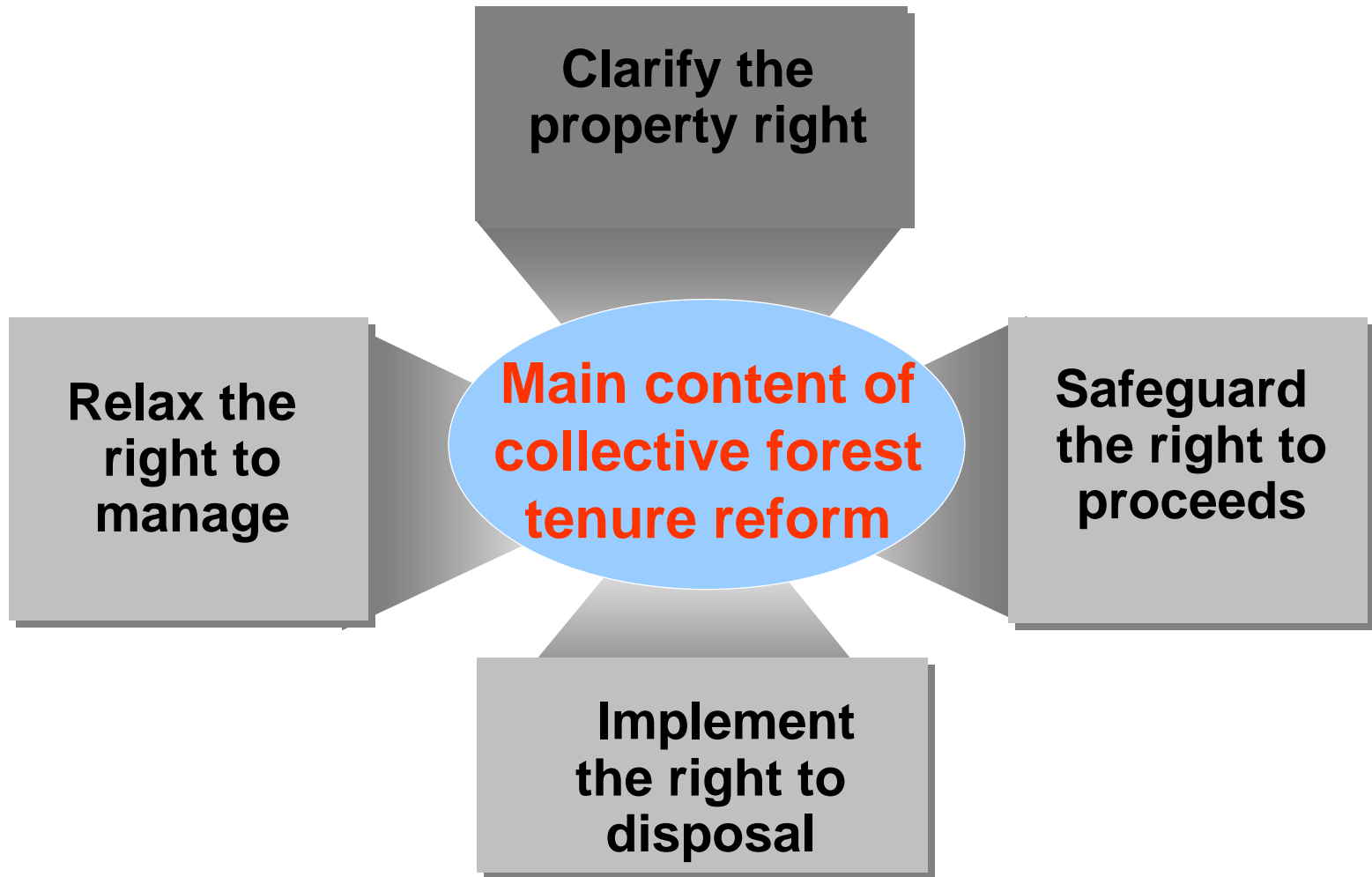


REDD : Incentive Policy of Forest Tenure Reform in China

- 1 > Perfect forest logging management mechanism
- 2 > Regulate the transfer of forestland and forests
- 3 > Establish public financial system
- 4 > Promote forestry-based investment and financing reform
- 5 > Enhance forest socialization service

Overall Objective of Collective Forest Tenure Reform

Within 5 years or so will the reform task of clarifying the property right and household contract be basically completed. On that basis, a virtuous development mechanism for collective forests will be formed through deepening the reform, improving the policies and the services and regulating the management, with the expectation to achieve the resources increase, farmers' income increase, good ecosystems and harmony forest regions.



Progress of collective forest tenure reform

- **Fujian, Jiangxi, Liaoning, Zhejiang and Yunnan has basically accomplished the reform;**
- **Hebei, Anhui, Henan, Hubei, Hunan, Chongqing, Sichuan and Guizhou has fully implemented the reform;**
- **Other provinces (autonomous regions and municipalities) are conducting an active implementation of pilot reform program;**
- **Forestland whose tenure has been decentralized to farmer households has reached 84.67 million ha, accounting for 50% of the collective forests.**

Principal Achievements of Collective Forest Tenure Reform

1

Greatly raise forest farmers' enthusiasm to establish, cultivate and protect forests, and promote the forestry ecological development

2

Make forest management flexible, reduce the taxes and fees, and greatly increase forest farmers' income

3

Promote the functional transformation of forest authority, with its work focus towards macro policy guidance and the establishment of community forest based service system

4

Vigorously promote rural spirit civilization development and social harmony in forest regions

Perfect Forest Logging Management Mechanism

- **Develop forest management plan;**
- **Reform logging quotas management for commercial forests;**
- **Publicize the review and approval of forest logging ;**
- **Strictly control the logging of ecological forests, and conduct the forest improvement harvesting and regeneration harvesting in accordance with the laws.**

Regulate the Transfer of Forestland and Forests

- **Forestland management contractor can employ a variety of approaches to transfer the forest ownership and the right to manage forestland;**
- **Forestland must not be converted after the transfer;**
- **The transfer of the right to manage forestland and forest ownership must be conducted in accordance with the legislative procedure;**
- **It shall establish a sound property trade platform to regulate forest tenure transfer with the laws;**
- **It shall enhance the management of forest resources valuation.**

Establish Public Financial System

- **Create and perfect forest ecological benefit compensation fund;**
- **Establish the investment subsidy system for forest establishment, tending, protection and management;**
- **Reform the forest cultivation fund, and gradually reduce the percentage imposed for the fund;**
- **Integrate infrastructure construction into the basic construction planning based on government investment at different levels;**
- **The central finance should reinforce the fund support to collective forest tenure reform.**

Promote Forestry-based Investment and Financing Reform

- **Financial organizations should develop the credit product adapting to forestry development to widen the financing channel for forestry sector.**
- **Give more credit and loans to forestry sector, and perfect the financial discount system for forestry loan;**
- **Perfect forest tenure mortgage loan system;**
- **Accelerate the establishment of policy-based forest insurance system.**

Enhance Forest Socialization Service

- **Develop professional cooperatives in forestry sector, and promote the large-scale, standards-based and intensive forest management;**
- **Establish professional associations for forestry development to give full play to their role in policy consultation, information service, technology extension, etc.;**
- **Guide and regulate the healthy development of the intermediary service.**