

BACKGROUND DOCUMENT TO THE CONFERENCE ON 'GLOBALISATION, LOCALISATION AND TROPICAL FOREST MANAGEMENT IN THE 21ST CENTURY'¹

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Tropical forest management is facing new challenges. Our world is 'growing smaller every day' (De Ruyter, 1997), new stakeholders are getting involved in forest management as a result of shifting forms of governance and actors at multiple scales find each other in new partnerships which were hardly imaginable in a world without internet and e-mail. Some of the challenges accompanying these changes will be addressed in the conference on 'Globalisation, localisation and tropical forest management in the 21st century' that will be held in Amsterdam, the Netherlands, on 22-23 October 2003.¹

This document aims to provide background information on the congress theme to the congress participants and, in particular, to the paper and poster presenters, in order to stimulate maximum synergy between the presentations and focus discussions. Below we will introduce the conference theme and objectives, outline some general issues that will be addressed by the keynote speakers, and highlight the key issues and questions that will be dealt with in the parallel sessions ('panels').

The conference theme and objectives

Globalisation has often been considered a threat to tropical forests since it opens up markets and may boost international demand for hardwood and other commodities. Some fear that free trade arrangements such as the General Agreement on Tariffs and Trade (GATT) and the North American Free Trade Agreement (NAFTA) will give a further impulse to illegal logging and the clearing of forests for large-scale export-oriented agro-business firms and plantations. At the same time, in many countries the responsibility for forest management is being transferred to local authorities, which see new opportunities to mine the forest and generate new revenues. This doom scenario leaves little room for optimism about the future of tropical forests.

The other side of the coin is that globalisation creates niche markets for environmental services and sustainably produced timber and non-timber forest products. These markets give an impulse to sustainable forest management and create new opportunities for low-income producers.

As a result of decentralisation and the devolution of land rights to indigenous populations and forest users at community level, the actors involved in forest management are more connected to the forest resources than before. In theory, this greater involvement and 'connectedness' gives an incentive to preserve the forest and manage it sustainably.

These local actors are increasingly connected with international actors such as environmental NGOs and research organisations lending support to sustainable forest use. As a result, forest management is no longer in the exclusive hands of a single entity – whether government, private, NGO or local community – and new forums for stakeholder negotiations, partnerships, alliances and joint actions for the conservation and sustainable management of tropical forests are emerging. Examples can be found at global level (e.g. the World Bank/WWF Alliance for Forest Conservation) and at regional level (e.g. the Guiana Shield Initiative), while numerous partnerships between international donors, government agencies, national and international NGOs, private sector actors, research organisations and communities are emerging at local

¹ This congress is organised by the Amsterdam Research Institute for Global Issues and Development Studies (AGIDS) of the University of Amsterdam in collaboration with the Centre for Latin American Research and Documentation (CEDLA); the Institute for Environmental Studies (IVM, Free University, Amsterdam); the International Agricultural Centre (IAC), Wageningen; Tropenbos International (TBI), Wageningen; the Environmental Policy Group and the Forest and Nature Conservation Policy Group of Wageningen University; and Forest Trends, Washington DC (USA). Donors include the Amsterdam Institute for International Development (AIID) (core-funding); the University of Amsterdam; the Research School for Resource Studies for Development (CERES) and the International Agricultural Centre (IAC) in Wageningen. Oxfam-Netherlands (Novib) and the Netherlands Organisation for the Advancement of Tropical Research (WOTRO) enabled the participation of some developing country paper presenters. The European Tropical Forest Research Network (ETFRN) published the pre-congress background document as ETFRN News No. 39. The Municipality of Amsterdam will be offering a welcome reception to all congress participants.

level for the protection and co-management of forest resources. Tropical forest protection and management are increasingly the product of negotiations and joint actions between players at multiple scales.

Thus, in contrast with the doom scenario outlined above, there is also scope for optimism with regard to the prospects for responsible forest management in a globalising world where rights to control forest resources are increasingly being devolved to forest users.

The question now arises as to the conditions under which the new alliances and partnerships will be able to curb the destruction and degradation of tropical forests. Will they be able to put sustainable forest management – understood as deliberate efforts to maintain the forests' ecological values, production services and their role as source of livelihood for the rural poor – into effect? Will new markets and market incentives for sustainable management that emerge as a result of globalisation be able to positively affect the way forests are managed? And how will all these changes affect the livelihoods of forest-dwelling people and poor populations living at the forest fringe and their say in forest management?

Dealing with these questions, the conference aims to:

- bring together knowledge and experience with respect to new market initiatives and multi-scale partnerships and their effects on tropical forest conservation, management and poverty alleviation;
- identify 'lessons learnt' and conditions for successful and effective market initiatives and multi-scale partnerships;
- discuss opportunities and bottlenecks in relation to new markets and multi-scale partnerships for the livelihoods of forest-dwelling people and communities at the forest fringe, including potential exclusion of stakeholders under the new management arrangements;
- define recommendations for policy and research on tropical forest management in a globalising environment.

Sub-theme 1: the potential of responsible markets and responsible trade

Day one of the two-day congress programme will focus on markets and the potential of responsible trade for forest conservation and the development of sustainable and pro-poor forest management. Several efforts exist to enhance sustainable forest production through the market, such as the trade in environmental services and forest certification. Such market-related incentives have in common that they seek ways to compete with more lucrative, but also more destructive land uses, with the aim to contribute to forest conservation, sustainable forest use and/or improved livelihoods for the poor in tropical forest areas. Market-related strategies often involve new partnerships between international, regional and local actors, as well as supplementary actions by the state and societal actors to evolve a supportive regulatory framework and 'greener' policies.

The theme of Day 1 will be introduced by Joshua Bishop (IUCN, Switzerland) who co-authored a book titled 'Selling Forest Environmental Services: Market-based Mechanisms for Conservation and Development' (Earthscan 2002). Bishop argues that one of the greatest challenges facing the forest sector today is to reconcile the conflicting demands of different stakeholders for the many goods and services forests provide. Besides being a valuable source of timber and non-timber products, forests offer important environmental services, such as watershed protection, biodiversity conservation and carbon sequestration. Hardly ever do beneficiaries pay for the services they receive, resulting in low incentives to conserve forests and loss of opportunities for rural development. Market-based approaches are thought to offer considerable potential as incentives for forest conservation as well as new sources of income for rural communities. Bishop will elaborate on the markets for environmental services, their effectiveness in securing forest environmental benefits and the opportunities they hold for the poor.

The second keynote speaker, Catrinus Jepma (University of Amsterdam and Groningen, the Netherlands), will speak about carbon crediting and sustainable forest management. Carbon crediting through forestry is an important option under the Kyoto Protocol that is currently being implemented. Projects enhancing carbon sinks in the form of reforestation and afforestation are now included in the project cooperation between industrialised and developing countries under the Clean Development Mechanism (CDM). During the past decade, and quite unrelated to the Kyoto Protocol, certification systems for forest management and a chain-of-custody for certified forest and timber products have been introduced based on a set of forest management principles, guidelines, criteria and standards. In his lecture, Jepma will address whether and how carbon crediting practices and ongoing processes of sustainable forest management certification can

be linked and whether there is scope for synergies between forest management certification and sinks certification.

Panel 1 on Day 1 will provide a forum for a more profound discussion of payments for ecosystem services, such as carbon sequestration, watershed protection and biodiversity conservation. Building on the key issues that will be put forward in the key lecture by Joshua Bishop, the main questions to be addressed in this panel are under what circumstances payment systems for ecosystem services can be established; how effective they are in securing forest environmental benefits; and what is their potential role in poverty alleviation. Discussions will evolve around the following questions:

- a. What promising examples of payment systems for ecosystem services can be found?
- b. What are the lessons learnt with respect to the social and environmental risks involved?
- c. What are the approaches, conditions, institutional requirements and actions needed to benefit both the rural poor in tropical forest areas and the maintenance of ecosystem services?
- d. What role is there for research?

Panel 2 deals with the commercialisation of non-timber forest products at international markets and its potential to realise the twin aim of forest conservation and livelihood improvement. Both globalisation and localisation create new market opportunities for low-income producers in tropical forest areas. New niche markets for certified forest products and environmental services are created as a result of globalising markets and environmental concerns. Localisation increases control and ownership of forest through the devolution of land rights to indigenous populations, forest communities and specific groups of forest users. The demand for socially responsible forestry provides an incentive to democratic forest governance and protected land rights (Scherr *et al.*, 2002). Key question for this panel is under what conditions the rural poor in tropical forest areas can benefit from the new potentials of forest markets. More specifically, the following questions will guide the discussions:

- a. What promising opportunities at commercial markets for forest products and ecosystem services can be identified that have the potential to enhance the livelihoods of low-income producers?
- b. What are the social and environmental risks to be taken into account when promoting community and household-based forest production?
- c. What policy, institutional and socio-cultural barriers need to be removed and other conditions should be fulfilled to realise the combined goals of benefiting low-income producers, maintaining ecosystem services and promoting participatory sustainable forest management?
- d. What role is there for research?

Strategies to combat illegal logging are the subject of *Panel 3*. This panel will deal with a particular effect of globalisation, *i.e.* the global flow of international capital to the South. Possible “push and pull” factors include lower operating costs, domestic logging bans, nepotism and slack environmental regulations in the South. The critical theme here is how companies can work in a more sustainable manner and which strategies might be used for that: forest environmental services, national regulations, NGO pressure or certification? Some scholars maintain that international business actually contributes to more sustainable forest operations in the South as they abide by international, corporate regulations, rather than promoting a “cut and run” policy. This panel invites participants to address this critical debate and the key question of how to effect organisational change in transnational and national logging companies towards a “greener” corporate policy. Discussions will evolve around the following questions:

- a. What opportunities exist for state and societal actors to bring logging companies to a greener policy in a rapidly globalising context?
- b. What specific political, social and economic parameters determine the failure or success of forest management in the South?
- c. What are the conditions, institutional requirements and policy/development actions needed to induce logging companies to sustainable forest management?
- d. What role is there for research?

Last, but not least, is *Panel 4* on the certification and forestry. While the certification phenomenon is still quite new, with the FSC having been created in 1993, the progress made has been astounding. Over 30 million hectares of forest in over 30 countries have been certified. Over 600 ‘chain of custody’ certifications have been awarded to suppliers of FSC products and the FSC logo can now be seen on more than 10,000 product lines worldwide. The abundance of newly developed certification schemes including the Pan-European Forest Certification (PERC) in Europe, the Sustainable Forestry Initiative (SFI) in the US, the Canadian Standards Association’s Sustainable Forest Management Standard (CSA) and certification schemes in Indonesia and Malaysia is a sign that certification is truly here to stay. Certification has had

many affects that cannot be measured in hectares or premiums. It has given greater voice to indigenous groups historically left out of the forest debate. Certification has made a tremendous contribution to creating a space for broad participation and continuous adaptation in forest management and conservation efforts. Regional standards-setting groups have brought together industry, the environmental community and local communities in an unprecedented way. Hundreds of companies, communities and forest landowners have reinvented their businesses, enhanced their products and established new partnerships responding to the new opportunities opened by the certification movement. Several strategic issues should be addressed in the future development of this new tool. Originally designed in response to unsustainable logging in the tropics, certification has been much more successful in temperate forest areas. The key questions to be addressed in this session therefore include:

- a. How can certification be more useful in those forest areas (Congo Basin, Brazilian Amazon, Indonesia and the Russian Far East) where it is most needed?
- b. Is there a need to create a set of companion tools that can help forest owners move up the continuum to certifiable sustainability?
- c. To date, certification has applied to only wood products that come from the forest, yet certification is supposed to apply to the full forest ecosystem. What is the role of certification for the services that forest provide such as carbon sequestration and storage, and water quality?
- d. What is the right business model for certification? How can we lower the costs so everyone can have access?
- e. What is the right role for governments to play in advancing forest certification and evolving a supportive but equitable regulatory framework?

Sub-theme 2: the potential of global-local partnerships

The focus of Day 2 is on the potential of multi-scale (global-local) partnerships. An important aspect of forest management in a 'glocalised' world concerns the change of actors involved in forest management. Forest management is no longer in the hands of a single entity, but new partnerships for the protection and co-management of forest resources are being created, involving international donors, government agencies, national and international NGOs, private sector actors, research organisations and communities. These multi-scale and multi-stakeholder partnerships in forest management have the potential to link global conservation objectives with local needs, thus creating synergy. However, they do not automatically eliminate power imbalances and conflicting interests.

Although terms such as 'stakeholder participation', 'partnerships' and 'negotiation' are now commonplace and suggest that the voices of people living in and around forests are increasingly heard, the keynote speakers on Day 2 will make it clear that we need to remain alert in this respect. Melissa Leach and James Fairhead will argue that such 'invited' participation often means that poor forest users need to comply with pre-set objectives and frames of debate. Also Arturo Escobar challenges existing models of dialogue and negotiation, for taking for granted modern (expert) categories of nature and social action such as 'management', and dealing inadequately with the often quite different understanding these actors have of such notions as 'nature', 'the forest', 'management', 'partnership' and 'negotiation'. Marcus Colchester emphasises that, by overlooking the problem of unequal power relations, the same processes that seem to be so promising with regard to people's say in forest management 'may create new divisions and possibilities of social exclusion'.

According to Leach and Fairhead, science has a role to play in this respect: through participatory research and deliberate procedures to involve poor forest users in setting agendas and research questions, a pro-poor forestry science can be built, giving ample space to the perspectives of poor forest users. With respect to this, Arturo Escobar argues that much can be learnt from the strategies and knowledge of social movements and organisations.

Against this background, *Panel 5* deals with the link between global conservation objectives and local development needs. The key issues to be addressed in this panel concern the potential of multi-scale and multi-stakeholder partnerships in forest management to link global conservation objectives with local needs and the way they deal with power imbalances and conflicting interests. In this panel, the guiding questions for discussion are:

- a. What opportunities do global-local partnerships offer with respect to linking global conservation objectives with local needs of the poor?

- b. What do we know about the social, cultural and institutional factors that determine the success or failure of democratic and pro-poor forest management, especially in relation to conflicting interests and power imbalances?
- c. Under what conditions multi-scale and multi-stakeholder partnerships can enhance participatory and pro-poor forest management? What approaches, institutional requirements and policy/development actions are needed?
- d. What role is there for research?

Panel 6 specifically deals with global-local partnerships for sustainable forest management in Latin-America. The key question addressed in this panel is to what extent and under what conditions multi-scale partnerships can regulate power imbalances and conflicting interests and give an impulse to democratic governance of forest resources in Latin America. More specific questions to be addressed are:

- a. What opportunities do global-local partnerships offer for democratic governance of forest resources and participatory forest management in Latin America?
- b. What social, cultural and institutional obstacles should be removed?
- c. Under what conditions can multi-scale/stakeholder partnerships enhance participatory and sustainable forest management? What approaches, institutional requirements and policy/development actions are needed?
- d. What role is there for research?

Panel 7 will discuss localisation processes like decentralisation and the devolution of land rights and authority over natural resources to local population and user groups and lower level authorities. It has been argued that decentralised systems of forest management can lead to more sustainable and equitable use of resources, as decision-makers are located closer to, and are more directly involved in, the resource to which their policies and interventions refer. Decentralisation is also supposed to enhance more local participation in resource allocation decisions, greater accountability and more sustainable use of natural resources. On the other hand, decentralisation and devolution of land rights bring new actors into the arena, with potentially conflicting interests, objectives, mandates and values – not least with central government agencies previously responsible for forest and natural resource management. Decentralised power also allows lower level authorities to raise local revenues, thereby creating an incentive to exploit the forest beyond sustainable levels. The central question addressed in this mini-symposium therefore is to what extent and under which conditions decentralisation and devolution of land rights can stimulate more democratic and sustainable forest management.

The questions addressed in this panel are:

- a. What opportunities do decentralisation and devolution of land rights offer for democratic and sustainable governance of forest resources and participatory forest management?
- b. What social, cultural and institutional obstacles should be removed?
- c. Under what conditions can decentralisation and devolution of land rights enhance participatory and sustainable forest management? What approaches, institutional requirements and policy/development actions are needed?
- d. What role is there for research?

Panel 8 will deal collaborative management. The increased involvement and interactions of participants from different levels (national, regional and local) and their changing roles and responsibilities in natural resource management is increasing diversity among stakeholders and their interests. The involvement of various (community) groups and organisations, each with their own agenda and interests, imposes special requirements on work processes to ensure durable agreements and solutions. Active monitoring and feedback on results need to be accompanied by learning processes among stakeholders and groups, the so-called social or collaborative learning perspective. This process requires participants to develop an appreciation of other stakeholders' interests and perceptions, as well as an awareness of their own 'mental models'. The complexity of such process management requires special attention as well as flexibility to adjust to the inherent uncertainty and diversity in managing the natural resources. This panel will explore the potential of social learning methods for enhancing partnerships at the local and regional level. This is particularly important when considering sustainable forest management in conditions where poverty, land degradation and loss of biodiversity are in a vicious spiral.

Some of the questions to be explored in this panel are:

- a. What are the experiences with managing learning processes in collaborative forest management?

- b. What is its potential to contribute to improved livelihoods and sustainable forest management?
- c. What kind of conflicts can we expect at different levels and how do we deal with these conflicts?
- d. What is needed to facilitate the learning perspective in terms of the institutional environment, leadership and organisational change?
- e. What are the implications of social learning for the formulation and adaptation of management plans?
- f. What role is there for research?

Final remark

Summarising the foregoing, the congress theme centres on the new opportunities and challenges associated with new market incentives, governance forms and multi-scale partnerships in forest management. Based on field-based examples and experiences, the discussions in the panels will evolve around examples, lessons learnt, challenges to be faced (in particular with regard to policy, socio-economic, cultural and institutional barriers, conflicting interests and unequal power balances) and recommendations for policy, action and research. We recommend the paper and poster presenters to keep these central themes and questions in mind when writing up their papers and preparing their presentations. In this way we hope to be able to create maximum synergy between the presentations, to focus discussions and to optimise insights into the prospects of sustainable and pro-poor forest management in an era of globalisation and shifting governance.

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