

Timber extraction and distribution inconsistent: RAA

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Timber extraction and distribution modality (TEDM) 2017 was initiated as an interim measure to resolve the disputes between the NRDCL and the Association of Wood-based Industries (AWBI) on their allotment shares. The NRDCL and AWBI take their 50 percent share to be sold to customers.

The report states that the current arrangement of distribution – 50 percent share each, as per TEDM – may not ensure equal accessibility of natural resources, as there are no procedures in place for distribution amongst members of the AWBI, and further, to the general public.

Moreover, it states that despite prices being fixed by the Natural Resources Pricing Committee (NRPC), there are possibilities for undue profiteering through exorbitant pricing that could be charged to the consumers due to weak enforcement and monitoring.

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He also said that the NRDCL was not seen as capable of playing its role in the overall sustainable resource management in the country.

“The fragmented approach towards extraction of timber by different parties besides the NRDCL may not ensure a consolidated approach in the overall management of forests in the country,” he said.

The RAA’s review of operations of the NRPC in determining prices of natural resources with specific reference to price determination showed inadequacies in terms of process and methods of fixing prices, as well as the functioning of the committee.

He said that the Department of Forest and Park Services (DoFPS), which is mandated to monitor the pricing, is not doing so.

The report states that investment in the unprofitable business of stone-crushing units resulted in an accumulated loss of Nu 244.011M.

Dorji Wangchuk said that four crushing units were closed and only two were found to be operational.

The report also states that there were gaps in ensuring compliance to the Service Rules Guidelines for DHI-owned companies and its own service rules in regulating its human resource development and management activities.

Dechen Dolkar