RIGHTS AND RESOURCES INITIATIVE

SUPPORTING FOREST TENURE, POLICY AND MARKET REFORMS

Forest Tenure Transitions:

Changes 2002-2008, Emerging Lessons

Arvind Khare

MegaFlorestais, 2008

Itacoatiara

This presentation will cover:

- Socio-Political context – diminishing role of forest agencies
- Context of forest tenure transition
- New data on world statutory forest tenure
- Tenure in context of Climate Change
- Tenure for Multiple Outcomes
- Opportunities for forest agencies

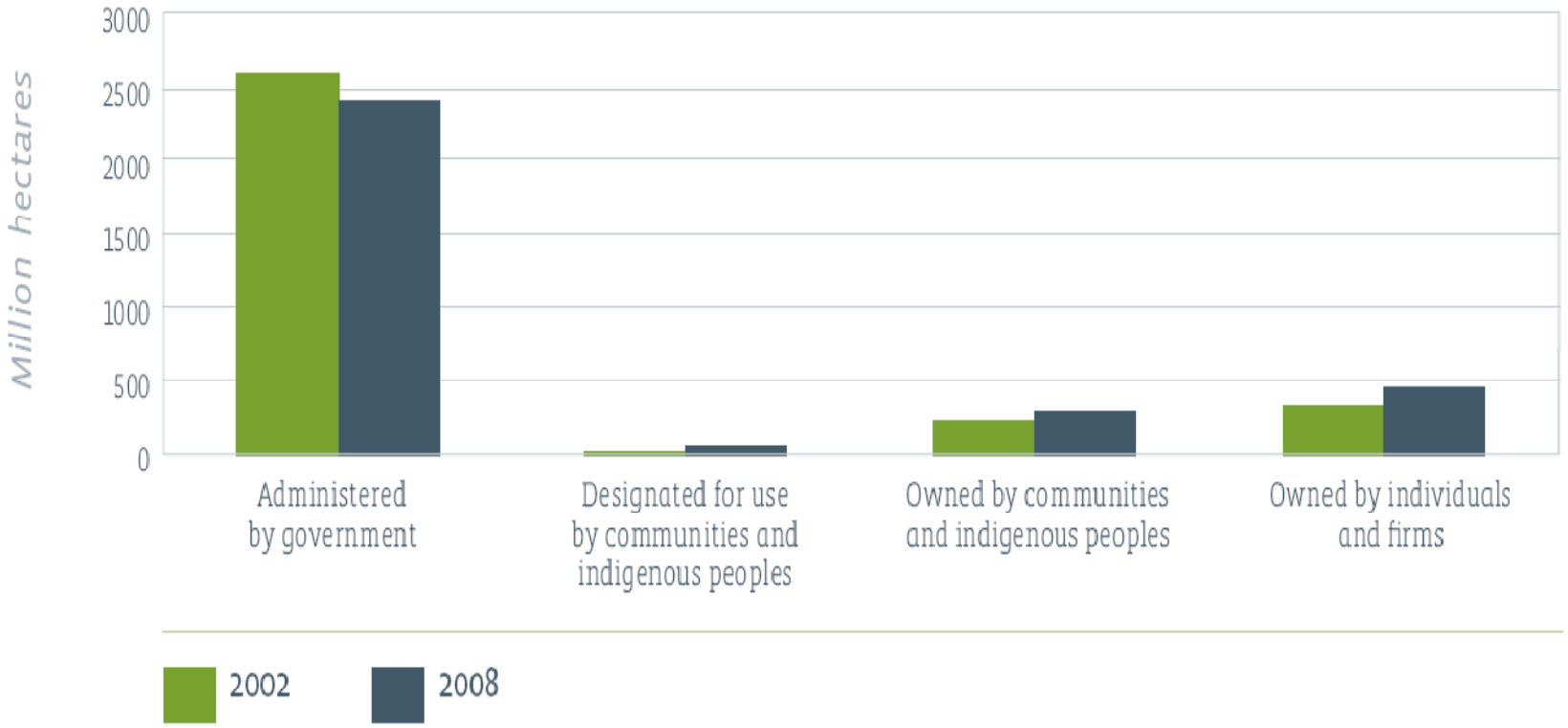
Socio-Political context – diminishing role of forest agencies

- Major decisions and negotiations on forest estate are taken by non-agency actors – but blame (deforestation, social tensions, loss of biodiversity) is theirs alone;
- Forest agencies have yielded the social, political, and economic space to other actors and now occupy a small technical corner in management of forest estate;
- We have not dealt with the fundamental governance aspects of tenure, regulations, and market and are ill-prepared to deal with the new problems of political and ecological security.
- Without basic governance reforms, beginning with tenure, forest agencies are unlikely to regain the lost ground

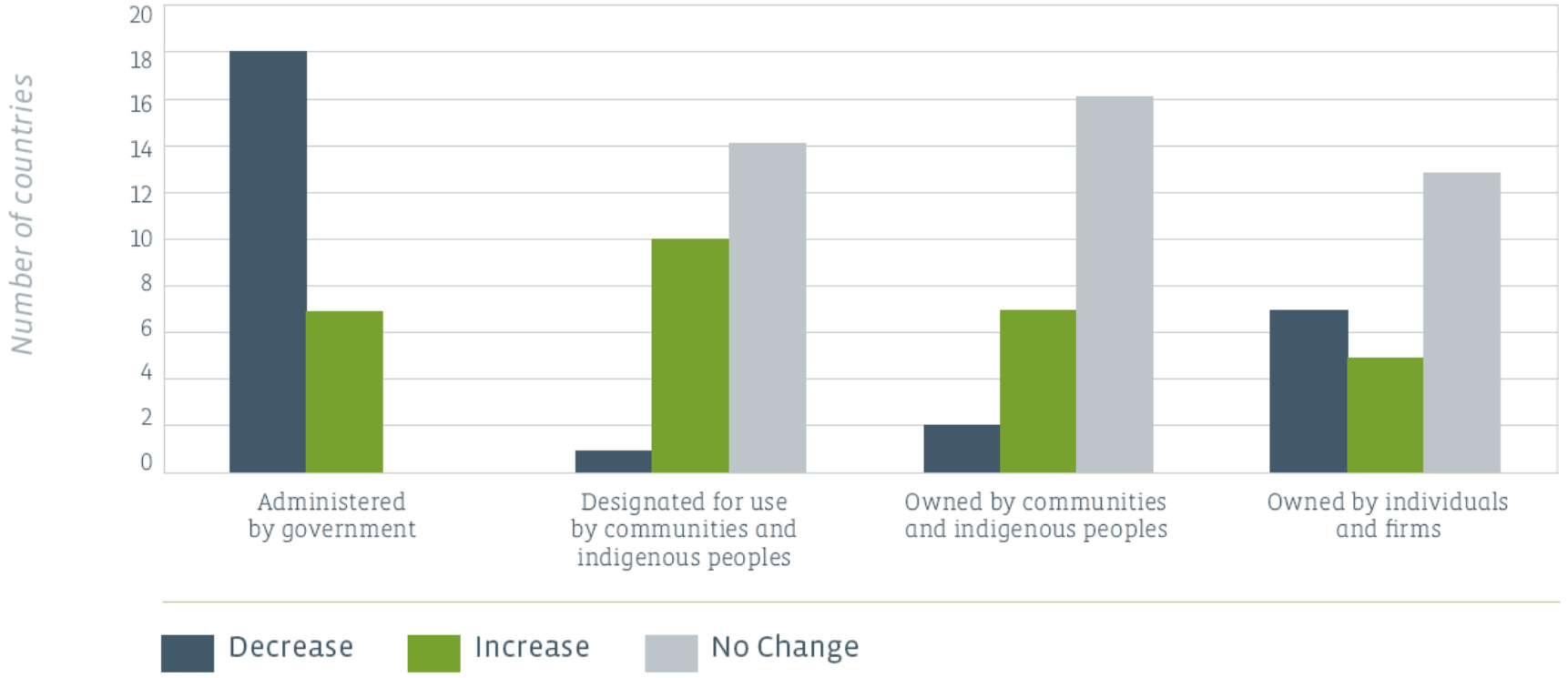
Context of forest tenure transition

- Appropriation of forest rights by the state
- Contestation between customary and statutory rights
- Perception of communities: from ownership to exclusion – cause of major conflicts in the last three decades
- Investors wary due to lack of clarity of ownership
- Why tenure important: cultural identity & survival; wellbeing – brings back communities; avoids conflict – brings back donors/investors; conservation – brings back civil society
- Wide-based ownership, diverse production systems managed for multiple objectives provide the basic resilience to forest systems that can adapt to various situations – ecological and market;
- Progress is being made – perhaps not at a scale and speed.

Statutory forest tenure change, 2002-2008, in 25 of 30 most forested countries



Statutory forest tenure change, 2002-2008, in 25 of 30 most forested countries



Brief Report Card on implementation of tenure reforms

- Progress in community owned and managed area:
  1985 – 2002 → doubled
  2002 – 2007 → 25%
- 9/30 countries took major initiatives while 12/30 implemented major legal reforms
- In some cases community forest tenure rights were recognized in statutory law, communities unable to exclude others seeking access to land and resources, or are unable to market resources on their land.
- Examples: Peru, Liberia, PNG, Brazil, Tanzania, India.

Tenure in Context of Climate Change

- Programs such as REDD will attempt to produce a structure of incentives to keep forests standing and reforest
- Clarifying tenure rights an important component for success of such programs
- But first we look at the reality in the countries selected for REDD readiness

Reality of REDD: Weak Governance (1)

	Country	Transparency International Rating (Position): Top score 9.3 (denmark)	Freedom House index (1=Free; 7= not free)	GDP growth since (1975-2004)	Conflicts over last 20 years (bold = related to tenure)	World Bank *Doing Business* 2008 Ranking
UNREDD	Indonesia	2.6	2.5	4.1	**Yes**	127
	Papua New Guinea	2.0	3.0	0.6	**Yes**	89
	Paraguay	2.4	3.0	0.4	No	108
	Tanzania	3.0	3.5	0.8	No	124
	Zambia	2.8	3.5	-2.0	No	101
Both	Bolivia	3.0	3.0	0.0	No	149
	DRC	1.7	5.5	-4.8	**Yes**	181
	Panama	3.4	1.5	1.1	No	76
	Vietnam	2.7	6.0	5.6	No	87

Reality of REDD: Weak Governance (2)

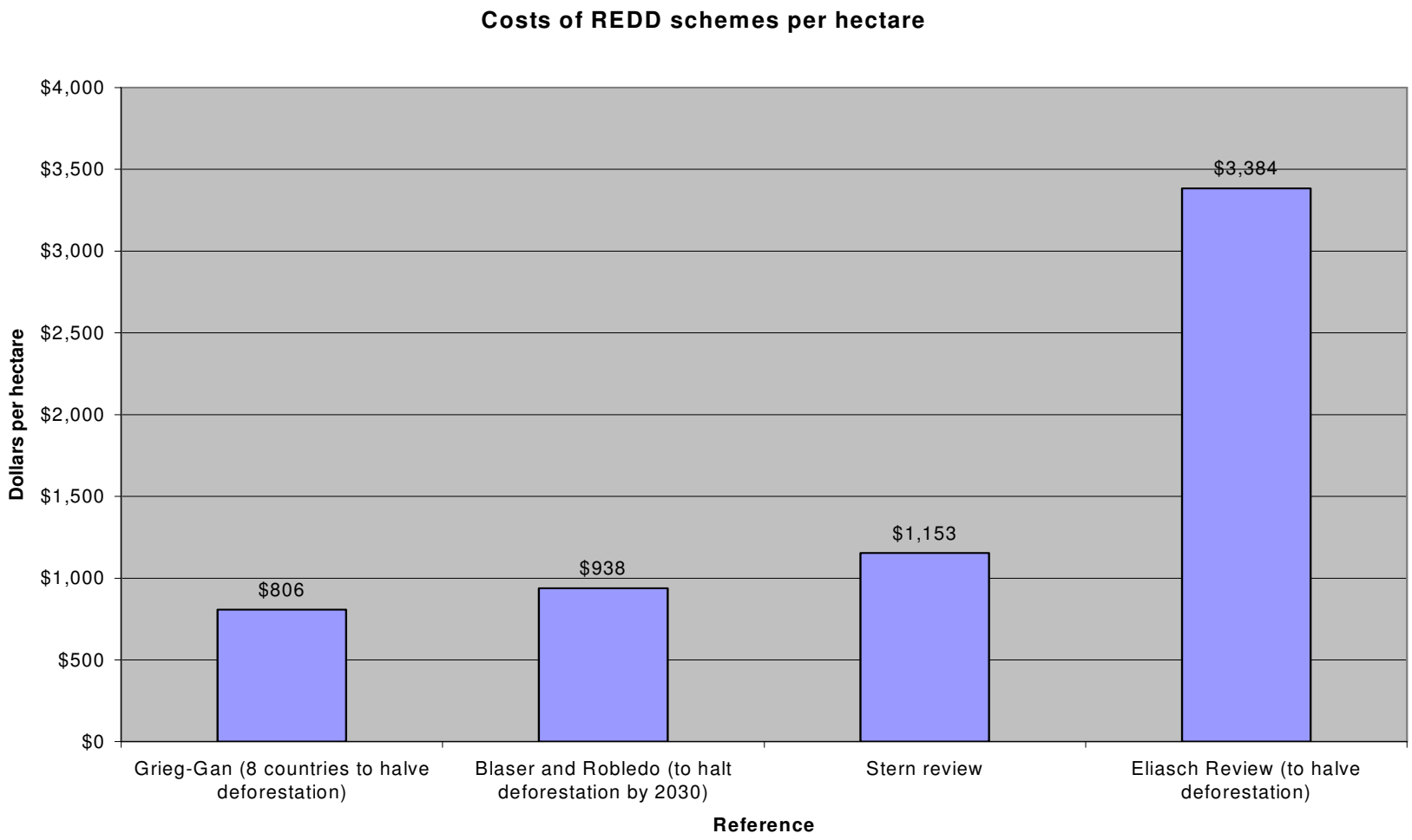
Both	Bolivia	3.0	3.0	0.0	No	149
	DRC	1.7	5.5	-4.8	**Yes**	181
	Panama	3.4	1.5	1.1	No	76
	Vietnam	2.7	6.0	5.6	No	87
FPCF	Gabon	3.1	5.0	-1.1	No	143
	Ghana	3.9	1.5	0.6	No	82
	Kenya	2.1	3.5	0.0	**Yes**	78
	Liberia	2.4	3.5	ND	**Yes**	167
	Madagascar	3.4	3.5	-1.6	No	151
	Costa Rica	5.1	1.0	1.3	No	118
	Guyana	2.6	2.5	0.8	No	95
	Mexico	3.6	2.5	0.4	No	42
	Nepal	2.7	4.5	2.0	**Yes**	111
	Lao	2.0	6.5	3.6	**Yes**	162
Averages and total		**3.0/10 (120/180)**	**3.6**	**0.7**	**7**	**115/181**

Sources: http://www.transparency.org/news_room/in_focus/2008/cpi2008/cpi_2008_table
http://www.freedomhouse.org/template.cfm?page=410&year=2008
Wily, Liz. 2008. Conflicts around the world.

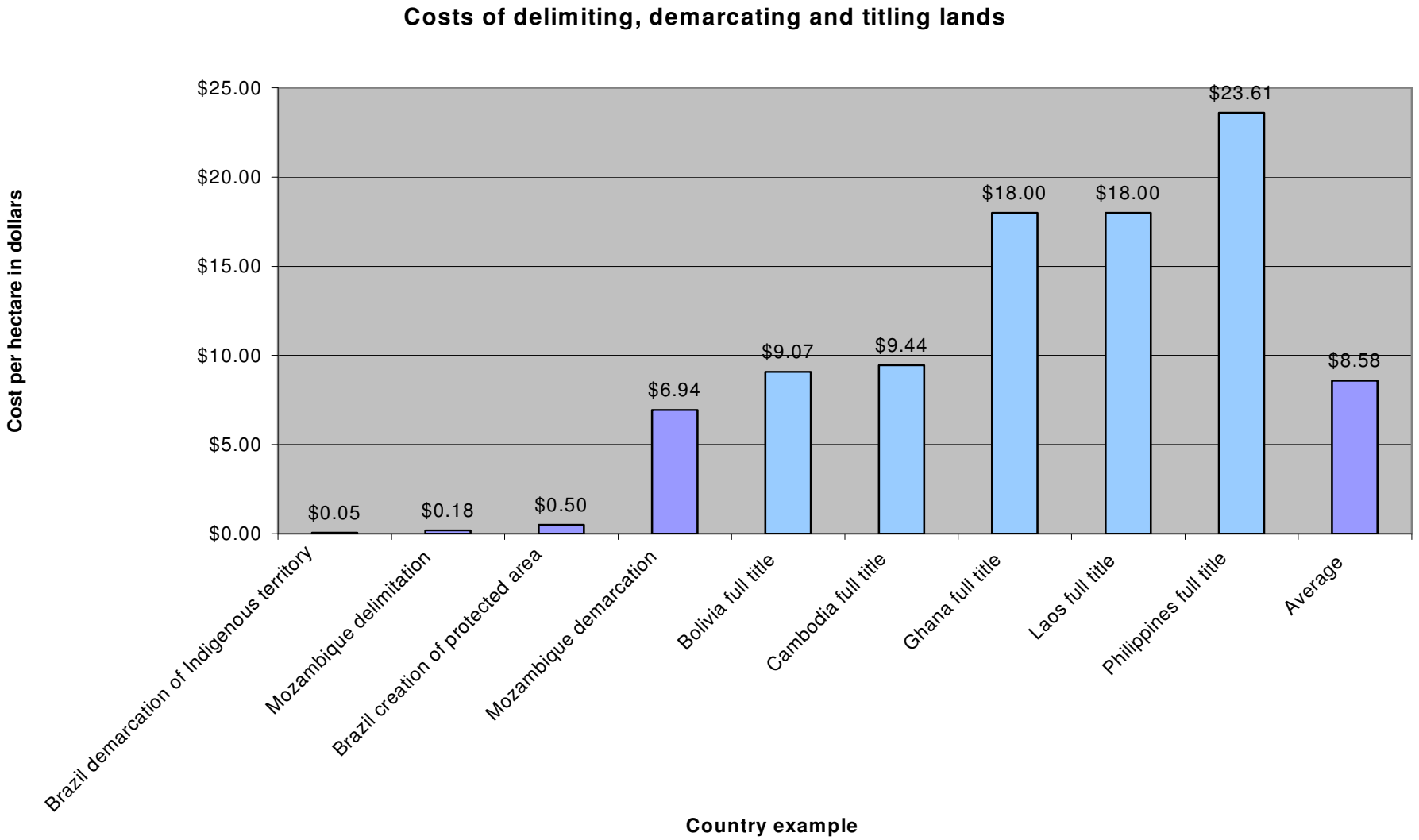
Tenure Reform, REDD and Costs

- Stern Review, Accra declaration, Forest Dialogue, Eliasch Review, Oslo Conference – all recognize tenure reform as a precondition for success of REDD – market-based or otherwise;
- Increasing evidence from all over world that communities conserve if their rights are secure;
- There is evidence that recognizing rights is the most cost-effective option for sequestering carbon than proposed REDD schemes.

Costs of REDD Schemes (per hectare)



Cost of Recognizing Rights

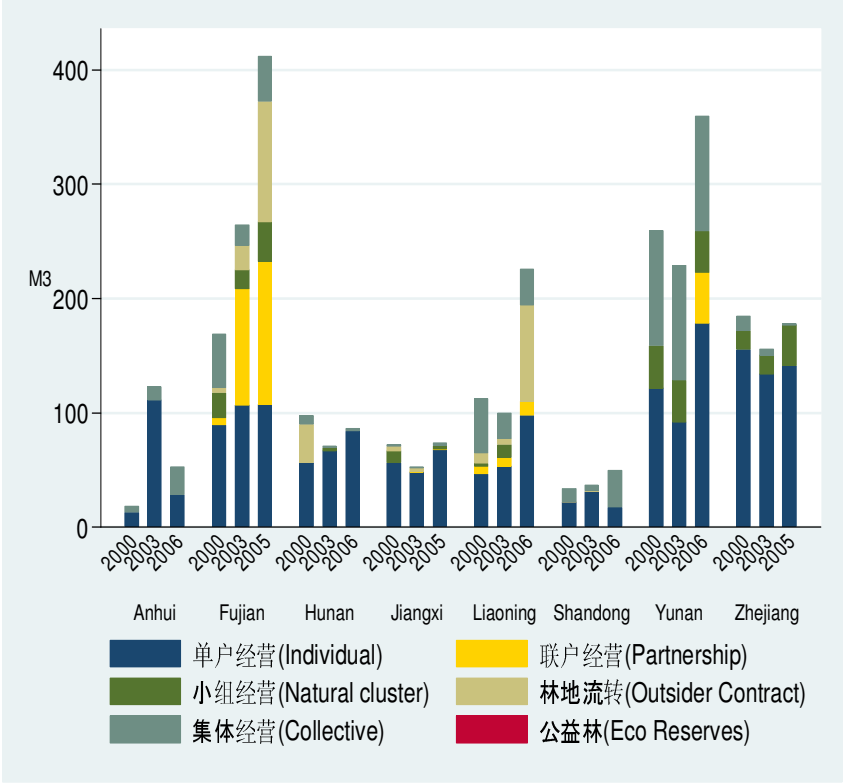


Value of Carbon Conserved by Communities

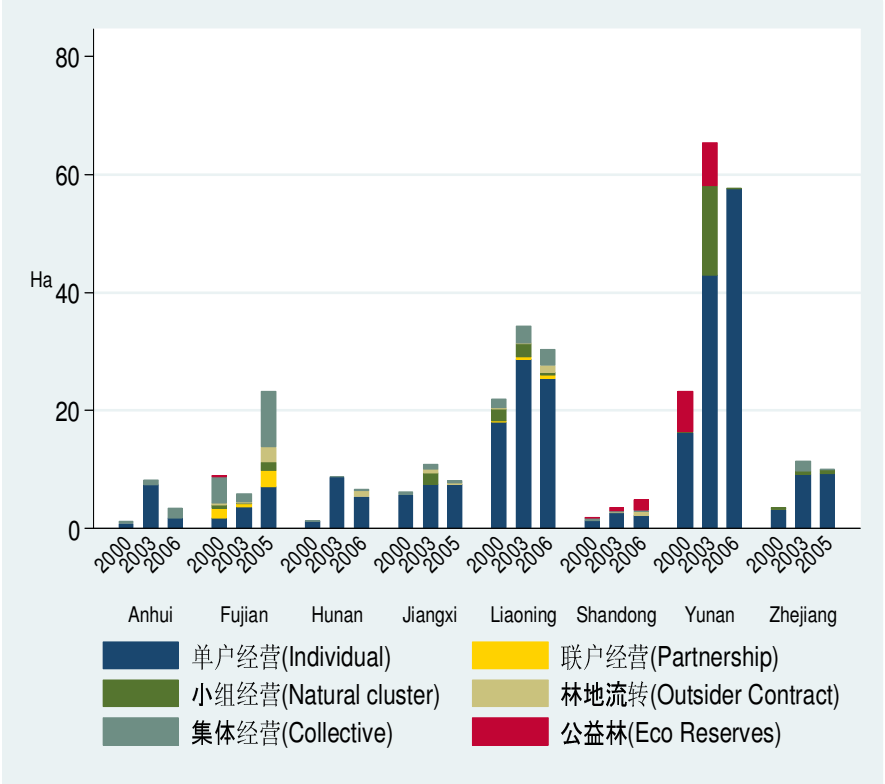
- Total value of carbon stocks at lowest rate: at least $3.4billion (16 forested countries)
- Minimum cost – Carbon stored – rights respected – livelihoods maintained – conflicts avoided

Communities Conserve: Evidence from China: Before and after tenure reform (Peking University 2008)

Timber Harvest



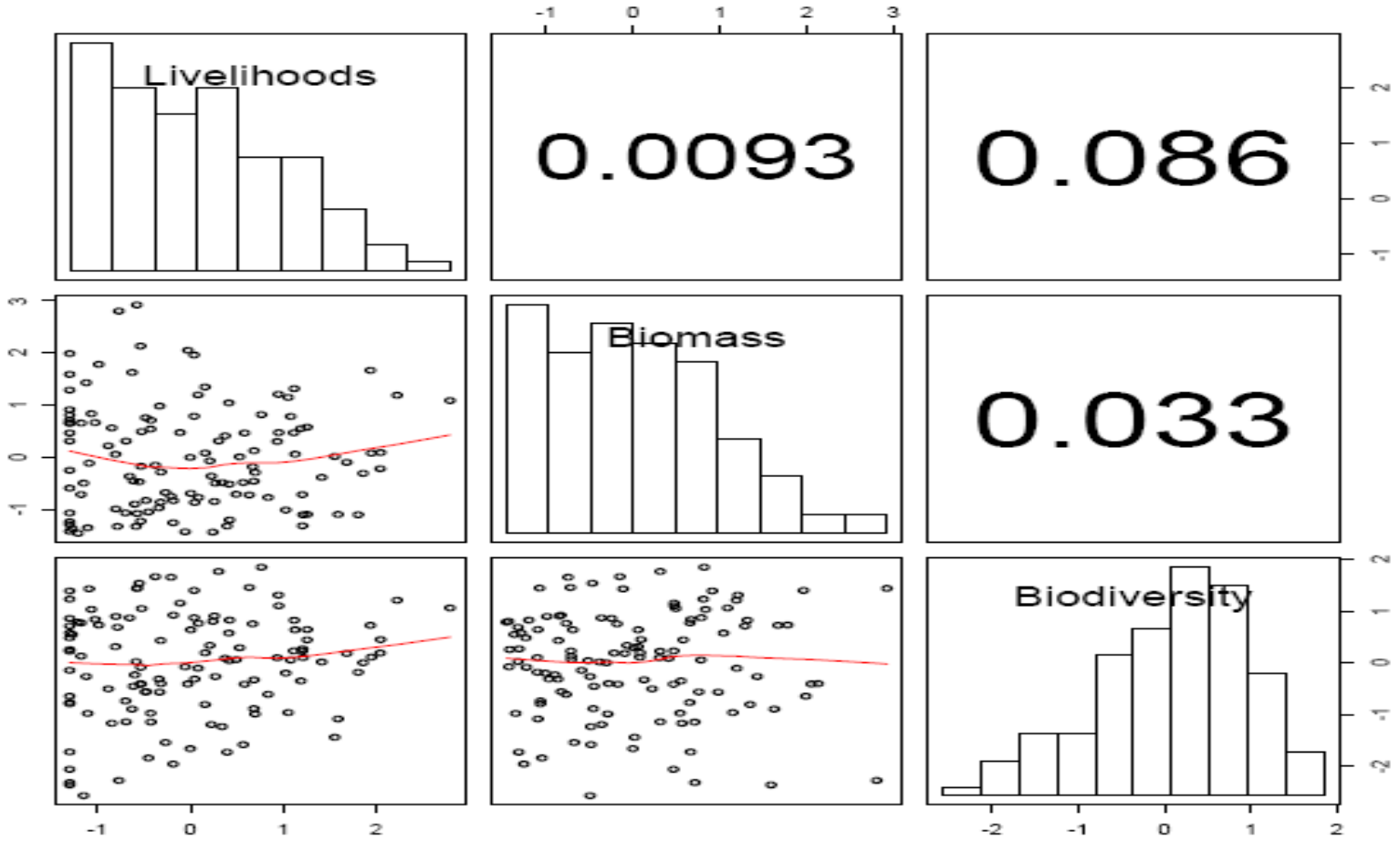
Afforestation



Multiple Outcomes: No Silver Bullet

Source: Agarwal et al, University of Michigan, 2008

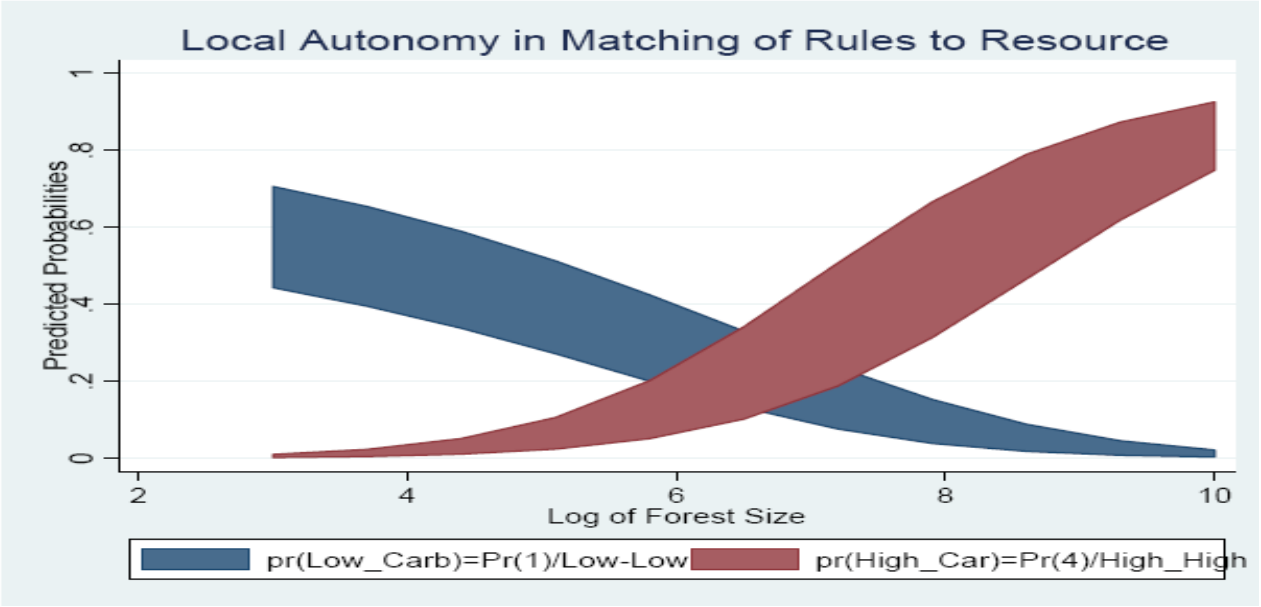
- **Almost no observed correlation among the three outcome measures**
- **Implication: Tradeoffs and specific policy measures necessary**



Does Local Autonomy (Right to Resources) Provide Better Outcomes?

- Controlling for effects of other factors, as communities have greater autonomy in matching rules to resources, the likelihood of below average outcomes on carbon and livelihoods becomes lower, and above average outcomes becomes greater.
- Implication – policies providing greater autonomy to communities are likely to yield Win-Win outcomes on carbon and livelihoods outcomes

Source: Agarwal et al, University of Michigan, 2008



New Opportunities – Bases to Build On

Source: Economist; iAfrica

1. "Democracy"/openness continues to spread
2. We have learned a lot:
   - mapping rights, facilitating community negotiations, appropriate legal structures, even how to engage in contentious political issues
3. New market opportunities for small scale enterprises, and trade levers (e.g. VPA)
4. Independent, multi-stakeholder consultation processes more common
5. Vast attention and sums going towards climate change could be made useful
6. People are organizing and gaining capacity and tools to hold us all accountable

- ***So what is the way forward?***

What we need is R E D D +

RIGHTS

ENSURED

D IMINISHED

DEFORESTATION

+ Diminish

- conflict
- poverty
- social exclusion

+ Advance

- livelihoods
- culture
- development
- Climate

Lessons for Forest Agencies

- **Unassigned forest lands and territories give politicians unfettered advantage to privilege whosoever they choose – at the cost of forest agencies;**
- **Tenure Rights empower communities, improve livelihoods, decrease conflicts giving political advantage to agencies;**
- **Diverse ownership allows agencies to devise specific focused policies, and programs; determine whom to incentivize and whom to penalize – brings back the policy power;**
- **Diverse production systems help in adaptation to ecological and market changes; and**
- **Civil Society and conservationists become allies of agencies;**
- **Scale up recognition of right of communities**