

Challenges and opportunities in the use of Forest Products for Rural Economic Development

B.Belcher presentation to:

International conference to promote the development of tropical non-timber forest products and services

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Challenges and opportunities in the use of Forest Products for Rural Economic Development





Presentation structure

- Attention to FBPA
- Poverty alleviation – what does it mean?
- How do forests contribute?
- Forest products – kinds and conditions
- Lessons from Bamboo sector
- Lessons from a comparative analysis of forest products cases
- Where are the opportunities?
- What about timber?
- Research directions

Growing attention to forests and local livelihoods issues

- Recognition of multiple roles of forests
- Recognition of multiple stakeholders
- Increased emphasis on poverty (MDG)
- Spatial convergence of poverty and forests
- Opportunities – changing structures & markets
- Many recent conferences and publications



Analyzing Poverty Alleviation

The concept of FBPA includes 3 components:

- I. "safety net" - respond to emergencies, keep from getting worse off
 - II. "current consumption" - regular part of subsistence level livelihoods
 - III. lifting people out of poverty
- I and II are "poverty mitigation"
 - III is "poverty reduction" (generate surplus income; capital accumulation; reinvestment)
 - Require different approaches for research, project and policy level interventions



Forest products

- Two main categories – Timber and Non-timber
- NTFPs have been focus of livelihoods and rural development discussions for more than 2 decades – why?
 - accessible
 - appropriate technology
 - actual use/dependence high
- But, many (NOT ALL!) have low value, low competition, low potential



Timber

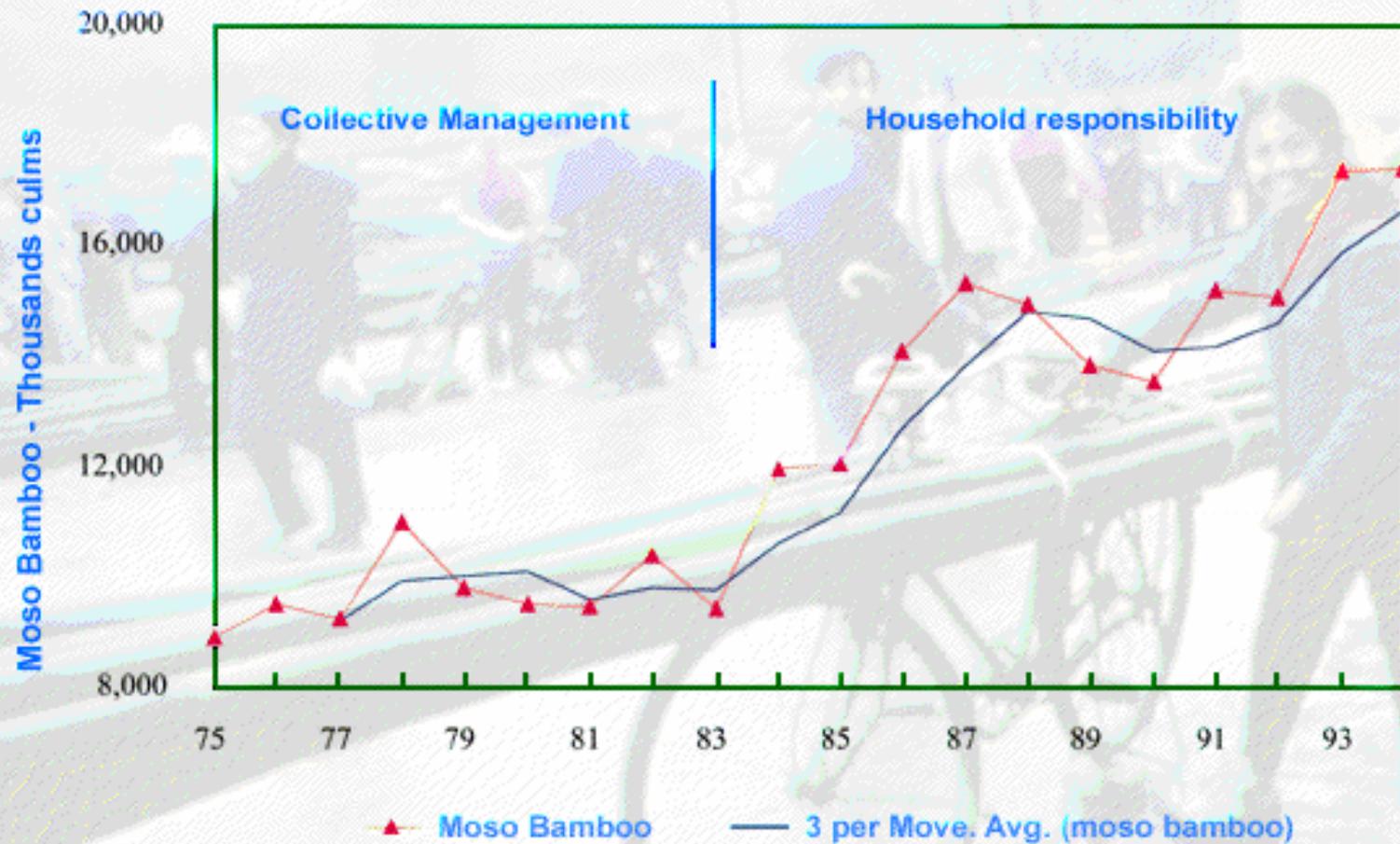
- Typically out of reach of poor rural people for:
 - practical (economies of scale) reasons
 - political economy reasons
 - corruption
- New realities, attitudes and mechanisms create new opportunities



Lessons from the Bamboo Sector, China

- Long-term research on livelihoods and policy aspects in the Chinese bamboo sector
- Lessons on influence of policy reform, and on the role of forest products in livelihood trajectories





Impacts of policy reforms

By 1998:

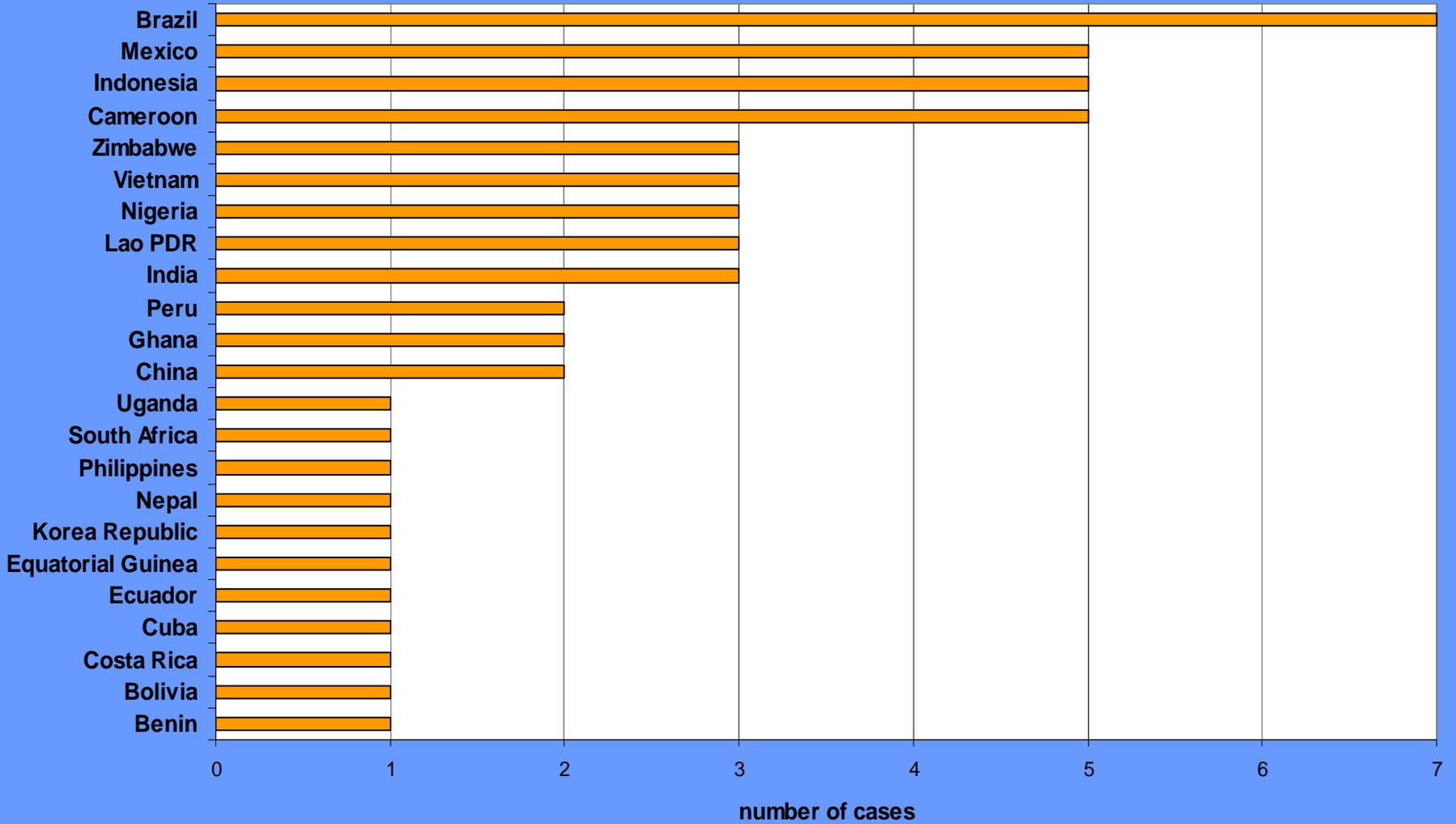
- bamboo exports boomed - US\$56.3 million in 1998 (64.2% of total county exports)
- local bamboo processing increased from 8.4% in 1980 to 66.8% in 1998
- bamboo processing expanded from 18 factories/397 workers to 1,182 factories/18,914 workers
- Bamboo employment = 50% of industrial employment
- 63% of all farmers in the county cultivating bamboo
- Bamboo provided 14% of average farmers' income and 25% of income for bamboo farmers

Learning from a comparative analysis of commercial NTFP cases

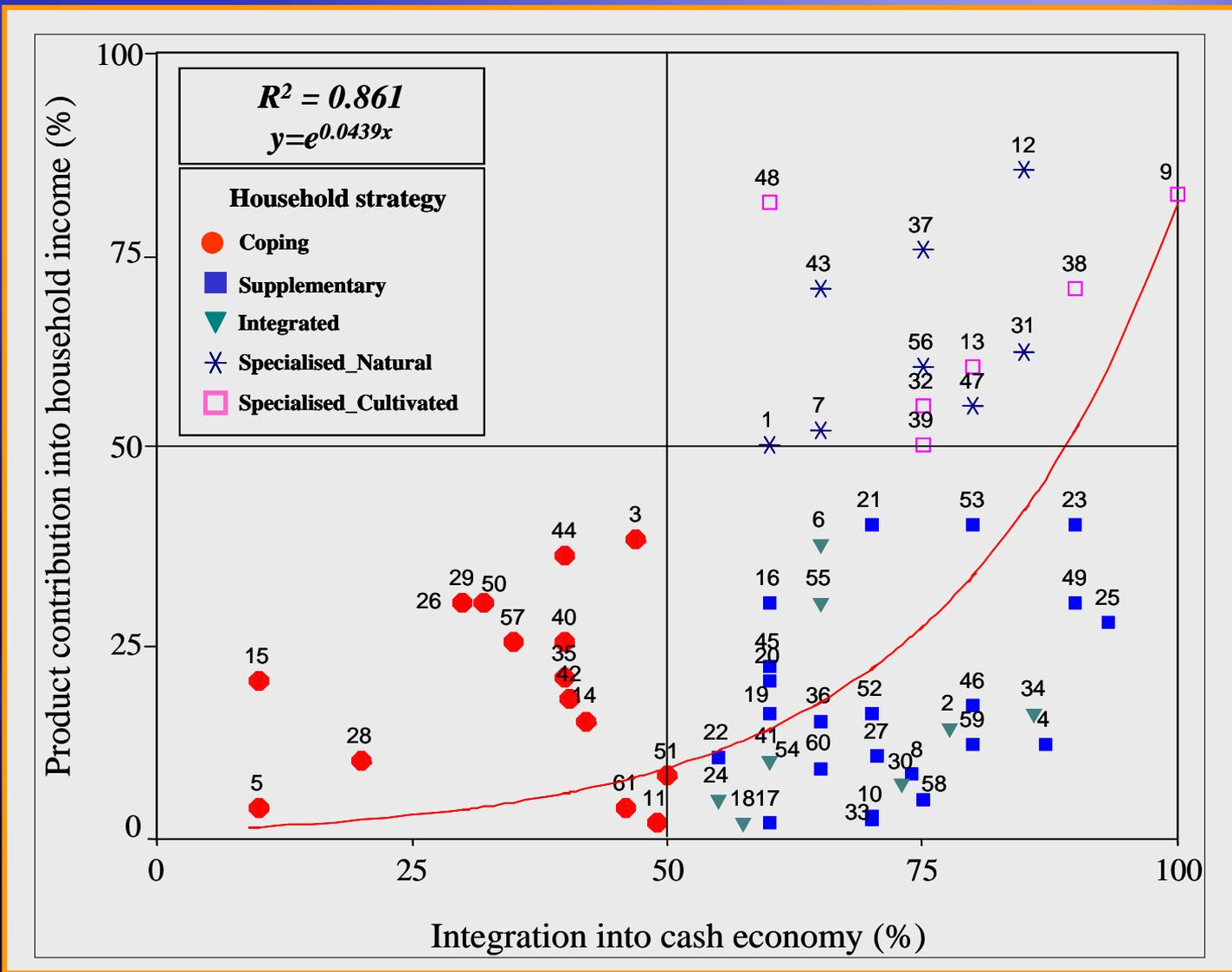
- We compared 61 cases of commercial FP systems from Asia, Africa and Latin America
- Seeking patterns and trends re role of forest products in livelihoods and conservation



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Forest products in household economic strategies



Main Lessons

- Product is less important than the social and economic context
- Key context variables are:
 - property rights
 - size and accessibility of markets
 - “opportunity cost” of labour and land
- Higher incomes associated with:
 - intensified production of higher value products
 - off-farm income



Other lessons

- Commercial FP production integrated with other economic activities
- Inherent paradoxes?
 - conditions for commercialization are not met in poor areas
 - process of commercialization may have an anti-poor bias
 - Intensification may have negative biodiversity implications
- Important constraints exist outside the forest product sector
- Realizing development potential also requires investments in other areas



Forest Products, Livelihoods and Conservation

Case Studies of Non-Timber Forest Product Systems

VOLUME 1 - ASIA

Editors
Koen Kusters and Brian Belcher



Forest Products, Livelihoods and Conservation

Case Studies of Non-Timber Forest Product Systems

VOLUME 2 - AFRICA

Editors
Terry Sunderland and Ousseynou Ndoye



Productos Forestales, Medios de Subsistencia y Conservación

Estudios de Caso sobre Sistemas de Manejo de
Productos Forestales No Maderables

VOLUMEN 3 - AMERICA LATINA

Editores
Miguel Alexiades y Patricia Shanley





Commercial opportunities?

- Timber/fibre
- Vegetable oils
- Medicinal and cosmetic products
- Essential oils and resins
- Foods (fruits, special products, flavouring)
- Bio-fuel

But small-scale producers need

- Supportive, well-functioning institutions
- access to information, technology, credit
- Improved technology and technical support



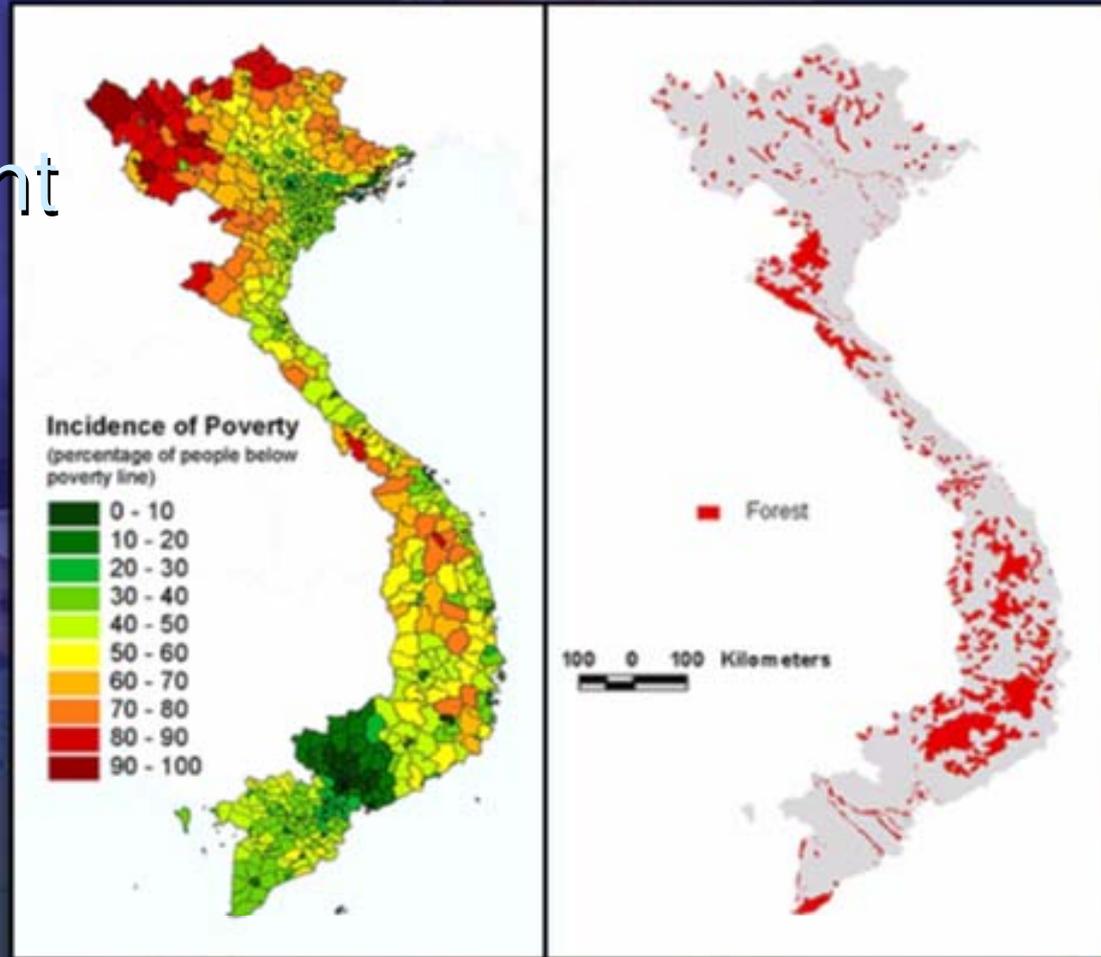
How can forestry contribute to livelihoods?

- Recognize the multiple contributions of forests to livelihoods
- Protect assets that people need
- Increase the availability, access and/or value of forest resources to poor people
- Improve resource distribution and tenure
- Support downstream market development



Research Needs

- Assess role of forests in livelihoods
- Analyze poverty variables in forest areas
- Institutions (Big!)
- Impact assessment
- Technology
 - Scale-appropriate
 - Production
 - Post-harvest
 - Processing



Project-level interventions

- Focus on systems!
- Look downstream – raw material production constraints not necessarily key
- Think about impact pathways
- Consider enabling conditions
- Specific opportunities in
 - Linking small-scale producers to markets
 - Efficiency of post-harvest processing
 - Capacity building and micro-credit

Development agency and government policy

- Forests are critically important to many for poverty mitigation
- There are new opportunities for forest-based poverty reduction
- Resource tenure matters!
- Small-scale resource managers need targeted research and extension
- AND a level playing field – big enterprises get many subsidies

Private Sector

- Coordination and cooperation is important! (e.g. this conference)
- Encourage and facilitate vertical and horizontal linkages within sub-sectors
- Cooperate with other resource-based sub-sectors to raise profile, increase awareness and political and commercial “strength in numbers”
- Be aware of and capitalize on trends (e.g. climate change)
- Generate numbers... provide statistics
 - Trade value
 - Job creation
 - Foreign exchange earnings
- Talk to researchers – make sure they are asking the right questions



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