

ITTO Tropical FOREST UPDATE

A newsletter from the International Tropical Timber Organization to promote the conservation and sustainable development of tropical forests



Tapping the potential of communities

FOR A WEEK IN JULY 2007, the Brazilian city of Rio Branco, in the heart of the Amazon, became the community forestry capital of the world. Participants from 40 countries came together to explore the emerging phenomenon of community-based forest enterprises (CFEs)—dynamic, small-scale businesses that are starting to tap the huge wealth of entrepreneurial talent that exists in forest-dwelling Indigenous and local communities.

The International Conference on Community Forest Management and Enterprises was unusual in many ways. It brought together, for the first time,

about 300 leaders and supporters of CFEs, as well as government policy-makers, from across the three tropical regions. Much of its work was done in small working groups with informal, simultaneous interpretation in four languages. And it produced the Rio Branco Declaration (see back page), delivering a message to policy-makers, international organizations and communities worldwide. This special edition of the *TFU* reports in detail on the conference and constitutes its proceedings.

The conference was organized by the International Tropical Timber Organization (ITTO),



SPECIAL EDITION: Proceedings of the International Conference on Community Forest Management and Enterprises — convened in Rio Branco, Brazil, 15–20 July 2007



No basket case: Non-timber forest products play an integral part in Amazon life. Here, a community member in the Brazilian Amazon makes a basket for carrying brazil nuts. *Photo: IBENS*

the Rights and Resources Initiative (RRI) and the Global Alliance of Community Forestry (GACE) in cooperation with the World Conservation Union (IUCN). It was hosted by the Government of Acre and the Government of Brazil through the newly created Brazilian Forest Service.

For five days, participants debated the problems confronted by inhabitants of tropical forests on three continents as they attempt to establish viable, sustainable businesses. Obstacles include a lack of legal access to land and financial support, excessive red tape, high taxes, and markets that are out of reach because of distance and bureaucratic barriers.

Many of the views expressed by participants were confirmed and complemented by the results of a background study produced in support of the conference. According to *Community-based forest enterprises: their status and potential in tropical forest countries*, informal forestry micro-enterprises, many of which are CFES, employ more than 140 million people worldwide, among them Indigenous peoples and other forest dwellers. Such enterprises harvest wood and collect bamboo, rattan, fibres, nuts, resins, medicinal herbs, honey, wood for charcoal and other natural products to increase local wealth. They are also starting to tap into emerging markets for forest-based environmental services.

The study reports that forest communities are responsible for the management of around 370 million hectares of natural forests. But such communities must fight a daily battle against bureaucratic and other barriers.

“Inflexible regulations, high taxes and exceedingly slow approval rates are preventing our survival,” said Ghan Shyam Pandey, leader of the Federation of Forest Communities of Nepal (FECOFUN). His thoughts were echoed by Franklin Mezúa Chaqui, a representative of the Tupiza Forest Community Enterprise in Panama, who was also at the conference.

“Our communities are isolated and the governments need to have policies that are effective and designed for us,” he said. “If they don’t support our work, the forests will fall into the hands of others, who lack the commitment we offer as traditional inhabitants of the forest.”

The conference in Rio Branco has become part of the history of a new movement in forestry, according to participants. “This meeting demonstrated the great power and potential of local communities to save the forests and avoid terrible human tragedy,” said RRI’s Augusta Molnar.

The conference made many recommendations, which can be found towards the back of this report. Participants also agreed to:

- work together to ensure that legal access to land and natural resources be included in the laws and/or constitutions of individual nations;
- lobby governments to provide lines of credit dedicated exclusively to community enterprises;
- adopt measures to combat poverty and encourage social justice and policies of inclusion within communities;
- call for the immediate suspension of high taxes imposed by governments on CFES;
- seek economic and administrative help to reach consumer markets for sustainable products; and
- create, through ITTO, a special fund for financing CFES.

“Only with support and access to land and markets can forest communities continue to conserve the world’s remaining tropical forests while helping to fulfill the world’s commitment to bring an end to poverty,” said Alberto Chinchilla, a representative of GACE.



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Front cover image A rubber-tapper in the Antimary State Forest, Acre, Brazil.
Photo: R. Guevara/ITTO

Back cover image Conference participants. *Photo: A. Sarre*



Background to the conference



Overshadowed: Until recently, many CFEs have operated in the shadows of national laws and the formal forest industry. *Photo: A. Martin*

INDIGENOUS and other local communities have long managed and protected forests and today own and operate countless small-scale forest enterprises. These forests and enterprises have been a primary and supplementary source of income for millions of forest dwellers for many years. Until recently, though, they operated largely in the shadows of national laws and the formal forest industry and their contributions to forest conservation, employment and local development have been under-appreciated, if not actively discouraged.

There are many signs that this is beginning to change. Both community management and related enterprises have expanded in recent years with the recognition of historic tenure rights and the transfer of responsibilities to local levels. With this expansion has come evidence that community-based approaches have unique advantages for rural economic development and forest conservation. At the same time, there is growing recognition that community-based forest management and enterprises face serious challenges. Their potential has not been realized in many countries due to a lack of clear tenure rights, adverse policy and regulatory environments, and a lack of support to build the necessary managerial, technical and financial capacity. Policies and subsidy schemes have generally been designed for the benefit of large-scale industry, regulatory frameworks in many countries disadvantage community management and enterprises, and outmoded regulatory frameworks impose bureaucratic processes that are slow, difficult and costly to navigate.

There is also ample evidence that when tenure, policy and regulatory constraints are lifted, there is a rapid increase in conservation and management and in the contributions that CFEs make to employment and local income. A growing number of governments, including Brazil, China, the USA and Mexico, recognize that the trend towards community forest management and enterprises merits additional attention and support.

The recently negotiated International Tropical Timber Agreement empowers ITTO to actively encourage Indigenous and local community forest management and enterprises. RRI is a new global coalition of community, conservation and research organizations dedicated to advancing forest tenure, policy and market reforms for social development and conservation. IUCN is a founding partner of RRI and the world's largest conservation network. GACF is a network of Indigenous and rural forest communities dedicated to sharing lessons and shaping global and regional dialogues.

All these organizations recognize the importance of raising global awareness about the contributions of community forest management and enterprises to conservation and development and the constraints they face. And they all encourage greater global commitment and action by governments, industry, communities and environmental organizations to support community forest management and industry. They convened this international conference on CFEs to share their experiences with other communities and other sectors and to find ways to move forward economically, socially and politically.

Key themes discussed

The richness of the presentations and subsequent working group discussions provided a wide array of experiences and sharing. From this five-day process, a series of themes and observations emerged which at times seemed to lead in contradictory directions. There were marked regional differences in terms of the challenges faced by CFEs and political and local

realities. This summary of the conference discussions should be seen in this light; it enriches the findings of the background study, adds to them and helps clarify the actions needed. There are contradictions, there are uneven experiences, and there are missing voices. There is no general prescription for CFE success and in many cases it is still unclear how ethnic and gender participation will evolve over time. Nevertheless, the conference achieved a very clear vision of the CFE agenda and of the national and international actions that should be taken to drive that agenda forward.

Contributions and constraints

CFEs have typically been underestimated in size and in their economic, environmental and social contributions. Recent data on the employment generated by CFEs and their social and conservation benefits are staggering. According to two speakers, Molnar and Mayers, CFEs are the norm in many rural and peri-urban settings; they are here and they are growing. There are exceptions: one speaker, from Africa, warned that CFEs are almost invisible in his country and face extinction if they don't change.

Today, more communities own and/or manage forest resources than at any other time in post-colonial history. With varying degrees of success and business sophistication, communities have developed high-value timber and non-timber products for different market segments, expanded their operations to the water, ecotourism and service industries, and formed strategic alliances with the private sector, governments and other CFEs.

The rise of CFEs is the result of many factors. Transitions to more democratic governments and an increasingly vocal civil society have helped secure greater land rights for forest dwellers. A growing concern for environmental issues among donors, governments and forest managers has also improved the valuation of standing forests. Agroforestry systems have increased in popularity, allowing agricultural communities to produce multiple products and services while maintaining forest cover and food security.

CFEs are highly diverse, with varying degrees of organizational and industrial sophistication, market knowledge and economic presence. Yet they face similar challenges in accessing markets and credit, obtaining tenure security, and competing on equal terms with the private sector.



Photo: J. McAlpine

Demand for timber products is increasing, and communities often live in areas where valued tropical hardwoods grow. In most cases, these forests have survived because the communities value and manage them. As these communities have inserted themselves in the market economy, they have developed natural resource-based enterprises. Lack of market knowledge, appropriate equipment and business connections have limited the potential of CFES to sell their products at a reasonable market price.

Another key factor limiting the growth of CFES lies in the cost of entry to the formal economy. Current regulatory frameworks and fiscal structures make it costly and cumbersome for most of these enterprises to become legal entities. For those who manage to do so, staying afloat financially remains a constant challenge.

In many countries, harvested materials are taxed, thus discouraging value-adding activities to avoid double taxation. Government offices are usually far from communities; often, multiple offices must be visited to obtain a single permit (such as a tax identification number or a CITES [Convention on International Trade in Endangered Species of Wild Fauna and Flora] permit), a process that can take weeks or months. Many communities lack experience with urban life and the ability to negotiate the bureaucracy and other urban challenges. Discrimination against Indigenous peoples who do not speak or write in the country's official language(s) is sometimes another factor, as is corruption.

Mainstream companies now talk about corporate social responsibility, but many CFES have always put social and environmental premiums before profit. They often give preference to the local labour force and reinvest profits in the community in the form of roads, schools, fire management and biodiversity conservation. In addition, they produce global environmental benefits, usually without remuneration. Opportunities are emerging for CFES to enter markets for environmental services, but knowledge on how to do this is uneven and many countries lack the necessary legal frameworks. Many CFES that have been commercializing their products for decades have now become trainers and advisors to emerging enterprises.

Social organization

Presenters touched on five main points regarding social organization which were later enriched by working-group discussions. These were:

- the formation and organizational structure of CFES;
- planning, monitoring and evaluation systems;
- local governance and the organization of CFES;
- the role of government and technical non-government organizations (NGOs); and
- participation of community members.

CFES employ various organizational structures. In some, the enterprise's management is part of the social organization of the community, with the enterprise manager reporting to the community's general assembly, or it might be completely separate from community decision-making. Some CFES depend on donor funding for their capitalization, others have little information on cost analysis, and others have gone through years of trial and error and behave like any other business trying to stay afloat in the market.

Some of the experiences presented at the conference were the result of social movements arising at the end of colonial rule. Some CFES emerged out of long struggles to obtain land rights; others have evolved in the wake of agrarian reform programs that encouraged settlers to move into an area.

One recurring theme was the role of supporting organizations in strengthening community development. Most presenters mentioned NGOs as strategic partners in providing technical assistance, training in market and technical issues and project financing, and in assisting community exchanges. CFES know that these organizations can be useful allies, but some are weary of the terms of the relationship. Conference participants agreed that NGOs and CFES should be equal partners. Some called on environmental NGOs to stop underestimating communities and to understand that not everything has to be seen through technical eyes.

Indigenous people participating in the event spoke about how they are mixing ancestral traditions with new structures to respond to market needs. One example is the appointment of young leaders with technical education to positions that were traditionally given to the elders. Such hybrid management systems are proving successful in Panama and Mexico. On the other hand, a speaker from Africa encouraged cultural and Indigenous differences to make room for more democratic models of development.

Economics of the community forest timber enterprise

This theme touched on the following sub-issues that were further developed in the working groups:

- timber production systems;
- vertical integration and processing, diversification and added value;
- market issues;
- finances: credit and capital formation; and
- employment generation.

It was found that diversified production systems provide better social integration within the community as well as better economic benefits. Communities have tended to diversify into other forest products and services, depending on the productive capacity of the forest. Product diversification increases the earning capacity of communities and improves capacities for better (financial) management. Increased internal capacity has translated into lower dependence on outside technical assistance: many communities have been able to send young community members to higher education centres with the earnings from the enterprise to study subjects such as finance, English, forestry and agronomy.

In some cases, timber has peaked and is no longer the main focus of the enterprise. Ecotourism is becoming more profitable in some places. Participants from Spanish-speaking countries in Latin America spoke about second-generation challenges around capitalization, market share and how to maintain or rescue cultural traditions within business contexts.

In general, all agreed there were bottlenecks or barriers that impeded equal or fair competition with the private sector, including a lack of modern technology, entrepreneurial skills, access to credit and business contacts.

Economics of non-timber forest products and services

Non-timber forest products (NTFPs) and the enterprises that harvest, process and sell them are very heterogeneous. Some products exist in very specific regions and many are perishable and/or seasonal. Some NTFPs are unknown outside the region, and many go through boom-and-bust cycles that are rarer in the timber sector. Nevertheless, the conference identified the following common areas of interest:

- production systems;
- vertical integration and processing, diversification and added value;
- market issues and operating capital;
- finances: credit and capital formation; and
- competitive niches in alternative and specialized markets.

Unlike timber, all communities use NTFPs as a source of income and/or diet. In some cases, water bottling and ecotourism have become supplementary activities with considerable promise. The role of women is more prominent in this sector, with women sometimes responsible for adding value to the raw material in the form of basket-making and other crafts and the extraction or bottling of essential oils.

The working groups found that in some cases certification was used as a way of improving the price of products, but that governmental policies tended to favor timber production over NTFPs. They also found that NTFP producers had difficulty in accessing alternative markets, due partly to a distrust of buyers and a lack of information and technology. Low prices were disincentives for the producers and environmental conservation was not valued or reflected in the price.

Tenure, access rights and regulatory frameworks

Compared to timber concessions, policies and legislation concerning community tenure have been vague in many countries and regulation delayed. Institutions designed to support the development of such policies and legislation are often marginalized and financial support is minimal. Regional and multilateral resources are disengaged and the achievements or even existence of CFEs have often been unacknowledged.

Threats to CFEs are present in all regions: violence, land invasions and slow government and multilateral responses to reflect new tenure scenarios place communities in vulnerable situations. Some Asian and African communities stated that they only get degraded forests that transnational companies don't want, while Indigenous rights are superseded by private and government interests. There is a lack of laws that take community realities into consideration, or there is poor application of existing laws. This is exacerbated by an excessive bureaucracy governing land tenure regulation. Many countries lack technicians specialized in the creation of land-use plans and demarcation. There are also problems of law and order and invasions of territories that threaten rights. In general, conflicts over natural resources and tenure in Latin America are increasingly focused on oil and mineral exploration and less concerned with private timber interests. In Africa, armed conflict over natural resources and the holdings of private timber companies often dominate the scene.

Participants also spoke about the lack of financial support to participate in meetings with interested groups, and how they would like to have more access to information about the laws in effect in their countries.



Protected: Gambia has designated over 170 000 hectares of former state forests as community resources to generate local income and find a more cost-effective system of sustainable forest management. *Photo: Wolfgang Thoma & Kanimang Camara (FAO)*

Key barriers, constraints and solutions

The background study found that while the enabling conditions for CFE success are lacking in many countries, several measures could be taken to increase the viability of CFEs. Conference participants also identified key barriers, successes and recommendations for moving forward.

A panel of government representatives presented a series of steps to support CFEs. Moreover:

- Brazil saw community forest management and CFEs as an important part of its public forest management and livelihoods and was very enthused by the event and the discussions. Brazil wanted to help lead in sharing between governments and was very happy with the requests from the African delegation for sharing and learning;
- Cameroon and other African countries recognized that a lot of work is needed to create enabling conditions and to ensure that reforms achieve optimal results. CFEs are important for African ITTO members; and
- Guatemala intended to endorse the International Tropical Timber Organization's Work Program, including its considerably greater attention to CFEs. Guatemala was engaged in its own process of experimentation and reform and was keen to share experiences.

Recommendations by participating actors from governments, civil society, ITTO and forest-sector organizations were synthesized in the Rio Branco Declaration (page 32).



Left to right: Swiss ambassador to Brazil, Rudolf Baerfuss; Brazil's Minister of the Environment, Marina Silva; Governor of Acre, Binho Marques. Photos: A. Sarre

Conference opening

THE OPENING CEREMONY began with the Brazilian national anthem followed by a dramatic performance depicting the birth of the state of Acre and the history of northeastern Brazilian immigrants to the region.

The welcoming committee was composed of conference organizers and a community representative. Each member of the committee spoke at the opening. **Andy White, RRI Coordinator**, highlighted the role of viable, vibrant CFEs as the base of the forest economy, beyond what some may consider to be small, romanticized development projects. **Francisco Moreno Valente, community leader from Boa Vista de Ramos in Brazil**, spoke on behalf of Brazilian communities and called for the reduction of taxes on community enterprises in order for them to survive commercially. **Alberto Chinchilla, Executive Secretary of ACICOFOC (Asociación Coordinadora Indígena y Campesina de Agroforestería Comunitaria Centroamericana)**, and GACF focal point for Latin America, observed that, for the next few days, the state of Acre would be the world capital of community forestry. The **Swiss Ambassador to Brazil, Rudolf Baerfuss**, spoke about the important contributions of the Swiss government that had helped to make the conference possible and wished all participants well in the coming days of learning.

The Brazilian government has supported ... communities and their access to resources by creating new extractive reserves, which grew from 5 million hectares in 2005 to 10 million hectares in 2006.

Manoel Sobral Filho, ITTO Executive Director, reminded participants of the first project supported by ITTO in Acre in 1989, which had made significant progress in helping to secure the future of local rubber-tappers and had helped make Acre a leader in community forest management. He said that he would like to revisit some of the case studies presented during the conference in ten years to see how much they had flourished.

The **Brazilian Minister of the Environment, Marina Silva**, observed that humanity is at a critical moment in its history. She compared the current situation to a two-way street in which communities contribute to global environmental benefits while depending on forests for their own livelihoods. The Brazilian government has supported these communities and their access to resources by creating new extractive reserves, which grew from 5 million hectares in 2005 to 10 million hectares in 2006. The innovative Public Forests Management Law seeks to recognize and support community management, since nearly 60% of public forests totaling 193 million hectares are managed by Indigenous

peoples, rubber-tappers and other traditional populations. State-supported community forest management took shape in Brazil in the 1990s and, today, 5500 families benefit from such management. Still, there are challenges ahead, including how to ensure access to credit lines, technical assistance, processing and value adding. Indeed, all actors need to rethink development and deal with the impacts of past development models, which oftentimes have led to the loss of biodiversity and contributed to climate change. How the world will address these impacts locally and internationally, in particular in regard to climate change, will be the greatest challenge of all. ITTO has a key role at both local and global levels, Ms Silva said. She suggested that ITTO establish a thematic fund for community forest management as a separate window.

The **Governor of Acre, Binho Marques**, welcomed participants and expressed his joy in hosting the conference. As the administrator of the state's third consecutive pro-forest governorship, he acknowledged that such policies would not have been possible without the social movement in Acre. He then presented certified wooden gifts to the panelists.

The opening concluded with violinist Micheals, who played three classical Brazilian pieces.

MORNING SESSION

Introduction and global overview of contributions and constraints

Alberto Chinchilla

Conference co-chair

Alberto Chinchilla welcomed all participants. He reiterated that the conference was intended to be a space for communities and encouraged them to interact and make new contacts.

Conference methodology

Juan Arce Puican

Conference facilitator

Juan Arce Puican described the conference methodology and introduced the facilitating team.

The conference will comprise a mix of presentations of case studies and experiences from other community organizations, NGOs and governments, complemented by discussions in working groups that will focus on selected topics. All keynote presentations will canvass a particular topic, which will then be further developed by case studies followed by a question-and-answer session. The facilitator will then present five sub-themes that will form the basis of the working groups; participants are free to choose the sub-theme of most interest to them. For each sub-theme we will pose a series of questions designed to help working groups in their discussions and to identify key issues, activities and recommendations. Interpretation will be provided in each working group in English, French, Portuguese and Spanish.

Keynote address

Small forest enterprises are big!

James Mayers

Head, Natural Resources Group, International Institute for Environment and Development

Small and medium-sized enterprises (SMEs) dominate the global forest sector. Such enterprises form the majority of the sector—by their total number, the number of people they employ and the revenues they generate. However, they often go unnoticed by policy-makers and the rest of the forest sector. Small forest enterprises also often perform multiple roles. While they seek to generate profits, they also have other objectives, including the provision of employment

and reinvestment in community projects such as education, infrastructure and conservation. Few governments are modifying their policies to support the flourishing of these enterprises. Instead, such enterprises often face discrimination in land and resource allocation, in obtaining bureaucratic permits, and when competing with the private sector.



Alberto Chinchilla. Photo: A. Sarre

Despite these hurdles, small and medium-sized forest enterprises are growing. There are also some promising trends and drivers, such as bio-energy and new initiatives to avoid deforestation to counteract climate change, that could aid income generation and product diversification. There are both opportunities and threats. Strengthening SME associations helps, be it through alliances, cooperatives or other learning exchanges. Some community organizations, teaming with legal groups, have been successful in reversing discriminatory policies. In Uganda, for example, court cases were used to challenge large-scale developments and are beginning to have some effect. In South Africa, 1400 growers collectively negotiated better terms for a transportation system. Another challenge is to improve market intelligence for SMEs, which need to know what buyers want and to continually develop market innovations. In Rajasthan, for example, SMEs regularly hold conventions on new products, with prizes for creativity.

Finally, much can be done by other actors to support SMEs. Governments can simplify bureaucratic procedures for land, resources, business registration and credit. They can also provide market and business information and help create information networks, build capacity and promote SME products. Consumers can drive change by demanding the differentiation of products and procurement policies and by supporting products from well-managed forests.

Jorge Viana

Former governor of Acre, now head of the Forum on Sustainable Development

One cannot underestimate the geopolitical importance of Acre in community forestry within ITTO, nor the leadership role played by Dr Sobral, even before he became the Organization's Executive Director. His previous work and continued support were invaluable in the development of the Antimary State Forest, which is a leading example of public forest management coupled with community development. Unfortunately, preconceived, negative notions about forest management still exist, but I do not know a better and more efficient way to protect forests than by managing them productively for economic purposes. Community forestry is an efficient way to achieve forest conservation, but this is still not very well understood by policy-makers at all levels.

Augusta Molnar

Rights and Resources Initiative

Presenting our global study's key findings to such a diverse audience is useful because it allows people to see the similarities in different countries. We can learn from what has worked globally and what can be done locally to move reforms forward and improve CFE operations.

Community-based forest management and related enterprises have expanded dramatically in developing countries with the recognition of historic tenure rights and the transfer of responsibilities to local levels. They have been able to

Small and medium-sized enterprises: Dominant in the global forest sector.

Photo: Chris Aldridge





Doing well: A rubber-tapper in the Antimary State Forest, Acre.
Photo: R. Guevara/ITTO

generate a range of goods and services in a way that private industry hasn't. The CFES studied and the literature reviewed demonstrate that CFES tend to invest more in the local economy than their private-sector equivalents, fostering social cohesion and longer-term equity and making larger social investments. Some of the CFES studied showed returns of 10–50% from their timber and NTFP activities. More mature CFES have invested in the diversification of economic activities to make greater use of their forest resource, manage risk, create new sources of employment and create new community skills. Rising prices for natural forest timbers and certain NTFPs, coupled with the increasing consumption of natural medicinal products, traditional foods and crafts, favour CFE economies. Markets for water and carbon services can provide lucrative and growing additions to enterprise returns.

Despite these gains, there are recurring challenges and a host of possible constraints. Some are internal to the community, such as intra-communal social conflicts, the mismanagement of resources and income by individuals, a lack of organizational, business and technical skills, deforestation pressures from agriculturalists in the community, and unwillingness to adapt practices to market demands. Regulatory and policy barriers also exist. Insecure tenure and use rights and political instability limit CFE emergence, even in countries that have changed their legislative frameworks to foster participation. Organizational models or forest areas mandated for CFES can conflict with local customs and predisposition or be inconsistent with demographic and biophysical realities and livelihood strategies. *Ms Molnar concluded with a series of possible actions that governments and ITTO could take to help foster the growth of CFES.*

Panelists

Alberto Chinchilla: CFES make unique socioeconomic contributions. Some governments are reforming their policies to better assist CFES. In Guatemala, for example, the creation of community forest concessions and the Pinfor incentive capacity-building program are helping communities to better manage their resources. The diversity of experiences revealed by the background study proves the potential for development and innovation.

Paulo Amaral (IMAZON): Using the Pilot Program by G7 countries to conserve the Amazon (PPG7) as a starting point, I tracked the evolution of community forestry initiatives since 1995, when two community forest management plans were approved. Today, there are 176. There is another type of forest management in addition to community forestry called small-scale forestry (*Manejo Florestal Pequena Escala—MFPE*), of which there are 1566 initiatives. The two types of initiative combined mean that 5459 families are managing 851 104 hectares of forestland.

These initiatives have caught the eye of local governments and community forest management is now on many of their agendas as an important issue. However, serious challenges regarding tenure security remain, because most of the forestland lacks clear ownership and there are strong pressures from other sectors—such as cattle ranching and unstructured mineral extraction—to convert the forest to other uses. Forest certification under the Forest Stewardship

Council (FSC) has also been very popular in these initiatives, with eleven already certified and twelve in the process of becoming certified. The commercialization of forest products is also increasingly important as a source of family income but it is still very small-scale and hard to grow.

About 1.3 million square kilometres of forest of various non-private tenures (extractive reserves, Indigenous reserves, production forests, etc) are currently under forest management. Three state governments are actively supporting community forestry, along with international and national donors, NGOs and community associations. There is immense potential to supply the market with 'legal' wood. The challenge will be to develop a flexible regulatory environment in which communities can obtain management permits and sell their products. Market strategies for community products are also necessary, as well as community-based public policies. Processes to encourage community forest management are very recent and have hardly been documented, even though they are being replicated rapidly. In some cases, favourable political frameworks have been created but are poorly focused. In sum, there is great potential for learning and scaling-up.

Patrice Pa'ah, Community Forest Management in Cameroon and Africa: The cooperative in Cameroon I represent, The Tri-National Agroforestry Cooperative (CAFT), is one of a handful of enterprises that has emerged in response to policy reforms carried out in the 1990s to address the continued high level of poverty among the rural population and the failure of state-led industrial forest concessions to create wealth and protect forests. The model in Cameroon has had some difficulties. It was not developed with a true understanding of the reality of the communities involved and has maintained regulations that are a barrier to success. Community forests are still a very small percentage of the whole (1%), while protected areas constitute 31% and concessions 64% of the total forest resource. Based on the successful experiences we have heard about today, Cameroon will need to introduce significant changes if CFES are to flourish.

CAFT has had an important impact on its member villages. First, residents are able to see a potential benefit from running their forest enterprises and managing their forests, and they have learned management and administration skills. They have recognized the multiple income streams that are possible from community forest management and the potential to diversify into NTFPs and ecotourism. The exodus of people to urban areas has declined. The cooperative therefore provides a social response to the pressures in the region and a new tool for community self-development. We are trying to use new tools, like the internet, to track log origin, promote transparency and become competitive. Despite the difficulties we face, the model has great promise for us.

Gham Shyam Pandey, FECOFUN, Nepal: The community forestry movement in Nepal began as a result of unsuccessful attempts by government to protect the forestlands. Today, two million households participate in 15 000 community forest user groups managing 1.2 million hectares. Who are the real managers of forests? Not the government, not the private sector. The communities are the ones responsible for conserving and managing the forests. Many organizations have spent millions of dollars on so-called development projects. But the truth is that there are no incentives to protect forests without rights. Often, degraded lands are given over and when communities invest in them and restore them the government takes them back. The government is not getting any benefit from the area but, at the same time, it is not investing in the forest. Benefits produced by community forests go to the local level.

Questions and answers

Question 1 (to all panelists): There is a lot of potential for CFE growth. In your opinion, what is the single most important issue for achieving this potential?
Question 2 (to Pandey): If you, as a community-based organization, involve communities and invest in the enterprises, what kind of empowerment does the government provide?
Question 3 (to Pa'ah): Who owns the forests you referred to in your presentation: communities or government?

Pandey's response: The Government of Nepal has invested heavily in protected areas to ensure the conservation and protection of biodiversity; a lot of money has been spent protecting the rhinoceros and the tiger, with minimal community involvement. The government has not recognized the contributions made by communities towards conservation. We as communities are happy that the Parliament presented a bill regarding community forest management. For 30 years the government has said that communities are capable of managing forests, but now that there are CFES doing well, it wants to regulate them and to take forest rights away from us.

Pa'ah's response: I think awareness by decision-makers is the key element for achieving the potential of CFES. This awareness needs to exist at all levels, from local to international. Each level has different opportunities to enable and execute pro-community forestry strategies under a single objective, which is to reduce poverty. In terms of the tenure situation, the role of the state has been very strong in determining use and access rights. Currently, 1% of forests are in community hands, and I think increasing this dramatically would surely improve our management capacity.

Amaral's response: I think the key is to provide an environment in which communities can access the benefits of forest policies. We need to modify the political and regulatory frameworks to better reflect community profiles.

Molnar's response: The question of tenure came up. The question is not whether forests are government-owned or community-owned. What matters is that tenure is real and provides long-term security for the CFE actors. Many don't know what will happen after 20 years of a forest concession. Investors will not consider community forest managers as viable partners if tenure is shaky. So, it is not important who owns it as much as the security around it. The example of Mexico highlights the unpredictability of the process. Many of the enterprises that were rising stars 20 years ago have collapsed, while some of the dark horses have flourished. We must give these CFES time and space to adapt and grow.

Pende Bibase Bokiaba

Ministry of Sustainable Development, DRC

If there has ever been an enabling environment to promote and develop guidelines for community forestry, it is now. In 2002, DRC developed the basis for community development principles. My country has a long history of conflict, with social degradation that has worsened poverty levels.

The Minister of Sustainable Development and President Kabila have requested ITTO to mobilize funds to support the development of the forest sector in our country and of forest enterprises in particular. The government has become more sensitive to the importance of forest management and its potential to reduce poverty and build the capacity of all actors involved in community forest management. We have developed an holistic approach by adapting a methodology to prioritize issues. The methodology comprises the following:

- 1) capitalize on the experiences in the region, especially those in West and Central Africa;
- 2) community use and management of forests (socioeconomic themes);
- 3) organize a national event to develop recommendations and actions;
- 4) identify successful pilot cases of community forest management and educate local communities with these experiences; and
- 5) beyond the validation of pilot cases, develop a national program on community forest management.

Significant progress has been made on community management and in developing the political will to promote it. I encourage you to use this conference as an opportunity to reflect on the concerns in the Congo Basin in general and in our country in particular. Let us think of the most strategic location for a follow-up conference to position community forest management.



Water: Increasingly important in the economies of forest communities.

Photo: J. McAlpine

I would also like us to think about the following themes as the conference progresses: land use management, village-level management, conflict management, and how communities develop strategies to tackle these. How do we ensure the participation of socio-cultural minorities? What is the role of public administration and civil society to support community forest management? What financial mechanisms should be in place at various levels? What kinds of mechanisms are appropriate to promote exchanges and learning?

AFTERNOON SESSION

Social organization and its evolution in community forest enterprises

Dinesh Paudel and Narayan Karkee

Bel Fruit Juice Processing Company, Nepal

Nepal has long been a leader in community forestry. However, there are limited examples of commercial CFES because of restrictions on the harvesting and processing of products and a lack of technical support for their emergence and growth.

The Bel Fruit Juice Processing Company is a promising enterprise model. It came into being when ten forest user groups producing fruit from the Bel tree formed a limited partnership with private investors in the region to manufacture the juice and transport and sell it in Katmandu and locally. The ten forest user groups manage 713 hectares of forest, including regenerating degraded forests. The company employs 142 people, including women and workers from poorer households. It is supported by a management team and a community-private investor board.



Photos: J. McAlpine

The enterprise currently sells 24 000 bottles annually. The market potential is high for this product, but a number of constraints need to be managed for the enterprise to thrive. Current transport requirements impose a high cost on the enterprise: the transaction cost of permits and burden-of-proof is unreasonable. There is a need to continue to build the strength of the social organization and management capacity. High expectations have been raised for income generation in the communities, and these must be balanced with realistic production and quality control. Capacity-building is also needed to develop the necessary skills amongst community members to manage and administer the enterprise.

Jesus Orlando Martinez Molina

The Carmelita Community Forest Concession, Petén, Guatemala

The Carmelita Community Forest Concession is one of a number of community concessions with high-quality forests organized in the 1980s in Petén, Guatemala. These community concessions were intended as an alternative to industrial-scale concessions in the buffer zone of the Mayan Biosphere Reserve. The concession was granted in response to a strong social movement organized by settlers and long-time residents of the region, who clamored for a stake in forest management when it became clear that population pressures were making the biosphere impossible to manage.

The Carmelita community has 144 voting members and manages 53 797 hectares of forest. In total, 380 people live in the community. The administrative council has five members: president, two legal representatives, treasurer and secretary. We have also diversified our production since we were already commercializing other products and services before we obtained concession rights to the forest. We extract latex and work with natural fibres (xate) to make crafts; we also work with pepper. One of our main activities is the protection of archaeological sites within the concession and the development of hiking trails to promote ecotourism.

Forest management generates 3000 work-days annually, and part of the revenues from forest activities go to community scholarships. Three students have graduated and ten are currently studying with community funds. We have installed a water service in the community and built bridges and school rooms. We also subsidize medicines and pay higher salaries than average.

We have increased environmental awareness, reduced illegal activities (hunting, illegal logging), stabilized the agricultural frontier and lowered the rate of forest fires. We are also working on protecting springs and biodiversity.

Candido Lopez

Member of the COATLAHL cooperative and board member of ACICAFOC, Honduras

COATLAHL is a tropical forestry cooperative in La Ceiba in the department of Colon in northern Honduras. It emerged in response to the deforestation of much of the remaining tropical forest as a result of informal settlement along the agricultural frontier. Settlers were assisted to organize into production groups and to pursue a more sustainable kind of resource management, harvesting high-value logs in areas that would otherwise have been cleared for new agriculture. The cooperative provided a processing and marketing vehicle for the groups, given

their inexperience and the remoteness of the area. Each production group has a board of directors and an assigned management area of up to 1,200 hectares.

The cooperative began in 1977. The number of production groups has declined, with only seven able to survive in the face of difficulties in maintaining FSC certification and pressures to join illegal logging schemes.

Six hundred and twenty families benefit indirectly from the cooperative's 83 members. The cooperative sells sawnwood, furniture and wood decorations and recently worked with a European buyer to develop certified doormats and other ornaments using lesser-known species. This has improved the biological diversity of the forest management model and diversified incomes. Women are on the board now and work on an initiative to produce native plants in an orchid nursery.

The groups have built a strong cooperative organization with political inclusion and developed technical skills. They have demonstrated the potential of community forestry models in lowland forests, where government protection of a remote and complex region would be more costly and less likely to succeed. The skills for administering the cooperative have been internalized and there is no longer a need to pay an outside manager.

Salvador Anta Fonseca

Regional Director for the states of Oaxaca and Guerrero, National Forest Commission, Mexico

There are three types of community tenure in Mexico: *ejido*¹, communal land, and small land holdings. In the past, communities saw their best forest resources extracted by companies that had received forest concession permits from the government. At the time, these communities were traditional agricultural producers with no experience in forest management. They came to realize that the greatest profits were going to the companies and not to them, and they started to get organized.

These social developments paved the way for legal processes that led to a moratorium on forest concessions. They culminated in 1985 when the government recognized that communities were capable of managing their forests. This is easily said but it took a lot of work, confrontation, threats and even death.

After the Mexican government stopped issuing concession permits to private companies, the legal framework was modified to allow community forest management and commercialization, thus marking the beginning of community forestry in Mexico in 1986. At the time, the government had a progressive outlook and this enabled the transfer of private sawmills to communities and the creation of community producer unions.

Another legal change occurred with the community right to hire its own forester. Previously, this position had been designated by the government and appointees usually had little background in community characteristics. Today, most community foresters have come from the communities themselves. The law was modified again to give forest communities greater autonomy and today

¹The term refers to land held by a group of peasants as a result of agrarian reform. This is different from communal lands, since the latter were recognized mainly as a result of ancestral claims by Indigenous peoples in Mexico. Ejidos can be Indigenous or Mestizo owned.

more than 300 communities have sawmills. They have not managed to access international markets on a continuous basis but they have been able to insert themselves into the international value chain. Forest communities are now investing in the education of their own populations, creating scholarships to study industrial engineering, forestry, business administration and so on.

From the late 1980s to the mid 1990s, public policies were not very supportive of community forest management. All achievements were community-driven until 1995, when the Ministry of Environment and Natural Resources and Fisheries was created. This ministry started to question the heavy focus on agriculture and cattle ranching, since these were the major drivers of deforestation. The policy focus shifted from production to conservation. There was also a realization that forest activities do not necessarily mean degradation; they can also mean conservation.

In 1997, the Mexican community forestry program (PROCYMAF) was created. In 2000, community forest activities began to diversify towards ecotourism, the commercialization of NTFPs, water bottling and wildlife management. Market studies, value chain analysis and independent evaluations were also carried out.

It is worth noting that there is an ancestral tradition of communal resource management predating Spanish presence. Many of the decision-making structures survive to this day. For example, a community's general assembly decides on the organization and management of the community's natural resources. Foresters and other technicians advise the assembly on how much, when and where to conduct resource extraction in their ten-year plans.

In each community, the general assembly appoints a four-person commission, the members of which act as the community's legal representatives with the government. This structure is changing now: new economic and production needs are requiring new forms of organization, and new positions are being created to address this.

CFEs are replacing their equipment and buying new machinery to add value by processing wood into different products. Many forest communities have chosen not to commercialize timber but still profit from other forest-based income streams—such as ecotourism, water bottling and the sale of NTFPs. Urban centres are increasingly demanding bottled water; these communities often have high-quality springs. Enterprises based on NTFPs and forest services are usually managed by women and were created with profits from the timber enterprises. The family has always been at the centre of production, the difference now being the types of activities performed by family members. Women are also working in sawmills and furniture factories and, in particular, are often responsible for product finishing.

Some state governments are becoming more supportive of CFEs. The state of Oaxaca has committed to buying certified wooden products for its public schools. In Oaxaca, certified forests are owned by communities; thus, this commitment will benefit the community-based processing industry.

An integrated community business composed of three communities builds wooden furniture for national markets. 'Tip muebles' has been so successful that it has increased its number of stores. The communities have succeeded in integrating production and adding value by working together.

Ninety-eight percent of certified forests—500 000 hectares—in Mexico belong to communities. In terms of NTFP production for commercial purposes, there are some successful initiatives. Oregano oil from the state of Durango and palm leaves for export are two of the most promising products. Most of the certified forests in Mexico are in Durango state, which benefits from its close proximity to the United States and its markets. Natural certified gum is being sold to Japan with community brands. These achievements have been possible thanks to the organizational capacity of these communities, their social capital and the public policies that have supported them. Of course, more resources and more pro-community reforms are needed, but I wanted to highlight the achievements of mobilized communities and to recognize the contributions of some NGOs and the government in their efforts to conserve biodiversity.



Good drop: Bottled local spring water for sale in cities is an increasingly important NTFP for Mexican communities in rural areas near urban centres.

Photo: Salvador Anta Fonseca

I would like to conclude by saying that new public policies have emerged recently to formalize the regional units that administer forests with the intention of decentralizing regulatory activities towards community-regulated forestry.

Questions and answers

Question 1 (to Paudel and Karkee): How was the seed capital raised? **Question 2 (to Orlando):** What kind of mechanisms are in place to prevent massive exploitation of forests if communities make money out of logging these forests? How do you control this? **Question 3 (to Lopez):** You mentioned that you have political inclusion in your cooperative. Can you explain what you mean by that? **Question 4 (to Lopez):** What are some of the constraints around running an enterprise? How do you pay taxes to the government? Is there legislation to support pro-community fiscal processes?

Orlando's response: I would like to say that forest exploitation is not the same as timber exploitation. We can talk about managing both for different purposes; it does not have to be predatory use. In places where there are forests, they exist thanks to the existing organizations that care for them. It is fair to assume that communities that organize themselves have forests; those who are not organized have lost their forests.

Lopez's response: We used to sell more furniture than we do now. Demand still exists, but we do not have a kiln dryer and only one processor and we could not meet large volume demands. We have shifted our focus to small-volume requests. Under current law, we can extract 200 m³ or 16 trees; right now we are only logging seven.

Paudel's response: With reference to the question on seed capital, this is one of the most difficult parts of our business model. We have been using the community forestry group fund and some other money comes from so-called local government. The local government has earmarked a set of development funds, but we are currently lobbying to access a separate funding mechanism that would provide soft or subsidized loans. We are also receiving money from development projects but we realize this has to change.

Anta's response: In terms of raising capital and managing the big picture, the commissioners are leading this work. Technical teams and other professionals sometimes fundraise, too, and their time is paid by the community.

Working group session

Questions and answers were followed by the first working group session, which focused on the topic of *Social organization and its evolution in community forest enterprises*. Five working groups met to discuss one each of the following subtopics:

- development and organizational structure of CFEs
- planning, monitoring and evaluation systems
- local governance and organization of CFEs
- role of government and technical non-profit organizations
- participation of community members



Photos: A. Martin

Morning session

Economics of the community forest timber enterprise

Franklin Mezúa

Rio Tupiza, Panama

I am the manager of a CFE called Rio Tupiza in Darien, Panama. The community owns 300 000 hectares under collective rights and we have a forest management plan for 27 000 hectares. We have a collective vision of our entrepreneurial structure. It is very hard to compete in the market as peasants or an Indigenous group if we don't have a business structure capable of meeting market needs. How do we adapt our local traditions and culture to the business world? First, we must think in the way that business people do but, of course, without leaving our intrinsic cultural values behind.

Our first objective is to value Indigenous and peasant culture through sustainable forest use. We became a business two years ago, but our first commercial experience occurred this year. We sell roundwood and boards in the domestic market through legal contracts with the timber industry through a public bidding process. Industry has the market and technical knowledge. We structure the contract in such a way that it can be extended if they are good business partners. Negotiations with industry are conducted through roundtables at which both parties present their needs. A lot of people have told us that we are 'giving away' our wood since we don't have processing equipment. But this is a process and we are getting ready to occupy space in the industry, acquire capital and eventually produce along the value chain. We have precious woods used for flooring and other high-end products for export to Europe and the United States, but the price we receive is too low. It is indeed a challenge to access the market for processed products.

One important aspect I would like to talk about is that not everything has to be seen from an economic or profit point of view. Equally important is how we value our culture and history in this process. That is why we take into account cultural aspects and the role of women, since they are the bearers of cultural identity. We have fibre-based craft work that can sell for up to US\$5000 in museums in New York when women are able to access that market. As an Indigenous community, we do not depend solely on timber for a living. Timber sales are used as complementary income to that produced through commercial agriculture.

Kenneth Angu Angu

IUCN Cameroon

Community forestry in Cameroon started to develop after forest reforms in 1994. Communities rely on partnerships with forest companies because they don't have the financial means to harvest timber. The activities of those small-

scale loggers are often unsustainable and yield low benefits to the community. The exploitation focuses mostly on timber products, in spite of the stipulations of the management plan. NTFPs are harvested for subsistence only.

The profits of such exploitation are mostly used to improve health and education, rather than re-invested to improve forest management and develop the enterprise. Obstacles to community forestry include: excessive administrative requirements that put a heavy burden on the enterprise; a lack of technical capacity and financing; inter-generational conflicts within the enterprise between elders who might have migrated to the town and youth, who stay in the village; insufficient local markets; and difficulties in transporting products towards larger markets. Additionally, benefits need to be shared in an equitable way to avoid the establishment of a new form of social stratification.

Decentralization is not enough to encourage community forestry. Solutions—including funding and training—are also needed to make it a viable option for poverty reduction.

Kenneth Angu Angu also presented the case of the Ngola-Achip village forest enterprise in Northwest Cameroon.

Yati Bun and Bazakie Baput

Madang Forest Resources Owner's Association, Papua New Guinea

(Augusta Molnar made the presentation on behalf of the authors)

The Madang Forest Resource Owner's Association (MFROA) is an important case study. MFROA and a supporting NGO, the Foundation for People and Community Development (FPCD), are building an alternative model for community enterprises that can be certified under the FSC using a community-appropriate set of standards and indicators for sustainability. It forms, we believe, a replicable model for Pacific Island states as well as an alternative to industrial forest concessions.

MFROA is an association of small forest holders living in the province of Madang. Within the region there are 2.8 million hectares of forest, over 500 000 hectares of which are in large-scale concessions. Using a model of small, portable sawmills, FPCD and MFROA have been training members to produce high-quality hardwood for export to Australia. In this way the enterprise adds value to a production system that is not profitable in domestic markets given the remoteness of Madang and the high cost of sustainable management.

FPCD and MFROA are applying a model of technical assistance that provides declining support as MFROA and members gain capacity in forest management, harvesting and processing and the administration of a marketing company. Membership is expanding and, in cooperation with ITTO and other support organizations, MFROA has been certified to FSC standards. This community certification provides entry to the export market without undermining the community's social model.



Photos: A. Martin

Carlos Ramos

Federation of Social and Educational Assistance Bodies, Brazil

I would like to talk about various local initiatives that make up the Working Group on Community Forest Management.

In 2000, the government began to issue community forest management plans in the municipality of Gurupa in Para state. Since then, demand for these plans has risen steadily; in 2005, the number of permits issued equaled the number of permits requested for the first time. However, since then the situation has deteriorated, posing a challenge to those who want to conduct legal forestry operations. In 2006, 41 160 m³ were requested for extraction but only 28 525 m³ were permitted.

The Federation of Social and Educational Assistance Bodies (FASE), a member of the Working Group, uses a methodology based on the education of the people through direct contact with the beneficiary peoples, the strengthening of grassroots' organizations and autonomous collective actors, proposals for public policies, legal defence actions in the public sphere, and the implementation of relevant projects to create a multiplier effect. Tenure security has brought us many benefits beyond forest management; government assistance programs are available for a greater number of families. The government has also recognized long-standing claims by traditional populations and their traditional knowledge and way of life.

Two successful initiatives have been oil extraction from the copaiba and andiroba trees, led by women, and furniture-making using fallen trees. We also support reduced impact logging courses and carpentry workshops. We currently work in six forest reserves covering 1100 hectares, with 547 m³ available for extraction; at the moment we are well below the limit, only extracting 32 m³ per year.

Another organization that is part of the working group is the Lutheria School in Manaus, Amazonas state. Young people aged 14–21 come to the school to learn how to make musical instruments using certified wood. The school has 60 students, on average, in its basic course. Students then graduate to a technical course that grants them the title of *Technician Luthier*, enabling them to manufacture and repair musical instruments. Two graduates of the Lutheria School program work as instructors, training new pupils in the craft.

I would like to conclude by saying that any government policy regarding communities must include inputs from all stakeholders and affected parties, with ample consultation throughout the process; otherwise, these policies will lack legitimacy. It is also crucial that public policies recognize and reflect the particularities of all biomes and the traditional knowledge in them.

Paulo Amaral

IMAZON, Brazil

Three organizations—IMAZON, LASAT and Promanejo (a federal forest management program)—have published a guide for community forest management. It contains instructions on logging techniques, safety equipment, how to legally create organizations or cooperatives, and how to keep legal records of meetings, council decisions, elections, etc. The guide also includes templates and examples of by-laws, guidelines and contracts. The target audiences are the communities themselves, as well as their supporting organizations.

Ana Yang

FSC Brazil

Ana Yang presented the first issue of the Amazonian consortium's magazine in English and Portuguese, which talks about the member organizations, the history of the consortium, its geographic area of work, thematic areas, and results so far. The Amazonian consortium is funded by USAID and comprises FSC, CTA, SOS Amazonia, the World Wildlife Fund (WWF) Brazil and Kaninde.

Working group session

The second working group session was convened on the topic of *Economics of the community forest timber enterprise*. Five working groups discussed one each of the following sub-topics:

- productive systems;
- vertical integration and processing, diversification and added value;
- market issues;
- finances: credit and capital formation; and
- employment generation.

Afternoon session

Economics of non-timber forest products and services

Keynote address

Bhishma Subedi

Director, Asia Network for Sustainable Agriculture and Bioresources (ANSAB), Nepal.

ANSAB is a Nepalese market information network working with community forest user groups.

NTFP-based enterprises face three key questions:

- 1) Can NTFPs generate income and employment and address the issue of poverty?

- 2) Under what conditions do such income and other benefits serve as economic incentives for conservation, and how can such conditions be created?
- 3) How can successful examples be scaled up?

Globally, there is tremendous scope for NTFP products and services. After 30-plus years of work, good models have been created and tested and positive outcomes produced. NTFP activities can act as a safety net for communities and fill income gaps; for some, they can provide an exit from poverty or a stepping stone to other livelihoods. Producers face challenges based on market and knowledge uncertainty, a lack of infrastructure and business development services, and the fact that the struggle for subsistence limits the space in which to create change. Simply linking people to markets will not produce positive outcomes. Conditions are more favourable under policy and tenure reforms, and when there is interest in supporting local community forest models.

The following enabling conditions can greatly help an enterprise grow:

- the use of catalysts to provide critical support, ranging from identifying new opportunities, capacity-building, market access and advocacy;
- the conscious integration of programs and projects that pursue the development of enterprises together with conservation;
- piloting: choosing the right model, testing the appropriateness of models, sharing knowledge, allocating resources, implementing policies and scaling up; and
- the concerted effort of government, non-profits and corporations.

Catalytic interventions are also needed. Identifying new opportunities beyond NTFPs is not enough. Carbon markets, payments for ecosystem services, certification to access niche markets, policy analysis, ground-level work, global changes attuned to local level needs and policy recommendations are also crucial.

Sometimes initiatives produce unwanted outcomes. The poor become poorer and destroy their only source of sustenance. Why is this happening? When we look at successes, we see they are organized and obtain more economic benefits and see more positive outcomes. Others are disorganized; they collect out of desperation and are forced to continue exploitative patterns of use.

A wide repertoire of knowledge and experiences is represented at this event. How can we make use of this? Should we, perhaps, initiate a pilot? This could be more than a step-by-step process, providing the flexibility to be innovative at a global level and involving a concerted effort by government, NGOs, corporations and communities.

Emmanuel D'Silva

Adilabad District, India

(Dinesh Paudel made the presentation on behalf of the author)

A community in Adilabad District established a *Pongamia pinata* tree plantation management program to produce power, water, transport and carbon credits. The plantation produces oilseeds for biofuel and local energy supply as well as side-products such as animal feed oil cake and organic fertilizers. Tribal women working cooperatively linked to a self-help development program organized to restore stands of *Pongamia* and expand the planted area, using the product for electricity locally and selling the biofuel and its by-products on a pilot basis. India has made a commitment to reduce non-renewable energy by 10% this decade for energy security purposes; biofuel therefore has a strong potential market.

In the communities involved, both women and men have been able to increase incomes, link their organizational training from the self-help development project to their *Pongamia* activities, and demonstrate positive returns in a very poor tribal region of Southern India. The Forest Department has provided support, although the model goes beyond the joint forest management programs already under way. Women run a local bus on *Pongamia* fuel and the nearby city is thinking of following suit. Projections are for an eventual 50% return.

The activities of the community have attracted the attention of carbon markets. The community has sold carbon credits to the World Bank for mitigating the carbon footprints of conferences. The pilot has also been linked to carbon offset programs among suburban US consumers and carbon credit models have been tested with government and others for extension elsewhere in India.

Anders West and Christopher Aldridge

Pingshang Bamboo Group, China

(Andy White made a presentation on behalf of the authors)

Bamboo forests and plantations have expanded dramatically in China in response to deregulation, which occurred ten years ago. In most cases, communities sell their bamboo for pulp or other industrial markets, with little value-added. The Pingshang Bamboo Group (PBG) adjoins a national park and has a role to play in forest conservation.

The PBG is unusual in creating a value-added enterprise, making chopsticks of increasingly high quality for sale in the domestic market. Earlier, the group produced unfinished chopsticks. Now they sterilize, package, label and sell the products in bundles of ten. There is a high level of profitability. Villagers sell their products at US\$0.50 per bundle; village incomes have doubled in the short period of the enterprise. The township brands the chopsticks to improve marketability and a local university has provided technical assistance on processing quality. Given that villagers lost their land to the national park, government is not taxing either the financial and technical assistance provided to them or the product before it is sold. The main obstacle faced by the community group is the lack of infrastructure, requiring them to transport their product to market by headload. The group plans to mechanize the production process to remove bottlenecks and encourage greater contributions from members for new equipment or machine repairs.

Gabriela Gama

Council of Extractivist Associations of Manicoré and Brazilian Institute of Education on Sustainable Enterprises, Brazil

Around 40 000 people live in the municipality of Manicoré under various tenure arrangements, including extractive reserves, leased lands, agrarian settlements and public lands. Gethal Amazonas, a timber company, issued communities with access rights to its forestlands for the harvesting of brazil nuts. In collaboration with the Federal University of Amazonas, an organic process was developed to reduce the incidence of aflatoxin—a fungus that grows in conditions of high humidity—in brazil nuts. As a result, the communities have been able to obtain organic certification.

In less than five years, the number of families participating in the community enterprise grew from seven to 625, spread through 27 communities. Brazil nuts now come from various lands outside Gethal Amazonas, totaling an area of 388 197 hectares. Communities have formed associations, which in turn have joined sub-regional councils under CAAM, the Council of the Agroextractive Associations of Manicoré. All production is taken to CAAM's headquarters to be sold under a common label. Equipped with better production and business management skills, higher volumes and better-quality nuts, producers have been able to bypass local intermediaries and sell their product outside the state for more than five times the local selling price. Production and demand challenges include the high seasonality of product demand and the lack of chain-of-custody organic certification. This latter issue comes about because the cooperative does not currently own a processing plant; thus, the nut loses its organic certificate when it is mixed in with nuts obtained from elsewhere.

While still struggling and somewhat dependent on the support of partner organizations, CAAM is emerging as a strong enterprise force. In 2006, it formed a cooperative with the aim of obtaining credit and issuing fiscal receipts.

Charles Meshak

Amani Butterfly Enterprise, Tanga Tanzania

A butterfly-rearing enterprise has been piloted in six villages in Tanzania's East Usambaras, a global biodiversity hot spot. Villagers have been provided with initial technical assistance by the Tanzania Forest Conservation Group (TFCG), a national NGO working since 1993 to support community forestry capacity-building. TFCG's objective is to jumpstart a cooperative which raises *Pseudacraea* butterflies for export to Europe for zoos, museums and research institutions, providing a new livelihood stream for villagers and also creating an incentive for the restoration of native vegetation. The forest is under various designations, including as a village forest reserve, private forest and national forest reserve.

The enterprise is ideal for local communities because it requires very little capital start-up and limited working capital; on the other hand, it does require a relatively long-term investment (two years and upwards) in technical training, capacity-building and institutional development. With experience, villagers have been able to learn about the weather patterns that affect productivity and to solve internal conflicts. Membership is increasing and, in the third year, the group is making a profit and is financially self-sustaining. The species raised are long-lived and able to survive transport to markets, mainly in Europe and the United States, and the group is able to sell directly to buyers rather than through intermediaries, cutting costs and competition. Other benefits to the community include a reduction in poaching and an increase in wild butterflies.

Working group session

The third working group session was convened on the topic of *Economics of non-timber forest products and services*. Five working groups discussed one each of the following sub-topics:

- productive systems;
- vertical integration and processing, diversification and added value;
- market issues, operating capital;
- finances: credit and capital formation; and
- competitive niches in alternative and specialized markets.

Evening session on CSAG and GACF

Andy White, CSAG Co-chair: The International Tropical Timber Council's Civil Society Advisory Group (CSAG) began as an informal advisory group in 2002. Even though it is perceived as a parallel structure to the Council's Trade Advisory Group (TAG), which represents industry interests, we thought deeply about how to structure it, since our main priority was to ensure representation. We have two co-chairs, one from a producer country and one from a consumer country, and four focal point representatives from producer countries: Latin America (1), Asia (2) and Africa (1). Our role is to provide recommendations at each Council session. We also organize panels on various issues at the Council meetings and engage in other, ad-hoc activities.

We advocate new thematic programs within ITTO to support pro-community projects, new studies to be conducted within the biennial work program on salient community forestry issues, and capacity-building activities. We seek to reform 'non'-community projects that may affect communities to ensure that no harm is done. We would like to establish a funding mechanism that can be directly accessible to communities. We would also like to formally establish CSAG and to be part of the official agenda of the Council. At this point, CSAG membership is voluntary and we do not receive compensation for this work. ITTO pays for two to three representatives to travel to each Council session and the Ford Foundation has provided support to establish a governance structure. Unfortunately, many people who can afford to volunteer attend because they have other business to do at the Council; thus, we risk losing independence and value.

After four years we can say that we have been somewhat, but not very, influential and that our effectiveness has been diminished by our ad hoc, informal nature. We are at a crossroads, with apparent potential to assert greater influence

and play a bigger role. We need new people to reinvigorate the body and its governance. We also need to solve the finance/independence issue.

Jan McAlpine, former Chair of the International Tropical Timber Council:

CSAG is modest about its achievements and perhaps not fully aware of the impact its work has had. Let us not forget the origins of ITTO as an old-guard commodity organization. For a number of reasons, ITTO changed the way that commodity organizations operate—impacting on the coffee commodity organization, for example—but this came later. For some years, it was an inherently intergovernmental group focused on a very narrow set of issues. But it came to maturity right at the time of the Rio Earth Summit in 1992. Since then, the Organization has developed a different type of framework and approach.

An important factor was the role of Japan in creating a fund for projects. In the beginning, these were old-fashioned, silviculture-type projects, with US\$15–20 million available per year for project financing. Gradually, as governments became more sophisticated and more sensitive to environmental issues, they slowly changed their outlook and their relationship to other issues. The projects started to bring a few of those things; moreover, some members began to try to introduce more environmental and social issues. In the early 1990s, NGOs had hoped to make the Organization more focused on the environment but that did not happen and most environmental NGOs walked out. Later, as the Organization evolved towards a broader agenda, a number of countries started to think about bringing back civil society in general and NGOs in particular. Bill Mankin and Stewart Maginnis were key figures in keeping a civil-society presence in the Council. The other major factor and unsung hero is Dr Manoel Sobral. From the start of his tenure he was completely clear about bringing social and environmental issues into the Organization's mainstream.

We cannot turn ITTO into a purely environmental or social organization. It is a commodity organization, but it is one that, more and more, integrates social and environmental concerns in its operation. The Organization faces many pressures that may limit the emphasis it is able to put on promoting community forestry. Nevertheless, you, the representatives of forest communities and community enterprises, can make a vital contribution that would be well worth your investment and time. For example, it may be a way of influencing your country in terms of policy development. This Organization can facilitate that and improve the understanding of issues. CSAG works by disseminating information, raising awareness and influencing policy-makers, technical advisors and civil society. I would like to thank all of you. I am so impressed with the work you are doing at this meeting.

Alberto Chinchilla, CSAG co-chair: I would like to thank a great ally. Jan McAlpine has always provided us with consistent support. She was very worried about the pace of planning for this conference, calling Sobral to find out when it would happen. We are very fortunate to have friends and colleagues like her. I remember at one Council meeting the civil-society representation was asked to leave a session, but this courageous woman talked to her delegation—of the United States of America—and objected to our removal. Other representatives from Europe, Guatemala and Canada supported the US motion to keep us in the meeting. It has been very hard to occupy the space but we have done it. As co-chairs, we want to expand this space and then step down and bring in new leadership. We have contacted the newly elected Executive Director with the aim of establishing a dialogue with him.

Andy White: If participants are interested in becoming involved in CSAG, find out the name of your country's official ITTO representative and lobby to be included as part of the country delegation. Some countries bring representatives of the private sector to the Council meetings and you need to convince them that you should be included. We need more participation from Latin America: Alberto is taking a heavy load and we need you.

Discussion

Comment 1: I would like to congratulate the CSAG. It is making a very important contribution. If you had not been involved in ITTO, this conference would not

Field trips

One trip was organized to a timber enterprise based in a community forest in Xapuri and a floorboard manufacturing factory. Another field trip visited a non-timber forest enterprise in a community forest in Xapuri and a factory manufacturing condoms from latex produced in a community forest.

Overhead: A tall tree in a community forest in Xapuri, Brazil.

On tour: Conference delegates inspect the Xapuri community forest, Brazil.

Photos: A. Martin



Nut-cracker: Mr Braulino uses his machete to crack a Brazil nut open so he carries less weight and more volume in his basket. *Photo: IBENS*

► ... continued from page 15

have been possible. **Comment 2:** I sense a very strong focus on Latin America, but Africa needs more help and attention. Why are you focusing so much on Latin America?

Patrice Pa'ah, focal point in Africa, GACF: I would like to summarize the history, functioning, strategy and activities of GACF and our aim to develop a future agenda. The GACF emerged in response to a lack of participatory spaces for grassroots' organizations in international and regional forums, in which key decisions with large impacts on forest communities are made. We have had two global meetings since 2004 to define our vision, mission, principles, values, strategies and membership criteria. We seek to link community organizations so that they can exert greater influence in these forums, as well as to promote capacity-building and exchanges among member organizations. GACF currently has a membership of eleven community-based organizations worldwide, representing nine million hectares of forest under community management. We are currently planning our next major community event in Cameroon for 2008. We are always looking for strategic partners and sustainable sources of funding for our activities.

Peter de Marsh, International Family Forestry Alliance (IFFA): What kinds of forest does the

International Family Forestry Alliance represent? We have parks, industrial concessions and other forests. These are conserved, productive forests owned and/or managed by families and communities, conducting small-scale management for a very broad range of products, with huge importance for rural economies and environmental health.

Since these operations are very small-scale, they often appear chaotic and incomprehensible to outsiders. Hence, they are often ignored and become invisible; this makes it difficult to achieve change and to solve the problems of such operations. We work with agencies to bring our members into view, but it is a challenge to convey needs and realities. The financial need is key; so is market access and so is competition with big industry. The tools to respond to these challenges are associations—at both a local level and other levels. The International Family Forestry Alliance was created in 2002 with 20 national associations that comprise our membership, mostly in Europe, North America and Australia; our newest member is from Mexico. In the GACF we have found a kindred spirit. We have developed a working relationship to coordinate our efforts to influence policy at the international level, such as at the UN Forum on Forests.

MORNING SESSION

Tenure, access rights, and regulatory frameworks

Keynote address

Kyeretwie Opoku

Civic Response, Ghana

When we talk about tenure, we refer to the social relationships that guarantee the holder secure, beneficial use and control over a resource. These could include some or all of the following elements: formal legal rights, socio-political customary rights, the participatory character of forest regimes, the accountability of local government institutions, and normative international conventions. These concepts are at the heart of governance issues and are fundamental themes of community forest management and the way we think about forestry and development.

In CFES we have witnessed achievements in conservation and restoration, economic and social development, human resource creativity, confidence, dignity, equity and solidarity. In other words, a world of possibilities lies ahead if these initiatives are sustained and scaled up to become the norm rather than the exception.

Tenure is the flip side of CFE discussions. CFES require community forest management, which, in turn, requires tenure.

There are similarities across several countries in Africa in the post-slavery, post-independence movements and the first generation of national leadership. Countries went in two directions: continuing to support foreign interests instead of communities, or moving towards a socialistic, Soviet model, such as in Ghana, also at the expense of community interests. Concessions were the dominant form of resource tenure; the state held all rights (in the name of society as a whole), superseding Indigenous rights but incorporating their interests. In a separate legal form of tenure, the state allocates (mostly long-term) exploitation rights to companies (mostly foreign-owned) against the performance of specified (mostly revenue) obligations.

However, the political economy reality was, initially, bloody expropriation by privateers in the period 1800–1850, followed by the creation, 30–50 years later, of colonial states to control violent competition between privateers. Colonial states introduced European-style tenure systems to mask and legitimize expropriation. The region has since gone through a series of concession reforms which have created space for national elites and increased taxation, environmental and industrial regulations and, more recently, social responsibility obligations. In the 1990s, we saw shifts in community tenure resulting from the recognition that the 150-year-old concession model had depleted resources, expatriated wealth, created huge domestic wealth disparities, disrupted rural society and generated conflict. Social movements have re-emerged to challenge expropriation, and community tenure has become politically correct.

Progress has been slow and case studies are hardly representative. Compared to concessions, policies and legislation around community tenure have been vague and regulation delayed, support institutions are marginalized and financial support is minimal. Regional and multilateral resources are disengaged and the achievements or even existence of CFES have been unacknowledged. Furthermore, community forest management is often occurring in forests that transnational corporations do not want.

The community sector must grow—or shrink and die. We cannot assume the smooth expansion of the community sector based on the triumph of reason and humanity. So, what are the challenges ahead? Financial investments for community enterprises are minimal and exist only at the micro-enterprise level. Multilateral institutions are not particularly engaged in the CFE sector.

A lot of the discussion this week has been about the enterprises but we need to refocus on tenure, not instead of but as part of an holistic approach. This



Photo: A. Sarre

is the real thing: we are talking about disrupting 150 years of social organization. Big shifts take a long time and multilateral organizations will not change overnight. We must also recognize that there will be a backlash. The path is a struggle for rights. I am not sending a message of arming ourselves with AK47s, I am not advocating that. We must look at international agreements, the impacts of which make it impossible for nation states to protect CFES, which must compete with so-called equality with European businesses. It is becoming legally possible for other regional blocs to negotiate in the same way. We need to worry about participation, openness, and the extent to which this model affords participation within communities or simply creates new elites. We need to look across resource lines: fisheries, NTFPS, water; we need to look thematically as well. The human rights community is busy trying to develop new, abstract norms; we must engage them at the level of local realities. You need to demand support from allies like RRI!

The case studies we will hear today need to make it into daily papers, talk shows; they need to attract media attention. We need to go beyond niche media. In places like Acre, where there is government support, get the government to talk to other governments. We need to invade communication platforms and make the case that good governance is good for all.

Patrice Pa'ah

Agro-Forestry Cooperative of the Tri-national CAFT, Cameroon

The Agroforestry Cooperative of the Tri-National (CAFT) is an incipient community forestry cooperative enterprise in Cameroon. Its situation exemplifies both the opportunities for CFES in Cameroon as well as the conceptual problems with the current model of community forestry in Africa: most forests continue to be designated for protection, state management or large commercial concessions and flexible support to communities is still limited.

Despite a process of reform, community forests make up only 1% of the total forest area in Cameroon, with protected areas covering 31% and concessions 64%. Community forestry emerged as a reform to aid in poverty reduction during the economic crises of the 1990s.



Photo: A. Martin

CAFT was created in 2004 in the Ngoyla region of southeastern Cameroon, including nine villages and about 20 000 hectares of forest lands. Communities are in charge of their own timber harvesting and CAFT handles collection, stocking, processing and the marketing of semi-finished and finished products. The communities lack skills, working capital, knowledge of markets and quality demands and are distant from the export markets for their high-value tropical woods. So far, CAFT has been able to consolidate a social organization for the enterprise and begin a process of positive development.

For future success, CAFT will need to build skills that are currently provided by outside experts, continue partnerships but ensure a strong ownership of the process by the communities, promote more favourable forest regulations that contain the costs of production and promote government investment, and provide flexibility to strengthen local institutional models.

Somying Soontornwong

Ngan Panansalan Pagasabangn Forest Resources Development Cooperative (NPPFRDC), the Philippines

By the late 1960s, commercial logging was being widely promoted as the economic lifeline of the Philippines and exports of logs and lumber accounted for around 33% of all exports. However, by the mid-1980s, widespread forest reduction forced the country to ban the export of logs from natural forest. The Department of Environment and Natural Resources (DENR) stopped issuing timber license agreements (TLAs) and no longer renewed existing TLAs when they expired. The number of TLAs dropped from 422 in 1973 to 16 in 2003, with a corresponding increase in community management. By 2003, some 5503 community sites had been registered with a combined area of 6 million hectares under about 3000 people's organizations.

One of the first community-based timber enterprises to emerge in this process was the Ngan Panan-Salan Pagsa-Bangan Forest Resources Development Cooperative. With promotion by the government, the cooperative was formed and registered with the Cooperative Development Authority in 1996 and awarded the status of Community-based Forest Management Area No 11 on 4 December 1996, with rights and responsibilities for the management and protection of 14,800 hectares of forest. The enterprise utilizes both natural forest and tree plantations and was SmartWood-certified in 2000, the first community enterprise to be certified in the ASEAN region. The enterprise has 324 members, 40% of them Indigenous and the remainder recent migrants.

The cooperative is managed through a general assembly, an elected board of directors (currently with three women and six Indigenous members) and an appointed general manager, thus marrying a cooperative structure to a business structure. Harvesting is done by contractors and the sawmill is run by the cooperative, thus distributing the employment benefits of the enterprise.

The enterprise has operated without external assistance since its establishment; of the net profits generated by logging, 60% is ploughed back to forest development, 10% is kept in a reserve fund and 30% is allocated to livelihood activities. The total value of forest charges remitted to government was around US\$125 000 between 1997 and 2004.

Although employees have had to work as volunteers in difficult times, overall the enterprise has generated significant benefits: profits, employment, start-up capital for other ventures, demand for businesses in the community, and environmental improvements.

There are still significant policy and legal gaps, including regular national blanket bans placed by the DENR Secretary on resource use permits, limits on additional wood-processing plants that would allow the community to add value to their products, an onerous compliance certificate on top of the community management framework requirement, and so on.

Charlotte Benneker

Agroforestry Association of Tumupasa (AGROFORT), Bolivia

Policy reforms in Bolivia in the 1990s opened the door to community and farmer participation in forest management. In response, Indigenous and peasant groups applied for forest-management and harvesting rights in areas that were formerly designated for industrial forest concessions. These areas were generally managed extensively, providing the state with poor revenue returns, or were high-graded and poorly managed. Forest concession reforms increased stumpage fees and replaced government surveillance with voluntary forest certification schemes. In addition, responsibilities for forest oversight were decentralized to municipal and departmental governments that were much closer to the forest areas. The Bolivia Agroforestry Association of Tumupasa (AGROFORT) is an association of rural people who organized as a forest enterprise. Since they are mainly Tacana families residing within the boundaries of an Indigenous reserve, the government has designated them as a social association within an Indigenous community territory.

Because of the newness of the policies, institutional overlaps, and confusion over AGROFORT's status, the Association had to weather a five-year approval process before it became formally recognized by the state. It manages an area of 5000 hectares. There is great potential for the enterprise but it faces many challenges. Some are bureaucratic: required, for example, is a forest 'patent' per hectare harvested, permits for the transport of the products, a fairly expensive management plan, the hiring of a professional forest engineer, and heavy machinery (because chainsaw mills are forbidden). In addition, the enterprise is dependent on private-sector buyers to provide working capital. The enterprise sells to export markets and road transport contracts can be difficult to negotiate. With neighboring associations, AGROFORT is advocating the simplification of regulations, their tailoring to meet local needs and capacity, and support for market and service access.

Abdon Pardo

Community leader, AGROFORT, Bolivia

Our forest management plan was approved in 2001. We started with 21 people and now there are 16 of us. It has been a tense process, trying to create an association. We received support from USAID-Bolfor and from the new law, which allows for the commercial use of the forest. The main difficulty we face is land invasion by outsiders, taking up to 2000 hectares of the 7000 hectares we have. We want to prove to the government that forest communities under the Indigenous community territory regime have the capacity to generate jobs.

When we started this process, we saw it as an income alternative to other practices but it hasn't quite worked as we expected. Before, we managed the forests but sold the timber illegally and for more; now we sell to a private company and have had to modify the way we work just to break even. We have had to re-strategize, buy equipment and lower our revenue expectations. We are an example for other communities in Indigenous community territories, which hopefully can learn from our mistakes.

Ruben Gomes, Escola Luthera

Working Group on Community Forest Management, Brazil

There are two main social movements concerned with tenure and access in Brazil. One of them fights for access and the direct use of the land, but forests are not the focus. The other is of fundamental importance in the state of Acre. In

the 1980s, Nilson and Paulo—who are here at this conference today—and Chico Mendes fought to preserve the forest and get recognition of their rights. During that time, the National Council of Rubber Tappers (CNS) was established. In 1992, the global environmental movement came to Brazil for the Rio Earth Summit. Afterwards, the Brazilian government started looking for partners to implement the commitments made at the conference. In early 2000, the government created the program Promanejo, with particular attention to the Amazon region and the implementation of community forest management initiatives. From 2000 to 2005, KfW, a German development bank, provided €5 million for research and public policy development. Social organizations like CNS and the Amazon Working Group (Grupo de Trabalho de Amazonia—GTA), the group I represent, participated in the working groups to develop these policies in different forums and commissions. The need to create a national-level commission emerged within the government and CONAFOR was created to take into consideration the tenure needs of Amazonian communities. The process, which began in 2003, was finally approved in 2005 and, since then, we have been working to implement this law.

The majority of the forests in the Amazon is in community hands, be it Quilombola, Indigenous, or communities in general. The state needs to be more nimble in implementing actions. It is going in the right direction and the working group presented a letter to the Minister of the Environment to create public policies that support community forest management in the Amazon.

I would like to pause briefly in memory of our partner, Vanessa Sequeira, who was murdered last year in this state.

Working group session

The fourth working group session was convened on the topic *Tenure, access rights, and regulatory frameworks*. Five working groups discussed one each of the following sub-topics:

- tenure recognition and tenure security;
- regulatory frameworks for access and use;
- forest management plans;
- transport infrastructure and regulation; and
- trade restrictions and taxation.

AFTERNOON SESSION

Key barriers and constraints and potential solutions to support the emergence and growth of CFEs

Keynote address

Silverius Oscar Unggul

JAUH, southeast Sulawesi, Indonesia

Silverius presented a video before his oral presentation that showed constraints against legal forest operations.

Communities feel alone, unconfident. They lack information and technical capacity. To understand policy, we must identify the key actors first. At the local level, we have local communities, local governments and local NGOs. At the national level, we have national networks of communities, national governments, and national NGOs or NGO networks. At the international or regional levels, we have international/regional networks of communities, international/regional government associations like the United Nations and ITTO, and international NGOs like RRI.

The next three issues to understand are quantity, quality and sustainability. Regarding quantity, we see from Augusta Molnar's study that the potential for CFE growth is huge, at about 82.5 million hectares not including my country, Indonesia. Based on the production figures we saw at the community wood factory in Xapuri, where average production is two cubic metres per hectare per year and we multiply it by the potential amount of forest that could be managed by communities, we come up with: 165 million m³ per hectare per year. And, if we include Indonesia, this could equal 195 million m³. Clearly, these figures demonstrate the enormous potential for CFE growth.



Photo: A. Sarre

In terms of quality, we want to ensure that we do not support the production of blood wood; but we should support good wood. Blood wood comes in direct conflict with local communities; it is not based on the principles of sustainable forest management (SFM) and the forest is just used for timber extraction. Good wood, on the other hand, does not engender conflict, promotes multiple uses of forests and SFM, and is FSC-certified. To ensure sustainability, we need a secure and continuous supply of timber for industry from a sustainably managed source.

The last topic I want to discuss is capital. I do not mean the capital you might get in a bank but the capital that can be created through the relationship between community, government and business. There is private-sector interest in establishing good relationships with communities and promoting joint investments. However, relationships are unequal. Companies receive a 60% down-payment for their products; communities do not get that, the middle men do. Why don't communities get that? Policy, market, capital: these are the key factors in promoting CFEs.

Kanimang Camara and Kebba Marong

National Consultancy on Forestry Extension Services and Training, Community Forest President, Jassobo Village, Lower River Region, Gambia

I, Kebba Marong, am the chairman of 26 villages, which are managing 47 000 hectares of forest. During the process of community forest management there are bound to be constraints, but we came up with some solutions to address these constraints.

Community forest management was introduced to my country in the last decade with the aim of protecting the forest. During the first phase, NGO and government workshops and campaigns were used to increase awareness in the community about the need to protect forest resources. Before the introduction of community forestry there was a lot of destruction but, when it came in, it actually improved the ecological condition of the forest.

What are the constraints and solutions? One of the initial constraints was access to start-up capital, or seed money. We overcame this through the use of village development funds to finance some of the enterprises. Another constraint we face is rampant forest fires; a significant fire can wipe out the enterprise. So we took an integrated approach involving many villages in order to instigate control at a wider scale. Production was hampered by a limited natural resource base. For the first few years, the communities worked to replace forest off-take in order to preserve community resources.

We have had some administrative problems, too. The process of handing back forests to communities takes two to three years by law but, in reality, it takes longer than that. In order to reduce the time, there have been attempts to include other actors and to make the process more transparent.

There is limited government investment in the community forestry program. Each district organized itself in order to lobby parliamentarians to reduce bureaucratic procedures and, as a result, a parliamentary working group was set up to address just that. Another issue is standards, such as for truck loads: there is a lack of clarity on that. Some villages level accusations that the association created



Photos: A. Sarre

standards to prevent vendors playing with the system. The Forestry Department has created a system by which village promoters work with the communities in the collection and analysis of market information. The association was responsible for the marketing of products like honey. They are producing legal products, but there are also a lot of illegal products coming out of state forests at low prices. So, with government help they are trying to crack down on illegal forest products. Finally, there are some emerging lessons: community involvement in the process is the key to successful development enterprises. Local ownership is also critical, as well as strong capacity-building, both horizontally and vertically.

Netra Timsina and Guman Dhoj Kuwart Chhetri

Forest Action Nepal

The Chaubas-Bhumlu sawmill was the first community sawmill to be approved in Nepal and the only instance in which forest user groups have been given permission to manage a vertically integrated timber operation on their own, despite 30 years of community forestry. The four forest user groups with legal rights to manage their community forests grouped together to address the fact that they were getting a terrible price for their harvested wood. They decided to add value by developing a sawmill. In getting the needed permission from government to do so they were assisted by a long-standing, donor-funded forestry assistance program in their region. Each group harvests its own timber and brings it to the mill for processing into sawnwood and by-products. Sawnwood is sold in the nearby Dolaghat collection centre, while some roundwood is classified in the centre and sold at higher prices in Katmandu and other Nepalese timber markets.

The mill has had many impacts. It has allowed the regeneration of the natural resource base and led to increased biodiversity. It has made funds available for the silvicultural treatments needed to improve the forest resource and facilitated the introduction of a formal logging management plan. It has generated new economic activity, social capital for enterprise members, and new initiatives for social development, such as a high school, roads and electricity services. Members have also increased their skill set—technical, business, managerial and marketing. The enterprise has had a strong focus on equity and, while there is much more to be done on this front, women and marginal groups have been specifically targeted.

The enterprise still faces constraints. There is a need to invest more working capital in diesel and better machinery. Barriers created by onerous government regulations, technical guidelines and stumpage taxes, as well as by additional requirements imposed by local governments, must be overcome. Finally, internal conflicts among the members need to be addressed.

Jose Luis Mendoza Santillan

San Pedro Jacuaro, Michoacan, Mexico

I will talk about the town of San Pedro Jacuaro, which has 1781 inhabitants and three types of tenure systems: communal lands, *ejidos*, and small land-holdings. Records of the legal existence of this place date back to colonial times, when the Spanish Crown recognized the Indigenous Purepecha peoples' territory in 1750. Two hundred years later, the federal government awarded land to communities with which to create *ejidos*. We currently have 85 *ejido*-holders. We have pine

and oyamel forests extended from 2000 to 3500 metres above sea level and we manage 1800 hectares for commercial purposes. Our average volume is 8000 m³ annually and we work under 10-year plans. We also extract 6000 kg of pine resin annually. Families have their own carpentry shops for making furniture. Forestry operations generate 39 jobs and the sawmill 30.

Since the 1980s, we have also been working on tourism-related activities. We have a vacation/camping centre where visitors can go to hot springs, use hotel facilities and campsites, and swim in our pools. We also have a restaurant and a climbing wall. We do trout farming; we have an artificial lake for water sports and hiking trails, too. This tourism centre generates 30 permanent jobs and an extra 30 during the high season. The centre is visited annually by about 100 000 people, generating revenues of around US\$300 000. Tourism represents half of our income, followed by forestry (30%), sawmill operations and timber transport.

We hold regular general assembly meetings. Finally, I would like to say that San Pedro Jacuaro awaits you with open arms, so come visit us. Thank you.

Brigido Orellana

COINACAPA (Coop-Integral Agroextractivista Campesinos de Pando Ltda), Bolivia

We are a cooperative of farmers that was formed in 2002 with 45 members (men and women) as a reaction to inequalities caused by intermediaries and private companies. We currently have 370 members in 34 communities and one Indigenous community. We used to rely on intermediaries; now we sell directly to consumers. When we started we exported brazil nuts in one container; now we use 16 containers.

The Center for International Forestry Research supported us in a community mapping exercise. We have created a management plan for one community and built a storage facility. We have signed a tri-national agreement with other brazil-nut producers in Peru (ASCART) and Brazil (CAPEB), and we conduct community exchanges with them. We also conduct workshops with our members on extraction and handling to maintain our organic seal. We started a campaign for sustainable brazil nut production, which includes a guide to keeping the nut clean and safe.

We have other economic activities, such as açai extraction and fish farming, that are gaining attention. As a cooperative, our new strategic priorities include: the construction of a processing plant for brazil nuts, improving quality, more effective commercialization, and improved forest management plans to ensure sustainability for future generations.

Fellow communities, the time has arrived for community enterprises to unite in their efforts to compete with conventional private companies. Thank you.

Raimundo Tavares Lemos

COOPERFLORESTA, Acre, Brazil

Cooperfloresta, a forestry cooperative in Acre state in Brazil, became a legal entity in August 2005. Before then, we used to sell our products as a community group. The community is responsible for conducting forest inventories. One of our initial difficulties was the lack of financial capacity. We also work on other economic



Community education: In Gambia, NGO and government workshops and campaigns have been used to increase awareness in the community about the need to protect forest resources. *Photo: Wolfgang Thoma & Kanimang Camara (FAO)*

activities since we cannot depend solely on wood to survive and the forest would disappear. This is a complementary activity, since we also commercialize brazil nuts, rubber and small-scale agriculture.

We have improved our living and working conditions through many years of struggle. The government is now supporting us a lot. Community organization was also a key factor. If we had not organized, the government would not have helped us. However, a lot more is needed.

License fees are economically burdensome, and our work to certify operations has not simplified things, either. It would be very useful if logging permits were created just for communities; this would greatly simplify things. We created our cooperative to sell timber but if we cannot get the license we cannot sell the product. These types of bureaucratic hurdle provide incentives for clandestine activities. If we don't get the permit, some members are saying they will stop working with certified forestry because it does not help. Hurdles like these discourage people who try to do things right and it will end up hurting the forest, too, but we need to work with all sectors of society.

F. Hiol Hiol and Mgabamine Zacharie

Artisanal exploitation in a community forest in Cameroon: the case of Medjoh

Our project was initiated at a consultation meeting in 2000 but the first sale didn't occur until 2006. The process was lengthy because of strenuous and changing administrative requirements, internal conflicts within the community, a lack of financing, and flaws in the management plan, which was too similar to that of a large forest concession.

Initially, the cost of equipment and administration was higher for the community than if the work had been contracted out to a third party, but it led to better

employment opportunities, higher prices, and ownership of the process. A partnership with the forest company Pallisco was created to get sawing equipment and training. The operation has created 16 permanent jobs and 20–30 temporary jobs. The export market provides much higher margins than the domestic market, but transportation is an issue because check-point fees for community timber are very high.

This example shows that community forestry can help provide jobs and reduce poverty. However, it is an isolated case because it benefited from strong support from both an industrial partner and the international donor community. For it to be duplicated there needs to be a simplification of administrative processes, a decrease in bureaucratic requirements and transportation fees, and an overall clarification of legal and fiscal conditions. Otherwise, Cameroonian community forestry will remain largely illegal.

Working group session

In the fifth working group session, three working groups—community representatives, civil society, and government representatives—convened to discuss their conclusions on and solutions for overcoming the key barriers and constraints to the emergence and growth of CFES.

Community recommendations

Five break-out groups of community leaders prepared and presented recommendations organized around the five key themes of the earlier sessions:

- organization of CFES;
- finance, credit and investment;
- enterprise structure and productive systems;
- market relations; and
- legal issues.

Within each theme, communities prepared specific recommendations for governments, civil society, themselves and ITTO. Parallel to these meetings, government and civil-society representatives met separately to prepare recommendations for their own groups based on their conclusions and the outcomes of the previous days' discussions. All recommendations are summarized beginning on page 26, following a synopsis of the deliberations of the panel of government representatives.

Government panel

Salvador Anta Fonseca

Mexico

Fifteen million people live in forests in Mexico. Of those, there are 43 Indigenous groups totaling 5 million people. To a large extent, the changes we have witnessed have been the result of the vision of policy-makers and the pressure of social movements to effect change. One cannot say that there has been a constant vision throughout the history of tenure changes in Mexico. Increasingly, programs aim for simplification. We still have not reached our end goal, but we are moving in that direction. The idea is to facilitate and simplify the rules of operation. We have mapped, geographically, a human development index and our goal is to target those communities with the lowest scores against the index. The last batch of application forms for the PROARBOL program that came in were divided by gender. We have seen a lot of immigration from rural areas, but the percentage of women presenting projects (49%) was impressive; moreover, 17% of applications came from Indigenous groups.

Roberto del Cid

Guatemala

I do not have a formal presentation but I will do a quick review. The participants at this conference reflect what Guatemala has gone through since 1996. In that year, the Peace Accord was signed following 30 years of struggle against political conditions that widened the gap between the rich and poor. Civil society played a key role in developing the Peace Accord.

The displacement of the rural population to other countries and the creation of communication networks to coordinate efforts were key to establishing a basis for large-scale coordination. During the dictatorship, which began in 1982, many government bodies were eliminated. The 1985 Constitution addresses the issue of deforestation as a national priority and, in 1996, the Social Forestry law was enacted. Under this law, a series of capacity-building and technical assistance commitments have emerged to promote forest conservation and sustainable use. In addition, the law establishes that 1% of federal income will finance activities for collective properties, including municipalities.

A series of mechanisms were created to support income generation in communities while controlling the expansion of the agricultural frontier. The Government of the Netherlands earmarked funds to support small-scale forestry with the condition that all beneficiaries must have title to the land. Within the Ministry of Agriculture, there is a program on basin management. As part of the strategy, a series of legal instruments has been created to decentralize decision-making to the community level.

Marcia Muchagata

Brazilian Forest Service (SBF), Government of Brazil

Fifty-six per cent of the Brazilian territory is forestland. The forest sector is responsible for 3.5% of GDP and 8.7 % of exports. In total, it generates two million direct jobs.

Brazil wants to establish long-term concessions in public forests for commercial and social use and conservation with a diverse set of actors, many of them community actors. A law for the regulation of public forests was approved in March 2006 after eleven months before Congress, multiple public consultations and 13 public hearings.

We currently have 844 units of public forests under community management, equaling about 132 million hectares. Separately, 63 designated national forests are in the process of being transferred for management by third parties, including communities.

We also have a large number of spaces for society to discuss forestry issues, but sometimes these are conflictive spaces. They include: the National Environmental Council (CONAMA); the National Council for Forests (CONAFOR), which defines the regulations; the National Commission for Public Forests (CGFLOP), a new body created by law that also can define regulations; the National Council for Biodiversity (CONABIO); and the National Council of Traditional Populations (CNPT).

In addition, local participation in the development of forest management plans occurs through councils for extractive reserves (RESEX) and national forests. Finally, there are participatory spaces for other projects and the declaration of protected areas.

In the last four years, public spending on family and community forestry has increased from 2 to 20 million reais. We also have funds for projects, a program to support forest management, demonstration projects and agro-extractive projects. The challenge is to guarantee these funds in the medium and long terms. All these projects are selected through an open-call selection. Most mechanisms like these are short term; there are some longer-term proposals from Minister Marina Silva, but these have not yet been established.

Anicet Jean Léon Minsoum'a Bodo

Cameroon

I am director of community programs and I would like to talk about community management. Cameroon's legal framework allowed the country to become a pioneer in the Congo Basin. This happened in two phases: a) community forest management: this was uncommon for local populations to practice: it happened with external assistance but had limited funds and, when the assistance ceased, the program became problematic; b) today, communities are taking ownership of the process but financial support is decreasing.

The excitement within communities around management continues. I contributed to this excitement with the new legal framework, which created a program to deal with problems confronted by community forestry, including illegal loggers. We look for the most appropriate way forward for them, and communities have choices among a variety of options. We have credit lines that can be paid after one year; we also have a sectoral program for forestry. There is a common fund for communities, with 50% of the income received from industrial fees. This is allocated to municipalities and another portion goes to communities. An external independent observer ensures that forest management operations are appropriate. In 1998, 330 communities had received approved permits for timber extraction. In the past few years, 650 plans have been approved and 337 are waiting approval. One hundred and nine public forests have been granted to communities.

Constraints: In general, we face three main constraints in adapting the regulatory framework for communities. We have many ecosystems under the same framework; thus, negligent use is common. The government does not have the resources to prepare management plans for communities. For the Government

of Cameroon, it is important to participate in events like this that encourage the exchange of information so we can improve natural resource management and local development. We are aware of the proposals made here as well as the problems identified. I wanted to present you with more information but unfortunately there is insufficient time. Cameroon is committed to producing a manual with regulatory procedures for community forestry and civil-society participation. We will take into account what was discussed here when we produce this manual.

J.V. Sharma

India

The Government of India has empowered the forest-dependent and forest-dwelling communities with habitation and occupational rights on forests through national legislation called the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act 2006.

National initiatives are in place to encourage local communities to form village-level institutions known commonly as joint forest management committees (JFMCs). The general body of a JFMC consists of all willing adult members of the village and is chaired by a president elected by consensus. There is an executive body for day-to-day functioning. Provisions in the policy guidelines aim to ensure the effective and meaningful participation of women and other disadvantaged groups.

There are three distinct types of rights to forests: 1) individual or community; 2) forest-dwelling scheduled tribes, which reside primarily in and depend on forests for *bona fide* livelihood needs, including pastoralist communities; and 3) other traditional forest-dwellers who, for at least three generations prior to 2005, have resided primarily in and depend on forests for *bona fide* livelihood needs.

So far, JFM has been the main strategy for forest management. All states have issued guidelines to adopt JFM and many have revised these guidelines. Emerging issues include: conducting qualitative evaluations; capacity-building in JFMCs and the Forest Department; the devolution of JFM and closer alignment with poverty alleviation programs; ownership of NTFPs; legal back-up for JFMCs; adding value to NTFPs; and upgrading technology.

The role of NGOs in JFM has been through research, documentation and policy analysis. NGOs have also facilitated forest products-based enterprises, especially linking NTFPs to markets and strengthening institutions.

New legislation is under development to provide occupation and habitation rights to forest-dwelling and forest-dependent communities, to empower people for the ownership of NTFPs, and to provide tenure rights.

Prakesh Sayami

Nepal

Nepal's forests occupy 5.8 million hectares. The concept of community forestry emerged in Nepal in 1976 and was formalized in the current policy in 1987–90. From 1991 onwards, forests have been managed by the community as community forests. Forest user groups are recognized as independent, self-governing entities with perpetual succession. Any part of government forests can be handed over to those communities that are traditional users of the forests. The government provides rights to forest user groups to manage and use their community forests as per their constitutions and operational plans. Forest user groups can have a fund of their own and all income from the sale of forest products goes to that fund; they can freely set prices and find markets for their forest products. There are currently 14 337 community forest user groups, 784 of them composed solely of women. Thirty-nine per cent of the total population, or 1.65 million households, is involved in this activity. About one-fifth (20.5%) of the national forest area has been handed over to communities. Of those 1.22 million hectares, 22 880 are managed solely by women.

What are the results? Forest degradation trends have been reversed and forest conditions have improved. Production has increased and the subsistence needs of



Photo: A. Sarre

many users fulfilled. Support has been provided for the promotion of livelihoods among the poor, and capacity at the local level has been strengthened. Many forest-based enterprises have been developed and the participation of women, the poor and other excluded groups has increased. Access to forests by the poor has improved and there has also been an increase in alternative energy use. Wildlife has reappeared, ecotourism operations have been developed, environmental services and benefits are being provided, and encroachment has been reversed.

Many challenges remain. For the poor, women and other excluded groups, they include improving access to decision-making, infrastructure, group funds and forest land and forest products. Challenges in SFM remain with regards to the backlog of operational plans, insufficient knowledge of NTFP cultivation and marketing, and the under-utilization of community forestry. Finally, we need to work on identifying, demonstrating and replicating poverty reduction practices.

Rosalie Matondo

Republic of Congo

There is a government program for communities and plantations on private lands. Communities participate in the restoration of degraded forests, work on agroforestry plots, and receive training from technicians on plantation techniques. However, the forest code stipulates that any person that plants a tree (be they Congolese or foreigner) has usufruct rights to the land. Owners therefore don't want forests planted on their lands because they are afraid of losing their rights to the land.

There are 1.3 million hectares of forest under concessions for reforestation and agroforestry. All production is exported, although 85% undergoes local processing. FSC certification was awarded in July 2006. These activities generate 2000 jobs.

The forest code has important implications for local populations given the overlapping of legal measures. How do you ensure community benefits when they are acting illegally given the mixed legal framework? Currently there is no legal recognition of overlapping customary rights.

In contrast to our Cameroonian neighbors, we do not have community activities because we have decided to work with individuals. The state is the owner of the land, but the individual can buy the land by occupying it, producing something on it for five years and paying the cost of the title. Communities cannot afford this luxury. Legal conflicts over land have shown that community rights have not been respected. There is a popular notion that traditional agriculture cannot be affected, yet any subsistence activity requires authorization. People are afraid to make money from the land because they will be required to show a land title. We are trying to see how FSC social protection stipulations could address this issue.

Jan McAlpine

Former chair of the International Tropical Timber Council

I am out breath and feel like I have been running behind the Tour de France. You worked so hard to make yourselves understood despite language barriers and you never gave up. I am not here to respond to panelists but to comment on the conclusions and recommendations that you have made and how these might impact on ITTO. As Sobral said, the recommendations you have made here will be taken to the Council this year. The question is how you might be able to obtain support for implementing at least some of these recommendations.

ITTO can promote the concept of benefits of community enterprises globally. You recommend a follow-up conference to review progress towards greater support for CFES. Unquestionably it is within ITTO's mandate and scope to put on such a conference, but a lot more thought needs to go into what such a conference might achieve.

How to get support to facilitate such a conference? Marketing the products coming out of CFES is a key issue. It is important to focus on tropical timber exports and their flow into consuming countries. The big challenge is to think about how to differentiate CFE products from other products: are they parallel or complementary?

In the legal area we need to talk about proposing that ITTO support studies and analyses on land tenure and community forestry. One of your recommendations to strike me is that ITTO could globally promote the benefits of community forest management. That is entirely within its scope and this event is proof of it. Again, a lot more thought needs to be put into what you want to achieve from such promotion.

The DRC minister came away impressed by the wealth of knowledge captured in this workshop. Among the challenges is identifying the countries and regions that need timely attention, and where the money for this set of initiatives will come from.

Creating funds is a popular recommendation, but we need to think about who will create them. Flexibility is also needed in what your thinking is on a fund. Funds could be used for CFE development, training and exchanges. Focus more on the activities and things that you would like to do. In fact, ITTO already has a fund and perhaps there is no need to create a new one. The existing fund needs to be continually replenished, however, and thought should be given to how some of the money in it can be channeled to CFES.

Every government represented in this panel is a member of ITTO. How do you get your interests represented by your government and in the role it plays in the International Tropical Timber Council? Finally, who funds ITTO? Japan,

Switzerland and the USA are the main donors and the Netherlands seems to be coming on board. More reluctant are other European countries.

You have a lot of homework to do to be sure that people have heard these recommendations and that you have a strategy to advance your agenda. This is a powerful assembly and can have a tremendous impact. You should also work with NGOs like RRI and IUCN, which have a vested interest in advancing your community forest agenda. They can be effective lobbyists because they work with government and other actors in a way you don't. I know that the Council will be helpful and willing to cooperate with you.

Discussion

Comment 1: I am concerned about the lack of representation from Africa.

Comment 2: Jan McAlpine said that there needs to be an agenda for the next Council session. I think we can work on this in the future together but would like to ask governments if it will be possible to get to the next session with a good agenda in place.

Response from the Government of Brazil: The Brazilian government has the serious intention of discussing the outcomes at the next session and defending the recommendations. We have had conversations on how to create measures to support civil-society participation. It is important for the other governments to do the same, since this type of agenda is seldom discussed in Council sessions.

Response from the Government of Mexico: These types of event, in which governments are now active, reinforce our preparation for Council sessions. It definitely helps to know that there are global and regional trends which support patterns in our own countries. Community forestry is already part of the Mexican agenda but it helps to know that there is a worldwide movement.

Closing remarks

Andy White: What is RRI? It is many organizations dedicated to helping governments and communities figure out ways to move forward on this issue. As you know, this conference has been about three years in the making, so there are lots of people to thank. I would like to thank Sobral, Alastair and Patty at ITTO; Alberto, Shyam and Patrice at GACF; and the Government of Brazil. I would also like to thank a few people at RRI, most notably Augusta, who led the design of the study and the conference, Tania, Megan, Andrew Davis for working night and day organizing flights, and Alejandra Martin.

Most notably and importantly, I would like to thank you, the participants. I was surprised to see the level of interest even now. The room is still full. You were very active and this is very inspiring. Thanks to all of you.

One final comment on some of the things I learned this week. You are the face of tropical forestry. As Jan and Marcia said, community forestry is the future of forestry. I say 'the face' because when people say forestry, big industry comes to mind, but I think the image of you is more accurate than the face of forest industry.

If you look at market and political trends, you are the future of both. Big industry is leaving natural forests and, increasingly, it is communities who are managing and commercializing these forests. Yet you are not fully supported by government, industries or NGOs. The case studies this week show how incomes have doubled and how communities have schools and clinics and vaccinations because of your work. This is a tribute to you and this has been very inspiring to me and to everyone at RRI.

In places like Paris, Brussels, New York and Washington, rules on climate change and biodiversity are being created. I don't think people in these places fully appreciate or understand the role that you play; they need to talk to you. This event in Acre has shown the power of people to move this agenda forward.

The government representatives present and ITTO will be fully cognizant of the contributions and recommendations of this event. Until we see each other again, good luck to all.

Alberto Chinchilla: I would like to thank, in particular, the Secretariat of Forests of Acre and the logistics team for supporting us and trying their hardest to make this event turn out well. I would also like to thank RRI. For us in CSAG it has been very advantageous to witness these exchanges of knowledge, challenges and successes, and I think as CSAG we have achieved one of our objectives within the ITTO to make space for civil society.

I think this event marks a new phase. We leave feeling very enthusiastic and we take home many realistic and optimistic requests generated by you all. We thank the hospitality of the people of Acre, the communities and the people who shared their experiences with you.

I would like to thank the press for its coverage. I have never seen anything quite like it. For us, the press is a strategic ally in this community movement. Thanks to the government representatives, to donors, to universities and the different organizations who have supported this event in any way. I would also like to thank the facilitating team and all of you for sharing this new phase of community forestry and the hopeful message that we will take back to our communities.

Carlos Vicente, representing Brazil's Minister of the Environment, Marina Silva: On behalf of Minister Marina Silva, I would like to thank the government of Acre and all its agencies that have been involved. Marcia Muchagata spoke very highly of you. She said you were fantastic and the work here is to a great degree thanks to your hard work.

I would like to say that for the Brazilian government this event is extremely important. A platform was created to share experiences and address the challenge of promoting community forestry and the protection of forests worldwide. The proceedings will be used as a fighting flag within the social movements and, above all, the Rio Branco Declaration shows an ethical dimension.

Participants spoke about the importance of having productive activities that conserve forests, but at the same time you spoke of the difficulties in gathering support. Yes, we have technical issues, but solutions for those already exist; but we are at an ethical crossroads. We know what we need to do; now it is important for all parties to do their jobs. When Minister Marina Silva met with the Brazilian participants they presented her with a letter in which they spoke of the importance of creating a national policy for community forest management. When we return to Brasilia we will speak to various sectors and we will include your letter in the monthly meeting to begin discussions on this national policy. This document will be a very useful input to the policy.

Countries like Ghana and South Africa presented a proposal to work jointly in the development of a cooperation agenda; as soon as we return to Brasilia we will get started on this. Finally, I would like to thank all community forest managers for conserving our forests and wish that all of you return back home in peace.

Manoel Sobral Filho: If it weren't for the support of the government of Acre, if it wasn't for the community forest management policy created in this state over eight years ago, we would not be here today. We also have a person from Acre as Brazilian Minister of the Environment; this would not have been possible without the contributions of this state.

I would like to thank all the people that made it here. I know many of you traveled 40–50 hours, some even by boat.

If there is one thing I regret it is that this conference happened too late in my tenure in ITTO. The logistics were very difficult—as one of our partners said, it took three years to make this event possible—but we are very pleased with the results. I have been working for ITTO for 20 years and participated in over 200 events but I never saw a more dedicated group. I am very proud of all of you.

The main thing is the recommendations that emerged from this event. The recommendation of Minister Marina Silva to create a thematic program for

community forest management within ITTO will, I assure you, be implemented. We will allocate resources for this in the next biennial work programme. It may not be much, but it will be a start. We need more information on how CFES contribute to economies; we still need to know more and to share information worldwide. CFES still have a long way to go, but the potential is great.

I would like to thank all of our partners. I won't list people by name to avoid the injustice of forgetting someone. I would like in particular to thank the interpreters, who worked very hard. I would like to thank Juan and his excellent team. I don't want to talk much more but I would like to conclude by saying that I did not want any international organization or government speaking at the event, only communities. Unfortunately, I was defeated in my request, but I think we created a good space for communities here and I hope that you will be able to maintain and expand this space in the future, including in ITTO.

Carlos Duarte (Government of Acre): I think that at the end of this conference we no longer have that division between governments, communities and NGOs. One key success in this event was the pro-community feeling; everyone participated and contributed with ideas and a lot of enthusiasm.

I would like to thank everyone and not exclude anyone. I would like to thank ITTO, the Ministry of Environment, and all of you who participated directly or indirectly. Everyone gave heart and soul to make this event possible.

I would like to apologize to the communities if there were any problems with the organization of the event. And now it is time to leave. Community groups can use the opportunity to present their contributions on how to improve the state of community forest management. Thank you.

Tribute to Dr Sobral



Andy White (left) and Dr Sobral speak to the press during the conference. Photo: A. Sarre

Andy White and Alberto Chinchilla

Andy: Alberto and I want to take this opportunity to say a special word of thanks to Dr Sobral. This is the last major public event of his career with ITTO, which has spanned nearly 20 years including eight as executive director. This fellow transformed ITTO. It was very conventional and not beneficial to conservation or people. But he embraced conservation at a time when it was not a popular thing to do in the Council. This is not

recent; he has worked over a long period to change perceptions within the Council. Alberto and I would like to acknowledge him and to offer this as a small token of our appreciation for his major contributions to tropical forests and its people. He says he will retire but I don't believe him. I got him dominos to play during his retirement. Thanks, Sobral, for all your service and many years of work.

Roberto del Cid, Government of Guatemala: We have been commissioned by the Government of Guatemala, through the National Institute of Forests, to recognize the work and support of Dr Manoel Sobral. We know that even if your mandate is coming to an end, you will always be a supporter. We present to you this plaque and a pin as a reminder of your commitment. Thank you.

Recommendations from civil-society organizations to civil-society organizations

A: Organization of CFEs and their relations with governments and NGOs

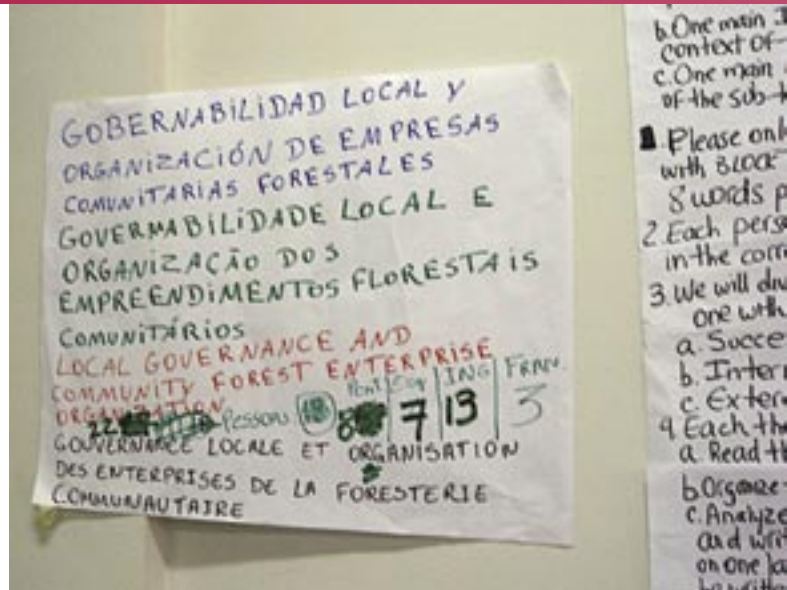
- Establish strong capacity-building programs in organization, financial administration and technical skills for communities by NGOs and governments based on the concept of village promoters
- Civil-society organizations should analyze their own technical capacities and address weaknesses through training, alliances, etc
- Civil-society organizations should analyze and modify their own internal structures to ensure decision-making processes are democratic and inclusive
- NGOs should promote policies that support the development and incidence of CFEs. For example: clear tenure contracts, access to credit, incentives, decentralization, less bureaucracy
- Analyze the motives and reasons for resistance to CFEs
- Build broad movements and strategies to confront and manage opposing forces
- Civil-society organizations and governments should facilitate the establishment and strengthening of strategic alliances of CFEs
- Civil-society organizations should recognize their roles as facilitators and support the development of CFE self-management

B: Finance, credit and investment

- Work with governments and national and international organizations to create appropriate lines of credit
- Register associations and individual community members
- Conduct a project/study on the economic viability of management on community premises
- Identify failures within the lines of credit and propose modifications
- Present the most appropriate lines of credit for different activities along the forest chain
- Give management courses on product chains
- Promote exchanges between communities with different experiences with access to credit and lessons
- Define mechanisms to establish taxes at appropriate scales for communities

C: Enterprise structure and system of production

- All NGOs should support and facilitate genuine networks of community enterprises at local, national and global levels
- NGOs should lobby states to stop subsidies to the private sector, where there has been failure, and instead channel these resources to community enterprises
- NGOs should support and negotiate reform in legislation to promote community enterprises with simple processes
- Economic justice: NGOs should work to defend the right of the state to protect community enterprises from unfair competition
- NGOs that have been active in the forestry sector need to reach and lobby NGOs from other sectors (such as human-rights NGOs) in order to quickly adopt the CFE agenda
- Environmental NGOs are underestimating the communities with their obsession for narrow technical options such as certification, which ignore basic issues of governance
- Enterprise-management NGOs should support capacity-building in CFEs to enable them to compete globally



Photos: A. Martin

- NGOs should change strategies to provide more support to local and national NGOs in order to embrace programs instead of merely strengthening themselves

D: Market relations

- National and local NGOs should create a socioeconomic awareness in order to stimulate a market-oriented economy
- Disseminate socioeconomic community issues so that civil society can pressure governments to adopt policies that will create socially and environmentally responsible markets
- Develop and implement a system of market information to generate, store and disseminate knowledge and information
- Develop competency in communities to generate and access market information
- Large international NGOs should promote the interaction between potential investors to supplant the necessity of community investment

Recommendations from government to government

A: Organization of CFEs and relations with governments and NGOs

- Develop policy and legal frameworks for the formal recognition and development of CFEs
- Create permanent and autonomous decentralized forest development agencies with sufficient economic resources
- Develop programs and policies to promote and consolidate CFE capacities for self-management
- Implement a permanent council that is inter-sectoral, deliberative and participative (government, NGOs, private sector, CFEs) with a long-term action plan (minimum of ten years) and duly monitored
- Create a business agency in charge of promoting and supporting the entire product chain of CFEs

B: Finance, credit and investment

- Support capacity-building in organizations and the capitalization of CFEs to improve financial administration
- Improve communication and collaboration with international and donor organizations
- Make information easily accessible to communities and civil society
- Increase credit, finance and incentives for CFEs
- Review and simplify the credit systems (subsidies, certification, incentives)



C: Enterprise structure and system of production

- Clarify policies regarding:
 - land tenure systems (property and distribution, rent, administration)
 - rights of Indigenous peoples and local populations
 - forest management systems (forestry systems, forest land assignment, production, protection)
- Implement policies, laws and procedures to decrease bureaucracy and corruption. Governments should encourage the participation of the population in the decision-making process and provide mechanisms for feedback on laws and regulations
- Provide windows of finance: This will require government funds as an assurance for the loans provided to CFES
- Create, improve and increase lines of credit to CFES
- Implement massive extension programs for the development of CFES, including on technical aspects of production systems, communal organization and basic aspects of the enterprises such as administration and legal matters. Formal education may be needed
- Drive investigation into and development of systems of production. Topics should include:
 - forestry of particular species
 - processing of new materials (take advantage of secondary products)
 - models of production for CFES
 - exploitation of products and sub-products of the forest and appropriate production models for CFES
- Intensify protection programs for the forest to control the illegal production of forest products. This activity could include the involvement of agencies at various governmental levels
- A window of services should be provided in order to eliminate bureaucratic limitations and reduce corruption
- Improve and construct roads or other means of transportation, communication and energy through the cooperation of local communities, government and the private sector to ensure that production is on time and transported efficiently to the market

D: Market relations

- Review existing forest policies and legislation through consultation with CFES, civil-society organizations and NGOs to ensure that government can respond to CFE needs;

- Establish a council for the commercialization of forest products in order to provide
 - market intelligence (prices, tendencies, markets, certification, etc)
 - advice to CFES to ensure good contracts and agreements for the processing and sale of forest products
 - advice on improvements in production and the capacity to market forest products
 - advice to the forest sector on increasing its contribution to GDP
- Establish a board of advisors made up of representatives of CFES, civil-society organizations and (regional) NGOs with the responsibility of implementing social and environmental programs in communities
- Ratify and implement international agreements, conventions and agreements related to managerial policies, the protection of biodiversity and respect for Indigenous populations

E: Legal aspects

- Identify the needs and difficulties of communities and implementing SFM before developing laws
- Ensure that laws go through a period of transition before coming into effect
- Ensure that forest laws are sufficiently rigorous to fight illegal logging
- Ensure that legislation recognizes communal rights to land and tenure and to the property of forest resources
- Develop appropriate institutional mechanisms to assist communities to implement SFM
- Explore financial resources at both national and international levels to support the development of capacity within communities to implement SFM
- Create spaces that make it possible for communities to develop the capacity to implement SFM
- Guarantee incentives for the conservation of forest resources by the transfer of a percentage of the financial resources resulting from the actions of agents of forest degradation

Recommendations of communities to governments, civil society, communities, ITTO

A: Organization of CFES and their relationship with governments and NGOs

Recommendations to government

- Ensure the rapid and effective legal demarcation of lands with forest potential
- Create incentives for forest conservation
- Encourage the creation of mechanisms for payments for environmental services
- Create a fund to attend to financial aspects related to environmental projects and community enterprises
- Ensure an equitable distribution of the economic benefits of community enterprises
- Develop greater efficiency in projects for the conservation of the environment
- Create mechanisms to make the market more just

Recommendations to civil society

- Work transparently with respect to funding
- Increase transparency mechanisms by which communities can monitor NGO activities

- Seek projects to support CFES in the implementation and administration of community forest management

Recommendations to communities

- Ensure that leaders consult with their constituencies before signing agreements with NGOs
- Seek training for leaders so that they are not manipulated
- Participate in the development of their own projects
- Give priority to projects that develop training, administration and organization

Recommendations to ITTO

- Develop closer relationships with communities and emphasize support to community forest management for the conservation of the environment
- Assist at the community level in aspects such as marketing, and make issues related to CFES known to the public at a global level
- Focus more on putting concrete actions into effect and less on debate

B: Finance, credit and investment

Recommendations to governments

- Pay full attention to the recommendations made at this conference
- Provide new mechanisms for financing community forest management with less bureaucracy
- Support communities with work tools and professional training with the aim of achieving greater success in the market

Recommendations to civil society/NGOs

- Facilitate the preparation of the proposals for CFE financing as well as the support, management and execution of projects
- Facilitate relationships between CFES and micro-finance institutions with the goal of accessing start-up capital with low interest rates
- Strengthen the capacity of communities in the management and zoning of resources

Recommendations to communities

- Promote mechanisms for community savings
- Develop market approaches with the goal of adding to the value of products and becoming competitive
- Consolidate good governance at the community level

Recommendations to ITTO

- Create a specific fund for the support of conservation, reforestation and the protection of small sources of water in communities
- Create a window of financing exclusively for community enterprises
- Fund a global study on the availability of financing for CFES with a view to establishing public and/or private financing schemes at national and international levels

C: Enterprise structure and systems of production

Recommendations to governments

- Improve public policies and incentives for SEM and reduce bureaucracy in the issuing of environmental permits
- Develop public policies that support community enterprises to organize themselves and provide technical training that increases autonomy in the administration of production systems
- Increase flexibility in regulating and conferring rights to land and property
- Develop studies regarding the value of the forest and its natural components
- Promote clear policies regarding community forest management and create laws that regulate access and use and support communities

- Prioritize applied research on products and environmental services and foster relationships between academia and CFES
- Clarify the regulatory framework and intensively promote payments for environmental services and the certification of community forest management
- Create a level playing field in the market that encourages fair prices for CFE products

Recommendations to civil society/NGOs

- Employ technical means to facilitate access to information and knowledge about the valuation of natural resources, establishing a web-based database
- Work with CFES to develop standards and clear rules that facilitate transparency
- Encourage clear and defined roles and responsibilities for better local government
- Create a level playing field in the market that encourages fair prices for CFE products

Recommendations to communities

- Resolve internal problems and offer compensation before adopting projects
- Propose laws and public policies and define the roles of government and the community (example: government payments for environmental services and the payment of taxes to society)
- Link with NGOs and national, international, state and local institutions to receive information and technology about management
- Execute technical, financial and administrative training projects and the loan of services to users
- Establish standards and laws about responsibilities for the administration of economic resources and improve the availability of information
- Procure information about markets and trends in the market
- Incorporate new methods and technologies for community forest management

Recommendation to ITTO

- Consider piloting specific infrastructure projects to support both timber and non-timber CFES

D: Market relations

Recommendations to governments

- Make funds available to support forest micro-enterprises (credit without interest rates)
- Pay dues to ITTO so that the countries they represent can access ITTO funds
- Pay for or support forest certification in order to better market products
- Create specific agencies for communities
- Simplify procedures for the authorization of management and commercialization

Recommendations to civil society/NGOs

- Be realistic in terms of market access for our products
- Provide continuous training to communities in such a way that it can be replicated by communities themselves to promote horizontal exchange
- Undertake long-term projects based on the desires and needs of the communities
- Support projects for the further processing of forest products with added value for communities



Rain forest: Late-afternoon rain falls on the Amazon River near Manaus, Brazil. *Photo: J. McAlpine*

Recommendations to communities

- Consider unified approaches to the marketing of communal products
- Exchange community experiences in accessing the market
- Improve community planning (emphasis in registries)
- Seek organizational and economic support to industrialize forest products that can be sold directly to end-markets
- Organize legally and seek financial support that is guaranteed for the quality and quantity of products
- Seek projects that assure the sustainability of the forest resource for the inheritance of future generations

Recommendations to ITTO

- Support programs to facilitate the commercialization and further processing of community forest products
- Support the channeling of incentives for SFM directly to communities (based on Costa Rican experiences)
- Create a database of community producers (products, forest estate, location)
- Promote increased awareness of community forest management between countries through the exchange of information and experiences

E: Legal aspects

Recommendations to governments

- Prepare national and local policies using consultative processes with communities and their federations
- Base policies on the principle that local communities and their people are those who really manage the forest. People and forests can live in harmony
- Prepare long-term policies to promote CFES

- Establish tax exemptions for CFES for at least 15 years to better enable CFES to compete in the marketplace

Recommendations to civil society/NGOs

- Influence policies through a global review of land tenure, trade and CFES
- Help make the voice of communities heard at national, regional and global levels

Recommendations to communities

- Conduct social campaigns to ensure that tenure and use rights are incorporated into constitutions and laws
- Make policies that are pro-poor, socially just and politically inclusive in the community
- Integrated the management of resources and the growth of CFES
- Practice democracy, good governance, gender equality and pro-poor policies

Recommendations to ITTO

- Introduce a thematic program supporting community projects including
 - forests and enterprises
 - policy, tenure and regulatory frameworks
- Provide CSAG with formal recognition within the ITTO policy framework and bring local voices to the national and global levels
- Organize and initiate sub-regional conferences and CFE workshops on land tenure to support CFES and an international conference to evaluate the recommendations made at this conference

List of participants

Joseph Peter Abbey, Ghana • **Adriano Aguiar**, Brazil • **Mario Aguilar Hernandez**, Mexico • **Anda Akivi**, PNG • **Andréa Alechandre**, Brazil • **Alfredo**, Brazil • **Jose Roberto Alulima Gordillo**, Ecuador • **Paulo Amaral**, Brazil • **Jefferson Amaro**, Brazil • **Isaac Roberto Ángeles Lazo**, Peru • **Kenneth Angu Angu**, Cameroon • **Salvador Anta Fonseca**, Mexico • **Jose Antonio**, Brazil • **Dionísio Aquino**, Brazil • **Juan Arce Puican**, Peru • **Eriberto C. Argete**, Philippines • **Marcelo Argüelles**, Brazil • **Orelío Arujo da Silva**, Brazil • **Francisco Avelino**, Brazil • **Kelceane Azevedo**, Brazil • **Rudolf Baerfuss**, Brazil • **Christopher Baraloto**, French Guiana • **José Maria Barbosa de Aquino**, Brazil • **Margarete Barbosa Diógenes**, Brazil • **María Eugenia Benítez Torres**, Venezuela • **Charlotte Benneker**, Netherlands • **Antônio José Mota Bentes**, Brazil • **Dirley Bersch**, Brazil • **Vicente Bessa Neto**, Brazil • **Kelly Biedenweg**, USA • **Subilit Bin Sinajin**, Malaysia • **Jonas Bitoli**, Gabon • **Didace**

Pembe Bokiaga, DRC • **Beto Borges**, USA • **Margo Boyce-Byass**, Guyana • **Carina Bracer**, USA • **Nei Sebastião Braga Gomes**, Brazil • **Cleísa Brasil da Cunha**, Brazil • **Marilda M. Brasileiro Rios**, Brazil • **Silva Brilhante**, Brazil • **Kanimang Camara**, Gambia • **Robert Almeida Campos**, Brazil • **Romualdo Campos**, Brazil • **Silvio Eduardo Candido**, Brazil • **Manoel Lúcio Carneiro**, Brazil • **Everaldo Cassiano da Costa**, Brazil • **Norman Castillo**, Ecuador • **BMS Cebekhulu**, South Africa • **Guman Dhoj Kuwar Chhettri**, Nepal • **Fábio Chicuta**, Brazil • **José Alberto Chinchilla**, Costa Rica • **Benjamin Chura Escobar**, Bolivia • **Mercede Coelho Lozano**, Brazil • **Gracionice Costa**, Brazil • **Patrícia Helena Costa Silva**, Brazil • **Peter Cronkleton**, Bolivia • **Mickelly Cuba Ruiz**, Peru • **Magna Cunha dos Santos**, Brazil • **Andréia da Costa Oertel**, Brazil • **Elaine da Silva**, Brazil • **João Batista da Silva**, Brazil • **Mario Jorge da Silva Fadell**, Brazil • **Elias Alves da Silva Junior**, Brazil • **Maria das Dores da Silva Lima**, Brazil •

Agean da Silva Oliveira, Brazil • **Lazaro da Silva Salgueiro**, Brazil • **Tanushree Das**, India • **Maurício de Almeida Voivodic**, Brazil • **Rafael de Azevedo Calderon**, Brazil • **Amarildo Paulino de Carvalho**, Brazil • **Carlos Edgard de Deus**, Brazil • **Adelaide de Fátima Gonçalves de Oliveira**, Brazil • **Iralton de Lima Souza**, Brazil • **Peter de Marsh**, Canada • **Maria Sebastiana O. de Miranda**, Brazil • **Lilliane Maria de Oliveira**, Brazil • **Edson de Oliveira Maia**, Brazil • **Erika de Paula Pedro Pinto**, Brazil • **Kodjo Defly**, Togo • **Roberto del Cid López**, Guatemala • **Filippo del Gatto**, Honduras • **Moses Diakpo Wogbeh**, Liberia • **Maria do Carmo**, Brazil • **Anísio Antônio do Nascimento**, Brazil • **Taksey Dobon**, PNG • **Assuero Doca Veronez**, Brazil • **Edilberto Dogirama Aripe**, Panama • **Francisco Claudino dos Santos**, Brazil • **Sebastião Ozório R. dos Santos**, Brazil • **João César Dotto**, Brazil • **Carlos Ovídio Duarte**, Brazil • **Christiane Ehringaus**, Brazil • **Consuelo Espinosa**, Ecuador • **Ana Euler**, Brazil •

Side-benefits

The conference provided a forum in which particular interest groups were able to make progress on their own agendas. Some of the outcomes are described below.

Brazil

Community and civil-society representatives from across Brazil used the event to meet—for the first time in several years—prior to the conference and to prepare a set of recommendations for the country's Minister of Environment, Marina Silva. Ms Silva later pledged to develop a new policy and program to support community forestry and enterprises and has already organized staff in Brasilia to get it under way. The meeting received plenty of press attention, with journalists asking government officials to explain why tenure and regulations remained such large barriers in Brazil.

Africa

About 26 delegates from Africa attended the conference, including Minister Pembe from the Democratic Republic of the Congo (DRC), the head of that country's forest agency, Sebastien Malele, and Rosalie Matondo from the Forest Department in the Republic of Congo; there were also strong delegations from South Africa and Cameroon. During the conference, African delegates met to assess the implications of the CFE movement for Africa and to prepare their own set of recommendations, including to convene a meeting next year in Africa, a plan to set new targets for community tenure and enterprises for the continent by 2015, and collaboration between South Africa and the rest of the continent to promote CFEs.

African officials and community leaders called for 'substantial support' for the continent in realizing the potential of CFEs. They were struck by the extent to which communities in Asia and the Americas have control of forest lands, and noted in

their statement that the environment for community forest tenure, management and enterprise in Africa is particularly challenging. "Progress is going to require the kind of honesty we haven't seen in a long time," said Kyeretwie Opoku, coordinator of the NGO Civic Response, which works to empower West African community groups on issues relating to mining, water and forestry. "This underlying problem of land ownership plagues all of us. You have to give people a chance to live their own lives, using their own resources."

In their statement, the African participants called on ITTO and its partners to support a meeting in 2008 to further discuss a plan for supporting CFEs, one that would set targets and a date by which such targets would be met. Anicet Minsouma Bodo, an official with the Ministry of Forestry of Cameroon and one of the signatories to the statement, said that the results of the study released at the meeting, and the presentations he had heard regarding successful enterprises in Africa, Asia and the Americas, had inspired him. "Cameroon is putting into place new procedures for dealing with the forest with the participation of communities and civil society," he said. "Now we will take into account the outputs of this conference in this process. Cameroon will do what it can to take the results of this meeting to heart."

Communities

GACF used the event to strengthen its numbers and organization. It was a co-organizer of the event and co-chaired sessions, powerful signals in themselves. GACF representatives also coordinated the drafting of the Rio Branco Declaration and met after the conference to develop new plans. Overall, the event strengthened the connection of GACF to ITTO and RRI, providing a strong base for collaboration in the future.

ITTO

ITTO representatives briefed participants on activities relevant to CFEs to be included in the Organization's 2008–2009 Work Program. Relevant activities included:

- additional funding for civil society-private sector partnerships towards SFM and certification, some of which had benefited CFEs under ITTO's 2006–2007 Work Program;
- assistance for poor local/Indigenous communities to develop ITTO project proposals to support SFM in community forests;
- analysis of CFEs in the three tropical regions to understand the range of business models, products, enterprise structure(s), constraints and enabling conditions for community forest management/timber production;
- assessment of tropical forest tenure at the global level;
- assist market remuneration for environmental services provided by tropical forests; and
- promoting value-added production by small and medium-sized forest enterprises.

Funding of around \$US1 million would be sought for these CFE-related activities.

Civil Society Advisory Group

Several government participants expressed their support for a much broader role for the Civil Society Advisory Group, a body comprising representatives of civil society that performs an advisory and lobbying function in the International Tropical Timber Council. The governments of Brazil, DRC and Guatemala all recommended that ITTO play a more active role in the development of CFEs and recognize them as private-sector clients, not just social actors living in and around forests.

Evaristo, Brazil • **Tarcisio José Gualberto Fernandes**, Brazil • **Luis Paulo M. Ferraz**, Ecuador • **Alfredo Ferreira**, Brazil • **João Paulo Ferreira da Silva**, Brazil • **Lucimar Ferreira de Araújo**, Brazil • **Anselmo Alfredo Forneck**, Brazil • **André Freddo**, Brazil • **Sandino Gadelha Bezerra Gadelha Bezerra Mendes**, Brazil • **Gabriela Gama**, Brazil • **Arildo Gapame Surui**, Brazil • **Isabel Garcia Drigo**, Brazil • **Carmen García-Fernández**, Brazil • **Maria Auxiliadora Gariglio**, Brazil • **Ana Pascual Juan Mateo Gaspar**, Guatemala • **Pascal Girot**, Costa Rica • **José Francisco Gomes**, Brazil • **Manoel Gomes**, Brazil • **Rubens Gomes**, Brazil • **André Gomes da Silva**, Brazil • **Ivanilde Gomes Monteiro**, Brazil • **Ívina Zuleide Gonçalves de Sousa**, Brazil • **Sabino Gonzalez Parada**, Peru • **James Gordon**, Switzerland • **Zenobio Abel Gouveia**, Brazil • **John Guernier**, Thailand • **Ivana Guerreiro**, Brazil • **Tânia Lucia Guimarães**, Brazil • **Patricia Hanashiro**, Japan • **Billy Hindra**, Indonesia • **François Hiol Hiol**, Cameroon • **Jesús Horlando Martínez**, Guatemala • **Eduardo Huesembe**, Bolivia • **Shoana Humphries**, USA • **Manuel Hurtado de Gracia**, Panamá • **Stefan Jirka**, USA • **João Paulo**, Brazil • **José Antônio**, Brazil • **Jose Manoel**, Brazil • **Luciana Priscilla Kador**, Brazil • **Tania Kaimowitz**, Costa Rica • **Suchat Kalyawongsa**, Thailand • **Narayan Bahadur Karkee**, Nepal • **Stephen Kelleher**, Switzerland • **PMS Khumalo**, South Africa • **Gombe Kinshasa**, DRC • **Thomas Jean Hilaire Kotalimbora**, Central African Republic • **Jorge Ramón Laínez Mejía**, Honduras • **Rocio Lanao**, Peru • **Mario Lanao Flores**, Peru • **Cleyton Leitão Ferreira**, Brazil • **Arthur Leite**, Brazil • **Raimundo Lemos**, Brazil • **Luisa Lia Rios Romero**, Peru • **Megan Liddle**, USA • **Lígia**, Brazil • **Haroldo Lima**, Brazil • **Fabiano Lopes da Silva**, Brazil • **Victor Armando Lopes Illescas**, Guatemala • **Candido Lopez**, Honduras • **Paulino Lopez Atanacio**, Mexico • **Eliani Maciel**, Brazil • **Sébastien Malele Mbala**, DRC • **Jorge Malleux**, Brazil • **Almerindo Jorge Mamed**, Brazil • **Nívea**

Marcondes, Brazil • **Luis Carlos Maretto**, Brazil • **Alexandro Marinho da Silva**, Brazil • **Kebba Marong**, Gambia • **Alejandra Martin**, USA • **Bruno Martinelli**, Brazil • **Jalesi Mateboto**, New Zealand • **TMR Mathiane**, South Africa • **Rosalie Matondo**, Republic of Congo • **James Mayers**, UK • **Charas Mayura**, Japan • **Jan McAlpine**, USA • **Raimundo Meleiro**, Brazil • **José Mendes**, Brazil • **Leandro Mendes**, Brazil • **Jose Luis Mendoza Santillan**, Mexico • **Claudene Menezes Atayde**, Brazil • **Charles Meshack**, Tanzania • **Felismar Mesquita Moreira**, Brazil • **Aldeniza Mesquita Vieira**, Brazil • **Domingos Mesquita**, Brazil • **Franklin Mezúa Chaqui**, Panama • **Zacharie Mgbamine**, Cameroon • **Marike Michel**, Guatemala • **Anicet Jean Léon Minsoum'a Bodo**, Cameroon • **Augusta Molnar**, USA • **Raimundo Moreira**, Brazil • **Francisco Moreira Valente**, Brazil • **Márcia Muchagata**, Brazil • **Célestin Nagahuedi Mikomo**, DRC • **Basre Nagnath**, India • **Francisco Neto**, Brazil • **João Carlos Neves**, Brazil • **Vladimir Andrade Nóbrega**, Brazil • **AMR Nsuntsha**, South Africa • **Herve Omer Ntsie Mikoua**, Cameroon • **Katia Oliveira**, Brazil • **Francisco Oliveira**, Brazil • **Adão Oliveira da Silva**, Brazil • **Kyeretwie Opoku**, Ghana • **Brigido Orellano**, Bolivia • **Fernando Ortiz Ramirez**, Colombia • **Manami Oshima**, Japan • **Olga Lucía Ospina Arango**, Colombia • **Patrice André Pa'ah**, Cameroon • **Eliazar Pachari Lopez**, Peru • **Pablo Pacheco**, Bolivia • **Ghan Shyam Pandey**, Nepal • **Adbon Pardo**, Bolivia • **Floriano Pastore**, Brazil • **Dinesh Paudel**, Nepal • **Socorro Pena**, Brazil • **Leonel Pereira**, Brazil • **Vanderlei Pereira de Castro**, Brazil • **Jonas Pereira Pereira de Souza**, Brazil • **José Pereira Gomes**, Brazil • **Givanildo Pereira Ortega**, Brazil • **Cristiane Portugal**, Brazil • **Edmilson Ramalho**, Brazil • **Carlos Ramos**, Brazil • **Cleber Ramos**, Brazil • **Eduardo Rengel Santin**, Ecuador • **Juan Fernando Reyes**, Bolivia • **Maria Margarida Ribeiro da Silva**, Brazil • **Ricardo Rivero Yatto**, Peru • **Elektra Rocha**, Brazil • **José Rocha**, Brazil • **Cara Rockwell**, USA •

Francisco Cornelio Antonio Rodrigues, Brazil • **Luciana Cristina Rôla de Souza**, Brazil • **Charleys Roweder**, Brazil • **Orlando Sabino**, Brazil • **Nilson Sabóia Kaxinawa**, Brazil • **Marcelo Salazar**, Brazil • **Edmilson Santos Cruz**, Brazil • **Alastair Sarre**, Australia • **Prakash Sayami**, Nepal • **Tun Sein**, Myanmar • **Lao Sethaphal**, Cambodia • **Mary Allegretti**, Brazil • **Jitendra Vir Sharma**, India • **Amiri Saidi Sheghebe**, Tanzania • **Afra Maria Silva de Souza**, Brazil • **Claudelize Silva dos Santos**, Brazil • **TMR Simelane**, South Africa • **Sérgio Siqueira**, Brazil • **Plínio Sist**, Brazil • **Cesar Sabogal**, Brazil • **Francisco Soares**, Brazil • **Manoel Sobral Filho**, Japan • **Jose Fortunato Solis Tax**, Guatemala • **Somying Soontornwong**, Thailand • **Evandro Souza**, Brazil • **Renato Souza**, Brazil • **Larissa Stoner**, Brazil • **Jeferson Straatmann**, Brazil • **Chonlatid Suraswadi**, Thailand • **Bhishma Suvedi**, Nepal • **Adela Catalina Tambriz Ixquiactap**, Guatemala • **Alberto Tavares**, Brazil • **Raimundo Tavares Lemos**, Brazil • **Fernanda Teixeira Mendes**, Brazil • **Nilson Teixeira Mendes**, Brazil • **Antonio Teixeira Mendes**, Brazil • **Miguel Teixeira Mendes**, Brazil • **Cesar Augusto Tenorio Lima**, Brazil • **Jakrapong Thanayorapong**, Thailand • **Netra Prasad Timsina**, Nepal • **Basile Tito**, Central African Republic • **Daniel Tristão**, Brazil • **Silverius Oscar Unggul**, Indonesia • **Valdemir**, Brazil • **Richard Valle Terrazas**, Peru • **Itaragil Venâncio Marinho**, Brazil • **Raimundo Angelim Vasconcelos**, Brazil • **Etienne Vernet**, Brazil • **Jorge Viana**, Brazil • **Paulo Roberto Viana Araújo**, Brazil • **Nara Vidal Vidal Pantoja**, Brazil • **Pedro Farias Vieira de Melo**, Brazil • **Marcus Viniciu Neves**, Brazil • **José Vizcarra Sanches**, Bolivia • **Upai Wayupat**, Thailand • **Andy White**, USA • **Janesak Wichawutipongi**, Thailand • **Kyra Wiens**, USA • **Tasso Azevedo**, Brazil • **Soro Yamani**, Côte d'Ivoire • **Marina Silva**, Brazil • **Carlos Vicente**, Brazil • **Luis Menezes**, Brazil • **Ana Yang**, Brazil • **Tashka Yawanawa**, Brazil • **Steven Zama Ngubane**, South Africa •

The Rio Branco Declaration

Statement issued by the International Conference of Community Forest Management and Community Forest Enterprises

**Rio Branco
Acre, Brazil**

20 July 2007

WE, the managers and representatives of the communities and community-based forest enterprises from 40 countries, gathered together for six days in this conference, during which we have been able to exchange our experiences and community forest management models, sharing our needs and our potentials, dialoging with governmental representatives and organizations of cooperation, and analyzing global problems of community forestry, based on conclusions that our working groups have made, declare that:

- government policies and international agreements about forests should be based on the principle that we the local communities and the Indigenous peoples are the principal actors in the sustainable management of forest ecosystems. Communities and forests can and should live in harmony;
- governments should recognize the rights of local communities, and push for legal mechanisms that guarantee land tenure and the sustainable management of forests;
- it is necessary to create a global fund to support community forestry, since it has been demonstrated that the sustainable production of goods and services of forest ecosystems managed by communities contributes in a vital way to the mitigation of climate change and to human development;
- the incipient interchange of experiences and models of conservation and production of goods and services of the forest has proven to generate a human development potential through mutual learning and development of local capacities. We demand that governments, international organizations and NGOs support these processes of interchange and implementation of local solutions;

- the applied research and cutting-edge technology related to products and services of forest ecosystems should become a social technology, strengthening capacity transfers and a constant flow of knowledge from universities and research centres towards communities and community forest enterprises; and
- currently the costs of the processes of certification are very high, which makes them inaccessible to the majority of communities. Mechanisms of access should be created for forest-use certification for both timber and non-timber products, in conditions that permit sustainability over time.

We delegate to the Global Alliance of Community Forestry and to the Rights and Resources Initiative as well as local, national and regional organizations represented here, to follow up on the recommendations stemming from the community groups gathered together in this conference, and to act to ensure their fulfillment at their corresponding levels.

We thank the people and the government of Acre, as well as the Federal Government of Brazil, for their hospitality and invaluable support for the successful execution of this event, which provided great lessons and expectations to benefit the communities in all of our countries.

We also thank the International Tropical Timber Organization for its vital financial contribution to this conference, and for its support of the participation of community groups, including in their office spaces. Finally we thank RRI, GACF and CSAG for their financial and logistical contributions, and for the efforts of their members to achieve the foreseen objectives of this conference.

Presentations, summaries of working group discussions, press releases, the background report, detailed case studies and other materials related to the conference can be found at http://rightsandresources.org/news/events/CFE_conference.html or via www.itto.or.jp.

