

FORESTRY POLICY AND PROGRAMS

I. Introduction

Forests, woodlands and grasslands provide multiple uses and benefits to society. These natural, renewable resources provide food, storage, fuel, shelter, commercial products, as well as income and employment opportunities. These material benefits are critical in enabling rural populations in developing countries to meet a broad range of their basic needs. Forests also provide important environmental benefits and perform protective functions by regulating waterflow and preventing flooding; influence both the quality and quantity of usable water for agriculture, industry, livestock and human consumption; provide habitats for wildlife; preserve a vast genetic reservoir of plant and animal life; help minimize soil erosion and soil resource depletion; influence local climate and meteorological phenomena as well as stabilize the global climate; and, forests make recreational, education, industrial and scientific contributions to entire populations and their succeeding generations.

In many developing countries current rates of deforestation threaten the continued realization of these multiple benefits. Destructive and unsustainable levels of forest use must be replaced by those which can be sustained. Fuelwood needs and the expansion of agriculture into forest areas are currently responsible for a major part of forest depletion. Even now there are many people without sufficient fuelwood to meet their minimum cooking and heating needs. If current rates of deforestation continue unabated, some 250 million people will be affected by the year 2000. People will be forced to increase their use of animal dung and crop residues, thereby decreasing their crop yields and providing further impetus to extend cultivation into forest lands. Thus, the long term prospects for growth in agriculture are significantly threatened by the continued depletion of tropical forests. An allocation of development resources is needed that is both adequate and appropriate to address the deep-rooted causes of deforestation.

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strategy include: (1) assisting the poor to increase their incomes -- through raising their productivity, opportunity to acquire skills and expanding their opportunities for productive employment, and (2) increasing the availability of goods and services required to meet these basic needs.

In many developing countries unsustainable uses of forest resources are already having widespread adverse effects. Such effects are being felt by consumers who need fuelwood, farmers who require assured supplies of water for their crops and protection against erosion for their fields, builders who rely on timber, hilly-land farmers who cultivate forest lands and lands marginal to intensive cultivation and workers who depend on jobs in forest-related industries for their livelihood.

In promoting more sustainable land use patterns, it is important to recognize the key role that forest land management plays in relation to environmental protection, especially on hilly-lands cultivated by people with little social, cultural and economic standing. Upstream watershed management that includes forest management techniques is crucial to sustainable patterns of land use, reliable water delivery for agricultural production, hydroelectric generation, and potable water supplies. Without directed action to alter the allocation of development resources to marginal as well as more productive areas, and to generate the knowledge needed to protect watersheds and maintain deforested lands in productive use, the prospects for sustained and efficient agricultural growth are likely to be significantly impaired. These constraints will undoubtedly have broad ecological, social and political ramifications, especially if corrective measures are not undertaken.

III. Policy Determination

A. Objective of A.I.D Forestry Assistance

The broad objective of A.I.D. forestry assistance is to

natural resources in productive and sustainable ways. A.I.D. assistance should, therefore, promote the most economically efficient and ecologically sound use of forest resources and products to help meet existing and future energy, food, wood, employment and commercial needs of developing countries.

B. Elements of Forestry Policy

To achieve the objectives of forestry assistance, A.I.D. will focus on four inter-related policy elements:

1. improve country policies to provide adequate incentives for people and private enterprise to participate in forestry activities and programs that will reverse deforestation;

2. develop human resources and organizational capabilities of existing forestry and related institutions, private and public, to effectively design, implement, and evaluate forestry policies and programs as well as comprehensive plans for natural resource management. The critical role of applied and adaptive research in the development and transfer of technologies for meeting fuelwood needs will be stressed;

3. expand the role of private enterprise - defined to include individuals, cooperatives, voluntary organizations and profit-seeking entities - as a means to establish an industrial base for forest development, improve the production efficiency of forests and promote the utilization efficiency in conversion and consumption of forest products.

4. employ all available assistance instruments in support of forestry assistance, including the use of P.L. 480 food aid, in an integrated manner. In so doing, A.I.D. will coordinate assistance in other spheres - agriculture, energy, environment and the private sector - with forestry policy and programs. Also, A.I.D. will work closely with other donors, the U.N. specialized agencies, other U.S. Government agencies, private organizations in the U.S. and private voluntary

important criteria for project selection. The roles of local organizations, particularly those that manage the allocation and use of land, will be given major weight in program development. Also important is the need for small and medium sized firms, trade associations, banks and cooperatives to become more involved in producing, marketing and processing wood and non-wood products of the forest.

2. A.I.D will encourage measures to assess the degree to which public sector policies, regulations and programs encourage or discourage individual and/or private sector participation and resource mobilization in forestry interventions. Also, innovative ways to implement policy reforms will be stressed which encourage greater private sector participation.

3. A.I.D. will focus on programs which increase the efficiency of production, marketing and utilization enterprises including management and technical skills of the private sector in undertaking forestry activities.

4. A.I.D. will encourage greater access to markets, information, credit and requisite infrastructure to more effectively mobilize private and community resources for forestry development.

D. Policy Guidelines for Interventions of a Public Nature

1. A.I.D. will encourage dialogue, analyses and programs to improve country policies to provide incentives and remove constraints to infrastructural and institutional development, furtherance of local organizations and providing more broadly-based access to productive resources and services in forestry.

2. A.I.D. will give priority to complementary policies and programs that effectively interact and support the work and initiatives of local communities, voluntary organizations and private enterprise.

3. A.I.D. will assist public institutions in technology transfer, forestry education and to develop effective and efficient measures to encourage local initiatives in forestry.

forest resource use practices and, in turn, obtain similar commitments from rural populations to participate in forestry work.

E. Implications for Program Development

Because of the diversity of problems, resources, awareness, and commitment among developing countries, this policy determination does not attempt to delineate precisely the types of programs which A.I.D. will support in all cases. A.I.D. recognizes that forestry is inherently a long term enterprise and that forestry interventions must be long range undertakings. Any one of several areas of activity may be an appropriate starting point for policy implementation and program development:

1. Analysis, planning, and policy formulation (including natural resource inventories, plans and land use assessments; land capability classification; evaluation of tenure law and its application);
2. Institution-building for natural resource management, conservation (including training, management systems, and establishment of service support institutions) and forestry education which emphasizes curriculum expansion to include substantial components in forest management, forest product management, logging engineering, wood technology, range and watershed management;
3. Incorporation of forestry and agroforestry activities into agricultural and rural development programs;
4. Afforestation and reforestation, as well as management and protection of forest plantations and natural forest stands with special emphasis on ecologically suitable, fast-growing, multipurpose species;

III. Implications for Other Types of Development Assistance

A.I.D.'s forestry policy supports other types of development assistance and this policy determination should be read in conjunction with policy papers guiding assistance in other fields. In many cases, strengthening the support for forestry - related activities will increase the potential for achieving objectives in other fields in which A.I.D. and other donors provide assistance. In other cases, there may be conflicting objectives and the trade-off between competing activities should be carefully evaluated in cost-benefit terms. In all cases the economic and earning potential of forestry should be recognized and policies and programs should be designed to attain this significant economic potential.

A. Environment and Natural Resources: The environmental influences of forestry development are fully reflected in A.I.D.'s environmental and natural resource policies. Upland watersheds in forest cover assure water supplies, stabilize tropical soils and protect habitat for diverse flora and fauna. Shelterbelts, windbreaks and dune stabilization measures in semi-arid environments protect against wind erosion, wind stress, water loss and desert encroachment. Herbs, grasses, shrubs and trees found within grassland, savanna and rangeland provide vegetation complexes upon which environmental protection and natural resource conservation is based. A.I.D will encourage LDCs to approach forest land conversion to permanent or shifting agriculture and livestock use in a manner that ensures sustainable production systems and the most appropriate land-use patterns in relation to soil characteristics and land capability analyses. Continued attention will be given in environmental, social and economic analysis to evaluate trade-offs among alternative-land-use choices.

B Agriculture and Rural Development: The provision of support for the development of agro-Forestry programs and other alternatives to unsustainable patterns of shifting

cultivation and intensive agriculture should help to encourage a sound balance between agriculture, range and livestock, and forest land uses in developing countries. By developing alternative fuel supplies, fuelwood programs should benefit agriculture by increasing the availability of dung and crop residue for soil enrichment. By developing forest-based income and employment opportunities, rural growth will be fostered.

C. Energy: The increased production of fuelwood supplies through the establishment of tree plantations., reintegration of forestry on farms through agroforestry, fuelwood conservation through improved stoves and kilns as well as natural forest and scrubland management has already been adopted as objectives of A.I.D.'s energy policy. Thus through direct production programs as well as through conservation of other energy sources (e.g., protection of watersheds above hydroelectric dams), forestry activities will play a key role in supporting the achievement of A.I.D.'s energy objectives.

D. Private Enterprise: A.I.D.'s private enterprise development policy directs the Agency to focus assistance in four priority sectors. These are agriculture, agribusiness, small and medium scale industry and privately operated service enterprises. This policy also recognizes the need for requisite rural infrastructure - such as transport, energy, water, and communication - as important means of encouraging private enterprise to serve the needs of the poor. Forest development and watershed management are critical activities in support of such infrastructural projects. Also, as the wood industry itself is characterized by strong forward and backward linkages and produces significant employment and income multiplier effects, it can provide an additional stimulus to the expansion of agribusiness and service enterprises within and outside agriculture. Thus, forestry development is not only a target for private enterprise but also an important agent of its expansion to other sectors of the economy.

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Original signed by and on

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Date