



Forests, poverty and better governance:
Key points from presentations on 1st March 2005

A note by

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1. The task

Forestry is currently underperforming in poverty reduction. Our goal, in Don Wijewardana's conceptualisation, is to get ourselves and society from A to D:

A: No SFM - No Poverty reduction	C: SFM - No poverty reduction
B: No SFM - successful poverty reduction	D: SFM - successful poverty reduction

But we have not yet committed sufficiently to implementing this goal.

2. Pro-poor forestry and better governance at the local level

We need better understanding of the factors which make local communities more or less effective managers of forest, distinguishing ownership, level of interest/dependence and level of institutional capacity. We then need to help develop more appropriate management systems which respond to the constraints identified.

We should find ways of strengthening local governance and local capacity for negotiation.

The forest sector needs to address poverty reduction, illegal activities and forest land use in a more joined up way. 'Illegal logging' is often an anti-poor term. More law or more implementation of existing law may simply bring more injustice, if the law is used to leverage fees to make the illegal legal. There is plenty of bad legal logging, just as there is some harmless illegal logging. Unpicking the issues may be country/site specific but the questions to ask are - what would reduce illegality and what would improve the quality and sustainability of forest exploitation?

3. Building national level governance capacity

There may be an initial reluctance at national level to address forest governance issues at all. This can be addressed by taking a social justice approach, and by building a small group of key individuals willing to work on the issues. Their work must develop a process, with milestones, which builds a commitment to change and which leads to concrete outcomes.

4. Getting connected for pro-poor forestry and better governance

Participants were clear that two important sets of links need to be built for better, more pro-poor forest governance. Firstly, more analysis and planning for this new orientation was needed within the forest sector, including better vertical linkage from local level realities to the national level, and better training for the task at many levels.

But it was also recognised that stronger national-level links to other sectors were needed: those concerned explicitly with poverty, welfare and health, and above all to Ministries of Finance. As budgets increasingly reflect the imperatives of the Millennium Development Goals, especially in poorer countries, it is vital that forestry makes its voice heard at the table, and can argue effectively for its contribution to poverty reduction. It is also important that intra-sector processes, such as NFPs (National Forest Programmes) are explicitly linked to national Poverty Reduction Strategy processes.

5. Using facts and figures for better forest governance

Most forestry departments lack good data with which to argue authoritatively at the national level for the contribution forests can make to poverty reduction, not only directly but also their indirect contribution to health and education as well¹.

It is important to calculate income *forgone* as well as income *gained* through the pursuit of different kinds of forest uses, and to be aware that local people do not just depend on forests, they invest in them as well - often more than governments or donors do.

6. Better governance through corporate social responsibility

Through the raising of consumer expectations about forest, better timber company CSR performance was reported, and better profits. These linkages are only seen in the developed world, however. Effective mechanisms for timber trading within and between developing countries have yet to be elaborated.

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