Chile is currently restructuring the State Forestry Sector. According to Dr Gonzalo Paredes, Director of INFOR (Instituto Forestal - the research group) the new structure recognises "the relevant role of current forestry, not only in terms of economic activity but also in terms of social benefits. Efficiency of government resources and capabilities will be better monitored as institutions focus on well defined missions and objectives". Of importance in this restructuring is that the Government plans to provide the same amount of finance, but it wishes to use it more efficiently.

The structure proposed (Figure 1) has four forestry bodies:
- Subsecretaria Desarrollo Forestal (a vice-minister of forest affairs under the Minister of Agriculture — political arm of Government).
- Servicio Forestal (Forest Service — administers the legislation; law enforcement and control — these functions are currently with CONAF).
- INFOR (The Instituto Forestal is a private corporation on forest research, statistics and inventory but with a new additional mandate of technology transfer).
- CONAF (The Corporacion Nacional Forestal is a private corporation that administers the national system of protected wildlands).

The Subsecretaria and Servicio Forestal are new bodies that will come into being after legislation is passed which is expected to be in the near future. The other two are existing bodies but they will become more focused. For example, INFOR is to focus on research for forestry diversification of small farmers and industries and will have a major technology transfer programme to them. CONAF will now focus on its role of administering national parks, natural monuments and national reserves.

In addition two organisations not belonging to the state forest sector will provide resources to promote productive development in forestry or forest products. They are INDAP (the agriculture sector) and CORFO (the industrial sector).

The four forestry organisations will be implementing three basic laws. The new D701 focuses on promoting forest plantings on degraded farmlands and fragile soils (Figure 2). For this reason INFOR will focus research and information transfer on this farmer clientele. The Servicio Forestal will administer the afforestation incentives, a job currently performed by CONAF. CONAF will continue administering the protected wildlands but a new law will improve current rules. The third law, also still to be passed, will cover native forests which have either or both productive or protection roles. It is expected INFOR will be involved in research for these forests.

Underlying some of these changes is the need for equity that has two dimensions. Social equity is addressed by the focus on small farmers and their problems and the instruments for achieving this are subsidies (under the new D701) and technology transfer. The second equity issue concerns native forests versus plantations. Here the policy instruments are research and information transfer and a per hectare subsidy to recover degraded native forests. Large-scale plantation forestry is seen as a stable sector not needing direct government assistance.

Figure 1: New structure of the Chilean State forestry sector

Figure 2: Degraded farmland in a low rainfall area near Santiago, Chile. It is typical of areas where farmers are being encouraged to plant trees. (Photo D. J Mead)