



Enhancing forest-related development: Community and smallholder forestry in the nexus of markets, policy and implementation

IUFRO Special Project World Forests, Society and
Environment (IUFRO WFSE)



Changes that change perspectives and priorities of forests



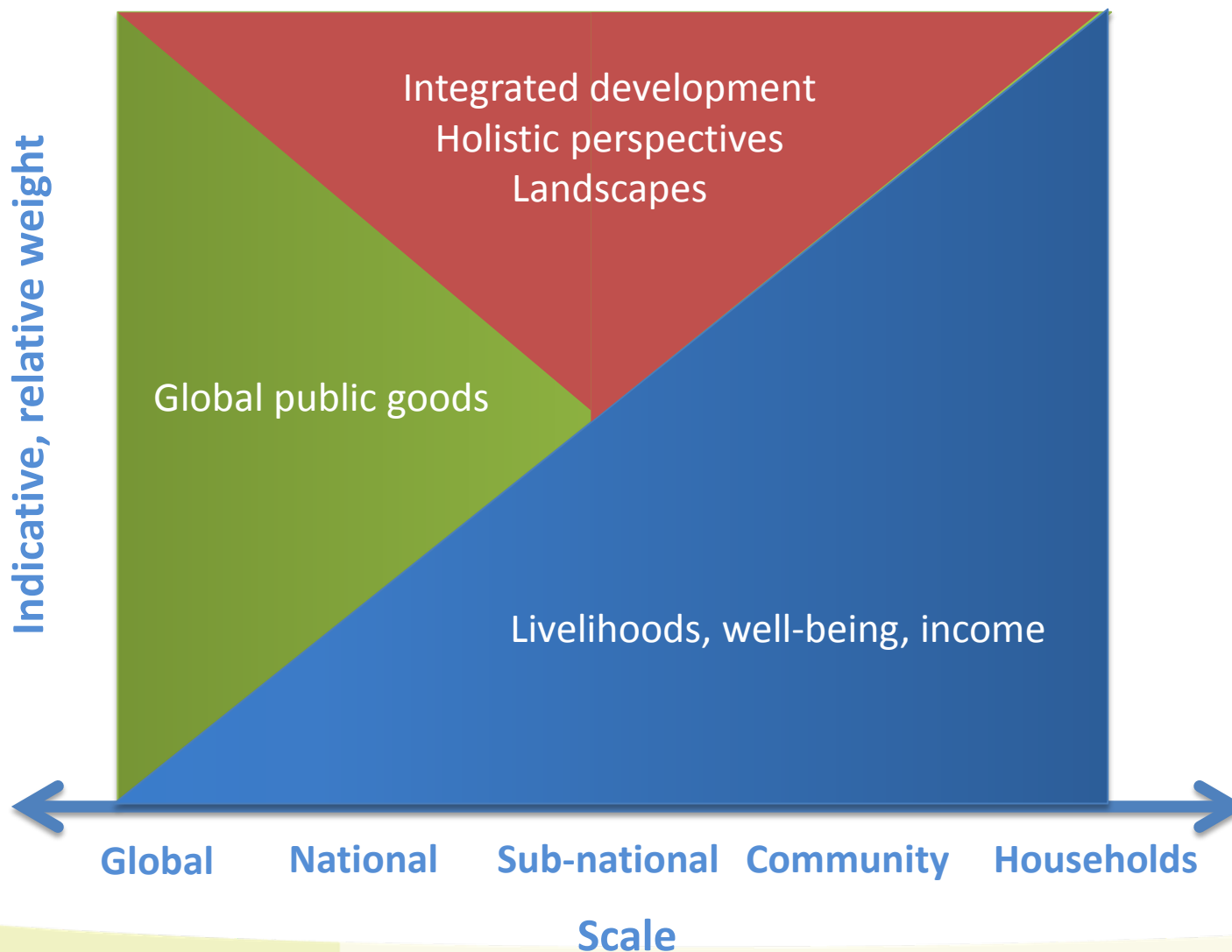
Peter Holmgren 4 May 2015



Multiple goals and diverse priorities

- Forests contribute to multiple goals, e.g.
 - Food security and nutrition
 - Livelihoods for local communities
 - Economic development
 - Climate change adaptation and mitigation
- Expectations on forests are diverse
 - Global debates and local perspectives are not necessarily connected
- Sustainability must build on local priorities
 - and recognize diversity of goals and solutions

Sustainability priorities vary with scale (and all priorities need to be considered in the sustainability equation)



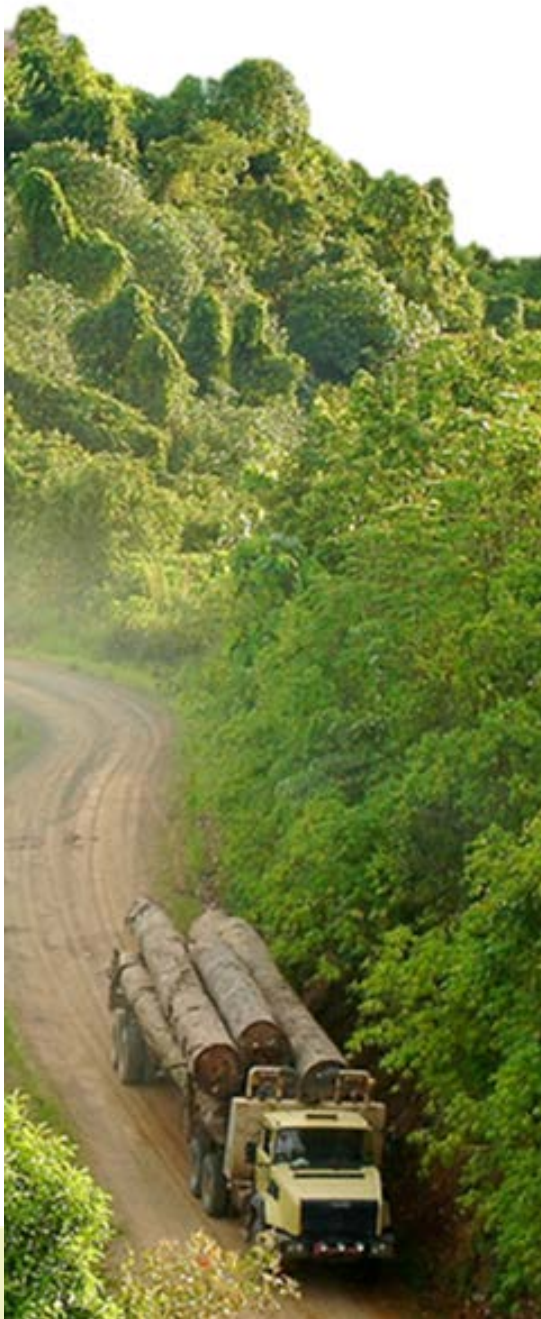
Change is normal, faster and more fundamental than we usually acknowledge (and some may lead to enhanced forests)

- Migrations, strong rural urban-links, multi-sited households
- Increasing labour cost and shortage
- Complex livelihood strategies and diversified income streams
- Greater market penetration into forest fringes
- Changing consumption patterns – increased demand for land
- Contracting agriculture: The Return Of The Forests
- Changing social perspectives and values regarding forests
- Emergence of a more 'environmentalist' middle-class
- Ambivalent and contradictory developments of public policy



Demands on forests: global and local forces

- Asian demand, still the main market force
- Governments in producer countries seek to attract foreign investments
- Market and policy incentives push commercial commodity crop expansion
- Supply from transnational companies, smallholders and increasingly 'local elites'
- Speculation fuels pressures on public forests, and little measures to control it
- Multiple, and often conflicting, interests of stakeholders around local resources use



Key responses for sustainable use

- Certification grows, but relatively slowly
- REDD+, PES are still promising, but pilot experiences tell a story of diversity
- Market interest in sustainable and legal value chains
 - Pressure on suppliers for compliance
 - Risk that smallholders are excluded
- Efforts from state (national and sub-national) agencies to enhance law enforcement



Shifting perspectives on forests governance

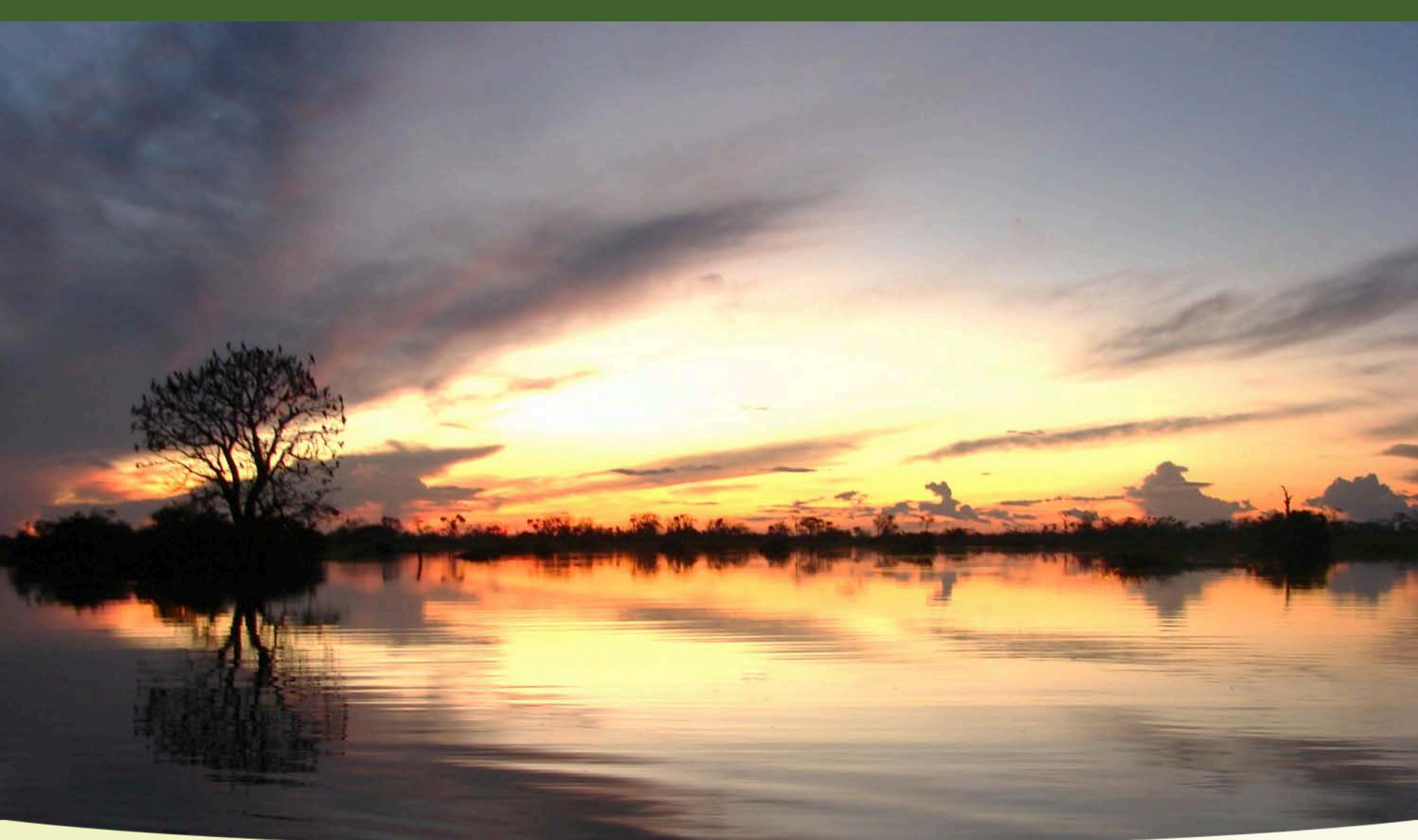
- Diverse entry points (devolution, co-management, decentralization)
- Yet, an increasing move towards:
 - Landscape governance
 - Multi-level approaches
 - Multistakeholder platforms
 - Public-private governance arrangements
 - Flexible policy approaches to forests use
- Likely shifts towards 'hybrid' governance arrangements involving multiple actors and levels



Supporting forest-related development

- Improve access to finance for the rural poor
- More inclusive business models, with attention to gender
- A greater horizontal integration in the supply chains
- Tenure security, acknowledge customary rights
- Move beyond 'command-and-control' and embrace diversity of solutions





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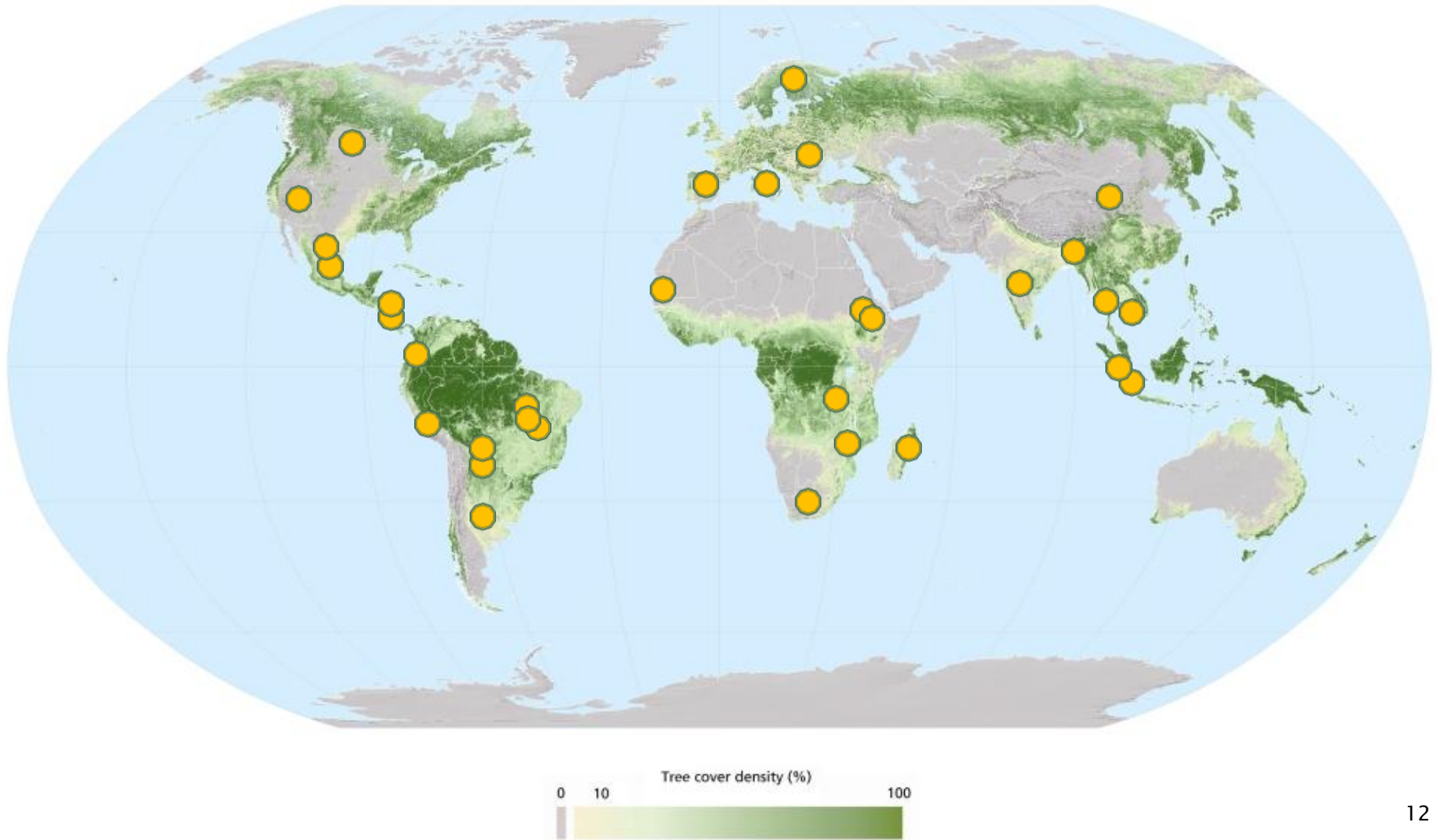
Enabling conditions for enhancing forest-based livelihoods

Pia Katila, IUFRO WFSE Coordinator

UNFF 11 Side Event 4 May 2015

IUFRO Special Project World Forests, Society and
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Location of the case studies



Analytical framework for the case studies

Livelihoods, capacities, cultural and socioeconomic aspects



Policies, institutions and governance

Local context shaping forest use and management and resources and livelihood outcomes

Natural resource base



Research and monitoring

Enabling conditions⁽¹⁾

- ❑ The potential of forest for enhancing local livelihoods is recognized
- ❑ Competing land uses are addressed with comprehensive land use policy and participatory land use planning
- ❑ Policy and regulatory environment is stable supporting long term commitment
- ❑ Regulatory framework supports smallholder/community activities

Enabling conditions⁽²⁾

- ❑ Well-defined and secure rights to forests
- ❑ Access to formal credit, markets, technology and know-how
 - Capacity-building in different aspects of forest management, enterprise development and market access
- ❑ Integration of primary producers into lucrative value chains, opportunities for commercializing forest products and services

Enabling conditions⁽³⁾

- ❑ Further development and implementation of PES (with equitable benefit sharing) to make SFM/conservation more attractive land–use options
- ❑ Effective control of illegal activities and corruption, enforcement of laws and regulations
- ❑ Empowerment of local actors to take part in crucial decisions regarding land use and forest management and use
 - Gender issues

Key issues in enhancing local forest-related livelihoods

- ❑ Reconciliation of different land uses
- ❑ Clear rights to land and forests and mechanisms to enforce them (including rights to forest-based services)
- ❑ Make forest-related activities profitable
 - Enable smallholders and community producers to participate in commercially viable forest-related activities (forest products and services)
 - Access to credit, markets, technology and know-how
- ❑ Participation and empowerment
- ❑ Effective control of illegal activities and corruption, enforcement of laws and regulations



Interactions among markets, policies and implementation

Glenn Galloway
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Setting the stage

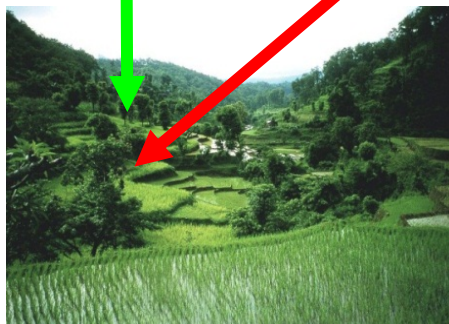
Livelihoods, capacities, cultural and socioeconomic aspects



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*Goal: Interactions lead to **positive outcomes***

Interactions in complex systems: Forest-related, sustainable development (SFM)

- ❑ In each context, system is characterized by a dynamic network of interactions and relationships
- ❑ In complex systems, interactions are non-linear
- ❑ Changes in one condition may lead to responses greater or lesser than that expected or hoped for from the perspective of SFM
- ❑ In more explicit terms: efforts and resources invested in SFM may or may not result in meaningful progress towards the objectives of SFM

Examples: Interactions within “Policies, institutions and governance”

- ❑ Common case: Policies exist to promote SFM, land tenure and/or use rights have been granted, but in practice
 - Onerous bureaucratic procedures
 - Lack of transparency in decision making processes

Policies x **Public Administration**
undermines participation in SFM



Example 2: “Policies, institutions and governance”

- Policies in place to further SFM made ineffective by parallel policies encouraging investment in large scale commercial agriculture, mining or other economic activities
- Outcome: displacement of forests and/or communities

Conflicting policies (P x P) often trump efforts to promote SFM



Interactions also occur across areas in the framework

- ❑ Economic and livelihood benefits (*Commercial opportunities*) are sometimes undermined by arbitrary decisions (*Policy*) to impose wood harvesting limits

Livelihoods,
capacities,
cultural and
socioeconomic
aspects



Policies,
institutions
and
governance

Negative outcomes result when unfavorable conditions persist and interact

- Examples include:
 - Insecure rights to forests and associated services
 - Customary tenure arrangements ignored
 - Lack of coordination across sectors
 - Weak forest administration
 - Illegality
 - Security concerns and conflict

- Negative outcomes predominate even after considerable investment of time and resources

Positive outcomes are favored by an alignment of favorable conditions

Livelihoods, capacities, cultural and socioeconomic aspects



Policies, institutions and governance



Natural resource base



Research and monitoring

Interactions across conditions in different areas demand a holistic approach

- Many case studies reported positive outcomes (trends in both status of forests and forest resources and contributions to livelihoods)...

... while indicating that some conditions continue to be weak or poorly addressed

Implication: *not imperative to attain perfection in all conditions included in the analytical framework to attain positive outcomes*

Crucially important to track outcomes (monitoring)

- ❑ Applying a holistic perspective to detect which conditions might be the most important to focus on at a given moment of time
- ❑ Conditions addressed/enhanced will inevitably interact with other conditions, leading to observed outcomes
- ❑ Monitoring of outcomes will indicate whether measures taken have been appropriate/adequate

Key points

- ❑ No common recipe exists, since SFM takes place in diverse contexts
- ❑ Recognize the importance of interactions (+ & -) among conditions and their collective impact on SFM
- ❑ **Alignment** across conditions leads to synergies that seem to favor positive outcomes
- ❑ Monitoring of outcomes is as or more important than process, but efforts to understand how process is impacting outcomes are crucial

The way forward in community and smallholder forestry

Wil de Jong, Kyoto University

IUFRO Special Project World Forests, Society and
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Where we are

- ❑ Progress in achieving development and resources sustainability objectives (SFM)
- ❑ Better understanding of the conditions that foster progress but also the challenges to address the conditions
- ❑ Picture is made even more complicated by future trends
- ❑ .. and how they will influence conditions or their interactions

Forestry and environmental trends and challenges

- ❑ Forest services increasingly from anthropogenic forest
- ❑ The global demand on forests is equally changing
 - Carbon in natural and anthropogenic forest
 - Legality in forest sector linked to dynamic value chains
 - Green economy changes parameters of forest production
- ❑ Suite of stakeholders who own forest or derive forest services will continue to change
 - Communities and smallholders themselves will change (migration)

Realignment of actors who define forest development



Persistent unrecognized potential

- Potential of communities and smallholders to deliver forest services is not recognized and acted upon
 - Communities and smallholder score better in social and environmental indicators than proposed alternatives in Amazonia
 - Local demand for policy and regulatory reforms in Bolivia leads to improvements in legality compliance in the forest sector
 - New forest value chains are springing up from Bolivia and Peru to India and Indonesia and with communities and smallholder at the beginning

What should governments and support organizations do?

- ❑ Create an enabling environment for well regulated and supported forest value chains that start with communities and smallholders
- ❑ Foster arrangements with involvement of forest actors so that the regulations can be complied with
- ❑ Natural resource policies that allow forestry and agriculture and other land use options to co-exist or co-emerge

What should the global forest community (UNFF) do

- ❑ Foster environmental, social and cultural friendly support and investment from UN member countries, global financial institutions and the private sector
- ❑ Emphasize local strengths and capacities in any possible international arrangement on forests
- ❑ Develop mechanisms for national and international exchange of knowledge and lessons learned

What should the private sector do?

- ❑ Due diligence; uphold the highest environmental, social and cultural standards
- ❑ Avoid illegal, immoral or inappropriate practices
- ❑ Seek profit but not at all costs; incorporate externalities in business calculations
- ❑ Chose options that benefit national, but especially local economies

What should smallholders and communities do?

- ❑ Stay informed on the changing world and the changing demands for forest commodities and services
- ❑ Seek recognition for local values and preferences better to be taken into account in decision making that affect local resource use
- ❑ Seek to achieve fair compensation for crops, forest products, but especially for environmental services



THANK YOU!