

Cambodia's challenges

An ITTO mission to Cambodia recommends the cautious resumption of timber-harvesting

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Orientation: Mission members study a forest map during an inspection of a social forestry project near Siam Riep.

IN FEBRUARY 2003 the Forestry Administration (FA) of the Royal Government of Cambodia requested ITTO to undertake a diagnostic mission to analyse the obstacles to achieving sustainable forest management (SFM) in Cambodia.

The objectives of the mission were to: identify those factors that most severely limit progress towards achieving ITTO Objective 2000 and SFM; classify these constraints in order of importance; and recommend a series of measures aimed at lifting these constraints. A five-member mission (comprising the authors of this article) duly visited Cambodia on 16–30 October 2004 to consult a broad range

of stakeholders and make field visits to concession areas, areas of forest encroachment, community forest projects, a national park and forest research sites. The mission's work was assisted by the report of an independent forest-sector review (IFSR), which was commissioned by the Government of Cambodia supported by a consortium of six development-assistance agencies and published shortly before the mission took place.

Cambodia's resources

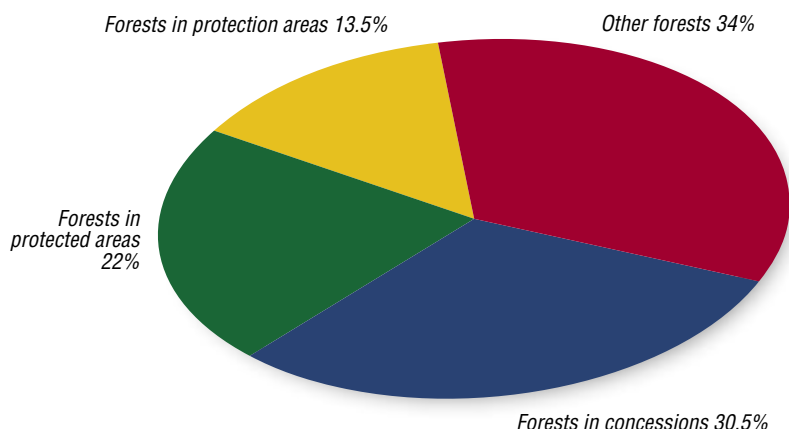
The official FA figure for forest cover, derived from an assessment in 1997, is 59% of the country's land area, down from 73% in 1969. A considerable area of forest is now degraded as a result of agricultural encroachment, fire and poor logging practices, but extensive forests rich in timber and biodiversity still exist. *Figure 1* shows the official allocation of forest-use in Cambodia, while the map (*Figure 2*) shows forest cover by broad forest type.

Suspension of logging

The government suspended all logging in concessions on 1 January 2002. The licences of 17 companies covering 3.50 million hectares in 24 concessions were cancelled and a further twelve concessions covering 3.37 million hectares were required to produce new 'strategic forest management plans' as a basis for renegotiating their concession agreements. These plans were still under review and all industrial forestry was thus suspended at the time of the mission (and remained so as of March 2005). In addition

Allocation

Figure 1: Forest uses in Cambodia, 2004



the FA closed, and sometimes destroyed, 1351 illegal sawmills and 653 small wood-processing plants.

Some timber is still legally available from government-approved land conversion activities. However, some sources claimed that the granting of land-conversion permits, for rubber estates, for example, has not followed legal procedures and has sometimes been motivated by the access it gives to the timber resources on the land to be cleared. The mission was informed that timber is still available in the major towns and prices are reported to have remained stable. It is apparent, then, that the effect of the logging ban has been to stimulate a significant illegal timber industry.

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Key challenges and obstacles

The principle behind the ITTO diagnostic missions is that there will be a small number of major obstacles to the attainment of SFM. However, our work in Cambodia leads us to conclude that the country is suffering from a large number of inter-linked problems that need to be dealt with in a coordinated manner. Some of these problems can also be viewed as opportunities. We have developed a problem tree (Table 1) to show the nature of some of the linkages.

Unstable policies: the Forestry Law and the Forest Policy Statement adopted in 2002 should have paved the way for the development of a national forest program (NFP). However, the logging ban, the uncertainty about industrial concessions and the decision to undertake the IFRS have

drawn attention away from the NFP. A draft forestry action plan has been prepared in outline form and contains the elements needed for an NFP; moreover, it appears to offer a basis for a more coherent approach to forest development and could provide a structure for much-needed donor coordination.

Contribution to national development goals: until the imposition of the logging ban, forests contributed around 4% of Cambodia's gross domestic product (GDP). Analyses in other countries show that the subsistence and other non-market values of forests often exceed those recorded in official statistics and we conclude that the true contribution of Cambodia's forests to GDP may have been closer to 10%. However, there has been a major problem of equity in the distribution of costs and benefits from forests. The major challenges are to encourage an increased flow of benefits to poor people and to ensure that legitimate rents are not lost to corruption.

Securing local livelihood benefits: poor people gain benefits from fuelwood, charcoal and a wide variety of non-timber forest products (NTFPs), and there is a long tradition of community forest management in the country and a great deal of receptivity to initiatives to strengthen community forestry. The major challenge is to empower local communities to manage forests for their own benefit.

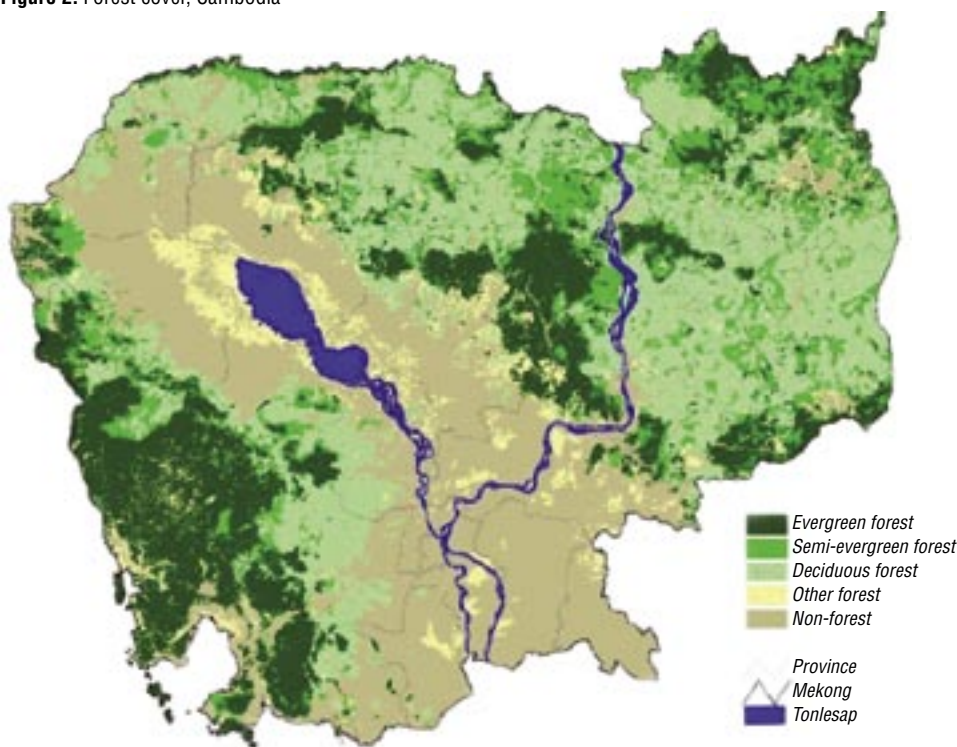
The degradation of the forest resource by unsustainable logging: anarchic logging has reduced the potential of forests to sustain timber yields, the availability of NTFPs and (possibly) biodiversity values and may also have increased stream siltation and the risk of forest fire. The challenges are to enforce environmental measures to reduce logging damage and to ensure that logging operators respect the rights of local people.

Expand agriculture and estate crops in a planned and rational manner: at present, land clearance for agriculture is either opportunistic or motivated by the chance to circumvent the logging ban. The challenge is to establish and delineate a permanent forest estate (PFE), identify those forest areas that may be made available for conversion to estate crops and agriculture, and ensure transparency in the selection of land for estate-crop development.

Meeting biodiversity conservation objectives: Cambodia has a very extensive system of protected areas, but opinion is divided on the intrinsic value of some of these areas and their protection status. The challenge is to establish and manage an effective system of biodiversity reserves within the PFE.

Good cover

Figure 2: Forest cover, Cambodia



Source: Adapted from Joint Royal Government of Cambodia and Donor Committee (2004)

The roles of institutions:

at present, most forest management activities are centralised in the mandate of the FA, while the Ministry of Environment (MOE) has a mandate for most protected areas. Local governments—the commune councils—have no role in forest conservation and management and the roles of communities are still ill-defined. The technical skills and stakeholder networks required for managing production forests and those needed for protected areas differ and capacity needs to be strengthened in both. The challenge is to clarify the mandates of the FA and MOE in forest management and to ensure that all forest-related activities are properly coordinated.

Land allocation: the mission did not have the opportunity to examine land issues in detail. However, land titling will be a key issue in the longer-term establishment of decentralised forest management and in the delineation of a PFE. The challenge is to establish a land-tenure regime that offers households, communities and the private sector secure rights to forested lands while ensuring that the environmental values of these lands are protected by the state.

Suggested actions

The IFSR identified a number of actions that are required to improve the performance of the forest sector in Cambodia. The mission has taken these into account and has also identified further priority actions. The mission believes that a single solution designed from outside is unlikely to work. The highest immediate priority is to provide the FA with the resources that it needs to become an effective professional institution.

The enabling environment for SFM

The policy and legal framework for SFM has been the subject of intense debate in recent years; a new forest policy and law were adopted in 2002 and a number of sub-decrees have also been put in place. However, there is still a high level of uncertainty about how the present framework will be implemented.

The mission suggests that the following general principles be adopted:

- the existing draft forestry action plan should be further developed into an NFP and efforts should be made to link all donor support to the implementation of this program;



Comfort zone: 26% of Cambodia's land area is under some form of protection. Mission members discuss management problems in the Phnom Kulim National Park near Siam Riep.

- the FA should not seek to apply a single uniform approach across the whole country. A diversity of conditions exists that will require differing approaches;
- the FA must build its own capacity to implement different management models and this will require experimentation and learning; and
- measures are needed to strengthen the forest-management capacities of the private sector and civil society.

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The mission recommends that a variety of approaches be taken, including:

- the licensing of a limited number of carefully monitored industrial-scale concessions linked to efficient processing capacities and providing high local value-added;
- cautious experimentation with a competitive bidding system for annual coupes linked to approved management plans in forest-rich areas outside the industrial concessions;
- preliminary attempts to develop partnership approaches with commune councils in forest-rich areas;
- a significant expansion of community-based approaches in a diversity of situations; and
- the careful development of different types of private plantation forestry at both a small scale for fuelwood and poles and at a larger scale for industrial timber and pulp plantations.

Rows of woes

Table 1: Problem analysis

IMPACTS	Lack of trust amongst stakeholders	Forest resources being depleted	Low revenues to government	Low benefits to communities	Inequitable rent capture	Poor industrial performance	Economic potential not realised	
CORE ISSUE	Low contribution from forest resources to sustainable development							
MAIN CONSTRAINTS	Unstable forest policies and institutional arrangements	Inadequate capacity of forestry sector	Poor knowledge of forest resources	Lack of incentive for decentralised management	Non-conducive land-use allocation	Concessions not operational	Partnership forestry untested	Plantation potential not realised
UNDERLYING CAUSES	Excessive regulations and poor enforcement	Lack of financial resources for FA	Low recognition of economic value of NTFPs	Weak local institutional capacity	Land allocation and tenures not clear or supported by law	Lack of confidence in concessionaires' commitment	Commune councils lack experience	Lack of private investment
	Lack of cooperation among agencies and other stakeholders	Little opportunity for experimenting and learning	Poor information on standing stock and growth	Supporting regulations not in place	Uncontrolled land-grabbing	Weak incentives for SFM	FA structure not suitable	Land conflicts
	Conflicting policies and technical advice from donors	Training level and skill mix require improvement	Biodiversity areas not properly identified	Excessive central control	Encroachment on forest lands	Conflicts with communities	Commune is too small for landscape planning	No local experiences
	Administrative responsibilities unclear and contested	Capacity of private sector weak and civil society not organised effectively	Inadequate knowledge of biodiversity—few biological surveys	Local forest owners' rights not protected	Insecure tenure for local forest managers	No experience with concession management		Lack of markets for plantation products
		Unsustainable logging				Low efficiency and little local value added		Low public awareness of planted forestry

The issue of industrial concessions

The concession schemes were subject to serious abuse in the anarchic years of the 1990s and even today most concession companies have failed to satisfy minimum requirements for the establishment of management plans. We applaud the courageous decisions of the government to suspend or cancel the operations of most concessions and ban the transport of logs. We are also aware that there are doubts about the real commitment of even those concessions that have developed management plans. Notwithstanding this we conclude that a small number of concessions should be allowed to proceed to the next stage of their management planning. The reasons for reaching this conclusion are as follows:

... forests are a major economic resource in Cambodia. A small number of well-managed large concessions will contribute to national sustainable development goals and bring benefits to local people

- given the present supervisory capacity of the FA, the control of a small number of large concessions will present fewer problems than the supervision of very large numbers of small logging operations;
- forests are a major economic resource in Cambodia. A small number of well-managed large concessions will

contribute to national sustainable development goals and bring benefits to local people;

- the supervision of concessions will be easier than any of the alternative schemes for managing large areas of sparsely populated forested lands. In particular we doubt if it will be feasible to develop decentralised forest management in the short term and we see practical difficulties in the administration of annual timber sales or auctions from public forest lands;
- community forest management will not be possible at the scale required to deal with extensive forest-rich landscapes—although it should be developed in appropriate locations within these landscapes; and
- independent monitoring capacity exists in the country and could be extended to provide supervision for a small number of industrial-scale concessions. We appreciate that this will involve costs and urge international donors to contribute to this.

The extent of government control of forestry

Experience in many other countries has shown that excessive regulation is one of the factors that leads to corruption; this applies at all levels, from industrial concessions to community forestry. We are concerned that many of the proposals that have emerged from internationally supported studies of the

Cambodian forest sector advocates intensities of regulation that are unrealistic given the weakness of government institutions. World-Bank-sponsored studies of concession management have produced 15 sets of guidelines that, if implemented, would give Cambodia a very sophisticated, technically difficult and costly concession management system. This is unrealistic; moreover, the mission considers that only a subset of these guidelines addresses issues that are really important in Cambodia at present.

The mission is also concerned that the present models for community forest management developed by the FA are unnecessarily restrictive and are based on a highly centralised system of control. A simpler system could provide more opportunity for local adaptation and learning and higher economic returns to local people. NGOs can be valuable intermediaries in developing community-forestry activities. The mission urges policymakers to recognise that complex regulation will not eliminate—and, on the contrary, may encourage—corruption. Policymakers should also be aware that to some extent all forestry programs in Cambodia will be experimental and that it will be important to monitor them closely, learn from them and retain flexibility and adaptability.

The mission therefore recommends:

- avoiding the use of overly prescriptive and complicated policy and legal measures; and
- the expansion of the capacity to independently monitor forestry activities at all scales. International and Cambodian groups should be empowered to conduct such monitoring as the main means of combating illegal forest activities.

Building capacity

Many studies have recommended the strengthening of capacity to achieve SFM in Cambodia, and much has already been achieved through formal training, short courses, study tours, seminars, etc. We commend these initiatives and encourage their continuation: Cambodia now has a reasonable cadre of people with conceptual-level training in different aspects of forest management. However, capacity cannot be built in a vacuum: real capacity-building requires that forestry staff gain practical work experience in field conditions.

The mission notes that even if the FA had staff with high levels of technical skills it would not have the capacity to manage forests sustainably unless it also had the resources to operate efficiently. This means the provision of housing for forest officers near where they work, transportation for them and, above all, adequate salaries. It would be better that the FA had fewer but better-paid and more highly-motivated officers than a large number of officers who were under-paid and poorly motivated. The mission therefore recommends:

- a greater capacity-building focus on supporting practical efforts to bring forests under sustainable management in a diversity of situations;
- the building of this practical capacity not only in the FA but also in civil-society organisations, communities, communes and the private sector;
- the independent monitoring of all forestry activities as a way of enhancing the capacity-building role of pilot projects;
- conditions of service for FA officers sufficient to motivate them. This means that salaries should be raised to a level where officers are less likely to seek to supplement their incomes from informal sources; and
- changes towards service-oriented professionalism amongst FA staff. Training in technical skills remains important but should also be provided in the social and organisational sciences.

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Reference

Joint Royal Government of Cambodia and Donor Committee 2004. *Independent forest sector review: the forest sector in Cambodia*. Part I: Policy choices, issues and options. Part 2: Issues chapters. CD ROM. DANIDA Mission, Phnom Penh, Cambodia.

The ITTO mission also made a range of recommendations relating to research, monitoring and technical services, prioritising the decentralisation of forest management, developing an economically viable plantation resource, and options for ITTO support in Cambodia. A copy of the full report can be obtained at <http://www.itto.or.jp/live/PageDisplayHandler?pageld=205>, or contact the ITTO Information Officer at the address given on page 2.