

## INFORMAL INTERVIEW

Results of the interview with Olmedo Espino R. Secretariat general of the MIDA (Ministro de Desarrollo Agropecuario)

Do you think that the problem of deforestation is severe in Panamá?

The problem of deforestation still exists in Panamá but it is not that severe and it has been reduced over the years. Furthermore there is a lot of reforestation going on. Reforestation is more important than avoiding deforestation.

Is expansion of the agricultural frontier occurring?

Expansion of the agricultural frontier is not that pronounced because there are a lot of protected areas that are monitored. Monitoring is enforced by denunciation and inspection by ANAM.

What is the situation of the cattle ranching industry in Panamá?

The reason why cattle ranching is being so favored is that it is a more competitive market. Even though it is not the most efficient, we do not have to feed the cow with grain and that makes a big difference for production cost. Chicken and Pork have to be fed with grain. Panamá is in no mean competitive in the grain market so they buy the grain from United States because the prices are lower. So Panamá favors cattle ranching because it reduces their dependence on international market because they do not have to buy the grain from foreign market.

What are the regions with the best agricultural potential in Panamá?

The regions that are the most prone to cattle ranching are Chiriquí and Los Santos. But Veraguas, Darien also have a good potential. These soils are the most fertile.

What is the kind of financial help that is available to farmers and what are the criteria to be eligible for financial help?

There are subsidies and financing available for farmer. In order to receive the financial aid the producer has to be able to show that he owns the land and show the investment that he wants to make in order to increase the

productivity of the land. More than everything, the producer has to show that he can be competitive with the international market. This again is to reduce dependence and encourage people to consume national product

How does Panamá go about the problem of unsustainable practices?

One needs a permit in order to clear a piece of land through slash and burn. Those permits are usually issued in secondary forest not in primary forest.

What is your view on avoided deforestation, compensation not to cut down the forest?

There is no economic incentive in Panamá to prevent deforestation.

Interview with Carlos Melgarejo the head of forestry at ANAM

Where is deforestation most important?

In Darien and Ngobe bugle

What are the principal causes of deforestation in Panamá?

Cattle ranching linked with expansion of the agricultural frontier

Are there any contradictory economic incentives in Panamá related to conservation of forest or law that ANAM disagrees with?

MIDA provides technological and financial assistance to landowner but they usually not contribute to alleviate poverty as the criteria to be eligible for