

NATIONAL FOREST POLICY REVIEW



CAMBODIA

by

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The current situation of forest resources and the forestry sector

General

Cambodia has a total area of 181 035 km² and is located between 10⁰ to 15⁰ north latitude and longitude 102⁰ and 108⁰ east. It has common borders with Thailand in the northwest, Lao PDR in the north and Viet Nam in the southeast.

The total population of Cambodia was 11.43 million in March 1998, with a growth rate of 2.49 percent *per annum*. Population density averages 64 persons/km². It is highest in the plains (235 persons/km²) and lowest in the plateau and mountains (17 persons/km²).

Based on 1999 statistics, agriculture, forestry and fisheries contribute about 36 percent to the gross domestic product. The forestry sector alone accounts for about 6.2 percent. Nearly 85 percent of the population is rural, of which 75 percent are poor farming households. Per capita, annual income amounts to US\$268.

The forests of Cambodia cover more than half of the country's total land area and are a significant natural resource. These forests not only play an important role in protecting the environment, but they are of critical importance to the socio-economic development of the country. The sustainable management of forest resources to provide for current and future generations is an important objective of the Royal Government of Cambodia (RGC). To achieve this goal, the RGC is focusing increased attention on improving forest management practices and eliminating illegal logging activities. An important component of the RGC's forest policy reform is the involvement of rural people in the management of natural resources through the promotion of community forestry.

Forest resources

In 1969, forests covered 13.2 million ha or 73 percent of the country's total land area. The forests are rich in biodiversity and of various types including mangroves, flooded forests, bamboo forests, coniferous forests, dry deciduous and moist deciduous rainforests or moist evergreen forests, moist mountain forests and dwarf evergreen forests. The different forest ecosystems occur at varying altitudes under different climatic conditions. They represent a valuable natural resource for the country. In addition, the forests also provide a number of valuable non-wood resources such as rattan, bamboo, resins, palms, fruit trees and medicinal plants.

Cambodia has received assistance from the United Nations Development Programme (UNDP) and the Food and Agriculture Organization of the United Nations (FAO) in carrying out two major forest inventories and one pilot scale inventory:

- 1958-1962, Inventory of East of Mekong Region (5.5 million ha);
- 1968-1970, Inventory of Cardamom Range (300 000 ha); and
- 1996-1998, Inventory of Sandan District, Kompong Thom, (275 000 ha).

In 1993, the Japan Forest Technical Association (JAFTA) assisted the Department of Forestry and Wildlife (DFW) in analysing satellite imagery of LANDSAT TM data (1990/1991/1993/1995) to assess the country's forest resources. The assessment showed that forest cover had diminished to 11.9 million ha or 63 percent of the total land area.

The latest estimates of forest cover, assessed by the GTZ/MRC Forest Cover Monitoring Project based on 1996/1997 satellite imagery, showed a further reduction to 10.6 million ha or 58 percent of the total land area (Table 1 and Figure 1). About 70 000 ha were lost annually between 1969 and 1993. The rate of deforestation doubled to 140 000 ha *per annum* between 1993 and 1997. This figure of 58 percent is somewhat deceptive and should not lead to complacency in the conservation of forest resources. Large portions of the forest are degraded beyond recovery and need to be rehabilitated. The reduction in forest cover during the last two decades amounted to about 2 million ha, which in percentage terms is about 0.56 percent *per annum* compared to about a one percent average for neighbouring countries.

Table 1. Change in forest cover by forest type from 1969 to 1997 ('000 ha)

Forest type	1969	1973	1985	1993	1997	Change
Dryland forests						
Evergreen	3 955.3	6 876.4	4 852.7	4 763.3	3 986.7	31.4
Mixed	2 504.0		1 113.0	977.3	1 505.3	-998.7
Deciduous	5 296.7	4 792.9	4 367	4 301.2	4 281.4	-1 015.3
Coniferous	17.8	9.3	8.2	9.8	82.4	64.6
Secondary			618.5	517.0	374.2	374.2
Bamboo	387.4					-387.4
Dwarf evergreen	288.7					-288.7
Dryland forest	12 449.9	11 678.6	10 960.3	10 568.6	10 230.1	-2 219.8
Edaphic forests						
Flooded	681.4	937.9	795.4	370.7	314.5	-366.9
Flooded secondary			28.2	259.8	20.8	20.8
Mangrove	38.3	94.6	68.5	85.1	72.8	34.5
Rear mangrove	57.5					-57.5
Edaphic forests	777.2	1 032.5	892.1	715.6	408.1	-369.1
Total	13 227.1	12 711.1	11 852.4	11 284.2	10 638.2	-2 588.9
	73%	70%	65%	62%	58.6%	-14.4%

Sources: DFW February 1998; Ex M Secretariat 1969 and FAO 1994; Mekong River Commission/GTZ Regional Project 1997.

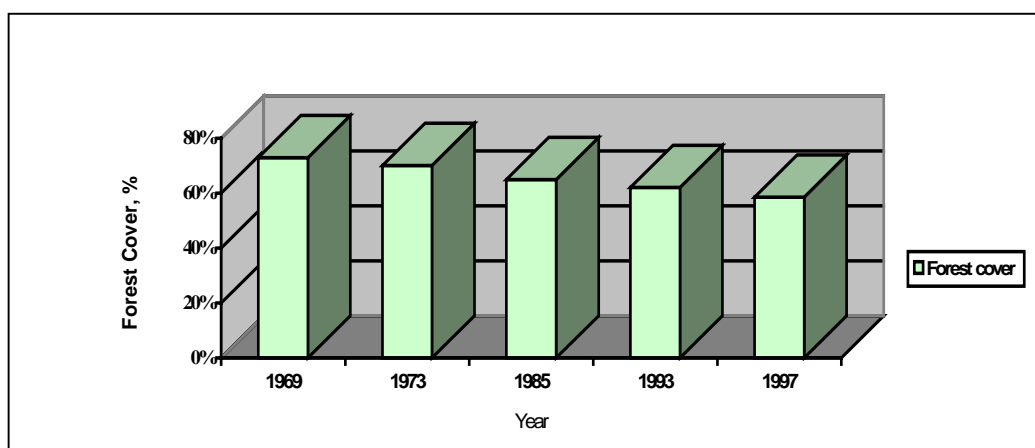


Figure 1. Changes in forest cover between 1969 and 1997

Forest management

Prior to 1970, the forests of Cambodia were managed in a very conservative manner with little impact on forest ecosystems. Forest areas were classified into production forests, wildlife sanctuaries, research forests and preservation forests. The different types were managed to meet specific objectives, with emphasis on sustainable production and protection.

Between 1970 and 1979, Cambodia was embroiled in a civil war that culminated in the eventual downfall of the Khmer Rouge regime. The social and economic conditions during the 1970s precluded significant industrial development, restricted the growth of small-scale local enterprises and hindered access to forested areas. As a result, forest use was limited, primarily serving as a source of fuel and timber for local communities.

The period from 1979 to 1992 witnessed dramatic changes in forestry administration. The DFW lost effective control over the management of forest resources as regional forestry administrations and provincial authorities controlled their utilization. Due to the prevailing economic policy and

the relative inaccessibility of many areas, most forests remained intact. Annual harvesting rates were well below the annual allowable cut (AAC), which was estimated to be between 500 000 and 1 million m³ *per annum*.

In early 1990, under the National Program to Rehabilitate and Develop Cambodia and the First Socio-Economic Development Plan, a transition in land allocation to private companies and groups emerged. Emphasis was laid on commercial development by leasing large land areas to investors. Land-use allocation proceeded in a manner reminiscent of a centrally planned economy. Granting wide-ranging land-use powers with limited regulation was the premise of the RGC's market-oriented economy.

Between 1990 and 1997, the RGC granted more than 30 commercial forest concessions covering an area of seven million ha or 65 percent of Cambodia's forests. By introducing a forest concession system, the RGC sought to delegate responsibility for forest management to the private sector and raise much needed revenue for national development.

Since late 1998, the RGC has been implementing a forestry reform program by bringing order to the sector. As a result of this reform, illegal logging has been curtailed, and logging rights to 22 forest concessions covering an area slightly exceeding three million ha have been withdrawn from 15 companies. The cancelled concession areas have been proposed as protected forests and forest estates. Currently, there are 14 legal forest concession agreements that cover an area of 3.87 million ha.

In order to ensure sustainable forest management, the RGC introduced mandatory compliance requirements for each concessionaire in 2001. Preparation of long-term strategic forest management plans that are consistent with international standards, and renegotiating model forest concession investment agreements are components of the compliance requirement. During the dry season of 2000 to 2001, the AAC was reduced by 50 percent. Further, a Joint Working Group on Forest Concession Management was established, with representatives from the Cambodian Timber Industry Association (CTIA), the DFW and international donor agencies. The Working Group set 30 September 2001 as a target date for initial submission of forest management plans for the concessions. Later, this initial target date was considered to be somewhat unrealistic. On the basis of a study prepared by the Office National des Forêts (ONF), commissioned by the CTIA, and technical perspectives and requests from concessionaires, the deadline for submission of plans was extended to the end of September 2002.

The preparation of long-term strategic forest management plans requires concessionaires to:

- Prepare a practical plan, within a realistic time frame, for conducting a forest inventory in their concession area according to established guidelines;
- Conduct field operations based on the approval of the forest inventory; and
- Prepare a long-term strategic forest management plan based on the inventory and an environmental and social impact assessment to incorporate environmental and social concerns in the operations.

In December 2001, the RGC issued the Declaration on Suspension of Forest Concession Logging Activities with effect from 1 January 2002 and lasting until new forest concession management plans, consistent with regulations and technical requirements, are approved.

In October 2000, the RGC signed a development credit agreement with the International Development Association of the World Bank to support a US\$4.8 million Forest Concession Management and Control Pilot Project. This three-year project assists the DFW in its efforts to strengthen its institutional capacity to monitor and regulate forest concession operations. The primary objectives of this three-year project are to:

- Demonstrate the effectiveness and ensure the acceptance of a comprehensive set of forest management and operational guidelines and control procedures, consistent with international standards in forest concession areas; and

- Support the development of an efficient and effective forest crime monitoring and prevention capability.

In order to accomplish these objectives, and to ensure compliance with sustainable forest management practices, the following four project components have been established within the DFW:

- Forest planning and inventory;
- Concession regulation and control;
- Forest crime monitoring and prevention; and
- Project management and institutional strengthening.

Technical assistance will facilitate the achievement of the project's objectives, and will be used to coordinate the delivery of appropriate capacity-building training programs. Project performance will be assessed against several representative indicators, including:

- Adherence to forest resource management guidelines and procedures;
- Establishment of procedures, provision of training and the dissemination of information related to institutional and policy reforms; and
- Reduction in the incidences of illegal logging.

Commercial timber and markets

Based on land-use cover established by aerial photos taken from 1958 to 1960 (Forestry Research and Education Institute, supported by USAID), and research studies, the annual potential harvest of commercial timber was calculated at 515 000 m³.

In the selective cutting system applied in Cambodian forest harvesting, intensity is expressed in terms of volume of merchantable timber to be removed during logging or in terms of the percentage of the standing merchantable volume to be removed. Forest growth in Cambodia has been estimated to be about 0.3 m³/ha/yr. Applied to a cutting cycle (35 years), this has been used to fix the harvest limit at 10 m³/ha or approximately 30 percent of the total standing volume. This is essentially the Cambodian standard established under Article 3 of the Regulations on Forest Resources Exploitation, which specifies selective cutting and sets the extraction rate at 30 percent of the total volume available for harvest for evergreen and mixed evergreen forests (all merchantable trees which satisfy the corresponding diameter limits).

Timber is considered to be a valuable forest product, especially for providing revenue for national development. Large quantities of timber are also used for the construction of houses within the country.

During the 1960s, Cambodia was exporting annually about 95 700 m³ of round logs, 7 700 m³ of sawnwood and 850 m³ of plywood and other non-wood products.

From 1996 to 2001, timber production from concession areas amounted to 1.2 million m³, and the amount processed and exported (round logs, sawntimber, veneer, plywood, etc.) was 920 415 m³ (Table 2). The main importers of timber products from Cambodia include China, Thailand, Hong Kong, Taiwan, Viet Nam, Singapore, the Philippines, Malaysia and Japan. The main species exported are *Pterocarpus pedatus*, *Hopea odorata*, *Dipterocarpus alatus*, *Shorea hypochra* and *Anisoptera glabra*. Wood and wood products are not imported.

Table 2. Timber production and export from 1996 to 2001 (m³)

Year	Timber production*	Timber export							
		Round logs	Sawn-timber	Veneer	Plywood	Furniture	Particle board	Railway sleeper	Flooring
1996	136 026	161 673	69 044	28 491	-	-	-	-	-
1997	242 463	-	72 566	182 481	-	-	-	-	-
1998	233 348	-	39 766	180 547	16 419	-	-	-	-
1999	290 876	-	10 257	68 194	14 868	-	228	-	-
2000	179 330	-	2 606	44 684	26 507	198	314	-	-
2001	121 497	-	3 690	23 232	13 612	-	-	145	893
Total	1 203 540	161 673	197 929	487 629	71 406	198	542	145	893

Sources: FMO and KAMFOREXIM, DFW 2001.

* excludes timber obtained through purchasing and bidding

Forest industry

After 25 January 1999 when the RGC issued Declaration No. 1 on “Measures to Management of Forest and the Elimination of Forest Illegal Activities”, all permits to set up sawmills were cancelled, to eliminate the processing of illegal wood. Only wood-processing mills belonging to forest concessionaires and their subsidiaries were allowed to continue operating and to supply sawnwood to domestic markets.

Forest concessionaires have been authorized by the RGC to install veneer, sawmilling and furniture manufacturing plants and they have the right to export wood products. The volume of logs supplied to concession plants and concession branches processing timber for the domestic market does not exceed 500 000 m³ *per annum*.

Fuelwood

According to the National Institute of Statistics (1997) nearly 97.7 percent of the population use wood energy for household cooking. Fuelwood accounts for a high proportion of wood harvested from the forest. Rural people mostly collect fuelwood from accessible deciduous forests.

According to a fuelwood flow study, the annual volume of biomass energy flowing into Phnom Penh is about 95 000 m³ of fuelwood and 24 000 tonnes of charcoal. The total consumption of fuelwood is estimated to be six million m³, of which three million m³ are extracted from natural forests. In an attempt to reduce the local demand for fuelwood, the RGC exempts taxes on imports of alternative energy sources, particularly coal and gas.

Forest plantations

From 1985 to 2001, the DFW reforested 8 883 ha. The annual tree-planting target ranges from 280 to 830 ha. The DFW also encourages people to participate in tree planting, and provides over one million seedlings of various species every year, especially on National Arbor Days and when religious ceremonies take place. The main species supplied are *Acacia auriculiformis*, *Eucalyptus camaldulensis*, *Tectona grandis*, *Pinus merkusii*, *Dipterocarpus alatus* and *Hopea odorata*.

The DFW, with technical assistance from the Japan International Cooperation Agency (JICA), has developed a National Strategic Plan for Forest Rehabilitation in Cambodia. JICA is also continuing to assist the Ministry of Agriculture, Forest and Fisheries (MAFF) and DFW in a three-year technical cooperation project that started in December 2001. The project objectives are to strengthen the capacity of the DFW to implement forest administration effectively, to upgrade reforestation technologies and to transfer knowledge to each target group. Based on several studies made by JICA, the DFW and JICA have agreed on the following requirements:

- The DFW should strengthen its institution and staff in forestry administration including coordination and monitoring of various projects supported by other donors.

- The DFW should apply appropriate technology to rehabilitate and manage forest resources through community forestry. This technology should be transferred to relevant parties such as the DFW staff, provincial forestry staff and local people.

JICA invests in the development of human resources and provides the necessary equipment for implementation activities with the DFW. JICA is funding the construction of a training centre, provides technical advisors (a chief technical advisor, a training consultant and a coordinator) and a number of short-term experts, as well as equipment for operating the centre (e.g. computers, a generator and vehicles).

The DFW is also participating in the three-year Indochina Tree Seed Project funded by the Danish International Development Agency (DANIDA). The purpose of the project is to provide genetically superior seeds of good physiological quality from well-managed seed sources of priority woody species to meet the need for tree planting activities in Cambodia.

Land-use planning

In early 1990, under the National Programme to Rehabilitate and Develop Cambodia and the First Socio-Economic Development Plan, land allocation was reformed. For commercial development, land can be leased to investors.

Many concession areas have been leased to the private sector recently for a variety of purposes. These are agreements, for a specified period of time, between the government and a private investor for the exclusive right to manage and harvest a section of forest in exchange for certain investments and the payment of royalties and fees.

Between 1990 and 1998, seven million ha (65 percent of the forestland) were allocated officially to forest concessionaires. The RGC leased land also for agricultural purposes such as for the development of rubber, cashew and oil palm plantations. At present, 3.87 million ha or 21.39 percent of the country's total land area have been allocated to private companies. The size of the concessions ranges from 90 000 to 400 000 ha.

National protected areas were established in 1993 via the Royal Decree on "The Protection of National Areas". Protected areas cover representative ecosystems including evergreen, deciduous and edaphic forests and examples of fragile and critical habitats. They cover 3.33 million ha or 18.37 percent of Cambodia's total area. Twenty-three areas have been designated for biodiversity protection, including seven national parks, 10 wildlife sanctuaries, three landscapes and three multiple-use areas.

In addition, the RGC has issued sub-decrees for protected forests covering 1.04 million ha or 5.75 percent of Cambodia's total area including:

- Conservation of wildlife and gene resources, Mondul Kiri Province: 429 438 ha;
- Conservation of wildlife and gene resources, Preah Vihear Province: 190 027 ha;
- Conservation of the watershed and biodiversity of the central Cardamom Range: 401 313 ha;
- Conservation area for the Sarus crane in Ang Trapeang Thmar, Bontey Mean Chey Province: 12 650 ha;
- Zoological Park and Wildlife Rescue Center in Phnom Tamao, Takeo Province: 1 200 ha;
- Protected Forest for Fresh Water in Kbal Chay, Sihanouk Ville: 6 200 ha.

Figure 2 shows the allocation of Cambodia's forests. Forest concessions cover 3.87 million ha, forest areas under protection status cover 4.37 million ha and other forests account for the remaining 2.4 million ha.

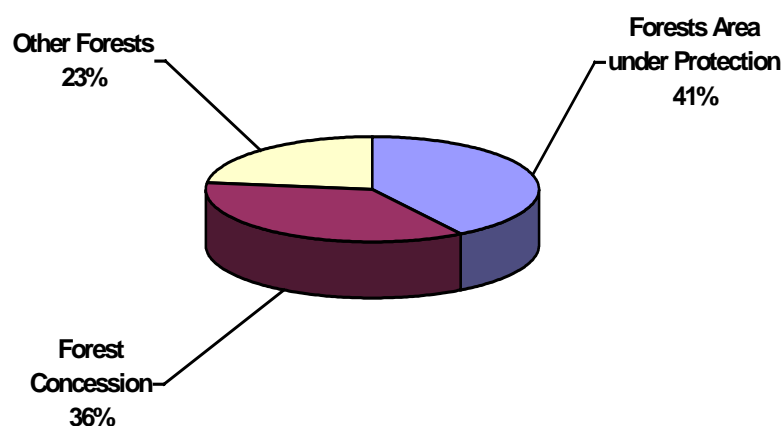


Figure 2. Forestland allocation

Current and emerging issues, trends and critical problems

The direct causes of deforestation and forest degradation are agricultural expansion, forest encroachment, commercial logging and in some locations fuelwood gathering. Underlying causes include market imperfection, a lack of proper planning, population pressure and poverty.

Illegal logging has emerged as a major problem and forest policies continue to stress the need for sustainable forest management. While definitions abound, sustainable forest management generally entails ensuring that forest resources provide a sustained timber yield into perpetuity while maintaining natural forest quality; conserving biodiversity, ecosystem functions and other forest services such as soil and watershed values; maintaining rights of forest access and use for local communities; and preserving cultural values.

In an effort to address the causes of deforestation and forest degradation, the RGC has been formulating policies and implementing programs that focus on:

- The development of forest management plans consistent with international standards of sustainable forest management;
- Local community participation in forest management;
- The eradication of illegal logging activities; and
- The development of land-use management procedures for utilizing previous forest concession lands.

The RGC is a signatory to the Ramsar Convention on Wetlands (Iran, 1971), and the monitoring and protection of endangered animal species under the Convention on International Trade in Endangered Species (CITES). The RGC has also signed the Convention on Combating Desertification and Protection of Biodiversity. Cambodia is a member of the Southeast Asia Zoo Association (SEAZA) and the Asia-Pacific Association of Forestry Research Institutions (APAFRI). The RGC's determined actions against poachers have reduced illegal wildlife trade in Cambodia significantly.

Current national forest policies

The forestry sector was accorded high priority in the RGC's National Program for Rehabilitation and Development, to facilitate the rational and sustainable development of forest resources. The RGC is endeavouring to manage its forest resources on a sustainable basis for socio-economic development and environmental protection, poverty reduction and good governance.

In 1996, the RGC established a National Steering Committee to manage and execute national forest policy. Under the guidance of the committee and assisted by the World Bank, studies were conducted on forest concession management, forest policy, log monitoring and control, and forest concession contracts were subject to a legal review. The RGC concurred with the major findings and recommendations of these studies, and high-level planners and policy-makers have pledged to implement the recommendations.

The RGC's policy platform, in the second term of 1998 to 2003, was adapted by the National Assembly on 22 October 1998; it emphasizes the following aspects:

- Strengthening the implementation of forest policy and forestry law to ensure the sustainable use of forest resources by balancing timber harvesting, tree planting and forest growth and curtailing illegal logging.
- Encouraging people to plant fast-growing trees of high quality for fuelwood and for charcoal production.
- Discontinuing the authorization of additional investments in the timber industry.
- All forest concessions must be reviewed and agreements will be cancelled if they are not in complete or sufficient compliance with legal procedures. Cancelled forest concessions must be reserved as protected areas or classified forests. Such areas will not be allocated to any future forest concessionaire.
- Concessions that are performing satisfactorily according to concession agreements will be requested to install modern equipment and machinery to add value and generate employment for local people. The companies will be encouraged to follow forest management plans and comply with the code of practice, especially in relation to rehabilitating logged-over forests and degraded areas.
- Redrafting the law on forestry protection and management (forestry law) and preparing guidelines for forest management.

In response to the above policy platform, in January 1999 the Prime Minister of Cambodia issued a declaration to bring order to the forestry sector by:

- (i) Declaring the DFW of the MAFF the sole agency responsible for the forest estate;
- (ii) Cracking down on illegal logging;
- (iii) Ordering the military and police to assist the DFW in combating illegal logging; and
- (iv) Banning the conversion of forestland, reviewing all concessions and formulating and adopting a new forestry law.

To meet the domestic timber demand, 10 to 20 percent of the AAC from concession forests will be reserved.

The industrial timber policy of the RGC includes a ban on log exports and promotes the production and export of value-added wood products. The primary objectives of this policy are to decrease the rate of timber harvesting, and to provide employment and income-generating opportunities to local communities.

The critical importance of forest resources in protecting the environment and in meeting the needs of the country's predominantly rural population has dictated the need to develop and adopt a new forestry law. With technical assistance from the World Bank and the Asian Development Bank (ADB), the MAFF, in collaboration with other ministries, the donor community, and non-government organizations (NGOs) has completed the draft of a comprehensive forestry law. The draft law provides a legal foundation for establishing the roles and powers of government agencies in forest administration and enforcement; classifying forestland; establishing a permanent forest estate; defining the rights and obligations of stakeholders concerned with forest harvesting; collecting forest revenues; private and community forestry; conservation and protection of forests and wildlife; and assigning penalties for forestry crimes. The draft has been reviewed and approved by the Council of Ministers and has been submitted to both houses of

parliament (National Assembly and Senate) for adoption. The new forestry law has been passed and adopted by both houses of parliament. It will be implemented soon.

In early 1999, the DFW, with technical assistance from UNDP/FAO, initiated a process to draft a national forest policy to direct the development of the forestry sector in an orderly manner.

In addition, there have been several policy initiatives that have affected commercial forestry activities. A sub-decree on Forest Management Control was adopted for implementation on 7 February 2000. It preserves the rights of local communities to participate in decision-making with regard to the granting of forest concessions, the preparation of forest management plans and the development of systems for monitoring and controlling harvesting operations in forest concessions. The sub-decree requires the establishment of a permanent consultative communal committee to facilitate discussions of important issues with local communities living in or near forest concession areas. The sub-decree has been distributed to concessionaires and provincial offices to facilitate its implementation.

A Model Forest Concession Agreement, prepared in collaboration with the World Bank and ADB technical assistance, has provided a framework for dialogue between the DFW, the CTIA and other stakeholders. Currently, it forms the basis for contract renegotiations between the RGC and forest concessionaires.

The Cambodian Code of Practice for Forest Harvesting, a legal instrument for achieving sustainable forest management on concession areas, became effective on 26 July 1999. Its implementation is intended to protect the environment and promote economic development consistent with the principles of sustainable forest management. The Code will protect sites of cultural significance, maintain forest regenerative capacity, improve the economic and social contributions of forestry and ensure the health and safety of forest workers.

A forest concession management planning manual, prepared with assistance from ADB, has been forwarded to concessionaires to facilitate the preparation of forest concession management plans.

A sub-decree on community forestry to increase the number of community forests and to encourage local communities to participate in sustainable forest management and the conservation of forest resources has been drafted recently. A series of workshops is being conducted to incorporate the comments of various stakeholders.

The MAFF and the Ministry of Environment (MoE) have been collaborating in a three-year forest crime monitoring and reporting project since May 1999. This collaboration has aimed to strengthen the capacity and develop the infrastructure for monitoring and reporting of forest violations in concession and non-concession forest areas through the DFW, and in national parks and protected areas through the MoE. Based on interest expressed by the donor community, the project was established according to international standards, with technical assistance from FAO/UNDP. In August 1999, the MAFF, the MoE, FAO and the UNDP Representative in Cambodia signed a document establishing the "Forest Crime Monitoring and Reporting Project" (FCMRP). The Department for International Development (DFID) of the UK and the Australian Agency for International Development (AusAID) provided significant financial support to the project.

In general, non-forestry policies have not affected the management of forests and trees. However, increasing population pressure and demand for agricultural land and rural development have led to the conversion of forestland.

The existing administrative structure also affects forest management. While the bulk of forestland falls under the jurisdiction of the DFW, the MoE administers protected areas, and flooded forests are the responsibility of the Department of Fisheries. Also, the provincial and district forest offices under the direct authority of provincial governors play an important role in forest management, while the DFW is only responsible for providing technical advice to provincial and district offices.

Process and mechanisms of and institutional arrangements for policy formulation

The forestry sector in Cambodia is experiencing comprehensive reform. To coordinate this reform within a revised forest policy framework, the RGC, through a sub-decree dated 3 July 1996, has established a high-level inter-ministerial National Committee for the Development and Implementation of Forest Policy. The committee is chaired by the Prime Minister. The Director-General of the DFW acts as the committee's Executive Secretary. The committee's primary responsibilities are to:

- Coordinate consultations between the RGC and international donor agencies providing assistance for forest policy formulation and implementation;
- Select and manage the technical assistance provided by donors;
- Coordinate consultations among various stakeholders;
- Review investment programs in the forestry sector; and
- Develop proposals and plans associated with forest policies.

The responsibilities, especially those relating to stakeholder consultations and forest policy and programming, conform with the national forest program.

Subsequent to the approval of the new forestry law, the committee will be replaced by an inter-ministerial National Forest Policy Steering Committee that will be chaired by the Minister of Agriculture, Forestry and Fisheries.

The processes of consultation and decision-making are interlinked closely (Figure 3). Each decision made in the formal government system will be preceded by a consultation, during which technical-level discussions will generate relevant information, clarifying issues and options for a possible policy orientation, while the decision-making level will work towards an agreed policy.

The MAFF and the DFW have recognized that the current rather fragmented efforts to achieve sustainable forest management have to be transformed into a comprehensive program that incorporates different approaches to sustainable forest management. The MAFF and the DFW are considering the use of a national forest program to develop a comprehensive forest policy framework for achieving sustainable forest management.

Furthermore, there is no comprehensive national forest policy that builds upon existing forest legislation and is harmonized among major stakeholders. While essential fragments of policies related to forestry are available, the formulation of a comprehensive national forest policy based on a consultative process has yet to be accomplished.

Since 1996, the DFW/MAFF and the German Agency for Technical Cooperation (GTZ) have been implementing the Cambodian-German Forestry Project. Its goal is: "Institutions and people engaged in forestry increasingly apply and promote the sustainable forest management". The three objectives are:

1. Advisory services on selected issues related to sustainable forest management are provided according to demand.
2. The education and training system for personnel in the forestry sector is improved.
3. A practical concept for a forestry extension system is developed and tested on a pilot scale.

The three objectives address several issues that are currently high on the forestry agenda in Cambodia. In order to steer the project activities towards high priorities, the Cambodian-German Forestry Project concentrates on forest policy issues. As a result, a government statement on forest policy has been developed and GTZ provides broad advice on the implementation of a national forest program.

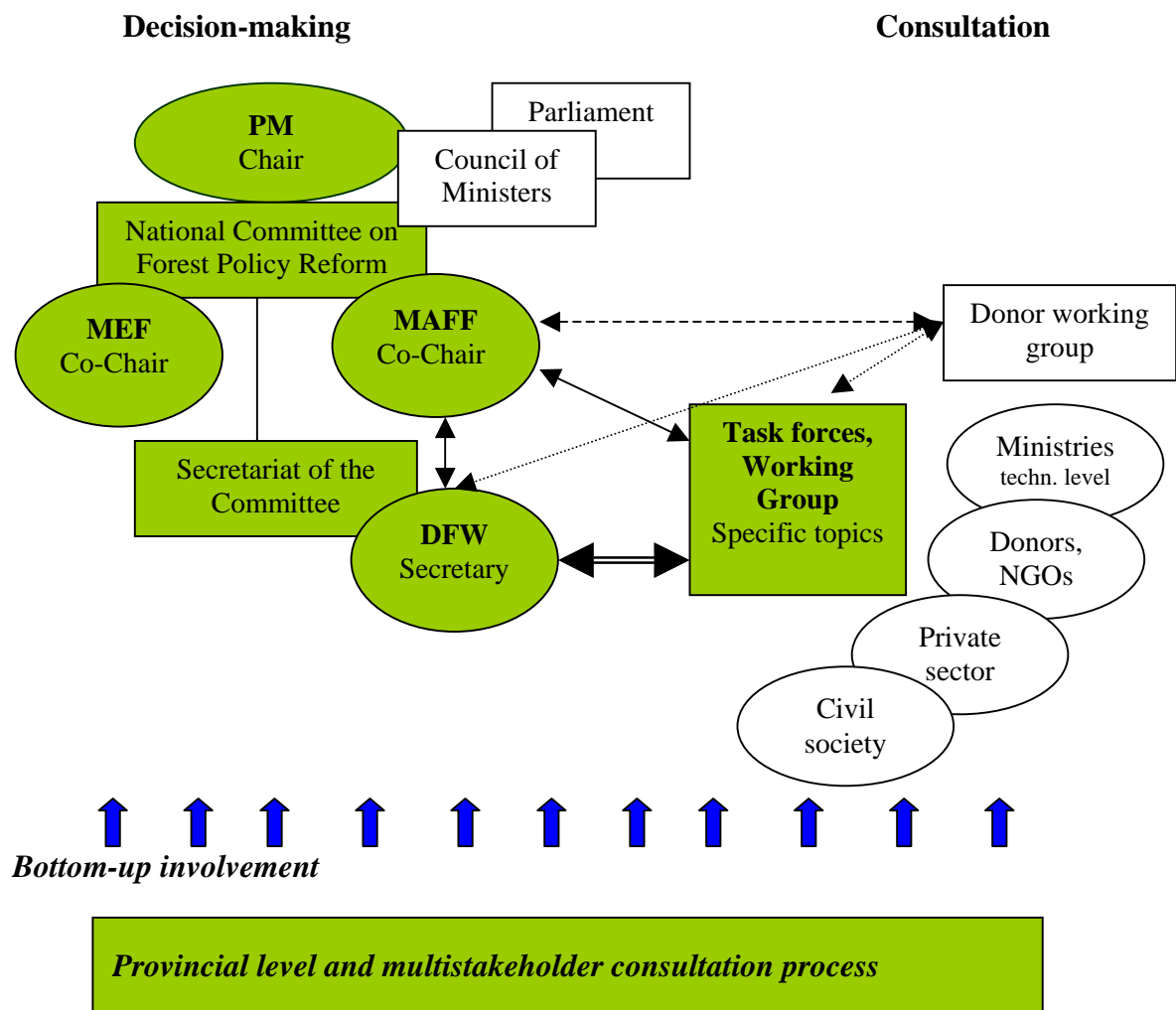


Figure 3. Potential decision-making and consultation structures and mechanisms for formulating a national forest program for Cambodia

The RGC adopted a statement on national forest policy with assistance from the Cambodia-German Forestry Project on 26 July 2002. The objectives of these initiatives within the set of national goals regarding forest resources are:

- The conservation and sustainable management of the country's forest resources shall achieve a maximum contribution to the sustainable socio-economic development of the Kingdom of Cambodia.
- The remaining forest resources of the country shall be considered as Permanent Forest Estate and be managed by exclusively promoting conservation and sustainable forest management schemes that directly contribute to the rehabilitation and conservation of a maximum stock of forestland and forest resources.
- Within the conservation and sustainable forest management schemes, maximum involvement of the private sector and participation of the local population shall be achieved to ensure food security, poverty reduction and socio-economic development.
- A wide range of coordinated multi-stakeholder processes shall be implemented enabling the harmonization of different perceptions, interests and objectives of various interest groups at all levels.
- Continuing to promote afforestation on arable land and protecting these trees for the development of forest resources.

To achieve the national goals of environmental protection, biodiversity conservation, poverty reduction, economic development and good governance, the government will endeavour to accomplish the following tasks:

➤ **Forest resource conservation:**

- Reclassify and dedicate the major part of the remaining natural forest stands to environmental protection and biodiversity conservation functions.
- Promote conservation and protection strategies such as protected forests, watershed management, genetic and wildlife resource conservation and ecotourism with the maximum participation of the local population.
- Strictly apply the code of practice for forest harvesting as a regulatory framework for the sustainable management of forest resources and forest concession areas.
- Carry out extension, education and public awareness campaigns at all levels of Cambodian society.

➤ **Good governance:**

- Implement capacity building, institutional strengthening and research programs at all levels.
- Conduct education, training and public awareness campaigns, in particular regarding the participation of local people in conservation and sustainable forest management.
- Create a forest administration that is supportive of the devolution of decision-making and multi-institutional collaboration.
- Encourage, implement and coordinate multi-stakeholder processes enabling the harmonization of different perceptions, interests and objectives of various forest interest groups at local, national and international levels.
- Promote transparent information for the forest sector.

➤ **Socio-economic development:**

- Promote the socio-economic value of forest ecosystem protection and the biodiversity conservation functions of natural forest resources.
- Promote the substitution of timber supply from natural forest stands by timber plantations through encouraging private investment and public participation.
- Optimize the use, processing and marketing of forest products, especially plantation forest products, to satisfy domestic demand and for export.

➤ **Poverty reduction:**

- Legally recognize and protect the traditional rights of the local population to use forest resources under the framework of food security and poverty reduction considerations.
- Optimize the benefits to the local population from the use and management of forest resources through participatory forestry and wildlife conservation.

Besides addressing forestry issues at the national level, the RGC also acknowledges international issues, processes and commitments. It plans to implement a long-term national forest program that is consistent with international agreements on forests.

The new forestry law provides for the reform of the forestry administration, which will be implemented once the law has been adopted. The new four-tiered administrative structure, including inspectorate, cantonment, division and triage will establish a technical line of control from the central to the local level. This reform will clarify responsibilities and authority over forests and create a more coherent governmental administration of the forest estate. The existing structure, with provincial and district forest offices under the direct authority of provincial and district officials, will be abandoned and provincial and district forest offices will be integrated into the new structure. With the new administrative structure, the RGC plans to decentralize ministerial functions to lower levels of authority.

The administrative reform will be a challenge for the institution and its staff at all levels. It will require a comprehensive review of the roles and functional responsibilities of the forestry administration. Formal lines of communication and supervision will have to be reviewed, and interactions with other ministries and government departments will have to be redefined.

As mentioned earlier, different forest areas are administered by the DFW/MAFF, the MoE and the Department of Fisheries. Within the forestry sector, a number of professional networks focus on issues associated with community forestry, concession management, conservation and rehabilitation. Each of these comprises stakeholders that might include representatives of state forest authorities, local communities, private companies, NGOs and donor-assisted projects. These networks have the potential to contribute significantly to policy, legal and technical forestry issues. Such contributions are reflected within the community forestry network that is currently assisting the RGC in its efforts to elaborate the community forestry sub-decree, which has been prepared under the direction of an inter-institutional task force.

The DFW is responsible for the formulation and implementation of forest policy. It has a central office in Phnom Penh that is organized into seven offices, a research institute, and two companies. Including provincial and district offices, the DFW employs 1 947 people. There are 878 employees at the central office, of which 541 are professionals. The provincial forestry offices are integrated in provincial agricultural, forestry and fisheries' departments.

Forest policy implementation and impacts

The forest policy will be implemented with the provisions of the forestry law. Institutional arrangements for implementation need to be reorganized, strengthened and made more effective. Human resource development will be given high priority to prepare the staff for challenging duties.

The main tasks will be managing the concession forest areas (about 3.8 million ha) and the other forests (about 6.8 million ha) that are excluded from concession management. Additional areas are expected to become "vacant" after the cancellation of more concession agreements. In December 2001, the MAFF issued *Prakas* (Declaration) No. 5721 that suspended timber harvesting until concessionaires have approved forest management plans, and have renegotiated forest management investment contracts. At present, there are no comprehensive land-use plans that prescribe how these areas should be managed.

Major constraints to policy implementation include shortage of funds and trained personnel, and public ignorance of the importance of forests. The government, apart from increasing budgets for the education and extension program, is also pursuing donor assistance to overcome these constraints. The World Bank, GTZ, DFID, UNDP, FAO, JICA and a number of international NGOs are assisting the forestry sector in implementing its policies.

The RGC has faced problems in concession management owing to several factors such as the concessionaires' inability to prepare acceptable management plans, illegal logging in concession areas, insufficient trained personnel and lawlessness in the forest areas. As discussed previously the government is striving hard to ensure the successful implementation of its policies by continuously monitoring the issues and constraints and devising appropriate responses.

To implement forest policies effectively requires a long-term approach. Gradually, progress is being made on a number of fronts especially in efforts directed towards logging concession management, conservation and community forestry.

The AAC for 2001 was reduced to 50 percent of the originally approved AAC. All harvesting operations in the concessions were suspended from 31 December 2001. An evaluation team assisted by international forest management experts is reviewing the management plans prior to their approval, to ensure the conformity of the plans with international standards.

The community forestry program has been expanded since 1992. At present, there are 124 community forestry projects in cooperation with national and international NGOs in 225 villages covering 70 communes, 41 districts and 15 provinces.

A number of NGOs, both national and international are collaborating with the DFW in enhancing community forestry and conservation efforts on a nationwide scale. With support from the Wildlife Conservation Society, a study on biodiversity conservation has been initiated on 306 000 ha within the SL. International Concession, Mondul Kiri and Kratie provinces.

Conclusions

While significant challenges remain, the RGC is continuing its efforts to achieve sustainable forest management and to reduce illegal forest activities by developing a legal framework for policy reform, restructuring the forest concession and protection system, establishing a credible law enforcement capability and promoting community forestry. In order to achieve its goal of sustainable forest management, the RGC will continue to require the cooperation and support of neighbouring countries and other countries in the region, as well as technical and financial assistance from the international community. This is particularly applicable to the improvement of forestry education in Cambodia to produce a new type of forester who is needed at national and provincial levels. Equally urgent is the establishment of research capabilities in the Forest and Wildlife Research Institute to address problems involving community-based natural resource management, biodiversity protection and assessing the potential effects of climatic change.