

State-owned teak plantation timber harvesting and exporting procedure

Introduction

1. In accordance with the Forest policy, the Ministry of Natural Resources and Environmental Conservation, with the aim to achieve long-term development, sets up the plan for conservation of natural environment and forest resources and implements it accordingly.
2. Forest Department is properly managing the forest in compliance with the existing law, rules and regulations to secure long-term development and sustainable utilization of forest resources, to fully obtain the direct and indirect benefits of forests, to conserve the biodiversity and balancing the ecosystems.
3. Forest Department is managing the forest lands based on district and defines that forest district as Forest Management Unit (FMU). According to the forest law section 10 (b), in order to carry out the forest and environment conservation work successfully, a 10-year district forest management plan was drawn up every 10 years and implements it accordingly.
4. Myanma Timber Enterprise, one of the governmental institutions under the Ministry of Natural Resources and Environmental Conservation carries out as a State-owned enterprise and responsible for the harvesting, processing, sale and marketing of timber in and outside the country.
5. Based on timber productivity, Myanma Timber Enterprise defines extraction agencies. It is noted that some extraction agencies can include more than one forest district (FMU) and one or more extraction agencies can be contained in each forest district (FMU).

Objectives of Timber Extraction from State-owned Plantation

6. The objectives of timber extraction from state-owned plantation (commercial plantation) are as follows;
 - a. to extract the final yield as of the objective of establishment of commercial plantation,
 - b. to attain the available land for reestablishment of commercial plantation,
 - c. to lessen the pressure on natural forests by reducing extraction of them and thereby, to assure the effective implementation of silvicultural practices in natural forests,
 - d. to become the better image of the country's forest management by extracting timber from commercial plantation instead of natural forest

Legislation

7. According to the Forest Law 2018, Section 13, the Director-General may, with the approval of the Ministry, establish the following plantations on a forest land or land at the disposal of the Government:
 - (a) Commercial Plantation,
 - (b) Industrial Plantation,
 - (c) Watershed Plantation,
 - (d) Mangrove Plantation,
 - (e) Village Firewood Plantation,
 - (f) Other Plantation

8. Establishment of commercial plantation is based on the following factors;
- (a) to support the socioeconomic development of the country,
 - (b) to protect forest degradation and deforestation and to improve forest cover,
 - (c) to provide the needs of timber for the country,
 - (d) to reduce natural disasters and to increase environmental services,
 - (e) to improve the living standards of local community and to support local development,
 - (f) to reduce timber extraction from natural forests and to plant marketable commercial species for sale in and outside country.
9. According to the Forest Law 2018, Section 17, forest products may only be extracted after obtaining a permit.
10. According to the Forest Law 2018, Section 18, in permitting the extraction of forest products the Forest Department shall use the competitive bidding system if the extraction is on a commercial scale. However, extraction for the following purposes may be permitted without using the competitive bidding system:
- (a) where extraction of forest products and sales in and outside the country are carried out as a State-owned enterprise;
 - (b) where the Ministry is empowered by the Government in respect of the extraction of forest products;
11. According to the Forest Law 2018, Section 21, a permit holder shall:
- (a) abide by the terms and conditions of the permit;
 - (b) abide by the orders, directives, prohibitions and restrictions issued by the Forest Department in accordance with this Law;
 - (c) pay the royalties, security deposits and advances due;
 - (d) affix the mark or the registered property-mark to the product after measuring it in the manner prescribed;
 - (e) pay compensation determined by the Ministry for damage to natural environment or pollution caused by extraction of forest products
12. Some limitations on timber extraction from State-owned plantations are;
- (a) currently extracted only from 30 years of age and above commercial plantations,
 - (b) Since 2019-2020 fiscal year, annual teak production has been set 50 % from natural forest and 50% from plantation.
13. In accordance with the notification (80/2019) of MONREC, Union Minister Office, dated on 31.5.2019, export permit for log, post and pole produced from state-owned and private plantations will be analyzed and allowed whether or not in line with the departmental instructions and procedures.

14. In accordance with the 1/2019 meeting decision of Executive Committee of MONREC dated on 3.1.2020,

(a) Grading of teak log, post and pole produced from State-owned plantation are prescribed as follows;

No.	Grade	Girth at mid-length	Length
(a)	Plantation Teak Grade 1 (PTG 1)	5 ft and above	20 ft
(b)	Plantation Teak Grade 2 (PTG 2)	4 ft to 4 ft 11 inches	20 ft
(c)	Plantation Teak Grade 3 (PTG 3)	3 ft to 3 ft 11 inches	20 ft
(d)	Plantation Teak Post	1 ft to 2 ft 11 inches	20 ft
(e)	Plantation Teak Pole	Under 1 ft	20 ft

(b) Grading of hardwood log, post and pole produced from state-owned plantation are prescribed as follows;

No.	Grade	Girth at mid-length	Length
(a)	Plantation Hardwood Grade 1 (PHG 1)	5 ft and above	20 ft
(b)	Plantation Hardwood Grade 2 (PHG 2)	4 ft to 4 ft 11 inches	20 ft
(c)	Plantation Hardwood Grade 3 (PHG 3)	3 ft to 3 ft 11 inches	20 ft
(d)	Plantation Thinning Post	1 ft to 2 ft 11 inches	20 ft
(e)	Plantation Thinning Pole	Under 1 ft	20 ft

Step (1) Enumeration of standing trees

15. To know the potential available harvested timber from commercial teak plantation 30 years of age and above, it has been enumerated standing number of trees based on girth at breast height classes in Nay Pyi Taw, State/Regions, Districts and Townships.

Step (2) Defining the number of standing trees to be cut within the fiscal year

16. In accordance with the district forest management plan, Director General (Forest Department) and Managing Director (Myanmar Timber Enterprise) define the number of standing trees (teak and hardwood) to be cut within the fiscal year and selected the number standing trees to be marked by subtracting the

number of remaining standing trees of the previous year from the defined number of standing trees which will be cut within the fiscal year.

17. 50% of targeted teak trees, which will be extracted within the fiscal year, has been selected as the 30 years of age and above from the enumeration list of state-owned teak plantation sites.

Step (3) Development of the harvesting plan

18. Myanma Timber Enterprise develops the detail harvesting work plan for the fiscal year and submit to the Union Government through Ministry to get the approval.
19. After getting the approval from the Union Government, the Ministry inform to the related Nay Pyi Taw Council and State/Regions Governments.
20. Forest Department issue the marking program for defining trees to be extracted including information such as Nay Pyi Taw Council, State/Regions, district, township, reserved forest/protected public forest/unclassed forest, number of coupe, number of plantation, girth limit and allowable trees.

Step (4) Notification for permission of marking trees

21. In accordance with the para (20) green teak marking plan, district forest department notify the plantation green teak marking order and assign the team which is led by range officer.
22. Like selective marking of trees in natural Forest and according to the departmental procedure, it implements the following procedures;

Step (5). Tree marking

Step (6). Field Inspection during tree marking operation

Step (7). Return of tree marking note book and map

Step (8). Signing extraction agreement contract between FD and MTE

Step (9). Request to enter the forest and to conduct operation

Step (10). Registration of Hammer marks

Step (11). Felling, Burking and skidding

Step (12). Joint measurement of logs and Akauk (Revenue/Royalty) hammer marking

Step (13). Forest Road Construction

Step (14). Log transportation from measuring point (loading/trucking)

Step (15). Forest Road Decommission

Step (16). Return of Compartment

Step (17). Inspection during and after felling and Preparation of Completion Report

- Step (18).** Transportation and Preparation of logs for sale
- Step (19).** Transportation and Receipt of logs after sale
- Step (20).** Processing of logs and Out-turn Percentage Approval
- Step (21).** Preparation of timber products for export
- Step (22-a).** Application of certificate for legality of forest products
- Step (22-b).** Application of certificate for legality of forest products
- Step (23).** Issuing certificate for legality of forest products
- Step (24).** Application of export license and export declaration
- Step (25).** Shipping