

**ITTO THEMATIC PROGRAMME ON
COMMUNITY FOREST MANAGEMENT AND ENTERPRISE
(CFME)**

PROGRAMME DOCUMENT

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I. PLANNING ELEMENTS

1. RATIONALE AND PROBLEM ANALYSIS

Rationale

About 1.6 billion people live in predominantly forest ecosystems or in their vicinity. Forests are important resources for the rural poor, with over 800 million people living in forests and woodlands in the tropics.¹ Forest communities include indigenous peoples and other local groups which have been living long times in their areas or more recent settlers or immigrants. Many of the very poor are hunting or gathering tribes, landless people living around forests and landless forest workers.

In addition to livelihood contribution through subsistence safety net, including food, shelter and fuelwood, the tropical forests also provide to communities and smallholders a source of cash income, a capital asset, a source of employment, and an alternative health care system based on forest plants. More needs to be done to improve the livelihood of forest dependant people when they are interested in moving from the subsistence livelihoods towards market-based activities. In many tropical zones, most of the cash income comes from collection and commercialization of Non-Timber Forest Products (NTFP) such as bamboo, rattan, bushmeat, wild medicinal and aromatic plants, forest fruits, etc. The employment impact of these activities in the tropical rural areas is measured in millions both in the informal and formal sector, but reliable estimates are lacking. However, due to poverty and difficult access many forest communities are living in conditions in which even the most minimum standards for education, health, sanitation, potable water, infrastructure and employment cannot be met. In addition, some forest areas are subject to near-slavery conditions.

Indigenous groups and communities own or are entitled to the use of about 25% of the forests in developing countries². According to a recent assessment³ the forest area owned by communities and indigenous peoples in the ITTO producing member countries⁴ in 2008 was about 332 million hectares. This was about 51 million hectares (18%) more than six years earlier demonstrating a strong trend to transfer the formal ownership to forest communities. However, there are various countries where community forestry is not yet practiced at all, or is still at initial stages.

Community forests have existed for centuries and represent one of the main forms of forest ownership. For instance, in Guatemala, Mexico and Papua New Guinea community ownership of forest land has been the dominant tenure form for decades. More recently, the governments in Bolivia, Brazil, Cameroon, China, Colombia, Ecuador, Ghana, Guyana, Honduras, India, Peru, Thailand and Venezuela have revised their policies and legislation for this purpose. In addition to transferring or recognizing ownership rights, various other arrangements are being applied in the devolution of management or use rights to local communities and their members, Governments in several ITTO producing countries have indicated their interest in developing community forestry being encouraged by positive experiences in the lead countries.

The process is not, however, simple as community ownership alone is not sufficient to ensure sustainable forest management and the development of community forest enterprises (CFE). In general, forest communities are often poorly equipped to manage their forests sustainably and to generate value through timber production and various other benefits. One reason for limited success has been that the forest areas transferred to communities have often been degraded lands with limited development potential without investment in rehabilitation which seriously limits their role as a livelihood source for local people who are in need of immediate tangible benefits.

In spite of the difficulties, community forest management and enterprises represent a huge opportunity for contributing to national development goals through poverty reduction, sustainable socio-economic development and environmental conservation in rural areas. It has become clear that, given the right conditions and incentives, communities can govern and manage forests sustainably for a variety of

¹ Chomitz, K M. 2007. At Loggerheads? The World Bank. Washington, D.C.

² White, A. & Martin, A. 2002. Who Owns the World's Forests. Forest Trends. Washington, D.C.

³ ITTO/RR1. 2009. Tropical Forest Tenure Assessment. Trends, Challenges and Opportunities. May, 2009.

⁴ Including China

objectives, and restore degraded landscapes and ecosystems.⁵ However, improvement is generally needed in managing natural, human, financial, physical and social assets by communities.

Problem Analysis

The core problem to be addressed by the CFME Thematic Programme is the poverty levels due to the inadequate capacity of indigenous peoples and forest communities to manage their forests and develop community forest enterprises on a sustainable basis.⁶ A number of common factors as direct or underlying causes are identified in the problem tree analysis of Annex 1 but there is a huge diversity in country and local situations in the tropical regions as discussed below. Some of the prominent causes of poverty and unsustainable management of community forest resources are:

- Lack of clear land tenure and resource rights and inappropriate legal and policy frameworks
- Weak organization of forest communities and limited capacity among CFEs due lack of technical, business and managerial skills
- Weak competitiveness in CFEs

Regarding natural assets, land tenure is often insecure and resource rights have not been clarified which is a major constraint for engaging communities in such long-term endeavours as sustainable forest management (SFM) often yielding benefits only in the long run. Insecurity is a source of risk for community members and discourages sustainable practices in forest utilization and community investment in their resources. This is partly explained by inappropriate legal and policy frameworks which have often been designed for large-scale private operators and tend to be biased against small-scale operators like community forest enterprises.

In various ITTO producing member countries there is a lack of clear government policies on community forest management which is reflected in the absence of targeted public support to this activity. National policies tend to lack recognition of the economic potential of community forestry and the important social, cultural and other benefits of CFEs. On the other hand, even in cases where policies exist, there is often lack of confidence among forest authorities in the capacity of indigenous peoples and communities to sustainably manage their forest resources. This is sometimes coupled with the lack of awareness, commitment, incentives and capacity among the communities themselves in managing their forests on a sustainable basis and establishing and operating viable CFEs. The result can be ineffective implementation of public policies to promote community forestry.

Consultations with ITTO producing member country focal points revealed that, in countries with no or weak community forests, government institutions have difficulties to develop this sector due to insufficient understanding of community priorities and lack of relevant knowledge.

In most countries, even where legal reforms of tenure arrangements have been carried out, the regulatory frameworks reflect outmoded legal and tenure arrangements, and can make it impossible for small-scale actors and communities to benefit from the policy and legal reforms. Discriminatory rules and regulations can represent fundamental challenges for forest communities and the rural poor.⁷ Regulations often act as barriers for legal access to forests and markets, unduly raise the transaction costs for community enterprises, and promote unfair sharing of benefits and corruption. In addition, arbitrary changes of rules and obligations can have dire consequences for local people.⁸

Another important factor is increasing numbers of smallholders getting involved in forestry through planting of trees but they are generally poorly equipped as to enter new ways of production and be effective as market actors in promoting their interests. Creating upward value chain linkages through partnerships with industrial companies or cooperative enterprises has proved to be a promising approach to enhance their role.

In forest communities the land-use decisions for agriculture and forestry are closely interlinked in efforts to meet local livelihood needs. Part of the problem of inappropriate forest land conversion to agriculture is due to low valuation of forest resources and their benefits. The CFME Thematic Programme focuses on

⁵ RECOFTC. 2008. People and Forests in a Time of Rapid Change. Strengthening Capacities for Community Forestry to Respond. RECOFTC'S Strategic Plan 2008–2013. Bangkok.

⁶ The problem analysis draws on the outcomes of the ITTO Conference on Forest Tenure, Governance and Enterprise: New Opportunities for Livelihoods and Wealth in Central and West Africa_(Yaoundé, Cameroon, 2009) and the ITTO Conference on Community Forest Management and Enterprises – Global Issues and Opportunities (Rio, Branco, Acre, Brazil, 2007)

⁷ Oberndorf, R. et al. (eds). 2007. A Cut for the Poor. FAO and RECOFTC. Bangkok.

⁸ RECOFTC. *ibid.*

enhancing the economic value of forests to contribute to poverty reduction and environmental conservation based on SFM.

Regarding social assets, weak internal organization is often found in forest communities, particularly those which have a heterogeneous ethnic population structure. This is often associated with differing priorities and conflicting interests among community members sometimes resulting in inequitable sharing of benefits. Basic organizational capacity and effective participation of all members of the community, including women and marginalized groups, are preconditions for success in such targeted joint efforts as sustainable forest management.

Being small and isolated, forest communities do not represent a necessary critical mass as a stakeholder group to promote common interests in policy development, forest product markets and in the development of appropriate support services. The underlying reason is weak cooperation among forest communities and their enterprises. Forest users' organizations, networks and alliances are essential to advance community forestry and CFEs. There has been extensive reliance on external intermediaries such as NGOs and government agencies and short-term project approaches in providing support. Building up necessary community capacity is, however, a long-term endeavour. Capacity building is also needed in forest agencies to create new attitudes and skills to enhance their facilitation role.

In spite of its importance, traditional knowledge is not usually enough when forests are managed for market-based production purposes. Indigenous peoples and forest communities typically lack necessary managerial and technical skills, knowledge and experience in running CFEs and accessing markets. This is a key constraint which also makes communities vulnerable to external pressures and illicit activities. Building up community capacity to plan, utilize, monitor and control their forest resources is therefore critical to reduce illegal logging and associated trade. However, in most ITTO producing member countries the lack of targeted capacity building and training facilities, weak local intermediaries and inadequate support to community-based organizations (CBO) are slowing down the progress. Valuable lessons learned have been accumulated in many countries but this knowledge has not been sufficiently used to replicate and upscale successful experiences, which shows weakness in knowledge management. Traditional knowledge should not be lost as it can provide invaluable support to sustainable forest management if systematized, improved and disseminated together with modern tools to increase competitiveness and market-based approaches.

Competitiveness of community-based enterprises is typically weak as there are major shortcomings in their human, financial and physical assets. Even in the leading countries only a few CFEs have developed into medium-sized industrial enterprises, and their capacity to get a fair price for their products and to invest in value-added activities is low. Apart from niche markets, buyers generally tend to prefer suppliers who can provide reliable deliveries in sufficient quantities. As CFEs typically lack commercial cooperation and other networks they cannot enjoy the economic benefits of scale and specialization keeping their profitability low. This is coupled with isolation from the market, limitations in market access due to increasing requirements for verifiable legal and sustainable product supply, and general ignorance of the market characteristics and pricing potential. Trade intermediaries tend to unduly exploit such situations for reaping windfall profits resulting in an inappropriate sharing of benefits for CFEs. Support programmes have often failed due to absence of adequate economic feasibility assessment of community forest enterprises.⁹

Another set of constraints to the development of forest communities, smallholders and their enterprises can be their limited access to capital and appropriate technologies. Most rural funding schemes have been designed for agriculture and only in few countries targeted financing schemes for community forestry exist. This is particularly problematic in fairly common situations in which the forest areas transferred to community management are degraded and require significant investment in restoration. Existing credit schemes are not tailored to the needs of community forests which often imply relatively long pay-back periods which are not compatible with the conditions of regular commercial credit. Financing institutions have little understanding on the business potential of community forest operations. Forest growing stock could be used collateral for financing of CFEs but it is rarely possible due to lack of relevant regulation and engagement of the banking sector.

Relevant International and Regional Work

Since 1992 ITTO has accumulated a significant body of knowledge and experience in the development of community forestry in its producing member countries. A total of 85 projects have been implemented with an investment of about USD 40 million. These projects have had a significant impact on country and community

⁹ Oberndorf et al. 2007. *ibid*

capacity as revealed by thematic evaluations.¹⁰ It has been clearly demonstrated that community forest management and enterprises can lead to sustained improvements in livelihoods but they have to be economically feasible, which is one of the key issues of the CFME Programme.

ITTO has implemented successful community forestry projects in Bolivia, Ghana, Panama, Peru, the Philippines and Togo, among others. In addition, many ITTO projects in the field of reforestation and forest management have included a focus on creating economic and other benefits for the local communities through their participation in project interventions. Success factors of these projects have been summarized in Annex 2.

A considerable body of work has also been undertaken by other multilateral and bilateral organizations to develop community forestry in several countries. Building on its experience in the development of participatory forestry,¹¹ FAO's current programme of Community-based Forest Enterprise Development facilitates and supports (i) training of trainers in market analysis and development, (ii) setting up of the Forest Connect (FC) network at national levels, (iii) establishment or reinforcement of associations for small and medium-scale forest enterprises (SMFE), (iv) functioning business development and financial services, and (v) shaping an enabling policy environment.¹² Forest Connect is a joint effort with the International Institute for Environment and Development (IIED) which aims to connect SMFEs to national forest programmes, emerging markets (by supporting existing SMFE associations), and service providers (training and finance)¹³.

The Center for People and Forests (RECOFTC) has three operational programmes: (i) Regional and Country Analysis and Support Programme focuses on analysis of key issues facing community forestry in the region, demonstrating practices, and sharing lessons learned, (ii) Capacity Building Services Programme assesses capacity needs and develops capacity-building programs and services, and (iii) Communications, Marketing, and Fundraising Programme for knowledge management. The Center's thematic focal areas are (a) people, forests, and climate change; (b) markets; and (c) natural resource conflicts.¹⁴ RECOFTC's geographical coverage includes 11 ITTO member countries with four (Cambodia, China, Indonesia and Thailand) belonging to the group of the Center's focal countries.¹⁵

Several international initiatives are on-going on strengthening the land tenure and rights of indigenous peoples and communities to forest resources including the work carried out related to strengthening of forest governance by multilateral and bilateral development agencies as well work of such NGOs as e.g. the Global Alliance of Community Forestry (GACF), the Rights and Resources Initiative (RRI), the Forest Peoples Program (FPP) of the World Rainforest Movement. Several others have a broader approach in their community forestry support programmes which have recently often included elements of climate change mitigation.

Value Added of the CFME Thematic Programme

The main value added of the CFME Programme derives from its comprehensive systematic approach and complementarity with other international and regional initiatives related to community forest management and enterprise. The Programme will support, in a strategic manner, strengthening of the integrated entire value chain of community forest production covering forest resource management, primary production, processing and marketing in contrast to many ongoing initiatives which tend to focus on particular aspects such as land rights and tenure, social development, etc.

ITTO's competitive edge is that its work has been focused on promotion of socio-economic benefits based on the linkage between forests and markets for tropical timber. Particularly for the CFME Programme, the

¹⁰ Dourojeanni, M. J. & Seve, J. E. 2006. Synthesis Report on Ex-Post Evaluations. Overall Evaluation of ITTO Projects on Community Participation in Sustainable Forest Management (Bolivia, Ghana, Panama, Peru, Philippines and Togo). CRF(XXXIX)/6. 13 October 2006.

Dourojeanni, M. J. 2007. Synthesis Report Promotion of the Exchange of Experiences at the Regional Level on the Implementation of Sustainable Forest Management through ITTO Supported Projects. CRF(XLI)/8 19 September 2007.

¹¹ The Forests Trees and People Programme Network (FTPP) was FAO's best-known community forestry programme which run for 15 years ending in 2002.

¹² Among ITTO member countries the Programme has carried out activities in Colombia and Nepal (<http://www.fao.org/forestry/enterprises/25494/en/>).

¹³ This programme has partners in five ITTO member countries (China, Ghana, Guatemala, Guyana and Nepal) (<http://www.iied.org/natural-resources/key-issues/forestry/forest-connect-linking-small-and-medium-forest-enterprises-mar>).

¹⁴ www.recoftc.org

¹⁵ RECOFTC. Ibid.

following ITTO aspects are relevant: (i) extensive engagement in field-level activities in the three tropical regions, (ii) strong track record in capacity building, demonstration and scaling up through dissemination of information on technical aspects and accumulated lessons learned on the development of community forest enterprises, (iii) comprehensive approach covering the entire value chain, (iv) established, well-developed mechanisms for knowledge sharing at all levels, (v) extensive geographic coverage representing approximately 80% of all tropical forests in the world, with potential development for community forestry and enterprises in 36 ITTO member countries, (vi) extensive potential outreach to communities and producers through its present structures (Civil Society Advisory Group and Trade Advisory Group) and services (incl. Market Information Service).

Thematically, the CFME Programme has a strategic focus on the development of value addition to local communities through improved production methods and marketing as well as improvement of the competitiveness of community forest producers. This makes it complementary to other on-going initiatives which largely focus on social organization and primary production in forest communities.

ITTO's accumulated knowledge and long track record in supporting the development of community forest management and enterprises in member countries includes a total of about 85 projects implemented in this field with valuable lessons learned on best practices. Together with other international experience, these lessons have shown that there is a need for further support to forest communities and their enterprises in sustainable forest management and competitive processing of timber and timber products for poverty reduction. The accumulated knowledge in ITTO provides a solid basis for delivering such a support and sharing of knowledge.¹⁶

The CFME Programme has strong synergies with the ITTO Thematic Programme on Trade and Market Transparency (TMT) which generates outputs on market intelligence which can be directly used by community forest enterprises. Good governance is fundamental for community forest development, and therefore the CFME Programme has complementary synergies with the ITTO Thematic Programme on Tropical Forest Law Enforcement, Governance and Trade (TFLET) which focuses on strengthening of forest governance and reduction of illegal logging and trade. There are also synergies with the ITTO Thematic Programme on Reducing Deforestation and Forest Degradation and Enhancing Environmental Services (REDDES) which, under its demonstration activities, can provide support to forest communities in maintenance and enhancement of environmental services. The CFME Programme's support to build capacity among communities can enhance tapping of such benefits. To harness these synergies and avoid operational overlaps, a close coordination with the other Thematic Programmes will be established.¹⁷

2. OBJECTIVES

The general objective of the Thematic Programme is to contribute to poverty reduction in tropical forest areas by: (i) strengthening the ability of forest communities and smallholders to sustainably manage their tropical forest resources; and (ii) assisting CFEs to add value to and market the products and services obtained from these resources.

The specific objectives of the Programme are to strengthen (a) community level capacity in SFM and adding value to the forest resource, (b) country capacity and enabling conditions for community forest management and enterprises, and (c) knowledge management at all levels.

3. PROGRAMME STRATEGY

The Thematic Programme focuses on three strategic areas:

- A. Strengthening of community-level capacity in sustainable forest management and adding value to the forest resource
- B. Strengthening of country capacity and enabling conditions in the development of community forest management and community forest enterprises
- C. Knowledge management, including indigenous traditional knowledge on forest resources and their utilization.¹⁸

¹⁶ <http://www.itto.int/en/feature03/>

¹⁷ ITTC Decision 10(XLIV)

¹⁸ The strategy responds to the recommendations of the ITTO International Conference on Community Forest Management and

The scope of the Thematic Programme covers creation and strengthening of community forest management and enterprises based on (a) timber (including rough rural construction lumber), fuelwood, non-timber forest products and services such as water, carbon sequestration, biodiversity conservation, ecotourism, recreation, hunting, traditional medicines, and (b) further processing of timber and NTFPs at small and medium scales for domestic and export markets.

In the ITTO producing member countries the following country situations can be identified: (i) countries which have virtually no community forests or are in initial phases of piloting, (ii) countries which have recognized the potential of community forestry, developed institutional models and made field-level trials, often with conservation and reforestation goals, and (iii) countries which are moving towards mainstreaming and strengthening of community forest management and enterprises for commercialization of forest products and services as tools for poverty reduction and improved livelihoods. The programme strategy is built to address differing support needs in the three stages of development of community forestry drawing on the lessons learned from earlier ITTO projects in this field which are summarized in Annex 2.

In the first group the CFME Programme can support interested countries in the elaboration of national or sub-national strategies for the development of community forest management and enterprises based on a diagnosis of the constraints and opportunities including identification of measures to be taken to create enabling conditions through legal and institutional reform, to build up necessary initial capacity and to gain experience on field-level pilot experience in order to devise suitable solutions. Such a support package could be provided through projects in countries which have little or no experience in this field but which have a firm political commitment to develop community forestry. The Programme can also facilitate access to other countries' experience through knowledge sharing at regional and international levels.

In countries which belong to the second group, the Programme can support adjustment of the legal and policy environment for sustainable production-oriented community forest management and enterprises, as well as related capacity building and field-level interventions to test new approaches which can be replicated and mainstreamed. In this group of countries, support can also be provided to strengthening of organizations of forest communities and networks to promote their common interests and to build up capacities among their members. At this stage clarity about the legal access to forests and products have to be in place.

In the third group of countries the Programme can support the development of commercially oriented community forest enterprises with a focus on technical and business management skills, access to technology, markets and capital, market intelligence on domestic and export markets, improved marketing, etc. Strengthening of partnerships, organization of community forest enterprises, marketing networks, as well as promotion of certification in community forests and chain-of-custody are typical areas of programme support in this country group. At this stage it is necessary that the government has the capacity to effectively apply forest legislation and authorization of forest use. Building up such capacity can form part of programme support.

Lack of sufficient forestry education and research are cross-cutting constraints in most country situations and can be addressed by the Thematic Programme.

At the community level the Programme can support empowerment as well as development and implementation of approaches with high employment and revenue creation potential and long-term economic feasibility. Support would be targeted at improving forest management and the production of timber, timber products, NTFPs and generation of environmental services to supply local needs, local industry or domestic and export markets. Programme interventions would aim at strengthening organizational, managerial and technical skills and the business development of community enterprises, including their business plans and marketing strategies.

The Programme can support development of strategic community partnerships in timber production with forest concession companies for mutual benefits this being a key strategic intervention area which offers possibilities for faster and greater economic benefits for both parties. Together with capacity building through training, the support can be expected to accelerate communities' direct involvement in the sustainable management of their forests, timber production, further processing, NTFP production, utilization of forest residues, and conservation of forest resources.

Participatory pilot projects can be implemented in situations where necessary legal provisions exist, including for community land tenure and resource rights, in order to identify and test policy proposals and to develop manuals, training materials and other capacity building material which can be applied at country and regional levels.

Project design should be based on participatory planning and community priorities, and clearly targeted at financially and economically viable and environmentally sustainable activities adjusted to the wide diversity of local situations. Pilot projects with potential for replication and mainstreaming are implemented in areas of particular importance for poverty reduction and/or biodiversity conservation (representing typical problem situations e.g. in buffer zones around protected areas, trans-boundary conservation areas and biological corridors).

The implementation strategy represents a programmatic approach at country level to achieve the specific objective of the Programme through its expected results and deliverables. The strategy would focus on removing external and internal constraints in the legal, policy and institutional frameworks and build as much as possible upon horizontal learning among community enterprises and community organizations as well as technical support. Enabling activities can include assistance to participatory planning and rights mapping to secure access to the resource base, institution building, community organization for production, analytical studies, and monitoring and evaluation. Support can be provided to piloting, and mainstreaming of successful approaches and models for creating financially and economically viable, socially and culturally adapted sustainable CFEs. The Programme can also support facilitation of community access to capital, credit and markets.

The capacity building support of the Programme focuses on awareness raising, technical, managerial and organizational training; strengthening of forest community associations and networks; horizontal learning and exchange among community-based enterprises; improvement of local governance; diversification of production activities and services; as well as development of tools for implementing community forest management and improving the efficiency of CFEs. In addition the Programme can support training of forestry and extension staff in government agencies, NGOs, CBO's and private companies. Training support can also include formulation of projects for financing.

The Programme can support generation of information on the contributions of CFE value chains and to the local and national economies, poverty linkages, and participation of women and less advantaged members of the rural population. This information is useful to justify decisions on regulatory and institutional reforms and public sector support to community forestry. The Programme can also facilitate dialogue between the government, community leaders, intermediary organizations and financing institutions to remove identified constraints and tap development opportunities.

At regional and international levels, the Thematic Programme focuses on knowledge sharing and management to disseminate lessons learned and scale-up positive results. This can also include analytical work on tools for policy development applicable in several countries as well as production and dissemination of generic training packages and development of knowledge management networks, including traditional knowledge. The international and regional level actions are targeted at enhancing the community-level and national efforts and to scale-up impacts through replication and dissemination (Figure 1). The Programme makes intensive use of the accumulated knowledge already developed on community forest management and CFEs to avoid any duplication of work. Common tools and approaches can be developed in sub-regions as appropriate (e.g. the Congo Basin, Central America, the Amazon Basin, the Mekong River Basin, the Pacific Islands, etc.).

Operational partnerships with other organizations supporting community forestry are a critical element of the implementation of the CFME Programme. Links and cooperation will be established with relevant initiatives and various bilateral and multilateral programmes to harness synergies and complementarity.

The ultimate target groups are forest communities, indigenous peoples and smallholders, as well as their organizations. The intermediate target groups are civil society organizations, knowledge institutions, government agencies, relevant private organizations, and other forest stakeholders.

The Programme is open for stakeholders in all ITTO member countries. In view of the fact that community forestry is less developed in most member countries in Africa than in Latin America and the Asia-Pacific¹⁹, the region will receive special consideration in supporting the preparation of project proposals.

The main Programme risks and how they can be addressed are as follows:

- (i) Inadequate political will to implement declared commitments on necessary changes in the legal and institutional framework to develop community forest management. To address this risk, the Programme includes (a) analytical work on the policy framework and the socio-economic contributions of community forestry, and (b) promotion of specific awareness raising activities among decision-makers and key stakeholder groups.
- (ii) Programme interventions may fail due to inadequate and/or convoluted land tenure systems and related regulations and lack of enabling conditions that should be provided by the state, such as clear land titles and basic education. In such situations the Programme's support should be directed to creation of enabling conditions before focusing on the development of community enterprises. These issues are considered in selecting programme interventions to minimize possible risks due to lack of enabling conditions.
- (iii) Government agencies may not be able to provide necessary support and facilitation. This risk can be addressed through the preparation of national community forestry strategies and engagement of local-level government agencies in planning and implementation of programme support activities as well as staff training.
- (iv) Lack of leading role and full participation of communities in all the phases of projects from preparation to implementation is a risk in projects implemented by intermediaries. This risk is addressed by adopting the measures for local community participation as outlined in the ITTO Manual for project formulation.²⁰
- (v) Lack of determination by communities to achieve real change, rather than complacency in receiving temporary benefits as part of top-down approaches to community development. This risk is addressed by requiring participating communities to provide written statements on their commitment to implement planned activities.
- (vi) For community-level pilot projects to lead to sustained results, their economic feasibility needs to be ensured in tandem with the environmental sustainability and social acceptance. This has been addressed by inclusion of pre-investment studies related to production of timber, NTFPs and other goods and services of forests.
- (vii) Partnership arrangements with the private sector can lead to undesirable results for forest communities. This risk is addressed through participatory planning measures, adequate consultations between partners and among community members, as well as transparency of information and contractual arrangements.
- (viii) Lack of access to capital by CFEs can impede sustainable growth of economic activities. The risk is addressed through provision of specific support possibility to facilitate access to capital and markets.
- (ix) Financing should be made available including counterpart financing. Targeted fund-raising efforts, including as part of exit strategies if appropriate, should be included in the Programme and projects detailed work plans.
- (x) The intervention period of support can be too short to generate tangible results to convince community members to continue with improved activities. Due to the pilot nature of the Thematic Programme, this risk can be addressed by inclusion of specific exit strategies to ensure sustainability of improved practices. The risk can be also reduced by incorporating in project work plans the development of benefit-sharing mechanisms and other incentive systems. Such strategies may also include mobilization of follow-up support from other sources.

The main instruments of the programme implementation are pre-projects and projects as well as activities proposed by stakeholders in the ITTO developing member countries and submitted through the national ITTO focal points to ensure a coordinated approach.²¹ Community-based organizations, associations and alliances of forest communities and indigenous peoples, civil society organizations, government agencies, research bodies, educational institutions and the private sector can submit proposals prepared through

¹⁹ Summary Report of Conference on Forest Tenure, Governance and Enterprise: New opportunities for livelihoods and wealth in Central and West Africa. 25-29 May 2009, Yaoundé, Cameroon. http://www.itto.int/en/workshop_detail/id=44270000

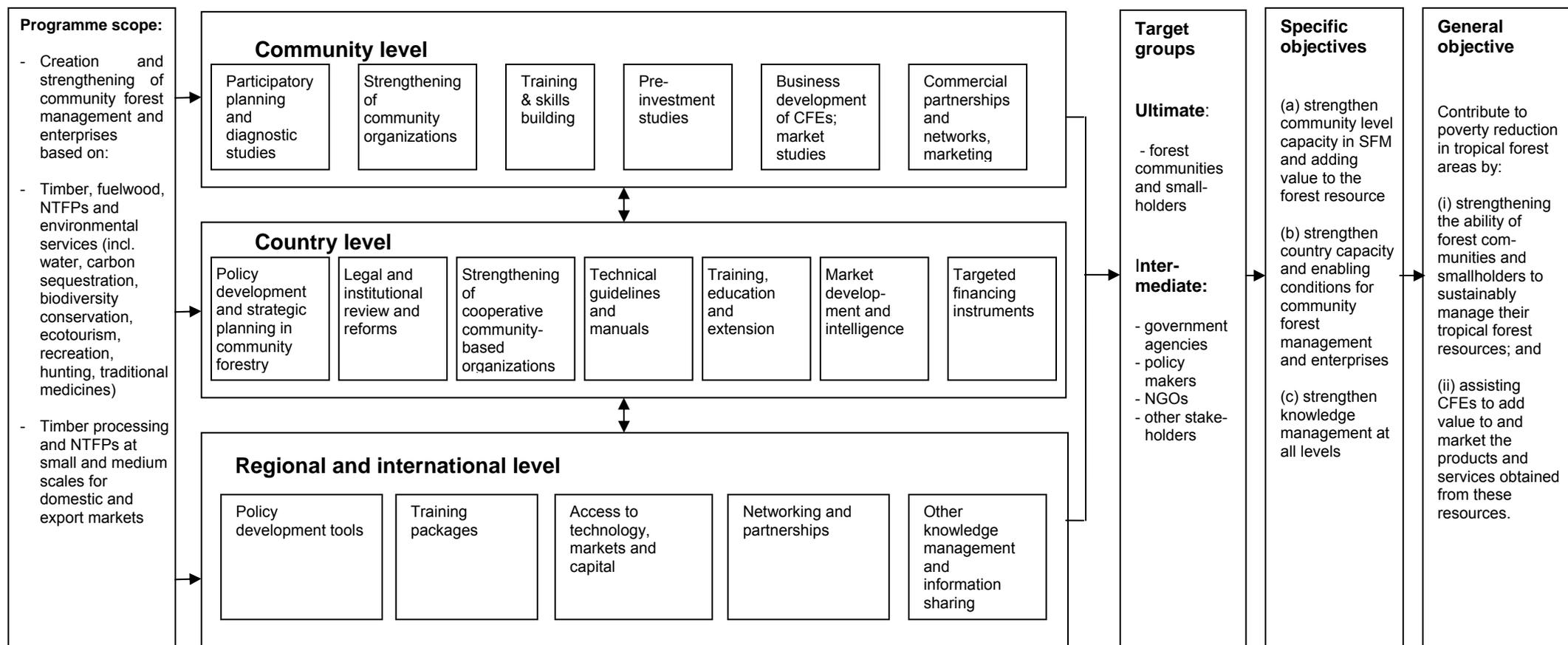
²⁰ ITTO Manual for the Formulation of Projects, Annex B Guidelines for the Participation of Local Communities in the Project Cycle.

²¹ The provisions of the ITTO Manual for the Formulation of Projects in the Project Cycle are considered in all the activities of the Thematic Programme.

participatory processes and based on the needs and priorities of forest communities. The proposals should fall under one or more of the strategic interventions of the CFME Programme. A preference is given to proposals involving partnerships between forest communities, indigenous groups, the public sector, the civil society and/or the private sector.

In addition, a limited number of ITTO-implemented activities are carried out in capacity building, knowledge management, scaling up and other strategic areas which will directly contribute to efforts in member countries.

Figure 1 CFME Thematic Programme Strategy



4. OUTCOMES/OUTPUTS/DELIVERABLES AND EXPECTED IMPACTS/BENEFITS

Table 1. Outcomes, Outputs and Deliverables of the CFME Programme

Specific objective	Outcomes	Outputs	Deliverables
Strengthen community level capacity in SFM and adding value to the forest resource.	Improved knowledge and skills in implementing sustainable forest management among communities, smallholders and their organizations	<ul style="list-style-type: none"> - Improved operational practices for community forest management and enterprises - Trained human resources in implementation of community forestry in the programme impact area - Increased area of community lands under SFM; including both natural forests, and plantations for fuelwood, agroforestry and other purposes, as well as restored and rehabilitated forests. - Enhanced conservation of biodiversity, soil, water, carbon storage and other natural resources in community forests 	<ul style="list-style-type: none"> - Number of communities involved in SFM implementation - Community leaders and members trained and assisted in development and implementation of SFM (including RIL) - Training materials produced and activities implemented - Sustainably managed pilot and demonstration areas established in community forests
	Strengthened organizations of forest communities, indigenous peoples and smallholders;	<ul style="list-style-type: none"> - Improved consensus building, management systems and practices in community organizations - Associations, networking and alliances established and strengthened among forest communities, indigenous peoples and smallholders, and their enterprises 	<ul style="list-style-type: none"> - Training materials for awareness raising and improved management systems and practices of community organizations produced and training activities implemented - Effectively functioning associations, networks and alliances
	Improved access by CFEs to capital and technology	<ul style="list-style-type: none"> - Improved knowledge on technology and financing possibilities among forest communities, indigenous peoples, smallholders and service providers - Improved knowledge among the financial community and technology providers on the opportunities and needs of CFEs - Improved mechanisms for financing and technology transfer for CFEs identified and piloted 	<ul style="list-style-type: none"> - Improved information availability on financing sources, appropriate technologies and business management among CFEs - Capacity building initiatives undertaken on financing and technology - Analytical studies on the design of financing mechanisms and technological improvements as well as dissemination activities
	Increased value added of production and strengthened marketing capacities of	<ul style="list-style-type: none"> - Improved technical and business management capability among CFEs - Improved marketing arrangements and 	<ul style="list-style-type: none"> - Technical training activities on value added production - Pilot and demonstration initiatives implemented

Specific objective	Outcomes		
	community forests and enterprises.	<ul style="list-style-type: none"> - facilitated access to markets by CFEs - Expanded sales of CFEs - Improved family employment and income in communities directly involved in community forestry and enterprises 	<ul style="list-style-type: none"> - in CFE development (incl. management, production and marketing models) - Commercial partnerships established between CFEs and private enterprises/investors - Improved market information on the domestic and export markets
Strengthen country capacity and enabling conditions for community forest management and enterprises	Improved enabling policy and legal frameworks at the country level to promote community forest management and enterprises	<ul style="list-style-type: none"> - Participatory processes established for promoting community forestry - Strengthening of land tenure and resource rights of forest communities, indigenous peoples and smallholders - Policy, legal and institutional reforms designed and initiated - Improved policy, legal and institutional frameworks to promote community forest management and enterprises - Integration of development of community forestry and enterprises in national forest programmes and similar planning frameworks - Local communities empowered to advance sustainable forest management and forest based enterprises in their areas of influence 	<ul style="list-style-type: none"> - Improved information on the status and potential of community forest management and enterprises at sub-national and national levels - Stakeholder consultations/dialogues undertaken for awareness raising and policy development for community forest management and enterprises - Analytical studies on constraints in land tenure and resource rights and validated proposals for improvement - Evidence on policy, institutional and legislative reforms in process - Policy initiatives on community forest management and enterprises designed and implemented - Local communities tenure and access to forest resources clarified and facilitated
Strengthen knowledge management at all levels	Improved knowledge base and information sharing on community forest management and enterprises on local, national, regional and international levels	<ul style="list-style-type: none"> - Information sharing and knowledge management systems operational - Improved availability of traditional knowledge on community forest management 	<ul style="list-style-type: none"> - Training materials and knowledge products and services provided - Compilation, assessment, analysis and dissemination of lessons learned at local, national, regional and international levels. - Events for sharing experience at local/national/regional and international levels - Compilation of traditional knowledge on community forest management

Expected Impacts/Benefits

The main expected direct impacts of the Thematic Programme would be: (i) improved awareness, knowledge and skills in implementing sustainable forest management among communities, smallholders and their organizations (strengthened human assets); (ii) improved access by CFEs to technology, markets and capital, and strengthened marketing capacities (strengthened financial and physical assets); (iii) increased value added of CFE products and services; (iv) strengthened organizations of forest communities and smallholders, and secured land tenure and resource rights (strengthened social and natural assets); and (v) enabling policy, institutional and legal frameworks to promote and implement community forest management.

The social and economic impacts of the Programme are identified by target groups as follows:

For forest communities, indigenous groups and other forest dependent people the Programme will contribute to reduction in rural poverty and improved livelihoods through sustainable forest management, improved access to forest resources and their products, increased employment and income in forest communities from productive activities as well as community empowerment, strengthened community-based organizations and networks, and improved skills.

For civil society organizations the Programme's benefits derive from strengthening their capacity to support forest communities in improving their livelihoods.

For the private sector the benefits derive from (a) increased supply of wood raw material, (b) improved cooperation with local communities and smallholders, and (c) practical demonstration of corporate social responsibility on cooperation with forest communities, including sharing of benefits and responsibilities.

For governments the CFME Programme provides benefits at sub-national and national levels through (a) improving information for policy decisions to achieve sub-national and national development goals, (b) reduced social conflicts in forest areas, (c) improved institutional implementation capacity including forestry education and research.

For donors and the international community the Programme generates valuable lessons and new knowledge on how support to community forest management and enterprises can be enhanced through a programmatic strategic approach to deliver the targeted local, national and global objectives. The related international programmes would benefit from the synergistic outputs of the ITTO's CFME Thematic Programme. In this context, of particular importance are the medium and long-term benefits from the Programme activities which address the implementation gap of SFM not covered by other initiatives.

The environmental impacts of the Programme derive from the expanded implementation of SFM in tropical forests by adding value to forest resources, directly involving local communities in forest conservation, sustainable use and by improving other benefits, with the consequent reduction in pressures on degradation, and inappropriate forest land use change (strengthened natural assets). The impacts would include expanded forest cover and improved forest quality as a result of reduced impact harvesting, protection, reforestation, conservation and other measures of SFM.

5. OTHER PARTNERS AND STAKEHOLDERS

The Programme is implemented in close cooperation with ITTO's Civil Society Advisory Group (CSAG) and Trade Advisory Group (TAG). The Programme will engage a number of partners in the implementation and will provide a direct contribution to the effectiveness of various other international, regional and bilateral programmes targeted at development of community forest management and enterprises. The CFME Programme is implemented in cooperation with the relevant activities of the other members of the Collaborative Partnership on Forests (CPF) and other international and bilateral aid agencies, as appropriate. Cooperation mechanisms are established with relevant international, national and local civil society organizations with experience on building capacity for indigenous peoples and forest communities.

6. ACTIVITIES

In this section an indicative non-exhaustive list of activities which can be supported by the Programme is provided. As country situations vary, necessary support interventions can differ and therefore other activities

which are consistent with the Programme objectives may be considered in decision-making on the approval of proposals.

A. Strengthening of community-level capacity in sustainable forest management and adding value to the forest resource

- 1) Support capacity building of forest communities and community enterprises through pilot and demonstration projects which may include a variety of activities, such as:
 - a) Diagnostic studies applying rapid rural appraisal and other relevant tools
 - b) Participatory planning with a shared vision on community forest development
 - c) Clarification of the roles, rights and responsibilities of actors, through community-level bylaws and rules, and development of suitable benefit-sharing approaches among community members
 - d) Clarification of forest and land tenure and conflict resolution
 - e) Forest management planning and related resource assessments, surveys and studies
 - f) Restoration of degraded forests, reforestation, reduced impact logging and other measures of SFM
 - g) Agroforestry and alternative livelihood systems based on trees and forests
 - h) Basic and intermediate technology transfer
 - i) Strengthening of management and information systems
 - j) Production planning and quality control
 - k) Training and organizational development
 - l) Feasibility studies and cost-benefit analyses related to production of timber, NTFPs and other goods and services of forests
 - m) Financial planning of community forest enterprises
 - n) Sales and marketing development and development of commercial partnerships
 - o) Innovative approaches in organization, business management and technologies of CFEs
 - p) Strengthening of community organizations to promote their interests taking into account equity and gender issues
- 2) Support capacity building of community-based cooperative organizations (associations, alliances and networks) which may include a variety of activities, such as:
 - a) Establishment and strengthening of cooperative organizations to promote economic and social interests of forest communities, indigenous peoples and smallholders (awareness raising activities, promotion, workshops, elaboration of rules of operation, etc.)
 - b) Partnership building and networking between cooperative community organizations, their networks and other partnership arrangements
 - c) Establishment of databases on community forest enterprises and their products to facilitate establishment of commercial partnerships with buyers

Pilot and demonstration projects can be implemented by community-based organizations or facilitating intermediary organizations such as relevant government agencies, civil society organizations, the private sector and other stakeholders, but in all cases full participation of communities is required. Demonstration activities of the Programme should include elements for validation of successful approaches.

B. Strengthening of country capacity and enabling conditions in the development of community forest management and community forest enterprises

- 3) Support to training and extension programmes, including on value addition and product development as well as business management and marketing skills, management of secondary forests for timber production, restoration of degraded areas and reforestation as appropriate in local conditions
 - a) Development of training packages, technical guidelines, manuals and best practices for community forest management and community forest enterprises
 - b) Organization of pilot training courses for community leaders and members, technicians and extension staff at local level.
 - c) Organization of pilot training courses for government agencies, local NGOs working with forest communities and indigenous peoples, and other local intermediaries and facilitators
 - d) Development of educational programmes for community forestry
- 4) Support to analytical work on the development of community forest management and enterprises
 - a) Surveys and other analytical work on the current status of community forest management and enterprises to identify development opportunities and constraints, priorities and concerns of local communities, need for adjustment of the institutional and legal framework for community forestry (e.g.

- b) Analysis of constraints in access to markets and financing by CFEs and smallholders and identification of measures for their removal
 - c) Improvement of market information and promotion of commercial partnerships between CFEs and buyers of their products
- 5) Support to development of national policies, legislation and strategic planning for community forestry
- a) Stakeholder dialogues and other awareness raising activities on the potential of community forest management and enterprises to contribute to poverty reduction and other national development goals among decision-makers and key stakeholder groups
 - b) Adjustment of national policies, legislation and strategies for the development of community forest management and enterprises, particularly to secure forest tenure and provide legal recognition of forest management rights and responsibilities
 - c) Support to forest land use planning and demarcation of forest lands in community forest areas to avoid tenure disputes
 - d) Development of targeted financing instruments to enable communities, CFEs and smallholders to have access to capital to finance their investments related to SFM and value added activities

C. Knowledge management

- 6) Support to knowledge generation on community forestry and CFEs, including traditional indigenous forest uses and management methods
- a) Conduct analyses on market development of community forest enterprises in Africa, Latin America and Asia-Pacific
 - b) Analytical work on tools for scaling up of policy development and implementation practices of community forestry and CFEs, including benchmarking between countries, lessons learned on the design and implementation of policy, legal and institutional reforms and incentives, as well as the identification of broader applicability of the promising approaches
 - c) Production of generic knowledge tools for implementing community forest management, and improving the efficiency of CFEs (e.g. generic guidelines for preparing community forest management plans, improved labour-intensive reduced impact harvesting methods, sustainable harvesting of NTFPs, efficient methods of small-scale processing, conservation and protection of forest resources)
 - d) Compilation of traditional knowledge on community forest management
- 7) Support to dissemination and sharing of experience
- a) Organization of workshops, seminars, conferences on community forest management and enterprises
 - b) Creation and strengthening of networks on community forest management and enterprises involving communities, enterprises, government agencies, associations, NGOs, researchers and other stakeholders at the national, regional and international levels
 - c) Production of publications, establishment and maintenance of web pages, listservers, etc.
 - d) Promotion of horizontal learning activities between community forest and enterprise networks
 - e) Partnership building with interested national, regional and international bodies

Programme support can be provided to activities dedicated to the replication and scaling up of, inter alia, successful demonstration projects, sharing of lessons learned successful experiences and appropriate technology, participatory approaches, as well as innovative, financing mechanisms incentives and other approaches in the development of community forest management and enterprises.

If necessary, ITTO may, upon request, provide technical assistance to interested poor forest-dependent communities to formulate proposals for the sustainable management of their forests and development of community forest enterprises.

Proposals for projects/pre-projects/activities can include several elements from different action areas of the Programme if deemed appropriate. Proposals should be prepared in accordance with the ITTO Manual for Project Formulation (2008).

7. WORK PLAN, INCLUDING BUDGET ESTIMATES AND DONOR CONTRIBUTIONS

Work Plan

The general indicative work plan is given in Table 2. Detailed annual work plans will be prepared to implement the Programme. Two rounds of call for submissions by stakeholders through the ITTO focal points are arranged per year. During the first year the following activities are planned:

- a) Promotion of the Programme launching through various ITTO organized and participated events to create awareness among stakeholders on the availability of programme support
- b) Organization of the calls for proposals
- c) Financing and implementation of selected demonstration projects
- d) Conduct analyses on market development of community forest enterprises in Africa, Latin America and Asia Pacific
- e) Provision of support for project formulation to stakeholders who have requested this assistance

Table 2. General work plan

Actions	Year 1				Year 2				Year 3			
1. Programme launching and promotion												
2. Calls for proposals	•		•		•		•		•		•	
3. Advisory Committee meetings	•	•		•		•		•		•		•
4. Implementation of TP activities												
- A. Strengthening of community-level capacity												
- B. Strengthening of country capacity and enabling conditions												
- C. Knowledge management												
5. Annual monitoring reports				•				•				•
6. Review and evaluation of the CFME pilot phase by the ITTC												•

Budget estimates

An indicative three-year budget that would result in significant improvements in the development of community forest management and enterprises in the three tropical regions is US\$10 million (Table 3).

Table 3. CFME Thematic Programme Budget (Indicative)

Activity (US\$ 1,000)	Year 1	Year 2	Year 3	Total	Per cent
A. Strengthening of community-level capacity	496.0	1,650.0	1,770.0	3,916.0	42.9
B. Strengthening of country capacity and enabling conditions	1,017.8	1,670.0	1,507.6	4,195.4	46.0
C. Knowledge management	220.0	457.3	334.7	1,012.0	11.1
SUBTOTAL	1,733.8	3,777.3	3,612.3	9,123.4	100.0
Programme Management (9.5%)	166.1	363.8	346.7	876.6	
GRAND TOTAL	1,899.9	4,141.1	3,959.0	10,000.0	

Donor contributions

Pledged	US\$ 1,000,000
Balance	US\$ 9,000,000
TOTAL	US\$ 10,000,000

As at February 2010, donor contributions have been received from the Governments of Japan, the United States of America, Switzerland, Norway and Sweden.

Counterpart contributions

In addition to donor contributions, implementing agencies for activities or projects developed in the framework of this programme are also expected to contribute financial and in-kind resources, taking into account their roles, responsibilities and capacities, in principle, with a share consistent with the level of such inputs in the existing ITTO project portfolio. The counterpart in-kind contributions include provision of logistical support comprised of services of staff members, office spaces, transportation, etc., provided by the implementing agencies. On average ITTO projects include counterpart contribution from implementing agencies of 10-20% of the ITTO budget and this average level is targeted in the CFME Thematic Programme.

II. OPERATIONAL ELEMENTS

Composition of the Thematic Programme Advisory Committee

The Advisory Committee (AC) has the following composition:

- a) Three producer member representatives with recognized expertise on the Thematic Programme;
- b) At least one non-donor consumer member representative with recognized expertise on the Thematic Programme;
- c) Expert representatives of interested donors and collaborating institutions; and
- d) Executive Director or his designated representative.

In consultation with members, the Executive Director will invite individuals to participate on Thematic Programme Advisory Committees.

As a general rule, the membership will not exceed seven members, taking into account the need for balanced representation among members.

The task of the AC is to assist the Executive Director with the implementation of the Thematic Programme as follows:

- a) Selection of activities/pre-projects/projects for financing under the Thematic Programme;
- b) Monitoring and evaluation of progress in implementing the Thematic Programme; and
- c) Identification of potential additional sources of voluntary financial contributions to the Thematic Programme

As a general rule, the AC works and coordinates through electronic means and meets once a year.

Specific selection criteria for proposed activities/projects/pre-projects

In selecting activities/pre-projects/projects for financing, the Thematic Programme Advisory Committee will consider the following general criteria:

- a) Conformity with the Thematic Programme Document and ITTA objectives;
- b) Technical feasibility;
- c) Cost effectiveness;
- d) Environmental and social effects;
- e) Linkages or relevance to other activities/pre-projects/projects under the programme;
- f) Applicability/extension of results, e.g. regionally or globally;
- g) Clear quantitative and qualitative indicators to evaluate progress towards achieving programme objectives;
- h) Measures to verify the coherence and effectiveness of individual activities/pre-projects/ projects funded under the programme;
- i) Overall impact and sustainability of outputs and outcomes; and

j) Mechanisms for effective stakeholder participation.

In addition, the AC will consider the following specific criteria

k) Potential impact to the achievement of the specific objectives of the Thematic Programme

l) Contribution to the Programme deliverables

Administrative arrangements

The Programme is implemented under the direction of the Executive Director of ITTO. The Programme is coordinated by the ITTO Secretariat.

Monitoring and evaluation procedures

The Programme is monitored according to the procedures of the ITTO Manual for Project Monitoring, Review, Reporting and Evaluation and using the Organization's on-line monitoring system as appropriate.

The Advisory Committee monitors the progress of Programme implementation at least once a year based on the information generated by the monitoring system, including periodic progress reports. A programmatic monitoring protocol will be developed for the Programme as a whole.

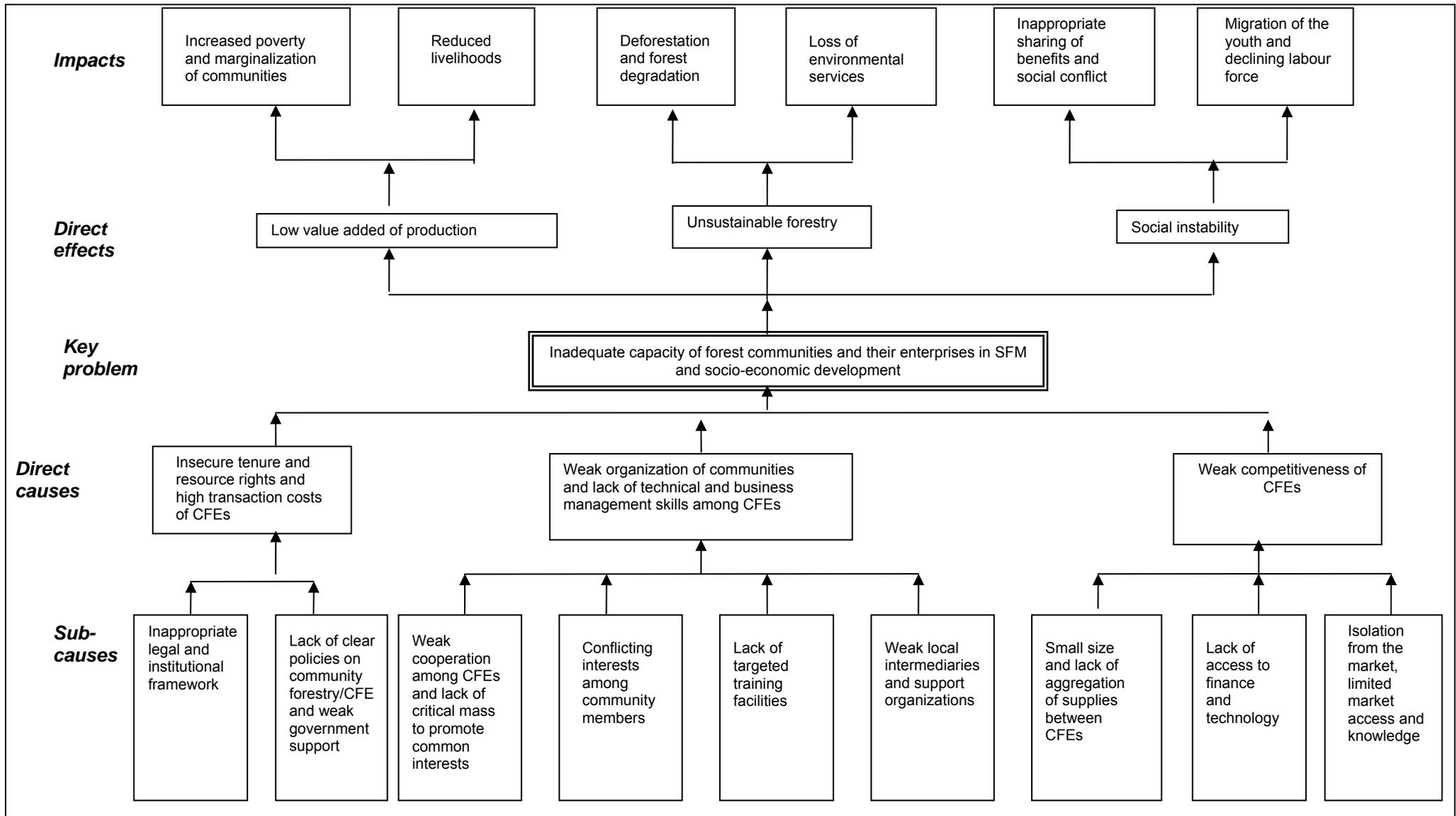
In accordance with the Decision 9/(XLIV) of the International Tropical Timber Council (ITTC) the Executive Director will report at each Council session on the development, status and other relevant information on the pilot operation of the Thematic Programme, and to keep Members informed inter-sessionally through the ITTO web site.

The effectiveness of the pilot operation of the Thematic Programmes will be reviewed and evaluated after three years by the ITTC.

Technical and financial reporting procedures

The Programme uses the ITTO standardized reporting formats on individual activities/pre-projects/projects and the Thematic Programme as a whole. The reporting elements include work-plan, budget, regular progress, technical and completion reports, inclusive of narrative reports and financial reports, formats for consolidated narrative and financial reports, monitoring and evaluation reports. The provisions of the ITTO Manual for Project Monitoring, Review, Reporting and Evaluation will apply, as appropriate. Donor contributions are not earmarked to specific projects/pre-projects/activities and a common reporting framework will be applied for participating donors rather than individual reports for each donor.

Annex 1. Problem Tree Analysis in the CFME Thematic Programme



ANNEX 2

SUCCESS FACTORS OF PAST ITTO PROJECTS IN COMMUNITY FOREST MANAGEMENT AND ENTERPRISE

The following key success factors have been identified in the evaluations of the ITTO-funded projects and could be considered, as appropriate, in the design and implementation of projects to be financed under the Community Forest Management and Enterprise Thematic Programme.

Project design phase

- Clarification of the commitment of the government to development of community forest management and enterprises
- Participatory planning based on the priorities and needs of communities; rely on bottom-up approach
- Adequate information provided to communities and their formal commitment to implementation
- Economic feasibility to be established through a cost-benefit analysis
- Early consideration of benefit distribution, gender and socio-cultural aspects
- Need to analyze strategic options to address the actual problems in the field; avoidance of blueprint solutions
- Need to have adequate baseline information on the resources and socio-economic conditions to allow assessment of impact
- In countries with no or limited practical experience in community forest management, need to design a national strategy

Pre-conditions for project success

- Formal commitment to the project implementation by relevant stakeholders
- Clarity about the tenure and legal access by communities to the forest resource and their right to use the resource
- Capacity of the government to effectively apply the forest legislation and to process authorizations of forest use

Technical aspects

- Need to consider all forest outputs and services including non-timber forest products, fauna and environmental services
- Need to take stock the relevant existing state-of-the-art to avoid reinventing the wheel
- The quality of forestry and enterprise planning should be adequate
- In natural forest management projects, there is need to rely on scientific information on tree taxonomy, phenology, ecological dynamics and relevant silvicultural methods, permanent sample plots and other elements of adaptive management; in addition to timber, consider utilization of forest residues; the Criteria and Indicators provide a useful framework for identification of relevant aspects of sustainable management of community forests
- In restoration projects of secondary and degraded forests, need to consider appropriate use of low-cost natural regeneration when possible
- In plantation projects, critical elements have been species selection to local conditions, seed availability to meet demand, quality of planting material, phasing of targets to ensure continuous flow of benefits in the long run and to learn from experience
- In NTFPs, the phased strategy often involves (i) production of technical material, (ii) establishment of demonstration areas, (iii) training and dissemination on harvesting, primary processing and quality control, and (iv) development of industrial processing and marketing
- In protection forests, benefits through community management are often largest in sustainable use buffer zones, biological corridors between protected areas

Economic aspects

- Incentives should be designed to provide tangible benefits for the population during the whole cycle of the operation (even beyond the project period)
- Community forest enterprises should be for-profit and engage those community members who are committed to work for them
- Engagement of the private sector as commercial partners
- Cooperation between communities to have sufficiently large supply capacity to customer demand for products
- Wages paid in community forest management and enterprises need to be considered costs, not benefits
- Consider and manage economic risks of the community forest enterprise

Social aspects

- Consistent effective participation of communities can be ensured by adequate prior consultations, continuous information flow, as well as transparency on project implementation arrangements and financial flows
- Need to ensure appropriate sharing of benefits, including to the poor members of the community
- Continuous observance of the gender aspects

Capacity building

- In addition to technical skills, business management and organizational capacities need to be built up
- Use of lead/promotion producers in dissemination of results
- Training needs to be demand driven and practical but carefully planned
- Production of adequate tools for implementation (guidelines, manuals and technical packages for community forest management and enterprise) is necessary if not available in local language(s)
- Target groups of the training strategy need to cover all the actors, not only technical staff or community leaders
- In natural forest management projects training should cover planning (inventory work, environmental impact assessment, other studies, identification and assessment of strategic options, elaboration of management plans), implementation (particularly reduced impact logging), commercialization of products and organizational aspects

Dissemination of results and mainstreaming of experience

- Identification of key success factors and constraints in local context and their relevance for broader application
- Mechanisms for exchange of experience (e.g. community visits, community business forums)
- Promotion of community networks
- Policy analysis and response for removing the constraints encountered in community forest management
- Communication on the credibility of communities in sustainable management of their forests
- Obligation to the government to make verifiable use of project results

Implementation arrangements

- Need to assess accountability and capability of non-governmental intermediaries
- Careful consideration of the role of project intermediaries (implementation effectiveness, associated transaction costs, sustainability of commitment, capacity to continue support after project termination)
- Need to ensure adequate field presence of project staff
- Need for clarity about ownership and management of project assets after termination (e.g. nurseries, vehicles, laboratories, etc.)
- Engage communities in monitoring and evaluation
- Mid-term reviews are useful to check relevance of interventions and to remove constraints of progress

Sustainability of project interventions

- Linking with national forest programmes and similar initiatives to ensure post-project government support
- Engagement of commercial partners to ensure post-project revenue generation
- Linking the project with micro-credit, seed financing and credit schemes to ensure post-project financing
- Phasing of project interventions to keep specific project objectives attainable
- Include specific exit strategies in the project design or during implementation

Sources:

Dourojeanni, M. J. & Seve, J. E. 2006. Synthesis Report on Ex-Post Evaluations. Overall Evaluation of ITTO Projects on Community Participation in Sustainable Forest Management (Bolivia, Ghana, Panama, Peru, Philippines and Togo). CRF(XXXIX)/6. 13 October 2006.

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Individual ex-post evaluation reports of ITTO projects (PD 46/97 Rev.3(I), PD 146/02 Rev.1 (I) (CEM-CFI(XLIII)/3, 8 October 2009.

ANNEX 3

Thematic Process Appraisal Process

