



**MALAYSIAN TIMBER  
CONFERENCE 2019**  
*The Future is Now*



**Dr. Maung Maung Than**

Country Director,  
The Center for People and Forests, Myanmar

# Community Forestry and Initiative of Community Forest Enterprises in Myanmar



**Maung Maung Than**

**Country Director**

**Myanmar Country Program**

**RECOFTC – The Center for People and Forests**

# Forest cover Map of Myanmar

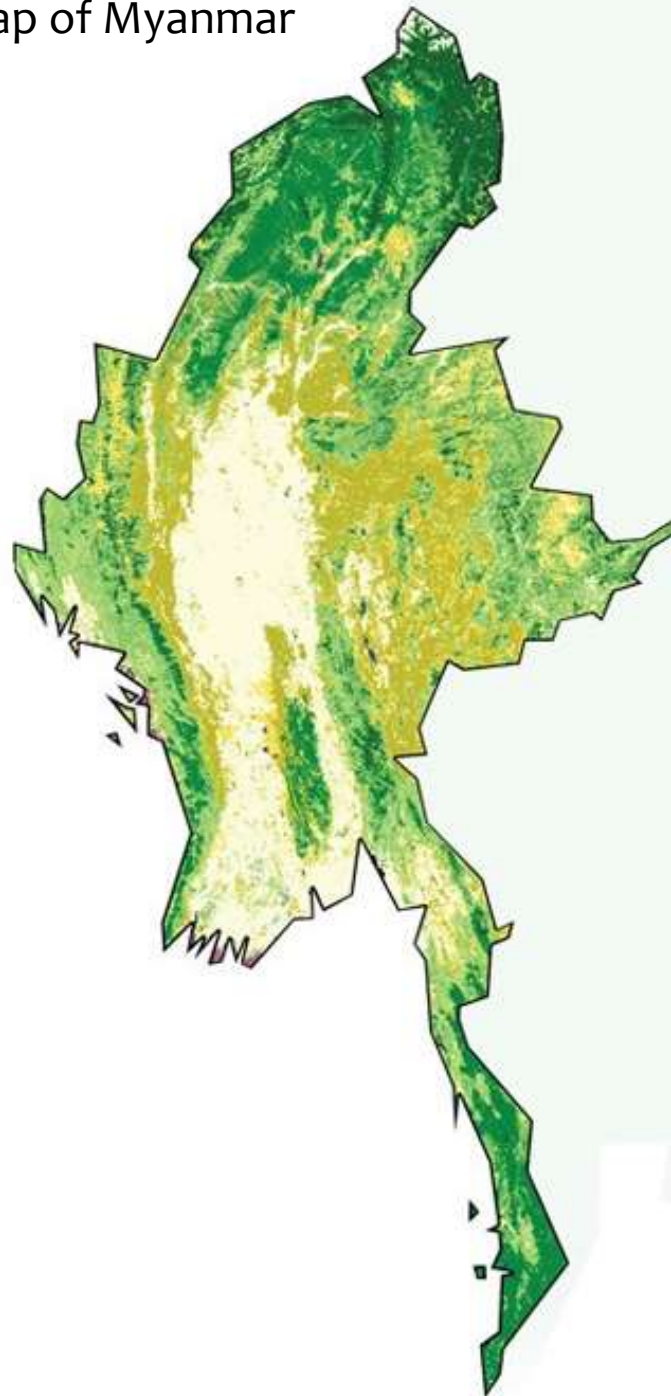


## Key Statistics of Myanmar\*

Total population	52,797,319 in 2012**
Rural population	35,257,099 in 2012** 66,79% of total population
Total land area (excluding inland waterbodies)	65,755,000 ha
Total forested area	31,773,000 ha 48.32% of total land area
Production forest	20,113,000 ha
Protected and Biodiversity Conservation Forest	3,510,585 ha

\* Myanmar Country Input to ASFCC Learning Group 2013.

\*\* WorldBank. 2013.



# Forestry Sector in Myanmar

- ✦ Myanmar Selection System-MMS has been applied in Forest Management
- ✦ Total forest areas : 29 mil. ha (FAO, 2015)
- ✦ Production forests : 20,113,000 ha (63% of total forest areas)
- ✦ Reserved Forests , Protected Public Forests and Protected Areas are under MoNREC
- ✦ Reserved Forest areas : 7.7 mil.ha
- ✦ Unclassified forests or other wooded land : about 15 mil.ha
- ✦ Primary forests : 3.2 mil.ha
- ✦ Other naturally regenerated forests : 24 mil. ha
- ✦ Natural Teak forests : 13.5 mil.ha (Kollert and Cherubini, 2012).
- ✦ Plantation areas : 0.9 mil.ha (92% owned by State)
- ✦ Annual Deforestation rate : 1.2% between 1990 and 2015
- ✦ Forest Cover in 1990 and 2015 : 58% and 43%



# Role of RECOFTC in Community Forestry

- RECOFTC-The Center for People and Forests was established in 1987, based in BKK, Thailand
- Myanmar Country Program of RECOFTC was launched in 2013 in Myanmar
- MCP facilitated a total of 94 FUGs for accessing more than 20000 ha of land for CF within 6 years

Capacity Building  
(FD, CSOs & LCs)

CF related  
Participatory  
Action Research  
(PAR)

Communication &  
CF Database

Piloting and  
Demonstrating



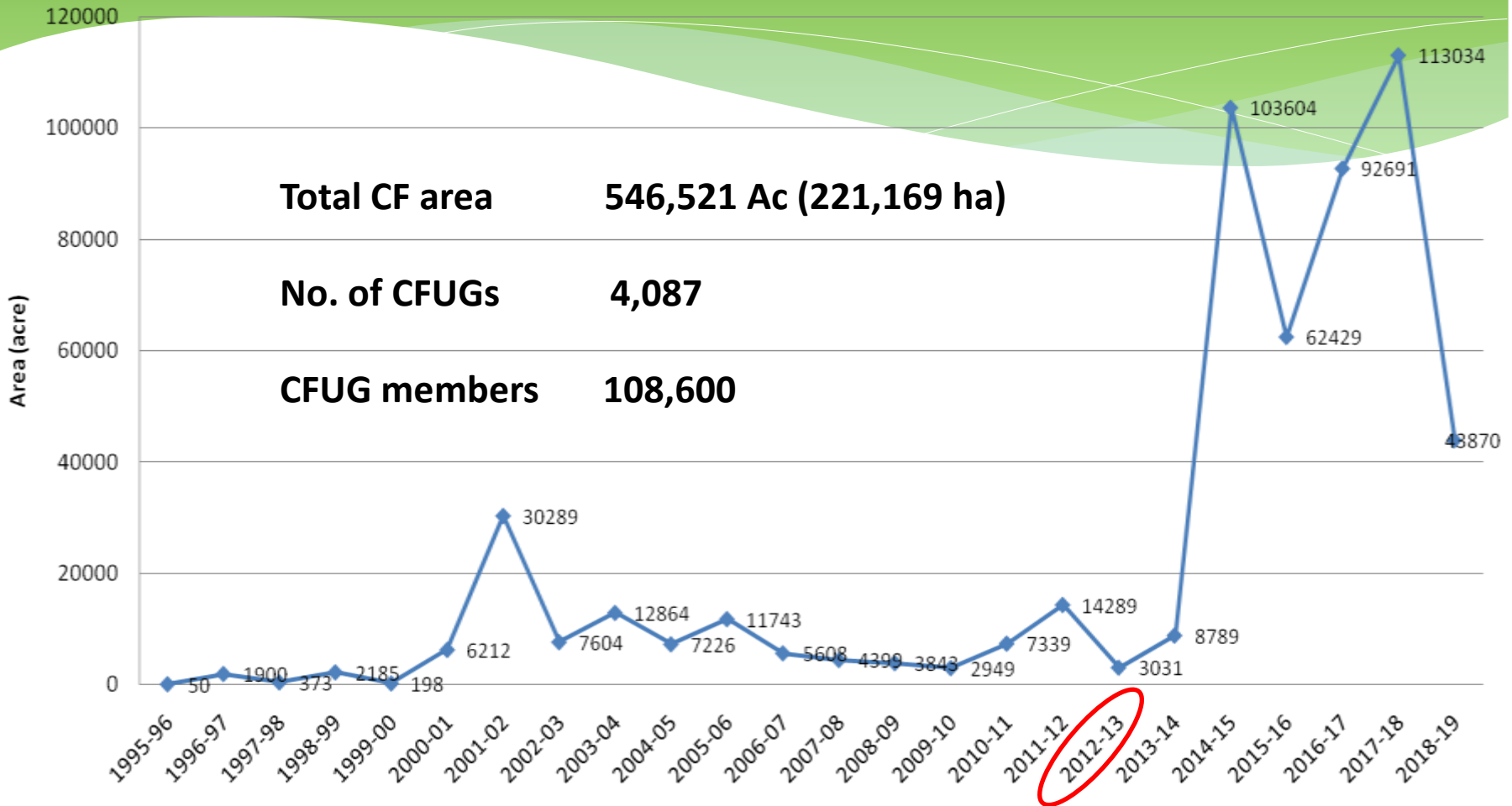
# Overview of Community Forestry-CF in Myanmar

- ✦ Traditionally managed forests by local communities
- ✦ Forest Department issued Community Forestry Instructions-CFIs in 1995 and revised in 2016 and 2019
- ✦ National Target of CF in 30 year master plan : 919,000 ha (nearly 3% of total forest areas)
- ✦ Accomplishment of national target : about 24% (221,169 ha as of October 2018)
- ✦ Number of Forest User Groups : 4087
- ✦ As of March 2019 : 27%

## Objectives:

1. Supporting basic needs ,
2. Reduction of rural poverty,
3. Increase of forest cover,
4. Promotion of participatory forest management and
5. Enhancing environmental services

# Development of Community Forestry



**Total CF area 546,521 Ac (221,169 ha)**

**No. of CFUGs 4,087**

**CFUG members 108,600**

# Benefits of Community Forestry in Conservation

- ✦ Under CF, areas of natural forests and plantation are 52% and 48% respectively
- ✦ CF area established : 0.69 % of total forest areas (original target of CF is about 3% of total forest areas)
- ✦ Retention of natural water springs in hill areas
- ✦ Prevention soil erosion
- ✦ Conservation of Bio-diversity
- ✦ Disaster Risk Reduction, especially storm/storm surge in coastal and delta areas
- ✦ Decline of salinity intrusion to inland





# Community Forest Enterprises-CFEs in Myanmar

**Community Forest Based Enterprise-CFE means harvesting of wood and non-wood forest products, foods, and value-added products from the community forest, and trading them in the local and international markets in accordance with the standing laws, or business conducting local community-based tourism (CFI, 2019)**

## ● **CF strategic plan (2017-2020)**

**Goal**-CF-based community enterprises thriving, generating community incomes and employment

**Objective:** To form and support **50 small-scale CF products-based enterprises a year**

**Strategies:**

1. **Develop and pilot CF businesses for specific products (e.g. timber, rattan, bamboo, agro-products, ecotourism, ecosystem services etc.)**
2. **Provide specific business support for FUGs, and business partners (e.g. training, awareness, legal and financial support, market chain analysis & development (MA&D))**
3. **Support development of CF enterprise networks**

# CFEs supported by RECOFTC



**Pauk Kaung  
(Shwe Lattyar CFE)**



**Gwa  
(Shwe Yoma CFE &  
Yoma Amway CFE)**



**Yebyu  
(Shwe Toe CFE)**



# Approach/ Process

- Resources
- Legal
- Technology
- Market
- Social

Secure CF  
land  
tenure

Inventory  
for  
resources  
availability

MA & D  
Training

Develop  
EDPs

Tech

Finan  
ce

Linking  
with PSs

Market

Start up  
the  
business

Only for interested  
CFUGs members  
**PULL (NO PUSH)**

# CFEs: STAGES OF DEVELOPMENT



## **SUBSISTENCE**

Individual farmers producing predominantly for their own consumption, selling small surpluses to local markets. Precarious to nonexistent access to services and no use of purchased inputs. Low asset accumulation, most vulnerable.



## **EARLY**

Small-scale rural enterprises with low levels of value addition and weak business orientation and incipient social cohesion among group members. Access to services is incomplete and irregular which limit enterprise growth prospects



## **DEVELOPING**

Commercially orientated enterprises with higher level of social cohesion that have incorporated value adding handling a/o transformation processes and product diversification. Selling into local, regional and national markets. Have access to appropriate services that permit enterprise growth.

Adapted from Feris et al (2006) and Greijmans (2012)

## **MATURE**

Farmer enterprises fully integrated into supply chains producing products that meet market demands in terms of quality and frequency of supply, both nationally and for export. Capable of identifying and paying for required business development services.



# Outlook of CF in achieving Sustainable Development Goals-SDGs

- CSF (Community & Small holder Forests) is relevant to 13 of the 17 SDGs
- **SDG 15** (life on land) is strong in linkage with CSF.
- SDG 2 (End Hunger), 3 (Healthy lives and Wellbeing), 6 (Water and Sanitation), 11 (Cities), 12 (Sustainable Consumption and Production), and 13 (Climate Change) are medium in linkage
- SDG 1 (End poverty), 7 (Energy), 8 (Economic growth and employment), 9 (Infrastructure and Industrialisation), 14 (Marine resources), and 16 (Inclusive Societies & Justice) are weak in linkage
- The linkage between CSF and the 13 SDGs may vary depending on the target considered. E.g SDG 15 ( 2 targets are strong; 4 targets are medium and 2 targets are weak.

## Challenges for CF establishment

- A competitor for CF (Form-7) – causing confusion and hindering the CF development process
- Lack of CF development fund
- Still limited capacity of all CF practitioners
- Insufficient staff and budget of Township & District FD offices
- No incentives in some CFs established in degraded forests

## Opportunities for CF established

- Revised Forest Law (2018) and Forest Rules (ongoing)
- CFI (2019) - potential to increase interest of local communities
- Facilitation of Community Forestry National Working Group-CFNWG
- National and State/Regional/District CFWGs
- Strong external interest and support for CF
- Development of FLEGT VPA – potential for strengthening rights for forest communities

## Challenges for CFEs

- CFEs in start-up phase have to abide by same harvesting and other taxes collected in supply chains as larger companies (fair?)
- Need for policies incentivizing investors to partner with CFEs
- Data quality to develop CF management and CFE business plans is often limited, hampering appropriate planning
- CFEs have little experience in accessing loans from banks (high rates), promoting their products, assessing new market potential
- Different departments (i.e. FD and SME) with distinct expertise areas are not well connected / collaborate effectively to provide appropriate services to CFEs
- Competency of CFE members (incl. leadership skills, transparency etc.)
- Not ready to be piloted for timber products' value chain how local communities are participating and getting benefits

## Opportunities for CFEs

- Supportive procedures: application for land in reserved forest, protected public forest, buffer zones of protected area and certain government land outside FD's responsibility.
- Institutional support through CFNWG and CF Units
- CFI and CF Strategy allow for commercializing CF products and establish CFEs and CFE networks
- Experience outside forest sector on provision of small loans to small enterprise groups, an option for CFEs once they register with the Cooperative Bank
- Access to vocational skills development and smartphone usage (market information)

# Recommendations for CF

## ✚ Meeting the national 2030-31 CF target in a systematic manner

- Continue supporting legalization of CF to manage quality forest resources
- Simplified and equitable CF processes

## ✚ Strengthening the institutional and legislative framework for CF development

- Support institutional capacity development
- Support greater social inclusion and gender equity in all aspects of CF development
- Financial mechanism for CFDFs

## ✚ Supporting an economically viable model for utilization of community forests

- Support private sector engagement
- Review and make relevant regulations more enabling for benefits to communities



# Recommendations for CFEs

Benefits for CF can be significantly and cost-effectively scaled up by:

1. Effective **procedures and practical operational guidelines** supporting commercial viability of CFEs;
2. Appropriate capacity support for **CB forest management** and local government staff to **facilitate CFI** effectively;
3. Build capacities on **finance and market-based approaches**, with support from other government departments and private sector;
4. Build on **socially and culturally fitting approaches**, incl. local ownership and leadership and gender inclusiveness;
5. Investment in **vocational and business capacities and knowledge platforms** to stimulate continuous development of CFEs and their networks.

# THANKS FOR YOUR ATTENTION!

