

**FOREST DEVELOPMENT, CONSERVATION AND
UTILIZATION PROCLAMATION**

WHEREAS sustainable forest development, conservation and utilization plays a crucial role to halt environmental, social and economic problems caused by the high level of forest degradation in the country;

WHEREAS in addition to developing forest by state and private ownership, it is necessary to introduce community forest development to implement the policy and strategy that have been formulated to enhance sustainable forest development, conservation and utilization through to recognizing community ownership and public participation;

WHEREAS to ensure sustainable forest development, conservation and utilization, it is necessary to classify forest into productive, protected and absolutely protected forests based on their environmental, social and economical significances;

WHEREAS it is necessary to further enhance the environmental, social and economical benefits that may arise from multi-lateral and bilateral agreements;

WHEREAS it is necessary to establish and organize research, educational, investment, trade and information system to enhance sustainable forest development, conservation and utilization;

NOW THEREFORE, in accordance with Article 51 (5) and Article 55(1) of the Constitution of the Federal Democratic Republic of Ethiopia it is hereby proclaimed as follows

SECTION ONE
GENERAL

1. Short Title

This Proclamation may be cited as the “Forest Development, Conservation and Utilization Proclamation No. ----- /2017”.

2. Definitions

In this Proclamation unless the context otherwise requires:

- 1/ “forest” means trees, plants and other bio-diversity accumulation at and in the surrounding of forest lands, roadsides, riverside, farm and grazing lands as well as residential areas or parks that grow naturally or developed in some other ways;
- 2/ "forest biodiversity" means diversity of species of plants, animals and microorganisms and the ecosystem in which they live together in interaction and interdependence in a forest or forest land;

- 3/ "tree" means any woody plant regardless of its age or size and includes bamboo, reed and palms as well as other plants to be designated as such by the Ministry;
- 4/ "forest land" means any plot of land demarcated or designated for the purpose of forest development and conservation;
- 5/ "State forest" means any preserved, conserved or productive forest, which is under the ownership of the Federal Government or a Regional State;
- 6/ "private forest" means a forest developed on any private possession other than State or community;
- 7/ "community forest" means a forest developed, conserved, utilized and administered by the community on its private or communal possession based on bylaws and plans developed by the community;
- 8/ "association forest" means a forest developed, conserved, utilized and administered by cooperative associations established to develop forest;
- 9/ "participatory forest management" means a common forest management method regarding utilization of forest resource and identification of roles by the government and communities dwelling inside or in the surrounding of State forest;
- 10/ "concession" means a contract given to any person to develop, conserve or to utilize a given State forest for a defined period of time;
- 11/ "conserved forest" means a forest that provide various ecosystem services and utilized in accordance with forest management plan developed by responsible body without significantly affecting the sustainability of forest eco-system values;
- 12/ "preserved forest" means a forest that is free from any intervention of human and domestic animals except for the protection of the forest from any danger and identified for the purpose of conservation of biological diversity, historical and scientific researches;
- 13/ "production forest" means a forest that mainly developed for economic purpose;
- 14/ "plantation forest" means a forest which is developed by human;
- 15/ "natural forest" means a forest which is composed of naturally grown trees, shrubs and other woody and non-woody plants;
- 16/ "agro-forest" means a forest to be developed or developed through integrated land utilization method develop crops with trees or animal fodder with trees or three of them on the same plot of land simultaneously or through shifting;

- 17/ "forest management plan" means a plan developed for the development, conservation and utilization of natural or plantation forests by conducting detailed study of available forest resources;
- 18/ "forest outputs" means any timber and non-timber forest outputs including forest carbon and other forest ecosystem services;
- 19/ "forest outputs transaction permit" means a permit issued by the Ministry or responsible regional authority for the importation, export, transportation, storage, sale and production of forest outputs;
- 20/ "forest checking post" means a station established to control the transaction of forest product outputs;
- 21/ "forest product inspector" means an expert assigned by the Ministry or responsible regional authority to control forest outputs transaction;
- 22/ "carbon" means a chemical element found in living and non living things that creates a gas with a nature of heat absorption when mixed with oxygen; that results warming upon raise of the natural concentration in the atmosphere;
- 23/ "carbon storage" means the accumulation of carbon for a long period of time in the various parts of green plants during the process of photosynthesis by using carbon dioxide;
- 24/ "forest carbon trade" means carbon market system in which payment made for carbon emission reduction by reducing deforestation and forest degradation or carbon stored by increasing forest coverage;
- 25/ "forest carbon emission" means release of stored forest carbon into the atmosphere due to various manmade activities;
- 26/ "responsible authority" means any regional governmental executive organ that is responsible to implement forest development, conservation and utilization;
- 27/ "royalty fee" means a payment to be made by any natural person who engages on forest trade;
- 28/ "person" means any natural person or juridical body;
- 29/ "Ministry" or "Minister" means the Ministry or Minister of Environment, Forest and Climate Change, respectively;
- 30/ "Region Sate" means any region stipulated in Article 47 (1) of the Constitution of the Federal Democratic Republic of Ethiopia and includes the Addis Ababa and Dire Dawa city administrations;
- 31/ any expression in masculine gender includes the feminine.

3. Scope of Application

This Proclamation shall be applicable nationwide.

4. Forest Ownership

There shall be the following types of forest ownership:

- 1/ private forest or;
- 2/ community forest or
- 3/ State forest.

SECTION TWO
PRIVATE FOREST

5. Rights and Incentives of Private Forest Developer

- 1/ Private forest developer shall have the following rights:
 - a) acquire land that has been identified for forest development, or carryout forest development on their privately owned land in accordance with federal and regional land administration and utilization law;
 - b) obtain certificate of title deed for developing forests in the identified forest land;
 - c) utilize or sell to local and foreign markets forest outputs obtained from their forest development;
 - d) get professional support from government on forest development, conservation, utilization and trade;
 - e) transfer his possession rights;
 - f) benefit from carbon sales and eco-system services generated from the forest he develops or under his possession;
 - g) get compensation in case of expropriation of his possession for public interest;
- 2/ Private forest developer shall be provided with the following incentives:
 - a) be free from land lease and any kind of tax for the first one production year; as well as be free from any kind tax for the first two production years if it is a forest developed by forest development association;

- b) without prejudice to members obligation to settle payment of income tax on their dividend; be exempted from income tax if it is association engaged in forest development;
- c) access loan upon fulfilling appropriate requirements.

6. Obligations of Private Forest Developer

Private forest developer shall have the following obligations:

- 1/ keep and protect the forest from fire, pests, disease, and invasive species as well as other damages;
- 2/ urgently report the occurrence of fire, pest, invasive species and disease to the responsible body;
- 3/ refrain from introducing and reproducing of plants, animals and micro-insects that might cause harm on human being, animals and the eco-system;
- 4/ observe the laws issued in respect of environmental safety, water shade and bio-diversity conservation, development and utilization;
- 5/ respect the important local culture, custom and knowledge;
- 6/ provide information to the responsible body in relation to the forest whenever necessary;
- 7/ use the acquired forest land only for the intended purpose;
- 8/ fulfill and respect the required criteria of the transaction system in order to benefit from carbon and ecosystem services sales income.

SECTION THREE
COMMUNITY FOREST

7. Rights and Incentives of Community Forest Developers

- 1/ Community forest developers shall have the following rights:
 - a) voluntarily engage in participatory forest management and get support to develop forest on their communal land or areas designated by the government as forest land;
 - b) obtain certificate of title deed for the forests they are developing;
 - c) share benefits generated from the natural forests surrounding them without affecting their sustainable existence;
 - d) get priority, as appropriate, to benefit from the forests concession given by the government;

- e) get professional, technical, inputs support and legal service until they are able to rely on their self-generated income;
 - f) utilize, transact and add value on forest outputs in accordance with their management plan;
 - g) share any benefits generated from the forest development as per the community by-laws;
 - h) get compensation in case of expropriation of possession for public interest;
- 2/ Community forest developer shall be provided with the following incentives:
- a) exemption from any forest development income tax for the first two consecutive production years;
 - b) access loan upon fulfilling appropriate requirements.

8. Obligations of Community Forest Developers

Community forest developers shall have the following obligations:

- 1/ the obligations provided under Article 6 of this Proclamation shall also be applicable to community forest developers;
- 2/ keep at the office of the responsible government organ the forest management plan and community bylaws.

SECTION FOUR
ABOUT STATE FORESET

9. State Forest

State forest shall be classified as follows:

- 1/ productive forest or
- 2/ conserved forest or
- 3/ preserved forest.

10. Productive State Forest

Government shall have the following responsibility with respect to the productive state forest:

- 1/ put in place administrative and management system for the forest and allocate the necessary budget, manpower and material;
- 2/ cause the proper development, conservation and utilization of the forest;

- 3/ formulate forest development, conservation and utilization plans to allow the participation of local communities in the development and conservation and also in the sharing of benefits from the forest;
- 4/ protect the forest from invasive species, pests and diseases; and apply curative measures in case of occurrence of same;
- 5/ protect the forest resources from natural and man-made disasters;
- 6/ build roads and other facilities for the development of the forests;
- 7/ conserve and administer the forest by developing forest management plan to ensure the sustainability of forest benefits;
- 8/ establish strong and integrated working relationship among the federal and regional bodies in order to develop, conserve and utilize the forest sustainably and efficiently;
- 9/ develop new productive forests on designated forest lands;
- 10/ cause issuance of certificate of title deed which is supported with maps;

11. Conserved and Preserved Forests

Government shall have the following responsibility in relation to conserved and protected forests:

- 1/ demarcate and protect the forests;
- 2/ ensure their protection from any human and domestic animals intervention except for the purpose of research, education, and disaster prevention;
- 3/ prepare and implement participatory forest management plan for forests;
- 4/ rehabilitate and protect or develop plants as per the approved development plans on forest lands designated as conserved forests and which are without or with less plant coverage;
- 5/ establish fast growing tree species plantation along the periphery of the forests to indicate demarcation of the forest and to be used by the local community for firewood and construction.

12. Management and Utilization of Productive State or Conserved Forest

- 1/ The productive state or conserved forest shall be utilized in accordance with the management plan prepared and approved by responsible authority.

- 2/ The utilization of conserved or productive state forests in accordance with sub-article (1) of this Article shall be undertaken by government organizations or persons who are given concessions.
- 3/ Without prejudice to sub-article of (1) and (2) of this Article, the local community that resides inside or at the periphery of the forest may obtain the environmental, social and economic benefits depending on the local situation in line with the forest management plan upon obtaining permit from the responsible authority.
- 4/ The management of productive state or conserved forest shall be in a manner to generate revenues from eco-tourism, carbon trade and other related eco-system services;

SECTION FIVE

POWER AND DUTIES OF EXECUTIVE ORGANS

13. Power and Duties of the Ministry

The Ministry shall:

- 1/ ensure the implementation of this Proclamation in collaboration with the responsible regional sector;
- 2/ ensure users' access to information about the forest of the countries by establishing an information communication system;
- 3/ provide professional support to enhance the knowledge and skills of forest developers;
- 4/ provide support to the micro and small, medium and large scale forest industries to increase their number and to make them competitive;
- 5/ initiate the development of forest output standards;
- 6/ provide technical and material support to region for establishing sustainable and modern forest development, conservation and utilization system;
- 7/ develop a system in order to decide benefit sharing right of forest outputs;
- 8/ develop early warning, prevention and control mechanism to prevent the occurrence of damage to forest resources and upon the occurrence of damage take emergency measures by coordinating regional and other relevant bodies;
- 9/ develop and control the implementation of quarantine system;
- 10/ issued forest professional, forest development and forest product trade competence certificate;

- 11/ notwithstanding the power of each regional state to administer its forest resource in accordance with this Proclamation, the Federal Government may take over and administer, in cases where:
- a) the forest could not be properly developed and conserved jointly by neighboring regional states;
 - b) it becomes necessary to administer the forest or forest land by the federal government because of its national, regional and international significance.

14. Duties and Responsibilities of the Regional Executive Organs

Executive organs of the Regional States:

- 1/ without prejudice to Article 13 of this Proclamation, shall administer any forest land and state forest found in the regional state; supervise and support to ensure the development, conservation and administration of private and community forests in line with this Proclamation;
- 2/ cause provision of legal recognition for the forests and forest lands;
- 3/ encourage forest development programs, which involve the participation of farmers, semi- pastoralists and pastoralists and provide technical support;
- 4/ provides support to persons engaged in forest development, and follow-up their implementation;
- 5/ regularly monitor and evaluate whether any forest developers that has been given land to develop forest has put the land for the intended purpose and that it has implemented same in accordance with forest management plan;
- 6/ set and collect rates of royalty payment of forest outputs;
- 7/ shall establish institutional arrangements and fulfills manpower required for implementations of this Proclamation;
- 8/ develop early warning, prevention and control mechanism to prevent the occurrence of damage to forest resources and upon the occurrence of damage take emergency measures by mobilizing the community and other relevant stakeholders; and request the Ministry for support if deemed necessary.

SECTION SIX
FOREST EXTENSION AND MARKET PROMPTION

15. Forest Extension

Government shall:

- 1/ prepare and disseminate best practices and technologies on the development, conservation and utilization of forest to enhance the knowledge and skills of the forest developers;
- 2/ establish a system to the supply of forest development input;
- 3/ provide training on forest development, management, technology and market skills for those who are engaged in the forest development;
- 4/ prepare and implement forest development, conservation and utilization extension package.

16. Forest Development, Conservation and Utilization

- 1/ In order to develop, conserve and utilize the state forest, the government has to identify and register the state forest into productive, protected and preserved forests.
- 2/ The government may demarcate a forest or forest land for the purpose of carbon trade.
- 3/ The identification and demarcation of forest pursuant to sub-article, (1) and (2) of this Article shall be conducted through participation of the local community.
- 4/ The forest identified and demarcated pursuant to sub-article (1) and (2) of this article shall obtain recognition of the regional state.
- 5/ Government shall formulate forest development, conservation and utilization plan to allow the participation of the local community in the development and conservation and also in the sharing of benefits from the development of state forest.
- 6/ The government, through investing on forest sector, shall participate in the development.
- 7/ Government may identify forests under its possession and given through concession agreement for forest development.
- 8/ Forests that designated as conserved or productive state forests may be given to the community, associations or investors so that they conserve and utilize them in accordance with forest management plan and a directive that issued by the responsible body.

- 9/ The Government, in order to introduce agro-forestry practices among the farming, semi-pastoral and pastoral communities, shall provide them with sufficient amount of plant seeds and seedlings of tree species that could have different economic benefits.
- 10/ Government shall facilitate conditions whereby inhabitants within state forest and state forest land shall continue living in the forest, while participating in the development and conservation of the forest, in manner that shall not obstruct forest development; or based on a study and in consultation with the appropriate body, they shall evacuate the forest area and settle in other areas suitable for living.
- 11/ For promoting the private and community forest development, government shall support, as may be necessary, provide incentives and tax exemption on imported tools and technologies used for forest outputs production and forest development.

17. Expansion of Forest outputs Market

Government shall:

- 1/ provide the necessary support to forest developers that enable them to produce and supply quality and competitive forest outputs for the local and foreign markets;
- 2/ provide assistance to use forest outputs as an input for trade and industry development as per the forest management plan;
- 3/ ensure that the license issued for forest product trade is in accordance with the management plan and takes into account the utilization of the country's limited forest resources and in a manner that shall not disturb the natural resource balance of the area;
- 4/ establish a system for the conservation of tree species, having market demand, with a view to increasing their sustainable product and productivity;
- 5/ provide a successive training to the persons engaged in forest development on the marketing of forest outputs;
- 6/ create favorable investment opportunities and incentives to investors engaging in the forest industry;
- 7/ disseminate forest outputs market information to forest developers and forest output consumers through various mass media.

PART SEVEN
MISCELLANEOUS PROVISIONS

18. Prevention of forest Hazards

- 1/ The relevant government bodies shall have the responsibility to provide a successive training to prevent the occurrence of forest fires and establish an early warning system.
- 2/ Any person who inhabit, work or travel across or around a forest shall have the responsibility to take necessary precautions to prevent the occurrence of forest fires.
- 3/ Any person who is aware of the occurrence of forest fire shall have the duty to immediately report same to the nearest government body and the community or to the Ministry.
- 4/ The respective administrative bodies shall, in the occurrence of forest fire, have the duty to take the necessary measures by coordinating and mobilizing governmental, non-governmental and private organization operating in the locality and the local community to extinguish the fire.
- 5/ The governmental, non- governmental organizations and private institution that are operating in the locality or that have specific responsibility shall have the obligation to participate in the effort to extinguish the forest fire.
- 6/ The Ministry shall have the responsibility to coordinate during the occurrence of forest fire which is beyond the capacity of regional states.
- 7/ Forest owners shall report as soon as possible to the responsible authority when forest under their possession encounter outbreak of pests, disease and introduction of invasive weeds.
- 8/ No person shall introduce and reproduce plants, animals and micro-insects that might cause harm on human being, animals and the eco-system.

19. Production and Transportation of Forest Outputs

- 1/ No person shall, otherwise from his possession, harvest forest outputs from any forest without having the necessary permit from the Ministry or responsible regional authority or relevant private forest owner.
- 2/ Any person shall, except from private development plantation forest, obtain a transaction permit from the Ministry or responsible regional authority for the transaction of all forest outputs from place to place.
- 3/ Where a forest product seized due to the violation of sub-article (1) or (2) of this Article are perishable, the Ministry or responsible regional authority shall sell the product at the current market price and keep the proceeds with relevant office of finance and economic cooperation until a court ruling is given on the case.

20. Forest Guards and Forest Outputs Inspectors

- 1/ Forest guards shall, in accordance with the directives given to them by the Ministry or responsible regional authority, have the power to protect against acts committed in violation Article 23 of this Proclamation.
- 2/ Forest outputs transaction inspectors shall, in accordance with directives by Ministry or responsible regional authority, have the power and duties to:
 - a) inspect, at forest entry or exit points as well as inland and boarder check posts to be identified as appropriate, any means of transport carrying or suspected for carrying forest outputs;
 - b) require any person who transports processes or store forest outputs to produce certificate of origin and destination or any other legal document to this effect;
 - c) seize, together with the culprit, forest outputs being transported, processed or stored in violation of the provision of this proclamation;
 - d) report immediately to the Ministry or the responsible regional authority on the details of the forest outputs seized.
- 3/ Forest guards and inspectors of forest outputs transaction shall, while on duty, have the obligation to wear uniform and carrying identification cards and show the same upon request.

21. Obligation to Notify and Incentives

- 1/ Any person shall have the obligation to notify, any illegal transportation, processing or possession of forest products to responsible authority.
- 2/ Informants and persons who seize illegal forest outputs may be rewarded in accordance with directives to be issued by the Ministry or the responsible regional body.

22. Prohibited Activities

- 1/ No person shall be allowed to cut endangered indigenous naturally grown trees from state forest or those naturally grown in the community forest.
- 2/ The list of endangered indigenous natural tree shall be determined by directives issued by the Ministry.
- 3/ Without prejudice to sub-article (1) of this Article the owner of the tree may utilize endangered tree species planted in his possession upon confirmation from the responsible authority.
- 4/ Without prejudice to sub-article (1) and (2) of this Article, unless in possession of written permit from the Ministry or relevant regional authority or owner of the forest, or he is the owner, no person shall, with in a state forest:
 - a) cut trees;
 - b) settle permanently or temporarily;

- c) graze domestic animals;
 - d) undertake hunting activities;
 - e) carry cutting saws and any other tree cutting tools;
 - f) keep bee-hives or extract honey or other similar activities.
- 5/ Without prejudice to sub-article (4) of this Article any development projects that carried out at any plot of land covered by forest or forest land shall pass through environmental and social impact assessment.

23. Penalty

- 1/ Any person who, except pursuant to this Proclamation and directives issued here in under, cuts trees or removes, process, or uses in any way forest outputs from state, community, and private forest without the permit of the forest possessor shall, without prejudice to confiscation of the forest output, be punishable with rigorous imprisonment not less than one year and not exceeding five years and with fine from Birr 10,000 to Birr 20,000.
- 2/ Any person who destroys, damages or falsify forest boundary marks shall be punishable with rigorous imprisonment not less than one year and not exceeding three years and with fine from Birr 10,000 to Birr 30,000.
- 3/ Any person who intentionally causes damage to a forest by setting a fire or in any other manner shall be punishable with rigorous imprisonment not less than 10 years and not exceeding 15 years; if the damage caused by negligence he shall be punished with simple imprisonment not less than one year or with fine not less than Birr 5,000.
- 4/ Any person who settles or expands farmland or undertake the construction in a demarcated forest and forest land shall be punishable with rigorous imprisonment not less than two years and not exceeding four years and fine with a from Birr 10,000 up to Birr 40,000.
- 5/ Any person who illegally moves forest products shall be punishable with simple imprisonment not less than six months and not exceeding one year and with fine from Birr 5,000 up to Birr 10,000.
- 6/ Any owner of forest who fails to immediately inform the relevant body having the knowledge about the occurrence of forest vermin weeds and disease in his forest shall be punishable with simple imprisonment not less than six months and not exceeding one years and with fine from Birr 1,000 up to Birr 5,000.
- 7/ Any owner of forest who introduce unauthorized plants, animals and micro organisms shall be punishable with rigorous imprisonment not less than one year and not exceeding three years and with fine from Birr 10,000 up to Birr 30,000.

24. Power to Issue Regulations and Directives

Detailed regulations and directives required for the proper implementation of this Proclamation may be issued by the Council of Ministers and the Ministry, respectively.

25. Repeals

- 1/ The Forest Development, Conservation and Utilization Proclamation No. 542/2007 is hereby by repealed.
- 2/ No law, regulation, directive or practice shall, in so far as it is inconsistent with this Proclamation, have effect on matters provided for in this Proclamation.

26. Effective Date

This Proclamation shall come into force on the date of its publication in the *Federal Negarette gazetta*.

Done Addis Ababa, ----- day of ----,2017

MULATU TESHOME (Dr)
PRESIDENT OF THE FEDERAL DEMOCRATIC
REPUBLIC OF ETHIOPIA