

# ECONOMIC PERSPECTIVES OF FORESTRY IN MYANMAR

*Dr Deedar Hussain Shah\**

## **Abstract**

The economy of Myanmar is basically an agricultural economy and Forestry is one of the main organs of agriculture in Myanmar and a third big source of earning foreign exchange. It also serves as a source of livelihood for the teeming millions of rural population in Myanmar and renders the profitable position to contribute towards poverty alleviation. The study of forestry in Myanmar may help to understand the methodology of curbing poverty and poorness from the rural areas of developing economies in Asia, through the provision of employment to the unemployed working population.

---

\* Professor, Area Study Centre, Far East & South East Asia, University of Sindh, Jamshoro.

Agriculture alongwith its natural components and related interdependent sectors like livestock, fisheries and forestry, has been the main source of economic achievements in Myanmar. Because, its economy is basically agricultural, therefore more than two-third of its people derive their livelihood directly from agriculture and its allied sources. Forestry is an abundant natural resource<sup>3</sup> of the economy of Myanmar. It occupies 52.8% of the total area (676577 sq. kilometers) of Myanmar. The forestry earns sufficient amount through its diverse valuable wood, timber and bamboo resources, including, internationally known teak wood which specifically earns more than 25% of foreign exchange through world wide exports.

In 1988-89, reserved and protected public forests accounted for 24.8 million acres and protected area system totaled to 135 million acres, which increased to 35.5 million acres as reserved and protected public forest area, whereas the only protected acreage assessed to 3.36 million acres, in 2002-2003. In addition to this, during this period more than 1.1 million acres have been brought under forest plantations, with special emphasis on teak plantations.

The following table reflects the picture more clearly<sup>†</sup>.

<b>S.No.</b>		<b>1988</b>	<b>2004</b>	<b>Million Acres</b>
1.	Reserved Area	15.367	30.01	do
2.	Protected Forest Area	–	07.23	do
3.	Teak Logs	07.23	–	(acre lakhs)
4.	Forest Plantation	–	01.93	(million acres)
5.	Green Hill and Parks	–	14.00	do
6.	Sanctuaries and Parks	–	32.00	do

<sup>†</sup> Ministry of Information, Govt. of Myanmar, 2004

## Bio-diversity (Species / Families)

i.	Trees	–	3700	do
ii.	Flora	–	285	do
iii.	Orchids	–	800	do
iv.	Birds	–	1000	do
v.	Reptiles	–	400	do
vi.	Fishes	–	587	do

The above table shows that Myanmar may be termed as forest clad mountainous country. It has more than 7000 species of plant life, reflecting its considerable potential of plant species. The above table also indicates that the Ministry of forestry is striving hard and making strenuous efforts to execute the different projects of forestry to gain the positive results of economic and social objectives meant for massive benevolence and state profiteering. This will not only earn the foreign exchange through cutting logs, but will enhance new sowing meant for reforestation. It may improve the responsibilities of nurturing, conserving and exploiting the forestry resources, systematically. It may promote the financial earning of the state and improve the cohesion between different sectors of the economy. Hectic measures are being taken for extension, protection and conservation of forests, continuously.

Besides the forest Department, another institution known as Myama Timber Enterprise, is also working under the Ministry of Forestry for exploitation of forestry resources, production of sawn timber and wood – based finished products, meant for local and foreign consumption. Its teak – log production attained the ceiling of 318870 tons in 1987 and 297979 tons in 2003, against 381530 and 1072734 tons of hardwood in the

corresponding period.

Both the classification (1.Major 2.Minor) of forest produce is promoted accordingly. Major forest produce is comprised of teak and hardwood like Pyinkadoe, Padauk, Pyinma, In-Kanyin, Thitya-Ingyin, Thingan, Tamalau and others along with minor products like firewood, charcoal, Kanyin Resin, Turpentine, honey, bees-wax, orchids, edible birds nests, laac etc, are developed, environmentally.

The Ministry of Forestry has also established the Arid Zones Greening Department for environmental conservation and greening. The main objectives of this department are aimed at making arid zones green, to conserve environment, to fulfill wood – based finished products required by rural populace, to constantly raise socio-economic condition with the values and benefits of forests and vegetation, to ensure active additional participation of masses for the promotion of environmental conservation and development, to stimulate the agricultural sector for ensuring moderate climate and to prevent desertification, etc.

In order to achieve the implementation of the above mentioned objectives, the department has so far sown the plantations on 20.1 million acres for environmental conservation and greening of arid zones. It is further classified into 3.8 million acres for forest reserves and 8.2 million acres for protected forests. Such development of greening has so far covered 57 townships of 13 districts of Sagaing, Mandalay and Magway Divisions in central Myanmar. The 13 districts viz: Sagaing, Monywa, Shewbo, Kyaukse, Meiktila, Yamethin, Myingyan, Nyaungu,

Magway, Gangaw, Pakokku, Minbu and Thayat, are covered and cultured with greening meant for conservation. This has made the forests and vegetatin greener, which has resulted in moderate climate. Local labour has been provided with jobs for earning their livelihood, in a facilitating way. The variety and status of forestry production is reflected in the following table.

**Table Statement of Forestry Production<sup>‡</sup>**

Year	Exploitation of round logs (m <sup>3</sup> )	Export of round logs (m <sup>3</sup> )	Exploitation and processing (m <sup>3</sup> )	Exploitation of Non-wood products in (Tons)	Plantation for Reforestation hectares million
1980	238	0	0	0	-----
1985	96530	0	0	0	27
1989	224827	0	0	0	51
1993	200909	80835	0	0	46
1995	829006	459085	64414	201	29
1997	525935	0	248920	1371	25
2000	187488	0	74309	749	55
2003	0	0	1641	337	132

The above table reflects the variation of different products. Relevant statistical figures show that the total forestry production went up from 100000(m<sup>3</sup>) cubic meters in 1981 to 900000 (m<sup>3</sup>) cubic meters in 2000. It also reflects the quantum of exploitation, exportation and processing. The total area under reforestation went up from 200 million hectares in 1981 to 1400 million hectares in 2000. In Myanmar National Day for plantation is also ceremonized for enhancing choice of

---

<sup>‡</sup> Ministry of Information, Government of Myanmar, "Magnificent Myanmar (1988-2003), 2004, p.104.

common man for reforestation.<sup>§</sup>

Forest plantation is being established and strengthened to promote commercial Plantation (Teak Hardwood, Pyinkadoe, padauk, Pinus species), local supply plantation (Fuel wood, Mangrove), Industrial Plantation (Eucalyptus species, Bamboo, Tung oil tree), water shed Plantation, wood lot etc.

Development of forestry has tremendously promoted the enhancement of livestock, fisheries, cattle farming, poultry farming, beekeeping, timbering, shrimping, egg production, horti-culture etc.

Efforts are on the way to establish a single ASEAN Market, where production and movement of goods, services, investment and free flow of capital integration may be pushed up vigorously. This may help to improve the agricultural sector including forestry. Such resource mobilization may reform the economic status of teeming millions of rural population. Implementation of strategic co-operation in Food, Agriculture and Forestry (1999-2004), has helped to strengthen food security with self sufficiency, to manage the conservation of forestry, to promote inter-intra-extra foreign trade, to increase productivity and efficiency of forest labor and to empower the building and development of human resources, to seek co-operation and co-ordination of private sector for joint ventures in forestry, to consolidate the efforts for creating competitiveness about forestry production and mobilization of resources on this count.

---

<sup>§</sup> Internet & Website information.

Finally, it may be mentioned that Union of Myanmar is member of GATT and signatory to WTO. Apart from the membership of instructional organizations, Myanmar is also member of Regional Groups, such as ASEAN, (Association of South East Asian Nations), GMS (Greater Mekong Sub-region), BIMSTEC (Multi sectoral Technology and Economic Co-operation, ACMECS (Ayarwaddy-Chao Phaya-Mekong Economic Co-operation strategy, etc. Because of such-cooperation, Myanmar Forestry Products are being exported under the principles of ASEAN Free Trade Area (AFTA), activities.

Such enactments of initial implementation of trade facilitation, has moulded Myanmar to change its economic course from a centrally planned economy into a market-oriented system, since 1988. Since then structural reforms have been introduced, such as decentralization of central control, encouragement of private sector development, allowing of foreign direct investment, initiating of institutional changes and financial management systems, streamlining of taxes and duties, promotion of external trade by facilitating export and import products and improvement of infrastructural supports, have been implemented. The role of Chamber of Commerce and industry has been reactivated for promotion of private sector participation for international trade activities.

Myanmar is a agro-based developing country and its main exporting items are agriculture, marine and forest products against imports of capital goods, construction materials and equipment, machines and pharmaceuticals. Myanmar is also maintaining more than 34 sanctuaries for the protection of wild

life species, comprised of Elephants, Gaur, Bonteng, Samber, Tiger, Leopard, Bear, Hogdeer, Barking deer, wild boar, wild dog, Himaleyam, Peacock, Pheasant, Jungle Fowl, Quail, Potritch, Musk deer, Butterfly, Black barking deer, monkey, Rhinoceros, Serow, Wild Birds, Migratory birds, Hill birds, hand tortoises, Avifauna, Bear, Crocodiles, etc. These species are maintained in various states, such as Kachin, Kayin, Chin Mon, Shan, Rakhine, and divisions like Sagaing, Taniuthary, Bago, Magway, Mandalay, Yangoo, Ajejarwaday etc.

### **Conclusion**

While concluding it may be observed that 50% land area of Myanmar is covered by forestry. The country is blessed with abundant forest resources. Myanmar owned more than 8570 plant species, including 2300 trees species, 850 kinds of orchard species, 97 varieties of bamboo species and 32 types of cane species. The ministry of Forestry has been synchronizing the adoption of the policies of UN decision on environment and its development Protection of the soils, water catchment areas, the bio-diversity of plant and animal resources, as well as, ecosystems are being developed on priority basis. The exploitation of the forest-based resources is being maintained at a sustainable level, just to ensure the tangible and intangible benefits in the current and future periods.

The world wide famous hard wood Burma Teak, necessarily required for building ships, bridges, wharvas, railway Carriages, Wagons, houses, furniture, Carvings etc, is being developed constantly. Girdling of teak, teak and hard wood extraction, production of forest produce, teak and hard wood milling etc are attended to properly in a accurate way.

Presently, teak forests are covered with an area of 15 million acres, which is being further widened and expanded on annual basis. Teak items like veneer, plywood, furniture, carvings, joinery, flooring products and moulding are exported for earning foreign exchange. The following table reflects the Types of Forests in Myanmar.

No.	Types of Forest	Area Hectares Million	Percentage
1.	Tidal, beach and dune Swamp Forests	1.4	04
2.	Tropical evergreen forests	5.5	16
3.	Mixed deciuuuous forests	14	39
4.	Dry forests	3.4	10
5.	Deciduous dipterocarp forests	1.7	05
6.	Hill and temperate evergreen forest	9.0	26
	Total	Million hectares approximately: 35	

*Source:* Kyaw-(1995) in APFSOS/WP/08 through web cites

The above table mentions that, species of commercially valued hard wood like Padauk, Pyinkado, Kanyin, Taungthayet and pine etc. are produced in these forests, abundantly. In addition to this Bamboo trees are also exploited for the benefits of the economy. The annual yield of bamboo and its pulp is more than 0.6 million tons.

Myanmar is also naturally gifted with abundant cane production, alongwith its 23 varieties. After meeting local demand, surplus is exported.

Forestry also yields products like catch (used for tanning and dyeing of fish nets), Canvas, tarpaulins- leather – laac etc (used for making varnish, polish and sealing wax) for profitability of the economy of Myanmar.

## **References and Notes**

<sup>1</sup> Dr Arvind Dayal, *The Making of Modern Burma*, Cambridge University Press, 2001

<sup>2</sup> Helen James, *Security and sustainable Development in Myanmar*, Routledg, London, 2006.

<sup>3</sup> Ministry of information, *Chronicle of National Development, comparison Between period preceding 1988 and after*, Yangoon, 2005.

<sup>4</sup> Ministry of information, *Magnificent Myanmar, (1988-2003)*, Yangoon, 2004

<sup>5</sup> Thames & Hudson, *Angkor, And the Khmer Civilization*, Singapore 2003

<sup>6</sup> Web cites and internet, variety of services and information.

<sup>7</sup> Various sources of information, issued by the Forest Department, Cooperative Department and Myanmar Agriculture services.