

## THE SEMARNAT ISSUES THE NEW GENERAL SUSTAINABLE FORESTRY DEVELOPMENT LAW.

The Environment and Natural Resources Ministry ("SEMARNAT") published the new General Sustainable Forestry Law replacing the previous law on the matter. This new Law came into force on June 6<sup>th</sup>, 2018 and its purpose is to update the regulation and promotion of an integral and sustainable management of forests, the conservation, protection, restoration, production, organization, cultivation, management and use of Mexico's forest ecosystems and their resources; as well as to distribute in a more efficient manner the competences related to forestry matters between the federal government, the states, municipalities and territorial demarcations of Mexico City.

Below you will find the aspects we consider most relevant of this new General Sustainable Forestry Development Law:

- 1. The Decree entered into force on June 6th, 2018, except for the provisions related to forestry procedures for the use of wood resources, commercial plantations, use of non-wood resources and the transport, storage and transformation of forestry raw materials, which will enter into force within 180 business days as of June 6th, 2018. The SEMARNAT must issue the Regulation of this Law within 180 business days from the Law's entrance into force.
- 2. A new chapter is added on safeguards and human rights, under the principle of protecting people in order to reduce the social and environmental risks to a minimum. This part establishes for the first time legal and policy instruments to promote the preservation and development of forestry resources guaranteeing respect for human rights.
- 3. Certain matters which previously corresponded exclusively to the federal government are now delegated to the states, municipalities and territorial demarcations of Mexico City, and therefore now each one of them can issue and apply their corresponding forestry policy in concordance with the national forestry policy. Among such matters we can mention the following:
  - The states will now have the authority to promote compensation and support schemes for the provision of environmental goods and services.
  - The states will now be able to implement planning tools that contribute to mitigation and adaptation to climate change.
- 4. The recovery of the use of land on agricultural and forestry lands is no regulated in order to promote and encourage the rights of indigenous peoples, allowing them to participate in the execution of the forestry programs of the areas where they live, and as owners of forested properties.



- 5. Common provisions are added to the forestry procedures and the filings in order for them to be more efficient and agile.
- 6. The National Forestry Commission will record in the National Forestry Registry the commercial forestry plantations established before the entrance into force of the General Sustainable Forestry Law, which do not have the corresponding registration.
- 7. It is still required to evidence that the deposit in the Mexican Forestry Fund has been made in order to obtain the corresponding authorization for the change of land use on forestry lands.
- 8. New infractions are established, such as causing serious harm or deterioration to the forest ecosystem, inappropriate use of documentation provided by the Commission and/or Ministry to evidence the legality of raw materials, making use of lands affected by forest fires other than for restoration, among others. In addition to the applicable sanctions, measures for restoration of the affected area are regulated.
- 9. The procedures and petitions in progress will be governed by the terms of the prior law.

Likewise, and in line with this new Law, Article 105 of the General Ecological Balance and Environmental Protection Law was amended to establish that the aid that is granted to agricultural activities must be compatible with the protection of forest soils, so that the forested lands use will not change to agricultural or livestock use.

To obtain additional information contact our experts:

Edmond Grieger, Partner:

+ 52 (55) 5258-1048, egrieger@vwys.com.mx

Ariel Garfio, Senior Associate:

+ 52 (55) 5258-1048, agarfio@vwys.com.mx

Marco Polo Sánchez, Associate:

+ 52 (55) 5258-1048, mpsanchez@vwys.com.mx

Sincerely,

Von Wobeser & Sierra, S.C.

Mexico City, June 7<sup>th</sup>, 2018.