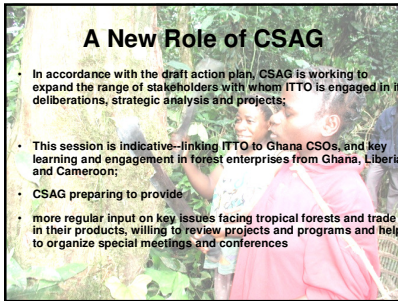




Community based forest management and enterprises

Civil Society experiences from Ghana and the Central West Africa region

CSAG, June 2008
Meeting on Operational Modalities of Future Work of the ITTO
Accra, Ghana



A New Role of CSAG

- In accordance with the draft action plan, CSAG is working to expand the range of stakeholders with whom ITTO is engaged in its deliberations, strategic analysis and projects.
- This session is indicative—linking ITTO to Ghana CSOs, and key learning and engagement in forest enterprises from Ghana, Liberia and Cameroon;
- CSAG preparing to provide
- more regular input on key issues facing tropical forests and trade in their products, willing to review projects and programs and help to organize special meetings and conferences



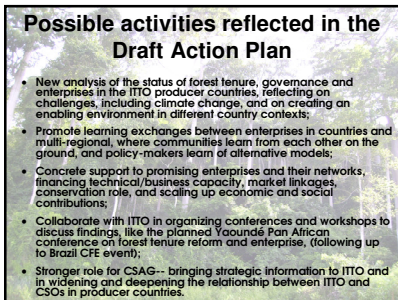
Key Messages for Community Forestry Management and Enterprise Thematic Program

- Contribution of informal enterprises to the economy is greater in quantity of production, greater in the employment generated, and greater in the revenue to the government than the aggregate contribution of export trade;
- Tenure reform clarity and strengthening of tenure rights at community level enables a set of small-scale enterprises that otherwise do not emerge, with important contributions to local development, and creating opportunities for community-company partnerships, a new shape of the processing industry (including timber and non-timber products and services)



Key Messages for Community Forestry Management and Enterprise Thematic Program

- Countries like China have learned large numbers of small producers as in the bamboo sector are creating new jobs and value, similar initiatives could be linked to wood industry-ITTO thematic programme in producer countries
- There is a rich opportunity for learning by communities and policy makers from different countries supporting strategic exchanges of communities to see promising models
- Tenure of local communities is a fundamental element of any climate change strategy for adaptation or mitigation, including avoided deforestation, and for avoiding and mitigating civil conflict related to natural resources.



Possible activities reflected in the Draft Action Plan

- New analysis of the status of forest tenure, governance and enterprises in the ITTO producer countries, reflecting on challenges, including climate change, and on creating an enabling environment in different country contexts;
- Promote learning exchanges between enterprises in countries and multi-regional, where communities learn from each other on the ground, and policy-makers learn of alternative models;
- Concrete support to promising enterprises and their networks, financing technical/business capacity, market linkages, conservation role, and scaling up economic and social contributions;
- Collaborate with ITTO in organizing conferences and workshops to discuss findings like the planned Yaoundé Pan African conference on forest tenure reform and enterprise, (following up to Brazil CFE event);
- Stronger role for CSAG-- bringing strategic information to ITTO and in widening and deepening the relationship between ITTO and CSOs in producer countries.



Civil Society Experiences

- **Kyeretwie Opoku.** Role of Ghana's Civil Society in Forest and Tenure Reform
- **Gene Birkorang.** Dominance of Small-scale Enterprises in Ghana's Forest Economy
- **Francis Coffe.** Small-scale logging in Liberia: A strong enterprise sector partnering with local communities and improving peace and stability
- **Angeline Ndo.** How do we transform communities and forests at landscape level; build collective visions by multi-stakeholder dialogue and securing indigenous and community rights
- **Rebecca Dotey.** Facilitating the development of community-based land use management and local agreements
- **Alex Asare.** How the state is organized to support local communities-partnerships with local organizations
- **Other Ghana civil society observers**



Civil Society and Community Forest Management

Kyeretwie Opoku, Civic Response



Civil Society and Community Forest Management

- CS tenure reform movement is huge - land custodians, CBOs, CFEs, trade unions, academic researchers, chain sawyers, domestic trade & NGOs. What's new is increasing coordination nationally & regionally & hence visibility.
- CS tenure reform movement driving "governance" reform - & pro-community stakeholder re-alignment.
- Because inherently inclusive CFM is only governance paradigm that can
 - create space for forest GDP growth,
 - resolve environmental, social, economic, revenue, law-enforcement problems in interest of all stakeholders
 - Manage climate change etc
- CS helps to provide the "how" of CFM by studies and piloting. Up-scaling requires the resources networks and leadership of states.



Civil Society and Community Forest Management

- CS holds up and contextualises community actions
- CS encourages pace and consistency where there is hesitation state initiatives by
 - 1994 Forest & Wildlife Policy
 - Akosombo conferences (02, 04, 07)
 - CRMCs, DFFs, RFFs, NFF
 - NTFP producer groups & farm forest integration
 - (A)FLEG
 - (EU)FLEG(T) / VPA
 - NREG
 - Now ITTO!

Civil Society and Community Forest Management

- Government of Ghana has placed participatory policy, legislative and institutional reform on agenda for next few years
- Emerging CS Vision is:
 - Balance between linkage of timber and non-timber interests – "total forestry"
 - accountable State / public ownership & democratic policymaking;
 - devolution of day-to-day regulation to institutions with political accountability to local government & technical accountability to FC
 - Devolution of management to communities & licensed operators (small, medium, large)
 - More resources for building local capacity & integration

Ghana's Tenure System and the Potential of Small and Medium Enterprise

Gene Birikorang,
Hamilton Resources Consulting

The Tenure Issue

GHANA'S TENURE ROAD MAP: Consultative process → Collaborative forestry policy → policy and market failures

IMMEDIATE IMPACTS

- Decentralization still crowds out landowners, farmers and community groups → linkage with illegal chain sawing
- Discretionary and discriminatory concession allocations
- Perverse incentives from log export ban that suppresses and distorts domestic price
- Plantation failures: (unworkable "Taungya" system (1940s-1984))
- Domestic market largely dependent on SMEs and informal sector – largely tertiary processing – dependent upon insecure (illegal chain saw lumber)
- Inequitable distribution of forest benefits to landowners and farmers
- Chain saw lumbering distributes informal payments (Chan saw paid US\$4.4million of Stumpage US\$ 5.9 million in 1999).

DIAGNOSTIC RESULTS

- Over-capacity/resource scarcity, unsustainable employment (issue of political illusion)
- Progressive transfer of economic rent to industry (ALL THIS RENT TRANSFER DOES NOT END IN THEIR POCKET – IT IS LARGELY WASTED)

The Hidden SME Comparison

- The size of SMEs: informal participants in wood processing constitutes 75% of wood processing entities.
- SME turnover in 2007 shows the informal sector is a more significant performer, eg Value of intermediary joinery products of US\$50 million of US\$ 20 million formal sector secondary and tertiary exports
- SME's singularly adaptation to changing species availability
- SME tertiary value addition is evident cf. value subtraction by the formal sector
- Formal sector employment declining; informal sustaining employment (political dilemma)
- Investment of US\$100,000 can generate high value added processing with high Internal Rates of Return (MoFA/ADB/Masdar Int. UK Ltd. Study of Agro-processing Industry Development, 2002): Selection of illegal chain saw starts from here; transforms job creation into sustainable employment
- 8 selected NTFPs (2007): national household consumption estimate of US\$50 million.
- Potential to generate a consumption tax equivalent to 80% of stumpage fees

Conclusion

EXCLUSION OF FOREST PEOPLE – Wrong approach to forest development and poverty reduction

- Global contribution of 50% of industrial roundwood in US, China and N. Europe come from small family and community forests
- 20% of world forests are owned or managed by developing country communities - a doubling in the last 15 years
- S&M forest enterprises contribute globally \$130 billion annually to value added
- Global evidence on competitive returns from plantation lands and SME wood processing

SEIZE OPPORTUNITY TO DEAL WITH CONSTRAINTS

- Remove barriers: discriminatory policy; forest business governance; to sustain these realities; develop SMEs capacity; introducing innovative financing packages, including micro-financing
- NTFP inventory needed.

TAKE ADVANTAGE OF NEWLY EMERGING OPPORTUNITIES

- FC's revision of the Taungya System (Modified Taungya System)
- Potential joint venturing between Communities and local tertiary SMEs in integrated plantation development-wood processing without state capital.
- Regulated NTFPs: communities businesses to improve livelihoods and contribute comparably to the formal sector to state revenues.
- There is therefore a big significance about SMEs contribution to growth and poverty reduction in Ghana.

Small-scale Logging in Liberia:

A strong Enterprise Sector Partnering with Local Communities and Improving Peace and Stability

Francis Colee, Green Advocates, Liberia

Chainsaw Logging Industry in Liberia

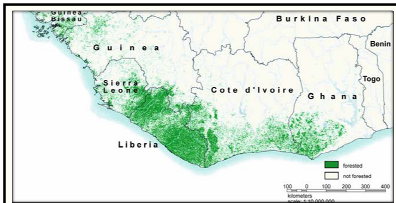
- Vibrant Economic Sector:** The flow of revenue from the sector can support the PRSP, MDGs and post-war reconstruction efforts.
- Rich Potential for Employment:** Sector can help national Government address the high rate of unemployment attributed to the fifteen-year civil conflict – 3,500 already in study community; source of alternative livelihood for the ongoing civil service reform that is downsizing and rightsizing civil servants
- Strong Community Support and Participation:** A social Agreement reflecting benefit-sharing and participation is agreed between communities and chainsaw operators; supports Government's decentralization program; could serve as a model for future tenure reforms in other sectors in the Liberian economy such as mining.

Chainsaw Logging Industry In Liberia

- Implications for Peace and Security in Liberia:** In the wake of the failed internationally-led DDRRR program, support for the sector would help address the wave of arm robbery and other violent crimes in post-war Liberia: 2/3 of the workforce in this informal sector are ex-combatants often linked to violent crimes.
- Affordable and only source of sawn timbers:** It is the only market supplying sawn timber for construction by ordinary Liberians, Government of Liberia and UN Agencies
- Flexible Co-existence with large Concessions/Forest management Contracts (FMC):** Large-scale logging will not be significantly undermined as they are allowed to sell locally and internationally (i.e. to sell timber products 90% externally and 10% locally).

Message

- Support for research and regulation around sustainable production and management practices in ways that ensure community participation, benefit-sharing and decentralization in Liberia



Liberia's Strength In the Upper Guinea Forest



How do we transform communities and forests at landscape level: build collective visions by multistakeholder's dialogue and securing indigenous and community rights?

Angeline Ndo, Model Forest, Cameroon

Cameroon

- Model forest is an example of a transformative process that meets government's needs
 - An initiative of the Government (MINFOP) in partnership with COMIFAC, IUCN, ACCI, CIFOR, IMPNS (Secretariat)
 - A voluntary partnership of multistakeholders for an integrated development of a multifunctional territory
 - Translates SFM policies into practice in the benefits of all actors (local communities and national regional bodies in charge of policy)
- Achievements and lessons from the field: co-existence of both legal (statutory) tenure (state, public, and private concession) and traditional tenure (individual, families, villages, clans, tribes)
 - Common vision facilitated for all stakeholders in the 2 MF
 - Negotiation is now unavoidable in conflict situations
 - A governance model (consensual bottom-up, decision-making process by general assembly and implementation by board members)
 - Creation of platforms of women, pygmies, media, local NGOs
 - Creation of a favorable environment for viable expression of community forest enterprises
 - Campo Man Management Plan
 - Influenced policy reforms (facilitation of dialogue among stakeholders)

Cameroon

- Perspective of communities: tenure looks differently on the ground than formal, statutory systems
 - Emphasize the organization by creating other platforms (local councils, members of parliaments, traditional rulers, community forests, communal forests, etc.)
 - Develop more partnerships for economic development with other stakeholders and private sector
 - Build capacity in management, marketing, communication and experience sharing
- What is their agenda?
 - Education on their tenure rights and law (e.g. use of NTFPs, forest royalties, etc.)
 - Capacity building in management of community forests
 - Realization of economic projects generating revenues
 - Create partnerships with other stakeholders (agro-industries, logging, etc.) for small-scale enterprise development
 - Sensitization on forest certification
 - Exploitation and domestication of NTFP
 - Education on the use of forest and climate change

Cameroon

How can multistakeholder dialogue address issues of conflict over resources and include women and minority ethnic peoples

- by involvement of all stakeholders in the partnership building process
- by fostering equitable distribution of resources-access to land tenure
- establishing a clear communication system among all stakeholders (royalties, use of NTFP) and between communities and research bodies (for necessary feedback and experience sharing)

Pressures on land and resources are increasing and these kinds of processes are essential to deal with these future pressures, and partnering with private sector

In conclusion, from what I have seen in the field as a parliamentarian and community leader, I think that:

- ITTO needs to work with a wider set of stakeholders and a wider set of facilitators and support organizations
- ITTO should actively support these kinds of initiatives

Facilitating the development of community-based land use management and local agreements

Rebecca Dottey
Civic Response, Ghana

Gwira Bansa Joint Forest Management Project

- Key lessons from project:
 - Land tenure security & equitable benefit sharing are critical incentives for farmers' protection of forest resources.
 - Through dialogue and negotiation communities can achieve consensus on SFM
 - Communities can develop and enforce land-use management guidelines (LUMG) providing for optimized land use, equitable tenure and sustainable NTFP exploitation.
 - Communities can develop low cost and innovative strategies for mapping forest resources & documenting resource titles.



Governments' role

- **Enhance support to community producers** (market information, infrastructure, processing, finance etc.)
- **Enhance** support to community land management efforts
- **Support** community resource mapping and broaden recognition of community tenure documents.



Message to the ITTO

- Support producer countries to create and implement CFE models using local community agreements & capacity as a basis for sustainable forest management.



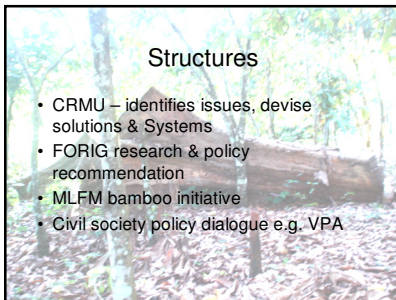
How the state is organized to support local communities-- partnerships with local organizations

Alex Asare
Forestry Commission, CRMU



Policy Framework and Master Plan that adequately addresses support for CFM

- Creation of employment to local communities
- Enhancement of small scale forest-based enterprises
- Using forestry to address poverty
- Equitable access to forest goods and services to all segment of society



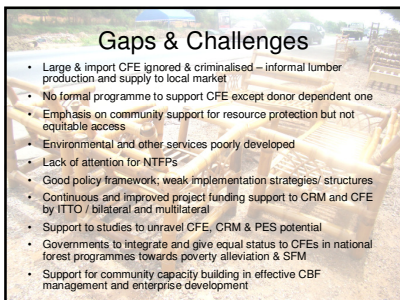
Structures

- CRMU – identifies issues, devise solutions & Systems
- FORIG research & policy recommendation
- MLFM bamboo initiative
- Civil society policy dialogue e.g. VPA



Implementation Programmes & Projects

- Community-based reforestation plantation creating employment for over 25,000 farmers/out growers under an equitable distribution scheme
- Pilots & Project support for alternative livelihoods – Adwenase, FORIG, FSAP, HFBC



Gaps & Challenges

- Large & import CFE ignored & criminalised – informal lumber production and supply to local market
- No formal programme to support CFE except donor dependent one
- Emphasis on community support for resource protection but not equitable access
- Environmental and other services poorly developed
- Lack of attention for NTFPs
- Good policy framework; weak implementation strategies/ structures
- Continuous and improved project funding support to CRM and CFE by ITTO/ bilateral and multilateral
- Support to studies to unravel CFE, CRM & PES potential
- Governments to integrate and give equal status to CFEs in national forest programmes towards poverty alleviation & SFM
- Support for community capacity building in effective CBF management and enterprise development