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PROPOSAL FOR PARTNERSHIP: ENHANCING THE ROLE OF PRIVATE AND COMMUNITY FORESTS IN SUSTAINABLE FOREST MANAGEMENT AND RURAL DEVELOPMENT

The International Family Forest Alliance (IFFA) welcomes the World Bank's re-engagement in promoting sustainable forest management and enhancing the potential forests have in sustainable economic development. All three pillars of the Forest Strategy have a specific interest and value for family forestry and local communities. The IFFA also points out the role of rural communities and people dependent on forests in the sustainable management and use of forests.

The IFFA supports the World Bank Forest Strategy also highlighting the following points:
- small forest owners should be recognised as important partners in national, regional and global forest policy processes.
- the importance of giving people dependent on forests control over said resource and the knowledge they need to manage them.
- rural people should be able to participate in more profitable and dynamic production activities.
- the integration of forest activities in broader rural development programmes.
- small forest owners and producers should have equal access to the market and market information.
- independent certification, based on the initiative of and supported by forest owners, can be a valuable tool in promoting sustainable forestry.
- the role of family and community forestry in combined forest management for production and protection of forest ecosystems.

The IFFA and its member organisations put forward this proposal of forming a partnership with the World Bank to promote sustainable forest management. The partnership might involve the initiation of a dialogue at the strategic level and further develop and implement sustainable forest management in accordance with the World Bank Forest Strategy.

Private and community forestry has considerable potential to contribute to rural development and sustainable management of resources, and offers an important opportunity to support achievement of the World Bank Forest Strategy goals. Working together to enhance multipurpose and sustainable private and community forestry would create added value for the independent efforts of both parties. The specific objectives and forms of activities would be defined in a joint process.

The IFFA considers capacity building and development of private and community forest owners associations as an important part of joint initiatives and an effective means to increase the awareness of and responsibility for protection and sustainable use of forests. Capacity building should not only address multipurpose forest management, but also access to timber markets and awareness of market-chain position. It should also address participation in policy-making and enhanced co-operation between private forest owners associations and state forest services.
The three pillars of the World Bank Forest Strategy and Family and Community Forestry

Harnessing the Potential of Forests to Reduce Poverty

The World Bank Strategy focuses on creating economic opportunity, empowerment and security for rural people. The main instrument is through policy and institutional strengthening to ensure that the rural poor have sufficient access to forest resources, and are able to manage them for their own benefit. One of the primary objectives is to support the scaling-up of collaborative and community forest management, so that local people can manage their own resource, freely market forest products, and benefit from the security provided by tenure.

The WB strategy places emphasis on the involvement of small farmers. A principal mechanism will be the closer integration of forest activities and investments in broader rural development programmes and poverty reduction strategies. The percentage of economic benefits earned by smallholders and community producers from forest outputs needs to be addressed.

The IFFA strongly supports the Strategy enabling the participation of rural people in more profitable and dynamic production activities. People dependent on forests should be in a position where they are able to invest in sustainable forest management on the basis of secure property and land tenure rights, which are guaranteed through long-term and reliable legal structures and policies. Ownership creates value, and giving the right of ownership to a large number of people leads to the creation of a variety of value. Strengthening co-operative arrangements to improve the bargaining position of the rural poor and enable them to benefit from downstream processing and trading is vital to improving the economic possibilities of people earning a living from forests.

Integrating Forests in Sustainable Economic Development

Undervaluation of the forests and the benefits they produce is one of the main reasons behind continued poor forest management, poor governance and illegal logging, finally resulting in deforestation. The World Bank Forest Strategy is looking for a way to support governments in the ecologically, economically, and socially sound management of production forests. A cross-sectoral approach, good governance as well as independent monitoring and certification of forest operations are recommended as ways to support this objective.

Also noted in the strategy, small-scale forest product activities are among the three largest categories of non-farm, rural commercial enterprises in terms of the number of people engaged in these activities. The Bank will focus its assistance on small, wood-based enterprises to help the rural poor successfully engage in processing and trading.

The World Bank Forest Strategy uses independent monitoring and certification to support the sustainable management of production forests. Compliance with independent certification standards acceptable to the Bank is a precondition for the Bank's investments in production forests.
From the IFFA’s point of view, national circumstances, including forest ownership structure and role of private ownership, structure of forests, intensity of forest exploitation, legal and institutional framework, structure of timber markets, timber sales practices, should be taken into account when establishing a certification system. All feasible and cost-effective certification solutions at the national and regional level which do not compromise the adequate requirements for sustainable forest management and which are based on internationally agreed criteria and indicators for SFM should be accepted without giving primacy to any of them.

Formed in 1998, the WB/WWF Alliance aims to put approximately 200 million hectares of production forests under independently certified sustainable management. To evaluate various forest certification systems and their compliance with the Bank’s requirements, the Alliance is developing a Questionnaire for Assessing the Comprehensiveness of Certification Systems (QACC).

The IFFA considers the development process of the QACC flawed and its current form unsatisfactory. In its current form the QACC would produce a biased result, favouring FSC-based systems. This clearly puts small-scale family forest owners and communities in a compromising position, as their forests are mainly certified according to national or regional certification systems or systems developed under the PEFC scheme.

The IFFA supports the World Bank’s efforts to promote independent certification of sustainable forest management world wide. Family forest owners and the member organisations of IFFA have accumulated a considerable amount of knowledge and experience in the development and implementation of national and regional forest certification schemes. We would like to offer this experience to contribute to the development of a comprehensive and impartial tool for assessing forest certification schemes as well as the promotion and implementation of independent forest certification in family and community forests world wide.

IFFA also believes that certification has the potential to create genuine partnerships, particularly at the local and regional level, between forest owners, local communities, the manufacturing and processing industries, and other stakeholders in civil society.

**Protecting Global Forest Values**

Improving forest management practices in production forests outside strictly Protected Areas is an essential component of any strategy in the protection of vital local environmental services and values. The emphasis on forest protection should be realistic and the focus on the protection of whole ecosystems and their capacity to produce ecosystem services essential to people dependent on forests.

Development of options to build markets and finance for international public goods (such as biodiversity and carbon sequestration) and the design, implementation and financing of national markets for local environmental services provided by forests are beneficial in order to maintain/preserve forest resources for future generations. The IFFA supports the approach that the World Bank focuses on economic policy and rural strategies that embrace not only the conservation of environmental services, but especially the sustainable use of them.
Family forest owners and local communities dependent on forests in particular would be able to contribute to and benefit from such concepts as combined management of natural systems and maintenance of biological diversity. These kinds of concepts would ensure long-term protection, while providing a sustainable flow of natural products and services.

**Partnerships**

In the implementation of its Strategy the World Bank emphasises country ownership and the building and reinforcement of partnerships. The World Bank seeks to foster partnerships with other donors, NGOs and the private sector. However, forest owners, local communities and people dependent on forests are not mentioned as potential partners in the implementation of the strategy, even though their engagement, experience and input is crucial to sustainable forest management and the use of forest resources.

**Partnership to Promote SFM with Family Forest Owners’ Organisations**

The IFFA has put forth a proposal to establish a partnership with the World Bank. The main contribution by the IFFA would be implementation of the World Bank Forest Strategy, by establishing and developing forest owner organisations and their contribution/efforts for sustainable forest management. Particular attention might be given to countries in Central and Eastern Europe, where private forest ownership is currently developing.

The development of forest owner organisations provides extensive support for sustainable forest management in private forests and forests where local inhabitants have customary usage rights. Forest owner organisations have proven to be an efficient tool in reaching large groups of forest owners and providing them with information on responsible sustainable forestry and how to put it into practice. Support and advisory services offered by forest owner organisations are often more easily accepted than similar services offered by governmental organisations, which usually also play a regulatory role in forestry. By using their own organisations, forest owners also have the possibility to join a cost-efficient and locally-adapted forest certification system.

Organisation of small and community forest owners is the only way to participate as a credible and equal partner in regional and national forest policy processes. Without the broad-based participation of forest owners and support for these processes, forest owner needs and opinions cannot be adequately taken into consideration in political decision-making. Organisations representing forest owners and community forestry can give a view of the people implementing at the grassroot level the commitments on sustainable forest management and related agreements and regulations. In a partnership approach they stand to gain access to regional, national and international networks and new technologies as well as scientific, financial and political support for their joint or individual projects. Participation is fundamental to the forest owners' commitment to set goals.

Forest owner organisations are needed to ensure that small producers have access to timber and other forest products markets. Forest owners primarily rely on their own organisations to offer them objective information on markets and the clients operating in them, thus enabling them fair access and market participation. Forest owner organisations and co-operatives also serve as a basis for the small and medium scale processing of forest products, and further contribute to the development of rural economies. An important precondition for the success of these small enterprises is that they have as
much access to markets and up-to-date market information as large companies operating at the national or global level.

The IFFA stresses the importance of including private forest owner organisations and alliances in the consultation and negotiation processes at all levels concerning the development and implementation of various forest and environment processes. The World Bank Forest Strategy directly influences the World Bank focus countries, but it also serves as a benchmark for forestry operations not receiving direct aid from the World Bank.

The IFFA and its member organisations propose forming a partnership with the World Bank, to promote sustainable forest management in private forests. The partnership might involve initiation of a dialogue at the strategic level and further discuss, develop and implement sustainable forest management in accordance with the objectives of the World Bank Forest Strategy.