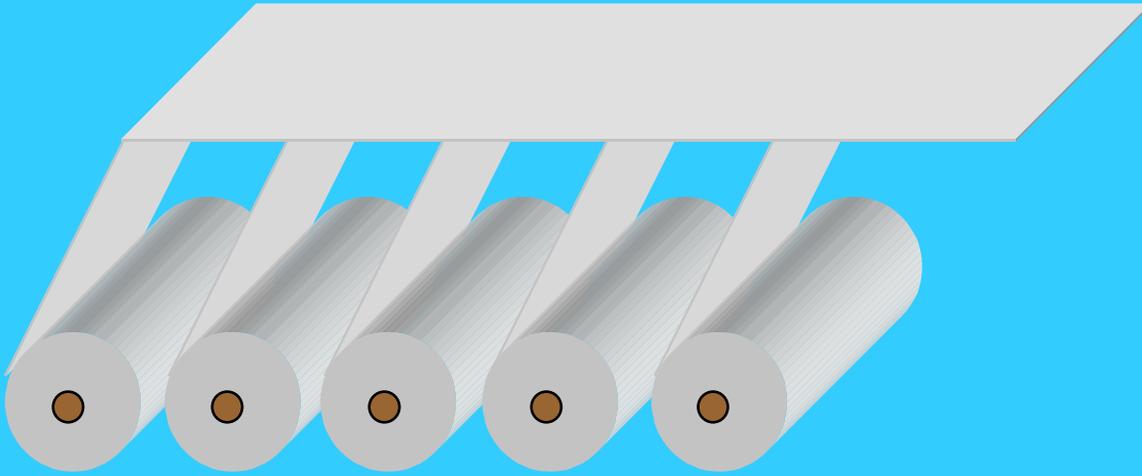
To the better...



And vice-versa...



What are our strengths today (and weaknesses, too) ???



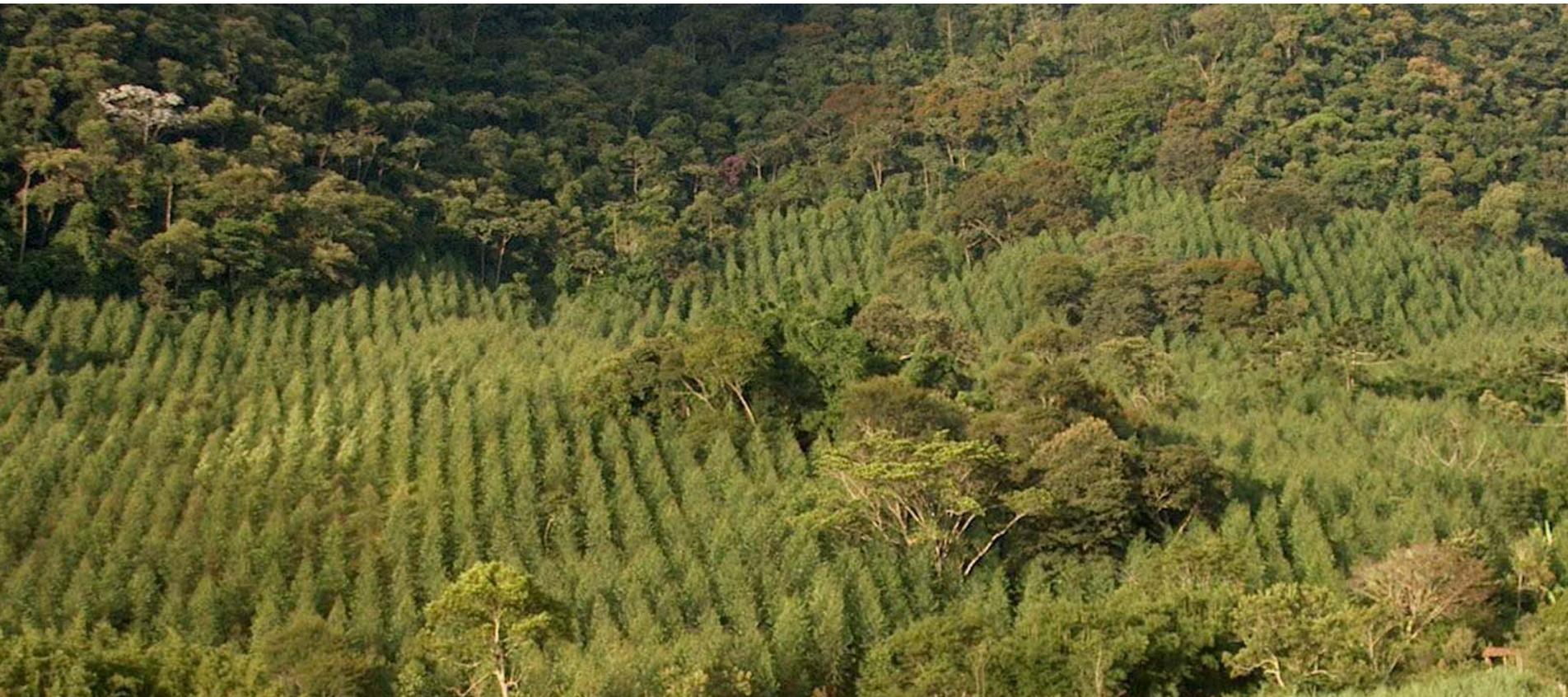


**Unexpensive and good quality
wood**



Extreme good will to put sustainability into practice, but some presumptuous and selfish behaviour may however be noticed ...

And a very poor communication process....



**We love forests.
We love to develop trees.
We have done a lot on this, and we'll do more.**



The Future



Trends



- ☞ Wood price in Latin America will increase due to the additional environmental and social needs, both as legislation requirements and own awareness of companies.
- ☞ Latin America will continue very competitive, despite these new costs. Efficiency is to improve.



Trends



- ➡ Social issues are to play fundamental role in the years to come.



One of the issues to be remembered



☞ "Today's measurements of competitiveness are not only based on economical growth and production costs.





We need to learn more, a lot more, with Nature about what we have to do in order to be minimum impact



Where may we grow the additional fiber supply from now onwards ?



- New plantations, with intense participation of third parties.
- Increased forest yield in the same land (Eucalyptus may grow 80 m³/ha.year with fertilization and irrigation).
- Better utilization of the wood (eco-efficiency).
- Increased process yield and reduced wood specific consumption through tree breeding, technological development and operational measures.

One of the issues to be always searched



☞ "It is always possible to do anything better than we are doing now."



The coming sustainable technological model



- ☞ Focus on landscape management... (substantial improvements in the mosaic pattern being used today)
- ☞ Focus on monitoring the ecosystems, placing the micro-watersheds as the units for reference...
- ☞ Focus in the biodiversity of natural species and of ecosystem types....
- ☞ Focus on agroforestry....

The coming sustainable technological model





Trends



- ☞ The coming forestry age in Latin America will be more concentrated on sustainability and less in improving even further the forest yield and forest costs.
- ☞ Wood costs will not be as low, but the total process quality and eco-efficiency are to compensate this.
- ☞ I'm counting on this...

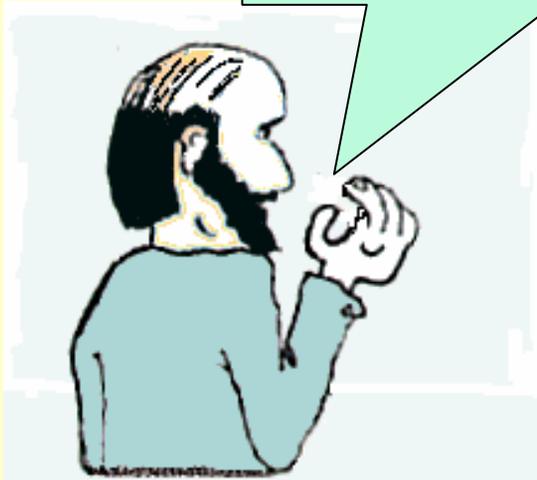


GOOD LUCK

Thanks friends

Keep working to grow
more wood in more
sustainable forests
here in Latin America.

Society is paying
attention to us.



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