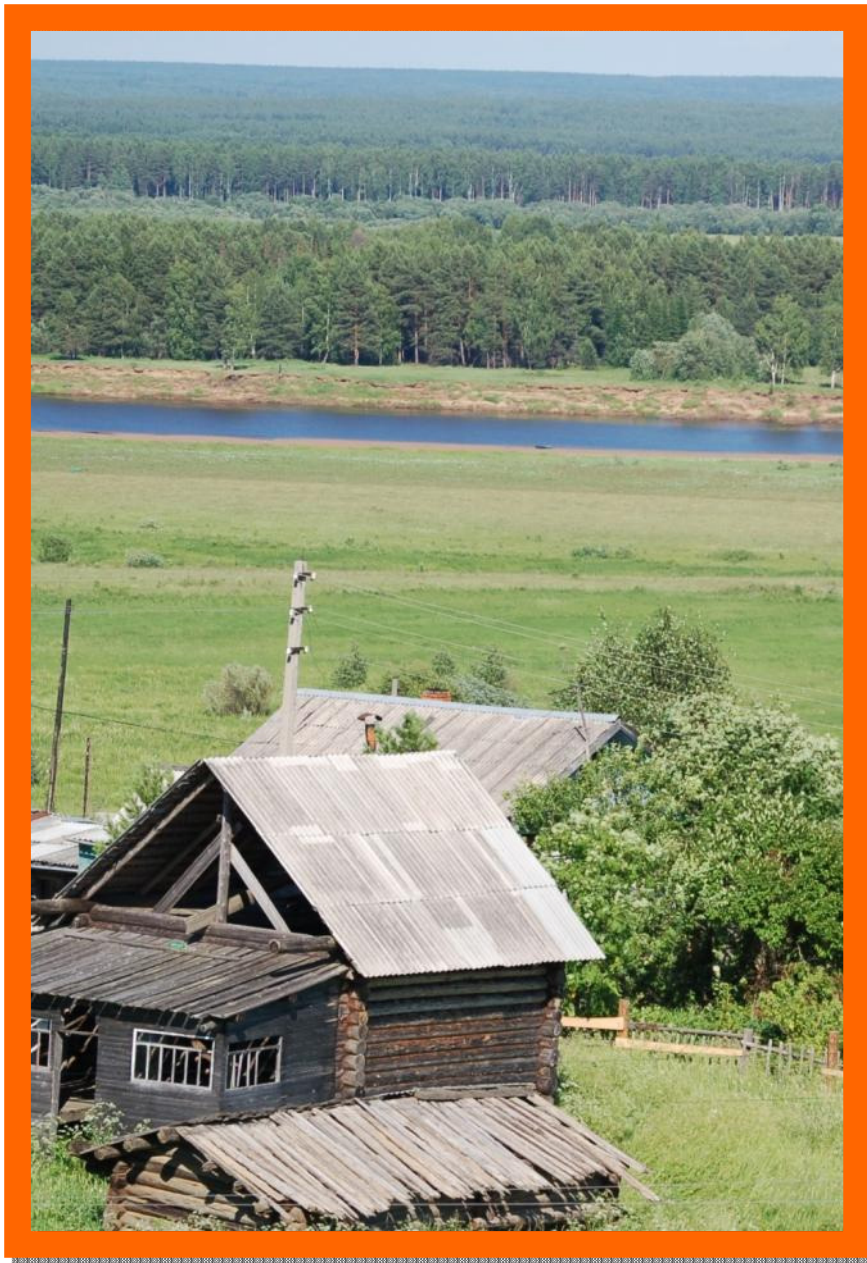


# The Forests Dialogue (TFD) Dialogue on Investment in Locally Controlled Forestry

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The Forests Dialogue

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Panama City, Panama





# Welcome

## Meeting Co-Chairs

- **Estebancio Castro**
- **Peter de Marsh**
- **Ghan Shyam Pandey**

## Meeting Moderator

- **Gary Dunning**



# Sponsors



The World Bank



- IUCN
- FAO
- World Bank
- IIED
- IAITPTF





# Introductions

- Name
- Organization
- Why are you here?





# TFD

## Founding

- Civil Society and Private Sector Leaders

## Mission

- MSD platform for leaders to pursue SFM, build trust, share learning and seek collaboration

## Structure

- Steering Committee
- Secretariat





# TFD Initiatives

## Priority SFM Issues

- Forests and Climate
- Investing in Locally Controlled Forestry
- Free, Prior, and Informed Consent
- Forests & Poverty Reduction and Rural Livelihoods
- Intensively Managed Planted Forests
- Illegal Logging and Forest Governance
- Forests and Biodiversity Conservation
- Forest Certification



# TFD's M.O.

(modus operandi)

## TFD's Mission

“To address significant obstacles to sustainable forest management through a constructive dialogue process among all key stakeholders.

TFD's approach is based on mutual trust, enhanced understanding and commitment to change.

Our dialogues are designed to build relationships and to spur collaborative action on the highest priority issues facing the world's forests”





# TFD's M.O.

(modus operandi)

## TFD Operates under the Chatham House Rule

*“Participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed”.*





# TFD's M.O.

(modus operandi)



## Spirit of Participation

- Active Listening
- Constructive, solution oriented Interventions
- Participate as individual
- Help define and own the outcomes





## Origins of this dialogue

- Previous dialogues: IMPF, small landowners, pro-poor forestry
- GFP
- Connections between “north” and “south”



## Objectives of ILCF Dialogue Process

- Ongoing process and platform that enables dialogue among stakeholders
- Ensure that investment streams strengthen LCF and address concerns

# ILCF Dialogue Process

- Brussels Scoping dialogue
- Three regional field dialogues
  - Panama
  - Nepal
  - Albania

## Related events

- World Forestry Congress
- UNFCCC COP-15
- TFD Review







## Expected Outcomes

1. Improved knowledge sharing
2. Stimulated learning to assure active bottom-up participation
3. Improved trust and key stakeholders

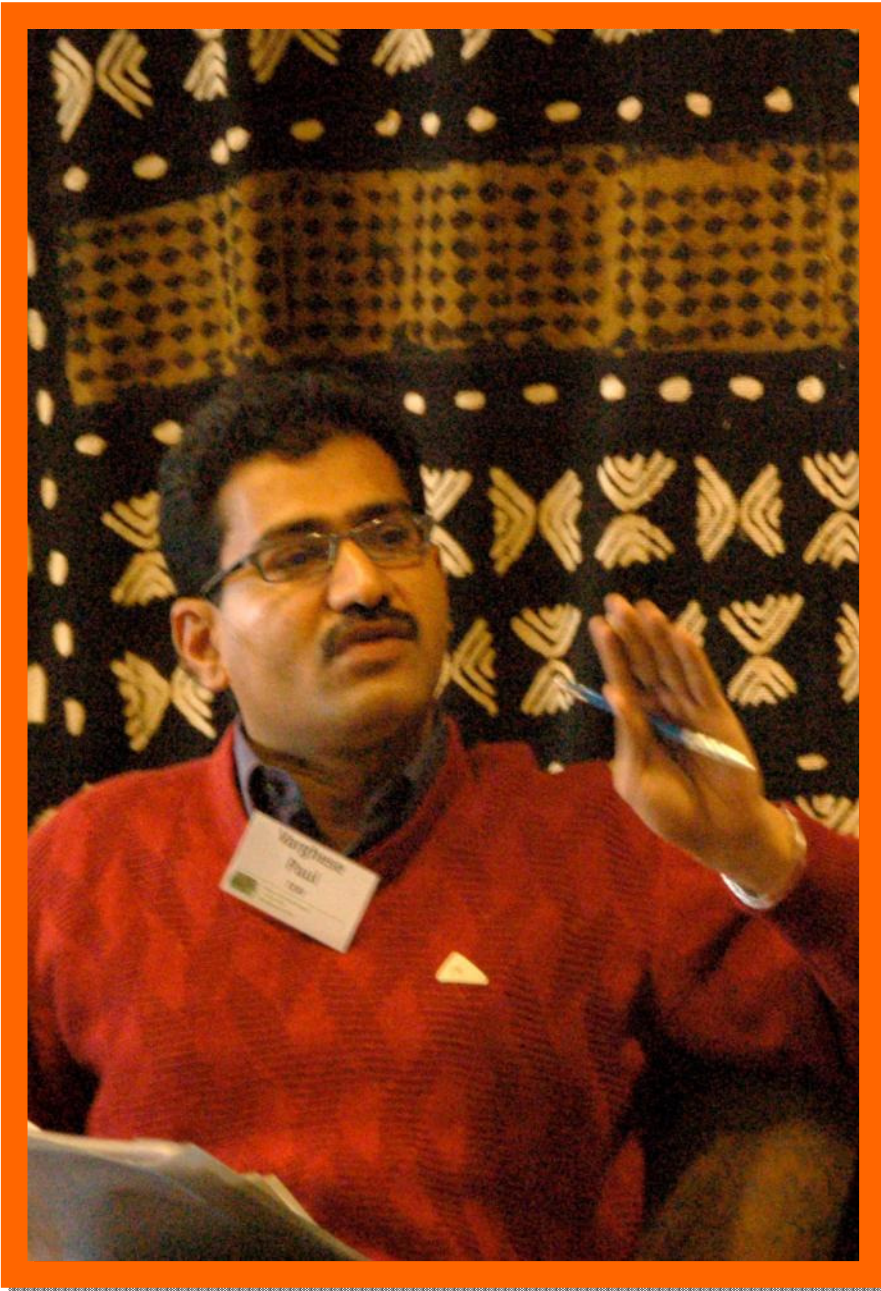




## Expected Outcomes

4. Platform to link national processes and partnerships with international dialogue
5. Identified catalytic actions
6. Improved understanding of needs and challenges





# Definitions

“Locally controlled forestry”

*Investment* in locally controlled forestry



# Key Points from Brussels Dialogue

- Enabling Conditions
- Economic Issues
- Social Issues
- Environmental Issues





# Enabling Conditions



- Confidence in LCF for practicing SFM
- Balance: regulation, taxation and incentives
- Level playing field for LCF

# Enabling Conditions

- Political will
- Good forest governance
- Land use policy and planning
- Tenure rights

# Enabling Conditions

- Engagement of marginal groups
- Adequate and appropriate governmental involvement





## Economic Issues

- Winners and losers
- Financial and economic feasibility
- Balancing between timber and NTFP







## Economic Issues

- Payment for ecosystem services
- Financing
- Excessive fragmentation of ownership



## Economic Issues

- Sustainability of standards and certification
- Formalization of operations and transaction costs
- Imperfect/ effective markets





## Economic Issues

- Market transparency and role of intermediaries
- Technical and managerial capacities
- Sustained partnerships





## Social Issues

- Indigenous peoples engagement
- Social conflicts
- Internal organization
- Lack of alternatives
- Informality and social protection
- Wages and labor shortages





## Social Issues

- Occupational safety and health
- NTFPs: subsistence vs. income
- Equity balance
- Level of participation and co-responsibilities



## Social Issues

- Dialogue and conflict resolution
- Social standards
- Advocacy and space of operation of the civil society



# Environmental Issues

- Ecological zoning and landscape level
- Extensive vs. intensive forestry
- Standards for SFM



# Environmental Issues

- Native vs. exotic spp
- Restoration of degraded areas
- Fragmentation
- Biodiversity and incentives for its conservation





## Key issues in investment for local groups

- Tapping benefits from ILCF
- Access to financing sources and markets
- Impacts on local rights and livelihoods



## Weaknesses

- Forest tenure and use rights
- Legal and policy framework
- Local capacity in SFM, production and processing
- Markets and financing



## Past Failures

- External visions; ideologies
- Capacity building
- Policy reform potential
- Lack of economic focus
- Short-term vision

But the overall balance may still be posi





# Success Factors

- Political will
- Land tenure and use rights
- Local and national governance
- Transparent, efficient and accessible markets





# Success Factors

- Effective organizing
- Capacity development
- Intermediary support organizations
- Benefit sharing mechanisms

