Portuguese Pine Resin
History and opportunity

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ASSOCIATION OF DISTILLERS AND RESIN EXPLORERS

The only representative association of the resin production and 1st transformation industry in Portugal.

Founded in 2013 - Associates are resin producers and 1st transformation industrials

Creation of the Association to end the non-existence at the level of representation of professionals in the resin industry.

RESIPINUS intends to be the voice of the national producers and distillers and work for the defense, promotion, dissemination and future of the natural resin sector.

Site RESIPINUS
http://www.resipinus.pt/

Facebook RESIPINUS
https://www.facebook.com/resipinus
Historical summary of pine resin activity in Portugal:

• 1858 - Initiation of the resin extraction organisation (MN Leiria)
• 1871 - First industrial distillation unit (MN Leiria)
• 1918 (post 1st world war) - Exponential increase of resin and factories
• 1926 - Gumming school in MN Leiria
• 1936 - Creation of the National Board of Resin
• Decades 1950/60 - Introduction of American /French methods (sulfuric acid) nd chemical pulp, greatly increasing productivity
• Decades 1970/80 - Portugal is 3. ° exporter of pitch and turpentine
• Decades 1990/2000 - Domain in Chinese markets and sharp fall in production
Historical summary of pine resin activity in Portugal

Produção de Resina

Fonte: INE. Anuário de Estatísticas de Portugal-2011 | INE - Estatísticas Agrícolas 2012
Historical summary of pine resin activity in Portugal

Main reasons of the production decrease
- Decrease in resin prices
- Increase in salary
- Implementation of new contracting and marketing rules (taxation)
- Entry into the European community (change of habits)
- Rural exodus
- Decreased importance of forest services and lack of alternatives
- Increased impact of forest fires
Average price €/Kg pine resin (source INE)
Historical summary of pine resin activity in Portugal:

Portuguese Resin Production
Opportunity created by the increase and stabilization of resin prices

• Insufficient to balance salary increases and administrative costs
• Decrease of pinewood stands management
• Insufficient to offset the risk associated with the activity (forest fires)
WILD FIRES: Biggest limitation
Evolution of maritime pine stands in Portugal (1963 -2010):
(Source: IFN 6th, 2010 - Institute for Nature Conservation and Forests - ICNF)

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<td>x 1.000 ha</td>
<td>1.288</td>
<td>1.293</td>
<td>1.252</td>
<td>1.047</td>
<td>976</td>
<td>885</td>
<td>714</td>
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<td>Variation</td>
<td>100%</td>
<td>100%</td>
<td>97%</td>
<td>81%</td>
<td>76%</td>
<td>69%</td>
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• Limitations to the development of the resin activity in Portugal

Direct and indirect impacts of forest fires

Direct damages

• For the investments made
• Loss of resin in the forest
• For the payment of income from trees
• By workers' contracts

Indirect damages

• By reducing potential areas of resin extraction
• The increase in insurance premiums
• Greater dispersion of work areas
• Increased travel needs
• The lower attraction that exists for the activity
Organizing activities that enable the creation of jobs for local people and continuous production and distribution of income.

- Creation and maintenance of jobs directly dependents of the existence of forest areas (one man per 20 ha, daily for 6-9 months, including in fire season - the most intense activity on forests?);
- Recognition of the economic importance of the forest by rural/local populations (salaries, fees);
- Indirect fuel management (accessibility, trampling);
- First intervention against forest fires (forest = employment);
- SUSTAINABLE PRODUCTION OF INTERMEDIATE AND REGULAR INCOMES;
- PRODUCTIVE SURVEILLANCE AND PROTECTION AGAINST FIRES.
Possibilities to use the resin production for mitigation the wild fires problem in Portugal
DISTRIBUTION OF INVESTMENT IN RESIN EXPLORATION

- Labor: 79%
- Resin transport
- Renting: 2%
- Materials: 7%
- Transport of personnel: 11%
- Materials: 1%
Needs for the promotion of pine resin extraction

Essential conditions for the maintenance and development of the activity:

Reduced risk and increased financial return

- Integrating resin exploration into forest management and reducing the risk of wildfires;

- Valuation of sustainable production of natural resins, associated with rural development.
Needs for the promotion of pine resin extraction

- In a rational economy, a product with 80% investment in job creation, which helps the sustainability of forest areas, and rural development.
- Will continue to be in direct competition and with prices "regulated" by subproducts of pulp industry?
- By an unsustainable oil exploitation?

The production of natural resins should not be condemned to be a high-risk (financial and other) activity and low yields, for its importance and quality of its products.
Needs for the promotion of resin production

- Valorization by the differentiation.
- Ecological and sustainable (Real Green Economy)
- Positive differentiation with non sustainable products
- Industrial and commercial valorization

Who can do it?

- Industry
- Markets
- Regulatory entities
THANKS FOR YOUR ATTENTION