



Introduction

- **The total forest area of Mongolia is 17.5 million ha or 11.2 percent of the total land area . All forests and forest land in Mongolia are state owned.**
- **During the planned economy system, until 1990 , increased environmental degradation caused by common property for natural resources, which was reflected to use of resources without any charges, because it was as " natural gift" and all production incensement was subsidized by central Government.**
- **In the transition period, since 1990, market relations makes serious reforms in forestry complex, as one of Natural Resources Based Sector. The forest resources management system was decentralized.**

Forest map of Mongolia



Previously state-owned enterprises have been reorganized into joint stock companies, and currently all of them are private companies, and free market price for forest products where was established.

Forest harvest volume was reduced to 2.5-3.0 times, and due to that forest production amount was subsequently decreased, as a result share of forestry sector to the GDP dropped from 4,7 percent in 1989 to 0,6 percent in 2002.

Forest policy

In the legal side there following laws have implications to forest management: i) Law on Environmental protection; ii) Forest Law; iii) Land law; iv) Law on Special Protected Areas; v) Law on Native Plants; vi) Law on Forest use payment ; and vii) Law on “ The rate of Environmental expenditure to the natural resources use payment income “.

The Forest Law , enacted in 1995 and amended in 2000 and 2002, provides the basic framework for the protection, proper use and regeneration of Mongolia's forests.

Forest policy

According to the Forest law the state owned forest resources and forest land subject to the leasing or allocation to the economic units, organizations and to the group of citizens.

The law regulates the roles and responsibilities of government agencies and as well as citizens. But in the future it need more improvement for the clarifying the roles and responsibilities of all stakeholders.

National Forest programs

- A National Forest Policy was prepared in 1998. It focused on forest utilization, forestry resources, conservation and social welfare concerns.
- The forest policy was revised in 2001 as the National Program on Forestry (NFP), and another important policy document, National “Green wall” Program, also was approved by Mongolian Government in 2005.
- These policy documents clearly represented Mongolian government policy to shift its priorities away from utilization forest resources towards to conservation, protection and reforestation.
- The NFP priorities are institutional restructuring, forest fire and pest management, reforestation and enhancing the quality and efficiency of timber processing.
- The National “Green wall” priorities are building totally 3000 km long green zones between desert and steppe ecozones from western to eastern regions of Mongolia, with the aim to combat Desertification and sand movement, which more severe now due to Global Climate Change, and ongoing forest resources depletion.

Forest marketing

Mongolian forest serves mainly as a source : i) commercial wood and fuel wood at domestic demand, ii) habitat for wild animals, iii) grazing space for domestic animals, which is country economy is depend, and iv) watershed management in the highly dry zone of Central Asia and the collection medical and other NTFP.

The importance of small-scale wood producers is high in a country like Mongolia with sparse population. The re-estimated size of Annual allowable cut (AAC) in utilization and some part of protection forests is around 0,9 -1,5 mln.m3., so Mongolia can not be supplier of wood products more than this level to domestic or international markets. Current total domestic demand (TDD) is about 1,8 mln.m3, where sawnwood products 0,1 mln.m3, and fuelwood 1,7 mln.m3.

Management structure

In 1987, due in part perhaps to increasing alarm at the rate of forest exploitation, a decision was made to establish a single government ministry responsible for inter-sectoral integration and coordination of natural resource and environmental policies and programs at the national level. The Ministry of Nature and Environmental Protection was established in that year by merging the Ministry of Forestry and Wood Industry (where established in 1974) with the Department of Meteorology and Hydrology. In 1990, the Ministry was amalgamated with other agencies into a State Committee for Environmental Control, and responsibility for the wood industry was transferred to the Ministry of Commerce and Industry.

- In 1992, the State Committee for Environmental Control was re-organized into a new Ministry of Nature and Environment (MNE).
- Currently the Ministry of Nature and Environment (Forest policy and coordination Division is one 7 units in MNE structure) , and the Aimak , city Governors has the main responsibility for the management of forests .

Timber harvesting

- In 2005 government quotas , issued on the base of utilization forest resources, was for sawn wood products - 0,04 mln.m3, and fuel wood - 0,6 mln.m3., but it represents approximately half of total timber harvesting in the country, and remaining as “ illegal harvesting”. According to some estimation a total illegal wood harvest, for which the Government receives no royalties or taxes, in the range of 345,000 to 1.0 million m3 per year.
- In the view of the gap , between AAC and TDD , Mongolian Parliament (2005) adopt Law on import and value added tax exception for round wood and limber. Currently about 65 percent of total wood harvested is used by poor rural and urban households for both cooking and residential heating. The wood is a source of energy for which no realistic alternative exists at a time of serious, accelerating forest depletion. It is estimated that if no alternative sources of domestic fuel are developed and current levels of forest depletion continue unabated, serious fuel wood shortages will begin to be experienced in urban areas by the end of this decade.

Illegal cutting of forest

- **The illegal cutting of forest is now one of major priority of forest law enforcement.**
- **Government is currently undertaken following measures to reduce illegal forest harvesting in the country:**
- **Introduced Code of Certification (2004) for transporting commercial wood between aimaks and cities;**
- **Revised the license system for commercial and fuel wood harvesting (2005)**
- **Revised Forest Law Articles on the planning and permit system of forest harvesting;**
- **Established Sectoral Inspection for illegal cutting;**
- **Involving NGO”s and citizens for the monitoring of forest harvesting; and**
- **Promoting Community Based Forest Management Approaches**

International assistance

In the forestry sector following international assistance projects was or being implemented in last 5-10 years, by the support and the technical assistance of UNDP, JICA, ADB, FAO, FINNIDA, GTZ, World vision, IDRC Canada, and KOICA :

- Forest resources Management study in Selenge aimak, 1999-2001
- Forestry sector development plan, 1997-1999
- Reform policy exchange project by, 1997-1999
- Forest Management in Protected areas and National Parks, from 2000
- Participatory Forest Management , from 2004
- Community based forest management , from 2000
- Sustainable Management of Common Natural resources, from 2000, and
- Forestry Sector Review , 2004;

Major changes for the effective forest management

Other changes for effective policy settings will include:

- Improvement of regulatory enforcement
- Improvement of effectiveness reforestation, including “Green wall” Program
- Use of market instruments and incentives for sound use of resources
- Increasing investment to wood processing , and
- Improvement of capacity of forest management at local and national levels

International network on forest policy information

Mongolia interested to take part on the forestry policy information sharing network among the countries and regions. We need to study more market oriented forest management policy experiences, where ecological and social aspects forest management underlined. There are none any obstacles for such networking and experience sharing in case of Mongolia.