Financing Sustainable Forest Management in Mali

Mali runs from the Sahara to the edge of the Guinean Forests, covering a wide variety of vegetation types and displaying many of the characteristics as well as issues and problems shared by other Sahelian countries in terms of sustainable forest management. Mali has several open forest stands, as well as the remainders of a few closed forests. The low level of forest cover has led to Mali importing most of its wood to meet the population’s needs. Forests are deteriorating as a result of the combined effects of climate change and human actions, with land-clearing through agriculture and the felling of fuelwood and charcoal as the main causes. Further degradation has been observed, resulting from mining exploitation and extensive breeding practices.

The contribution of the silvicultural activities is 5 per cent of Mali’s GDP – yet how many people are dependent on forests and what the total contribution of forests is on the national wealth has yet to be calculated as GDP figures only reveal official production. With the vast majority of energy needs being met by fuelwood, it is likely that a large proportion of the population depends on forests and trees outside of forests for survival. In a country where a growing population is putting pressure on dwindling forests, fighting desertification remains a high priority.

Poverty reduction constitutes an additional crucial factor for forest management in Mali. It is only possible to conserve forests (and fauna) if those living in the vicinity of the forest can benefit from the promotion of forest resources based on sustainable management, meaning that such populations should be heavily involved in the expression of needs and the implementation and monitoring of operations. Mali therefore illustrates the importance of integrating forests in broader development policies and strategies for two reasons: forests can directly contribute to reducing poverty, and linking forests to poverty reduction can also contribute to raising the political profile of sustainable forest management, and thus of forest financing.

Despite clear linkages between forest management and agriculture, energy, water and mining, none of the environmental policies which focus on the latter explicitly refers to forests. Inadequate data on the environment fail to highlight these connections crucial to SFM in low forest cover countries. Dialogue and cooperation between the Forestry Administration and connected sectors must therefore be reinforced.

One of the major linkages for forestry in Mali is with the energy sector. Mali primarily (81%) depends on wood resources to meet its energy needs, with all of its domestic fuel (wood and charcoal) coming from national forest stands. Fuel consumption levels stood at some 6 million tonnes in 2002 and put significant pressure on the country’s forest ranges, estimated at around 33 million hectares.

The Ministry of the Environment is a key player in the financing of forest management in Mali, however its budget dropped in the period between 2000 and 2008 from US$ 21.57 to 18.37 million. The financing of forest management relies largely on contributions from external partners. External finance is provided partly by new mechanisms like Reducing Emissions from Deforestation and forest Degradation (REDD+) and Payment for Environmental Services (PES).
The private sector is almost non-existent with regards to primary forests and the forest management sector. Some businesses are involved in the conversion and commercialisation of specific forest products, however do not invest in forest management and are happy to pay the necessary taxes and duties applicable to their activities.

One exception to this is shea nuts. Like its better known neighbours in Burkina Faso and Ghana, Mali’s rural communities are a major producer of shea nuts and butter. As a non-timber forest product with a sharp increase in demand among Western markets, shea production has become a promising source of financing for SFM in the southern half of the country. Shea is traditionally collected and used by women, whether for cooking or cosmetic purposes. Inspired by similar initiatives in Burkina Faso, women’s cooperatives have been set up to collect nuts and sell them onto Western companies, thus providing a direct source of income to a vulnerable category of Mali’s rural populations.

However, Mali’s forest financing deficit cannot be solved by shea production alone. Close cooperation between the Forestry Administration and related ministries and agencies; an effective fiscal system that reallocates revenue from forests back into forests; and designing a monitoring and law enforcement system that ensures that the impacts on forests and trees of harvesting fuelwood, shea nuts and other products are minimised, are all ingredients that will contribute to raising awareness of the need for financing. This in turn will help raise the priority of forests for donors, thus increasing external contributions for forest financing, and more effective implementation of SFM overall.