Collective Forests and Fast-growing Plantations in Fujian: Experiences and Lessons

福建省集体林区速生丰产林建设经验、教训和政策建议

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Purpose (研究目的)

- Review development of plantations and private-sector investment
- Investigate company-community plantation agreements in Fujian Province
- Identify advantages, disadvantages and lessons of such agreements and make recommendations
Methodology (研究方法)

1. Literature review (文献研究)

2. Semi-structured interview (半结构访谈)
   - forestry agencies at provincial, prefecture, county, and township levels
   - private and state-owned wood-processing companies
   - villages
   - households

3. Plantation investigation (实地查看丰产林基地)
1. The natural conditions and forest resources in Fujian Province

A. Geographic location
Longitude: 115°50′ to 120°30′ East
Latitude: 23°30′ to 28°20′ North
Area: 121,400 km²

B. Topography (80% of province is mountainous)

C. Climate (Precipitation: 1100-2000 mm per year, sub-tropical region)

D. Forest types
— Evergreen broadleaved forests in central Fujian
— Seasonal evergreen broadleaf forests in southern Fujian
2. Distinctive features of collective forests in Fujian Province（集体林特征）

A. Collective forests dominate

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Forestland</th>
<th>Forest resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>State-owned</td>
<td>10%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Collective-owned</td>
<td>90%</td>
<td>90%</td>
</tr>
</tbody>
</table>

B. Tenure and management types range from joint to share-holding to individual household management
1. Current situation of forest plantations

A. Market: increasing wood demand
   — 2,000 wood-processing enterprises
   — Since 1998, the output of paper and paper-related products is increasing at more than 20% annually

--- Example: Zhangzhou City in 2003
   Wood demand: 3 million m³
   Local supply: 0.18 million m³
   Imported radiata pines: 0.7 million m³
B. General plan

At present, 999,000 ha of plantation in Fujian
By the end of 2015, 2 million ha of plantation will be established
--Pulp forests: 0.67 million ha
--Panel forests: 0.60 million ha
--Rare tree species forests: 0.06 million ha
--Others: 0.67 million ha

Planned plantations in Fujian
--Paper and panel-making companies 40%
--State-owned forest farms 18.3%
--Rural collective forest farms (community) 33.3%
--Individual, private, foreign company 8.3%
2. Analysis of different plantation types

The following five types of plantations are the main types established in Fujian

A. State and collective-owned forest farms

**Impacts**

**Community:** improved environmental conditions and infrastructure

**Township:** part of wood-selling income from township-owned farms

**Village:** part of wood-selling income from village-owned farms

**Farms:** direct income from selling wood

**Households:** indirect income from labor employment, few chances to get direct income from selling wood
**B. National Afforestation Project (NAP)**

**Impacts**

**Community**: improved environmental conditions and infrastructure

**County government**: political achievement, financial risks (payoff of loans)

**Country Forestry Bureau**: management experience

**County afforestation company**: benefits from selling wood, management experience, and financial risks (payoff of loans)

**Township**: political achievement, direct wood-selling income

**Village**: direct wood-selling income for village (community) public affairs and other expense

**Farms**: direct income from selling wood, natural risks such as fire and disease control

**Households**: indirect income from labor employment, less direct wood-selling income
C. Lease or buy collective forest farms: Yong’an Forest Group

**Impacts**

Community: improved environmental conditions and infrastructure

Yong’an Forest Group: Enlarge scale and source of raw materials

Township or village commission: direct income, relief of management burden, loss of forest control, risk if the venture fails

Households: direct profit and indirect income from labor employment, loss of management opportunities
D. Company + Households: Furen Cooperation

**Impacts**

**Community:** improved environmental conditions and infrastructure

**Company:** stable raw material supply, reduced costs, risk of broken contracts

**Township or Village Commission:** facilitator

**Large household:** direct income from selling wood, financial and environmental risks such as forest fire and disease

**Households:** direct income from selling wood, consistent customer selling wood, environmental risks, unfair pricing
E. Collective forests leased by households: Local Farmer Ling Arlin

Signed an individual contract with the village commission
Leasing price: US$ 27.20 per year
Duration of tenure: 50 years

**Impacts**
For Mr. Ling: income from selling-wood
For the village: forestland rent
For each household: no direct benefits
Conclusions

1. Lessons
   - Imperfect ownership system
   - Imperfect evaluation and transfer of forest property
   - Insufficient participation of households
   - Limitation from harvest quota management system
   - High taxes and fees
   - Mono-culture of tree species
   - Investment constraints
2. Recommendations (建议)

To enterprises
—Enhance communication with households
—Improve good relationships with villages and communities
—Formulate contract based on relevant law
—Find risk-avoiding counter measures

To local government and forestry agencies
—Enforce management of the ecological forest
—Strict monitoring of annexation and contracts
—Increase villagers access to information sources
To household

— Improve negotiating skills
— Pay more attention to market information
— Increase awareness of collective forest ownership
— Establish household cooperatives

To macro-forestry management

— Reform forest ownership
— Build policies based on classification of forest function
— Establish regional regulations and markets based on existing forests
— Standardization of taxes and fees
Thank you very much!
谢谢 (Xie Xie)

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