



UNDERSTANDING THE SOCIOECONOMIC CONTRIBUTIONS OF FOREST-RELATED SECTOR IN KEDAH



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Introduction

Malaysia GDP by kind of economic activity, 2021 at constant 2015 prices - RM Million

- Plus: Import duties: 15,602 : 1%
- Agriculture: 58,898 : 7%
- Mining and quarrying: 93,180 : 7%
- Manufacturing: 337,219 : 24%
- Construction: 89,802 : 4%
- Services: 791,068 : 57%

- Forest contribution to National GDP is listed under agriculture sector as a sub sector: crops, livestock, and fisheries.
- Known as one of the socioeconomic contributors to the national, state, industry, and community nearby.
- However, the way it is reported leaves a gap between the ecosystem services supplied and the socioeconomic benefits.

➤ This paper focuses on socioeconomic impact of forest-related sector, with Kedah state as a case study.

➤ Kedah has a forest cover of 251,471 hectares, or 37% of the state's total land area. Ulu Muda Permanent Forest Reserve (UMFR) covers 108,409 hectares and accounts for 30% of the state's total forested area, the largest forest reserve in Kedah. Agriculture sector in Kedah contribute to 12% (RM 6 billion) out of RM 47 billion Kedah GDP in 2021.

Materials and Methods

Literature review

- Forest-related sector identified through literatures.
- Ecotourism, fisheries, wood, non-timber forest products, and water are among the sector activities associated to forests (Elne, B.J. et al., 2022).

Data collection

- Secondary information are gathered from annual reports and statistics of pertinent agencies such as Department of Statistics Malaysia (DoSM), Forestry Department Peninsular Malaysia (FOPM), Lembaga Sumber Air Negeri Kedah (LSANK), Muda Agriculture Development Authority (MADA) and Fisheries Development Authority of Malaysia (LKM).
- Data collected are total employment that indicates the employees from related agencies, industries, community benefited and revenue generated from forest-related sectors. Results are based on 2019 statistics.

Results

Water: Domestic use

- Revenue: RM 5.8 million
- Employment: RM 1.44 million

Water: Agriculture use (Paddy irrigation)

- Harvested paddy area: 201,336 ha
- Annual net production: 4,945 kg/ha
- Total net production: 985,637 metric tons
- Estimated net income: RM 4,259/ha
- Net profit: RM 10 million

Wood

- Employment: RM 1.3 million
- State forest revenue: RM 18.3 million
- Number of wood based industry: 54 mills
 - Sawn (38)
 - Plywood/ veneer (3)
 - Mouldings (13)

Fisheries

- Fisherman registered members in association: 8,530
- Fisherman insured: 2,884
- Fisherman cost of living allowance receiver: 3,564
- Annual fish catch incentives: RM 958,610

Ecotourism

- Ulu Muda is among the three proposed ecotourism cluster with Gunung Jerai and Pulau Payar
- 6.5 million tourist visited Kedah
- Estimated income from birdwatching activities: RM 4,500 per pair

References

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Conclusion

The results demonstrated that the forest-related industries contribute to the socioeconomic well-being of the community, the industry, and the state of Kedah. These results can be used as a guide to raise awareness of the importance of forests.

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