

UNDERSTANDING THE SOCIOECONOMIC CONTRIBUTIONS OF THE FOREST-RELATED SECTOR IN KEDAH

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Abstract - Forest contribution to National GDP is listed as a sub-sector along with three other categories that include crops, livestock, and fisheries under the agriculture sector. The agricultural sector added 7% (RM 99 billion) to RM 1.4 trillion National GDP in 2021. Third after the services sector (57%, RM 791 billion) and manufacturing sector (24%, RM 337 billion). Even though the forest is known as one of the socioeconomic contributors to the national, state, industry, and community nearby, the way it is reported leaves a gap between the ecosystem services supplied and the socioeconomic benefits. This paper focuses on the socioeconomic impact of the forest-related sector, with Kedah state as a case study. Kedah has a forest cover of 351,471 hectares or 37% of the state's total land area. Ulu Muda Permanent Forest Reserve (UMFR), which covers 106,409 hectares and accounts for 30% of the state's total forested area, is the largest forest reserve. The agricultural sector in Kedah contributes 12% (RM 6 billion) out of RM 47 billion Kedah GDP in 2021. Ecotourism, fisheries, wood, non-timber forest products, and water are among the sector activities associated with forests, according to the literature. Secondary information is gathered from annual reports and statistics of pertinent agencies. This article assesses and briefly discusses the number of employment, industry, community benefits, and revenue generated from the forest-related sector. 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 raising awareness of the importance of forests.

Keywords: Ulu Muda forest reserve, socioeconomic, chain players, ecosystem services, Kedah