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Notes for the Presentation by Honduras Lumbermen's Association, AMADHO

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Hello my name is Ramon Alvarez. From 2006 to 2008 I headed the Honduras Forest Service and now I am working for the Honduras Lumbermen's Association, AMADHO. Most Honduran sawmills are not members of AMADHO but the Association represents 40% of the production and most of the sawn wood exports from Honduras.

I thank Forest Trends for the privileged of talking to you and I hope that this short presentation will at least cast some doubts regarding the information currently available on Internet about Honduras forestry sector.

First I would like to present some quick background notes on Honduras:

- The country's size is 11 million hectares and half of its land area is covered with forests.
- Most of the broadleaf forests have been declared protected areas
- Of the timber production of Honduras, 97% consists of pine lumber.
- The sawmill industry only works with the pine forest.

Now, I would like to present three cases of incorrect information that appears on INTERNET regarding Honduras forestry sector

The first case is regarding Honduras deforestation rate.

Deforestation is Honduras main environmental problem but Honduras IS NOT the country with the highest deforestation rate in the world.

Internet has several reports indicating that from 1990 to 2005 Honduras lost 37% of its forest cover. This is wrong. The origins of this information are FAO's Global Forest Resource Assessments and the causes of this misinformation are the Country reports sent by Honduras. The error consists of having reported too much forest cover for the year 1990.

The deforestation rate is much lower. However I cannot give you an exact figure of Honduras forest cover for 1990 or any other year because all of the different estimates have been made using different methods and a true comparison between time periods is not possible.

Here are some of the existing data.

My guess is that our deforestation rate is between 30,000 and 60,000 hectares for year and that the forest cover lost from 1990 to 2005 is closer to 12% than 27%.

I personally believe that the deforestation rate has been lower during this past decade than in the previous decade. This reduction is partially due to an increase in the forest protection activities, both by the public and private sector, but also because there are now fewer forestry areas desirable for agriculture and cattle farming.

My second issue concerns the amount of illegal logging in Honduras.

Illegal logging is a serious problem but it does not account for 85% of the timber production as the illegal logging site indicates.

I believe the only national level study regarding illegal logging in Honduras is the one made by Filippo Del Gatto for the period 1996 to 2000.

His study indicated that 75% to 85% of the hardwood timber and 25% to 35% of the pine timber were illegal. He then added to his study the opinion included in an internal COHDEFOR report to raise the estimate of illegal pine timber to 30% to 50%.

Since Honduras legal production consists of 95% pine lumber and 5% hardwoods, then Filippo's report indicates that the illegal volume was around 40% when the study was made.

My third issue concerns the statement that the main producers are exporting 50% more than they are reporting to the government.

The investigators who suggested that this situation was taking place should have presented a comparison of the data from the main importing countries and Honduras export data to support this statement.

AMADHO believes that this accusation is not true and has repeatedly asked the Honduran Government to investigate this issue but apparently the Government is not interested. We will continue to press for an investigation and for the implementation of a system to continually compare Honduras export data with the importers data.

Additionally I must warn you that a lot of Honduras official forestry data is questionable.

In summary, my advice when you deal with Honduras forestry data is GET A SECOND OPINION, preferably a third and a fourth.

I would say that when dealing with Honduras forestry data is best to follow Benjamin Franklin's advice: "Believe none of what you hear and half of what you see."

In the past, AMADHO has not been concerned when incorrect information has appeared on INTERNET. However we are beginning to realize that for too many, the Honduras situation is what appears in Internet.

Our worry is because a citizen, company or country concerned with protecting the environment and fighting corruption will not feel motivated to buy wood products from a country that has the highest deforestation rate in the world, that produces 85% of its wood illegally and that illegally markets half of its sawn wood exports.

The three information issues I have just mentioned can probably be resolved in a couple of years. Corruption, however, will go on beyond my lifetime.

I must mention corruption because corruption at various institutions and at various levels is one of the main causes of many of the problems in achieving proper forest management and in reducing illegal practices. Corruption payments are even made to be able to work legally.

I firmly believe that the honest persons in the private and public sector outnumber those corrupt but many honest persons stay quiet and let things happen for fear of losing their jobs, for fear of personal damage, due to frustration or simply lack of interest.

Internally, in Honduras, the conditions to reduce corruption do not exist. Corruption can only be reduced with stronger outside pressure from the countries and donors that provide financial assistance to Honduras.

My final comment is to try to answer a question by Kerstin Canby;

How have Honduras producers and exporters been able to meet the challenge of complying with requirements for verified legal wood products?

Honduras producers of pine lumber products have not faced any requirements regarding the legality of their products. AMADHOs members are aware that this challenge may come in the future but their investments in achieving due diligence are limited.

Part of my job is raising the concerns among AMADHOS members but they will really invest in guaranteeing the legality of their products when the market demands it.

AMADHO members support Honduras getting involved in the FLEGT process because they believe that the process to achieve a Voluntary Partnership Agreement (VPA) will reduce illegal logging, will provide economical manners to show legality, will increase objectivity and transparency and will force better forest management.

However it is also true that part of the support for FLEGT is because they do not believe certification is an option due to its costs.

Up to now, all of the voluntary certifications done in Honduras have had external financing. Nobody has paid the full price of the process and certification appears to be positive process for achieving legality and for improving forest community management in the broadleaf forests but, in the private pine forest areas, certification has not prospered.

Thank you, hope I have touched your curiosity regarding

Honduras forestry sector.