Tribal Forestry -
Increasingly Important yet Underappreciated

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College of Forest Resources
Quick Stats:

- 18 million acres
- > 2 million acres added since 1991
- 6 million acres – timberland
- 550-600 MMBF/year – timber harvest
- 15 tribes with processing capacity
- 19 tribes pursuing bioenergy projects
- Enduring management for sustainability of...

Cultural, Environmental, & Economic Values

BIA; IFMAT-II; Milakovsky, Yale
Wood is an historically important Native resource

Skokomish, Quinault, Tulalip, & Makah; WA
Tribal forests are managed today with significantly less funding than their Federal neighbors.
Harvested logs create jobs for Tribal members and support important regional process infrastructure.
Tribal Stewardship provides ecosystem services

- Clean Air & Water
- Species Habitats
- Carbon Storage
- And more…

- A Sense of Who We Are

Yakama Nation, WA
When markets are poor Tribal Enterprises are the first to suffer

U.S. New Housing Starts – Thousand Homes

*2008 = ~800

61% Housing Start Reduction 2005-2008

2005 = 2068
2006 = 1801

* 2008 Forecast
Softwood lumber prices for US West Coast (DF), the US South (SYP), and Interior BC (SPF)
New Opportunities & Recommendations to Value and Support Tribal Forestry

- Tribal Education Programs
- Native Self-Certification
- Sustainable Stewardship Partnerships
Undergraduate Enrollments in Natural Resource and Conservation Programs 1993 - 2000

Salish Elder, Louis Adams, with ’07 & ’08 SKC grads (BS Forestry) Educational Achievement worthy of respect and SAF accreditation
Native American Forest Products originate from a uniquely mature commitment to sustainability that should not require costly outside certification.
Partnerships for Sustainability: Stewardship Contracts

This or This

Or

This

The choice for the Inland West
“Tribal lands demonstrate creative approaches in meeting forest health strategies. Tribal management procedures include tribal community consensus and a focus on both biological and economic goals.”

- A Desirable Forest Health Program for WA Forests

Yakama, WA
Mescalero Apache

Lincoln National Forest

Tribal Stewardship Contracts should be encouraged
## Partnerships for Sustainability:
Conservation Purchases

<table>
<thead>
<tr>
<th>Reservations</th>
<th>Total Trust Acres (000 Acres)</th>
<th>Total Forest Acres (000 Acres)</th>
<th>Milling Facilities</th>
<th>Resource Education</th>
<th>BIA/Tribal Mgmt.</th>
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</thead>
<tbody>
<tr>
<td>Navajo</td>
<td>17,170</td>
<td>5,312</td>
<td>Recently Closed</td>
<td></td>
<td>1900's</td>
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<td>San Carlos Apache</td>
<td>1,822</td>
<td>841</td>
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<td></td>
<td>1920's</td>
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<td>White Mtn. Apache</td>
<td>1,684</td>
<td>1,370</td>
<td>Yes</td>
<td>Community College at White River</td>
<td>1920's</td>
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<tr>
<td>Yakama</td>
<td>1,133</td>
<td>516</td>
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<td>Heritage college</td>
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<tr>
<td>Colville</td>
<td>1,064</td>
<td>822</td>
<td>Yes</td>
<td></td>
<td>1920's</td>
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<tr>
<td>Jicarilla Apache</td>
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<td>651</td>
<td>In Development</td>
<td>SW Indian Polytech Institute (SIPI)</td>
<td>1920's</td>
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<tr>
<td>Red Lake</td>
<td>807</td>
<td>440</td>
<td>Yes</td>
<td>Salish Kootenai College</td>
<td>1910's</td>
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<tr>
<td>Flathead</td>
<td>789</td>
<td>459</td>
<td>Yes</td>
<td></td>
<td>1900's</td>
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<tr>
<td>Warm Springs</td>
<td>644</td>
<td>440</td>
<td>Yes</td>
<td>Central OR Community College</td>
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<tr>
<td>Mescalero Apache</td>
<td>461</td>
<td>411</td>
<td>Yes</td>
<td>SW Indian Polytech Institute (SIPI)</td>
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<td>Northern Cheyenne</td>
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<td>155</td>
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<td></td>
<td>1920's</td>
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<tr>
<td>Menominee</td>
<td>235</td>
<td>220</td>
<td>Yes</td>
<td>College of the Menominee</td>
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<td>Quinault</td>
<td>183</td>
<td>174</td>
<td>No</td>
<td></td>
<td>1900's</td>
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</tbody>
</table>

Source: BIA
## Conservation Partnerships

### Largest Private Timberland Owners/Managers

<table>
<thead>
<tr>
<th>Company</th>
<th>2007 Forest Acres (000 Acres)</th>
<th>2008 Forest Acres (000 Acres)</th>
<th>Organization Type</th>
<th>Milling Facilities</th>
<th>Established</th>
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<tbody>
<tr>
<td>Plum Creek</td>
<td>8,406</td>
<td>8,200</td>
<td>REIT</td>
<td>Yes</td>
<td>1999</td>
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<tr>
<td>Weyerhaeuser</td>
<td>6,800</td>
<td>6,400</td>
<td>FP-Company</td>
<td>Yes</td>
<td>1900</td>
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<tr>
<td>Hancock (HTRG)</td>
<td>3,315</td>
<td>2,400</td>
<td>TIMO</td>
<td>No</td>
<td>1985</td>
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<tr>
<td>Forest Investment Assoc.</td>
<td>2,738</td>
<td>1,900</td>
<td>TIMO</td>
<td>No</td>
<td>1986</td>
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<td>Wagner Forest Mgmt</td>
<td>2,500</td>
<td>2,000</td>
<td>TIMO</td>
<td>No</td>
<td>1955</td>
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<td>Resource Mgmt Services</td>
<td>2,479</td>
<td>2,600</td>
<td>TIMO</td>
<td>No</td>
<td>1950</td>
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<td>Forestland Group</td>
<td>2,704</td>
<td>2,104</td>
<td>TIMO</td>
<td>No</td>
<td>1995</td>
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<td>Forest Capital Partners</td>
<td>2,500</td>
<td>2,100</td>
<td>TIMO</td>
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<td>2000</td>
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<tr>
<td>Temple Inland</td>
<td>2,061</td>
<td>0</td>
<td>FP-Company</td>
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<td>1983</td>
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<td>Rayonier</td>
<td>2,200</td>
<td>2,200</td>
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<td>Yes</td>
<td>2004</td>
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<td>Sierra Pacific</td>
<td>1,700</td>
<td>1,721</td>
<td>Family</td>
<td>Yes</td>
<td>1951</td>
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<tr>
<td>Potlatch</td>
<td>1,700</td>
<td>1,700</td>
<td>REIT</td>
<td>Yes</td>
<td>2006</td>
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<td>Global Forest Partners</td>
<td>1,400</td>
<td>1,400</td>
<td>TIMO</td>
<td>No</td>
<td>2003</td>
</tr>
</tbody>
</table>

~ 6 MM Acres Less in 2008

Sources: Clutter, Warnell School of Forestry; Haley & Tolbert, Forest Landowners Association
Annual Area of US Timberland Transactions

Timber Trends
Ratio of Forest “Sell” Verses “Hold” Values Throughout Forest Capital Partner’s Areas of Operation

Landowners face strong incentives driving sales, fragmentation, and potentially deforestation. Average sell values range from 150% to 650% of hold values.
Outlook for Timberlands

- Declining returns
- Marketplace has digested a lot of transactions
- Demand for forest products has been flat since 1982
- Some financial investors are exiting
- TIMO cash flows can be unstable
- TIMO funds are approaching maturity (7-15 year average land tenure)
- Enough buyers?
- Off Shore
And…

- US Market Problems Worsen
- Less Liquidity – Values Low/Finance Tight
- Greater Urgency for Cash Flow from Harvest
- Pressure from Wall Street to “Unlock Value”
- Declining Public & NGO Funding for Conservation

Result: Forestlands at risk!
A New Approach:

- Matching Funds for Tribal Land Purchases
  - Reduce Costs of Conservation
  - Ensure Sustainability
  - Help Struggling Tribal Enterprises
Political and economic uncertainties create questions about the future of Public and Private forestry.

Indian Nations are a dedicated but underappreciated anchor for sustainability. Broader recognition and support could provide many public benefits.
Forest Policy may be guided from afar, but…
Stewardship comes only from those that live on the land.

Thank You