



# **OVERVIEW OF NFA MANDATE AND OPERATIONS**

---

## **PRESENTATION TO THE ROYAL FOREST DEPARTMENT OF THAILAND**

**BY**

**ERNEST KADDU**

**Ag. Executive Director  
NATIONAL FORESTRY AUTHORITY**

**SEPTEMBER 2009**

**NFA**  
National Finance Authority





# **MANDATE OF THE NATIONAL FORESTRY AUTHORITY**

---

- **NFA was created in 2003 under the National Forestry and Tree Planting Act (NFTPA);**
- **Mandated to operate within the framework of the National Forestry Policy (2001) and Forest Plan (2002);**
- **NFA's role is limited to the 506 CFRs with an area of about 1.26 million ha.**



# **FUNCTIONS OF NFA**

---

- **Develop and manage all CFRs;**
- **Promote innovative approaches for local community; private sector participation in the management of CFRs;**
- **Establish procedures for sustainable utilization of Uganda's forest resources;**
- **Cooperate and coordinate with NEMA and other lead agencies;**

# Tropical High Forest



# INCREASING FOREST RESOURCE BASE

---

- Undertaking widespread planting in CFRs;
- Widespread sensitisation on need for tree planting and efficiency in utilisation;
- Protection;
- Establish partnerships with stakeholders



# PLANTATION STRATEGY

- 200,000 ha as area of Plantations in the next 20 years
- Private sector to plant 150,000 ha over the next 20 years
- NFA to Plant 50,000 ha over the next 20 years



# Local Financing of Forestry Operations

---

Merged with Transformation of National Forestry Fund



# Funding for Forestry Activities

---

- NFA generates own revenue to fund forestry activities
- Own revenue for FY 07/08 covered 75% of operating expenses
- Sources of revenue include sale of products (timber, roundwood, seedlings and other nonwood products)



# Funding cont'd

---

- Services paid for include mapping services (New Land cover maps , 2005)
- Digital Elevation Models
- Environmental Impact Assessments
- Project planning and Development



# Funding cont'd

---

- Generated revenue used for forestry activities
- District Forestry Services also budget for forestry Activities
- National Tree Fund established by law-Implementation ongoing this year
- Private funding for forestry activities on private land



# PLANTATION PROFITABILITY

---

- Current average price for round wood is 80,800/= (40 USD);
- The internal rate of return (IRR) is around of 13 to 15% for timber and much higher for Poles.
- 1 ha yields 350 to 450 m<sup>3</sup> of round wood for timber.

# Efficient and Profitable Utilisation

---

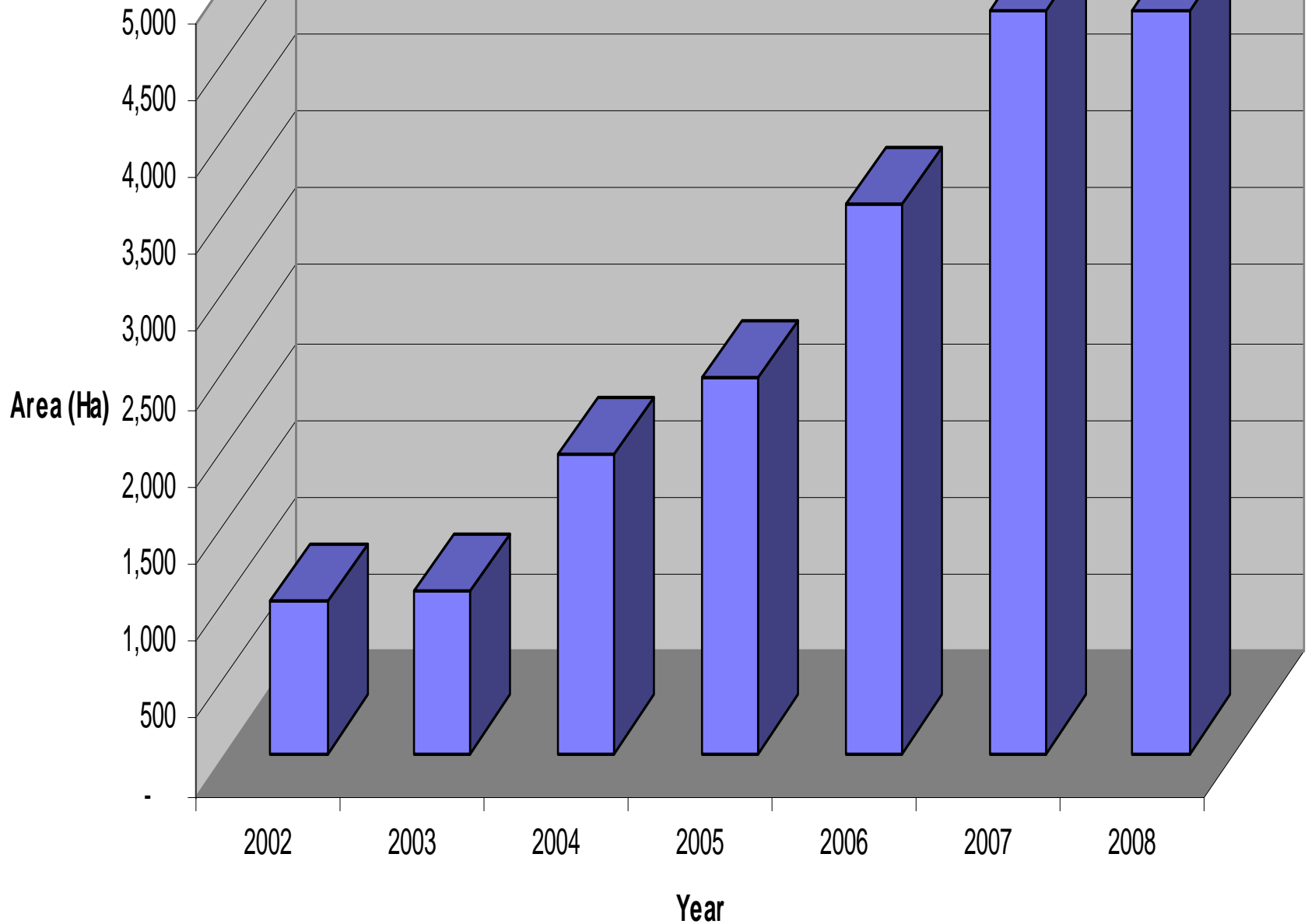
- Discouraged the use of non efficient equipment and tools such as powersaws, Lucas mills
- Encouraged utilisation of less known species
- Utilisation of branches, tops and lops for fuelwood

# Attracting Private investors

---

- Offered land in CFRs for private tree growing
- Provide technical backstopping advice to tree farmers (site-species matching)
- Road infrastructure in CFRs improved
- Aailed high quality seedlings

# Annual Progress of Private Plantation Development on CFRs





# Commercialisation of forestry sector

---

- Recruited several large scale planters in CFRs such as New Forest Co, Busoga Forest Co, Critical Mass Growth Co. Ltd
- Several large scale individual planters



# Commercialization Cont'd

---

- Promoting Forest Based investment in Urban CFRs such as Banda, Nakawa
- Established demo plantations



# Carbon sequestration

---

- **Implementing the Environment Management Capacity Building Project (World Bank)**
- **Partnerships still being finalised with Private Investors such as Clean Carbon Systems**

# A TYPICAL PINE PLANTATION



# MAJOR PLANTATION SPECIES

## 1. Conifer Plantations:

- *Pinus caribaea*
- *Pinus oocarpa*

## 2. Broadleaved Plantations:

- *Eucalyptus grandis*
- *Tectona grandis* – Teak
- *Maesopsis eminii*







# CHALLENGES

---

- **Illegal extraction;**
- **Encroachment;**
- **Inadequate funds;**
- **Political misguidance of local people;**
- **Inadequate awareness-among the population.**



# CONCLUSION

---

- **Success of NFA is a result:**
  - **Forestry Reform which allowed NFA significant financial freedoms to function in a business-like manner;**
  - **NFA leadership through Board Directors;**
- **Potential for NFA is still very high as:**
  - **Challenges are being addressed;**
  - **Demand for quality forestry services and products is on the increase.**





---

*Thank You*

