

## Policy pointers

**The early economic and environmental success of Myanmar's 739 forest user groups (FUGs) powerfully supports arguments for the government's Forest Master Plan targets of expanding FUG activities — towards 918,000 hectares by 2030.**

**Revising and re-implementing the 1992 forest law to secure commercial forest and farm rights for communities within and beyond FUGs will help achieve those targets.**

**Developing Forest Department guidance and targets that ensure adequate incentive and business development capacity to roll out commercially successful community FUGs will be a necessary next step.**

**Commitment to a regular annual dialogue between government authorities and forest and farm producer groups will help capitalise on the opportunities and address the challenges of promoting a workable model for forest and farm producer groups — and will help deepen democracy within Myanmar.**

## Stronger forest and farm producers' groups can help deepen Myanmar democracy

'Cautious optimism' characterises many recent developments in Myanmar. In forestry, economic returns have, until recently, accrued to the government. Yet the 1995 Community Forestry Instructions, and ongoing revision of the 1992 forest law, are opening new commercial space for locally controlled forest and farm products. Community Forest User Groups are emerging to manage these resources, albeit at a pace below the government's Forest Master Plan target of 918,000 hectares by 2030. They are mobilising to sell timber, agroforestry crops, non-timber forest products (notably bamboo and rattan), eco-tourism and biomass energy. The Forest and Farm Facility is strengthening, through small grants, their business organisation and capacity. It is also initiating high-level multi-sectoral dialogue to showcase and discuss how stronger locally controlled forest and farm economies can deepen democracy.

Forests still cover 47 per cent of Myanmar's total land area. Until recently, complete government control of the economic returns from forestry (through the Myanmar Timber Enterprise) gave little space or incentive for local people to manage and sell forest products and services. High rates of deforestation (0.9 per cent per year between 2000 and 2010) contributed to a growing desire to reform that situation.

The 1995 Community Forestry Instructions allow community forest users' groups (FUGs) to identify a suitable area and apply to the township forest officers for support with establishing a community forest. Once established, these come under the jurisdiction of district forest officers who oversee forest department activities in the 62 forest districts across Myanmar. Ongoing revision of the 1992

forest law will hopefully soon open space for local community groups to sell forest and farm products commercially from these landscapes, creating a strong incentive for forest management and restoration.

### Community forestry emerges in Myanmar

New Community FUGs are emerging albeit at a pace well below the target of 918,000 hectares by 2030 in the government's Forest Master Plan. They are mobilising around diverse forest-related economic opportunities in different States to do with timber, agroforestry crops, non-timber forest products (NTFPs, notably bamboo and rattan), environmental services (including ecotourism) and biomass energy. In relation to biomass energy, the Forest

## Myanmar needs to organise groups regionally and nationally to share experience about what works

Master Plan aims to supply 4.13 million cubic metres of wood fuel from community forests (25 per cent of the Myanmar total fuel wood requirement of 16.53 million cubic metres) by

2030. Currently, 739 FUGs have been registered in Myanmar covering 44,065 ha (at an average rate of 2,180 ha per year). Early evidence indicates that

there are strong economic and environmental benefits associated with this approach, but to meet the government master plan the rate would need to increase to about 20,000 ha per year (a tenfold increase).

In 2009, a stakeholder workshop on community forestry — its experiences and future in Myanmar — was organised by FAO, UNDP, Myanmar's Food Security Working Group (FSWG) and the Ministry of Environmental Conservation and Forestry (MoECAF). In 2011, the Pyoe Pin programme supported a review of community forestry by Myanmar's Ecosystem Conservation and Community Development Initiative (ECCDI) and the UK's University of East Anglia.<sup>1</sup> It kicked off with a national design workshop in 2010. In 2012, Pyoe Pin organised a second national workshop on a 'market-led approach' to community forestry, in collaboration with IIED.<sup>2</sup> Participants endorsed using a market-led approach to incentivise communities to delimit, restore and sustainably use forests. The workshop proposed a vision for such a market led approach to community forestry in Myanmar, based on participants' priorities:

*“Enhanced income and revenue generation, through entrepreneurship and fulfilling jobs within community forest user groups, in order to incentivise forest restoration, reduce poverty, and strengthen social networks that together will contribute to integrated rural development that mitigates and adapts to climate change, conserves biodiversity and strengthens the rule of law”<sup>2</sup>*

### Forest and Farm Facility engagement to strengthen forest and farm producer groups

The Forest and Farm Facility (FFF — see Box, overleaf) aims to support the Government of Myanmar in achieving its targets for community forestry. The facility's steering committee selected Myanmar as one of six early pilot countries. From 29 April to 3 May 2013 a launch team (drawn from the FFF's management team) held a series of meetings with representatives of

private sector, civil society and government staff in Yangon and Nay Pyi Taw.<sup>3</sup> All involved agreed that the best approach for FFF would be to start activities with a set of small grants to strengthen producer organisations for business. This could provide experience upon which to convene a national cross-sectorial policy dialogue in search of solutions to entrenched problems. The FFF then contracted the Myanmar Environment Rehabilitation-Conservation Network (MERN) to run a competitive and inclusive call for proposals for those first small grants.

By October 2013 the Forest and Farm Facility had agreed six competitive small grants to strengthen the business organisation and capacity of mangrove pole producers, agroforestry farmers (including in an elephant sanctuary), fuelwood producers linked to pottery production, on-farm fruit growers, and NTFP and biomass energy producers. The projects span the Ayeyarwaddy, Rakhine and Shan States. In addition, FFF commissioned a broader national baseline study to generate detailed understanding of how forest user groups and support associations are organised in Myanmar. A high-level meeting has been tabled with government authorities in 2014 to discuss the opportunities and constraints faced by these pilots.

### Forest and farm producer groups can deepen democratisation in Myanmar

Early findings from this baseline work suggest that the many community FUGs, essentially forest and farm producer groups, are beginning to develop commercial use of timber poles, NTFPs, medicinal plants and ecotourism opportunities. Evidence also suggests that community FUGs are substantially benefiting forest restoration and management.<sup>1</sup> These positive economic and environmental impacts are the express intent of the FFF small grants, given that community income and revenue generation, closely followed by forest restoration, were seen as the priority agenda by participants within the 2012 workshop on “a market-led approach to community forestry”. Nevertheless, there are still major human and socio-political capacity gaps that require attention.

**The human capacity gap.** Many FUGs and support organisations lack the business and marketing skills necessary for community forest enterprise development. The result is that forests are delimited through FUGs without a clear idea about the market opportunities and products that might be developed. At present, some of the more lucrative options (for instance,

## Forest and Farm Facility

The Forest and Farm Facility (FFF) was launched in 2012. Its vision is that “smallholders, communities and indigenous peoples’ organisations have improved their livelihoods and the decision making over forest and farm landscapes”. The FFF funds partnership agreements and small grants with smallholder, women, community and indigenous peoples’ producer organisations and governments at local, national, regional and international levels through the following three pillars:

- **Pillar 1.** Strengthen smallholder, women’s, community and indigenous peoples’ producer organisations for business/livelihoods and policy engagement.
- **Pillar 2.** Catalyse multi-sectoral stakeholder policy platforms with governments at local and national levels.
- **Pillar 3.** Link local voices and learning to global processes through communication and information dissemination.

Forest and Farm Facility is a partnership — with a management team comprising staff of the UN Food and Agriculture Organization (FAO), the International Union for Conservation of Nature (IUCN) and IIED. It is guided by a steering committee with representatives from smallholder family forestry organisations, community forestry organisations, indigenous peoples’ organisations, the international research community, business development service provider organisations, the private sector, government, and donors.

FFF is founded on the fact that nearly a third of the world’s forests are managed by local people, either formally or informally. It is these local groups of smallholders, women, communities and indigenous peoples that make many forest investments work on the ground. Yet despite their crucial role, forest and farm smallholders are often marginalised from decision-making processes and isolated from economic and market opportunities. The facility aims to help tackle this.

Find out more about the Forest and Farm Facility at: [www.fao.org/partnerships/forest-farm-facility](http://www.fao.org/partnerships/forest-farm-facility)

growing and selling commercial timber such as teak or pine) are effectively off-limits to FUG communities — being reserved for government control, for example through the Myanmar Timber Enterprise. In addition, although forest department staff in some regions have been pivotal in developing community FUGs, overall government support for their roll out is patchy and often inhibited by the current policies, which explicitly state that FUGs should not be ‘an industrial enterprise based on forests’ and that limit commercial trade to marketing ‘surplus forest products’. Nevertheless, the hope is that the ongoing reform of the 1992 forest law will remove some of these restrictions and, indeed, direct the government’s Forest Department towards stronger support for FUGs.

**The socio-political capacity gap.** Despite the substantial numbers of FUGs scattered across the country, there are few networks joining them together. Networks can help with commercial-scale efficiency, sharing technological know-how, market information, training costs, and collective advocacy for a more enabling policy environment. Without such organisation, real progress on the economic and environmental front will remain elusive.

Early results from the detailed baseline survey, however, note the presence of many locally controlled ‘support’ organisations. These are often ethnic or faith based, sometimes (but by no means always) limited to a single project, but always with strong socio-political orientation. For

example, they generally have a strong focus on preserving cultural integrity alongside interest in supporting livelihood development, food security, and environmental preservation. Some of these support organisations are in the same townships as a FUG, showing there is an appetite, not only to develop forest and farm producer groups for economic and environmental ends, but also to ensure that those economic ends contribute to the broader cultural integrity and socio-political development of Myanmar’s fledgling democracy.

Democracy is a type of government in which all citizens can participate equally, either directly or through elected representatives, in proposing and implementing policies and laws. It invokes participation not only in defining economic and environmental policies and laws, but also in adapting them to particular social and cultural contexts. Community FUGs are not peripheral to this agenda — rather they are central. Community FUGs offer a test-bed for economic development that maintains a sustainable environment and serves all citizens’ needs, across widely different geographical, social and cultural contexts.

To achieve this, a scattering of pilot community forest and farm enterprises will not be enough. Myanmar also needs to make a concerted effort to organise groups regionally and nationally to share experience about the elements of the model that work, and negotiate areas of difference. This is not the shallow representative democracy of the ballot box, in which the detail of economic and environmental policy is rarely seen.

It is a deeper democracy in which citizens from disparate social and cultural contexts pilot and shape the economic and environmental model that best unleashes their potential while safeguarding what they hold dear.

### Next steps

FFF's initial launch in Myanmar, and its small grant pilots in three states, will pave the way towards an important national meeting in 2014 at which the opportunities and constraints for community FUGs can be discussed. Convened by the FFF, this process is seen as a step towards a much broader process of engagement between forest and farm producer groups and decision makers — through which Myanmar can deepen its own democracy. But the success of such a process requires a number of important policy commitments by Myanmar's government, three of which are highlighted below.

- **Securing commercial forest and farm rights for communities by revising the 1992 forest law and implementing the changes.** In order for community forestry to accelerate in line with the government's Forest Master Plan targets, and for community forestry's proven economic and environmental benefits to materialise, the government needs to accept the broad recommendations of civil society on reforming the 1992 forest law and 1995 Community Forest Instructions. These changes should remove any ambiguity and inconsistency over local forest and farm producer groups' rights to make commercial use of resources on FUG land.

- **Developing targets and capacity for Forestry Department staff consistent with those newly clarified rights.** In order to achieve its own Forest Master Plan targets, the Government of Myanmar needs to develop and implement a set of departmental targets and associated reward structures for delimiting and establishing community FUG areas. It also needs to restructure departmental training and guidance to promote community forest enterprises — including support for training and data collection on market promotion and development of key forest subsectors, such as producing and processing community timber, biomass energy, NTFPs and agroforestry/tree-crop products.
- **Commitment towards an annual dialogue process with forest and farm producer groups** through which operational opportunities and challenges can be openly discussed in order to enhance the many economic, environmental and socio-cultural benefits available from locally controlled production systems. This will require not only a commitment to participate in processes such as the 2014 FFF meeting, but also the assignment of a government community forestry officer mandated to lead such engagements and follow-up activities.

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### Notes

<sup>1</sup> Tint, K., Springate-Baginski, O., Ko Ko Gyi, M. 2011. *Community forestry in Myanmar: progress and potentials*. Ecosystem Conservation and Community Development Initiative, Yangon, Myanmar. [www.burmalibrary.org](http://www.burmalibrary.org) / <sup>2</sup> Macqueen, D.J. 2012. *Recommendations for a market-led approach to community forestry in Myanmar*. IIED, London. <http://pubs.iied.org/G03553> / <sup>3</sup> Macqueen, D.J. 2013. *Advancing forest-farm producer groups for market led community forestry and enterprise development in Myanmar*. IIED, London, UK.