



# CSAG Event: Challenges and Opportunities for Supporting Legal Smallholder and Community Forestry Enterprises in Today's Context

## Context

Small and medium forest enterprises (SMFEs) are seen as important elements of strategies aimed at pro-poor economic growth in developing regions. They are characterized by a diverse range of stakeholders, actors, businesses, structures, networks, products, and services. In almost all of the tropical forested countries, a large percentage of small and medium forest enterprises and community-based forest enterprises have been concentrated in the informal sector and considered illegal according to existing laws and regulations. Their importance is daily increasing in response to the demographic shifts in overall population and a rapidly growing middle class mainly in Asia and Africa.

Interest in and the mechanisms for promoting legal trade have expanded in recent years with the evolution of third-party voluntary certification schemes, the Australian Illegal Logging Prohibition Act, the US Lacey Act, the EU Timber Regulation and the negotiation of bi-lateral trade agreements under the EU FLEGT initiative with exporting and, more recently, non-exporting producer countries. There have been reforms initiated in a number of producer countries in response to advocacy for forest tenure reforms and related to FLEGT processes to address existing barriers and high costs of legality for communities and smallholders. Overall, there has not yet been a dramatic increase in the legality of smallholder and community-based forest enterprises—with major challenges remaining for those producing for domestic as well as export markets.

For example, it is not uncommon for communities living traditionally to lack clear title to forests and lands, leading to disputed rights to harvest. Formal recognition of land ownership or rights to use is therefore an essential precondition of legal community forest management and of those groups using forest resources as a route out of poverty. Non-timber as well as timber-based enterprises can be caught in a trap of illegality. Similarly the success or expansion of community forestry is often hampered by inaccessible centralised

bureaucracies, expensive forest management and harvesting plans, complex legality assurance systems, or by required policies and procedures inconsistently or inappropriately applied by authorities at sub-national levels. In the Amazon region, for example, despite apparent political will, efforts to put community forestry into practice are considered to have achieved only modest results. The international research project, ForLive, analysing experiences across Peru, Bolivia, Ecuador and Brazil, concluded that it would be necessary to overcome an array of complex systemic barriers inherent in the current community forestry framework before communities or smallholders could spontaneously or effectively use their forests in the way that governments and donors hoped. These include technical, legal and financial challenges among others.



In parallel, appreciation of locally controlled forestry and the potential of community and small-scale forest enterprise to provide a basis for long-term sustainable forest management, biodiversity conservation, and reduction in carbon emissions contributing to climate change has increased dramatically with the promotion of REDD+ and deliberations towards the agreement on a global climate convention under the UNFCCC. Governments like Brazil and Mexico have publically recognized the important role of community forest enterprises in their policy frameworks towards mitigation of climate change impacts and contribution to adaptation and resilience. There is a large body of evidence emerging from other countries and regions of this important contribution of locally controlled forestry.

## Objective of the CSAG Event

CSAG plans to bring together a diverse set of experiences and voices to examine the issues of legality of smallholder and community forest enterprises in Africa and Asia, looking at trends, recent advances, persistent challenges, and ways forward.

There are a number of important questions: What has been the success in expanding the legality of small-scale and community forest enterprises? What has been the success and challenges for legal trade initiatives? What has been the impact of forest and tenure reforms initiated as part of the national climate change initiatives? How has legality improved the conditions for the emergence of forest enterprises—both timber and non-timber—and their growth and contribution to the economy? What are the barriers to success and some ways forward.

The event will inform the 49th ITTC session of trends and promising examples of advances, ongoing and new challenges, including experiences from FLEGT VPAs, land and forest tenure reforms involving indigenous and customary rights recognition, and evolving approaches of FSC certification.

## Agenda: Speakers and Moderators

Chair: DRC country delegate, TBD

Moderator: HK Chen

1. Lessons from successful and innovation regulatory models based on secure tenure and incorporating stakeholders in decision-making, and cost effective, timely procedures, ITTO Producer country delegate still being confirmed
2. Impacts of Liberia's pitsawing regulation on small-scale enterprises and legality of domestic wood supply, Francis Colee, West Africa focal point.
3. Gabon's new community forests: A community vision for sustainable enterprise, Jean Obiang Nkoum, leader of the Nkang community involved in the implementation of the project PD 383/05 Rev.3 (F).
4. Promoting gendered, legal forest enterprises: lessons of experience from REFACOF, Cecile Ndjebet, Central Africa focal point.
5. Promising models for community forestry in Indonesia: how did the farmers of West Lampung become national winners in HkM management; is this a step forward for greater legality of SMEs until the TLAS? , Christine Wulandari, Asia Focal Point.
6. Evolving FSC approaches to small-scale and community forestry certification, John Hontelez, FSC- International.
7. Commentator: EU/EFI Delegate with reflections on SME/CFEs and FLEGT/VPA

