Forests and the National Level: how can we target better support to forests and the people that depend on them?

Gill Shepherd
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Outline

This paper focusses in particular on three topics

1. The need for the forest sector to see itself - and to be seen – in a wider set of contexts than hitherto, where contributions to economic growth are concerned. These include the direct support forests can provide to small scale as well as large-scale production, to livelihood resilience and to food security, and the indirect support they provide to other sectors reduction.

2. The case of Uganda, which shows that national level data can be generated which can be used to argue for the substantial contribution of forests in a variety of contexts.

3. The data-gathering and policy support nationally which will be required for a broader understanding of the economic values of forests; and how to set about organising it.
1. Economic growth, the role of forests in that growth, and how national policy can support it better

- There is a strong correlation between overall economic growth and poverty reduction. Growth may account for up to 90% of overall poverty reduction at GDP level.

- But appropriate sector focus is important for *pro-poor* growth. For many poor countries (esp. sub-Saharan Africa and South and South-East Asia) for the time being, the performance of the agricultural sector is critical: it is the largest contributor to GDP.

- In these countries, agriculture and natural resources in general including forests will make the largest contributions to economic growth and poverty reduction.

- It is important that donors and country governments are alert to these realities, and that forests are enable to play this role.
What can forest authorities (+ aid agencies) do differently to give forests a stronger role in economic development?

- Find ways to support better data-capture on the role of forests and other natural resources in poverty reduction.

- Work towards a position where:
  - Forest resources are included in national economic accounting.
  - Forest policy and agricultural policy are aligned
  - Forest products are included in small and medium enterprise development initiatives
  - Forest policy does not put obstacles in the path of small-scale producers, for instance by burdening them with the same regulations as large-scale enterprises.
  - Benefits from large-scale forest enterprises reach the poor
2. Forest income for rural people, seen nationally: the case example of Uganda

- In a recent study conducted for FAO, the total value of forests to rural people in Uganda, comes to over 4 billion dollars.

- Ignoring regional variation, this is almost $146 for every man woman and child, or about $730 a year for each household. Of this sum, 72% is consumed domestically, and 29% is sold.

- The household’s annual forest income breaks down as follows: $290-worth of fuel; $180 - for house-building materials; $135 of forest foods; $60 of fibre; $35 of herbal medicine and $30 of timber.
Making the case for forestry by comparison with national data

Energy
- Uganda Energy budget for 2011 will rise to $514 million. Energy from the forest is worth $1.6 billion - 3 times as much.

Housing
- 97% of housing in Uganda is based on forest products:
  - 46% are made of mud and poles;
  - 51% are made of wood-fired bricks;
  - 42% have thatched roofs (UBOS 2009-2010).
- In all, $1 billion of these house-building materials are drawn from the forest annually by rural people, & $325 m of materials for essential household furnishings and equipment in the form of rope, twine, mats & baskets.
Making the case for forests by comparison with national figures

Health and Food Security

- Uganda spends $10.4 per head on health annually, (on HIV/Aids, TB & malaria) and – if it could afford to – it would spend $28/head on other key diseases (respiratory tract infections, malnutrition, child & maternal mortality).

- Yet every rural Ugandan gets $27-worth of protein, vitamins and minerals and $7–worth of herbal medicine per head annually from forests. These not only surpass government contributions in value, they address some of the health problems which government cannot, and have helped Uganda to move closer to attaining some of the MDGs.
Making the case for forests

Post-conflict reconstruction

• Two regions of Uganda, Northern and Eastern have experienced the most disruption from civil war and conflict with the Lord’s Resistance Army.

• We asked how the total value of forest products would look if the ‘normal’ forest use patterns seen in Central and Western Regions were applied to these two regions as well?

• The difference between that hypothetical figure, and today’s considerably higher figure amounts to $870 million dollars per annum, over and above ‘normal’ forest use,

• This truly colossal forest dividend is helping people to rebuild their houses, reinvest in livestock and agriculture, and settle back into post-war life.
What should be highlighted from the Uganda case-study?

• In most parts of Uganda the livelihood needs drawn from forests are far more important than forest timber values, and the indirect contribution of forest products to national GDP much greater than what is currently assessed.

• This picture is replicated in many poorer developing countries, and it is important that these values should be better captured in the future.
3. What next?

- Forestry departments cannot collect socio-economic data about forest use and FRA therefore cannot currently draw on a body of data to include in its 5-yearly assessments. Though many countries have actually requested help with this.

- The way to manage the generation of this data is not from the forest product side, but from the household economy side.

- The need is for the testing and design of better forest components for standard household data-gathering instruments such as Household Living Standards Surveys.
What next?

• These are designed through the collaboration of the World Bank and Central Statistics offices in developing countries.

• The next step, according to the World Bank, is for several countries to nominate themselves as ‘guinea pigs’ so that a request can be put in for joint work.

• In this way it will become more possible to bring forests more actively into current debates on poverty reduction, food security, energy and so on.
Conclusion

- Well-targeted forest financing to this end could make a big difference to our understanding of the value and role of forests.

- Better data affect our understanding of the role forests could play more actively in economic development – especially development for the local people who rely on them most.

- We now must prioritise its acquisition

Thank you