

9. Pro-poor Governance of Non-Timber Forest Products: The Need for Secure Tenure, the Rule of Law, Market Access and Partnerships

Mirjam A.F. Ros-Tonen¹ and Koen Kusters

Amsterdam Institute of Metropolitan and International Development Studies, University of Amsterdam. Nieuwe Prinsengracht 130, 1018 VZ Amsterdam, The Netherlands. E-mail: m.a.f.ros-tonen@uva.nl and k.kusters@uva.nl.

Abstract

This chapter explores the conditions for pro-poor non-timber forest product (NTFP) governance based on four main challenges put forward by Mayers and Vermeulen (2002). These challenges are (i) strengthening the property rights of poor people; (ii) promoting the equitable rule of law; (iii) enabling market opportunities by reducing the bureaucratic burden on the forest-dwelling poor; and (iv) building partnerships between actors from multiple sectors and geographical scales. These challenges are clarified for NTFPs using examples from Indonesia, Kenya, the Philippines and Brazil. It is argued that it is becoming increasingly important to build partnerships because shifts in forest governance have created the need to deal with a wider array of actors with diverging interests. In addition, partnerships enable poor people to increase their economic and political leverage. From this perspective, partnerships can be seen as a starting point from which to deal with the other challenges facing NTFP-based poverty alleviation.

9.1 Introduction

This chapter deals with aspects of non-timber forest products (NTFPs) governance. We thereby define NTFPs as 'all plant and animal products from forested landscapes, including human-modified ones' (Ros-Tonen and Wiersum 2005, p. 147).² Forest governance is understood in this chapter as being the process of implementing and monitoring the allocation of forest land and resources and of making the relevant policy (Macqueen and Bila 2004). It encompasses decisions on how and to what ends forests are managed, who are involved in these decisions, and what is done to enforce forest laws and policies on the ground. It also refers to the regulatory and institutional frameworks for the conservation, use and trade of forest resources and the principles that guide the interactions between those taking part in the design and implementation of different kind of arrangements. In contrast to centralized government by the national state, governance also includes governments at other levels as well as private and civic actors such as companies, communities and non-governmental organizations (NGOs). Forest governance has become increasingly hybrid, multilevel and cross-sectoral (Lemos and Agrawal 2006, Ros-Tonen et al. 2008) and hence increasingly 'interactive' (Kooiman and Bavinck 2005, p 17).

¹ Corresponding author.

² This definition excludes ecotourism and environmental services, although these could be considered 'non-tangible' NTFPs, as we argue below when we discuss the potential of Payments for Environmental Services (PES) for forest-based poverty alleviation..

In this chapter we seek to identify the conditions for good NTFP governance. In addition to general conditions that enable the conservation and sustainable use of the resource, we thereby pay specific attention to conditions that determine whether NTFP exploitation can potentially contribute to poverty alleviation.³ Following Sunderlin et al. (2005) we thereby interpret poverty alleviation as a continuum between poverty mitigation (forest resources as a safety net or gap filler in times of economic hardship) and poverty elimination (forest resources as a means to help people escape from poverty by generating savings, investment, asset accumulation and permanent increases in income).

Below we first review some general issues related to good forest governance. We then specify and illustrate these issues using several cases. Based on the review, we extract the main lessons learned and the main challenges to be faced in NTFP governance.

9.2 NTFP governance – some general issues

Although the etymology of the word governance dates back to the ancient Greeks, where the original meaning of the word *kubernan* was ‘steering a vessel’ (Jessop 1998), scientific attention to governance is relatively new. In several languages the word was, for a long time, synonymous with government or ‘the modes and manner of governing’. At the end of the 1980s other meanings emerged in response to the need for a new concept to cover actions by actors other than the state. Since then the term ‘governance’ has been increasingly used in relation to global, corporate and local governance (Jessop 1998), and it became a new buzz word in international donor circles when the World Bank launched the ‘good governance’ norm in 1989 (Kooiman and Bavinck 2005, World Bank 1989).

If UNESCAP’s⁴ eight characteristics of good governance are applied to the forest sector (cf. Mayers et al. 2002, Brown et al. 2002), it follows that forest governance should be:

- *Accountable* - meaning that all actors involved in forest governance (governmental institutions, private sector or civil society organizations) are held responsible by those affected by their decisions;
- *Transparent* - meaning that forest policies and regulations are clear to all who will be affected by them, and that information about them is freely available to all stakeholders in an accessible and understandable form;
- *Responsive* - meaning that it meets the livelihood needs of forest-dependent people;
- *Equitable and inclusive* - meaning that it stops marginalizing the forest-dependent poor and enables them to maintain and improve their wellbeing based on equitable shares of forest benefits;
- *Effective and efficient* - meaning that it promotes efficient use of forest resources for both conservation and sustainable use, and puts effective arrangements in place to include the various stakeholders;
- *Following the rule of law* - meaning that it applies forest laws and regulations impartially, without excluding forest-dependent people from access to, or trade in, forest resources;

³ The focus on NTFP resource use is not to deny that forests can and should be governed for other purposes, such as the maintenance of their supporting, regulating and cultural services.

⁴ URL: <http://www.unescap.org/huset/gg/governance.htm>, cited Feb 2009.

- *Participatory* - meaning that all relevant stakeholders are directly or indirectly involved in forest decision-making processes that affect them;
- *Consensus-oriented* - meaning that it is based on a shared and negotiated vision of the societal role of forests and the role of each stakeholder in terms of rights, responsibilities and use.

It may be impossible to comply with all these aspects of good forest governance, so the question here is what are the key conditions for pro-poor NTFP governance? In addressing this question, we follow the four main challenges in forest governance put forward by Mayers and Vermeulen (2002a):

- Strengthen rights, capabilities and local decision-making so that poor people can take action to improve local livelihoods;
- Reduce poor people's vulnerability by cutting the regulatory burden on them and promoting the rule and legitimacy of law;
- Enable market opportunities by removing the barriers to market entry, appropriate valuation of forest resources, ensure that markets for environmental services benefit poor people, support associations and finance local forest businesses;
- Work in partnership by supporting participatory processes, promoting inter-agency learning and action, and making private sector and NGOs partners in poverty reduction.

In the rest of this chapter we elaborate on these issues and specify and clarify them for NTFPs. We then summarize some lessons learned for the governance of NTFP resources.

9.3 Strengthening rights

Strengthening property rights is arguably the main element of the first challenge put forward by Mayers and Vermeulen (2002a). Following Schlager and Ostrom (1992) we use property rights in this chapter in the sense of a bundle of rights that includes access, withdrawal, management, exclusion and alienation.⁵ Property rights for local people have been promoted on four grounds. First, local ownership or long-term access and control rights to forest assets may effectively contribute to poverty reduction because they enable local people to capitalize on forest resources through deals with businesses (Mayers and Vermeulen 2002b) and/or participation in certification, PES (Payments for Environmental Services) and REDD (Reduced Emissions from Deforestation and Degradation) schemes (Arnold 2001, Scherr et al. 2003, Skutsch et al. 2008). Second, and related to this, well-defined and secure property rights have been promoted as a key condition to achieve sustainable management of natural resources as they would ensure that managers can reap the benefits of management, protect the resources from overexploitation, and promote long-term investment. Third, community-based organizations (CBOs), NGOs and researchers have drawn attention to the fact that state authorities often deny local people access to forest resources. Property rights are therefore regarded as a justice issue (e.g. Zerner 2000). Fourth, secure property rights are expected to help protect areas that are used by local people from appropriation by outsiders. For example, if NTFP management systems are located on state lands, conflicts may arise with government-sanctioned land uses such as forest concessions or plantations and this can lead to tenure insecurity and jeopardize

⁵ It should be noted that property rights not only refer to land, but also to trees and the products derived from them, and that tenure rights to land and to trees can be separate (Feder and Feeny 1991).

the continuation of these production systems (e.g. Pagdee et al. 2006). Similarly, insecure property rights lead to the exclusion of people from the exploitation of forest resources, and to conflicts over forest land resulting from competing claims. Both exclusion and conflicts threaten the livelihoods of the rural poor (e.g. Hobly 2007).

In the last few decades several countries have developed legal instruments to grant rights to forest resources to local communities. Based on the extrapolation of official tenure data for 24 of the top 30 forested countries that together hold 93 per cent of the world's natural forests, White and Martin (2002, p 7) suggested that 22 per cent of the forests in developing countries are currently reserved for, or owned by, community and indigenous groups. Many of these arrangements imply rights to extract or cultivate NTFPs. Well-known examples are the Certificates of Ancestral Domain Claim (CADC) in the Philippines (Lynch and Talbott 1995), the extractive reserves in Brazil (Schwartzman 1989, Allegretti 1990), and the Joint Forest Management schemes in India (Kumar 2002). Such tenure arrangements are generally expected to promote sustainable forest management while enabling local communities to capitalize on available resources.

Although these efforts to reform property rights for local people are promising (Scherr et al. 2003), the frequently quoted figures presented by White and Martin (2002) may present an overly optimistic picture for the following reasons: (i) many of these property rights involve a range of restrictions, for example on commercial timber (e.g. Boaz 2004); (ii) the highest quality forests usually remain in the hands of governments or large-scale enterprises (Scherr et al. 2003); (iii), property rights are often designed on the basis of unrealistic assumptions, lack proper implementation and involve onerous procedures (e.g. Palis 2004); (iv) the formalization of property rights may threaten security if it fails to address the complexity of the existing system and competing claims (Neumann 1997); (v) granting property rights may continue or even increase existing inequalities which prejudice the least powerful, such as women and minorities (Ben White quoted in World Bank 2007, p 115); and (vi) clear ownership rights are insufficient if poor people are unaware of their rights or if these rights are not backed up by local institutions (Mayers and Vermeulen 2002a, Shackleton et al. 2002). In addition, the relationship between tenure and sustainable forest use is ambiguous. First, having secure property rights to a forest area does not mean the holder of the property rights will leave the area forested. Second, deforestation can be a way to claim land and secure tenure (Chomitz 2007, Schneider 1995). Third, as demonstrated by the case of Krui in Sumatra (Box 9.1), *perceived* tenure security – which is affected by reduced outside threats and increased support of NGOs and research institutions – can be more important in shaping land-use decisions than the formal legal tenure status.

Box 9.1 – The recognition of user rights in the Krui area of Sumatra, Indonesia

The planted agroforests in the Krui region, on the southwest coast of Sumatra, have been subject to tenure disputes. The communities in the area have been cultivating their lands with agroforests for centuries and therefore have a strong and longstanding ownership claim. Their land use became threatened when the central state classified the area as state land and started supporting industrial plantation development. As a result, farmers stopped planting trees and the future of the agroforests was at stake.

Under pressure from research institutions, NGOs and CBOs, the Indonesian Minister of Forestry (MoF) signed a decree in 1998 to provide the Krui farmers with tenure security. The decree, commonly referred to as the

KdTI decree, enabled community leaders to apply for legal user rights (termed 'concession rights' in the decree) for the agroforests located within the state zone. In the KdTI area, farmers were to be allowed to plant and harvest NTFPs (in particular the valuable *damar* resin), but they would not be allowed to convert the tree stands. In the words of Schlager and Ostrom (1992), the KdTI decree gave communities the opportunity to apply for the rights of access, withdrawal, management and exclusion. Rights of ownership, however, were not to be transferred. Application would provide communities with a *de jure* collective right, within which the *de facto* customary system based on individual and alienable plots would be maintained.

The decree was welcomed by NGOs and researchers as a 'breakthrough' as it was the first time the Indonesian government had acknowledged local user rights on state forest land (Fay et al. 1998). However, a study conducted in 2005 revealed that none of the Krui communities had ever formally applied for their rights. Community leaders had been unwilling to apply as it would have implied recognition of state ownership of the land, while the communities would only accept a return of full ownership rights. This should be seen in the context of the decentralization process after the fall of the authoritarian regime of Suharto in 1998, which influenced the expectation level of local communities.

Even though none of the communities applied for concession rights, the recognition of the local rights in the KdTI decree with the designation of the distinctive use zone has *de facto* helped to safeguard the agroforest from claims by outsiders. The decree represented the state's acceptance of the existing land-use practices in the state forest zone and thereby altered the government's approach to the 'development' of the state forest zone. The government stopped supporting expansion of industrial activities in the area. As such, the threat of appropriation decreased which – in combination with support from NGOs and research institutions – helped to restore farmers' perception of security. Between 1998 and 2005 the perception of security has been sufficient for farmers to make long-term investments in complex agroforestry systems.

Source: Kusters et al. (2007).

9.4 Reducing vulnerability by promoting the rule of law

An important feature of good governance is the rule of law. In the context of forest use this means that forest laws and regulations are applied impartially, without excluding forest-dependent people from access to, or trade in, forest resources. This is often not the case (Mayers and Vermeulen 2002a, Shackleton et al. 2002). In a lot of countries, forest-dependent people are facing overregulation with regard to the use and trade of forest resources, particularly when they live close to conservation areas. More powerful forest users, in contrast, encounter fewer restrictions particularly with regard to logging or forest clearing for farming. Furthermore, many of them often succeed in undermining the rule of law through tax evasion or illegal forest exploitation due to the understaffing of forest agencies (Mayers and Vermeulen 2002a). Even where land ownership and authority have been devolved to local communities, as in Botswana and Namibia, the state continues to control natural resource use by setting wildlife quotas, renewing tourism and hunting concessions with the private sector and prohibiting subsistence hunting without a permit (Shackleton et al. 2002, p 3). Such a situation may adversely affect the poverty-reducing potential of NTFP production by denying people's access to forest resources or hampering their rights to exploit these. The need for a clear and coherent governance framework is illustrated by the study of Adano and Witsenburg (2004, 2005) in the Marsabit District in Northern Kenya where both the forest's safety net function for the poor and the conservation of the Marsabit forest reserve are threatened as a result of deficient rule of law (Box 9.2)

Box 9.2 – Deficient rule of forest law in Kenya

In Kenya, the problem of conflicting land-use practices between forests, agriculture and urban development is a major challenge facing the forest sector today (Mbugua 2001, p 14), as are the underlying power imbalances and conflicts of interests over forest-based resources. Forested areas face a serious threat of conversion to agricultural land and human settlement (Bubb et al. 2004). The mandate to prevent such conversion rests with the government, but the lack of a coherent governance framework hinders this task. Forest conservation and management are scattered across eleven statutes and twenty government agencies, while over 50 NGOs were engaged in environmental activities in Kenya in 1999 (Mugabe and Khoda 1999, p 13, Seymour and Mugabe 2000). Management responsibility is vested in the Forest Department for all gazetted forests, while the Kenya Wildlife Service is responsible for forests in national parks and game reserves, County Councils for forests on trust lands and private individuals and companies manage forests on private lands. Decline of Kenya's economy, low budgetary allocations to government ministries and misappropriation of public resources (including corruption) decreased the management capacity of the Forest Department, in particular. The conservation of forests and forest resources is further hindered by regular excisions of protected forest areas endorsed by the government such as the excision of over 680 km² (about 10 per cent) of the forest cover in 2001 (East African 2001, KFWG 2002).

Whereas the government supports non-forest uses, the rural poor face more and more restrictions in the use of forest resources. On Marsabit Mountain in Northern Kenya the poorest households are the ones that sell forest products to earn income. Households on the mountain use the forest for watering and grazing livestock, for domestic water and they convert forest into arable land. Along with this they also harvest forest and vegetation resources, such as fuel wood for cooking and making charcoal, poles for construction, grasses for thatching houses, fodder for livestock, medicinal plants and honey. The use of these products increases during dry or stress periods, which illustrates the forest's function as a safety net during times of economic hardship.

Access to vegetation resources outside the settlements and from gully ridges, farm edges and woodland is subject to customary rights which prevailing conservation approaches fail to recognize (Mbugua 2001). Access to products from the National Park or the Forest Reserve – which provide wood fuel for 80 per cent of the households – is formally only allowed with a monthly permit licence, issued upon payment of a prescribed fee. In addition, periodic bans are imposed in times of stress. Only a few products, such as medicinal herbs, may be acquired without a permit. Households furthermore appeared to pay varying permit prices, suggesting hitches in the prices charged. The command and control approach to forest access and the dual endorsement of forest permits raises concerns about the dominance of power and mistrust confronting resource users. The weak regulation of the protected areas created open access problems associated with the exploitation of the natural forest and is one of the main threats to the conservation of forest resources. The resource control measures also have unequal effects on households, since it is the relatively resource-poor households that derive a significant share of their income from forest resources and recur to these resources in times of scarcity.

Source: Adano and Witsenburg (2004, 2005).

Although the discussion in this section has focused mainly on formal state law, it should be noted that the rule of law should also apply to arrangements under customary law in situations of legal pluralism.

9.5 Enabling market opportunities

Scherr et al. (2003) analyzed the role of forest markets in rural livelihoods and argued in favour of a level playing field for low-income forest producers in forest markets. They highlighted the fact that conventional forestry, as well as approaches which are more sensitive to the livelihood needs of forest-dependent people such as social forestry and integrated conservation and development projects, marginalized these people's position on forest markets and at best supported subsistence activities. They referred to new market opportunities resulting from the transition towards increased community ownership and control of forests, a growing demand for forest products versus increasing scarcity of accessible timber, and emerging niche markets for certified forest products and environmental services (which if supplied by forested landscapes can be considered non-tangible NTFPs). For small forest producers to benefit from these new potentials, enabling policies would be required to remove market barriers, reduce the regulatory burden on them and find new financial mechanisms and incentives. Stimulating producers' associations and strategic business partnerships would be another way of enhancing the participation of small producers in profitable forest markets.

How the existence of market barriers and a lack of enabling conditions can hinder a promising NTFP trade is illustrated by the bamboo producers' case in the Philippines (Box 9.3). In spite of being a substantial source of income based on sustainable exploitation, the bamboo gatherers think it offers little future due to the illegality of their activities. As individuals they cannot meet the bureaucratic requirements of getting a permit. Removing this barrier could be a solution, but the bamboo gatherers themselves think the solution mainly has to do with becoming an organized producer association or cooperative.

Box 9.3 – Tackling the illegality of a promising source of NTFP income in the Philippines

In a community of forest migrants in the Sierra Madre Mountains, called Puerta, located in the northeast of the island of Luzon, 50 of the 53 households engage in the cutting of the bamboo species buho (*Schizostachyum lumampao*). This species grows abundantly in the residual forest of the Sierra Madre and has a market in the lowland villages where the culms are, for example, used for the drying of tobacco leaves. Only 9% of the culms are cut on privately-owned land, while the rest comes from public (residual) forest. All buho is extracted in a sustainable manner, because only mature culms are cut.

To be legally allowed to cut and sell buho, an official licence in the form of an Ordinary Minor Forest Products Permit is needed. This licence is granted by the Department of Environment and Natural Resources (DENR). The permit requires the payment of an application fee and forest charges. The DENR grants such a permit for buho cutting only to individuals or associations who participate in public bidding for a concession area. Since there is no licence holder in the study area, all cutting activities are prohibited *de jure*. *De facto* however, there is a situation of open access for cutting buho in most of the residual forest. The DENR officials tolerate small-scale transport and trading of buho that was cut in the public forest, but the transport of illegally cut buho by truck is not tolerated and faces the risk of confiscation. Therefore, transport by truck usually takes place at night in an atmosphere of uncertainty and secrecy.

At the time of the research, buho selling was the most important source of income for the households after the selling of corn. On average it provided 13% of total income. Despite this economic importance, the buho gatherers thought there was only limited future potential. The uncertainty associated with the formal illegality of cutting and selling of buho played an important role in the perceived lack of prospects. Despite the low level of

organization among the gatherers in the village at the time of research, the buho cutters felt that organizing individual gatherers into a cooperative could be an important step towards finding a solution. They reasoned that an organized group of gatherers could apply for a permit and that this would legalize the activities and facilitate greater trade and transport. Furthermore, an organized group of gatherers, together supplying a large amount of legal buho, might attract big buyers – who now run the risk of confiscation when they buy large amounts of illegal buho – and improve their market position *vis-à-vis* other buho suppliers. In addition, the organization of bamboo gatherers could pave the way to demarcated and protected extraction areas.

Source: Kusters et al. (2001).

As regards enabling market opportunities, an important question is whether 'conventional' NTFPs have sufficient potential to reduce poverty, and whether governance efforts should not be directed towards new promising markets. A lot of NTFPs fulfil an important 'safety net' and 'gap filling' function to the poor, but this does not automatically imply that they have potential to lift people out of poverty (Arnold and Ruiz Pérez 2001, Belcher et al. 2005). Quantifying the value of several forest goods and services in the Amazon region, Verweij et al. (2009) also support the conclusion that returns from NTFPs and ecotourism should not be overestimated. This is largely due to contextual factors, such as poor tenure security, infrastructure and market access (Kusters et al. 2006), but it also has to do with seasonality and the low densities at which the NTFP resources occur and their irregular distribution (Ros-Tonen and Wiersum 2005, Boot 1997).

In terms of poverty alleviating potential, more is currently expected from markets for certified forest products (including timber and non-timber forest products) and payment for environmental services (PES) such as carbon storage, hydrological services, biodiversity conservation, preserving landscape beauty or pollination services (Angelsen and Wunder 2003, Sunderlin et al. 2005, Verweij et al. 2009). As regards certification however, there are still a lot of obstacles that need to be removed before NTFP extractors can capitalize on these markets (see Pierce et al. 2003 for an overview). Most experience in the field of PES is still experimental (Sunderlin et al. 2005) and markets and effective financial mechanisms for environmental services still have to be developed (Verweij et al. 2009). Skutsch et al. (2008) also point out that, in relation to carbon payments under REDD schemes, several governance challenges still need to be met at both local, national and international levels. These include questions related to (customary) ownership rights, the fair distribution of carbon benefits among various stakeholders, the institutional infrastructure to govern REDD, accounting methods to register carbon gains and losses, and transparent criteria for payments. Last but not least, there is the risk that benefits from REDD and PES – as in the case of other high-value NTFPs such as wildlife – remain in the hands of more powerful groups in society, with there being little interest in handing over control to local communities (Nelson and Agrawal 2008).

A concrete case in point is provided by Hall (2008), who reviewed the *Proambiente* PES programme for small farmers in Brazilian Amazonia (Box 9.4). He is moderately optimistic about the potential of such a scheme to cut down greenhouse gas emissions through reduced deforestation. However, he also makes it clear that, in addition to secure funding and extension support to farmers, a

lot of governance challenges need to be dealt with before such experiments can be scaled up so as to contribute substantially to people's livelihoods.

Box 9.4 – Governance challenges as regards payments for environmental services (PES)

Proambiente stands for 'Programme for the socio-environmental development of rural family production' and was designed to pay small farmers for environmental services in twelve core areas or 'poles' in Brazilian Amazonia. The environmental services which are subject to payment include (i) reduction or avoidance of deforestation, (ii) carbon sequestration, (iii) recuperation of ecosystem hydrological functions, (iv) soil conservation, (v) preservation of biodiversity, and (vi) reduction of forest fire risks. Farmers can provide these services through the adoption of more sustainable farming systems such as agroforestry, extractivism and forest and pasture management. In order to apply for the payments, the beneficiaries should present a sustainable development plan for the community, a resource utilization plan and a community agreement and also take care of auditing and certification. Provided independent monitoring demonstrates positive outcomes, about half a monthly minimum salary (US \$ 95) would be paid to a participating household.

After applying the scheme on a pilot scale, the idea was to scale it up into a national programme. However, four years of implementation demonstrated moderate achievements and several bottlenecks. The scheme became operational in ten of the twelve designated 'poles' and benefitted 42% of the participating households which were paid US \$ 325 on average. In addition to limited funds and deficient extension support to the farmers, a lot of the impediments to successful upscaling are related to governance. These include (i) lack of implementing capacity, (ii) poor embedding of the economic value of environmental services in federal legislation, (iii) incompatibility of various government policies and lack of cooperation between the many institutions involved (including private sector and civil society), and (iv) a bias towards communities organized in labour unions and farmer associations, excluding non-unionized communities.

The Brazilian government is currently addressing these challenges since, in spite of limited achievements thus far, the scheme is regarded as being a promising complement to conventional conservation measures, with potential to promote reduced emissions and deforestation as well as to combat poverty.

Source: Hall (2008).

9.6 Alliances and partnerships

The last challenge for good and pro-poor governance put forward by Mayers and Vermeulen (2002a) concerns the need to build partnerships between local forest dwellers and actors from other sectors (government, private sector and/or civil society). Partnerships are perceived here as being 'more or less formal arrangements between two or more parties from various sectors around (at least partly) shared goals, in the expectation that each party will gain from the arrangement' (Ros-Tonen et al. 2007, p 5). The main idea behind the need for partnerships as an avenue via which to reach good and pro-poor governance of NTFP resources is, as Sunderlin et al. (2005, p 1388) put forward, that 'forest-dependent people who live in or near forests tend to be politically weak or powerless'. By bringing together power, assets, knowledge and skills with actors at other levels of scale, local forest dwellers can compensate for the lack of political and economic leverage. As mentioned above, this lack of power comes to the fore mainly in insecure property rights to forest resources, the skewed rule of law, and limited capacity to seize market opportunities.

In addition to being a way of obtaining greater leverage, partnerships are also needed to deal with the larger number and wider variety of actors in forest management. The past decades have shown an evolution from centrally guided forest management to decentralized governance, as a result of which several actors other than the state have a say in the allocation and use of forest resources. Several factors contributed to the inclusion of other actors in forest governance, with the most important at global level being (i) neo-liberal policy reforms and the declining role of the state; (ii) the 'good governance' debate in the 1990s, (iii) the tendency towards global environmental action and governance; (iv) globalization and the corresponding improvement of transnational communication and information flows, and (v) increasing reliance on the market and the role of corporate actors. At national and sub-national levels, factors favourable to the shift from centralized government to multi-actor governance include (i) decentralization policies, (ii) the claims for and devolution of property rights to indigenous and other local communities, and (iii) the democratization wave in the 1980s which resulted in strong civil society development and engagement in many places (Lemos and Agrawal 2006, Ros-Tonen *et al.* 2007).

As a result of these developments, forest policymaking and implementation shifted from the traditional centralized 'command and control' approach to a network approach, in which government, corporate, civil society actors at different levels of scale collaborate on the basis of (at least partly) shared beliefs and dependency. The term forest governance was coined to include the notion of democracy and the involvement of non-state actors in decision-making regarding the allocation and use of scarce forest resources.

The increasing number of actors also implies the need to deal with competing claims and diverging interests. In a context of declining forest resources, no single actor can be held responsible for managing forests and NTFP resources that are under pressure. Partnerships are a way of coping with this increased complexity of actors and claims. This holds true particularly for NTFP governance due to the limited means, power and market access of the producers involved.

Box 9.5 provides an example of partnerships around extractive reserves in Brazilian Amazonia which aim to improve both tenure security and the livelihoods of NTFP gatherers. This case shows that the partnership is a promising approach towards trying to secure the political empowerment of extractivists and their rights to the forest, but that there are still immense challenges to be met with regard to their economic empowerment (Brown and Rosendo 2000). In spite of considerable technical and financial support, it seems to be hard to improve the living standard and wellbeing of NTFP extractors living in isolated conditions, even if proper governance arrangements are in place.

Box 9.5 – Multi-sector partnerships around extractive reserves Brazilian Amazonia

Partnerships around extractive reserves in Brazilian Amazonia demonstrate a lot of the governance aspects dealt with in this chapter. Extractive reserves are protected areas, established by the government, that guarantee the rights of local populations to use natural resources for livelihoods (Allegretti 1990, Schwartzman 1989). This approach was proposed by the rubber tappers or *seringueiros* of the state of Acre in the mid 1980s as a means of securing rights to land. After joining forces with researchers, NGOs, the World Bank and other external agencies, the rubber tapper movement succeeded in getting this approach adopted by the Brazilian government as part of its environmental policy in 1990 (Hall 1997). Since then, the federal government has established about fifty

extractive reserves in Brazil, covering an area of approximately 10 million hectares (<http://www.ibama.gov.br>). In addition to these, there are twenty-one extractive reserves in Rondônia, covering a combined area of about 1 million hectares, which were created by the state government. This was done under a large-scale environmental management project funded by the World Bank, referred to as the Rondônia Natural Resources Management Project (PLANAFLORO), which was implemented between 1993 and 2001.

Improving livelihoods is conditional on the long-term viability of extractive reserves. Failure to do so might cause families to abandon the reserves in search of better opportunities elsewhere. In Rondônia, efforts to improve the economic viability of the reserves have benefited from alliances with NGOs that provided much needed capital and technical assistance. In particular partnerships with WWF and donors like the G7 Pilot Programme for the Protection of the Brazilian Rain forest (PPG7) have enabled the initiation of several income-generating projects since 1993. Examples include the diversification of NTFP extraction to other products such as açai fruit (*Euterpe oleracea*) and palm hearts, ecotourism, the production of a rubber-coated textile known as 'ecological leather' and community-based logging. These activities provide necessary supplementary income to the – low and seasonal – income from the extraction of rubber, Brazil nuts and copaiba oil (*Copaifera* spp.). The partnership also aimed to reduce the extractors' dependency on intermediaries who capture a significant share of the profits. One attempt included the establishment of alternative marketing networks that provide better prices for the NTFPs. Another way was to provide the communities with storage facilities, working capital and transportation infrastructure to set up community-run trading posts that could supply the residents with essential goods for which they previously depended on intermediaries. In practice, however, the partnerships have been more successful in securing property rights than in improving the livelihood conditions of the extractivists, who continue to live in deprived conditions.

Sources: Brown and Rosendo 2000, Rosendo 2007, Ros-Tonen et al. 2008.

9.7 Conclusions

In this chapter, we have reviewed some key conditions for good and pro-poor NTFP governance, following the challenges put forward by Mayers and Vermeulen (2002a) with regard to secure rights, equitable rule of law, market access and the building of partnerships.

With regard to rights we noted that secure tenure is considered key to reducing poverty, enhancing justice and promoting sustainable forest management and protection. It is clear that the lack of property rights increases poor people's vulnerability, thus endangering the poverty-alleviating function of NTFP extraction. However, the relationship between secure tenure and sustainable forest management is not always clear-cut: secure property rights do not by definition ensure the maintenance of tree cover. Whether this should lead to the decision to restrict land-use options to people should, under good governance conditions, be negotiated with all stakeholders – including policymakers, conservationists, private sector actors and all relevant sectors of local communities. The latter are often the weakest party, both in terms of political and economic power, and would need to organize and enter into partnerships with civil society organizations in order to have their claims heard. As the cases of extractive reserves in Brazilian Amazonia and the damar agroforests in the Krui area

in Sumatra have shown, partnerships may help to ensure that ownership claims are heard and granted.⁶

Although securing property rights may safeguard the role of forests as a safety net in times of economic stress (poverty mitigation), it may not be enough for poverty elimination, as the PES scheme and extractive reserves cases in Brazilian Amazonia have shown. An important governance challenge to be met in this respect is the equitable rule of law. As made clear in the Marsabit case from Kenya, forest-dependent people often face restrictions to forest use that more powerful actors may be able to circumvent.

Overcoming restrictions to forest use as well as reducing the bureaucratic burden on the forest-dwelling poor are important conditions for meeting the third governance challenge: that of enabling market opportunities. The case of bamboo gatherers in the Philippines demonstrated how a potentially sustainable and lucrative activity lacks future prospects because it is difficult to acquire a permit on an individual basis with which the gatherers could operate legally.

In relation to enabling market opportunities we raised the question of whether efforts should focus on 'conventional' NTFPs or on promising new markets for non-tangible NTFPs (ecological services). With regard to these new and largely still experimental markets under PES and REDD schemes, a lot of governance challenges still have to be met. These challenges, as illustrated by the *Proambiente* case in Brazil, relate to the institutional frameworks governing such schemes, the implementing capacity, coherence with other policies and fair distribution of benefits among stakeholders, to name but a few.

Many of the NTFP governance challenges reviewed can be met through building partnerships. Such partnerships have become necessary, firstly because shifts in governance transferred authority from the central state to lower levels of government, the private sector, and local forest users. This increased the array of actors involved in forest governance and the need to deal with competing interests and claims. Secondly, the need to engage in partnerships is even more compelling for the forest-dwelling poor, with a view to increasing their limited political and economic leverage.

As illustrated by the cases presented in this chapter, partnerships can do a lot to create the conditions for the good governance of NTFP resources. They may help improve tenure security, the equitable rule of law, political empowerment of the rural poor in forest areas and access to markets through company-community deals and multi-sector partnerships involving private sector actors.

However, governance for poverty reduction based on the marketing of NTFPs faces huge challenges, particularly as regards 'non-tangible NTFPs' due to the complexity of the governance structures required to make such markets work for local people. We argue that the building of partnerships between local forest users and actors from other sectors and geographical scales can serve as the starting point to tackle these governance challenges.

⁶ In addition, shared research such as Participatory Action Research (PAR) and Adapted Collaborative Management (ACM) may enhance the skills and empowerment of local people and may complement the work of NGOs.

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