

CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES  
OF WILD FAUNA AND FLORA

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First meeting of the Mahogany Working Group  
Santa Cruz de la Sierra (Bolivia), 3-5 October 2001

National reports

PANAMA

1. Document prepared by the Management Authority of Panama.

# CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA

## CITES

### NATIONAL REPORT OF THE REPUBLIC OF PANAMA

MEETING OF THE WORKING GROUP ON THE BIGLEAF MAHOGANY (*Swietenia macrophylla*)  
Santa Cruz, Bolivia 3 to 5 October 2001

#### INTRODUCTION

In recent decades in Panama, fire and erosion – resulting from migratory “slash-and-burn” agriculture (in which it is observed that the fallow or resting periods are becoming shorter and shorter and the crop-growing periods are becoming longer), together with the effects of grazing livestock – have caused the deterioration of large tracts of land, turning them into semi-abandoned and/or degraded areas. According to estimates by the *Autoridad Nacional del Ambiente* (ANAM, *National Authority for the Environment*), inappropriate use of the land in Panama has already created approximately two million hectares with differing degrees of degradation (PAFT-PAN, 1990).

In the years between 1947 and 1950, approximately 70% of the surface of the national territory was covered with woods (Garver, 1947) and by 1970, this coverage had dropped to 53% (Falla, 1978). During the eighties, there were 3.5 million hectares covered with woods, and by 1992 this had gone down to 3.3 million hectares (SIG/ANAM, 1994). Taking into account the rate of deforestation for the period 1986-1992, it is estimated that in 1998 the area covered by woods was 3,052,304 hectares (ENA, ANAM, 1999).

The forest resources of Panama comprise the wooded areas, both natural and planted, and the areas of soils suitable for growing forests. A part of those resources make up the forest holdings of the State, consisting of all of the natural woods, the lands on which those woods stand, the government lands more suitable for growing forests and the forest plantations established by the Government on land which it owns.

The forest resources fulfil vital functions, including as creators of goods and services in the areas of protection, research, recreation, regulation and production, among others.

#### I. National Regulatory Provisions (Legal Basis):

- **Law No. 41** of 1 July 1998, by which the General Law on the Environment of the Republic of Panama was brought into being. Its Chapter III states in Article 73 that the inventory of the forest patrimony of the State: planted woods and forest lands, shall be the responsibility of the *Autoridad Nacional del Ambiente*, which will record these holdings and cause them to be registered in its own name, in order to administer them effectively. Article 74 states that the felling or deforestation of natural woods will not be envisaged.

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Source: *Servicio Nacional de Administración de Desarrollo Forestal (National Forest Development Administration)*

- **Law No. 1** of 3 February 1994, by which the Forestry Legislation of the Republic of Panama was established and its provisions laid down.
- **Resolution No. J.D. 024-94**, by means of which Resolution DG-05-88, of 2 September 1988 was repealed and new measures were laid down on the issue of forestry guides for imported products and of products for export.
- **Resolution No. J.D. 006-92**, by means of which the export of cut wood, of any species was prohibited and other measures were also laid down.
- **Law No. 24** of 23 November 1992, by which incentives for reforestation were established and such activity in the Republic of Panama was regulated.

## II. NATIONAL RECOVERY PROGRAMME

### REAFFORESTATION IN PANAMA

For as long as man has been on the earth, woods have served him as a source of fuel, of building materials and of wealth.

Woods fulfil vital functions, including as creators of goods and services in the areas of protection, research, recreation, regulation and production, among others. Despite the major contributions of the woods to development, their true contribution remains invisible in the national accounts, owing to deficiencies in the accounting systems, which neither record nor properly value what these resources bring.

The goods and services which the woods offer are immense; the direct and indirect benefits are difficult to quantify, given their scale and their diversity, but it is important to highlight the following:

- Capture and cleansing of surface and subterranean waters;
- Protection of catchment basins;
- Regulation of the chemical composition of the atmosphere;
- Habitat for species of flora, fauna, protists, fungi, monera and others
- Protection of coastlines;
- Regulation of the climate;
- Protection against erosion and control of sediment;
- Biological control of sicknesses and diseases.
- Generation of biomass and nutrients for productive activities;
- Conservation of biodiversity;
- Directly productive functions in terms of resources and raw materials;
- Recreation and tourism;
- Scenic values, enhancing the countryside;
- Continuity of evolutionary processes;
- Fields for research, and others.

Today, woods are more at risk than at any other time in the history of our planet and if they were to be destroyed, mankind itself would disappear from the face of the earth, since the woods are vital to the fertility of the soil and the purity of the air and the water.

Panama, like many developing countries, possesses immense wooded areas, but with the passage of time these have been shrinking at a very high rate.

The figures on deforestation indicate an ongoing process of change in the use of the land. In addition, the data on woodland coverage, as related to different periods, reveal an annual rate

of destruction amounting to more than 50,000 hectares of woods and demonstrate that the coverage of woodlands is becoming ever smaller. The process of deforestation starts mainly with woodlands being taken over by farmers, cattle-breeders and land speculators, and to a lesser degree by the development of activities relating to aquaculture and utilization of the forest itself.

According to the soil classification system of the United States Department of Agriculture (USDA-SCS), about 25% of the soil of the country is suitable for farming and approximately 75% (5.7 million hectares), owing to the natural conditions of topography, soil, climate and/or socio-economic reasons, should preferably be used for forest-related activities and agroforestry. However, 38.9% of the land in the country as a whole is being used for agriculture, which demonstrates that these activities have expanded by 14% (1,066,582 hectares) beyond the potential capacity of the soil for farming activities. This situation is an evident indicator of improper use of the ground.

A comparative analysis of the potential capacity of the ground and of its current use leads to the conclusion that more than 40% of the total surface of the country has been deforested in order to develop inappropriate and unsustainable activities and that approximately two million hectares are already showing features of unproductiveness and deterioration, with the majority of them being considered to be degraded lands.

The majority of these lands do not fulfil their social function, have been subjected to unsustainable production systems, which are not in accordance with the potential capacity of the soil, and do not develop any kind of economic activity.

Panama has an estimated consumption of 40 million board feet of wood a year, not taking into account other, non-recorded, minor consumption such as wood for craft purposes and firewood. This situation, together with the expansion of the limits of agriculture by way of uncontrolled and unregulated colonization, is resulting in a shrinking of our already scarce existing woods.

On the basis of analyses and estimates, it is forecast that the wood resources existing in the country will be able to meet the national demand only for the next 25-30 years.

In the light of this reality, the need arises to promote and establish reforestation programmes, with the aim of facing up to the future scarcity of wood raw materials that is coming towards us, and facing the needs of the countryside in the areas of job creation and of bringing the deforested lands into the national economy, thereby reducing the pressure that currently bears on the native woods of the country.

In 1992, the Panamanian Government found itself compelled to offer profits to investors in order to promote and encourage reforestation activities and thereby support the development of the forest sector, generating employment in rural areas of the country and bringing about the recovery of the environment.

From the time the Reforestation Incentives Act was promulgated there has been much enthusiasm among business-people, both Panamanian and foreign, interested in becoming involved in reforestation activities. This is due to varying factors, including concern over the future difficulty in supplying the country with forest raw materials, the ecological problems that are emerging, the low profitability of other activities such as cattle grazing or traditional agriculture, and perhaps the most important factor: the creation of the Act itself, with its benefits primarily in the taxation area.

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Source: Clementino Herrera, *Servicio Nacional de Administración de Desarrollo Forestal (National Forest Development Administration)*

Reafforestation in Panama is a task which must be pursued. Within the context of increasing the contribution of the forest activities to the national economy, it is directed towards recovering extensive marginal and semi-abandoned areas and incorporating them into the national productive process, promoting the establishment of processing industries for forest products, contributing to the supply of forest products to the national market, reducing imports and earning foreign currency by way of exports. As important secondary effects, it is hoped to reduce the pressure on the natural woods, improve the socio-economic conditions in the countryside, improve the ecological conditions throughout the territory of the country and lay down the bases of forest resources in order to bring about rural development.

#### ✓ EXPERIENCE IN REAFFORESTATION

The conditions of climate, soil, topography and drainage, combined in one way or another, cause major areas of the country to be inadequate even for subsistence crop-growing or livestock grazing. It would be much better for them to be turned over to forest-related activities and agroforestry.

Panama has more than 25 years of experience in the field of reafforestation, during which it has succeeded in compiling a large quantity of information on the management of forest species, both exotic (Caribbean pine, teak, *Acacia mangium*, African mahogany) and native (spiny cedar, oak, and others).

Panama is characterized by having an average annual temperature of 26°C and an annual precipitation of around 2,500 mm, which makes possible a relatively rapid development of forest plantations, by comparison with the temperate zones of the continent.

The favourable increase in growth and output of these species reflects the comparative advantages of reafforestation, as compared with other countries, and goes along with the strategic geographical location of the country as well as its excellent development infrastructure, such as ports, communication routes, telecommunications, and so on.

#### ✓ OBJECTIVES OF REAFFORESTATION

- To recover extensive areas and incorporate them into the national economy, by means of commercial reafforestation.
- To promote the establishment of processing industries for forest products in areas impacted by the forest plantations.
- To contribute to the supply of forest products to the national and international markets, reducing imports and the pressure on natural wood.
- To improve the socio-economic conditions of the people living in the countryside.
- To improve the ecological conditions throughout the territory of the country.
- To establish the bases for improving the balance of deforestation against reafforestation.

#### ✓ SPECIES OF TREES USED IN REAFFORESTATION

The species most used in reafforestation in Panama include:

Teak	<i>Tectona grandis</i>
Spiny cedar	<i>Bombacopsis quinatum</i>
Caribbean pine	<i>Pinus caribaeae</i> var. <i>Hondurensis</i>
<i>Acacia mangium</i>	<i>Acacia mangium</i>
African mahogany	<i>Khaya senegalensis</i>
Eucalyptus	<i>Eucalyptus</i> sp.
Amapá	<i>Tabebuia pentaphylla</i>
Ecuadorian laurel	<i>Cordia alliodora</i>

By December 2000, the total **private and state** area reafforested throughout the territory of the country had reached 42,124 hectares, broken down as follows:

- 59% (25076) teak;
- 25% (10481) Caribbean pine;
- 4% (1444) African mahogany;
- 3% (1150) spiny cedar;
- 3% (1145) *Acacia mangium* and
- 6% (2828) other species.

The 6% which covers other species includes the bigleaf mahogany (*Swietenia macrophylla*), since despite its being a native species it is considered that single-species plantations do not give good results owing to attacks by screwworm (*Hypsiphylia grandella*), which negatively impact growth, causing forks in the tree and weakening it.

### III. VOLUME SOLD IN RECENT MONTHS IN THE REPUBLIC OF PANAMA

The total in cubic metres of planks of mahogany wood exported, primarily to the United States, is **1,331.62 m<sup>3</sup>**.

Broken down as follows:

#### COMERCIAL PERMITS ISSUED FROM JANUARY TO JUNE 2001

Quantity of mahogany wood exported (m <sup>3</sup> )	Number of permit issued	Date of shipment	Description
26.77 m <sup>3</sup>	CEX001-2001	8/1/2001	Planks of mahogany wood
27.31 m <sup>3</sup>	CEX002-2001	8/1/2001	Planks of mahogany wood
26.60 m <sup>3</sup>	CEX008-2001	24/1/2001	Planks of mahogany wood
23.68 m <sup>3</sup>	CEX009-2001	24/1/2001	Planks of mahogany wood
23.81 m <sup>3</sup>	CEX010-2001	24/1/2001	Planks of mahogany wood
25.23 m <sup>3</sup>	CEX014-2001	23/2/2001	Planks of mahogany wood
23.63 m <sup>3</sup>	CEX015-2001	23/2/2001	Planks of mahogany wood
23.82 m <sup>3</sup>	CEX016-2001	23/2/2001	Planks of mahogany wood
26.46 m <sup>3</sup>	CEX-022-2001	29/3/2001	Planks of mahogany wood
26.49 m <sup>3</sup>	CEX-023-2001	29/3/2001	Planks of mahogany wood
26.34 m <sup>3</sup>	CEX-024-2001	29/3/2001	Planks of mahogany wood
26.27 m <sup>3</sup>	CEX-025-2001	29/3/2001	Planks of mahogany wood
28.31 m <sup>3</sup>	CEX030-2001	9/4/2001	Planks of mahogany wood
28.64 m <sup>3</sup>	CEX031-2001	9/4/2001	Planks of mahogany wood
28.46 m <sup>3</sup>	CEX032-2001	9/4/2001	Planks of mahogany wood
28.31 m <sup>3</sup>	CEX033-2001	9/4/2001	Planks of mahogany wood
28.04 m <sup>3</sup>	CEX035-2001	17/4/2001	Planks of mahogany wood
28.31 m <sup>3</sup>	CEX036-2001	18/4/2001	Planks of mahogany wood

Source: *Servicio Nacional de Administración de Áreas Protegidas y Vida Silvestre de la Dirección Nacional de Patrimonio Natural*

Quantity of mahogany wood exported (m <sup>3</sup> )	Number of permit issued	Date of shipment	Description
28.40 m <sup>3</sup>	CEX037-2001	18/4/2001	Planks of mahogany wood
28.30 m <sup>3</sup>	CEX038-2001	18/4/2001	Planks of mahogany wood
28.50 m <sup>3</sup>	CEX039-2001	18/4/2001	Planks of mahogany wood
28.32 m <sup>3</sup>	CEX044-2001	3/5/2001	Planks of mahogany wood
28.33 m <sup>3</sup>	CEX043-2001	3/5/2001	Planks of mahogany wood
28.52 m <sup>3</sup>	CEX041-2001	3/5/2001	Planks of mahogany wood
28.41 m <sup>3</sup>	CEX040-2001	3/5/2001	Planks of mahogany wood
28.45 m <sup>3</sup>	CEX042-2001	3/5/2001	Planks of mahogany wood
28.46 m <sup>3</sup>	CEX047-2001	23/5/2001	Planks of mahogany wood
28.51 m <sup>3</sup>	CEX048-2001	23/5/2001	Planks of mahogany wood
28.49 m <sup>3</sup>	CEX049-2001	23/5/2001	Planks of mahogany wood
28.30 m <sup>3</sup>	CEX050-2001	23/5/2001	Planks of mahogany wood
28.46 m <sup>3</sup>	CEX051-2001	23/5/2001	Planks of mahogany wood
28.37 m <sup>3</sup>	CEX054-2001	6/6/2001	Planks of mahogany wood
28.53 m <sup>3</sup>	CEX055-2001	5/6/2001	Planks of mahogany wood
28.44 m <sup>3</sup>	CEX056-2001	5/6/2001	Planks of mahogany wood
28.46 m <sup>3</sup>	CEX057-2001	6/6/2001	Planks of mahogany wood
28.53 m <sup>3</sup>	CEX058-2001	5/6/2001	Planks of mahogany wood
28.49 m <sup>3</sup>	CEX059-2001	5/6/2001	Planks of mahogany wood
28.30 m <sup>3</sup>	CEX060-2001	5/6/2001	Planks of mahogany wood
28.34 m <sup>3</sup>	CEX066-2001	11/6/2001	Planks of mahogany wood
28.53 m <sup>3</sup>	CEX067-2001	11/6/2001	Planks of mahogany wood
28.50 m <sup>3</sup>	CEX068-2001	12/6/2001	Planks of mahogany wood
28.37 m <sup>3</sup>	CEX069-2001	12/6/2001	Planks of mahogany wood
28.33 m <sup>3</sup>	CEX070-2001	12/6/2001	Planks of mahogany wood
28.30 m <sup>3</sup>	CEX071-2001	26/6/2001	Planks of mahogany wood
28.30 m <sup>3</sup>	CEX072-2001	26/6/2001	Planks of mahogany wood
28.57 m <sup>3</sup>	CEX073-2001	26/6/2001	Planks of mahogany wood
30.87 m <sup>3</sup>	CEX074-2001	26/6/2001	Planks of mahogany wood
28.46 m <sup>3</sup>	CEX075-2001	26/6/2001	Planks of mahogany wood