



# 3<sup>rd</sup> World Teak Conference

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**“Strengthening Global Teak Resources and Markets for Sustainable Development”**

**Session I “Economics, Investments and Trade”**

**Current status of legal framework and administrative procedures in forestry sector shaping teak management in Myanmar**

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# Outlines

- I. Country profile,
- II. Forestry sector (Forest cover status, Policy Legal System)
- III. Forest management (Teak & Hardwood),
- IV. Reforms in forestry sector,
- V. Future scenario of teak management,
- VI. Potential challenges,
- VII. Recommendation,



# I. Country Profile



- latitudes **9°32' - 28°31' N**  
longitudes **92°10' - 101°11' E**,
- bordered with Bangladesh, India, China, Laos and Thailand,
- Total area **676,577 km<sup>2</sup>** ,
- Population **51 millions with growth rate of 1.8%**,
- **over 70%** of the total population are residing in rural area.

- 8 majorities of **135 races**,
- **3 Seasons** (Hot, Rainy, winter) Desert-like Dry-zone, Snow capped mountains over **5,800 meter high**, **8-different forest types**.

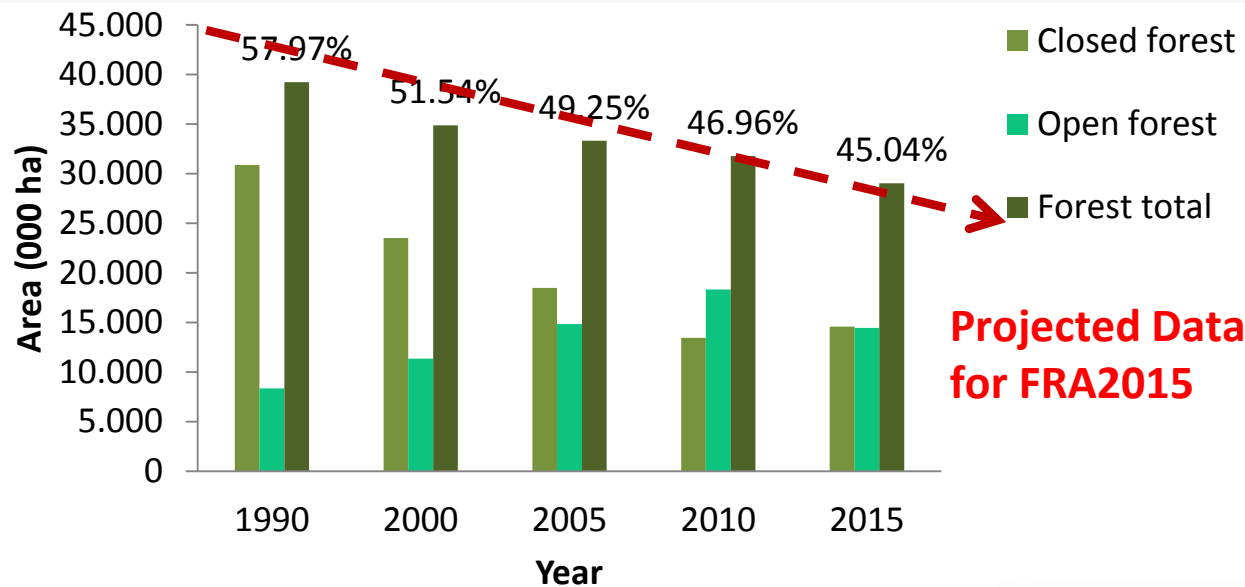
## II. Forestry sector (Forest cover status, PFE)



Forest category	Area (,000 ha)	% of total area
Closed forest	13,445	19.87
Open forest	18,329	27.09
<b>Total forest</b>	<b>31,773</b>	<b>46.96</b>
Other Wooded land	20,113	29.73
Others	13,869	20.50
Water body	1,903	2.81
<b>Total</b>	<b>67,658</b>	<b>100</b>
<b>FRA 2015 Projected data</b>	<b>30473</b>	<b>45.04</b>

Legal classification	Area (km <sup>2</sup> )	% of area	Policy Target
Reserved forest (RF)	121,842.91	18.07	
Protected public forest (PPF)	40,949.60	6.40	
<b>Protected Public Forest (PPF)</b>	<b>162,792.51</b>	<b>24.47</b>	<b>30%</b>
Protected area system (PAS)	35,106.85	6.67	10%

# II. Forestry sector (Forest cover change)



**Projected Data for FRA2015**

## Drivers of Deforestation (inside-outside)

- 1) Illegal logging
- 2) Fuel-wood cutting
- 3) Shifting cultivation,
- 4) Expansion of agriculture land,
- 5) Infrastructural Development,
- 6) Grazing,
- 7) Socio-economic related factors



# II. Forestry sector (Policy, legal)

## Myanmar Forest Policy Imperatives (1995)

- 1) **PROTECTION** of soil, water, wildlife, biodiversity and environment;
- 2) **SUSTAINABILITY** of forest resources to ensure perpetual supply of both tangible and intangible benefits
- 3) **BASIC NEEDS** of the people for fuel, shelter, food and recreation;
- 4) **EFFICIENCY** to harness, in the socio-environmentally friendly manner, the full economic potential of the forest resources;
- 5) **PARTICIPATION** of the people in the conservation and utilization of the forests;
- 6) **PUBLIC AWARENESS** about the vital role of the forests in the well being and socio-economic development of the nation.

## Major Laws in forestry sector

- ❖ Forest Law (1992), Forest Rules (1995),
- ❖ Protection of Wildlife and Wild Plants and Conservation of Natural Areas Law (1994),
- ❖ Community Forestry Instructions (1995),
- ❖ National Forestry Action Plan (1995),
- ❖ Format and guidelines for district forest management plans (1996),
- ❖ 30 year National Forest Master Plan (2001-2031)
- ❖ Myanmar Agenda 21(1997), National Sustainable Development Strategy, NSDS (2006)
- ❖ Criteria and indicators for sustainable forest management (1999), (revised draft 2014)
- ❖ National Code of Practice for Forest Harvesting (2000),
- ❖ National Environmental Policy, Environmental conservation law, rule (1994, 2012, 2014)
- ❖ Vacant, Fallow, and Virgin Land Management Bill (2012),

# II. Forestry sector (Institutional)

## Ministry of Environmental Conservation and Forestry

**Union Minister**

**Deputy Minister**

**Deputy Minister**

**Forest  
Department  
FD**

**Dry Zone  
Greening  
Dept. DZGD**

**Planning &  
Statistics  
Dept. PSD**

**Environmental  
Conservation  
Dept. ECD**

**Myanma Timber  
Enterprise  
MTE**

**Land Survey  
Dept, LSD**

	Department/ Enterprise	Officer	Staff	total
1	Ministry office	10	14	24
2	<b>Planning and Statistics Department</b>	<b>23</b>	<b>43</b>	<b>66</b>
3	Forest Department	493	8035	8528
4	Dry Zone Greening Department	125	1321	1446
5	Myanmar Timber Enterprise	<b>932</b>	<b>18548</b>	<b>19480</b>
6	Environmental Conservation Department	47	42	89
7	Land Survey Department	63	420	483
	Total staff	1693	28423	<b>30,116</b>

# III. Forest Management (Teak and Hardwood)

## Main features of Sustainable Forest Management (SFM)

- Myanmar Selection System (MSS), it is an **exploitation-cum-cultural** System.
- Minimum impacts to the environment.
- MSS is practiced within the bound of :
  - (1) Space/Area limit (Felling series)
  - (2) Size/Girth limit and (minimum girth limit)
  - (3) Time limit ( a felling cycle of 30 years)
- **Enumeration** of future yield trees down to fixed sizes
- Leaving high quality teak tree as **seed tree (mother tree)**
- Fixing of **Annual Allowable Cut (AAC)** for teak and hardwood

**Formulating Modified Myanmar Selection System (MMSS)** nearly 50% of natural teak forest are still remain in the country, Myanmar





# III. Forest Management (Production)



**AAC trend in teak and hardwood (tree) and production of forest department**

	AAC (tree)		Production actual (tree & ton)	
Species	2010	2014-15	2014-15	
Teak	147,300	<b>48,897</b>	<b>40,221 (tree)</b>	<b>48,960 (ton)</b>
Hardwood	1,131,461	<b>817,343</b>	<b>281,781 (tree)</b>	<b>394,493 (ton)</b>

Source: Forest Department, April, 2015.

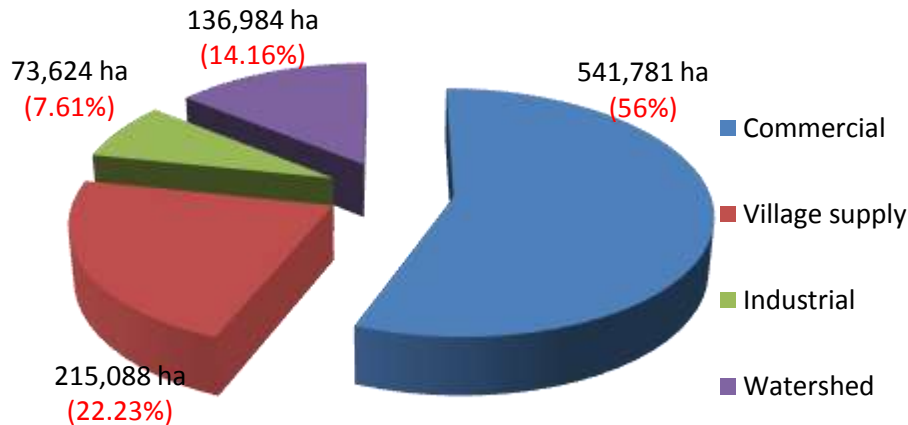
**Planned for teak production  
from 2015-16 to 2020-21**

Source: Myanmar Timber Enterprise

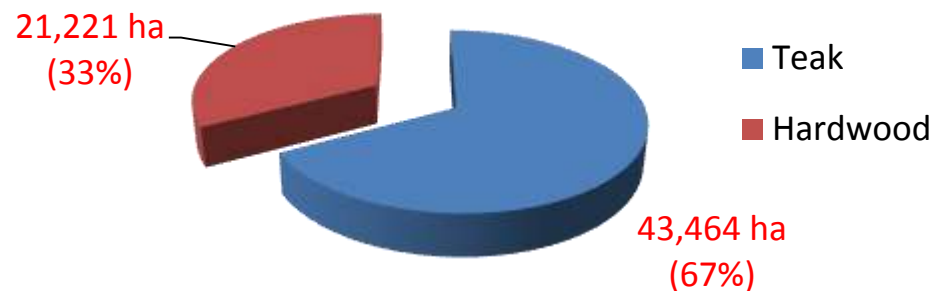
Species	2015-16 to 2020-21 (ton)
Teak	60,000
Hardwood	670,000

# III. Forest Management (Plantation)

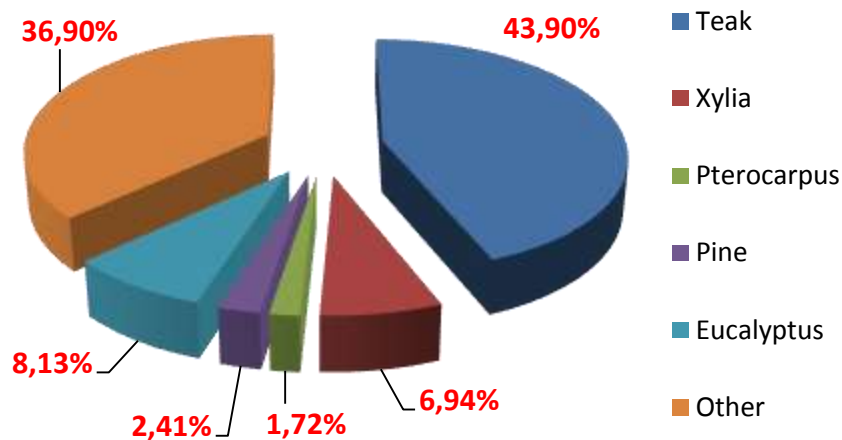
Types of forest plantations (Government sector only)



Forest plantations (Private sector)



by species (Government sector only)



**More than 80% of teak plantations in Asia**  
**Third out of ten countries, Myanmar**  
 Walter Kollert, Lucia Cherubini, 2012

# III. Forest Management (Community Forest)

	Reserved/ Protected Public Forest (ha)		Unclassed Forest (ha)		Total (ha)	User Group	Members
	Plantation	Natural Forest	Plantation	Natural Forest			
<b>15 States and Regions</b>	10,274	48,892	3,171	20,539	<b>82,878</b>	<b>832</b>	<b>33,390</b>

Source: Forest Department, April 2015

# IV. Reforms in Forestry Sector

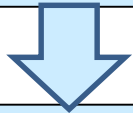
Government



Forestry Sector



Teak Management



- ✓ **Policy:** Good governance, Decentralization, International – regional cooperation and collaboration, National Sustainable Development Strategies, Peace keeping process, 7 steps of Roadmap,
- ✓ **Legal:** Revising existing laws through parliament's approval, (Environmental Conservation Law (2012), Foreign Invest law (2012), Tax laws (2014),
- ✓ **Institutional:** State and Regional government, the role of NGOs, INGOs, and CSOs, Foreign Direct Investment,
- ✓ **Administrative Reforms in all sectors:** transparency, shorten procedures, people centered approach, making publicly available, currency exchange, accountability,
- ✓ **Implementing priorities in line with Millennium Development Goals:** Poverty reduction, Education, Health, Gender, Environment, Global partnership,

# IV. Reforms in Forestry Sector

Government



Forestry Sector



Teak Management



29 reform strategies in the sector announced on 12 December, 2014,

## Legal framework

- ✓ Environmental Law (2012), rules (2014)
- ✓ Amend forest law 1992, (teak) ownership, revenue, tax, Community Forestry, illegal logging,
- ✓ Drafting Land use policy,
- ✓ Foreign Investment in forestry sector,
- ✓ private sector in WBI,
- ✓ International context (Climate change, Biodiversity conservation, CITES, etc;)

## Administrative procedures

- ✓ Procedure for Private plantation,
- ✓ Forest management certification, Legal timber: FLEGT-VPA, MTLAS,
- ✓ Log export ban
- ✓ Reduce production limits of AAC
- ✓ MTE into independent state own enterprise
- ✓ Land lease for the village more than 50 households,
- ✓ Procedure for EIA, SIA,
- ✓ Developing timber processing, ISO
- ✓ license for wood based cottage industry,

Cooperation in ASEAN context, illegal logging, village own plantation, conservation of natural forest, dry zone greening, water supply,

# IV. Reforms in Forestry Sector

**Government**

**Forestry Sector**

**Teak Management**

**Legal**

Framework,  
✓ Ownership,  
✓ Identification,  
Management  
Certification,  
✓ export  
procedure,  
✓ Privatization  
WBI,  
✓ Environmental  
conservation,

**Silviculture, Technology,  
Environment, social,  
Valuation of teak**

**Natural forest**  
MSS – MMSS  
AAC,  
Reduce  
production,  
Teak Genetic  
conservation,  
Productive &  
Protective  
function

**Plantation**

**Public,  
Gov;**

**Private,  
Joint**

**Small  
holders**

**Quality Planting stock,  
Growth and Volume table  
IRR, Joint, Enterprise,**

**Administrative  
procedure  
Harvesting,  
Timber,  
Tender system,  
Down stream  
processing,  
Pricing, Trade,  
Finished product,  
Value vs. price**

# V. Future scenario of teak management

- Teak production from natural forest under limited,
- Private sector, Joint venture, small holders growing in teak plantation and FDI in wood based industry,
- Production of quality teak planting stock, importing from outside,
- Plantation technology developed,
- Production of intermediate yields (pole, post, etc;)
- Developing technology in finished products,
- Legal timber, trade, ISO for forest product,
- More collaboration with intl' teak org;

# VI. Potential challenges

- **Legal:** Land encroachment, illegal cutting, ownership, legal timber,
- **Administrative procedure:** Documentation in processing , benefit sharing, certification,
- **Silviculture** of teak, quality, growth, insect-pest, soil degradation, technical issues,
- **Others:** Climate change, drought, storm, environmental concerns, FPIC, public comments, 100% investing, Marketing,



# VII. Recommendation

## Policy, legal

- Make publicly available for procedure of investment in forestry sector (teak plantation, wood based industry)
- Legal support, (Land, processing, illegal cutting, tax, revenue,)
- EIA, SIA,

## Administration

- Forest management certification for SFM, Legal timber,
- Regulation and sharing teak genetic resource
- Foster small holders to teak plantation towards poverty reduction, with benefit sharing system,

## Technical

- Inventory of teak in natural forest for AAC,
- Modify Myanmar Selection System MMSS,
- Research in Teak improvement, with silvicultural operations Mixed than pure plantation,
- ISO for teak product,

**More collaboration with Myanmar for sustaining teak production and Conservation of teak genetic resource**

Thank you very much for your kind attention!

Updated legal instruments from government sectors available on  
<http://www.president-office.gov.mm/en/>

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