

► Project *brief*

Thünen Institute of International Forestry and Forest Economics

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Challenges related to smallholder participation in the production of sawlogs: The case of acacia plantations in Vietnam

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- **Small-scale forest owners manage about half of the area under tree plantations in Vietnam mostly via short rotation periods for the production of woodchips.**
- **An increased supply of sawlogs from tree plantations is needed from the booming domestic furniture industry for source materials.**
- **Main reasons that refrain small-scale forest owners from expansion of rotation periods for acacia plantations, as revealed from this study, include small and fragmented land, natural hazards, and cash constraints.**

Background and aims

Tree plantations occupy around 10 % of the total land area in Vietnam. Small-scale forest owners manage half of that area, focusing on acacia and producing timber for woodchip through short rotation periods. An improved supply of sawlogs from tree plantations is needed for the booming domestic furniture industry, which requires extension of rotation periods. This study seeks to identify factors that influence forest owners' decision-making concerning long rotation periods to produce sawlogs.

Key findings

Focus group discussions among the forest growers revealed that main reasons not to adopt long rotation periods include recurrent natural disasters, cash constraints for family expenses, higher production costs, and small and fragmented lands. Regressions showed forest owners owning larger land areas, with access to paved road and located in non-remote areas are more likely to adopt long rotation periods for the production of sawlogs.

Policy implications

In order to promote long rotation periods for the production of sawlogs, policy-makers could address several aspects at the same time. Insurance schemes could reduce uncertainties and risks of small-scale forest owners, extended credits or direct contracts between forest growers and timber companies can release cash constraints, and support with the establishment of forest owners associations can address smallness of land size and land fragmentation.

Acacia mangium harvested for woodchip production



Source: Eliza Zhunusova.

Further Information

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