



# Global Trends in Forest Ownership and Governance: Changing Roles of the State and the Community

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# Ownership and Governance One of Many Transitions Underway

## Not only climate is changing:

- **Markets:** e.g. growing demand from PacRim, exploration around bioenergy, etc;
  - **Roles, and relative power, of governments, communities, “civil society”:**
  - **Structure of the industry** (logs or lumber, or pulp, or NTFPs, or tourism etc – large or small) and who government privileges with support and subsidies
  - **Conservation:** how, where, who does it, who pays for it – and how prominent a player it is in the forest sector
  - **Ownership and governance** – who owns the land, the trees, the carbon, the water, etc. ; who has what power to “govern” - to decide the direction and set the rules,
- \* I will argue that shifts in ownership and governance are more than one of many transitions in this changing world, but a “game changer” driving many of these other transitions: ownership shifts power and political and market possibilities**

# Why (Else) is Forest Ownership Important?

## 1. Moral reasons: our acknowledgement of “rights holders”

- Recognition of rights of “peoples”, “nations” – their property rights are part of their human rights – “indigenous” and “traditional” communities
- Social/political values of cultural perpetuation, dignity
- \* in most of developing world these rights not recognized – a historic contest, far from settled.*

## 2. Legal reasons: our obligations as “duty bearers”

- National law & policy
- International law & policy

## 3. Instrumental reasons:

- Secure tenure important for:
  - Conservation
  - Investment
  - Poverty reduction -
  - Reducing conflict

*\* In most of developing world forest ownership remains contested, insecure; poverty prevalent – about 1.2 billion of the world’s poorest live in forest areas – unmet demands for justice*

# What I'll Discuss Today

## 1. Trends in forest ownership and governance

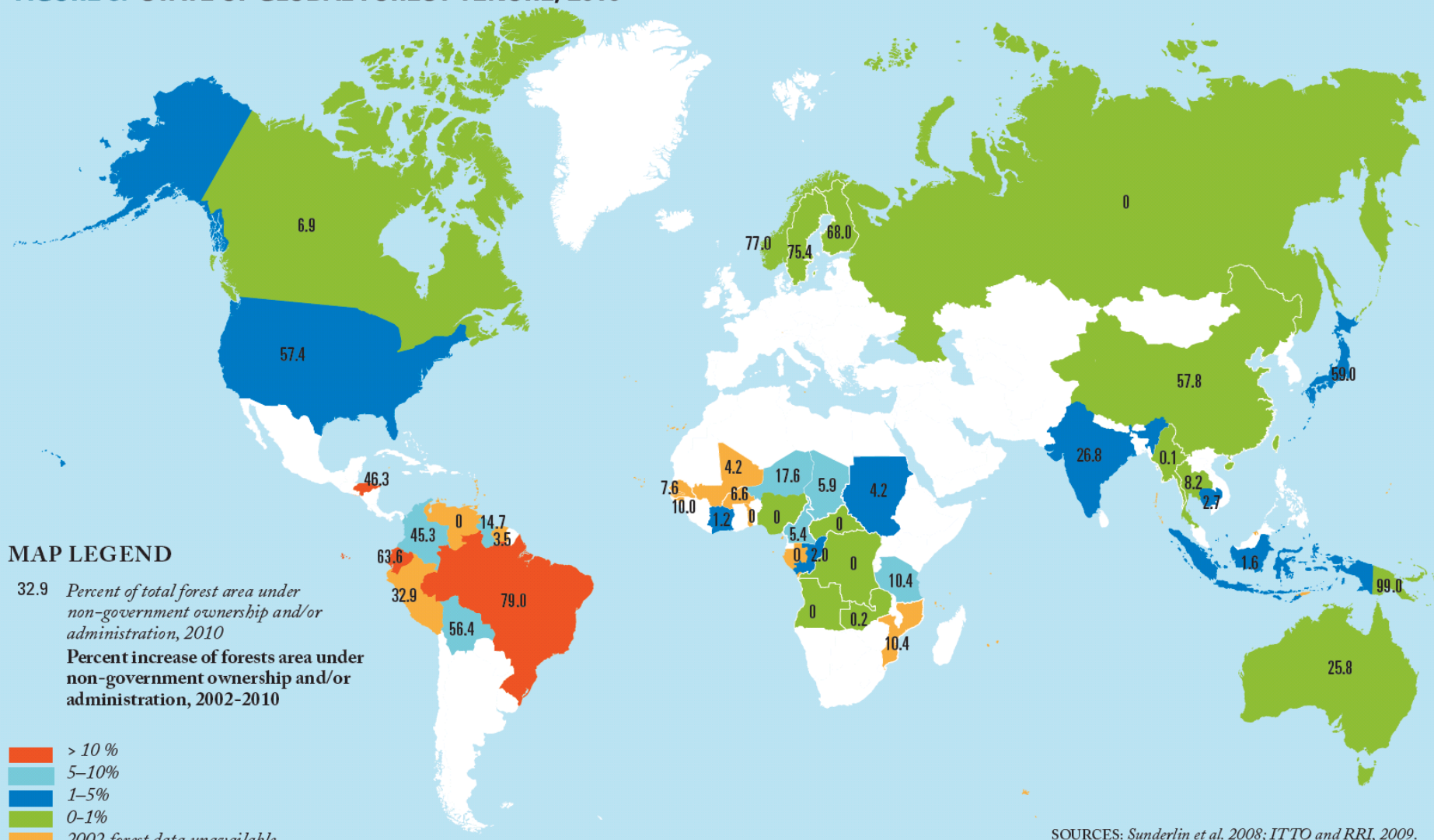
- I'll use the word "tenure" – larger set of rights over land, more than "ownership"
- I'll use a broad definition of "governance" – rules about representation and decision-making
- I'll focus on global patterns

## 2. Key implications of these changes

## 3. And, Together we will explore what it might mean for forest sector

# State of Forest Tenure 2010

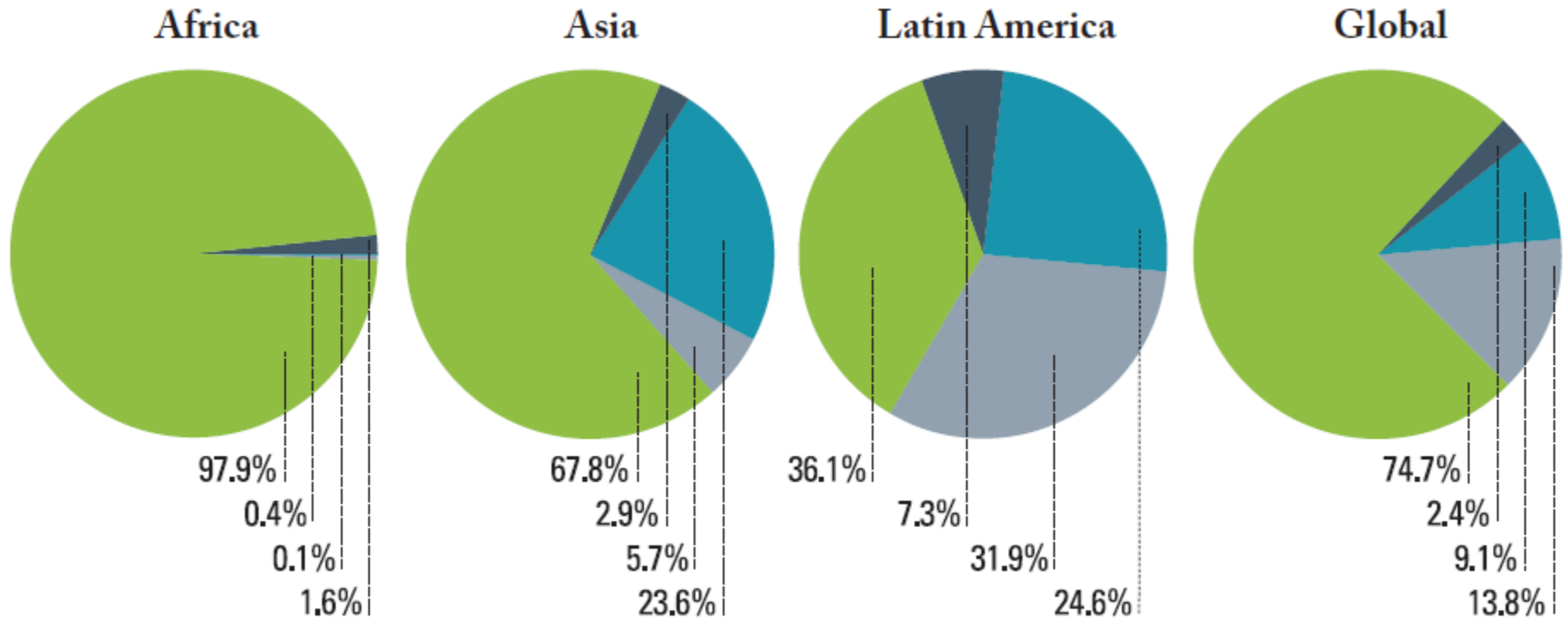
**FIGURE 3: STATE OF GLOBAL FOREST TENURE, 2010**



SOURCES: Sunderlin et al. 2008; ITTO and RRI, 2009.

# Forest Tenure Distribution, 2008

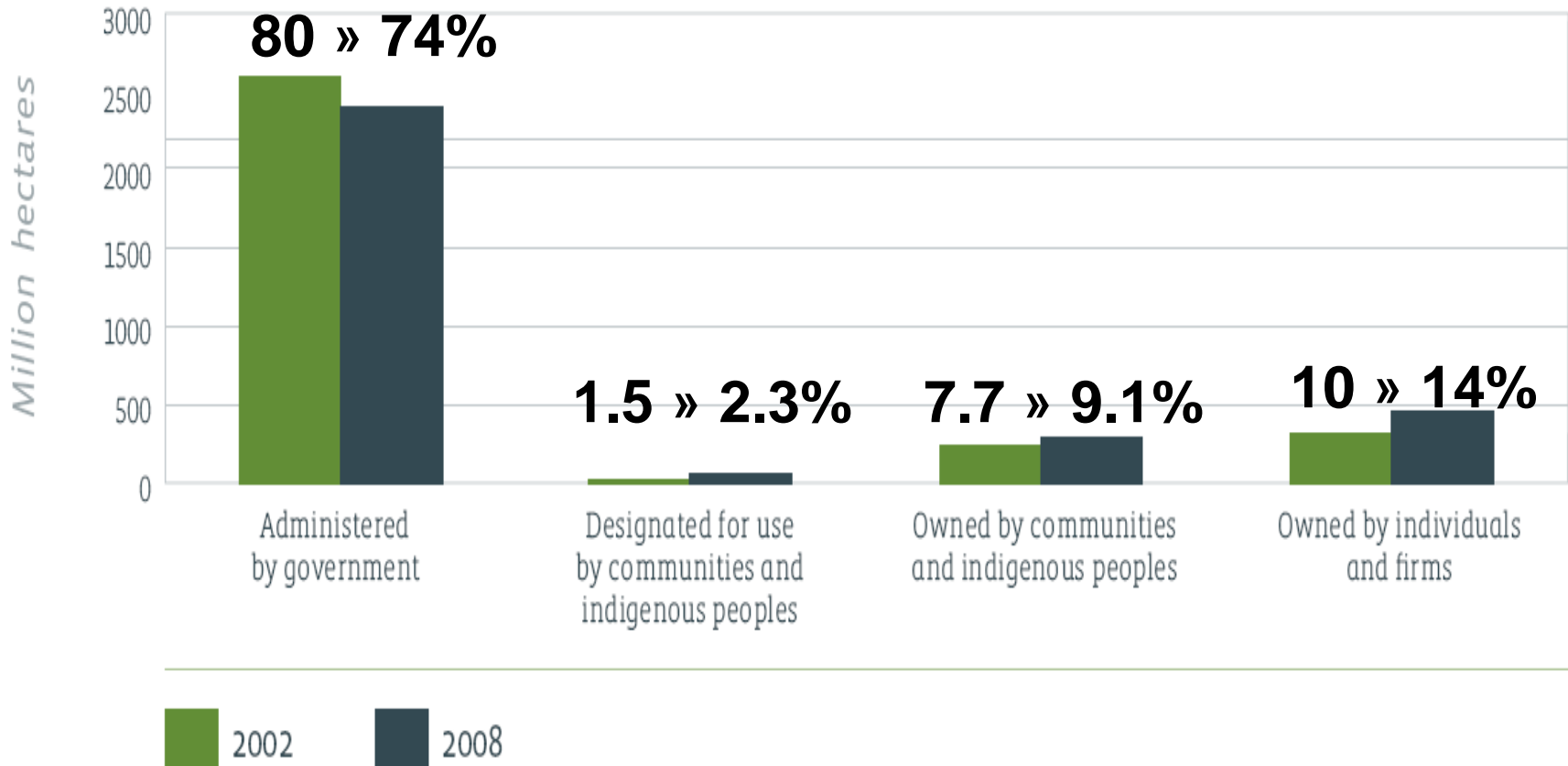
- — Administered by Government
- — Owned by communities & indigenous peoples
- — Designated for use by communities & indigenous peoples
- — Owned by individuals & firms



SOURCES: Sunderlin et al. 2008; ITTO/RRI 2009. Data includes 36 of the world's most forested countries, representing 85% of world forests.<sup>4</sup>

# Status of Forest Tenure – State Dominated but Changing

FOREST TENURE DISTRIBUTION BY TENURE CATEGORY IN 25 OF THE 30 MOST-FORESTED COUNTRIES, 2002–2008



Source: Sunderlin, W., J.Hatcher and M. Liddle. 2008. *From Exclusion to Ownership?: Challenges and Opportunities in Advancing Forest Tenure Reform*. Washington D.C.: Rights and Resources Initiative.

# Global Forest Tenure Transition

Historic shift from “statutory”, “state” ownership towards more ownership by indigenous peoples, forest communities, households, individuals:

- Originally “customary” prevailed, then under feudalism, colonialism, and imperialism - lands were claimed by centralized power - the “state”
- The “state” maintained its claims through statutory legal systems - “statutory” prevailing, and assumed optimal
- With “development”, revolution, democracy, growing respect for human and collective rights, growing appreciation for “legal pluralism,” and statutory recognition and respect for customary systems – a blending

*This is “sorting out the public domain” – combined with “the global political awakening”*

*Europe underwent these changes in 16<sup>th</sup> – 18<sup>th</sup> century; US West underwent a major shift in 18<sup>th</sup> – 19<sup>th</sup> century – the developing world undergoing these shifts today*



# Status of Tenure, and Reforms, in Major Forest Countries

1. China – since 2008 - largest forest tenure reform in modern history – over 100 million hectares and 300 million people – in their “collective” sector, now beginning to reform their “public” sector: much more work on regulations;
2. Brazil – dramatic steps last 20 years, incrementally rationalizing public domain, 100 million hectares, new laws, regulations and agency, Indigenous People’s forest the cornerstone of forest protection and bulwark against deforestation;
3. Indonesia – almost 100% state owned; just beginning to devolve some land to households; just beginning to consider discussions with IP;
4. Russia – new code, no change in ownership, or recognition of indigenous people’s rights in far east,
5. Canada – treaty/court process to recognize IP rights; pragmatic IP, industry and agencies taking incremental steps;
6. USA – ownership mostly settled; some continued legal contests between USG and Native Americans, Spanish land grants; most of reform around management/access rights on federal lands, e.g. “Stewardship Contracting”, community collaboration;
7. DRC – still 100% state owned with LOTS of communities; just beginning to consider how to recognize rights

# Trends in Governance Globally – Including Forestry

## 1. Past-Present: National – level:

1. Increasing “democratization” – “global political awakening”
2. Increasing decentralization (mostly rhetoric, but really happening in others – e.g. Indonesia)
3. Rise of non-state regulation (certification, independent monitoring, etc)
4. Trends away from “command and control” forest regulation
5. More transparency, and mechanisms for accountability (e.g. telecom, video, etc)

## 2. Past – Present: Global level:

1. Many of the same – but the rules and regimes increasingly shaped by IP and CSO, as well as the BRICs
2. Increasing focus on “legality” - EU VPA and US Lacey act establishing legal/treaty-based trading regimes
3. Increasing “contestation”, “pushback” by communities and govt, conservation and conventional industry

# Weak governance common

		Transparency International rating <sup>1</sup>	Freedom House index <sup>2</sup>	Current conflicts <sup>3</sup>	World Bank "Doing Business" ranking <sup>4</sup>
<i>n</i>		1-10; top score: Denmark, 9.3.	1 = Free, 7 = Not free.	<i>Tenure-related / total conflicts.</i>	<i>Ease of doing business ranking, of 181 total.</i>
9	<b>UNREDD</b>	2.6 of 10	3.5 of 7	<b>3 / 3</b>	119
37	<b>FCPF</b>	2.9	3.6	<b>9 / 13</b>	115
38	<b>Both</b>	2.9	3.6	<b>12 / 16</b>	116

Sources:

- 1 Transparency International. 2008. Corruption Perceptions Index. [http://www.transparency.org/policy\\_research/surveys\\_indices/cpi](http://www.transparency.org/policy_research/surveys_indices/cpi)
- 2 Freedom House. 2008. Freedom in the World. Combined Average Ratings, <http://www.freedomhouse.org/template.cfm?page=410&year=2008>
- 3 Wily, Liz A. 2008. Current conflicts around the world. Unpublished.
- 4 Doing Business 2009, <http://www.doingbusiness.org/economyrankings/?direction=Desc&sort=1>

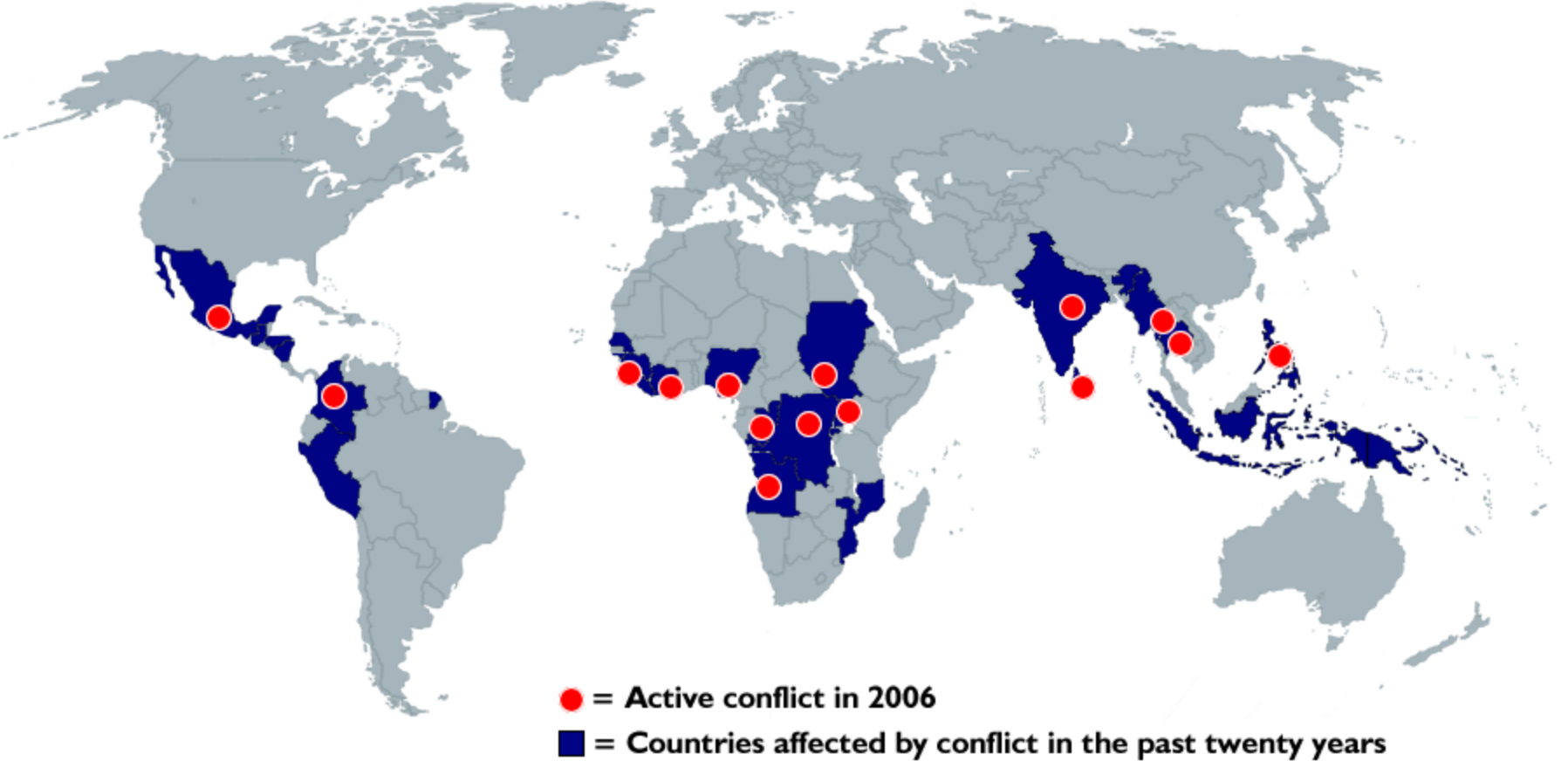
# Implications If Tenure Is not Clear

1. Conflicts
2. Poverty
3. Land-Grab
4. Deforestation
5. Climate
6. Rent-seeking
7. Corruption

LET US LOOK AT SOME EVIDENCE OF THESE IMPLICATIONS

# Violent conflict common in tropical forests

In the past twenty years 30 countries in the tropical regions of the world have experienced significant conflict between armed groups in forest areas.



# Poverty is highly rural

1.01 billion people of which 34% is extremely poor and 60% are poor (less than \$2/day)

72% of the extreme poor (less than 1.25/day) live in rural areas /

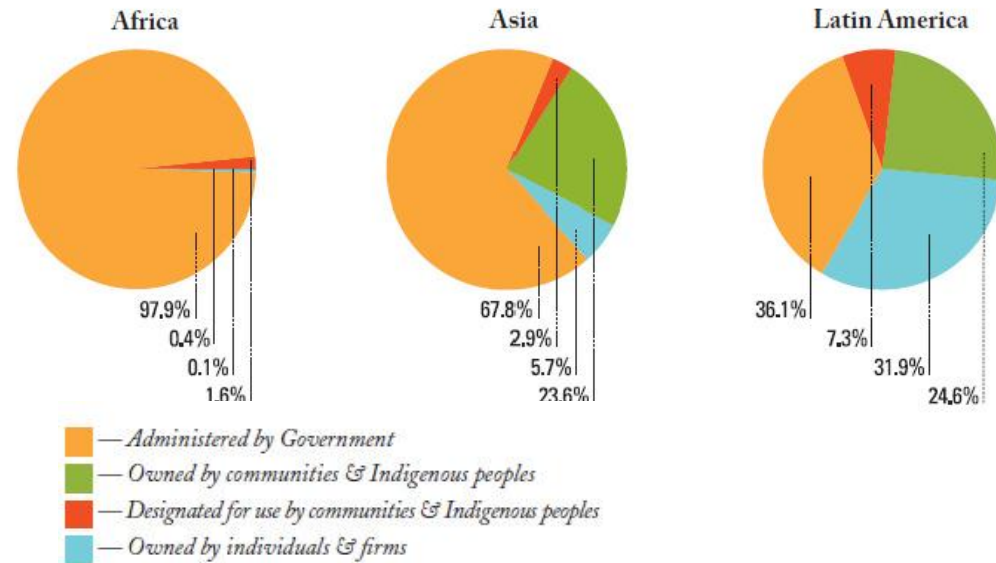
80% of rural poor engage in some farm activities

IPs represent 5% of world population but 15% of the world's poor. = poverty rates much higher for IPs than non IP. (IFAD 2009)

# But: Rate of “Land Grabbing” Faster than Rate of “Recognition”

- Recognition of IP and community forest rights:
  - doubled between 1985 and 2000
  - ↑5%/year 2000-2008
  - NO progress in 2010
  - miniscule compared to rate of ‘land grabbing’ ↑1000% between ‘08 and ‘09 (World Bank)

**Forest Tenure by Region, 2010**



**Did 2010 mark the end of progress on forest land rights, or just a stall?**

# The Future of Forest Governance?

Many “experts” predicting more:

- Much stronger local, political movements – demands for justice, expectations for jobs and citizenship
- more centralized control, as forest lands become more valuable, become “strategic” assets, to control resources enhance security (political, energy, food, resources)
- conflict over scarcer land and water, risk of violence and political upheaval
- Uncertainty “the new normal” (Zoellick, 2011)



*Not clear what effect BRICs will have on global governance – they are behind on “legality” and standards – but still moving in this direction*



# Breaking the deadlock

1. Conflict, contestation, poverty, land-grab is the object reality of life in rural tropical forest areas;
2. Deforestation, Climate change, economic slow-down is global reality;
3. Rent-seeking ,Corruption, Oppression, characterize governance in many tropical countries;
4. Developed country governments and politics preventing effective global action, traditional international arrangements proving ineffective, emerging economies asserting but not providing global leadership.

WHERE SHOULD WE BEGIN TO BREAK THIS DEADLOCK?