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NEW REPORT: FOREST COMMUNITIES AND INDIGENOUS PEOPLES OUTPACE NATIONAL GOVERNMENTS AND INTERNATIONAL DONORS IN CONSERVING WORLD'S FORESTS

*Report by Leading Forestry Organization to Inform
Embattled International Tropical Timber Agreement Negotiations;
Finds Indigenous People Outspending Foreign Donors Two to One on Forests*

GENEVA, SWITZERLAND (22 July 2004) — Indigenous peoples and other communities who live in and around the world's tropical forests—many of them surviving on less than US\$1 a day—often are as effective as their national governments at conserving forests, and are outspending foreign donors by as much as two to one, according to a study released today in Geneva by the Washington, D.C.-based Forest Trends, one of the world's leading forestry organizations. However, they are completely left out of the financial incentive arrangements for conserving the forests under the world's main treaty regulating conservation, use, and management of the earth's tropical forests.

As delegates from 59 nations gather in the Swiss city on 26–30th of July to debate the renewal of the International Tropical Timber Agreement (ITTA), now up for renegotiation under the auspices of the United Nations Conference on Trade and Development (UNCTAD), the potentially controversial study concludes that many environmentalists, and government and NGO officials are failing to make use of key allies in their efforts to protect tropical forests and fund conservation. The ITTA 1994 carries a passing reference encouraging member governments to consider the interests of local communities in developing their timber industry, but a draft of the new agreement has dropped even that reference.

According to the Forest Trends study, which pools research from scientists working on every continent, local communities are spending significant amounts of time, labor, and financial resources on forest management and conservation activities, conservatively estimated as at least US\$1.2 billion to US\$2.6 billion per year. This is about the same as the annual budget that developing countries spend on protected areas, and two to three times the amount in overseas development assistance for conservation of protected forests worldwide.

“We documented that local communities, including the indigenous residents of tropical forests, are managing at least 370 million hectares of forest so that biodiversity is protected, and that the total could easily be two times that amount,” said Augusta Molnar, director of the communities and markets program at Forest Trends and co-author of the new study, *Who Conserves the World's Forests? Community-Driven Strategies to Protect Forests and Respect Rights*. “These documented forests cover more forest areas than are currently conserved in parks and protected areas .”

Negotiations for a successor agreement to the ITTA will take place against the backdrop of a historic shift in policy that over the last 15 years has more than doubled the amount of land under ownership or management of local communities. According to previous research by Forest Trends, national governments now recognize the rights of indigenous peoples and other forest dwellers for at least 22 percent of all forests in developing countries. That percentage should double again by 2020, as governments decentralize control of forests, partly in response to a growing social movement among indigenous peoples. Nonetheless, there are

often legal barriers that continue to prevent local communities from taking advantage of the forests to improve their standard of living, note the authors of the new report.

The authors say that their findings open up dramatic new possibilities for preserving biodiversity and alleviating poverty, and for taking advantage of the trend toward greater local control of tropical forests. The report recommends that with donations for environmental causes dwindling, indigenous peoples and other residents in regions of great biodiversity should be given a larger role in policy-making and greater recognition for their contributions to conservation, as well as strengthened rights to produce and sell forest products. Currently, their role is uneven and frequently marginal, according to the authors.

“Our report shows for the first time that worldwide efforts to enlist these community residents in the work of conservation would be a cost-effective and long-term solution to the problem of conservation,” said Arvind Khare, co-author and senior policy analyst for Forest Trends. “Why not strengthen their rights and turn these forests into assets they can use?”

According to the authors, indigenous peoples in the Brazilian Amazon, with no government funding, are as good at preventing deforestation in the indigenous reserves under their control as are government officials in neighboring parks.

In Southeast Asia, communities of farmers conserve large areas of biodiversity-rich secondary forests independently of conservation programs. Village-managed forests in central and southern Africa house diverse species and ecosystems. Forty million hectares of Mexico (seven million in well organized forest enterprises) and three million hectares of Central America are under community management, with some community timber enterprises investing double the amount for habitat protection as governments in adjacent state protected areas. Some frontier settlers with no historical tie to the forests in Asia and Latin America are conserving species and habitat while producing different marketable and locally consumed forest products—be they timber, non-timber, botanicals, fiber products, or organic crops.

“Support for the conservation efforts of indigenous peoples and forest dwellers can help protect ecosystems and biodiversity across biological corridors and political boundaries,” said Sara Scherr, agricultural and natural resource economist and co-author of the Forest Trends report. “The people who live on the land are committed for the long-term, particularly if they develop the professional capacity and enterprise skills that can help them earn a better living while continuing to protect the forests that make it possible to do so.”

Specifically, the researchers suggest that the new International Tropical Timber Agreement should recognize the conservation activities of local communities and designate those communities as among the potential recipients of grants that encourage conservation as well as trade in forest products. Those grants, controlled by the International Tropical Timber Organization (ITTO), now go to national governments.

The World Bank estimates that about 25 percent of the world’s poor make much of their living from the forests. Of the 3 billion people estimated to live in rural areas at least 240 million live in areas that are mostly forest.

“In order to reap the full economic benefits of these forests, communities need many of the same things in which ITTO has developed expertise over the last twenty years—namely increased market access and the ability to capture a greater portion of the value chain of the forest products they produce,” said Molnar. “By including explicit provisions to support sustainable forest products from local communities, the new agreement will help the ITTO do its part in reaching the UN Millennium Goals it embraces—to ensure environmental sustainability and to reduce extreme poverty and hunger. We are showing that those two goals can be compatible, even in a vulnerable forest environment.”

Establishing Conditions to Encourage Community Conservation

The authors warn that community-driven conservation efforts are unlikely to succeed without key “enabling conditions,” which they argue should be spelled out as priority actions in the new International Tropical

Timber Agreement and incorporated into conservation projects undertaken by NGOs and by the governments of developing countries. The report recommends action in five main areas:

- Secure tenure rights for local communities and respect the rights of indigenous peoples, reforming legal frameworks so that they control and manage the forests and have access to its resources. Communities with rights to produce, access, and sell forest products have better motivation to practice sustainable methods of production.
- Provide adequate legal, institutional, and policy support for local conservation initiatives, and the flexibility to encourage the growth of local community institutions
- Engage communities in conservation science and as partners in research. Local residents of tropical forests who participate in “civic science” programs get a chance to impart their own knowledge while gaining information on how they can earn a living from the forests without destroying the environment.
- Make financing flexible and channel it to complement local initiatives, rather than planning or designing models from outside or from above.
- Develop green markets that value community products and the value associated with the environmentally friendly ways in which these products are produced.

Forest Trends, a Washington, D.C.-based nonprofit organization (www.forest-trends.org), advocates market-based approaches to conserving forests outside of protected areas, by moving beyond an exclusive focus on lumber and fiber to a broader range of products and environmental services and enhancing the livelihoods of local communities living in and around these forests.

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