The social and cultural aspects of forest’s contribution to society tend not to receive the priority afforded the economic and environmental concerns. One outcome of this is that forest’s contribution to poverty reduction is not well documented. As a result, many Poverty Reduction Strategy Papers (PRSP) recommend policies that are: harmful to sustainable forest management, not supportive of the transfer of socially desirable and environmentally sound technologies, hostile to traditional forest related knowledge; and, not based on the critical social and cultural contributions of forests for forest dependent peoples.

Forest’s contribution to poverty reduction must be identified in order for needed official development assistance (ODA) to be made available.

to fund the IPF/IFF proposals for action. Likewise the forest products industry must do more to insure stable employment. There is a clear role for government to enforce the ILO standards for decent work in order to promote employment that enables forest dependent people to escape poverty, and engage in sustainable forest management.
## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Introduction</td>
<td>3</td>
</tr>
<tr>
<td>II. Background</td>
<td>3</td>
</tr>
<tr>
<td>III. Implementation of IPF/IFF proposal for actions - Progress and Means</td>
<td>10</td>
</tr>
<tr>
<td>IV. Conclusions</td>
<td>11</td>
</tr>
<tr>
<td>V. Requested actions by the third session of the United Nations Forum on Forests</td>
<td>12</td>
</tr>
</tbody>
</table>
I. Introduction

1. Global trade union federations and their affiliates routinely advocate for decent work, sustainable social and economic development, and the rights of indigenous peoples as well as the validity of their traditional forest related knowledge (TFRK). The International Federation of Building and Wood Workers (IFBWW), one global union federation that represents workers in the forest, wood, and construction industries, with 10 million members in 127 countries, has been promoting sustainable forest management through:
   • The promotion of TFRK in various international and national sustainable forest management flora,
   • Capacity development programs for union affiliates on sustainable forestry management, forest certification, and Poverty Reduction Strategies Processes/Papers (PRSP),
   • The promotion of ILO Core Labor Standards in forest certification schemes,
   • Advocacy of social and cultural standards in criteria and indicators for sustainable forest management,
   • Developing country technology transfer in West and East Africa, and
   • Poverty reduction activities such as efforts to formalize work through the re-establishment of the employment relationship and community forest projects.

II. Background

2. The experience of the IFBWW is that ignoring social and cultural components of sustainable forest management (SFM) creates one dimensional approaches to multi-dimensional problems. Sustainable development (or for that matter sustainable forestry) is not a balancing act between the three areas of economic, environmental, and social considerations. Instead it is a comprehensive complex interaction of these three areas that must be addressed simultaneously. The goal is not to place three separate pillars alongside each other, but to generate a three-dimensional perspective the goal of which must be to enable all members of society to enjoy the rights set forth in the UN Universal Declaration of Human Rights and re-affirmed at the UN Conference for Environment and Development held in Rio in 1992.

3. To decrease deforestation, sustainable forest management (SFM) must make social and cultural aspects of forests along with traditional forest related knowledge (TFRK) an integral part of the management process at every level. In too many countries the guiding assumptions seem to be that if only the environmental and economic problems could be solved then the social and cultural problems would disappear. For example, a number of countries have instituted nation-wide harvesting bans, usually at the insistence (either directly or indirectly) of Breton Woods financial institutions yet have not deterred deforestation as a result. This is evidence that even some of the most powerful financial institutions in the world can not protect forests by relying on only environmental or even environmental and economic solutions.
4. Social and cultural issues must also be addressed in the debate on the transfer of environmentally sound technologies (EST’s). This debate usually focuses exclusively on how to finance the transfer of EST’s or whether or not a particular technology is actually environmental sound. Rarely do the outcomes of such discussions integrate aspects of social or cultural acceptability into environmentally preferred technology transfer. One reason this tends not to occur is the assumption that if the technology has an economic benefit for some group it will have a benefit for all groups in society. This is a flawed assumption since it could generate costs for many groups and benefits for only a few, or economic benefits for a few and cultural and social costs for many. Such a distribution of benefits is not rare in forestry. Numerous situations where forests have been privatized prior to the establishment of solid governance systems and clear property rights are examples of the benefits accruing to small groups to the detriment of the society in general.

5. In general solutions that seek either environmental or economic “quick fixes” fail to: protect forests, promote economic development, or encourage sustainable development. Programs that promote only the protection of species or increases in GNP without also simultaneously increasing daily caloric intake, the distribution of wealth and income, and the availability of decent work, have not and can not achieve either sustainable development or sustainable managed forests. While expecting much, meeting the requirements for integrated forest management may be the best way to achieve desirable outcomes for all stakeholders.

6. One frequent response to the call for integrated forest management that includes social and cultural concerns is to claim that such concerns are outside of forestry, as if forestry and forests somehow are isolated from the social consequences and relationships which surround them. This is no more accurate for social and cultural concerns than it is for either environmental or economic concerns. By addressing the social and cultural aspects of forests and traditional forest related knowledge (TFRK), UNFF 4 is playing an important and constructive role.

7. On a global scale the primary use of wood remains for non-commercial activity. Market based strategies and ideologies are irrelevant for activities where the entire transaction from harvest to final use never involves a monetary exchange. Yet it is precisely this type of activity where traditional forest related knowledge (TFRK) is most used and also where women play a major role.

8. It is still a rare national forest program that devotes any considerable portion of their resources to issues such as poverty, decent work, and the role of women, youth, and indigenous peoples although these issues are recently receiving more discussion. As a result, forests’ contribution to the well-being of the poor, the forest workforce, women, youth and indigenous peoples are not well defined or documented. The failure to engage these issues as completely as required has detrimental consequences.
9. Since the forests’ contribution to poverty reduction is not well-defined within forestry it is difficult for it to be referred to or understood by those outside of forestry. Therefore, forests and the forest industry are not receiving the financial support, such as official development assistance, offered to other sectors where the role of poverty reduction and other social considerations are better documented. This was identified as a particular problem by the Ad Hoc Meeting of Experts on Financing and Transfer of Environmental Sound Technology. These experts concurred that the failure to document forests’ role in poverty reduction meant that needed official development assistance (ODA) was not available to support forests during the critical transition from non-sustainable uses to sustainable uses. Without such assistance the transition is prolonged and the dislocation to various social groups intensified. Prolonging the transition to sustainably managed forests means that political stability is endangered, environmental destruction prolonged, and cultures damaged.

10. The experts singled out Poverty Reduction Strategy Processes (PRSP’s) as an important entry point for those seeking to have forests’ contribution to poverty reduction recognized. Given that increasingly, ODA is tied to PRSP’s this observation is important. Not only must forests contribution to poverty reduction be documented it must also get integrated into PRSP’s. As is usually the case with good ideas, it is easier to identify the problem than it is to solve it. In this case there are a number of barriers that must be addressed in order to gain greater access to ODA for sustainable forestry.

11. The barriers are:

a. Lack of knowledge:
Those within forestry do not know the extent to which forests contribute to either poverty reduction or basic survival. The anecdotal evidence is that the contribution is substantial. According to the FAO, forests are a critical asset for the poor, perhaps the asset of last resort. Yet more specific documentation is required.

b. Lack of integration and coordination of ODA and of the PRSP’s
While PRSP’s strive to be documents that promote integrated and coordinated planning few achieve this goal. This tends to result in Labor Ministries still being responsible only for enforcement of labor laws, Environmental Ministries only being in charge of the environmental protection, Rural Development Departments having the final word on rural development and so on. Forests frequently get lost in this process. The absence of an international convention on forests makes focusing and integrating resources for forests even more difficult.

c. “Conditionalites” and ideologically based policies embedded in the PRSP’s tend to discriminate against forest activity, and the social and cultural aspects of forests.
PRSP’s tend to promote policies that have adverse effects on forest dependent peoples, social standards, and such culturally based concepts as TFRK. With a bias towards export oriented agrarian strategies, PSRP’s frequently promote programs that encourage conversion from forests to farming. Their desire to privatize and liberalize the economy as fast as possible
results in dislocation for forest dependent peoples who may have no understanding of the concept of private property and is damaging to cultures based on communal or tribal precepts. Likewise, trade liberalization exposes forest dependent peoples and the forest workforce to the international market which is driven by the most powerful and those with access to the best information, not simply the most efficient. The premature opening of national markets to international competition also endangers small to medium sized enterprises (SME’s) by exposing them to destructive competition before the SME’s have had an opportunity to mature. Lastly, PSRP’s tend to ignore the importance of a job with a formal employment relationship offering decent work. The bias against prioritizing decent work and enforcing international social standards has meant that PRSP’s and their precursors may have achieved little more than to move those who were poor and outside of the economy to being those who are the working poor. Their productivity may have risen, the GNP may have risen, but the conditions for the forest dependent workers may have remained unchanged.

12. The difficulties facing those who wish to integrate forestry concerns directly into ODA or indirectly through PRSP’s can be seen by a few examples. The recently announced forestry program for the Solomon Islands allows for the complete harvest of indigenous tree species by the year 2010. The harvest of the islands’ resource base will garnish a minor portion of the potential value-added production available in the forest products value chain for island residents. The Islands’ poorest will be left without access to the critical resource of wood for decades. The international community which supports the Solomon Islands with critically important ODA appears willing to allow this to occur by not offering sufficient funds for more desirable alternatives. The obvious end result will be the capture of wealth by a small portion of the Island’s population, the povertization of its current forestry work force, and the diminishment of a critical natural capital for the Island’s indigenous population. Yet, such an approach appears to meet the requirements of free trade, balanced governmental expenditures, and market liberalization.

13. In Ghana, in order to meet the conditionalities for a more balanced budget, the government raised taxes and fees on the forest products industry resulting in a decline in formal employment in this sector of about 20%. While the public action was clearly not the sole cause for this employment decline, it appears to have had a significant adverse effect at the economic margins by raising costs for producers at the same time commodity prices were declining. A policy perhaps described as counter-Keynesian.

14. In Burkina Faso, despite acknowledging that the single largest non-housing expense for poor Burkinabe is wood, the PRSP’s advocates a tight monetary policy which has the perverse effect of creating macro-economic conditions hostile for the agro-forestry poor. This is particularly alarming as it is clear that the Burkina Faso PRSP was both extensive and inclusive of civil society.

15. The influence of conditionalities and ideologically based forest policies is not limited to developing nations and PRSPs. Canada routinely faces international action initiated by the
US based on Canada’s pricing mechanism for stumpage prices. Using the rhetoric of free trade, the US claims that the Canadian stumpage pricing mechanism is a trade barrier. The Canadian pricing mechanism is unique in that it attempts to promote stable employment in an industry known for boom and bust cycles where substantial numbers of wood workers are routinely unemployed. By lowering stumpage prices during periods of slack demand and raising them during periods of economic expansion, the Canadian system encourages more stable employment, an important poverty prevention strategy.

The role of TFRK and social standards in poverty reduction and SFM

16. While there are undoubtedly many paths out of poverty, few nations have yet found the way. World Bank data as well as that of various UN agencies document that there are more people living in poverty today than two decades ago. Likewise the percentage of wealth and income controlled by the richest continues to increase. The majority of the world’s poorest forest dependent people live in rural areas and rely on forests for natural capital and subsistence. Given that poverty is on the rise it is no surprise that deforestation is also on the rise.

17. For forest dependent communities one path may be to look internally to such resources as TFRK rather than to seek external technology or to chase illusive export commodity markets. Many of the current OECD countries arrived at their status by using import substitution strategies rather than an export strategy. More recently, countries like Malaysia, China, and to a lesser extent India, have combined the two approaches. The most successful strategy will be that strategy most fitted to the particular culture and society of the country and TFRK would be an integral part of such an approach.

18. The international community increasingly recognizes the need to integrate social and cultural concerns into both sustainable development in general and SFM in particular. The Monterrey Consensus underlines the importance of active labor-market policies and the need to increase the coverage and scope of social protection. It also recognizes that the most critical factor in economic growth policies that actually reduce poverty is how such policies affect employment levels and underemployment over time. Yet, in the face of such recognition, PRSP’s and NFP’s continue to recommend policies that ignore the critical role of employee associations and unions. Consequently, unemployment continues to increase globally, close to 20 million by 2002, and the forest sector in particular continues to undermine decent work by contracting out jobs for those relative few forest dependent peoples fortunate enough to have a regular job in the forest products industry.

19. Universally youth and women are the first populations affected by efforts to cut costs and/or attract foreign investment by undermining the employment relationship. Youth and women are typically the first groups pushed into informal work. These groups tend to have unemployment rates double that of male workers. Once forced into informal work the path back into formal employment with decent work is difficult if not impossible to traverse.
20. An IFBWW survey of workers doing work without an employment relationship revealed that between 45 to 60% of respondents in the African countries of Burkina Faso and Malawi would accept the identical job with the same wage rate if the job offered social insurance coverage, for the Philippines this rose to 87%. This was, of course a theoretical response since for the overwhelming majority, full-time work with a formal employment relationship, was not available in their labor market area. Yet, many PRSP’s as well as a few NFP’s highlight a job creation strategy that encourages and promotes the poor to “raise themselves up by their bootstraps”. This usually takes the form of promoting the development of small and medium sized enterprises (SME’s) and self-employment schemes. However, few if any of these plans offer these SME’s or the self-employed protection against predatory competition either internally or internationally.

21. Integration of social and cultural concerns for forest dependent people involves the creation of full-time decent work, the extension of the full array of social standards, and enforcement mechanisms applied to the forest sector. Where the prospects of employment in the formal sector exist, governments must promote decent work which will in turn prompt productivity investments. Contrary to popular opinion and supported by a wide array of data, foreign direct investment (FDI) does not seek the area of lowest wage rates or least social regulations. When making investments in forestry with its long harvest cycles, serious investors are seeking long-term political stability and value, not cost cutting and instability.

22. For those trapped in jobs without a formal employment relationship, governments must also extend social protections. Failing to do so contributes to an economic environment where the socially and environmentally conscious employers must operate at an economic competitive disadvantage. By not enforcing labor standards, permitting unscrupulous employers to operate, governments tend to create conditions extremely hostile to legitimate and socially and environmentally aware employers and land-owners.

23. Finally, those interested in integrating the social and cultural aspects of forests into SFM must recognize that it can not be done divorced from those who own and control the knowledge. In the final analysis it requires local decision-making and forest dependent peoples to convert plans and strategies into realities. This in turn requires that these forest dependent populations share a fair and just portion of the wealth they are creating otherwise they will not commit to the activity. This requires re-thinking exactly how forests contribute to poverty reduction and how it is to be measured and documented. A recent study of forest values in Ghana revealed that the overwhelming majority of forest generated wealth resides at the top of the forest products value chain leaving relatively little for landowners or indigenous peoples, or governments.

24. An integrated forest policy also poses a problem for implementation. A recently held seminar by the World Bank, UNCTAD, and the IMF resulted in extensive conversation by those countries that have extensive experience with PRSP’s suggesting that a method that might be the most productive and efficient would require centralized goals and de-centralized
strategies. Such an approach could combine the best of professional knowledge at the national level with community expertise and TRFK on the local level.

III. Implementation of IPF/IFF proposals for action-Progress and Means

25. Global unions in general and the IFBWW in particular seek to promote sustainable forest management and the IPF/IFF proposals primarily by attempting to promote the development of a stable labor market through the creation of decent work for workers in both formal and informal work. This typically involves educating union leaders, advocating for the rights of workers and indigenous peoples, promoting social dialogue with the traditional social partners, and encouraging both workers and governments to enforce social and environmental regulations in order to create a fair and level playing field for those economic actors and activities viewed as socially and environmentally desirable.

26. The IFBWW in particular has supported such efforts as

a. Training members in sustainable forest management in:
   • Asia (Indonesia, Malaysia, China, India, and several Pacific Islands)
   • South America (Argentina, Brazil, Peru, Chile)
   • Africa (Burkina Faso, Kenya, Ghana, Mali, Uganda, and South Africa)
   • Central and Eastern Europe (Russia, Poland, Czechoslovakia)

b. Cooperation with the FSC, PEFC, MTCC and LEI certification schemes
   • Codifying social criteria into certification schemes
   • Promoting extension of social criteria into the entire value production chain through chain of custody documentation

c. Corporate framework agreements with MNC’s to:
   • Promote the use of forest products from sustainable managed forests.
   • Expand social criteria for decent work to forest dependent workers in both formal and informal work
   • Promote “wood is good” campaigns to inform consumers of the value and importance of wood products.

d. Protecting forest dependent peoples through
   • HIV/AIDS education programs presented in rural areas and through rural school systems
   • Food and water security projects such as wells, the planting of fruit and nut trees along the fringes of plantations, and streamside bank stabilization.

e. Advocating for the enforcement of labor laws to formalize work:
   • through tripartite development of clear and concise social criteria for decent work in forestry in partnership with the ILO (2004-2005)
   • through partnerships with national OSH and forestry programs to develop safe code of forest practices for national legislation and the enforcement of codes.
• The Ministerial Conference for the Protection of Forests this year included in its work plan efforts to promote associations especially in the European countries with economies in transition. By focusing on the need to form associations throughout the entire strata of the forest sector including small landowners, contractors, and workers, the MCFPE has taken an important step to integrate European forest policy.

f. Educating union members to participate in PRSP’s in order to bring TFRK into the process and to attempt to get wider recognition for the role of forests in the poverty reduction process.

g. Lobby for the development of C&I that acknowledge the importance of social and cultural aspects of sustainable forest management.

• Train union members in the use of social criteria and indicators for SFM
• Advocate for the inclusion of social criteria in various multi-stakeholder global fora such as: Ministerial Conference for the Protection of Forest in Europe, World Forestry Congress, UNFF, and The Forest Dialogue.

h. Operating community forest projects in Burkina Faso, Ghana, and Kenya designed to:

• Enhance the role of women, indigenous, tribal, and local communities to engage in SFM,
• Promote TFRK particularly through the support of medicinal plantings,
• Empower workers to control forest resources and influence markets to act in a more socially and environmentally responsible manner,
• Promote the transfer of socially beneficial environmentally sound technologies particularly among developing countries.

IV. Conclusions

27. Poverty remains the single greatest threat to forests today. In order to achieve the IPF/IFF proposals for action, the issue of poverty needs be addressed. Yet, the forest’s role in poverty reduction is only now coming to the forefront of forestry planners. For the most part the role of forests in poverty reduction has not yet come to the attention of those designing PRSP’s. This failure to document forestry’s positive contribution to poverty reduction means that ODA needed for many of the IPF/IFF actions including SFM, transfer of socially and environmental sound technology, C&I and MAR S will be spent elsewhere outside of forestry. This also results in PRSP’s that are flawed since they fail to acknowledge and build on the importance of forestry and thus frequently result in poverty reduction prescriptions that promote deforestation, albeit inadvertently.

28. The way forward requires all social partners to work together to restore the legitimacy of forest usage through the development of integrated national forest planning processes. For government this involves documenting the important role of forests in poverty reduction and promoting social policies that support the creation of regular employment in this sector. Such actions include the funding for enforcement of:
regulations to protect forest resources exposed to short-term economic exploitation, OSH and environmental regulations for those working with a formal employment relationship and extending social protections to those not working with a formal employment relationship. For donor countries it means removing ideologically based conditionalities for assistance that presuppose models that didn’t work or weren’t applied in the developed countries.

29. For the nongovernmental social partners including the private sector, it is necessary to support government in the above actions as well as to promote the creation of social dialogue with all stakeholders. Support includes voluntary compliance with both national and international regulations and conventions that enhance the role of forests in poverty reduction including the ILO declaration on decent work.

30. The ILO core labor standards represent the foundation for decent work and the empowerment of the forestry workforce and thus a path to decrease poverty and promote sustainable forestry. However, the trend towards informal work in forestry creates an increasing number of workers who are denied access to the ILO core labor standards, even in countries where the standards have been adopted. It is important that all social partners recognize the universality of the ILO Core Labor Standards and work to extend coverage to all workers.

31. Finally, SFM must integrate all aspects of environmental, social, and economic concerns to succeed. No one issue or set of concerns can be left behind to retrieve later. The entire process must be integrated and worked with in all its glorious complexity.

V. Requested actions by the fourth session of the United Nations Forum on Forests

32. The forest workers and trade unions major group:

(a) Calls on all partners participating in the Collaborative Partnership on Forests (CPF) to require recognition of the ILO core labor standards in all forestry projects, research, grants, and loans as a method to promote a more equitable sharing of benefits arising from the utilization of forest resources;

(b) Calls on the partners participating in the Partnership to focus work plans, research and pilot projects on identifying methods of redistributing forest wealth generating activities to forest-dependent communities and the forest workforce (formal and informal) within the context of PRSP’s;

(c) Invites all participating countries to develop work plans to extend existing national social and economic legislative protections for formal workers to all informal workers operating in forestry activities. This could include:

(i) Amending relevant laws, conventions, and agreements to promote a presumption of employment, thereby placing the burden of proof as to a worker’s employment status on the employer and not on the worker;
(ii.) Amending relevant laws, conventions, and agreements to include economic dependence as one criterion for the existence of an employment relationship, thereby providing unions a tool to address the issue of disguised employment relationships so prevalent in the forestry industry.

(iii) Identifying national policies and programs that support the informalization of the forestry workforce and developing recommendations to end such practices or to extend social protections to such workers;

(iv) Working with all social partners to find adequate resources for proper monitoring and labor inspection for the forestry workforce;

(v) Working with all social partners to develop standardized skill certification requirements for commercial forestry workers and deliver the training required in order to obtain the skills needed to be certified;

(d) Invites participating countries to review national sustainable forestry standards, codes, and practices so as to ensure that the ILO core labor standards are codified in such instruments and enforced by the Ministries that have responsibility for forest management;

(e) Invites participating countries to review national sustainable forestry standards, codes, and practices so as to document the contribution of forest to poverty reduction activity and transmit such information to the relevant national ministries;

(f) Invites participating Governments to adopt policies and resolutions to promote mutual recognition of all certification systems that require sustainable forest management and include ILO core labor standards.

(g) Requests that all invited member states participate in the upcoming expert level meetings on social standards for sustainable forestry scheduled for 2005 by the ILO.

(h) Requests that member states consider advancing the notion of an international forest convention whose principal goal would be to create a structural framework that integrates economic, environmental, social, and cultural concerns into a single multi-dimensional approach.

Endnotes


A/58/216, Pg 10.