Achieving significant impact at scale: Reflections on the challenge for global community forestry

Deborah Barry
Jeffrey Y. Campbell
James Fahn
Hein Mallee
Ujjwal Pradhan

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SUMMARY

The Ford Foundation has been supporting community-based forestry (CBF) as a means toward improving rural livelihoods in dozens of countries around the world for over a quarter of a century. This paper documents some of the beneficial impacts of CBF in both improving livelihoods and restoring or conserving forest cover, most of which have occurred on a small scale. It then examines some of the key lessons learned by its program officers regarding the effort to scale-up local level success to the regional and national level. Three critical elements to such “mainstreaming” are identified: the need to continually adapt to local context and avoid rigidly following “blueprints”; grappling with the complex and contradictory nature of engaging with governments; and helping communities to engage and interface with the markets. In short, helping local communities achieve significant gains at scale is critical to the future of community-based forestry, and can best be achieved by adopting an approach that works with and understands the strengths and weaknesses of the public sector, the private sector and the social sector.
INTRODUCTION

Community forestry approaches, in all their complexity and tremendous variation have finally moved out of the experimental, “pilot project” stage to stake a serious claim as an alternative to the historical patterns of government control and industrial forest management. Twenty-two percent of the forests in developing countries are either owned or managed by indigenous peoples and forest-dependent local communities. This is three times the forest area under the control of private individuals and firms and does not capture the significant proportion of government-owned forests that are under collaborative and joint forest management with local community groups (White and Martin, 2002). Many countries have ambitious community forestry development programs and some have specific legislation, including Community Forestry Acts, which clearly articulate the rights of indigenous forest-dependent peoples to manage and benefit from forests. Yet in order for community-based forestry (CBF) to truly emerge as a powerful alternative for the conservation and management of the world’s forests this increasingly impressive geographic coverage must be accompanied by significant impacts and lasting changes at scale that contribute to rural livelihoods, while protecting and improving the ecological integrity of forests. Drawing on the Foundation’s Assets framework (outlined in box), significant impacts would include:

- Secure access to forests guaranteed through legislation, title or some other form of contractual agreement;
- Improvements in forest cover and quality, demonstrated by an increase in area under closed canopy cover, improved biodiversity and productivity;
- Capture of benefits at the community level either through direct, subsistence use, sale of forest produce or processed materials, increased work in the forest, and increased income;
- Equitable distribution of benefits within communities; and
- Ultimately, a clear mechanism for ensuring the long term transfer of forests and benefits to future generations.

Determining what constitutes significant scale is of course subjective. Ford Foundation grantees tend to assume that significant scale is reached wherever community forestry has expanded beyond the pilot project stage and has become an acceptable option for forest management in many states and regions within a country; whenever it begins to cover tens of thousands of hectares and where thousands of families are engaged. As an example, the Joint Forest Management (JFM) program in India is now being pursued in 27 states, covers 14 million hectares and includes over 63,000 village forest committees (Government of India, 2002). The Federation of Forest User Groups of Nepal represents over 4 million family members. In short, when a substantial proportion of the forests in developing countries are controlled and managed by local people, then community forestry has reached significant scale.

From the perspective of forest or forest biodiversity conservation, the concept of scale is quite different. The definition may be defined in a number of ways, depending on the particular conservation concerns and the institutions that promote them, and on the biotic or ecosystem criteria utilized. For example, some conservation organizations
have defined eco-regions which exist at very large scale, such as the entire Chihuahua-Sonora desert; others circumscribe their relevant scale to ‘hot spots’. Measures of conservation impact at any of these scales usually revolve around indicators of to the size of a species’ population, genetic diversity, or to the fragmentation of an ecosystem. Learning to combine these definitions and criteria for conservation with those related to livelihood concerns is at the heart of the CBF debate and practice.

From the perspective of CBF, significant impact at scale is particularly important because many of the current gains under community forestry are still relatively fragile. This is particularly true where land tenure is still insecure, where different forms of co-management (usually through large government projects and schemes) continue to limit the level of actual community authority over decision-making and benefit-sharing, where dependence on government and donor funding for project-driven implementation is high (for these levels are declining), where policies and legal support is weak or threatened (a process that may initially accelerate with decentralization), where market access is sporadic and new market pressures are at play, where community institutions are weak and fractured and corruption is widespread, and where few are benefiting instead of many.

There is a terrible irony in that many of the world’s poorest people live in and around a natural resource which is often a critical contributor to “national development”, yet they may be denied access to this vital potential asset. Community forestry places forest management in the context of local community development, as an explicit livelihood strategy that is simultaneously concerned with conservation. Though it is unrealistic to assume that community forestry can provide a complete solution to rural poverty, the spread of community forestry approaches attests to the fact that secure rights to well-managed forest resources within a landscape mosaic of farm fields, agro-forestry plots or wildlife reserves and natural forests can contribute significantly to rural livelihoods.

The Ford Foundation has supported community-based natural resource management -- including social forestry, wastelands and uplands development, community-based wildlife management and community forestry -- as a central strategy in its efforts to eradicate persistent poverty and facilitate sustainable development in different countries around the world since the late 1970s. Most recently, Ford Foundation programs in community-based forestry approaches have been supported in Mexico, much of Central America, Brazil, the United States, Kenya, Uganda, Tanzania, (including Zanzibar) and to some extent in Mozambique, India and Nepal, Indonesia, the Philippines, Thailand, Vietnam and China.
Community Forestry for the Ford Foundation

In community forestry, forests are managed by local people living in and around forests, by farmers, households, workers and community institutions made up of those most directly dependent on forest resources for their livelihoods, for economic, cultural, social and spiritual security. Community forestry seeks to protect and ensure secure access and control over forest resources for these direct users, and is based on a livelihoods perspective that helps communities convert their natural resources into natural assets. While recognizing the plurality of interests that compete for forest land and resources, community forestry asserts the primacy of those closest to, and most dependent on, forest resources in order to establish the validity of their rights and prioritize their claims to the benefits flowing from these rights.

CBF does not simply focus on income generation, but also on the underlying issues of access/tenure, power relations, management capacity, and interactions between communities and government agencies. It provides a more holistic view that is concerned with livelihoods, but as an element of overall human well-being, which also includes, cultural, social and political elements. Conservation of biodiversity, regeneration and restoring degraded forests, sustainable management and the protection of environmental services are all central elements of community forestry practice. Beyond the forest, community forestry recognizes the important link between local forestry, farming systems, small enterprises and vital community life -- all part of local development.

Forests as Natural Assets for Communities

The Ford Foundation’s community forestry approach seeks to ensure that forest resources become assets -- whether communal, individual or a combination thereof. To be considered an asset a resource must be secure in the sense that rights and responsibilities over the resource are clear and of significant duration. To be a productive asset the resource must be properly conserved, managed, enriched and improved to provide a secure flow of benefits and products and provide added value. Finally, to be a sustainable asset the resource should be conserved in such a way that it can be passed on or transferred in as good a condition to ensure its future viability. Where rights to forests are inherited this should provide for inter-generational security and increase the likelihood of sustainability.
Within local contexts that vary tremendously between and within these countries and regions, the Ford Foundation has supported a range of strategies:

- Helping to secure land rights;
- Facilitating the recognition and practice of traditional and customary management practices;
- Strengthening local community organizational capacity;
- Mobilizing shared horizontal learning and associations between communities;
- Building partnerships and institutional linkages between civil society, academics, small enterprise and government sectors;
- Developing technical solutions combining scientific and indigenous knowledge;
- Capturing value addition through collective marketing;
- Processing and payments for environmental services;
- And building capacity for networking, policy advocacy and research at local, national, regional and global levels.

Common to each portfolio is the ultimate objective of achieving lasting impact at a significant scale over time.

Drawing on lessons learned by the Ford Foundation from this quarter century of experience in supporting community forestry around the world, this paper briefly reviews some of the evidence of the significant benefits to livelihoods and forest cover at the local level and then addresses some of the challenges of achieving impact at scale, focusing on three major issues central to the task: the importance of understanding and responding to the local context, the complex and contradictory role of government, and engagement and interface with markets.¹

Local Impacts

There are numerous documented cases where some form of community-based forest management has helped to improve rural livelihoods and restore and conserve forest quality, including biodiversity. These beneficial impacts must be seen in relation to alternative management systems and along a gradient from securing subsistence benefits, providing employment and supplemental income to improving or ensuring livelihoods and building enterprises. In many cases, community forestry provides a combination of these benefits, and forestry activities must be seen as part of rural economic systems that may include farming, livestock grazing, wildlife management, off-farm employment and remittances from family members working elsewhere. In the US, some community forestry groups have been able to significantly increase the prices they receive for their timber by developing a regional brand. Vermont Family Forests, an association of small forest landowners has been able to double their stumpage price and pay loggers 1.5 times normal wages by selectively harvesting

¹ The Ford Foundation has also supported a review process in which reports were commissioned on the progress of CBF in five major countries – China, Mexico, India, The Philippines and the USA. A synthesis of the conclusions of these reports – along with another on international CBF networks – was written up and presented at a Ford-supported workshop in California in October, 2002 (see Menzies, 2002).
timber across different holdings for special orders of their certified wood, because it comes from a locally managed forest. In India, government studies indicate that the Joint Forest Management (JFM) program generated over 21 million person days of employment in 2000-01 in six states. During the same period village forest committees four states received over $1.4 million from shared benefits from thinning and timber harvests (Government of India, 2002). Meanwhile, a separate study found that in the state of Andhra Pradesh alone, JFM generated over 250 million person-days of employment and 10 billion rupees of income in a year’s period stretching over 1998-9 (Rangachari and Mukherji 2000). Examples can be cited from many villages where fodder yields increased (leading to 5 times as much milk production in Nisana village, Gujarat), fuel wood became readily available and the supply of non-timber forest products (accounting for over 25 percent of income for many indigenous tribal families across the country) was secured. Perhaps most impressive has been the gradual accumulation of community funds at the village level. In 2001, officially monitored JFM community funds exceeded $11 million in seven states (Govt. of India, 2002).

In China, there is evidence that community-based forest management has contributed to a dramatic improvement in rural livelihoods (Chun and Zhang 2002). In Yunnan province’s Dachong village, for instance, the auctioning off of “collective wasteland” under the social forestry program has helped to increase the average amount of forestland managed by each household nearly 20-fold over 10 years, increasing both incomes and forest cover. Other components of this project – such as the adoption of more efficient stoves that reduced fuel wood needs from 30 kgs/day to 10 kgs/day -- also contributed to the twin objectives of improving livelihood and putting less of a strain on forests. In Sichuan province’s Longwei and Linwan villages, meanwhile, the local social forestry project “generated very positive impacts both at the household level – where incomes have increased and diversified – as well as at the landscape level, where there are more fruit trees integrated into the farming systems.”

In a counterfactual way, the recent policy changes in China show how important a basic community perspective is. In its swing from timber production to environmental protection, the forestry system implemented a logging ban which in many areas barred communities from harvesting their own trees. Many cases have been documented where this led to instant drops in income, as shown for example in dramatic increases in primary school drop-out rates (parents could no longer afford to send their children to school) (Zhao et al, 2001). Indonesia’s hutan rakyat, or People’s Forest program, permits each farmer to plant only a fraction of a hectare with trees, but as villagers often form “forest farmers groups”, these tree plantations have been quite extensive. It is said that they now constitute nearly 1.2 million hectares and produce 2 million cubic meters of timber per year and these trees are sold in times of family need, acting as cushions for crop failures (Kompas 2001). In Gunung Kidul, which was previously a barren limestone area and one of the poorest parts of central Java, the villagers have planted hundreds of hectares of teak, acacia and mahogany trees. Rainfall in the area has increased, along with stream water flows, and so have the earnings of local communities.

In the Brazilian state of Acre, the Chico Mendes Extractivist Project, which focuses on collecting naturally fallen timber, has yielded added average income of $48 per family (Laforge 2002). “Agro-forestry and selective timber extraction are beginning
to offer alternative economic options and to discourage internally induced deforestation by the [extractive] reserve population,” reports Hall (2003), who cites a study that predicts this could produce the annual income of rubber tappers by $1,500 a year per household (FOE 2002).

In the case of Mexico, where forestry communities have a significant history of timber production, processing and sale, one can actually talk about Community Forestry Enterprises. As many as 7,000 indigenous and non-indigenous communities are collectively organized around common-property forests and enjoy varying degrees of participation in forest management, with many controlling the processes that add value all the way to finished product, be that sawn wood or furniture (Bray, 2002). Analyses of their complex system of governance, decision-making, and costs and benefits in the state of Oaxaca demonstrate surprisingly high levels of profitability, where profit as a percentage of sales revenue ranges from near 30% for finished products to over 50% for lumber (Antinori 2003) The use of this stream of ‘community income’ also depends on collective decisions. The community forestry enterprise provides employment almost exclusively to community members.

At the same time, many of these same forestry communities have contributed to the maintenance and improvement of forest cover and quality. A recent study of their community management plans revealed that most had fire exclusion policies and careful specifications prohibiting harvest in buffer areas, hydrological zones and watershed areas (Antinori 2000) This same study found that the management plans within the more vertically integrated communities, where there has been a longer and more consistent history of forest management, included more general ecosystem protection. It also noted that communities producing finished products tend to have more land under reforestation and used for tourist purposes than those with less vertical integration (Antinori 2000).

Results from studies focusing on land use changes over time within the tropical and temperate forest areas of Mexico, which compare those areas under conservation regimes to those under community forestry, found that the community forests maintained natural forest cover and often recovered degraded or lost areas, while the protected areas tended to lose forest cover over the same time period (Duran et.al, 2002)

The management and harvest of non-timber forest products (NTFPs) are also of great importance throughout Mexico’s temperate and tropical forests, and in many community forestry communities compliments their timber production, for both subsistence use and for marketing. The World Bank has noted that, “the annual economic value for formal and informal trade of about 296 medicinal plants and ornamentals approaches US$1.5 billion, but even this figure grossly underestimates the total value of NTFPs, as the number of species traded and consumed could approach 1,500. The trade value for this larger number could exceed US$7 billion annually (cited in Bray 2002). The challenge for CBF is to guarantee that the sale of

\[2\text{ On the other hand, Antinori has noted that less integrated communities, with less experience in forest management tend to resist vertical integration because of concerns that more logging will damage the forest. (Antinori, 2000)}\]
NTFPs contribute to the livelihoods of the communities which own the forests, without depleting the resource. While there are some clear cases where communities receive a high proportion of the benefits from the sale of these NTFPs, as in the case of bottled water, bromeliads and mushrooms in Mexico (Bray 2002), in other cases in the Peten of Guatemala community members receive a very small proportion of the monetary benefits -- less than 2% of the final market value -- from their harvesting of xate, a decorative palm that grows on the floor of tropical forests (Ramirez, 2003).

The Community Concessions of the tropical forest of the Peten demonstrate a striking case for community livelihood improvement while contributing to the conservation of the Mayan Biosphere Reserve, a 2.1 million-hectare reserve that straddles the Mexico-Guatemala border. Large tracts of forest land, totaling over 860,000 hectares surrounding the heart of the protected areas, were decreed ‘multiple-use zones’ and given as 25-year concessions to the communities historically inhabiting these lowland tropical forests, most of whom harvest chicle, used as the base for chewing gum. More than a decade of relatively secure land and resource access, along with the promotion of CBF schemes that ranged from promoting sustainable criteria for the harvesting of NTFPs to full-scale timber management and processing, has allowed these communities to improve and diversify their livelihoods while demonstrably contributing to several conservation goals (Gretzinger, 1999). Forest fires within the areas under community control have decreased to nearly zero, compared to the high concentration and occurrence in protected areas and other zones under agricultural uses (CONAP, yearly). Illegal logging, once rampant throughout the Peten, is virtually non-existent within the community concessions, and has greatly decreased throughout the region. Finally, nearly 400,000 hectares under management for timber production by community forestry enterprises have either been certified or are in the process of evaluation by the Forestry Stewardship Council (White and Martin, 2003).

The importance of understanding and responding to the local context

All too often, when attempting to take a pilot project or successful local case to a larger scale, too little attention has been paid to the previous conditions and the context in which these efforts worked and are to proceed. Successful CBF is based on site specificity, type and condition of forests, understanding of and respect for local practice and indigenous knowledge and institutions. Going to scale or having significant impact in other areas does not mean simple replication or duplicating efforts, based on a demonstration or pilot model. The challenge lies with building an approach to “scaling” that assures a continuous respect for specificity of place and peoples, an understanding of their dependency and use of the forest and how that may vary within a community, while looking for the driving forces, alliances, mechanisms, and institutional changes that can carry the inspiration of the local success in one area to another.

A careful and in-depth analysis and understanding of the context in each country determines how these approaches are combined, sequenced or prioritized. Some of the elements to be considered in such an analysis are:

- Existing levels and expressions of local social organization and cultural practice;
- Past and current traditional knowledge and practice;
- Local understanding of land and access rights;
• The legal status of these rights;
• Previous local, institutional, political and bureaucratic history with the topic;
• The nature and level of social struggle (who against whom over what);
• The role and political weight of other sector interests and institutions (agriculture, conservation, urban agendas, etc.);
• The nature and quality of the forests involved;
• The current and potential forest products harvested or cultivated;
• The level of demand for forest products, their linkages to subsistence use or markets, by type and scale, and their contribution to local livelihoods (use or income);
• The social and power relations of the markets for forest products;
• The incentives in favor or against CBF by other social actors in the forests;
• And historic and recent changes in the larger policy or market context (trade liberalization, commercial monopolies, structure of competition, etc.).

If CBF is aimed at empowering local communities and enhancing the sustainability of their livelihoods and the forests, the depth of contextual understanding is crucial to a support strategy’s potential for success. ‘Opportunities’ for scaling-up with significant impact can be ‘visualized’ in numerous ways that do not necessarily follow the typical sequential process of coming up with an idea for a solution, developing it, implementing it and then adapting it. The promotion of social change through the empowerment of local actors to enhance their access to rights over and benefits from natural resources can lead to numerous and often unexpected ways to achieve significant impact at relevant scale.

The history of community forestry in Mexico provides an interesting example of how rural and mostly indigenous communities moved rapidly from being ‘owners’ of their forests (yet still exploited by state authorized timber concessionaires) to become Community Forestry Enterprises (CFEs) in full command of the chain of added value and benefits. Recent research on this topic has revealed the importance of three major elements contributing to the success of CFEs, through which communities exploit their own forests and actually run their own businesses for the transformation and sale of wood and wood products. One is the collective land tenure awarded them over a 50-year period following the Mexican Revolution. The ejido and communal land tenure regime allowed for relative security, laying the foundation for a system that has grown to encompass nearly 70% of the forested areas of the country, and allows a full range of community rights to natural resources on the land (Bray 2002).

The second major factor is the previous impact of the Mexican timber industry. Here, there are two interrelated factors. Although industry at first represented an obstacle to peasant control over the production and processing of timber, its presence and social exploitation both coalesced a social movement to “overthrow” the industry presence.

3 Explanation of the process of scaling-up is developed in “Building Assets for Large-Scale Impact: Lessons Learned about Scaling-Up Social Innovations” Ford Foundation working document, October 16, 2002 (Draft version)
in the forestry sector, and simultaneously helped set the stage for community-level ‘take over’ and the eventual construction of CFE’s. Community uprisings aimed at gaining access to resources created the basis of a social movement, built linkages across important forest regions of the country and served as the principal impetus for government policy reforms (Bray 2002).

In less than 15 years, from 7,000 to 9,000 communities have moved from merely owning land to community-based timber production and some processing of wood products. Within this universe of Mexican CBF, today there is a high correlation between the more vertically integrated communities and those where the forest industry was present. The fact that concessionaires invested in extraction, processing infrastructure and human capital, which have remained available to communities, has contributed to this rapid pace of reaching a significant scale. Of equal importance is that the concessionaire experience helped shape and unify community members in their vision of long-term forestry management (Antinori 2003). Donor interventions supported the creation of secondary level organizations that provide technical and organizational expertise to a broad range of communities, along with capacity-building and training to help their members face the new challenges involved in building CFEs. Subsequent support has been provided to help CBF gain national and international visibility in the hope that the Mexico case can help inform others (Bray 2002).

A second example of how contextual conditions contribute to the potential for scaling-up CBF is through recognition, legitimization and incorporation of existing local or traditional community forest management practice into official policy. In many cases, this body of practice, with the attendant social and cultural organization that accompanies it, is invisible to government bureaucracy and policy. In some cases, the official attitude is to simply ignore the existence of such a body of practice, and in others it may be actively hostile. Recognition and incorporation of these practices as legitimate within the policy realm, along with program support, can become a de facto form of scaling, though the practice has existed previously.

Regarding conservation, traditional knowledge of cultivation, harvest and use of non-timber forest products, local fire management practice, and forestry practice for water protection can potentially make important contributions to current policy failures. Helping official bureaucracies and rigid, ‘blueprint’ programs to recognize the previous existence of local forms of knowledge built up over generations of experimentation and accompanying organization can spark a rapid change in the implementation of resource management programs that were previously trapped in apathy or suffering from inorganic or dysfunctional organization.

A comparison of the Mexican experience with the case of China brings out some of the conditions under which communities are able to effectively control and benefit from their forest resources. Like their Mexican counterparts, Chinese farm communities received relatively secure nominal tenure rights after the revolution in the 1950s. During the 1960s and 1970s, however, the collectives that managed the community forests, were little more than extensions of the centrally planned state, which left little or no initiative to the farmers. After the start of the reform period in the early 1980s, forests were either allocated to households or remained with the collectives, but the state continued dominating the management of forests through systems of logging permits, intrusive afforestation campaigns and strong controls over
marketing. Thus, while the necessary conditions (secure tenure) were present in both contexts, clearly they need to be supplemented by actual community control over management, processing and marketing.

While India’s joint forest management program represents a unique effort to scale-up locally developed solutions that involve communities in the protection and restoration of degraded forests, its widespread replication has often come at the cost of self-initiated forest protection and management efforts in other states, whose existence was often ignored in the rush to develop new “committees” as a part of program timetables. Building on existing or locally evolving practices would yield more appropriate solutions, allowing communities to respond better to the differing ecological conditions of each forest. In Nepal, many of the community forest protection and management groups which preceded the official Forest User Groups were themselves relatively recent community innovations responding to the crises of deforestation and subsequent loss of livelihoods. Recognizing and understanding the local context also implies respecting the potential for social, institutional, and economic organizational capacity that is housed in communities.

Foundation support in countries such as Indonesia has focused on helping groups document and map their traditional forest management practices. Some of these studies have included the work of external ecologists and other experts, which has proven to be effective in convincing bureaucrats and development professionals of the viability of existing systems. The case of the Krui in Southern Lampung on the island of Sumatra is one of the most visible efforts where initial scientific studies were central in demonstrating that damar-based forest gardens are ecologically and economically viable. From scientific recognition came political and eventually legal recognition through policies aimed at ensuring community control and management.

In Mexico, government forestry agencies have taken a significant step in the direction of recognizing the contribution to CBF by indigenous communities, their community governance structures, and their ability to combine traditional knowledge for natural resource management with modern scientific standards for increasing the quality of their livelihoods and their forests. “Promotion of Community Based Forestry” (Procymaf), a World Bank and Mexican government funded program to build and strengthen the formation of “social capital” in the forested areas of three southern states, will now expand to nine of the most important forested states of the country. Although the premise of the program’s expansion is based on recognition of the capacity of indigenous communities to manage, sustainably harvest and transform their forests into timber products, the principal challenge is how to ‘scale-up’ the program to meet the needs of communities in other regions of the country where the quality of forests, levels of social organization, power relations, cultural practices and local economies vary considerably.

**The complex and contradictory role of government in supporting community forestry**

Governments, particularly at the national level, have played a vital role in the process of scaling up community forestry approaches in many countries. This has been particularly true where the government is the primary custodian of forest lands, such as in India, Indonesia, China and other countries in Asia (or in the western United States), and where large forestry bureaucracies have exercised the power of decision
making over management. Able to enforce uniform policy over vast forest regions, forest bureaucracies have often been seen as the key actors in the process of changing conventional “command and control” forestry management to more participatory, community-driven models. The Ford Foundation has worked in all of the countries above (and many others) to build capacity within the bureaucracy, to facilitate partnerships between government, academics, non-government organizations and local community groups, to support the capacity for effective research, documentation and monitoring of experimental approaches, and to build participatory tools for planning and more effective local control.

A common approach has been to highlight functioning traditional management systems and existing innovations by local communities or officials, work collectively to build successful model approaches and then to try to interest and assist the government in expanding the scale and reach of these existing or new approaches. The ultimate objective has been to help government bureaucracies internalize both the philosophical and structural changes necessary to transfer greater authority for the protection and management of forests to local communities. The tremendous reach and power of government (particularly those that directly control forest lands), which enable it to be an agent of large-scale change, are precisely the qualities that often lead to inflexible replication and wide-spread dissemination of “blueprints” for development that impose standardized solutions on a landscape that is ecologically, culturally and economically complex and requires site-specific flexibility.

In the case of India, where the Joint Forest Management (JFM) approach has been enshrined in national policy and implemented through state guidelines, with substantial funding support from large multi-lateral and bilateral donors, the scaling-up process has been uneven. In states with committed and reform-oriented forest officers, a strong grass roots social movement and active networks of supporting NGOs to monitor the process has been more successful. In other states, many would argue that the process has strengthened the target driven, top-down government control over forests rather than transferring it to communities (Sundar et al, 2002). Government orders guiding the implementation of JFM are often extremely prescriptive, providing little space for local autonomy or innovation. Orders often dictate the institutional structure and even who can be a member in village forest management committees, usually requiring a guiding role for a forest guard as member-secretary or treasurer. Many schemes do not substantially share usufruct benefits with communities, do not provide for institutional independence, do not transfer decision-making authority, and do not provide for independent monitoring and the redress of grievances. In Indonesia, government orders for community forestry concessions have required institutional conformity insisting that communities form cooperatives in order to gain access to national forest lands.

Another major constraint for government-initiated scaling-up has been the problem of developing flexible budget allocation mechanisms which would allow for financial responses to community driven micro-plans and the dynamic needs of adaptive management. The difficulty of placing multi-year funds without specific ear-marks at a decentralized level for community groups to access collectively, much less to control, has meant that budget headings more than participatory planning continue to dictate what receives funding and support. Capacity building and training to help communities develop new skills and create enterprises are rarely provided sufficient
funding and complex regulations often make it difficult to access the funds that are available. In the US, the contracting system which controls the amount and nature of work on national forest lands, continues to be a major barrier to facilitating long-term relationships between communities and federal forests. Contract officers are extremely risk averse and only a few are innovative or courageous enough even to use the authorities they have been given to award contracts weighted toward providing benefits to local community members and the forest-dependent mobile work force, much less to award multi-year, multi-task contracts for forest restoration over time as envisaged in the community forest stewardship pilot programs (Mitsos and Ringgold 2001). Many US forest based communities who lost jobs with the end of commercial logging in national forests have re-trained workers in skills required for ecosystem management, fire mitigation and forest restoration, only to be frustrated by the extremely slow pace of bureaucratic environmental clearance processes. New processing enterprises that have re-tooled to handle the small-diameter trees that need to be thinned to reduce the risk of catastrophic fires, are having a difficult time finding materials, though they are surrounded densely stocked government forests that need treatment.

The pre-eminence placed on ownership of technical and “scientific” knowledge within forest bureaucracies has invariably discounted local indigenous knowledge and led to increasing technical hoops for communities to jump through in many countries. In the Philippines, some claim that the role of the DENR in assuring the CBF management agreements has increased the relative power and control of technocrats over communities. In Nepal, new requirements for extensive forest inventories, both within community-managed forests and in forests which could potentially be handed over to communities, are presenting new opportunities for restricting local practices and, it is alleged, for avoiding handing over areas in the Terai region – which are supposed to be brought into new forest management units. In Mexico, forestry engineers must ‘sign off’ on all management plans, making them a powerful and often ‘expensive’ intermediary within the bureaucracy. The role of donors in flooding and withdrawing funds, in building enclaves around individual projects, in setting up conditionality, in diverting core funding for project activities and in constantly needing a new set of terminologies or following the latest development fad, is another factor that can hinder as well as help government sponsored efforts to “mainstream” community forestry. Nepal has borne witness to most of these donor roles, and the plethora of community forestry approaches that have played out there, from “leasehold forestry” to “co-management”, threaten to dilute the far-ranging changes of the core community forestry program. In India, the Philippines and other countries, community forestry has often been seen as a way to secure donor funding, and therefore was tied to the continuity of that funding. In Mexico, a World Bank-funded program is helping the government expand efforts to consolidate community forestry into the most important states, yet it is unclear whether there will be commitments from the national budget to guarantee longevity.

The Ford Foundation has worked to build partnerships, learning networks, working groups, and regional consortia to try and blur the lines between government and local community, increase transparency and accountability, and ensure that the needs of those most dependent on forests be included in decision making. These have had important results and led to changes from national policy to local level implementation decisions, yet few of these efforts have led to fundamental changes in
power relations. In some cases, these fora have been accused of temporizing, creating dialogue but smoothing over conflict, and legitimizing the status quo.

Because of their central role and, in many countries, direct custodial power over forest lands, support for community forestry (including by the Ford Foundation) has invariably focused on forest departments, rarely working to encourage the wide range of other government departments, including those of finance, trade, environment (when separate from forestry agencies), agriculture and land reform amongst others. This myopic approach has resulted in a narrow focus of activities based on small group of actors often resulting in less significant impact at the intended scale. Broadening engagement and involving other ministries and departments would make it more likely that some of the systemic problems that work against community forestry might be more effectively addressed and monitored or even negotiated. These include the problems of subsidies for agricultural production, forest clearance and plantations coupled with the massive and irresponsible flow of capital (with resultant debts) to large-scale industry such as the pulp and paper mills. This often leads to organized and often corporate illegal logging for which local communities bear the primary blame and burden, and un-intended consequences of national decisions such as the logging ban in China, or negotiations with international conservation groups in Central and South America around eco-regional strategies for natural resource protection, to name a few of the larger obstacles facing forest-dependent communities.

The limits of this narrow internal focus on forest departments and the forest sector has been a lesson learned from Foundation support for regional and international networking for advocacy as well. Concentrating only on meetings and events concerned primarily with forestry, networks have failed to engage effectively with other important actors, including the forest industry, conservation organizations, media, financial ministries, trade organizations and other civil society groupings (Colchester et al, 2003).

The process of decentralization and devolution that is occurring in many countries provides tremendous opportunities to work with local governments from the level of village or barangay on up, and there is exciting work going on to establish land rights, reclaim indigenous territories and craft local ordinances and regulations to protect local communities. Ensuring that the same tendencies that plague large bureaucracies are not replicated at the local level calls for strong local governance mechanisms that represent community interests, increasing their negotiation and monitoring capacity.

Government bureaucrats are often confronted with strategies that may be conflicting, particularly where large-scale conservation efforts seek to protect vast eco-regions from active human use. In many parts of the world local people live in protected areas (over 70% of Central America’s protected areas are “occupied”) and many more who live around these forests depend on them for livelihoods and sustenance. Large international conservation zones that exclude people and may even be managed from afar are viewed by many indigenous and community forestry practitioners as highly threatening to local livelihoods and to traditional cultural and spiritual practices.

The dynamic nature of Foundation strategies is often tied to the process of scale and wider adoption of community forestry programs. Where the “success” of replication – particularly through ‘mainstreaming’ -- has led to the danger of uniformity, the focus
for support shifts from documentation and promotion of promising cases and networking to better monitoring, to the challenge of building innovation and flexibility into implementation, to emphasizing the central message of local empowerment and equitable sharing of benefits, and to putting on the brakes where core values seem in danger of co-optation. Although the community forestry movement talks incessantly of attitudinal change and behavioral shifts, facilitating this within hierarchical bureaucracies pressured simultaneously by donors, private industry and local political bosses is extremely difficult. Power and authority must be devolved in community forestry for lasting change. Just as decentralization requires true devolution, community forestry requires empowerment to communities to make management decisions, allocate benefits and organize. Governments will continue to play a critical role in helping bureaucrats, foresters and planners to address the conflict between engineering change and remaining accountable, between calls for excessive control and the need for flexibility in making decisions based on local, site- and ecosystem-specific, community-driven, and that are free from corruption.

The engagement and interface with markets

Development efforts promoting CBF tend to fall short in the area of helping CBF or CBNRM communities engage effectively with markets. Support is often concentrated in helping the management, production, and local processing of forest products, without much attention being paid to marketing. However, the investment, training and organization needed for communities to effectively analyze, engage with and gain increased benefits from markets is repeatedly the weakest area of support, despite the fact that it is often in the sphere of commercialization where the greatest benefits can potentially be gained. Undoubtedly, many questions arise as the fluctuations, unpredictability and risks involved in marketing forest products move into realms outside the influence of communities, governments and donors.

For many communities, the choice of whether to adopt a market-oriented management strategy has important equity considerations. In those cases where subsistence use of forest products is critical to the poorest and most vulnerable community members, including the landless, women and children, a choice to pursue markets may threaten the supply upon which these groups depend. In India, it is not unusual for elites in forest communities to opt for intensified production and marketing without regard for the needs of the poor and marginalized, women and children. Focus on one product or commodity can not only have silvicultural and therefore biodiversity related implications, but it may also exclude groups dependent on other products. Mobile mushroom gatherers and collectors of floral and herbal products in the northwestern part of the US must constantly adapt to commercial timber harvests in their collection areas. However, those communities able to choose greater commercialization -- adding value through more organized collection and sale of raw materials, primary and secondary processing or the development of vertically integrated forest-based enterprises -- often find it difficult to get funding. Investment in this area is perceived as capital investment for profit, not funding support for development. Yet these communities increasingly need access to ever larger amounts of financial capital.

There is also recognition that massive changes in trade liberalization and investments have provoked changes in the market structure at international, national, regional and local levels. Community-based sawmills in the northwestern US, for example, are having difficulty competing with cheaper Canadian imports, which they claim are
government subsidized. The notion of appropriate commercial scale is highly contested in many countries.\(^4\) Over-emphasis on export markets often leads to perverse incentives for large pulp and plywood mills and a lack of attention to domestic and local markets. Producing for local demand is then left to the “informal” sector which must be fed by “illegal logging”, while higher value finished products like plywood, and paper are all exported (this is particularly the case in Indonesia, Brazil and Mexico). It has also led to cheap imports from exporting countries, often subsidized, depressing local industry and infrastructure investments needed to keep the sector competitive (a problem in Mexico and Central America and in parts of the US). CBF efforts are affected dramatically by these changes and any market strategy must understand market dynamics at all levels.

Market dynamics can also have an impact on the conservation side of forestry. Often, when a forest product has a well-developed market (such as for the *xate* decorative palm, or wood for arts and crafts) and communities participate in benefits from different stages of the value added chain, the impact on livelihoods may be satisfactory, but the natural resource may become seriously depleted. While demand for the product may produce a ‘scaling up effect’ by opening up the possibility for greater production and thus greater potential benefits to the producers, increased demand will put pressure on the natural resource with negative results for conservation at a larger scale, demonstrating the delicate balance and trade-offs between gains in livelihoods versus those in conservation.

In order to 'contain' the market impact on the natural resource, criteria for sustainable management must be introduced. However, this alone will not be sufficient. The potential for success (sustainable management of the resource) will depend on the levels of community participation in the chain of processing, packaging and commercialization of the forest product, or the level of forward integration in the cycle of the product. Success will also be determined by how the presentation of the product is shaped within the market, through the promotion and recognition of environmental and/or social values in the product presentation and pricing.

Here, the extent of community production within the market (whether they supply a small or large proportion of the product) and the equity of benefit distribution along the added-value chain become crucial.

Where a forest product has no significant established market, several Foundation donors have invested in working the consumer side of the market to recognize and reward those communities (and companies) which do practice environmentally sound and socially fair production practices. The development of production practices, standards for their measurement, verification methods, labeling to reflect them, awareness campaigns and the institutions to implement these processes form part of the effort to build certification and labeling as a way to use the market to scale-up CBF. The Ford Foundation has made a particular effort to back the consolidation and expansion of certification through support to the Forestry Stewardship Council (FSC),

\(^{4}\) The Forest industry has been designed worldwide around a number of myths concerning economies of scale particularly where vertical integration has been considered essential for large production units and mills – and massive forest concessions have vested control of raw material extraction and production in the mill owners. (Indonesia: the size of the concession needs to meet the size of mill).
with operations in most of the countries where CBF is being supported by the Foundation.

The results are mixed. Certification has had some significant benefits for communities affected by industrial forestry operations around the world. Yet many of these benefits are not derived from the market. It has fostered more participatory dialogue among stakeholders and more balanced discussion of policy reforms in countries with weak attention to traditional tenure rights in the forest estate. Certification has had some impact improving employment and worker health and safety conditions. It has provided a number of community enterprises with public recognition of their sustainable forest management and other indirect benefits such as increased tenure security or tenure access. However, so far certification has not led to a significant premium or market share for local communities and is regarded by many as too costly. Recent research alleges that, “The current structure of forest certification schemes precludes the entry of a large number of forest communities into the process of certification, even if there is a simplification of some procedures and rules.”

Another strategy to help communities develop is to create ‘products with stories,’ carry out regional branding and adopt the broad array of criteria for fair trade products. The Healthy Forests Healthy Communities initiative in the northwestern US provides technical and marketing support for a network of small producers of sustainably managed wood products from community-based restoration efforts who have the option of adding this brand name to their products. A difficulty with these efforts at branding is that the products mostly find their way into “niche” not massive markets. The question becomes whether or not the niche markets can function at appropriate scales for certain products and their producer communities. Will today’s ‘niche’ markets become mainstreamed over time? If the demand outgrows the rate of community production capacity for fulfilling it, will community production be forced out of the game, or will production grow to the point it damages the forest? What will the limits of these niche markets be over the long term?

There is also concern with the more local and regional or sub-national markets, where prices are lower, but monopolies reap the benefits of commercialization at scale. In India, the most valuable of NTFPs continue to be nationalized or controlled by states, which have both a monopoly and a monopsony, leaving community forestry groups with no option but to sell to state collection agents at state prices, leaving the least valuable products as their “share” for direct marketing. An additional problem in a number of countries in Asia is control over felling, transporting and sale of “restricted” tree species, leading many community forestry groups to have to resort to illegal channels to sell trees grown on their private land.

At the local level, the context in which most of these programs are unfolding, there is both a lack of business skills as well as a lack of viable business models from which to choose. The performance of CBF programs will not be improved solely through the provision of better business training, but more likely through alliances with other organizations that can bring the needed expertise. Most individual households around the world are already “businesses;” they are for-profit entities regardless of how profitable they may or may not be. They already produce and sell or trade items into

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5 Forest Certification and Forest Communities: Looking Forward to the Next Decade. Forest Trends, 11/7/02 Draft pg. 36
markets. This is true, too, of community-based businesses, cooperatives, and associations (Clay 2001).

Arguments have been made for the need to improve or create markets for NTFPs. As mentioned earlier, much of the early CBNRM thinking focused on production, with the automatic assumption that whatever was produced could be sold. Reality has proved otherwise. Knowing what to produce, when to produce it, how much to produce, and how to process it for the highest price are important issues for any producer. Linking this to a better understanding of what the market wants to buy is crucial, yet a daunting task for most forestry organizations. If donor support is willing to consider entering this realm, there is a change in the type of assistance needed, as well as in the constellation of grantees. Assistance can include help in consolidating product, controlling quality, sorting, packaging, adding value to the point that it makes sense for the end market, and understanding credit and working capital opportunities. Very few grass-roots organizations and even NGOs have the expertise to offer such assistance. This usually calls for the involvement or creation of other types of organizations.

Experience has shown that forestry communities have never focused all their attention on a single product. Even communities that live entirely from timber production are rare. The range of products that generate different income streams is quite large and important, both in terms of the amounts and the timing of that income. As a result, engagement must be with several different types of markets throughout the year. Outside agents with local links can play a crucial role in identifying potential new markets and income sources.

Another ‘market’ that the Ford Foundation is exploring relates to the generation of payment for environmental services (PES). Though some international mechanisms – such as those designed for international trade of carbon sequestration and emission credits -- already exist, current Foundation inquiry is focused on how PES can effectively benefit the poor who often provide a great deal of environmental service without any compensation. Equity and environmental sustainability are at the heart of Foundation concerns, and will drive the focus of experimental support to harness the power of this concept for the poor. Some basic guidelines are emerging from recent research on the actual experience in water, forest and biodiversity management for the provision of these services (PRISMA, 2003, Landell-Mills and Porras, 2002, IUCN, 2002).

Finally, if perceived early enough in the promotion of CBF efforts, multiple market opportunities for similar work and production should provide synergies that can help communities achieve greater gains for their labor and stewardship. To wit:

- Sustainable management of timber can lead to increased NTFP production opportunities;
- Sustainable timber and/or NTFP management can lay the basis for environmental service payments (e.g. watershed or biodiversity protection);
- Better practices reduce impacts and increase profits, and can be the basis for government regulations, permits, and licenses, as well as investment and insurance screens;
Synergies can also be promoted laterally: joint marketing or certification can be sufficient incentives for several communities to adopt similar management practices and commodity approaches in order become more profitable.

**Ensuring long-term impacts: Secure tenure and access and the role of social movements**

While the central importance of secure community control and access over forest resources seems obvious, the spread of community forestry approaches, particularly those driven by government and involving co-management or joint management have in many cases avoided addressing head-on the contentious issue of land tenure security or the guarantee of secure access to forest products, markets and benefits. Without this security, any gains made by community forestry approaches at a large geographical scale may be transient, illusory or misleading and it is unlikely that forests would then function as true community assets. In countries such as Mexico, where community forestry provides the most remarkable examples of local economic benefit, land tenure rights are clearly in the hands of indigenous peoples and local communities. The more recent struggle has been to gain security over the management and economic utilization of these forests, a further layer of access and control over resources, which had previously been allocated by government to the timber industry (Bray, Merino, Torres, 2002). In many countries, however, tenure remains highly ambiguous. In Indonesia, scholars (Chip Fay and Martua Sirait, 2001 quoted in Colchester, WRM 2002) debate the value of introducing formal community forest management concessions into a landscape that is still under contention, where a large proportion of the nation’s forests have still not been “legally” designated as forest land and where complex local land use patterns bring into question the use of the term “forest” to describe locally managed landscapes that may include both “natural ecosystems” and altered forest gardens.

One of the most important lessons learned in supporting community forestry has been a growing appreciation for the power of social movements and alternative organizational forms to influence the quality and effectiveness of community forestry at scale. Social movements can often lead to rapid horizontal dissemination and adoption of new ideas and approaches that have much greater acceptability for local communities than those propagated by government program delivery mechanisms. The emergence and evolution of different kinds of organizations and associations, federations and coalitions of community members, indigenous peoples, workers, farmers and other membership-based groups are often an expression of a social movement in need of support. In India, the evolution of different federations of communities involved in community forestry led to rapid adoption of joint forest management in some areas. Federations provided village-to-village support for new communities and may help livelihood development by organizing collective marketing. The Federation of Forest User Groups of Nepal is an important membership-based group that has played a crucial role (in part, by mobilizing over 20,000 people in marches across the country) in challenging recent efforts by some bureaucrats to water down the Community Forestry Act and pull back from commitments made to accelerate the process of handing over forest to forest user groups. CICOFOC in Central America is playing an important role in mobilizing and advocating on behalf of indigenous peoples and local community forest and agro-
forestry groups at the regional level. In the US, the National Network of Forest Practitioners brings together community loggers, small landowners, forest products entrepreneurs, NGOs and academics to learn from each other and to advocate for supportive policies at the national level. Meetings between these groups and other federations and networks around the world at the recent World Summit for Sustainable Development led to the formation of the Global Community-based Management Caucus – a loose alliance of several hundred institutions and community groups seeking to work together for community forestry. Coalitions like the caucus may help forest communities debate at global policy fora, where they may finally begin to impress upon government, industry and professional foresters the spread and extent of community forestry approaches.

CONCLUSION

Given the tremendous variation and range of community-based forestry approaches it is presumptuous to draw any universal conclusions, yet the experience of Ford Foundation partners in many countries around the world have shown many positive impacts at the community level. At the low end of the spectrum, community forestry approaches have either protected against the destruction and degradation of forests and subsistence-based livelihoods, or indeed restored many of the products and benefits that forests provide. In many cases, forest-based collection and harvesting have contributed significantly to the mix of livelihood strategies, providing important supplementary income for thousands of local people, and maintaining and enriching forest diversity and ensuring cultural and spiritual continuity. In some countries and regions, community forestry has been a significant generator of employment and enterprises that have added economic value to families and contributed substantially to community development.

As community ownership and management of forest now cover significant proportions of the world’s forests, the challenge is to ensure that this is accompanied with greatest possible contribution to local livelihoods, especially of the poor, while at the same time contributing to the protection, conservation and sustainable management of forest resources. This will require a greater respect for local knowledge and local decision-making and an appreciation for the local historical, cultural and economic context on the part of governments, donors, policy makers and business interests. Government agencies, particularly those charged with oversight, promotion or facilitation of community forestry approaches, need to be carefully monitored and assisted to develop more flexible, site-specific and adaptive guidelines. Greater effort is needed to build bridges between forest communities and actors from other sectors, whether they be from the ministries of finance, trade, tourism, and various market and business interests, the military, the media and international conservation organizations. There has been a tendency in the past for community forestry supporters to work very much within the forest sector. Community forestry groups continue to need considerable assistance and support in securing markets and effectively engaging market systems, and business development particularly as enterprises seek to operate at commercial scales. Local communities and CBF practitioners need help to gain better access to new markets – whether it is through branding, certification or seeking payments for environmental services. Work around forest certification needs to look more carefully at how this can truly bring an increased share in global markets but also a price premium to add value. Secure land
tenure and resource access rights continue to be elusive for many community forestry groups. In many countries, structural land reform and rationalization may be essential pre-requisites for community forestry to have lasting impacts. Drawing on the example of extractive reserves of Brazil we need to think more about the prevalence of traditional management and pre-existing rights across large landscapes and regions. This is especially important as new eco-regional approaches to conservation often result in the closure of large regions, rather than seeking to aggregate the efforts of local conservation practices over the same area.

Supporting social movements and associations helps provide a voice for community practitioners to assert pressure, advocate for continuing reform and monitor policies and implementation of programs. Such movements often arise around land and human rights issues, but there is also great potential for them to play a larger role in influencing markets and policies that directly impact livelihoods, to push for more even distribution of benefits, more transparency and real democratic decision-making processes from the community level upwards, and to create an alternative view of development that seeks economic prosperity, social justice and equity for all living communities.
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