“Intelligent” Forest Policies

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Forest Trends
A panorama of disillusioning forest policies

The forest sector is one of the most regulated sectors by the government

• But it is also among those with the most disillusioning records:
  • Continuous deforestation
  • Illegal activities predominate
  • Corruption
  • Discrimination against the poorest
About thousands of millions of those who live on less than $1 per day depend in one way or another on forests for survival.
Tendencies that Affect Governance

• The growing importance of the private sector

• The growing importance of the communities that depend on forests
  
  • The proportion of forest lands in developing countries that communities legally own is close to 22 percent, three times the area owned by firms and other private enterprises.

  • This proportion has duplicated in the last decade and a half

• It is hoped that by 2020 half the forests of the world will be in the possession of private actors, the majority of which will be communities
• The typical reaction has been: more regulations and laws. More efforts to impose the law through police actions: “order and control”

• But the problem goes beyond simple application of the law

• Often, laws and policies have defects
  • The law is not feasible, it can’t be accomplished
  • The law is not just, not very equitable, discriminatory
  • The law is inefficient

• The state can’t administer and control hundreds of thousands of forest actors
The Necessity of Reforming Government Policies

Three fundamental principles:

• The state should only do that which nobody else can do

• The state should create favorable conditions so that other actors can operate under conditions compatible with national priorities: incentives and usage of markets instead of “order and control.”

• Carefully establish action priorities
1. Re-evaluate the Role of Government

- Responsibility for the creation of a favorable environment to reach national priorities, fight poverty, environmental quality, productivity…
- Compensate for “market failures”: outside forces
- Impose order and enforce the laws
2. Creation of Favorable Conditions

- Ensure property rights
- Officially recognize usage rights of local communities
- Eliminate excessive regulation
- Eliminate arbitrary decision-making powers
- Increase transparency in decisions
Creation of Favorable Conditions

• Reduce uncertainty: create a stable environment

• Promote auto regulation: codes of conduct

• Promote certification

• Reform the institutional framework: Decentralization?

• Promote markets that are more free and competitive
Creation of Favorable Conditions

- Proportion services of extension and training
- Create strategic associations
3. Priorities

• Concentration in more important themes
• In more important and critical places
• In more relevant actors