



Pressures on Forest Lands

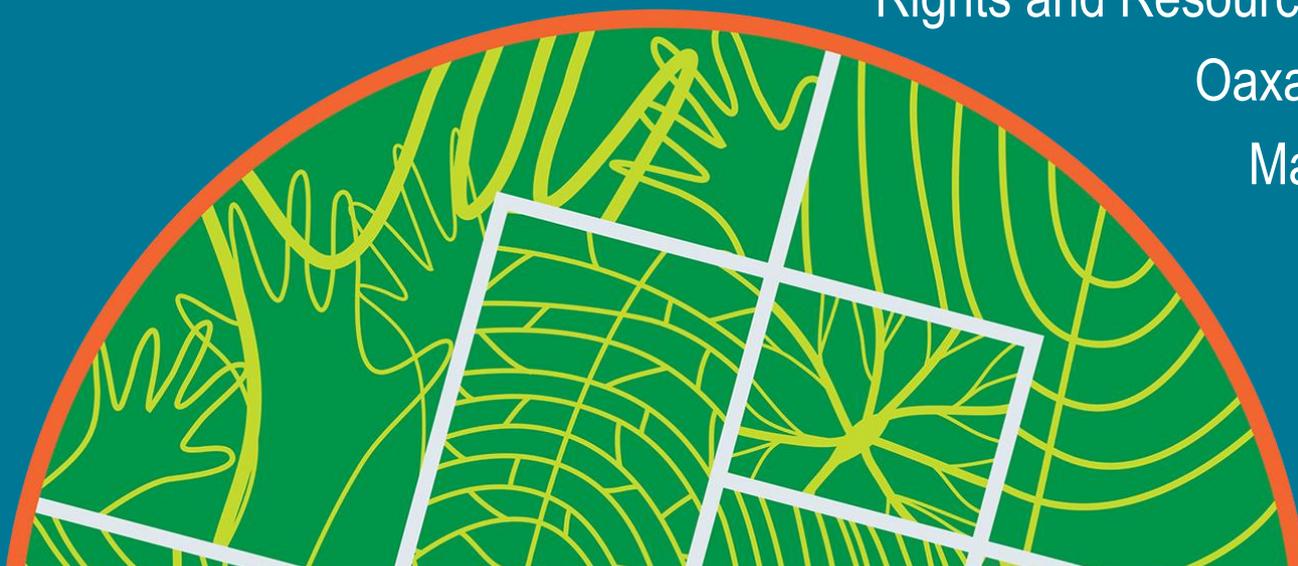
Macro-trends and implications for Forest Agencies

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Objective: open discussion on the emerging and growing pressures on forest lands and their implications for forest agencies.

1. Emerging Pressures on Forest Areas
 - a) Investment
 - b) Demographic changes
2. Large-scale land acquisitions
3. Implications for Forest Agencies



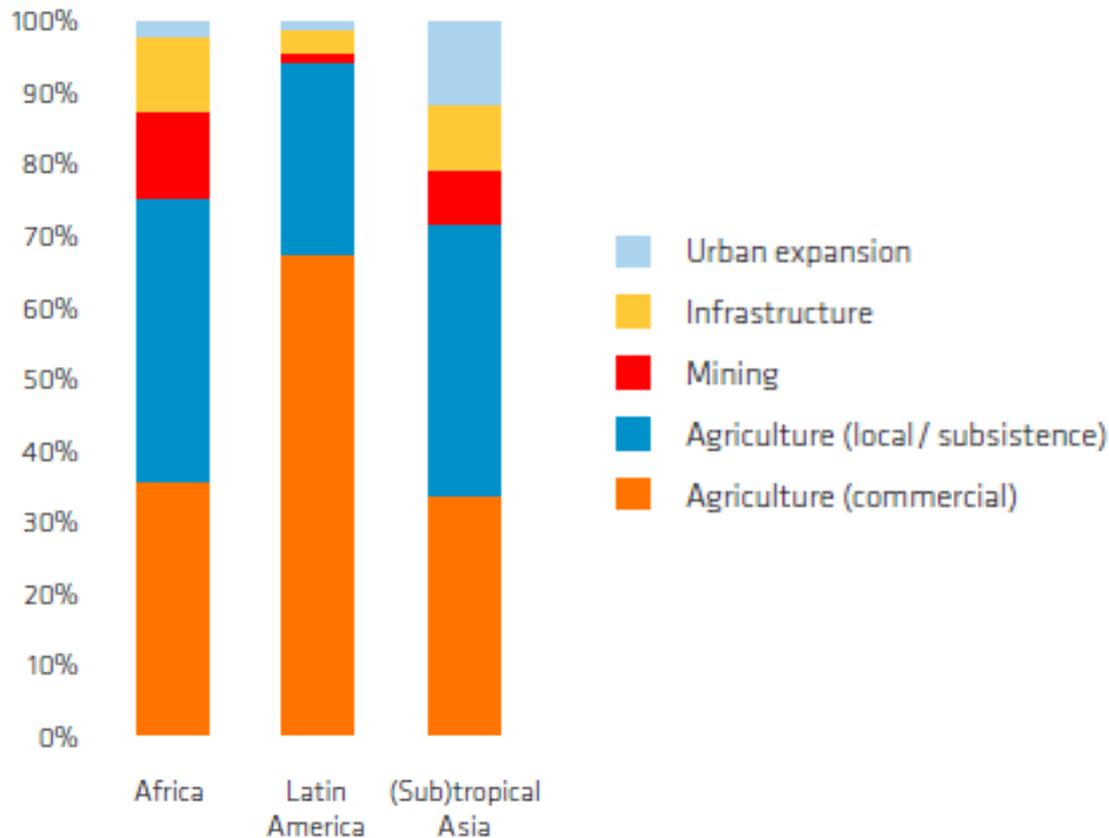
Some observations to start

1. The forested areas of the developing world – 30% of the global landscape – will be the focus of increasingly intense national and global interest and contest, for the food, fuel, wood, water, oil and minerals to feed and service global demand, and maintaining globally relevant ecosystem services, (e.g. securing forest carbon, ecosystem resilience).
2. The contest for land and resources could be potentially violent. The some 2 billion owners and dwellers of these areas are among the poorest and most politically disenfranchised on the planet – and they have unmet expectations for justice and development.
3. National development/stability/security forested/resource rich countries increasingly shaped by rural/forest citizens – respected (or not?);
4. Global resource supply, climate mitigation – hinges on how the rural and forest-dwelling people of the developing world are involved (or not?);
5. Conventional forest agencies/models were designed for a different world and not very helpful for new agencies.

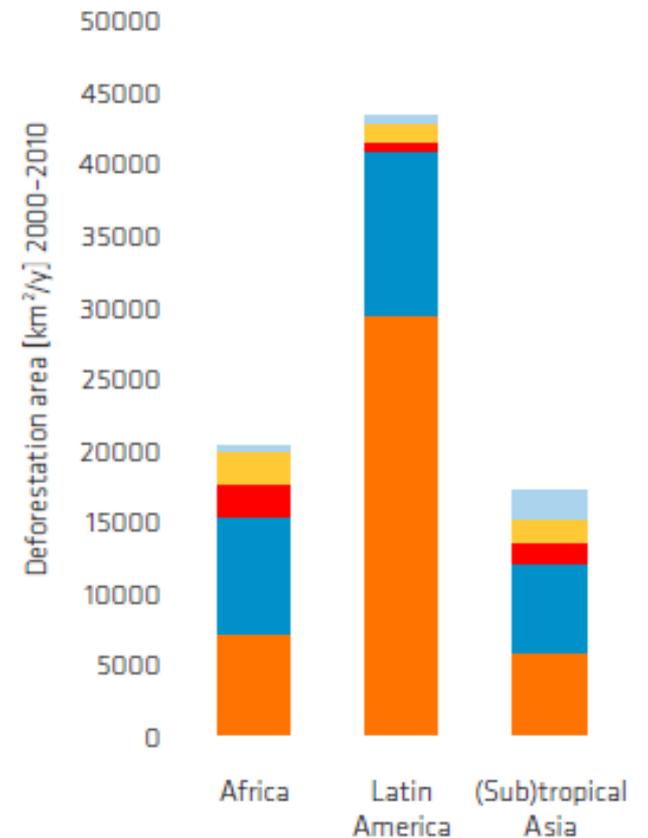
- FAO predicts cumulative global Agricultural investment of \$2.9 trillion by 2030.
- OECD predicts \$22 trillion cumulative expenditure on infrastructure by 2030.
- UNEP predicts 141 billion tons per year of mineral resource extraction by 2050. (currently about 60 billion tons)

- GDP of Africa = \$1.8 Trillion
- GDP of South America = \$5 trillion
- GDP of Asia = \$18 trillion
- GDP of USA = \$15 trillion

a) Proportion of deforestation drivers

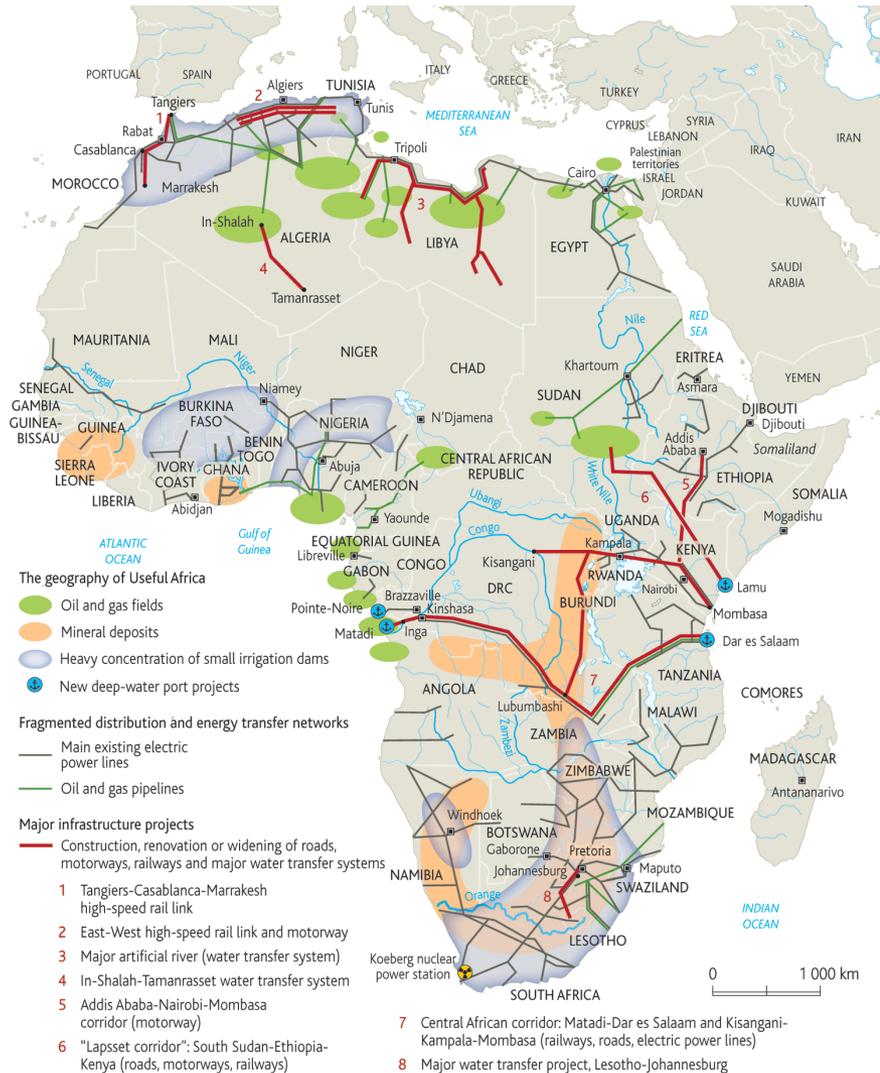


b) Area proportion of deforestation drivers





Capital Investments in Africa



From now to 2030, a projected 22 trillion dollars will be invested in infrastructure in developing countries. (Cohen and Steers 2009)

"There will be hundreds of billions of dollars of infrastructure investment over the next decade or so in Africa, in ports, rail, roads, mining, hydroelectric, to exploit the resources and bring them to market." (IFC, May 2011)



Example: Oil/Gas on Indigenous Territories, Peru

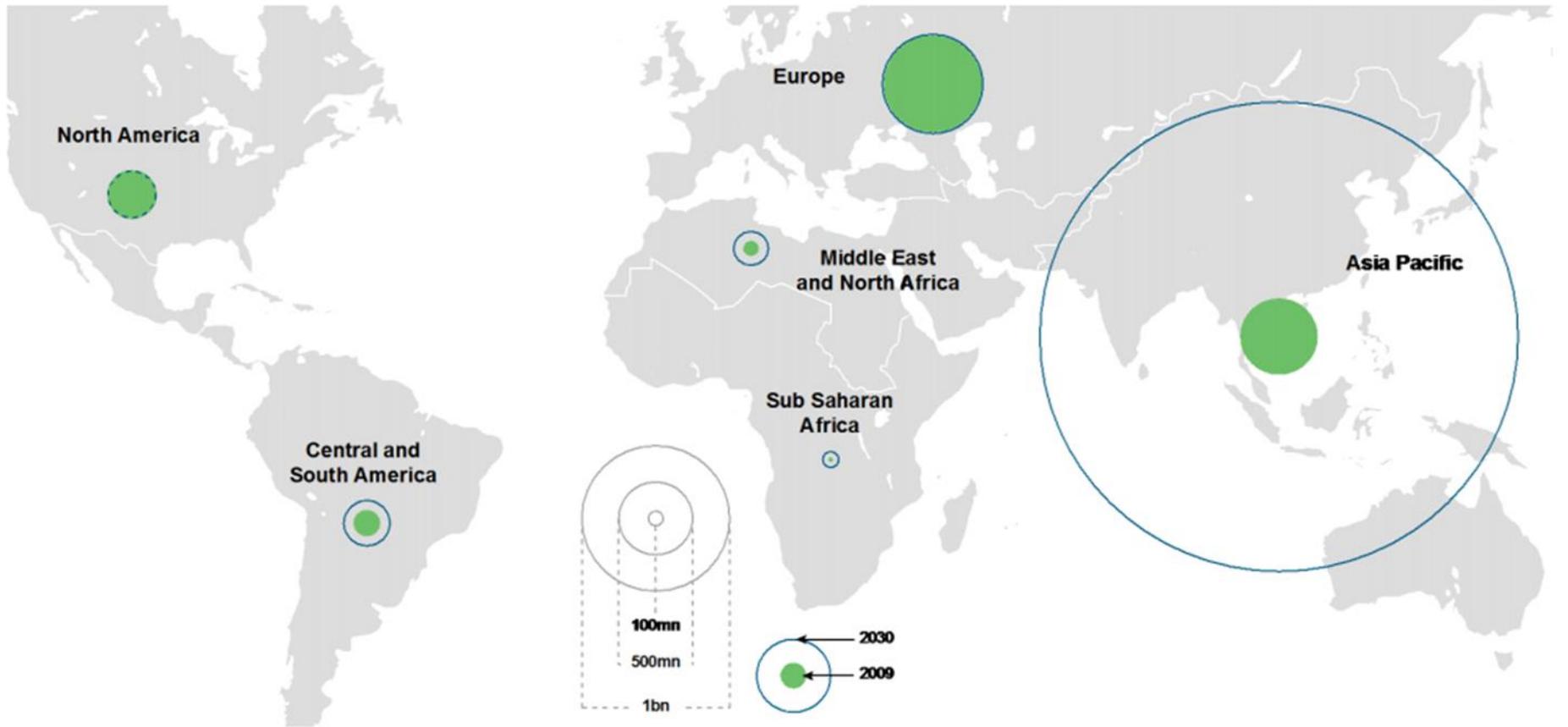


Demand for raw materials – minerals, oil and gas, etc. – is an important driver for deforestation.

While demand for such commodities are not new, the recent surge in industrialization in a number of countries has fuelled sharply rising demand. Many thousands of hectares of oil block concessions cover lands that are otherwise customarily owned and used by communities

IFC, May 2011

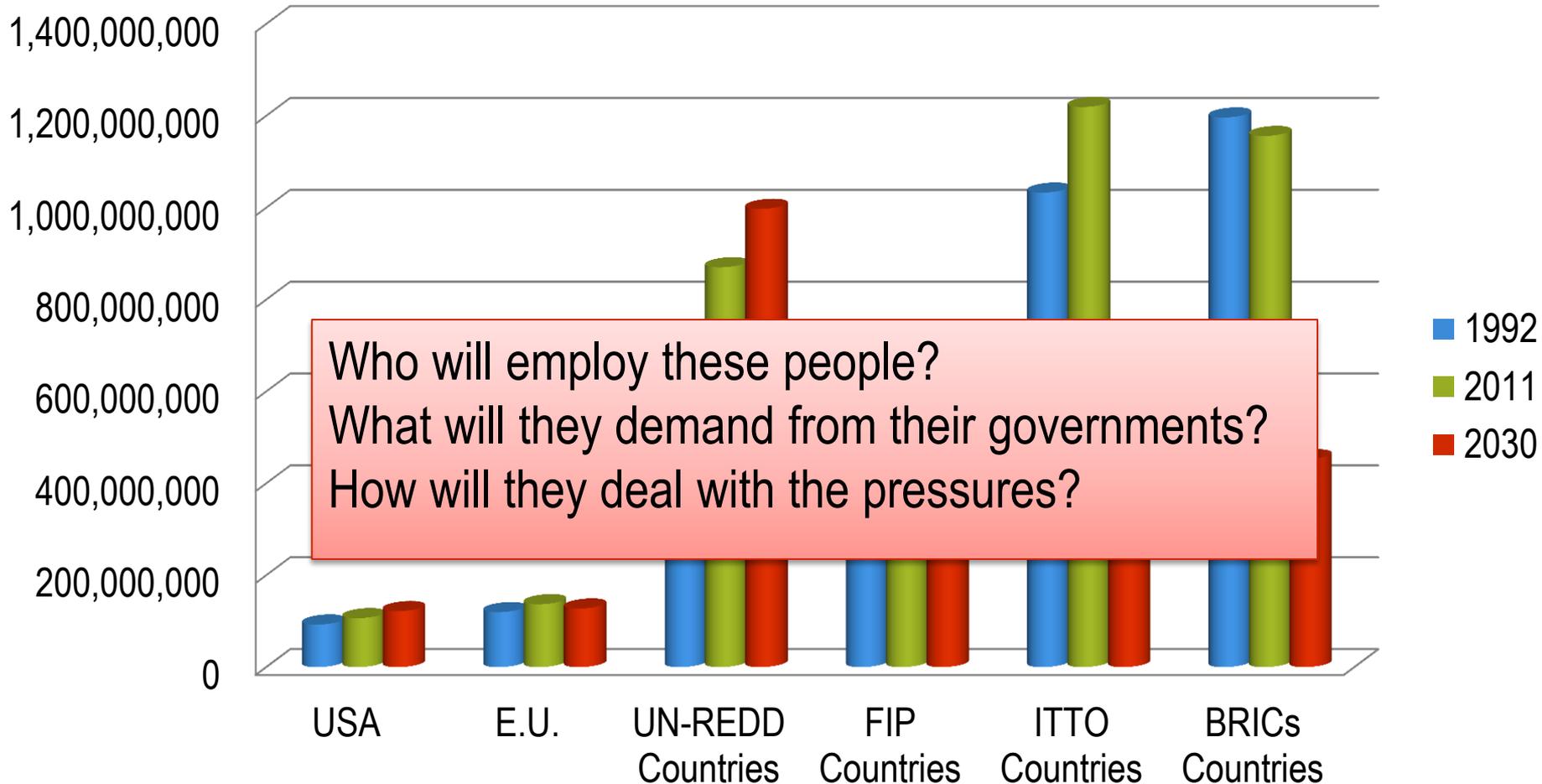
Size of the middle class in 2009 and prediction for 2030





The Coming “Youth Bulge” in Forested Countries

Population Under 25



Who will employ these people?
What will they demand from their governments?
How will they deal with the pressures?

Source: U.S. Census Bureau, International Data Base.

From 2000-2010 more than 200 million hectares of global land acquisitions have been approved or are under negotiation

Primarily in the “Developing world” for

- Farm production
- Forest conversion
- Industrial development
- Mineral extraction

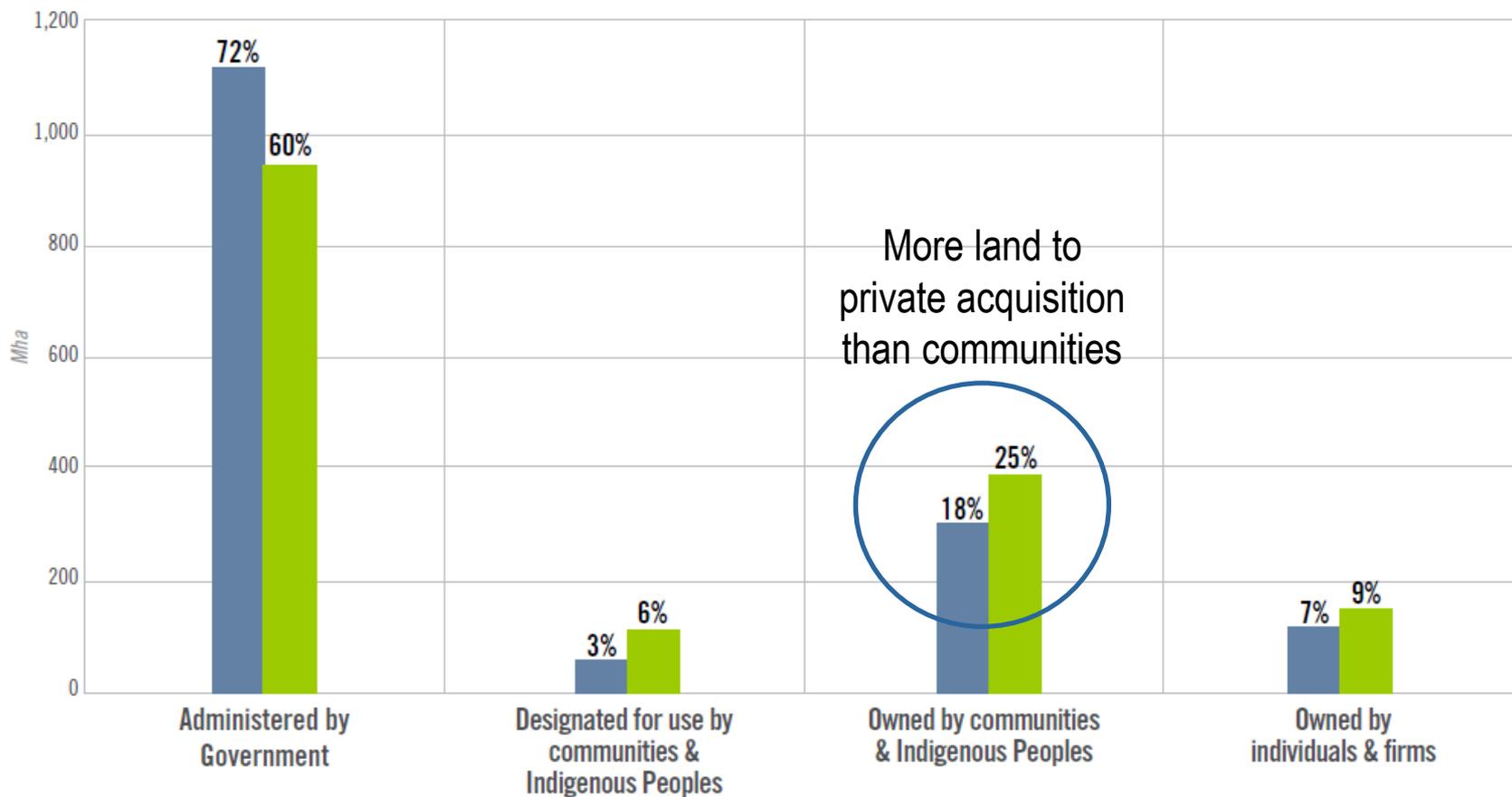
Leases range typically from 25 – 99 years locking in areas and locking out local communities

Opportunity for development? Speculative?

Decisions often made in the capital between governments and investors

Limited transparency on deals

Forest ownership distribution 2002-2012

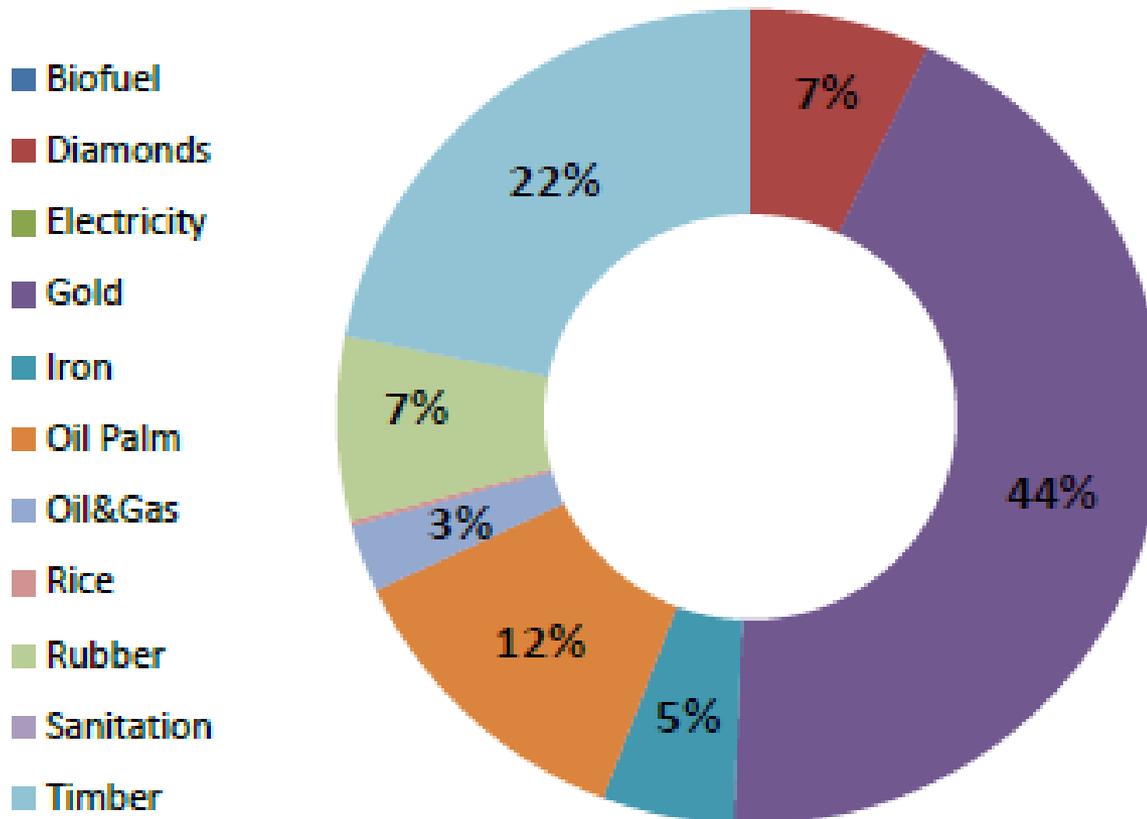


■ 2002 ■ 2012

Note: The countries included here contain 80 percent of the total forest estate of developing countries.

For full details see: www.rightsandresources/tenuredata.

Area - Resource



Concessions granted to over 5 million hectares of land

Total land area = 11 million hectares

More changes to be expected

1. Exponential population growth heading to 10 billion people
2. Food insecurity and need to double agricultural production by 2050
3. Booming demand for bio-energy, mining, infrastructure, much of it in forested areas
4. Changes in trade, international institutions with the growing importance of the “middle income” countries – Brazil, China, India, Russia (but Brazil moving toward stagflation)
5. Africa growth 4.5% - 6% over next 2 years



Implications for Forest Sector

Actors shaping forests and governance are changing (at all levels)

- Western governments → BRICs, et al (is this true?)
- Multi/Bi-Laterals → Private Sector and Sovereign Wealth Funds
- Timber/Pulp → Infrastructure and Extractives
- Central control → local jurisdictions, community and private ownerships
- Middle class expansion will drive domestic market demand in tropical forest regions for forest products—who will supply??

Forest agencies will have to address:

- 1.** Pressure on forest areas from 4 sides (agriculture, energy, mining and infrastructure), new politics and the political economy of forest areas
 - 2.** Much greater expectations and power of local people, pursuing their own rights and aspirations
 - 3.** Much more demand for local jobs & development
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- ➔ Innovation, reinvention will be required to remain socially, politically relevant, and effective promoters of forests
 - ➔ Declining relative importance and power of forest agencies in controlling forest areas?

Some questions for discussion

1. Do you see these pressures as risks or opportunities?
2. How do we plan for pressures, overlapping demands, etc?
3. How to deal with the unexpected?
4. What does this mean to your country? Your forest agency?
5. Where do forest agencies fit in changing societies/economies?