Forest Policy in Post-1978 China: A Mosaic in Transformation

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Introduction

Since embarking on economic reforms in 1978, China has witnessed three eras in its forestry sector.

1. Lasted about one dozen years. Initially, policy reforms were focused on promoting the adoption of a household responsibility system in rural forestry; then, measures were undertaken to reform state-owned forest enterprises with a view to rationalize the stumpage system and liberalize log markets. The overall objective of the sectoral policy was to increase forest coverage and enhance timber production. During this period, programs flourished, mainly in the development of shelterbelt and windbreak systems and commercial forest plantations using quick-growing and high-yielding species.

2. From the early to mid-1990s, there was a nationwide drive to embrace the concept of a market economy. Despite the official forest policy rhetoric about sustainable development, this period coincided with a worsening state of the forest resource and financial difficulties in state owned forest areas.

3. In the wake of huge flooding in the Yangtze River Basin and several other regions in 1998, China’s forestry entered a new era. There was recognition of the need to shift forest policy to rehabilitate damaged ecosystems. This was done through a ban on logging in natural forests and accelerating afforestation in desertified and degraded areas.

Objectives

- Provide an overview of major reform measures in China’s forestry sector
- Identify major factors that influenced policy changes
- Indicate how China’s forest policy has changed since 1978
- Outline main challenges confronting China’s forestry sector in the 21st century
Chinese Forest Policy Milestones

1978
- State General Bureau of Forestry established
- “Great Green Wall” Shelterbelt Program launched

1979
- Ministry of Forestry established
- Forest Act (experimental) adopted
- March 12 designated as China’s Tree Planting Day

1980
- State Council endorses Ministry of Forestry’s medium-term target of 20% forest cover by the end of the 20th century and long-term goal of 30% forest coverage
- State Council releases “Emergent Circular on Resolutely Banning Indiscriminate and Illegal Cutting of Forests”

1981
- State Council issues “Decisions on Protecting Forests, Developing Forestry and Several Other Issues”
- Ministry of Forestry undertakes measures to reform forest tenures with the aim of stabilizing property rights to mountain lands and forests, delineates self-retained mountainous areas, and sets responsibility for forestry production (also known as 3 Dings, i.e., wending, huading and queding)
- National People’s Congress adopts “Resolution regarding Nationwide Compulsory Tree Planting”

1982
- China Central Greening Commission established

1983
- Giant panda habitat at risk due to mass flowering of bamboo forest
- China Wildlife Protection Association established

1985
- Log markets in collectively owned forest areas are liberalized
- China Green Fund established
- Allowable Annual Cut system introduced

1987
- Rampant illegal timber cutting occurs in southern China
- Huge forest fire in Heilongjiang and Inner Mongolia kills 193 people and injures 226 with burnt area amounting to 1.14 million ha
- Decentralization of management authority over Greater Xing’An Mountain forests to Heilongjiang Province

1988
- Silvicultural fund system established
- Wildlife Protection Act (Experimental) adopted

1990
- Stumpage system introduced
1991
- Four forest industrial groups created in state-owned forests in Heilongjiang and Inner Mongolia

1995
- “China Agenda 21 – The Forestry Chapter” adopted

1998
- Ministry of Forestry downgraded to State Forestry Administration reporting directly to State Council
- State Council bans logging in ecologically sensitive headwaters of the Yangtze River and elsewhere

2000
- China “Going West” and formation of a new forest policy template

China’s forestry sector sought to move forward its agenda through strategic positioning and implementation of programs. The national forestry policy template evolved, over time, into a 3-component package comprising
1. 10 key conservation forest programs in the North, Northwest and other ecologically sensitive areas;
2. commercial forest plantations in central and southern provinces; and
3. protection of natural forests around headwaters of major rivers, such as the Yangtze and the Yellow.

Paradigm Shift

Over the past two decades or so, there has been a paradigm shift in China’s forestry:
- Afforestation efforts have intensified, with the national forest cover increased to 16.55% as of the end of the 20th century
- Existing programs have been consolidated, especially those that are oriented toward ecological restoration, with a greater emphasis on combating desertification in the North and the Northwest
- Forestry activities are increasingly being zoned, with timber production confined to selected areas in Northeast and southern provinces
- Forest management decision making has been decentralized, thanks to decollectivization in the South and corporatization in the Northeast
- Forestry is drifting away from the broad agriculture sector toward ecological functions, such as habitat supply

Determinants

China’s forestry development began with (1) timber production in the Northeast and, subsequently, Southwest, and (2) afforestation in agricultural areas. These two elements coexisted until the late 1970s. The principal determinants of China’s new forest policy include:
- general climate of reforms, opening up, and market economy
- worsening ecological conditions across the country
- declining forest resource base and inefficiency in state-owned forest enterprises
- growing demands for forest products and services
- institutional restructuring of forestry agencies
- reorientation of national strategies and policy directions

Challenges

China’s long-term goal is to raise the nation’s forest cover to 26% by 2050. To accomplish this goal, the following challenges may be noted:
- ambitious plans
- bio-geo-climatic constraints
- limited resources in terms of budgetary allocations and human resources
- market failures
- administrative status, visibility and turf protection
- inadequate involvement and input from private sector

Conclusion

Each period that China’s forestry sector has undergone may be described by a mosaic of policy thrusts that evolved due to a matrix of dynamic forces. Some of these forces arise externally from macro-level socio-economic undertakings while others function internally within the sector. At present, forestry is, more and more, perceived as an undertaking to safeguard sound ecological systems rather than to serve as the resource base for timber supply.
## China’s Major Forestry Programs

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<tr>
<th>Year launched</th>
<th>Program</th>
<th>Objective</th>
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<td>1978</td>
<td>Three-North Shelterbelt System</td>
<td>Building a “Great Green Wall” in northern China</td>
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<td>1987</td>
<td>Agroforestry in Plain Areas</td>
<td>Promoting agroforestry and social forestry</td>
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<td>1988</td>
<td>Fast-Growing and High-yield Forest Plantations</td>
<td>Enhancing commercial timber supply, especially in southern China, using World Bank loans</td>
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<td>1989</td>
<td>Conservation Forests on Upper and Middle Reaches of the Yangtze River</td>
<td>Ecological restoration of the Yangtze River Basin</td>
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<td>1991</td>
<td>- Coastal Windbreak Forests</td>
<td>- protecting coastal region</td>
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<td>- Desertification Combating</td>
<td>- sand dune fixation, soil erosion control</td>
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<td>1993</td>
<td>Afforestation of Taihang Mountains</td>
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<td>1995</td>
<td>- Huaihe River and Taihu Lake Conservation Forests</td>
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<td>- Pearl River Valley Conservation Forests</td>
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<td>1998</td>
<td>Natural Forests Protection</td>
<td>Logging ban in natural forests for water conservation</td>
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Pre-1978 Forestry Model in China

- Afforestation
- Agroforestry
- Timber production
- Conservation forests

China’s New Forestry Paradigm

- Desertification combating
- Agroforestry
- Fast-growing and high-yield plantations
- Timber production