

Breakout Group 2
Exploring ILCF Principles Based on
Experiences in Burkina Faso

Sep 14th, 2011

Favorable Condition	How can it be realized? (examples)
Transparency	Honest sharing of information
Clarity of tenure, rights and obligations	Commitment to strengthening local control through investment process
Organisational structure with clear roles and mandate	Accommodate traditional community processes
Mutual learning in order to improve performance	Respect each partner's skills and knowledge
Agreed goals	Share vision and values, disclose all agendas
Checks and balances on decision making to overcome disagreements	Good communication and design
Viable business and value proposition	Access to expertise, intermediaries
Respect different values and embrace change	Prepare for transformation, build social capital

Questions

Is there anything missing in the favorable conditions for ILCF? Any specific example in Burkina Faso?

How can the favorable conditions be realized?

GROUP 1

Methodology

- Selected very important sectors and juxtaposition with the favourable conditions.
- Sector:
- Political (legal institutional
- Finance
- Marketing
- Technology
- Natural resource
- Technic

Is there anything missing in the favourable conditions for the ILCF, any specific Example

- **Transparency**
- **Political** (legal and institutional).Equity in the implementation of the law,
- **Organisational**
- **Marketing** : Win- Win Benefit sharing marketing like in the Firework sector. (Equity)
- **Financial** :
- **Technological** : transparency in technological transfer

Clarity of tenure

Political (legal and institutional).

- organisational – sensitisation of rural Stakeholders on the laws and regulations.
- Local land tenure charter (local management code)
- Resources Natural

Organisational structure with clear roles and mandate

- Take into consideration vulnerable and minority groups. (women, migrants communities, etc)
- Capacity building of rural Partners , on typologiy and on existing laws (ex, laws 10 and 14, should be clear to all actors)
- Technological transfer:

Mutual learning in order to improve performance

- Political
- Technical / technology
- Organisational
- Natural resources

Respect and extend the capacity of others and promote professionalisation at all the level of value change

Agreed objectives

- Political
- Markets
- Technological
- Natural resources
- **Conditions for agreed objectives:**
engagement of all, no hidden agendas, clear strategies, clear visions, accept others values
- Mutual ,Flexibility and sensitivity.
- Competivity ; solidarity , cooperation.

Checks and balances on decision making to overcome disagreements.

- Political
- Organisational
- Marketing
- **conditions:** Engagement / involvement of all stakeholders at the level of decision making.
- Sincere communication, consensus.

Viabile business and value proposition

- Technology
- Marketing

Condition:

access to appropriate skills
remove linguistic barriers.

Access to information on technology, markets,

The domination of english, limitation of other languages,

Respect different values and embrace change.

- Political
- Organisational
- Markets
- Finance
- Technology

Conditions: Change mind set, accept others, sensitisation, advocacy, tolerance, open spirit , consider different social , partnership, networks

Other very important conditions

- Competitivity
- Collaboration, solidarity
- Education and training (alphabétisation)

Group 2 discussion

**The Forest s Dialogue on Investing in
Local Controlled Forest**

Question 1: Is there any missing in the favorable conditions for ILCF? Any specific example in Burkina?

- 1. Take into consideration disadvantaged and vulnerable groups, in particular for issues of equity in relation to benefit sharing**
- 2. Ensure that a mechanism is available for compliance with commitments related to contracting and sense of accountability**
- 3. Need to allow for areas of flexibility and adaptation to local environment**

Question 1: Is there any missing in the favorable conditions for ILCF? Any specific example in Burkina?

4. Negotiation for a sufficiently long contract period to cover the results expected under the contract (*variable as applicable : hard and soft investors*)

□ Example on flexibility: determination of selling price–3-year contract–increased costs of inputs (water, electricity, purchasing price of shea nuts) –reviewed consultation framework and consideration of changing realities

Question 2: How can the favorable conditions be realized?

Transparency

- Improve the communication system
 - ***System, regularity***
 - ***Willingness to systematically demonstrate accountability***
 - ***Honest sharing of information***
- **Actual involvement/participation of all stakeholders at the outset of any project process (design, planning, implementation, indicators, monitoring, evaluation, etc.).**

Question 2: How can the favorable conditions be realized?

Tenure

- Establish an appropriate regulatory system
- Ensure a sufficiently long period
- Example of processes in Burkina Faso: understanding investor/ customary representatives, minutes of palaver, exploitation permit and land Title*

Question 2: How can the favorable conditions be realized?

Equity

- Consideration of the specific needs and interests of all in any regulation, providing an opportunity for all members**
- In the context of forest management (Sablogo) : existence of quota % set for some groups, right of youth to land**
- Example of management of 25 ha of vegetables site in Yako/Burkina: development of an initial set of specifications including rights to access, credit, participation in work, etc. applicable to all, regardless of gender, ethnical group, etc.***

Question 2: How can the favorable conditions be realized?

Compliance with commitments

- ☐ Agree on sanctions, external monitoring systems through audits, etc.**
- ☐ Example of the forest of “Gotensé”: verbal principles with sanctions that worked well through a local monitoring system with support from the forest authority – Lessons learnt that led to a local agreement.**

Question 2: How can the favorable conditions be realized?

Flexibility

- Allow for the consideration of different kinds of variability in the course of implementation
- Include a clause in contracts accordingly

Breakout Group 3

Conditions and how they may be realized.

Introduction

- Many of the issues we discussed were related to the way conditions can be brought about, rather than new conditions.
- Most things are connected (e.g. trust building is part of several conditions)
- Not linear process

- Clarity of tenure rights and obligations that are weighted in favour of local control.
- Organisational structure – internally negotiated with clear roles and mandates. (to what extent does this imply some imposition of external values?)
- Agreed goals...but with proviso that the deal does not compromise local control (but who intervenes? Or do we ensure community has knowledge and tools to negotiate a good deal?)

- Understand business environment, where is the competitive advantage, assess the value proposition.
- Investors see the value in the differences (culture etc.) and the specific context. Dealing with communities is not a cost or a burden, but an advantage. (link to social capital)

- How is the core / basic level of capacity built in the first instance? (is this included in “viable business and value proposition”?)
- Appropriate levels of capacity (may be mismatch between what NGOs think is sufficient and what investors need?)
- Community has reached a point where it can understand the deal (= capacity) and where there is some focus on making it happen, and cover issues of representation and “on the same page”.
 - Connection to “agreed goals” & “checks and balances”
- In absence of social capital and communication difficulties, deals need checks and balances and a degree of TRUST
- Trust is the means by which conditions are realized, rather than a condition in itself.

- Add “Managing expectations” to “Agreed goals”.
- Need for all parties to understand the value proposition and be realistic. Needs expertise by NGOs / soft investors to be able to evaluate business ideas.
- What about the “Enabling environment” for business – does it belong in here? Is this term too general, or just about regulations etc.

- Rights: includes the rights of the investors to intervene...
- Benefits and contributions as well as “rights and obligations”
- How do hard investors communicate their criteria & needs to the soft investors who are often first in the field?
 - Deals often involve soft & hard investment in a structured deal with financial, economic, social and environmental returns. (REDD+ funds may behave in this way.)
 - Ensure local control not forgotten in these deals
- Viable business proposition should be number one!

- Agreed goals – also agreed exit route and timing for both soft and hard investors. Investors can go, communities can stay.