

[ct] Introduction

Background to a Global Exchange

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[begin main text]

Decentralization processes are taking place in more than 60 countries worldwide. These processes vary by sector, by the discretionary powers transferred to lower levels of governance, by the design and implementation of fiscal and other financial aspects and by degree of social responsibility. These processes are of central importance in political and economic change in all sectors of the economy, including the forest sector.

A few years ago, forestry decentralization was a nonissue for many countries. In the proposals for action of the Intergovernmental Panel on Forests (IPF, 1995-1997) and the Intergovernmental Forum on Forests (IFF, 1997-2000), decentralization is not explicitly mentioned, and it is only indirectly present in the recommendations on participation. Decentralization has become a theme in forestry only since substantial political changes have taken place in many countries. As a matter of fact, governance - of which decentralization is one of the most visible elements today - is a crucial issue in sustainable forest management. It is the quality of governance that may ultimately determine the fate of forest resources in all their aspects - economic, social and ecological.

Important changes in approaches to forests and people have led to remarkable gains in the application of good governance principles. The development of an international forest regime through the United Nations Forum on Forests (UNFF) and the work of the members of the Collaborative Partnership on Forests (CPF), particularly the Food and Agriculture Organization (FAO), International Tropical Timber Organization (ITTO) and Center for International Forestry Research (CIFOR), with the World Bank in the driver's seat, have undoubtedly contributed to these changes. This international forest regime has provided a much-needed impetus for a reexamination of concepts on forest and people interactions and has facilitated policy change in many countries. In many cases, it has helped create legitimate spaces and recognition for local initiatives and long-standing experimentation on the ground. The combination of locally driven processes in concert with this international forest regime has led to significant changes in forest governance worldwide. For example:

** National forest programs have become the focal point of the UNFF, placing the discussion of better forest governance at the country level.

** Criteria and indicators for sustainable forest management have been developed and will help improve the monitoring of forest management.

** The advantages of linking buyers and sellers through the promotion of specific market mechanisms have been recognized.

** The gap between environmental organizations and those focusing on poverty reduction is, in some cases, narrowing.

** Multistakeholder involvement, debate and consultation have become the norm and helped increase transparency and accountability.

** Forest law enforcement and governance initiatives, as promoted by the World Bank in Asia and Africa, have opened the debate on illegal logging and associated trade and corruption - themes that had been excluded from any substantial discussion of sustainable forest management.

** Numerous countries have attempted to reorient forest management by promoting greater decentralization and devolution to local people.

The decentralization processes occurring around the world have achieved momentum. Local and regional perspectives and agendas are increasingly informing and enriching forest-related discussions at the global scale. However, more is required to build local involvement in the global dialogue. Reaching global goals pertaining to both forest management and human well-being requires policies that are more relevant locally, as well as greater institutional capacity at both national and subnational levels.

The Interlaken workshop, Decentralization, Federal Systems in Forestry, and National Forest Programs, was therefore a very timely event, given the sequence of actions undertaken over the past few years to secure conservation and sustainable management of forest resources. Decentralization is a cross-cutting issue, relevant to all the different aspects of sustainable forest management, that links sustainability objectives at the local level with broad global goals as defined in the UN Millennium Development Goals.

We hope that the contributions made at the Interlaken workshop will stimulate further work at this cutting edge of policy, as well as greater connections between such efforts and broader development concerns. Intergovernmental global processes like the UNFF can play a critical role not only in shaping the global agenda, but also in facilitating and supporting the search for appropriate local solutions through local initiatives. Rio 1992 has taught us to think globally; Interlaken is a point of departure to learn how to act locally.

[a] The Interlaken Workshop and Its Participants

The objectives of the Interlaken Workshop were as follows:

** to analyse the implications of decentralization of forest management for the development of national forest programs and to identify strategies that would allow such programs to effectively address this issue;

** to share the experience of countries that have had decentralized their forestry systems with countries currently undergoing rapid processes of decentralization, including those in transitional phases;

** to derive the lessons learned from countries that have implemented decentralization for use, where suitable, in other countries;

** to prepare reflections and proposals for the consideration of the UN Forum on Forests related to decentralization, centralized systems of forestry and their implications for national forest programs.

About 160 people from 51 countries participated in the workshop, representing 70 per cent of the global forest area. Approximately 75% of the participants came from developing countries

and countries in economic transition; 32 participants came from non governmental organizations and 32 from private sector organizations. The Interlaken workshop was an expert meeting, and participants expressed their views in their personal capacities, not as country representatives or representatives of specific institutions.

Because the intent of the workshop was to share ideas and experience and contribute to our global understanding of the processes related to decentralization, the workshop was divided into formal presentations, facilitated discussions on preselected topics, field trips (discussed in Chapter 9) and working groups. The formal presentations ranged from thematic discussions of decentralization, to surveys of regions or governance types, to country-specific analyses. The decentralization implications at various scales were also addressed, with presentations from participants representing international, national, sub-national and local levels.

The presentations revealed substantial variation across the globe in the history of governance approaches, in the extent and depth of people's participation, and in the balance of power among different governmental levels. Although some fascinating patterns emerged, a recurring theme was the uniqueness of each case and the importance of taking contextual factors into account when considering new governance modes. These patterns and variations will be explored in more detail in the following chapters, with particular attention, in the final chapter of this book, to the lessons we can learn.

The working group sessions were organized around six main themes, and their results were incorporated into the report submitted to UNFF:

** allocation of roles and responsibilities and coordination at different levels and across sectors;

** maintaining ecosystem functions, sustaining forest productivity and appropriate application of knowledge and technology;

** policy, regulatory frameworks and equitable benefit sharing;

** financial incentives, promoting investment and private sector partnership;

** participation, conflict and multistakeholder processes; and

** capacity building and technical and information support.

Interlaken workshop participants were highly constructive and cooperative, leading to an unusually candid sharing of experience and perspectives. The field day, in which people could experience decentralization on the ground, was instrumental. Overall, the workshop succeeded in defining issues and approaches towards decentralization and in giving a broad overview of existing and planned processes of decentralized forest management. This book pulls together the central descriptive and analytical conclusions from this fruitful sharing of global experience.

[a]Organization of the Book

The remainder of this book is organized into three main parts. The first, focusing on thematic issues, raises important cross-cutting questions. The second part offers case studies that convey some of the breadth of experience of individual countries. The third, based on a community panel, provides a 'bottom-up' perspective, demonstrating how decentralization

policies have played out in rural communities in three countries - Guatemala, the Philippines and Zimbabwe.

Part I begins with an overview of forest governance in federal systems, by Hans Gregersen, Arnoldo Contreras, Andy White, and Lauren Phillips (Chapter 1). A longer version of this valuable paper, which included a great deal of case material, was published in draft form and used at the Interlaken workshop as a discussion document. This chapter of necessity captures only the highlights of their study.

The authors of Chapters 2 and 3, who have in fact worked together in the past, both focus on the important components of effective and benign democratic decentralization, though both argue that such a process has hardly been attempted in any real sense. Anne Larson's paper (Chapter 2) surveys experiences in Africa, Asia and Latin America, focusing on lessons learned; and Jesse Ribot's paper (Chapter 3) is more prescriptive, analyzing the mechanisms and "excuses" used by central governments to water down decentralization efforts.

Chapter 4, by Ian Ferguson and Cherukat Chandrasekharan, switches to a regional perspective, surveying the decentralization experience in Asia and the Pacific. Like Larson and Ribot, these authors find many problems with the implementation of decentralization, but they seem to favor a greater role for central government in the overall balance among the levels.

Chapter 5 details the experience of the Food and Agriculture Organization with decentralization in the forest sector. Merilio Morell outlines the various programs that have supported decentralization and then provides two case studies (Burkina Faso and Mali) from which he draws a number of conclusions.

Chapter 6, written by Jeff Sayer and colleagues Christopher Elliott, Edmond Barrow, Steve Gretzinger, Stewart Maginnis and Tom McShane, focuses on the implications of biodiversity conservation in decentralized forest resource management. Although supporting the reasoning behind decentralization, these authors warn of possible dangers to biodiversity and resource conservation unless some important functions remain in the hands of the state. They conclude by proposing some conditions under which decentralization can favour biodiversity conservation.

The shortcomings of decentralization policies, in their implementation, are clearly outlined in all these contributions. Some authors argue for slowing the pace, to give governments and citizens a chance to adapt to the new features of a decentralized approach; others suggest that local governments and citizens will become adept at dealing with their new powers only by using them. Although all see the potential value of decentralization, some favour a stronger central role and others a stronger local role, in the balance of power. Some show more faith in communities' management abilities, some have less.

Part II, the country cases, begins with Indonesia, the workshop cohost with Switzerland. Chapter 7, written by members of Indonesia's Ministry of Forestry, outlines the various laws and regulations that frame decentralization in Indonesia and discusses frankly the principle problems that have plagued the process, as well as governmental efforts to solve them, in a country that began formal decentralization only very recently.

Chapter 8 presents Switzerland's decentralization experience through a presentation and discussion of the four field trips undertaken during the workshop. It is written by Christian

Ktichli and Jiirgen Blaser and presents a historical perspective on relations among the various levels of governance, as well as key factors instigating shifts in the balance of powers and responsibilities from more decentralized to more centralized forms and back again.

In Chapter 9, Pablo Pacheco describes the decentralization process in Bolivia, under way since the mid-1990s, which has focused on the devolution of significant powers to municipalities. Bolivia has empowered indigenous groups by returning their traditional territories to them, private landowners by allowing them to develop management plans and log their forests, and previously illegal loggers by legalizing small, community-based logging companies. Although significant strides have been made toward devolving powers both to communities and to lower levels of the bureaucracy, serious problems - outlined clearly in this paper - remain.

Chapter 10, by Steve Nsita, describes the Ugandan situation. This country has been through several cycles of decentralization and recentralization, culminating most recently in another decentralization phase. That many of the problems reported in Indonesia mirror those in Uganda does not augur well for a speedy resolution of their shared problems, particularly regarding the balance of power between levels.

Ghana, described in Chapter 11 by Oppon Sasu, is unique in the longevity of its decentralized government, which was first formally acknowledged in 1878. Like Uganda, however, Ghana has gone through different phases. The current decentralization phase began in 1988, when local government was given additional powers, and was strengthened again in 2003, with a formal decentralization plan. A central problem in Ghana is the unwillingness of central government agencies to relinquish authority, as intended, to the district assemblies. This paper includes serious attention to the lessons learned in Ghana's decentralization process.

Turning to Europe, in Chapter 12, Bill Ritchie and Mandy Haggith examine the decentralization process in Scotland, which involved oscillation between top-down and bottom-up pressures. The establishment of the Scottish Parliament in 1999 and the transfer of control of Scotland's forest estate to the Scottish Executive were two top-down elements leading to greater local control. For their part, local people's organized efforts to gain access to land and forests led to a land reform act that gives them the right to own land, including woodlands, and to the establishment of more than 100 community woodland organizations.

In Chapter 13, Natalia Malysheva outlines Russia's long history of centralized forest management and its painful efforts to decentralize in recent years. Malysheva, a member of the forest bureaucracy, looks at the historical evidence and comes down firmly in favour of a strong central state role in forest management, arguing for the importance of Russia's forests to the global community (over 25% of the world's standing volume of timber is in Russia) and the threats posed by decentralization as implemented to date.

Chapter 14, by Gerald Rose with Douglas W. MacCleery, describes forest management in a country with a longstanding form of federal government, the United States. In the 20th century, concerns over environmental stewardship led the federal government to control many aspects of land management, including public forest managers' dealings with local communities. Some states fall back on those laws and regulations; others impose stricter standards. Colleagues Ted L. Lorensen, Gary Lettman, David C. Zumeta, Mike Carroll, Timothy C. Boyce and Bruce Springer describe the approaches taken in Oregon, Minnesota and Alabama.

The cases demonstrate serious problems with the implementation of decentralization but also, with one exception (Russia), a commitment to continuing to try to make it work. Switzerland, whose decentralization history started more than 150 years ago, experienced problems in the first decades very similar to the ones that newly decentralized countries are reporting. The long time to sort out conflicts and optimize the cooperation of all the governance levels might be one reason that this country case study, together with the Scottish experience and perhaps Bolivia, appears more optimistic in an otherwise rather dismal record. Recurrent problems include conflict over the division of authority and resources between the various levels of government, problems controlling forest crime, historical oscillation regarding preferred levels of decentralization, difficulties realizing the empowerment of communities as intended by decentralization advocates and unwillingness of central governments to relinquish control and resources to lower levels of government.

The final part of this book is devoted to community voices. Each of these three chapters was written as a joint contribution by a community member and a partner who helped with writing, language and adjusting to the context of an international workshop. Our intent was to make the presentation of community views to an international body of policymakers, scientists and bureaucrats as open and seamless as possible.

Steven Hlambela is a community leader in Zimbabwe's Chiredzi District. He was assisted by Witness Kozanayi, a junior researcher working for CIFOR, who has experience in that community as well as others. Chapter 15 outlines this community's experience in trying to implement a community-inspired resettlement vision. After a series of difficulties, including internal conflict, outsiders claiming resources, disagreements and inaction by government officials, the authors conclude that communities cannot "go it alone." Both bottom-up and top-down involvement will be necessary to accomplish community goals.

Adolino L. Saway Alias Datu Makapukaw is a tribal leader from the Talaandig tribe in Mindanao (Philippines), and Felix Mirasol works for the Philippine Department of Environment and Natural Resources in Mindanao. Chapter 16 tells the story of their efforts to manage Mount Kitanglad Natural Park cooperatively. Although there have been conflicts and problems, the authors consider the decentralization process to be proceeding well in the Philippines, and to have had a positive overall impact.

Silvel Elias is originally a community member from a Guatemalan village but is currently a doctoral student at the University of Toulouse, France; Hannah Wittman is a doctoral student from Cornell University. These authors find serious problems with the decentralization process in Guatemala, presented in Chapter 17. Conflicts abound between a government that has traditionally ignored and abused indigenous rights, and communities intent on defending their rights. In some cases, by shifting governmental regulation to a more local level, decentralization actually causes a loss of indigenous control over natural resources.

The community examples share the experience of conflict between governmental entities and members of local communities, and among other stakeholders as well. But the authors vary in the degree to which they consider decentralization helpful. The Philippine authors, although acknowledging some problems, are basically optimistic that this process is beneficial and that problems can be ironed out; the Zimbabwe authors reluctantly conclude that they need the help of the government; and the authors of the Guatemalan case present conflict-ridden scenarios with the potential for adverse effects on local communities. Clearly, decentralization is having different impacts in different places.

The final chapter in this book, the conclusion, pulls together the important threads that emerged during the workshop, and highlights interesting differences.

We conclude this chapter by summarizing important definitions pertaining to the issues addressed in this book. The definitions are based on those developed by Hans Gregersen for the World Bank (<http://www.worldbank.org/publicsector/decentralization/admindecen.htm>).

[a] Types of Decentralization

[c]Political decentralization. Groups at different levels of government - central, subnational (meso) and local - are empowered to make decisions related to what affects them.

[c]Administrative decentralization. Different levels of government administer resources and matters that have been delegated to them, generally through a constitution. In terms of decentralization as a process of change, and according to the level of transfer of responsibilities, it is useful to distinguish between the following forms:

** *Deconcentration* redistributes decisionmaking authority and financial and management responsibility within the central government; there is no real transfer of authority between levels of government. Deconcentration may involve only a shift of responsibilities from federal forest service officials of the capital city to those stationed in provinces or districts.

** *Delegation* transfers responsibilities and authority to semiautonomous entities that respond to the central government but are not totally controlled by it. Public forestry corporations and in some cases implementation units of some forestry projects - often donor supported - are examples of this form of decentralization.

** *Devolution* transfers specific decisionmaking powers from one level of government to another (from a lower level to a higher level of government, in the special case of federations) or from government to entities of the civil society. Regional or provincial governments, for example, become semiautonomous and administer forest resources according to their own priorities and within clearly defined geographic jurisdictions. Most political decentralization is associated with devolution.

[c]Fiscal decentralization. Previously concentrated powers to tax and generate revenues are dispersed to other levels of government. For example, local governments are given the power to raise and retain financial resources to fulfill their responsibilities.

[c]Market decentralization. Government privatizes or deregulates private functions, as has happened in the New Zealand forest sector.