

THEMATIC PROGRAMME ON
COMMUNITY FOREST MANAGEMENT AND ENTERPRISES

Programme Profile

RATIONALE

Forests are important resources for the rural poor, with over 800 million people living in forests and woodlands in the tropics. In addition to their contributions to livelihoods by providing a subsistence safety net, tropical forests are also a source of income and employment, a capital asset, and, by providing natural medicines, an alternative health care system. Indigenous groups and communities own or manage about 20% of forests in developing countries, and this percentage is growing. Such communities, however, often face challenges in managing their forests sustainably and in obtaining tangible benefits from their efforts. In many cases, the forest areas for which they assume rights are degraded and, without investments in rehabilitation, have limited development potential. In many tropical forests, most income for communities is derived from the collection and commercialization of non-timber forest products (NTFPs) rather than from timber production.

Many community-based forest enterprises (CFEs) are involved in the harvesting and management of forests and the processing of timber and NTFPs. They are typically small, operate informally, and depend on national and niche export markets and they rarely form part of organized commercial supply chains. Only a few have developed into medium-sized industrial enterprises, and their capacity to add value is generally low. Regulations may unintentionally act as barriers to community access to forests, capital and markets and may also unduly raise the costs of CFEs. Weak governance and inequitable sharing of benefits can be additional challenges. National policies may not recognize the economic potential of community forestry and broader social, cultural and other objectives which are important for CFEs.

One of the constraints to the development of forest communities, smallholders and their enterprises can be their limited managerial and technical capacity. Building the capacity of communities to plan, utilize, monitor and manage their forest resources is critical to reducing their vulnerability to external pressures. CFEs face particular challenges in meeting the demanding and complex market requirements for their products. On the other hand, many new opportunities are emerging – e.g. growing national and regional markets for forest products, community/smallholder-corporate partnerships, and high-value market niches in developed countries which appreciate the social value of community products – but external support is necessary to make effective use of these. With adequate support, community-based management and business models could often provide local solutions for the sustainable management and utilization of forests.

GENERAL OBJECTIVE

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.

PROGRAMME STRATEGY

At the community level the Programme would support CFEs to develop and implement approaches with high employment and revenue creation potential and economic feasibility. These would be targeted at improving forest management and the production of timber,

timber products and NTFPs to supply local industry or domestic and export markets. Programme interventions would aim at strengthening organizational, managerial and technical skills and the business development of CFEs, smallholders and their organizations. The programme strategy would focus on participatory planning and implementation where communities define their own needs and priorities. Implementation would involve the piloting, demonstration and mainstreaming of successful approaches and models for creating financially and economically viable, socially and culturally adapted CFEs.

At the country level, activities would include, inter alia, the strengthening of the policy, legal and institutional frameworks for CFE development, training, increasing CFE access to capital and markets, the strengthening of community-based organizations, associations and networks, the strengthening of local governance models, the development of tools for implementing community forest management, and improving the efficiency of CFEs.

At the regional and international levels, activities would include, inter alia, providing support to knowledge management and the sharing of country experiences, and partnership-building with interested national, regional and international bodies. To avoid duplication, the Programme would rely heavily on existing knowledge and accumulated experience.

ANTICIPATED OUTPUTS/OUTCOMES

The intended outcomes of the Thematic Programme would be: (i) improved knowledge and skills in implementing sustainable forest management among communities, smallholders and their organizations; (ii) improved access by CFEs to capital and technology, and strengthened marketing capacities; (iii) increased value added of CFE production; (iv) strengthened organizations of communities and smallholders; and (v) enabling policy and legal frameworks at the country level to implement community forest management.

POTENTIAL PARTNERS/COLLABORATING AGENCIES

The Programme would be implemented in close cooperation with ITTO's Civil Society Advisory Group and Trade Advisory Group, and relevant international, regional and national organizations and bodies.

INDICATIVE BUDGET AND TIMEFRAME

An indicative three-year budget of the Thematic Programme that would result in significant improvements in the three tropical regions is US\$10 million, most of which would be for community-level pilot projects and other country-level activities.

POTENTIAL DONORS