



UPDATE – JUNE 2008

International Institute for Environment
and Development (IIED)

SUMMARY

This is the sixth update from the Forest Governance Learning Group (FGLG). We are an informal alliance of in-country groups and international partners currently active in eight African and three Asian countries. We aim to connect those marginalised from forest governance to those controlling it, and to help both do things better. Since 2003 we have been carrying out focused studies, developing tactics and tools, holding learning events, and working as a group to effect change. This update covers activities over the last year, impacts to date, the state of play in participating countries, and the path ahead.

Over the past year FGLG has generated:

- Increasingly effective impact, such as: President in Uganda forced to back down from give-away of forest reserves to agribusiness; high-level action on illegal logging and Chinese investment in Mozambique; rights and governance reform installed back on the agenda in Ghana by shaping the Voluntary Partnership Agreement on legal timber with the EC; and governance frameworks more astutely enabling community forestry in Vietnam
- 10 country teams continue to be active in Niger, Ghana, Cameroon, Uganda, Malawi, Mozambique, South Africa, Indonesia, India and Vietnam – five of them leveraging additional support from other sources to further extend their action – and the independent emergence of a new country team in Burkina Faso.
- A major learning event in India on making small forest enterprises work better for social justice in forestry, involving participants from all the country teams and other international players, with lessons learned, specific tactics used and impacts achieved by the country teams recorded
- Over 50 new policy research tools, press, TV and radio advocacy outputs
- International collaboration to exchange learning and install findings – with 21 international organisations and through participation in nine international forums
- Good prospects for extending effective approaches through emerging international initiatives notably those exploring forest-based climate strategies and a new global forest partnership

Over the coming year FGLG will concentrate on:

- Deepening the effectiveness of the 11 country teams - sharpening focus as much as possible, through targeted guidance, tools, learning events and advocacy, to achieve optimum impact
- Cooperation internationally to install findings and develop initiatives that build on successes – notably in exploration of forest based climate strategies and a new global forest partnership
- Clearly identifying the routes by which necessary follow-up action in-country and internationally can be pursued
- Recording effective lessons learned, impacts achieved and tactics found effective
- An international learning event on the issues of local forestry control for social justice
- Preparing a short film on the theme of forest governance
- Commissioning an independent evaluation of this FGLG initiative.

The website for the FGLG, where news, reports and work plans for the FGLG country teams can be found, is: <http://www.iied.org/forestry/research/projects/forest.html>

Brief introduction to the Forest Governance Learning Group

The Forest Governance Learning Group is aiming for improved governance of forest resources in eleven countries in Africa and Asia. Four main expected outputs are being worked towards over the period 2005-2009:

1. *Poverty reduction strategies, national forest programmes, decentralisation programmes* and related processes enable improved forest governance
2. *Illegal and corrupt forestry that degrades livelihoods is reduced* through the adoption and spread of practical approaches to improve forest governance
3. *Forestry enterprise initiatives and private sector associations* comply with the law and spread practical approaches to improve forest governance
4. *Ownership, access rights, policy and management frameworks* are improved to support local control and benefit from forestry

Increasingly, partners in other countries are making alliances with FGLG – some of them modelled on FGLG teams and independently supported (e.g. in Burkina Faso, Tanzania and Nepal). Country teams involve opinion-formers and decision makers, plus individuals who articulate the issues faced by those marginalised from governance, and other facilitators who work with them.

Partners involved

- International Institute for Environment and Development (IIED) – steers the group
- Indufor Oy based in Finland
- LTS International (LTSI) based in the UK
- Regional Community Forestry Training Center for Asia and the Pacific (RECOFTC)
- Centre d'Etudes pour la Promotion, l'Aménagement et la Protection de l'Environnement - CEPAPE), University of Ouagadougou – convenes the team in Burkina Faso
- Cellule de Recherche Action Concertée sur la Gestion des Ressources Naturelles (CRAC-GRN) – convenes the team in Niger
- Civic Response – convenes the team in Ghana
- Forestry South Africa – convenes the team in South Africa
- Justicia Ambiental and Terra Firma – convene the team in Mozambique
- Training Support for Partners and Centre for Development Management – convene the team in Malawi
- Advocates Coalition for Development and Environment – convenes the team in Uganda
- Centre for International Forestry Research – convenes the team in Cameroon (the convening role is being passed to NESDA-CA and the African Model Forests Network in 2008)
- Centre for People's Forestry and the Indian Institute of Forest Management – convene the team in India
- Inspirit and the Multi-stakeholder Forestry Programme – convene the team in Indonesia
- An independent researcher with good links to government – convenes the team in Vietnam

The European Commission is the principal supporter of the initiative, with counterpart financing primarily from the Dutch government.

Summary of progress by country teams

Progress by the teams is summarised below, arranged alphabetically by country.

Cameroon – a governance learning platform for players in the sector

At a time when influential external groups are joining Cameroonian actors in increasingly questioning the viability of the industrial concession model for addressing sustainable development and poverty issues in the forest sector, some logging concessions are making visible efforts to align with certification criteria, including those related to biodiversity conservation, rights of local people and timber legality. Meanwhile, a number of innovations in community-based natural resource management are emerging and consolidating at the grassroots - including monitoring

committees and farmer-forest committees. However, despite such improvements, local returns from timber and non-timber forest products are low - and fail to significantly improve livelihoods. Meanwhile, some apparently crucial developments fail to deliver in practice. For example, capacity, information flow and accountability are too weak to realize the potential of a decentralized fiscal system, such that forest revenues fail to get through to local levels.

FGLG-Cameroon, known as *Groupe de Réflexion et d'Etude sur la Gouvernance des Forêts* or GREG-Forêts, is trying to act on some of these issues. It has a pool of members with strengths in leadership, knowledge of the sector and institutional linkages who participate regularly in reflection, thinking and planning. It has begun to be an effective analysis and learning platform for the multi-donor Forest Governance Facility which is supporting civil society efforts to improve decision-making in the sector, and has agreed plans with the Facility to undertake thorough forest governance mapping and gap analysis. GREG-Forêts is also engaging with key organisations to try and catalyze the preparation of a National Forum on Forest Governance.

"FGLG is riding the hairy beast of Governance in Cameroon"
Chimère Diaw, GREG-Forêts

GREG-Forêts has also begun engaging to try and install community forestry and small enterprise thinking in the process of developing a Voluntary Partnership Agreement between Cameroon and the EU. Contributions have been made to debates on corruption and revision of the Community Forest manual also. In 2008 the convenor of GREG-Forêts transfers his institutional home from CIFOR Cameroon to the African Model Forests Network – and the administrative functions for the group will transfer to the NGO NESDA.

Ghana – work on legitimate timber puts rights and governance reform back on the agenda

The elite consensus that had governed forestry since the 1980s in Ghana is under severe strain. With dwindling resources and increasing competition in the timber sector, intensifying organised public pressure from NGOs and communities, a new wave of reform pressure from EU buyers for proof of legality and good governance, and growing media exposure of poor resource use, injustice and corruption in the sector - there is increasingly open conflict within and between industry, government and chieftaincy groups.

FGLG-Ghana has continued to provide evidence and analysis that has strengthened the constituency for reform in civil society and the state. It continues also, through a process of shuttle diplomacy, to facilitate consensus building amongst key players and institutions to drive the reform process forward. Within the Forest Voices Project, the team supported - through

"Marginalisation of forest communities is the central issue of forest governance in Ghana and illegal logging is a symptom of this problem."
Emelia Arthur, FGLG Ghana

strategising, distilling learning and facilitators meetings - about 28 district forest forums, 10 regional forest forums and 1 national forest forum. These forums were successfully dovetailed with an FAO supported National Forest Forum project and an agenda-setting process for community forest management and enterprise through a series of major gatherings of its protagonists. Through these processes an articulate community rights movement has emerged and in 2008 the governance reform process in Ghana enters a critical phase. This movement has made specific formal demands for changes in forest tenure, policymaking and management to which the formal top-down reform process must respond.

At the macro level, FGLG-Ghana has worked in various ways on the process of developing a Voluntary Partnership Agreement (VPA) on legal timber and forest governance between Ghana and the EU. The team has members who are also on the VPA Steering Committee, and others in various working groups on the legal standard, informal sector and industry restructuring. Through IIED it has also steered a detailed assessment of potential impacts in Ghana of the VPA under various policy assumptions. In this work: some 95 key references and other recorded information sources were reviewed; about 110 resource people and stakeholders were interviewed, and some repeatedly engaged with; modelling of industry, institutional and economic data was carried out; and a survey of 164 primary stakeholders in informal enterprise, labour and forest communities

completed. A preliminary estimate of the possible revenue from a national Reduced Emissions from Deforestation and forest Degradation strategy was also undertaken since this is an emerging field which could significantly affect sector strategy in Ghana.

Table 1. Gains and losses for Ghana by 2020 under scenarios - without a legitimate timber regime, with one, and with broader sector reform

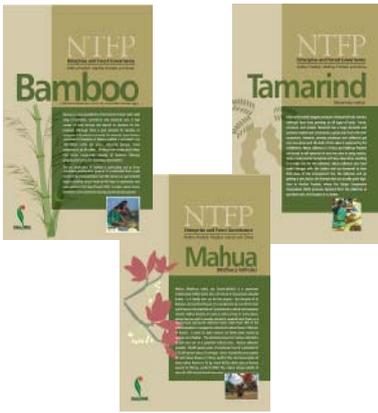
	Gains	Losses
Without a legitimate timber regime attempted	<ul style="list-style-type: none"> ❑ Short term profit for some existing industry ❑ Short term benefits for some from chainsaw lumbering ❑ Short-term employment benefits in forest industry 	<ul style="list-style-type: none"> ❑ 'Hard landing' as sector dwindles fast, corruption rife ❑ Resource crash, deforestation and degraded ecosystem services: foregone carbon payments; soil erosion and water quality problems; and loss of biodiversity ❑ Marginalised communities, rampant illegality, conflict and local governance problems
With an effective legitimate timber regime	<ul style="list-style-type: none"> ❑ 'Softer landing' for a downsized sector ❑ Improved formal sector resource management ❑ Increased accountability stimulates positive engagement 	<ul style="list-style-type: none"> ❑ Lower revenues, continued social / environmental risk ❑ Some species loss and forest degradation ❑ Communities still disenfranchised and some social dislocation ❑ Substantial numbers of companies dissolved with employment losses
With sector reform	<ul style="list-style-type: none"> ❑ Stabilised productive forest sector, healthy revenues ❑ Responsible management on and off reserve with maintenance of ecosystem services resulting in carbon storage, watershed and biodiversity protection ❑ Rights, responsibilities and capacity in the best places for good management and local benefit ❑ Larger share of 'timber economic rent' to resource owners 	<ul style="list-style-type: none"> ❑ Smaller forest sector ❑ Still lower levels of forest goods and services (may regenerate / expand beyond 2020) ❑ Lower (but sustainable) employment levels ❑ Despite gains – it is too little and too late for some communities

The team concluded that pursuing a VPA will be neither an easy ride nor an easy answer to the problems of Ghana's forests. Even with a legitimate timber regime: the forest resource will be substantially degraded, forest industry will make a smaller contributor to the economy and communities will remain with no interest in forest management – a VPA is not enough. But a legitimate timber regime will make Ghana more able to bring about forest sector reform – it is an important stepping stone. The team went on to recommend policy measures that should be initiated and phased in within two to four years, with pilot programmes developed, then workable systems rolled out. It recommended that the Government of Ghana and the EC reach an agreement which explicitly combines high-level political commitment, careful phasing, substantial resources and practical institutional capability to put Ghana on the road to good forest governance.

Since the impact assessment work has been called upon by stakeholders to define what should actually be in a VPA, its effect thus far has been to re-invigorate mostly long-recognised macro policy reforms on the agenda. The Government of Ghana and the EU have indicated their intention to conclude FLEGT negotiations by mid 2008. FGLG Ghana and other social-justice oriented reformists must thus continue to press for consensus amongst diverse stakeholders over community tenure rights, community management rights and democratised policymaking - which will make huge demands on FGLG-Ghana members in 2008.

India – governance influence for local control of high-demand NTFPs

The team in India has been focused on developing governance tactics for forestry enterprise. It carried out studies in three states, Andhra Pradesh, Madhya Pradesh and Orissa, on selected



NTFPs whose collection and trade is crucial to the livelihoods of forest-dependent poor across central India: bamboo, beedi leaf, mahua, tamarind, sal seed and honey. India presents a compelling case for the study of NTFPs and their governance. Not only are India's forests richly endowed with NTFPs, they are also the lifeblood of one of the largest populations of forest-dependent people in the world. In its first phase of work the team used these studies to expose field level information on the governance constraints affecting individuals and small enterprises dealing in NTFPs. Reports and a set of policy briefs are being used to press home the team's recommendations in workshops, meetings and individual consultations with policymakers and forest officials.

During the year, FGLG India hosted and collaborated in several events at which forest enterprise governance issues were debated with national and international audiences. In May 2007, FGLG and the Andhra Pradesh Forest Academy co-hosted a national level workshop aimed at identifying micro enterprise friendly forest governance. A key feature of this workshop was the high quality and depth of discussion between senior forest officials and members of communities and small enterprises, whose voices may not normally be heard, much less listened to, in such fora. FGLG India further collaborated, this time with the Commonwealth Forestry Association, in a national level workshop on the role of civil society in forestry in October 2007. This enabled discussion of outcomes from FGLG work with senior forest officials from across India. This has enabled the development of strategic partnerships between FGLG India and other organizations. In December 2007, FGLG India and its new host institution, the Indian Institute of Forest Management, hosted the international project's learning event in Bhopal (reported on below).

"FGLG's key role is 'speaking truth to power'".
Sushil Saigal, FGLG India

FGLG India has moved into a second phase of work, under the guidance of a new convenor, Dr. Prodyut Bhattacharya of the Indian Institute of Forest Management. The change of convenor was agreed amongst all Learning Group members and reflects a desire to share responsibilities for management of the initiative. Starting mid-way through 2007, the second phase of work is focusing on three areas. Firstly, improving access rights and supporting local control of benefits from forestry through generating awareness and tracking implementation of the new Scheduled Tribes and other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006: the most important recent legislation designed to benefit forest-dependent poor. FGLG members contributed directly to framing the implementation rules for this Act. Secondly, the team is facilitating and supporting the formation of a network of private forestry actors: individual farmers who have the opportunity to develop small enterprises through timber production. Thirdly, the team is continuing to build on the learning from the first phase, working towards real impact through interactions with policymakers and forest officials. The team has already seen specific impacts such as amendments to the tendu leaf benefit sharing policy in Orissa, which will put the sector on a much more responsible and socially just footing.

Indonesia – safe space, and improved capacity, on controversial issues

The forestry sector in Indonesia is shifting from an emphasis on extraction of high value commercial timber from natural forest towards a more diverse set of forest values (such as carbon credits and other environmental services) and a growing concern for the multiple demands on land held under the country's vast 144 million hectare forest estate. On the one hand there is increasing demand for conversion into plantations to provide food and fuel, and on the other there is growing awareness among long-term residents of their political rights and claims over land and forest resources.

FGLG Indonesia is established to provide learning and support, and to generate new knowledge and new ways of thinking to respond to these new challenges for forest governance. It supports members in their own work – various members have influential official posts – and has a diverse membership base. The team aims to balance substantive discussions, providing a "safe space" within which

government employees and other members can table controversial issues without being constrained by their formal affiliations, with capacity building, providing training in skills that members identify. FGLG Indonesia has four hubs, one at national level (Jakarta) and three affiliated hubs at sub-national level (Jambi, Bungo and Kendari).

The team held several group meetings during the year. Learning themes for substantive discussion at national level included the links between forests and poverty, the impacts and opportunities associated with climate change, the rapid growth of plantation agriculture in the country, how the MDGs provides tactical opportunities for forestry, and scenarios for future Ministry of Forestry policies – the forthcoming national election in 2009 provides good opportunities for influence. On the capacity building side, FGLG Indonesia organised and ran two training sessions, one on effective communications and one writing workshop. The week-long writing workshop combined group-wide sessions on forest governance in the mornings with writing of individual articles in the afternoons under the tutelage of two journalists from Indonesia's leading newspaper Kompas. Several of these articles have since been submitted to the press and published – with immediate impact for one of the members of the Kendari hub (see box).

At the regional hubs, the focus among members has been on practical questions of governance, particularly how to bring forest communities into formal governance processes in meaningful and legitimate ways. At Bungo, the team has over the last year facilitated legal literacy, institutional development and budget training for forest-dependent villagers in Bungo, following the passing in 2007 of Act UU34 and national regulation PP72 that designate rights to allocate local development budgets to the village level. Express efforts have been made to ensure that women are involved in local budget allocation. Interestingly, there has been a high level of interest among villagers in re-investment in forestry, such as one village allocating 10% of its total budget to replanting of customary land with trees. At Jambi, members of the team have continued to be involved in longer-term

Strengthening the governance case for community enterprise

One member of FGLG Indonesia had been struggling to find the right way to propose the idea of community logging in South Konawe. He found inspiration at the FGLG writing workshop in January 2008. With help from fellow members, convenors and journalists, he wrote an article "Penantian Panjang Masyarakat Konawe Selatan" (The Long Wait of South Konawe Community) and successfully submitted it for publication in a South East Sulawesi newspaper. As a result of reading the article and getting in touch with the author, the Governor of South East Sulawesi is now developing a policy to support community logging in the region.

development of co-management arrangements for forest resources. Again, a major emphasis and success has been to broaden participation from an elite of powerful families and elders to include less wealthy families and most particularly women. The team have been able to influence management of forest in the national park estate as well as in non-conservation areas, by means of officers in these national parks (e.g. Gunung Gede Pangrango National Park and Danau Sentarum National Park) using membership of the FGLG to seek guidance in developing participatory planning processes for conservation and sustainable use.

Malawi – progressive governance spotlight shines at last on the charcoal trade

FGLG Malawi has moved decisively in support of small and medium forest enterprises this year. Publication of its landmark report, *Charcoal – the reality*, on charcoal consumption, trade and production in Malawi enabled stakeholders to see the scale of the issues and values involved (the report estimated the collective annual value of small charcoal enterprises to be about 30 million Euros, which puts charcoal just behind the value of Malawi's two top sectors, tobacco and tea). A high level dialogue with the Parliamentary Committee on Agriculture and Natural Resources was stimulated to try and put in place more inclusive policies that bring charcoal production under sustainable management (all of the 92,800 entrepreneurs involved are currently classed as illegal).

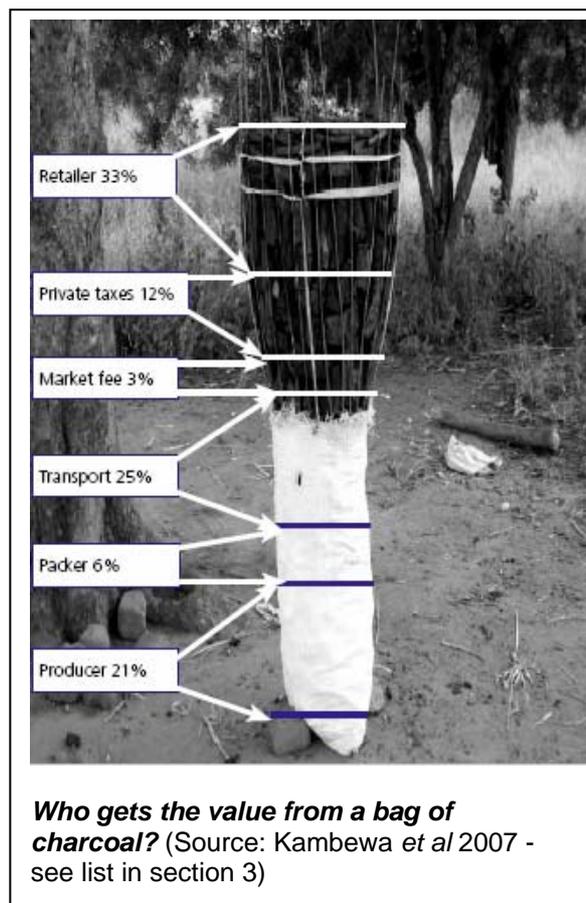
Building on this momentum, FGLG Malawi commissioned and carried out a study assessing the opportunities and constraints facing four further SMFE sectors (timber, cane furniture, carving and tree fruit juices). The reports from this work formed the basis for discussions and strategy development at the large annual meeting of the FGLG – which engages some 40 key protagonists in forest governance issues in Malawi.

FGLG members have also been attending a number of collaboration meetings including network meetings organised by CURE, Landnet and other NGO networks. One of FGLG's leading NGO members, Training Support for Partners, together with the Centre for Development Management, have documented a field case study on community empowerment to demonstrate how improved forest governance can support access and benefits from forests by communities.

This year has seen a change of Director at the Forestry Department and a range of re-arrangements of key personnel within key institutions in the sector. Subsequently, recognising the well-connected but independent nature of the FGLG team, the Forestry Department has invited FGLG to lead a process of institutional review to look at how to reshape processes and staff capacities towards more effective capabilities on the ground. Together with major donor programmes now actively supporting innovations linked to FGLG work (such as the Improved Forest Management for Sustainable Livelihoods Programme funded by the EU, and the Community Partnerships for Sustainable Resource Management - COMPASS - programme supported by USAID), this demonstrates the increasingly effective catalytic role that FGLG Malawi has been playing in effecting joint action for better forest governance.

Mozambique – uncovering bad forestry investments and giving impetus to alternatives

Over the last year, the FGLG team in Mozambique has taken some innovative steps and undergone a transition in management. The team explored the challenges and opportunities for the Chinese timber trade to improve its poverty and environmental impacts in Mozambique. A report to the Chinese Ministry of Commerce was undertaken by Terra Firma, a leading member of FGLG Mozambique. In addition, work continued on more effective log-tracking systems since illegal logging, combined with deficient law enforcement and related corruption, threaten the sustainability of forestry in Mozambique. A simple log tracking guide was prepared in order to help industries prove their involvement in value added processing to receive 40% tax reductions.



Forest problems in tune

Artists linked to FGLG Mozambique developed a rap song and video which has been widely downloaded and referred to on internet blog-sites:

*Mozambique is being uprooted
And stored in the hold of a ship
... There go the planks of a coffin
... There go the logs, there goes the timber
There goes the wealth without a pocket...*

The words are by Mia Couto, an award-winning Mozambican author, and the music is by the equally famous Gorowane, Xtaca Zero, and GproFam, with the singer Ísis. The video was produced by Pipas Forjaz. It can be seen on <http://www.youtube.com/watch?v=4vJpyox9guA>

However, major challenges to the accountability of forest resource use require further attention. A report published by an alliance of NGOs in the previous year, *Chinese Takeaway! Forest Governance in Zambezia*, pointed to a range of serious problems. Then, early in 2007, various logging trucks were intercepted exiting the Arquipelago das Quirimbas National Park, without any licence or authorisation. The timber had been logged illegally inside the Park. There was little formal condemnation from the authorities. A number of other shipments were also seized. Following sustained media attention at least two individuals within the National Directorate of Lands and Forests (DNTF) resigned their positions. A new Director of DNTF was subsequently appointed.

Some of the members of FGLG Mozambique participated in establishing Amigos da Floresta – an independent advocacy group to monitor government performance in the forestry sector. In late 2007 and by mutual agreement, the convening role for FGLG passed from the Universidade Eduardo Mondlane to Justica Ambiental, the lead organisation within Amigos da Floresta. A modified work plan was developed around four main pillars: a public campaign on the importance of rational forest use, further research on the impacts of current forest extraction activities in Tete Province, the promotion of alternative models for sustainable development through the forum on Community Based Natural Resource Management, and actions to combat illegal logging. In early 2008, FGLG Mozambique commissioned the development of a theatre piece highlighting the importance of sustainable forest management, and developed the script for a visual comic covering the same material. Terms of reference were developed for new research in Tete Province and a new bulletin was developed to draw attention to environmental issues on forests within Mozambique and widely disseminated.



Niger – accountability and practical action in natural resource decentralisation

FGLG-Niger, known as *Groupe d'apprentissage sur la gouvernance des ressources forestières* or GAGRF, has shifted its emphasis this year from cross sector reflection, exchange and analysis to greater 'outreach' and the initiation of collaborative work with and between other institutions. GAGRF has engaged strongly in the decentralisation reform process using its relations and understanding within the Rural Code and Ministry responsible for decentralisation to ensure that regional and national level negotiation processes are better attended, by key groups such as civil society organisations and technical field services, than they would be if only official channels are used. Together with other GAGRF member jurists and civil society representatives, these participants have ensured that land tenure issues and natural resource management rights transfer to decentralised bodies are clearly on the agenda. GAGRF work was also influential in the organisation and quality of debate at a highly 'politicised' workshop on land tenure security (Tapoa), particularly on the future of common property resources.

GAGRF members have been the initiators of a new collaborative initiative concerning water resources known as PROGRES (Programme pour la Gouvernance des Ressources en Eau) and have worked to broaden the scope and scale of the group to take on regional and national issues. GAGRF has also been collaborating with and stimulating synergy between other organisations such as the Union of Magistrates of Niger (SAMAN), the Foresters Union (SUTEF) and the Association of Mayors

"The fruits of previous GAGRF work have been used to better inform ongoing decentralised natural resource governance debates and to stimulate new collaborative dynamics."
Bashir Amadou, GAGRF Niger

(Municipalities) of Niger (AMN) as well as the National NRM-Decentralisation Network. A series of major workshops have been held concentrating on the governance challenges implicit in decentralised NRM. Given the multiple facets of the NRM context in Niger, these workshops have concentrated on doing two main things: Firstly, bringing key people and institutions together – those who should be well-linked but rarely are - in a neutral collaborative space where they can express themselves, better understand each other and iron-out the practicalities in a situation so complex that no law alone can ever hope to resolve. Secondly, providing clear information on existing legislation and its interpretation as well as helping the actors recognise the weaknesses of the legislative framework and the need for collaborative action since easy clear-cut solutions are rare.

Impacts from this work are looking promising with antagonistic actors coming face to face, together exploding a number of myths and taboos, and emerging at the other side with practical actions they can take forward. Following the Mayors and Foresters initiative, collaborative studies and information missions have taken place on the forest revenue distribution process, roles and relations between the technical services and communes; and pro-active initiatives concerning NRM rights transfer to the communes. GAGRF also fostered productive collaboration between the jurists/magistrates and foresters of Zinder region on NRM/land tenure issues and trained foresters from all the regions of Niger on decentralised NRM and the concept of learning groups.

In 2008 GAGRF hopes to complete its transformation into a broader thematic group combining forest, water and land tenure issues. It will also track and engage with the Niger Rural Development Strategy Process (SDR), with a view in particular to ensure transparent information flows and greater civil society awareness and involvement, and will work on further ‘translation’ of GAGRF material into formats more accessible to others, the organisation of a GAGRF Exchange Workshop, and a short new analysis of Local Conventions as an effective tool for local NRM.

South Africa – *shaping governance opportunities for small forest enterprises*

With the South African government committing itself to eradicating poverty and underdevelopment, much attention is being paid to the ‘second economy’ – consisting of those marginalised by the thriving mainstream ‘first economy’ - as a vehicle for economic growth and transformation. FGLG-South Africa aims to contribute by focusing on the governance ways and means of advancing small and medium forest enterprises, recognising their potential to play an important role in such transformation in particular contexts, such as the provinces of KwaZulu-Natal and the Eastern Cape.

During the last year, the team completed a situation analysis covering some of the issues and opportunities faced by some 78 small locally-organised associations currently active in forestry. It also drafted a first version of a small forest enterprise development strategy at the request of government, and conducted a series of learning with a wider grouping culminating in a major meeting each quarter. FGLG South Africa also drafted briefing materials and made a range of interventions to try to ensure that small forest enterprise figures prominently in the Broad Black Based Economic Empowerment (BBBEE) Transformation Charter in the Forestry Sector still under negotiation. The challenges of consistent governance in the sector were once more laid bare over the course of the year with major personnel absences and changes in the Department of Water Affairs and Forestry.

“We have installed good thinking about small forestry enterprises in the Transformation Charter [for economic empowerment of the marginalised] – and we now hope for action, with fingers crossed.”
Steven Ngubane, FGLG South Africa

The team made inputs to various key ongoing planning processes, with recommendations on the nature of support needed by small and medium forest enterprises. Impacts included: some influence on the development of and negotiations on potential funding mechanisms in the Industrial Development Corporation and Department of Water Affairs and Forestry; institutionalisation of the KwaZulu-Natal Forest Sector Initiative – with considerable leadership from FGLG members; and, development of a Memorandum of Understanding on small forest enterprise support in Limpopo Province. Shared initiatives have also been developed with the KwaZulu-Natal Department of

Economic Development, Forestry South Africa, the Department of Trade and Industry, and the Industrial Development Corporation – notably with inputs to National and Provincial Industrial Development Programmes.

In addition to national and local-level work, FGLG South Africa has been part of international advocacy work over the year with inputs to a major international conference on community forest management in Brazil and to a well attended side event at the 7th Session of the UN Forum on Forests. Having found its 'niche' in its approach to lesson sharing and engagement with governance processes, in the coming year FGLG South Africa is targeting progress with the Transformation Charter, small enterprise development strategy and national forest programme processes – with particularly exciting prospects for on-the-ground impact in Kwa Zulu Natal.

Uganda – forest give-aways cancelled, better ideas promoted

Mabira Forest in southern Uganda is 30,000 hectares of moist tropical forest - a vital catchment area for Lake Victoria, an important tourist reserve and a precious resource to local people. So when in late 2006 President Yoweri Museveni approved plans by the Sugar Corporation of Uganda to axe a third of Mabira and replant with sugarcane, the FGLG-Uganda was quickly on the scene to protest. This followed an earlier decision to target 4000 hectares of forest reserve on Bugala Islands in Lake Victoria for palm oil production which triggered a wave of resignations in Uganda's National Forestry Authority. Ugandan FGLG members, led by the Advocates' Coalition for Development and Environment (ACODE), were spurred into action. ACODE's carefully targeted strategies included policy work and advocacy in a number of areas: gauging awareness and opinion in local communities, preparing policy briefs, catalyzing discussion by the inter-departmental Environment and Natural Resources Sector Working Group and petitioning the Ugandan parliament. The coalition also worked to engage donors and the media, and develop legal action against the government.

Active FGLG Uganda members in the information and advocacy behind the forest reserve campaign come from a range of backgrounds – some are foresters in government forest agencies, or those that have recently resigned, some are influential opinion formers in academia or private bodies, some are in the media, and some are in NGOs. They are united in their objection to the potential forest loss and to the opaque and illegal decision-making involved in these forest give-aways. With a poor social and environmental record in Uganda the development benefits of the sugar and palm oil industries are arguably limited no matter where the land is obtained. Well-designed, properly negotiated and transparently run out-grower schemes with smallholders can potentially work well for both companies and local livelihoods. Suitable land for these crops is potentially available in sites some way from these forest reserves, and indeed has been offered by several landholding authorities. But it is thought that the companies are eager to get hold of the forest reserve land to avoid the time and expense of negotiations with other landholders and occupiers.

Amongst the tactics being used in the pro-forest campaign, legal action is central. ACODE has spearheaded four separate court cases on forest reserve issues. This work has a number of key strengths – it shows to all that rights and rules are worth fighting for, it establishes credibility of the protesting voices, and it forces parties on all sides to develop and reveal information. The information revealed and stimulated by this work has enabled many critical questions to be asked and increasingly answered. Other tactics include a boycott of the sugar produced in the factory near Mabira – which has had considerable effect with many reports of stocks of shunned sugar. There have also been many newspaper and broadcast debates, petitions, an SMS-messaging campaign, and some very popular bumper stickers.

Observers talk of the emergence of a green consciousness and of these forestry issues getting to the heart of the governance problem in Uganda – the widespread reaction to them is certainly one of the most emotive issues in President Museveni's 21-year rule. Many have also noted the effect that surging interest in biofuels is having. International palm oil and sugar prices are rising as demand for the fuels made from these commodities kicks in. These price attractions are likely to be influencing Museveni's decisions at Mabira and Bugala, and what is happening in Uganda seems to be the shape of things to come. However, for now at least the forest governance information and advocacy work has paid off – both the Mabira and Bugala plans are officially on hold.



Victory (at least for now) - Newspaper headline in mid 2007 Uganda, on proposals for excisions from forest reserves for agribusiness being dropped

The reserve campaigns have been a rallying point for better forest governance in the country, but FGLG Uganda has achieved other successes this last year too. Notable amongst these was the effort to secure greater commitment to decentralised government spending in the natural resources sectors by shaping the Environment and Natural Resources Sector Investment Programme. This was achieved through targeted policy briefs and convening of high level debate with stakeholders – which appeared to reap rewards with a raising of the government's budget ceiling for the sector from 26 billion Uganda shillings (about 10 million Euros) in 2007-08 to 45 billion shillings in 2008-09 (about 18 million Euros).

In the coming year FGLG Uganda aims to consolidate gains made with briefing papers and the further pursuit of the court cases initiated. It also expects to conduct new work, notably on: the nexus of forests and climate change in Uganda; the governance of small forest enterprises; influencing the national land policy formulation process to embody forestry issues and retain the Public Trust Doctrine; and stimulate the organisation of a national forestry conference.

Vietnam – evidence and advocacy for good governance of community forestry

The Vietnam team aims to achieve improved governance recognition and support of effective forms of community forestry. It promotes learning and sharing of experience on poverty alleviation through community forestry and is bringing empirical evidence on community forestry from the field to contribute to the government's Community Forestry Guideline. This Guideline is currently being tested by the Ministry of Agriculture and Rural Development and will be used as a basis for future government support programmes. The team has now completed its first phase – setting up the Learning Group and understanding, through field research, the status of both traditional and recently-introduced community forestry in Dak Lak and Thua Thien Hue provinces.

The second phase is underway and emphasises learning and sharing of experience amongst stakeholders, through field visits and exchanges. There is much to be learnt from the traditional forms of community forestry – and much to be done to counter the common perception that forest-dependent people are backward. The team has created opportunities for such learning to be incorporated into the new Guideline. A synthesis report and policy brief have been produced and the team has been active in sharing and discussing its findings in workshops at provincial and national levels. The team's convenor also made presentations at an international conference on forest tenure and poverty alleviation, in Bangkok in September 2007.

"Participation of policy makers in the team and in project activities has given us direct policy influence."
 Nguyen Quang Tan, FGLG Vietnam



FGLG Vietnam is now concentrating on three main areas: legal issues concerning community forestry; allocation of forest for community management; and forest management and benefit sharing. It has found the tactic of involving key stakeholders from the start of the process to be effective. For example, taking key government officials to the field to experience for themselves the conditions under which community forestry can, or could operate, has left a lasting impression on those charged with developing the national community forestry programme. A third province, Bac Kan, is now involved in FGLG activities and will be able to broaden the range of experience available to the team – it has been estimated that forest products in Bac Kan provide an average of some 35-40% of household income, so governance that supports more effective small enterprises has much potential impact.

FGLG Vietnam also participates in the newly formed national FLEG network in Vietnam: a particular focus of the FLEG network may be to encourage policies that are more favourable to community forestry and small forest enterprises. FGLG-linked government protagonists in the process to explore developing a Voluntary Partnership Agreement have noted that it represents a major opportunity to recognize and institutionalize community forest management and pro-poor forestry approaches in Vietnam. Having seen in Ghana how useful the political momentum generated in a VPA process can be – this could indeed be a major opportunity in the year ahead.

Cross-country initiatives, maintaining information flow and sharing lessons

The Forest Governance Learning Group at an international level is becoming increasingly useful for making connections between country team members and relevant stakeholders in different countries. This trans-national learning work is recognised by the country teams as enhancing FGLG's policy research, tool development, advocacy, media and networking that has now produced substantial impact. Bilateral and multilateral links are being developed between teams and individuals who are facing similar challenges, albeit in different contexts and in different countries. This section describes some of the main activities in this reporting period.

Securing additional in-country support for key objectives. With increasing international connections and with the support of IIED, FGLG country teams and those linked to them continue to strengthen their ability to lever additional support for actions considered high priority in forest governance. For example, over the year:

- GAGRF in Niger are developing a merger with an initiative on tenure and water such that a cross-sectoral learning group approach is made possible
- The Ghana team with IIED secured a contract with the Ghanaian Forestry Commission supporting the independent assessment of potential impacts of the Voluntary Partnership Agreement with the EC. A second initiative links FGLG-Ghana to a situation analysis and review of governance issues facing small forest enterprises by Tropenbos Ghana with support from the *Forest Connect* initiative
- FGLG Mozambique team gained support for work analysing Chinese investment in the forest sector
- The Uganda team was able to harness and coordinate several sources of support in the Mabira campaign
- FGLG team members in Ghana, Mozambique and India ran consultation exercises to explore the need and potential modalities for a new approach to global forest partnership, with support from The World Bank via IIED.

Social justice in forestry – international learning event in Bhopal, India. Learning events bringing the country teams together are crucial to the Group's work. An FGLG learning event was held in India in the first week of December 2007. It focused on how to make small enterprises work better for social justice in forestry. Social justice is about righting past wrongs - FGLG recognises that small forest enterprises have considerable potential in helping to overturn situations in which

poor people are denied their rights and have little defence from institutional disdain, criminality, abuse and corruption.

Several of the teams are actively working on issues concerning small forestry enterprises, and all the teams found their work had some relevance to the small enterprise sector. Thirty three participants took part, including on average two from each country team, a guest from Burkina Faso – where an independently supported FGLG team is starting up, plus staff from IIED, LTS International, RECOFTC and several Indian institutions. They used the opportunity to share learning from the past year, to develop ideas for new approaches, and to refine their work plans for the coming year.



The role of small and medium forest enterprises in promoting social justice was discussed in detail. Their potential contribution is considerable, given the right kinds of support and governance structures. Each country team had the opportunity to discuss the particular opportunities and constraints faced by SMFEs in their country, and to develop ideas for practical steps to be taken in the coming year. This was enhanced by the field trip, in which participants split into four groups and visited examples of local forest-based small enterprises (on ecotourism, herbal medicine, private forestry and fuelwood). This generated much discussion and, in the case of the host team in India, an opportunity for practical support activities to be developed in the coming year of the project.



Soon after the learning event, the FGLG country team work plans were modified and updated, and have been posted on the project website. The aim of all in the course of 2008 is to continue to sharpen tactics and to really have impact upon forest governance issues, identified in earlier stages of the work. The full report of the learning event will soon be available on the project website: <http://www.iied.org/NR/forestry/projects/forest.html>. The December 2007 learning event was the second of three in an annual series on social justice in forestry. A further international learning event will be held towards the end of 2009, to enable teams to share and reflect on further outcomes of their work.

‘Governance gossip’ and intra-Group networking. In addition to their quarterly reports, documenting the progress and process of FGLG work, several convenors of the country teams continue to produce short regular emails to their FGLG colleagues recording ‘governance gossip’ - incidents, breakthroughs, set-backs, comings and goings of key players, quotes, anecdotes and emerging issues. A networking forum on the web for FGLG participants has also been started up and is beginning to generate good momentum.

International networking. This initiative continues to expand and maintain a network of interested parties internationally. Much of this networking is done directly by country teams, in addition to IIED’s role in representing FGLG internationally. RECOFTC has also created opportunities for sharing and discussing FGLG outputs. International networking in 2007 has included the following:



- Cooperation and information sharing continues to develop with CIFOR; the World Bank FLEG and PROFOR programmes and with the World Bank in exploring the options for a Global Forest Partnership; Intercooperation; CARE-International; FAO nfp Facility; Rights and Resources Initiative; Poverty and Conservation Learning Group, Forest Trends and The Forests Dialogue.
- Collaboration has also been fostered with the European Tropical Forest Research Network, Tropenbos, NORAD, Eco-Agriculture Partners, Packard Foundation, Tree Aid, the IIED-FAO Forest Connect initiative, and Transparency International (with the Indonesia team)
- Cooperation reached highly effective dovetailing of plans and actions with IUCN (International Union for Conservation of Nature); and effective information sharing took place with the Environmental Investigation Agency, Overseas Development Institute, Tropical Forest Trust, Worldwide Fund for Nature and European Forestry Institute – especially with regard to the work in Ghana, Cameroon, Indonesia and Vietnam.
- FGLG findings were presented at stakeholder meetings on illegal logging at Chatham House in UK, at the FAO Committee on Forestry, at a well-attended side event at UNFF 7, and with IGES, Japan. Findings were also delivered to: forums discussing forest governance in Democratic Republic of Congo; a major international gathering of community forestry enterprises in Acre, Brazil; DGIS Netherlands; an IUCN forum exploring forest governance learning for Reduced Emissions from Deforestation and Degradation (REDD); and a process initiated by a UK Minister to develop legislation modelled on the US Lacey Act.

Work plan for 2008-09. Over the coming year FGLG will concentrate on:

- Deepening the effectiveness of the 11 country teams - sharpening focus as much as possible, through targeted guidance, tools, learning events and advocacy, to achieve optimum impact
- Cooperation internationally to install findings and develop initiatives that build on successes – notably in exploration of forest based climate strategies and a new global forest partnership
- Clearly identifying the routes by which necessary follow-up action in-country and internationally can be pursued
- Recording effective lessons learned, impacts achieved and tactics found effective
- An international learning event on the issues of local forestry control for social justice
- Preparing a short film on the theme of forest governance
- Commissioning an independent evaluation of this FGLG initiative.

Policy research, tools and advocacy outputs

In the past year alone, over 50 new policy research tools, press, TV and radio advocacy outputs have been produced:

Policy research and tools (arranged alphabetically)

- ACODE. 2007. *A Review of Budgetary Flows to the Environment and Natural Resources Sector* (Draft Report). Advocates Coalition in Development and Environment, Uganda
- ACODE. 2007. *A Review of Disbursements to the District Forestry Services* (Draft Report). Advocates Coalition in Development and Environment, Uganda
- Andhra Pradesh Forest Department and FGLG India. 2007. *Multi-stakeholder consultation for defining micro-enterprise friendly forest governance*. Proceedings of workshop held in Hyderabad, 3-4 May 2007. Report prepared by Elaine Morrison (IIED) and Sango Mahanty (RECOFTC).
- Duong Viet Tinh, Ho Hy, Hoang Huy Tuan, Nguyen Thi Hong Mai and Nguyen Huu Huy. 2007. *Report of survey on community forest management in Thua Thien Hue province*. FGLG Vietnam. [Also in Vietnamese].
- FGLG India. 2008. *Set of policy briefs on NTFPs and forest governance*: Tamarind (D. Suryakumari); Bamboo (D. Suryakumari); Tendu leaves (P. Bhattacharya); Mahua (P. Bhattacharya); Sal seed (S. Patnaik). Sal seed: www.iied.org/pubs/display.php?o=G02282

Tendu leaves: www.iied.org/pubs/display.php?o=G02281 Tamarind: www.iied.org/pubs/display.php?o=G02280 Mahua: www.iied.org/pubs/display.php?o=G02279 Bamboo: www.iied.org/pubs/display.php?o=G02278

- FGLG Indonesia. 2008 forthcoming. *Set of eight articles prepared during writing workshop, covering issues such as avoiding conflict through tree-planting; poverty alleviation through social forestry, communication issues, and specific case studies.*
- FGLG South Africa. 2007. *Small forest enterprise support and development strategy: unlocking small forest enterprise growth and development potential in South Africa.* First Draft April 2007. FGLG South Africa, IIED, Forestry South Africa and Department for Water Affairs and Forestry
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- Macqueen, D.J. 2007. *Governance towards responsible forest business – guidance on different types of forest business and the ethics to which they gravitate.* International Institute for Environment and Development (IIED), Edinburgh, UK. http://www.iied.org/NR/forestry/documents/Responsible_forest_business_001.pdf
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- Nguyen Quang Tan, Tran Ngoc Thanh and Hoang Huy Tuan. 2008. *Community Forest Management in Dak Lak and Thua Thien Hue Provinces: A Synthesis of Survey Findings.* FGLG Vietnam. [Also in Vietnamese] <http://www.iied.org/pubs/pdfs/G02243.pdf>
- Nguyen Quang Tan, Yurdi Yasmi, Tran Ngoc Thanh and Hoang Huy Tuan. 2008. *Community forest management for whom? Learning from field experience in Vietnam.* Policy brief. [Also in Vietnamese]
- Norfolk, S. 2007. 'Corruption skims profits from China-Mozambique timber trade'. In: *Haramata* 52: 23-24.
- Norfolk, S. and Ribeiro, V. 2008. *Case study of timber production and its impacts in Cabo Delgado province* [in Portuguese]. Forest Governance Learning Group-Mozambique, Maputo, Mozambique.
- Norjamäki, I., Salmi, J., Bila, A., Muhate, A., and Vicente, P. 2007. *Justification for Timber Tracking System Development in Mozambique.* Savcor Indufor Oy and Forest Governance Learning Group-Mozambique, Maputo, Mozambique.
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- Saigal, S. 2008. *Non-Timber Forest Products and Forest Governance.* Synthesis report. FGLG India.
- Tran Ngoc Thanh, Tran Ngoc Dan Thuy, Nguyen Dang Khoa. 2007. *Report of survey on community forest management in Dak Lak province.* FGLG Vietnam. [Also in Vietnamese].

Press articles (arranged chronologically)

- IIED (UK). [Report details progress on forest governance in Africa and Asia.](http://www.iied.org/mediaroom/releases/070404FGLGupdate.html) 4 April 2007. <http://www.iied.org/mediaroom/releases/070404FGLGupdate.html>

- IIED (UK). *Three dead after Ugandan forest protest*. 18 April 2007. <http://www.iied.org/mediaroom/releases/070417Uganda.html>
- IIED (UK). *Progress on forest governance in 10 African and Asian nations*. 17 September 2007. <http://www.iied.org/mediaroom/releases/070917FGLGupdate.html>
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- Denik Bhaskar. *Bharatyia van prabandh sansthan*. [Indian Institute of forest management - meeting]. 4 December 2007. [in Hindi]
- Denik Jagran. *Vaniki ko garibi se jorne charcha aaj se* [Discussion on forestry-poverty connection from today] 4 December 2007. [in Hindi]
- Raj Express. *Bhopal me aaj se jutenge 11 deshon ke daniki disheshgye* [From today forestry specialists from 11 countries are (at work) in Bhopal]. 4 December 2007. [in Hindi]
- Rajya ki Naiduniya. *Gyarah deshon ke videshagye karenge vaniki me samajik nyay pr chintan*. [Specialists from eleven countries will be considering social justice in forestry]. 4 December 2007. [in Hindi]
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- Denik Bhaskar. *Aajivika ke liye vaniki*. [Forestry for livelihoods]. 5 December 2007.
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- Gorowane, Xtaca Zero, and GproFam *Mozambique is being uprooted* [In Portuguese]. Rap song and video. Words by Mia Couto, produced by Pipas Forjaz. <http://www.youtube.com/watch?v=4vJpyox9quA>

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- IIED. Forest Governance Learning Group update: April 2007.
http://www.iied.org/NR/forestry/documents/FGLG_Update_April07.pdf
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<http://www.iied.org/NR/forestry/projects/documents/FGLGUpdateSept07.pdf>
- IIED. Social justice in forestry: report of a learning event held at the Ankrah Foundation, Mukono, Uganda, 28-30 November 2006.
http://www.iied.org/NR/forestry/documents/FGLGlearningeventUgandaReport_000.pdf

Contacts:

The FGLG website, where news, reports and work plans for the country teams can be found, is:
<http://www.iied.org/forestry/research/projects/forest.html>

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