



Building Partnerships to Reduce Forest Conflict in Asia
December 1 and 2, 2005
Beacon Hotel
Washington, DC



SUMMARY

The United States Agency for International Development (USAID), The Forests Dialogue (TFD), and ARD, Inc. convened international leaders from government, the private sector, international organizations, and nongovernmental organizations (NGOs) to explore the nature and impacts of forest conflict in Asia and to discuss what actions the represented sectors can take, individually and collectively, to address this serious problem through their ongoing work or future initiatives. The related social, economic, and environmental impacts of illegal logging were also discussed. The participants' experience in illegal logging provided a strong foundation for the development of actions to reduce forest conflict in Asia.

The event began with a day of presentations in three key focal areas: country case studies and perspectives; trends affecting forest conflict; and potential actions to reduce forest conflict, including positive results and lessons learned. Presentations drew on experiences from all sectors, with specific reference to Cambodia, Indonesia, China, and Burma. The second day focused on identification of actions and partnerships by which business, government, and NGOs could reduce or manage forest conflict within their current operations. Participants worked in small groups to explore cross-sector collaboration opportunities and identify key recommendations for further action, reaching general agreement on a number of key points in a final plenary session. The event concluded with a panel discussion that presented findings at the Woodrow Wilson International Center for Scholars.

KEY THEMES

Several key themes emerged during discussion of the case studies and presentations. All participants agreed that **effective governance in timber-producing countries is the most important factor in reducing forest conflict and illegal logging**. Participants agreed that weak governance at national and local levels is the root cause of many forest conflicts. An aspect of weak governance particularly influencing forest conflict is unclear property rights and authorities for forest management. It was acknowledged that, in addition to impacting biodiversity and community resource rights, weak governance undermines the capacity of international governmental aid operations.

To address these issues, there was general consensus on **the need for clear and unambiguous national-level standards for legal and conflict-free forest products that can be internationally recognized**. Related to this is the need to define a threshold beyond which conflict becomes significant enough to rise to the level of international concern. Participants agreed that enforcement of legal standards is necessary to end the impunity of corrupt operators whose operations hurt those of legitimate actors. It was further agreed that enforcement of international law is particularly critical during post-conflict transition periods, when new governments are forming and timber concessions are often assigned. Participants

agreed that the international donor community should urge governments to strengthen the judicial system and make it independent.

A related challenge identified by participants was the lack of understanding among local communities regarding their legal rights and the denial of their tenure rights. Participants recognized that the absence of forest use classification and comprehensive land use planning results in complex land tenure and property rights issues. There was consensus on **the need to empower forest communities to understand and obtain their legal rights to land and forest resources and to take an active role in monitoring and enforcing forest use regulations**. Governments can facilitate this process by improving natural resource governance and providing alternative livelihoods for illegal squatters on forestland. Evidence was presented that demonstrated how strengthening local communities has been successful in reducing illegal land sale and reducing conflict in Cambodia.

It was noted, however, that community efforts to fight illegal logging would be ineffective as long as domestic and global markets for illegal timber remained. There was agreement on **the need to raise awareness in consumer countries** about illegal logging. Some participants advocated a **ban on importation of illegal timber in consumer countries** to reduce illegal wood trade flows. Some participants cautioned against measures that might raise the cost of legal forest products and thereby make illegal logging and trade even more profitable. There was concern that any trade measures adopted should be carefully tailored so as not to penalize legitimate operators and local forest-dependent communities or undermine the competitiveness of forest products relative to non-wood alternatives. It was emphasized that legitimate businesses operating in high risk areas need flexible, cost-effective operational and supply chain management strategies and tools in order to stay in business and address problems on the ground.

A major finding focused on the future **implications of developing country growth on Asian and African forests**. The booming growth of China (and eventually that of other developing countries, notably India) is projected to have an enormous impact on global wood flows and place additional pressure on forests. It was acknowledged that China's potential growth far outweighs Western influence, and concern was expressed that an absence of sustainability standards in the Chinese forestry sector could undermine any U.S. standards that regulate sustainable forest management. Participants agreed that accelerated reform of the Chinese forestry sector is a priority.

RECOMMENDED ROLES PER SECTOR

Participants agreed that each sector could play important roles in reducing and managing forest conflict and specific recommendations were highlighted for each:

- **Private Sector**

Key roles identified for the private sector are leadership in promoting sustainable forest management and support for government initiatives and community capacity-building, in particular to enable strengthened enforcement and governance. These roles should not be limited to the forest products sector but include other businesses as well.

Businesses can provide leadership through implementation of responsible purchasing policies, supply chain management, active involvement in national level industry associations, and the provision of sub-supplier training as well as foreign direct investment into legitimate operations. The private sector has a specific responsibility to improve tracking and sources of materials along the entire value chain, employ best practices, and inform consumers of issues through socially responsible marketing.

In collaboration with local government and civil society stakeholders, businesses can support efforts to improve enforcement and create credible and practical threshold standards and criteria to define legitimate sources of wood-based products to guide

corporate and government procurement policies. Additionally, they can promote responsible consumption through advertising. Businesses should prioritize products and activities that are legal, sustainable, equitable, and conflict-free.

The private sector can also actively support government and intergovernmental initiatives to address forest conflict and strengthen enforcement actions against unchecked illegal logging. Businesses that use significant amounts of wood-based products from developing countries can partner with NGOs that build capacity for sustainable forests.

- **NGOs**

Key roles identified for the NGO sector are advocacy, public education, conservation science, and direct support for local communities. Improved coordination among NGOs operating in the same country can strengthen these efforts.

NGOs play a critical role in monitoring forest conflicts and promoting public awareness of corrupt practices and operators. They should continue advocacy and policy analysis and increase efforts to lobby government to fund measures to address forest conflict.

NGOs can partner with other sectors to track supply and identify conflict-free products and actively promote legal and sustainable sourced forest products. They can work with the private sector to identify specific areas of illegal or conflict timber harvest. They can coordinate with the private sector and governments to increase capacity-building for best practices in production and harvesting. On the community level, NGOs can support the development of local networks, provide capacity-building, and support land and forest use planning to enhance tenure security of forest-dependent communities. They can play an important role facilitating viable partnerships between forest communities and the private sector.

- **Governmental Organizations**

Key roles identified for governmental organizations are primarily at the policy level to support dialogue and provide incentives for a transparent, fair, and supportive regulatory environment.

Governmental organizations should provide data and information to support policy on import bans on illegal timber, sustainable forest management in China, and guidelines for implementing tracking and management standards. Through policy and enforcement, governments and donor agencies should create an enabling environment for tracking systems.

Governments should review internal purchasing policies to ensure that they only use legal and conflict-free products. They should also play a leading role in supporting governments in their commitments to anticorruption through the promotion of transparency and more effective judicial systems with prosecutions and convictions. Support to corrupt regimes with no commitment to reform should be refused.

To address issues of weak governance, governments should work to place natural resources on the agenda of the U.N. Peacebuilding Commission. To address property rights and land use planning, governments should direct funds towards conflict resolution, clarification of property rights including forest and tenure, and policy reform.

PRIORITY PARTNERSHIP OPPORTUNITIES

Based on the sector initiatives detailed above, participants identified the following cross-sectoral collaborative partnership opportunities as priorities for moving forward:

1. In those countries experiencing forest conflict and illegal logging, develop legality and conflict-free standards at the national level to assist in the responsible purchasing of their wood fiber and forest products.
2. Improve monitoring of product chain from forest harvest to end user markets.
3. Develop and implement supply chain tracking tools to enable businesses and consumers to avoid purchasing of wood products originating from illegal logging operations or forest conflict.
4. Create country-specific dialogue groups to address participatory land use planning once tenure is secured.

Immediate Action

Participants support the continuation of work from this meeting; USAID and TFD will assemble a core group to advance the ideas and recommendations generated. There was general consensus on the need to broadly communicate findings of this workshop as well as to expand the network to others, such as the retail community and producer country governments.

Participants felt the need to link the above approaches into an overall strategy, maintaining a community-level focus as a key part of this strategy.

ACKNOWLEDGMENTS

The event organizers thank all participants for taking time from their busy schedules to attend the meeting and share their ideas with the group. We would especially like to recognize those participants who traveled from Asia and Europe to be at the event.

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