Collective Forest Tenure Reform under Village Democracy
Overview and Preliminary Analysis

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SPWD, RRI
Significance of the Reform

• A step toward completion of rural land reform
  – 120 million ha of registered agricultural land
  – But, 167 million ha of registered forestland owned collectively (62% nat’l total)
  – Reform affected 147 million ha forestland
  – Livelihood of ~70 million rural households

• Closure to China’s New Countryside Initiatives
  – Ag land reform
  – Free election of adm village government
  – Financial transfer
  – Collective forest reform
Potential Impacts

• Forest Management
  – Incentives for farmer and private sector investment
  – Better protection
  – Higher productivity
  – Forest policy reform
  – International supply chain

• Farmer Livelihood
  – Income and income structure
  – Labor allocation
  – Capacity for investment

• Social and Political Stability
  – Equity
  – Relationship between farmers and government
  – Village governance
Policy and Research Questions

How the reforms were conducted at County\Township\Village Level
--Are farmer forest tenure stronger?
--Reform conducted with due process?
--Stakeholder attitude?

What are the impacts?
--Do farmers harvest them all?
--Do farmers plant?
--Are farmers better off directly?
--Impacts on farmer labor allocation?
--Impact on forestland market?
--Impact on farmer social organization?
--Impact on State Forest Reform?

Needs for future policy and regulatory adjustment/reform?
--Forest regulation reform? Logging quota?
--Regulation on forestland transfer/market.
--Regulation on farmer association.
--Policy on farmer financing
Forest Tenure in China

• Two ownership types
  • State
    • ~42% forest area and 68% volume; Managed by state forest enterprises and farms
  • Collective
    • 58% area and 32% volume
    • Growing share of timber production
    • Diversified management schemes
Two Rounds of Tenure Reform in Collective Forests

- **First Round: 1981-1986**
  - A fluctuating process
  - Different level of progresses among provinces
  - Tenure remains controversial issue

- **Second Round: 2000-2007**
  - 2003-2007, 14 provinces announced new reform policy
  - In July 2008, Central Government Reform Policy was declared, conclusion of the policy change process
  - By 2010, 20 provinces with reform policies
What’s New

• Fujian
• Local Initiatives to National Consolidation
• “Village Autonomy”
• Longer contract
• Rich rights
• Forest Certificates
## Two Rounds of Repeated Surveys

<table>
<thead>
<tr>
<th>时间 Time</th>
<th>省份 Province</th>
<th>县 County</th>
<th>乡 Town</th>
<th>村 Village</th>
<th>农户 HH</th>
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<td>12</td>
<td>30</td>
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<tr>
<td><strong>总数 Total</strong></td>
<td></td>
<td><strong>49</strong></td>
<td><strong>141</strong></td>
<td><strong>288</strong></td>
<td><strong>3180</strong></td>
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Forest Distribution in China
Changes in Share of Each Forest Tenure Type

(Units: %)

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<thead>
<tr>
<th>Year</th>
<th>Fujian</th>
<th>Jiangxi</th>
<th>Zhejiang</th>
<th>Anhui</th>
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<tr>
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<td>45</td>
<td>31</td>
<td>32</td>
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<td>2005</td>
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<td>2010</td>
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<td>78</td>
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Changes in Share of Each Forest Tenure Type

(Units: %)

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<th>Shandong</th>
<th>Yunnan</th>
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<td>2010</td>
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</table>

Progress of Reform

Tenure Share Change 2000-2010
Annual Harvest by Villages (m3)
Annual Forestation by Villages (ha)
Income Structure Change 2000-2010

Breakdown Annual Income per Captia by Sources
(Unit: %)

Income Structure Change 2000-2010

- Forest
- Agriculture
- Non-agriculture
- Others
Results from Preliminary Analyses

- Tenure Choice
  - Dominated by rural governance structure

- Afforestation
  - Reform increased forestation area by 8%

- Labor Allocation
  - Safety net effect for better educated farmers
  - Labor tying effect for ordinary farmers
  - Enhance self-employment
Thanks!
Tenure Share Change (2000-2010)  
(village average, ha)