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## International development cooperation in forestry

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*This article focuses on international technical and financial assistance in support of national forestry efforts as a part of overall sustainable development. It traces the evolution of international cooperation in forestry, highlighting the FAO forestry field programme, and considers current trends and prospects in the context of challenges and opportunities arising from UNCED.*

International development cooperation in forestry began after the Second World War, more specifically in the 1950s, with the launching of the UN Expanded Technical Assistance Programme (ETAP) and subsequently the United Nations Special Fund for Economic Development (UNSF), both of which included forestry projects in their portfolios. While the bulk of this assistance was directed towards countries that were emerging from colonialism, it was also extended to a number of other countries, particularly those in the Mediterranean basin: Greece and Yugoslavia as well as Portugal. In the mid-1960s, the two programmes were merged into the single United Nations Development Programme (UNDP), which made it possible to fund both small- and large-scale projects from voluntary contributions announced by governments at annual UNDP pledging conferences. The adoption of multiyear country programmes for UNDP assistance marked the end of the ad hoc project-by-project approach which had characterized the ETAP and UNSF programmes.

Initially, international cooperation in forestry, including bilateral assistance, was geared to the provision of technical assistance through resident experts, most often for resource surveys aimed at identifying investment potential. These were followed by projects for promoting the establishment of forest industries, including pulp and paper, sawmilling and panel products. Large-scale plantations were established, mainly as sources of concentrated supplies of industrial raw materials, although they also had the potential to compensate for and avert the depletion of natural forests. Training and fellowships, an important link in the chain of technical assistance inputs, have always been included in forestry projects, especially those for which FAO has had executive responsibility. As a result, many of the existing national institutions for forestry education, training and research have their origins in international development cooperation.

Three major international events in the 1970s significantly influenced the nature, type and scope of technical assistance projects. The first was the United Nations Conference on the Human Environment, held in Stockholm in 1972, the second was the Eighth World Forestry Congress, held in Jakarta in Indonesia in 1978, and the third was the World Conference on

Agrarian Reform and Rural Development (WCARRD), organized by FAO at its Rome headquarters in 1979. These international fora reflected changing views at the policy and professional levels. Whereas, in the 1950s and 1960s the "solution" had been seen in rapid industrialization, the perspective of the 1970s stressed the importance of rural development. The resolutions emanating from these meetings, clearly reflecting these changing emphases, had a far-reaching effect on forestry development; the focus shifted from purely timber production, trade and industrial development to one where people were seen as a primary element, and more attention was directed towards forest conservation and sustainable management.

It was during this period that the first forestry projects which were specifically geared towards meeting the needs of local people through their participation were undertaken, thanks to the pioneering efforts sponsored jointly by FAO and the Swedish International Development Authority (SIDA). These were the precursors of many of the current international initiatives concerning community forestry, agroforestry practices, small-scale forest-based enterprises, non-wood forest products, women in development and the contribution of forests to food security, all of which have people's participation as their distinguishing philosophy. An aspect of this trend is the formulation of forestry projects with a multidisciplinary approach to poverty alleviation and the inclusion of forestry components in rural development projects.

In fact, the most rapidly expanding category of development assistance projects includes forestry for rural development, much of it involving community forestry activities. For example, in Nepal an ongoing project on Hills Leasehold Forestry and Forage Development, with a contribution of US\$16 million through the International Fund for Agricultural Development (IFAD), is at the cutting edge of new approaches to integrated forestry, agriculture and livestock activities governed by local self-reliant mechanisms.

**[The most rapidly expanding category of FAO-assisted forestry projects includes forestry for rural development](#)**

The environmental dimension has always been an important aspect of scientific forest management, but its explicit consideration in forestry programmes is only now becoming a reality. More and more forestry and forest industry projects will focus on establishing an appropriate balance between sound environmental management and economic development. These projects are likely to attract non-conventional sources of funding, including such innovative arrangements as debt-for-nature swaps and the greater participation of non-governmental organizations (both international and grassroots), the private sector and foundations. In Sri Lanka, for example, a project devoted to environmental management in forestry is being executed by FAO in collaboration with the World Conservation Union (IUCN), with funding from the Global Environmental Facility (GEF).

Watershed management, arid zone forestry and desert control are also part of this category, as are projects that seek to conserve and manage wildlife resources and establish cultivated forests. An example is the struggle against desertification in Senegal, where several thousand volunteer workers from rural development organizations and local populations have taken action towards the reforestation of woodland, the protection of irrigated land and the management of grazing areas. These initiatives have raised public awareness of the importance of tree cover in ameliorating the environment and increasing local employment and income.

The transition of numerous countries in Europe and Asia from centrally planned to market economies, together with the demand generated by this process, is having a significant impact on international cooperation in forestry. Technical cooperation in this context is focusing on priority areas such as forest sector policy reforms, new ownership arrangements for forests and forest industries, institution building, the upgrading of technology, quality control and

standardization, information on markets and investment promotion.

At the same time, there is a heightened awareness of the socio-economic and environmental impact of tropical deforestation. More information and research will be required regarding fragile ecosystems such as the tropical moist forests, arid zones and mangroves, and regarding the management of mountain watersheds, all of which are under mounting population pressure, exacerbated by landlessness and poverty.

### **[The struggle against desertification in arid zones is an important area for technical assistance](#)**

## **EVOLUTION OF THE FAO FORESTRY FIELD PROGRAMME**

FAO's forestry field programme grew from a value of less than US\$1 million per year in 1953 to about US\$80 million in 1990. The number of forestry cooperation projects also grew rapidly from some 53 projects with a value of \$46 million in 1971 to 290 projects with a value of \$481 million in 1993. The programme's annual replenishment through new project approvals has reached almost \$100 million, representing more than a fivefold increase since 1980. Today, FAO is the largest technical cooperation agency in the UN system. In 1994, its Forestry Field Programme comprised 330 technical assistance projects in over 90 countries, staffed by 690 experts and consultants. The projects are supported by the Forestry Department, which has the largest concentration of forestry specialists in any international organization. The programme also draws on diverse expertise in other technical departments of the Organization for complementary inputs.

Innovative approaches are warranted for utilizing scarce development cooperation resources, and programmes need to be planned and implemented coherently and cost-effectively. Towards this end, FAO is undertaking a restructuring process which, among other things, is aimed at using the Organization's technical capacity and competence in the most efficient way and reinforcing its partnership with member countries, international organizations and aid agencies. One such initiative was the establishment of a Technical Cooperation Department in 1994 to serve as the hub of operational activities, covering policy advisory services, investment, the mobilization of extrabudgetary resources, the implementation of field operations and cooperation with multilateral and bilateral agencies, the private sector and non-governmental organizations (NGOs). The Forestry Operations Service is now part of the Technical Cooperation Department and, at the same time, it will ensure its distinct sectoral identity and maintain its technical excellence and professional linkages with all relevant technical units in FAO, including the Forestry Department.

### **[Technical assistance to the forestry sector of countries with economies in transition presents new challenges](#)**

## **INTERNATIONAL TECHNICAL COOPERATION IN POST-UNCED FORESTRY**

Inasmuch as WCARRD and the UN Conference on the Human Environment changed the outlook for forestry in the 1970s, the United Nations Conference on Environment and Development (UNCED), held in Rio de Janeiro in 1992, and the resulting Agenda 21 have shaped thinking in forestry development worldwide, contributing to a new vision for the sector with an explicit emphasis on environmental issues and challenges. The contribution of forests to development through their sustainable management, conservation and utilization in a manner compatible with the sector's environmental roles will need to feature prominently in international development cooperation programmes. The Convention on Biological Diversity and The International Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa, as well as the current efforts for the development of criteria and indicators for sustainable forest management will have to be

translated into concrete action on the ground through appropriately designed projects and programmes. All these will require a better understanding of intersectoral linkages to facilitate interdisciplinary collaboration aimed at harmonized result-oriented programmes within an overall land-use planning context.

Within the UN system, FAO is the Task Manager for promoting collaborative UNCED follow-up action to the Forest Principles and Chapters 11 and 13 of Agenda 21. In addition, it supports the work of Chapter 15 (Conservation of biological diversity) and the secretariat of the Convention on Biological Diversity, as it did that of the intergovernmental negotiating committee for a convention to combat desertification, the final text of which was approved in June 1994.

As Task Manager for forestry, FAO ensures collaboration and cooperation among the various actors within the UN forestry system [*Ed. note*: for more details on FAO's role in post-UNCED forestry development, see the article by Chipeta and Michaelsen]. The following paragraphs briefly examine the activities of some of these other UN actors.

Concern expressed in the Brundtland Report (1987) about the serious lack of funding for conservation projects and strategies resulted in the establishment of the GEF on a pilot basis in 1990. UNDP, the United Nations Environment Programme (UNEP) and the World Bank agreed to oversee the implementation of the programmes funded through the GEF, which is now becoming operational, with an allocation of around US\$2 billion. The types of project eligible for funding under the GEF are being expanded to include those that redress land degradation (particularly desertification) and deforestation (particularly implementation of the Forest Principles). FAO is already involved in the execution of two major GEF-financed forestry projects located in East Africa and South Asia and focusing on the conservation of biological diversity.

UNEP is being strengthened as a result of UNCED, undertaking work in the fields of environmental law, economics, monitoring and assessment. The major vehicle of the United Nations Educational, Scientific and Cultural Organization (Unesco) for international cooperation in forestry is its Man and the Biosphere Programme, which emphasizes research and synthesis of information on the ecology and sustainable use of forest systems, the significance of biological diversity and cooperation in natural resource management in the humid tropics. The forestry programme of the International Labour Organisation (ILO) concentrates on specialized training, employment and income generation and the improvement of working conditions, health and safety in forest-related activities. Specific follow-up actions to Agenda 21 include the promotion of optimum environmental practices and codes for forestry, including logging activities and wood, pulp and paper production.

### **[Effective technical assistance requires flexible, innovative approaches in response to changing conditions](#)**

The United Nations Sudano-Sahelian Office (UNSO) focuses on the northern arid, semi-arid and dry subhumid zones in Africa. As a specific response to Chapter 12 of Agenda 21 (Managing fragile ecosystems: combating desertification and drought), UNSO is promoting integrated land uses that include tree planting to respond to basic needs for food, energy and feed, to improve the livelihood of local communities and to enhance and protect the productive resource base. UNSO is emphasizing approaches that include agrosilvipastoral systems, agroforestry, village woodlots and community forestry and the provision of windbreaks.

UNDP launched its Capacity 21 programme during UNCED, specifically to cater for the requirements of Agenda 21. Forestry is an important component of Capacity 21, and a Country Capacity Programme for Forests (CCPF) has been prepared. Among other things, it was envisaged that the CCPF would strengthen capacity for the preparation and

implementation of National Forestry Action Plans (NFAPs) and establish mechanisms for cooperation, consultation and coordination. In addition to the CCPF, through cooperation with countries, UNDP supports forestry activities related to the biological diversity and desertification conventions.

Since its inception, the World Bank has provided loans to finance nearly 100 projects in the forestry sector, with total commitments of more than \$2.5 billion. Of late, there has been a trend to emphasize social forestry and the environment in forestry projects as well as to focus on policy reform and institutional strengthening, resource expansion and the conservation of intact forest areas by supporting initiatives to expand protected areas and improve their management. The Bank currently encourages governments to adopt a precautionary policy towards the utilization of resources in tropical moist forests and will not provide loans for commercial logging in primary tropical moist forests; the financing of infrastructure projects in these areas is subject to rigorous environmental assessment. The trend in the Bank's lending programme is to focus increasingly on national resources management projects in which forestry is integrated in the broader context of land use and environmental protection. Special attention is paid to the 20 countries where tropical moist forests are seriously threatened.

The World Food Programme (WFP) makes the largest contribution of all UN organizations to forestry-related development cooperation activities. In nearly all cases, food aid is used to help meet the initial investment costs of activities that will bring long-term benefits. WFP projects assist in the conservation of existing forests and the establishment of new plantations in which the right to harvest and use the trees planted is specifically allocated to individuals and groups, and where management results from collaboration between local communities and government agencies. FAO is a close collaborator of WFP and provides technical support in the identification and appraisal of food aid projects as well as in their monitoring, evaluation and follow-up.

UNCED called upon the international community to support countries in the preparation and implementation of (NFAPs), particularly those conceived within the framework of the Tropical Forests Action Programme (TFAP). There are 92 developing countries involved in this programme, with 31 NFAPs currently being implemented. Reinvigorated international cooperation is needed, focusing on NFAP support to countries' capacity building for holistic development, involving investment in human resources, institutions and pilot project activities. FAO is preparing to strengthen its support to NFAP development through decentralized structures and to widen the scope of TFAP to all types of forests.



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## **FINANCIAL RESOURCES FOR INTERNATIONAL FORESTRY DEVELOPMENT COOPERATION**

The resources required to deal with the challenges of forestry development, including but not limited to those explicitly identified in the UNCED process, are beyond the means of most governments. Therefore, increased international development cooperation, new and additional financial resources and access to technologies by developing countries are essential to enable these countries to implement sustainable forestry development.

The four major programmes foreseen in Agenda 21 Chapter 11 (Combating deforestation) - sustaining the multiple role of forests, greening activities, improving forest products utilization and increasing capacities for integrated forest planning - are alone estimated to require an investment of \$31.3 billion per annum during the period 1993-2000. Of this, about 20 percent,

or \$5.7 billion, would be in the form of international development assistance. The latter figure is more than four times the value of all forest-related official development assistance (ODA) in 1990.

UNCED was not a pledging conference but some countries and groups of countries announced their intention to commit additional funds to support Agenda 21. The European Community (EC) pledged to increase its ODA by \$4 billion per year; Japan said it would increase its ODA to \$7.7 billion per year by 2000; and Spain agreed to multiply its ODA threefold. The goal of devoting 0.7 percent of GNP to development aid was reaffirmed as a target, and the Netherlands agreed to raise this to 0.8 percent if other countries followed suit.

However, progress has not been as speedy as expected. The commitments undertaken at Rio de Janeiro have not been followed by commensurate action for their realization. The slow response to Agenda 21 has been evident in forestry too, doubtless because Agenda 21 priorities were not firmly established at UNCED, but also owing to the tight budgetary situation in most of the donor countries and to the policies of donor agencies which, influenced by high-profile NGOs with whom a greater liaison and information exchange is called for, curb the availability of funds for certain types of forestry investment.

In fact, UNCED apart, levels of funding for forestry-related ODA appear to have been increasing only slowly since 1990, even though the goal of doubling ODA to forestry between 1985 and 1990 was probably met. ODA in forestry-related fields amounted to \$1.35 billion in 1990, an increase of 23.9 percent over 1988. However, this is only 9.2 percent of the value of agricultural ODA and 2.8 percent of total ODA.

Moreover, there are indications that ODA resources may be stagnating and that there may be a sense of donor fatigue in certain quarters. This, coupled with the rising demands for humanitarian aid, disaster relief and peacekeeping operations, may imply far fewer resources than are needed for strengthening national efforts for UNCED follow-up.

The increase in the rate of international development cooperation resources of donor countries was at its highest during the period 1988-90 (12.5 percent per year), largely as a result of increased contributions from Japan and Canada; however, this rate of increase in donor country contributions was lower during that period than it had been in 1986-88. Furthermore, in 1991 donors' predictions of future levels of expenditure were lower for the period up to 1995, with projected annual increases of only 5 percent by donor countries and 6 percent by UN organizations. A number of donor countries anticipated zero growth in their forestry-related ODA levels up to 1995. These included Belgium, Germany, Ireland, New Zealand and the United States. Such predictions, of course, were made before UNCED took place. If forestry is to play the important role assigned to it in Agenda 21, forestry-related ODA should grow substantially faster.

Forestry-related ODA is supplied by three main groups: the Organisation for Economic Cooperation and Development (OECD) donor countries, development banks and UN organizations. Among individual bilateral donors, Germany and Japan are by far the two single biggest contributors. Together with the United States, they make up nearly half of the total bilateral donor amount directly dispensed in recent years. The Netherlands is next in order, with a major portion of its contribution channelled through FAO. Canada, France and Switzerland make significant bilateral contributions; the Nordic countries contribute generously, in part multilaterally, as do Italy and Belgium; Australia and New Zealand also support overseas forestry programmes; while Austria, Ireland, Portugal and Spain are other countries with some forestry aid component. The EC is emerging as a major player, with its aid to forestry having reached US\$261 million in 1993 from only \$20 million in 1986 and \$45 million in 1990.

By far the largest source of bank finance for forestry is World Bank lending, in several cases with FAO's participation in the preparation of projects and, in others, involving FAO in their execution. Among the regional development banks, the most active in forestry is the Asian Development Bank, followed by the Inter-American Development Bank. The contribution of the African Development Bank has so far been modest.

In the UN system, WFP stands out as the largest donor to developing countries' forestry field activities, estimated to have mobilized over \$120 million in 1994. It contributes substantial investment resources to forestry projects, mainly in the form of food-for-work, particularly in rural development programmes. Out of a total of 328 WFP development projects in 1990, some 100 projects were directed at forestry or included forestry components. The value of these projects was \$566 million compared with about \$230 million in 1980. However, the number of such projects declined to 86 in 1994, with a value of \$517 million.

UNDP has been the largest funding channel for technical assistance in the UN system, mainly relying on FAO for implementation. However, it has been facing funding constraints in the recent past and there has been a perceptible decline in the overall availability of resources, estimated to be \$33.5 million for forestry in 1993.



## REFLECTIONS

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## CONCLUSION

International technical cooperation programmes over the past five decades have had an important role in improving national forestry development and in enhancing the capacity for high-quality international dialogue in different fora on forestry issues, and particularly at UNCED. People's participation programmes, spearheaded by FAO, have helped to galvanize the interest of major groups which have a stake in forestry - rural populations, forest dwellers, the private sector and non-governmental organizations - in the effective management of forest, tree and wildlife resources. This recognition of the socio-cultural context of cooperation activities in forestry is well ahead of that of many other sectors. Investment in the greening of the planet earth is a sound goal to ensure a sustainable future. Agenda 21 has outlined the means by which it can be achieved and the particular role that forestry will have to play. The full support of governments and dynamic international development cooperation will be critical to this endeavour.

