

# Breakout Session Day 1

## Questions

1. What are the key constraints and opportunities that indigenous people, forest communities and small holders accessing investment?
2. What kind of conditions support structures and partners should be in place to improve investment in LCF?

# **Community Forestry Group Presentation**

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# What are the key constraints and opportunities that indigenous people, forest communities and small holders accessing investment?

## **Constraints**

- Access to land is Key constraints - no access to land and there is no property rights
- Limited technical capacity of the forest communities
- No orientation in communities and less interest of the local government
- Government policies are not clear in many countries to promote the community forestry
- Lack of inspiring leadership in management, fragmentations.
- Lack of finance within the community
- Donors and government money do not go directly to the communities
- Not secure market.
- Lack of awareness because of the right information's in the communities
- Nexus among the bureaucrats and smugglers and st corruptions.
- No recognition of human rights of the forest dependent community and democratic governance.

# Opportunities

- Some countries recognizes the community forestry like Guatemala, Nepal
- Emerging the networks and federation of community forestry at local, national, regional and global level. GACF in global level
- Realizing the importance of social mobilization and social campaign
- Enhancing the leadership capacity
- Recognizing the community forestry
- Forest dependent communities live near by the forest and know the importance of the forest.
- Community organization has political opportunities to dialogue and negotiations.

# What kind of conditions support structures and partners should be in place to improve investment in LCF?

- Policy should have to insure the community participation and insure the forest tenure rights.
- Guaranty the right of local community in the forest management by legislations.
- Insure the clear process in the policy formulation of the local communities, and the bottom up policy formulation process.
- Establish and enhance the capacity of the local community forest and their networks & federation at different levels.
- Establish and promote the small and medium community based forest enterprises
- Establish the INDEGENOUS, FARMERS AND LOCAL COMMUNITY FOREST INVESTMENT FUND where the local community has the easy access to promote community forestry and community based forest enterprises to create green jobs and social justice at local level
- The Partnership which recognizes the community rules, values and equitable benefit sharing among the communities. Partnership may be among different actors like public, private, community, NGOs, GOs and others.
- Enhance the women and youth participation in all process.

# INDIGENOUS COMMUNITIES AND PEOPLES

Charles (Rwanda), Edna (Kenya),  
Hubertus (Indonesia), Marcial  
(Panama), Minnie (Philippines)

# General Comment

- -> all groups wanting to work with us should align themselves with the principles outlined in the UNDRIP
- → use of the term peoples – recognizes our collective identity and it should be used in all documents

# Opportunities and Constraints

- Non- recognition of IP Rights – difficult for us to negotiate with other entities including investors (land rights)
- In some instances IPs are not even recognised as IPs



# Opportunities and Constraints.....

- Land titling, legal recognition of land rights
- Funding is not directed to communities – to intermediaries
- Policy revision – resources remain the property of the state, even if land rights are recognised
- Donors/investors are assisting govts in violating IP rights in their refusal to go directly to IP communities

# Opportunities and Constraints....

- IPs can not access funds due to bureaucracy and policies of funders – limits IPs in accessing these funds and allows for intermediaries to take on the role – for example – northern NGO partner
- Support for capacity building initiatives for communities is very limited
- Information is not shared to communities – language and access issues

# Opportunities and Constraints....

- Vague policies of funders – WB O.P is not implemented
- Actual implementation of international standards – the passage of the DRIP is seen as an opportunity but it remains a piece of paper

# Opportunities and Constraints....

- Indigenous peoples control natural resources and we are organized – we have the knowledge to use these resources
- The passage of the UNDRIP, ILO169 are opportunities
- Renewed focus on forests is both an opportunity and possible threat

# Opportunities and Constraints.....

- There is capacity in the communities but we need to strengthen these capacity according to the needs of IPs not according to donor needs
- - efforts to build the organizational strength of communities including administrative issues (institutional building)
- - ensuring the survival of TK – language, education of children

# Framework.....

- Governments and other entities should ensure that the UNDRIP is incorporated in national policies
- There should be explicit recognition of IPRs by all
- Review of existing donor policies in order to ensure that IP rights are incorporated
- Working from the bottom up – needs of communities should be the basis of funding

# Framework.....

- Transparency should be ensured at all levels
- Investors/donors should not just talk to one organization but recognize the diversity of IPs
- Benefit sharing – ensure that communities benefit from the activities and not just the bureaucrats
- Learning from past experiences
- Sense of ownership by communities to ensure that there is continuity – full participation of indigenous peoples so that they own the project even beyond the project cycle – capacity building including skills so that community owns the project

# Framework.....

- Understanding that we have different capacities – we should not be looked at as simply needing technology transfer but there should be understanding of our cosmovision, including our own **definitions**
- → scale – we are speaking of our territories so it can not be measured in terms of hectares
- → we should understand the varied use of forests – for us it is not just economic benefit but it is the source of our cultures, spiritual strength, etc. so it can not be measured in simple economic terms



# Framework.....

- Gender – ensure that women are part of the discussions so that they are not further marginalised
- Inter-generational aspect – youth must be involved in the skills building – the youth needs to also build their knowledge of TK

# Framework.....

- Respect for self-determination and territorial sovereignty of IPs over their territories – therefore direct partnerships with IPs should be encouraged; ensure that projects are initiated at the behest of communities; free, prior, informed consent should be sought from the communities

# **Private Sector Group**

# Private sector

- Business Development Company providing capacity development in Laos
- Forest and paper and packaging company operating in Russia, S. Africa and Eastern Europe
- Business NGO working with global companies on sustainable development - economic growth and balancing social and ecological aspects

# Question 1

- Constraints:
  - Weak forestry business capacity issues: entrepreneurial attitude, poor education
  - Isolation, lack of networking, non-aggregation, small supply
  - Lack of sustainable long term markets for forests goods & services
  - Project dependence
  - Disconnect
    - Financial structure does not meet or fit supply/demand
    - Farmers do not want to go for business
    - Companies do not understand the needs of communities
  - Role of the state: lack of clear policies
  - Lack of clear, secure long term tenure (that can be securitized)
  - Lack of land title as loan collateral

# Question 1 (continue)

- Opportunities:
  - Abundance of resources
  - Full use of forest products, timber vs, NTFP, energy and ecological services
  - Awareness of Government, private sector, communities on forestry conservation raised
  - Working and leveraging with other sectors, take forestry to farming, agriculture cooperative to forestry

# Question 2

- Shared vision among stakeholders, clear roles of each stakeholder – independent and shared action that is timetabled
- Government: infrastructure development
- R & D, education training
- Multi stakeholder set-up
- Business capacity building, business opportunity awareness
- Integrated investment plan
- New investment partnership
- More flexible marketing model
- New investment model which the global companies can use, move from competitive to collective
- New partnership models based on multistakeholder input

# Post Sept 2008

- Demand across the board has dropped, unlikely to return to growth till 2011
- Industrial business models being challenged – banking, oil & gas, automotive, pulp/paper, tourism
- Re-regulation of banking + government intervention + green stimulus packages
- When demand returns, it could/should be different
  - Sustainable consumption patterns
  - Sustainably produced goods and services
    - Ecological, water and carbon footprints
- Sustainable forestry opportunities
  - Fiber, food, fuel on a renewable basis
  - NTFP, ecosystem services starting with carbon
  - Sustainable rural livelihoods + climate mitigation/adaption + wood/pulp/paper/packaging + bioenergy +water.....
  - Aggregation is key – its builds economies of scale and can diversify product offers = competitive and spread risk



# **Research and Support Group**

TFD

## Q2 – Constraints 1.

- Too little local control
  - Perception of control
- Complex and expensive procedures
  - Costly legal framework
  - Contradictions among policies and laws
- Scale and fragmentations
  - Isolation
- Political environment
  - Corruption
  - Poor resource quality
- Needs to meet short term needs

# Q2 Constraints 2

- Capacity constraints
  - Enterprise extension
  - Financial management
  - Business planning
  - Marketing
  - Organisational development, management, leadership
  - Perception of role of forests in livelihoods
  - Poor approach to capacity building
    - Target driven approach from supporters

# Q2 – Opportunities 1

- Trend towards stronger local rights & control
- Funds available
- Interest in forestry
- Interest in enterprise support
- Wealth of useful guidance material (& people)
- markets
- Greening economy (climate change)
- Fair trade
- CSR
- Multi-disciplinary network

# Q1 - Condition, support structures & partners. 1

- public-private partnerships
  - Funding, implementation
- organized communities
  - Associations, co-operatives, etc
- North-South learning
- effective, targeted financial flow
- clear tenure
- No division between social & commercial forestry
- Trust -> simplicity
- from control and command -> incentives
- a market for forest based products/services
- infrastructure

# Q1 - Condition, support structures & partners. 2

- Service providers
  - business planning
  - brokers
  - marketing
- Forest business facilitators (private, public)
  - Information transfer (new technology etc)

# **Smallholders Group**

# Q1 Opportunities 2

- Build in existing organisations – benefit if you have organisations
- Cooperation with other parts of the value chain
- Increasing interest in local markets
  - Opportunities in the financial crises
- Have the required goods – need the market
  - Ecosystem services
- Project for small holders in carbon sequestration



# Q1 Opportunities 2

- Ability and recognition for small owners' services
- Be on the proactive end
- Building on active forest owners
  - Support them controlling their own destiny
  - Service providers controlled by forest owners

# Q1 Constraints

- Unorganised small owners / holders
- Lack or underdeveloped owners' / holders' / producers' organisations
- Lack of cooperation with other parts of the value chain
- Forestry not considered as economic activity, but mainly conservation areas
- Changes in demographics – must adapt

# Q1 Constraints 2

- Transaction costs
- Lacking markets
- Changes in industry structure – unfavourable industry structure
- Excluded from policy schemes – climate policy
- Lack of recognition that family forestry produces economic products and other services
  - Lack of recognition by the international

# Q1 Constraints 3

- Lack of support for better global communication between small holders in north and south – “funding of small scale owners in developed countries activities”
- Global focus on forestry restriction actions more than recognising forestry as an economic activity
- Growing risk in markets and political framework

# Q1 Constraints 4

- Small scale regarded as “risky business” by funding agencies
- “Solving forest owners problems” instead of enabling forest owners to “save themselves”

# Q2 Conditions – support structures

- Identified constraints can be overcome with reasonable effort through collaboration
  - Industry
  - Financial institutions
  - Government
  - Community, consumers
- Leadership and organisations
- “Reasonably” good understanding – trust
  - Understanding the “real” risks

# Q2 Conditions - support structures 2

- Infrastructure
- Consistent / accepted / reliable / long term governance
  - Everywhere
- Certainty in investment environment
- Education, training and extension services
  - Including business training
- Favourable succession arrangements
  - Avoid overtaxing and property fragmentation

# Q2 Conditions – support partners

- Industry
- Governments
  - State forest
- Retailers – consumers – “the whole chain”
- Environmental organisations
- Local and regional communities