

roles. In step, states will flip to responding to and supporting their constituents' organisations, their voices, and their enterprises. By embracing local governance and enterprises as the cornerstones for social and economic development and conservation in forest areas, these big actors (including the state) will become agents of change responsible for renewed resiliency in communal livelihoods.

Some questions for the conference

Finally, I would like to suggest some questions for upcoming discussion: (i) What can be done to encourage government agencies and other actors to promote real tenure reform – recognising community ownership?; (ii) How to resolve or address conflicts between ministries that have purview of forest and land?; (iii) How to overcome resistance to implementing reforms and dedicating funds to financing the real investment costs of reform (e.g. mapping, delimitation, and cadastre registry). (iv) In addition, what steps can be taken to get widespread promotion of community enterprises as a development model?; (v) How to facilitate transformation of organisations and agencies (national and international) toward pro-poor forest development? (vi) I think it is very clear to all that there has been great progress so far in Nepal – but what is the next, big, transformative step here?

V. *Dr Freerk Wiersum (Wageningen University) – 'Community Forestry between Local Autonomy and Global Partnership: Quo Vadis with Environment and Climate Change Payments?'*

Introduction

Since the inception of community forestry in the 1970s, the field has been ever expanding with shifting management objectives, scales of operation, interface with global market and environmental forums and processes. Initially, the focus was mostly on small-scale forest management systems by rural communities aimed at supplying basic forest product needs. Therefore, the major policy agenda was devolution of decision-making to local groups regarding forest use and management. Gradually, community forestry also included large-scale forest management on forest lands of indigenous people claiming ancestral land rights, commercial production and small scale forest enterprise. Consequently, community forestry moved from a relatively small scale, autonomous activity to essentially being embedded in larger social and economic networks. The emergence of payment for environmental services (PES) further strengthened this move. The early PES schemes were based on voluntary arrangements involving partnerships between local communities, socially-responsible trading and manufacturing companies acting as trading partners, NGOs and development organisations acting as facilitators, and certification bodies acting as controllers. The experiences in developing community forestry certification provide important lessons about the possibilities and limitations of such voluntary schemes. Two contrasting developments in respect to the standards for payments took place, i.e. a demand for adding social objectives to the environmental standards, and a

demand for simplification of procedures and minimisation of transaction costs. In order to balance these contrasting demands the certification schemes evolved from a forest certification system to a forest governance system. In the newly proposed climate change payments national governments are proposed to play a major role as mediator of international payments. Contrary to the core principles of community forestry, these processes appear to be favouring recentralisation. Therefore, proper political representation of community forestry institutions and meaningful collaboration among them with inclusion of all possible community forestry types rather than few selected types are important emerging issues.

Evolution in community forestry



Two major development trends are observed in the field of community forestry: (i) change in thinking regarding the basic commitments for stimulating community forestry development; and (ii) diversification in community forestry regimes.

There have been huge changes in the discourse and policy priority on the role of forests in environment and development (Arnold, 2001; Wiersum, 1999; Scherr et al., 2003; Wiersum et al., 2004). Initially community forestry co-existed with modern, commercial sector. Community forestry was conceptualised as a supplementary to the prevailing forest management regimes focusing on national interests and economic growth. However, there has been gradual incorporation of traditional local systems by the dominant modern sector. Similarly, while traditionally community forestry used to be understood as a locally operating autonomous institution, it has now gradually been embedded in the national and global social and market institutions under the global environmental governance frameworks. Consequently, community forestry institutions have to operate under (inter)national standards.

Evolution of community forestry composed of four broad phases. During the 1970s, conservation and meeting local needs was the major objective of community forestry. In fact, it was meant 'to meet the needs for forest products for rural people in full from readily accessible community lands, and thereby lighten the burden on industrial production forestry' (in Chambers *et al.*, 1989). This was followed by democratisation and empowerment phase focusing on effective involvement and meaningful participation of local communities in decision-making, notably in the form of common-property resource management. Diverse forms of partnership or collaboration between state and local communities emerged as the third phase of

community forestry. India's joint forest management is a case in point. During this phase large tracts of forest were managed under state-community collaboration. Incorporation of community forestry in national and global economy can be regarded as the fourth phase in community forestry development with a focus on poverty alleviation, income generation while addressing global environmental concerns. As a result, forest management systems need adhere to (inter)national standards on management and product quality.

Along with the change in management agenda, the types of forests under community forestry also expanded. Initially, the focus was on forest fringe communities and village forests. Gradually community forestry included communities functioning as a social fence around forest reserves and contributing to rehabilitation of degraded lands. The focus then shifted to forest dwelling indigenous communities recognising the ancestral rights of indigenous peoples. In many countries new legislation was enacted for returning ownership and management rights. These new schemes involved extensive forest areas and often the old-growth forests beyond the previous focus on degraded forests, plantations or agroforestry systems. Four key types of community forestry can be identified: (i) working landscape mosaics managed by communities; (ii) forests on the agricultural frontier; (iii) large areas of natural habitat with indigenous and traditional stewards; and (iv) intensively managed farm and agroforests.

Payment for environmental services: a new phase in community forestry

With the emergence of idea of payment for environmental services (Landell-Mills and Porras, 2002; Wunder, 2005), community forestry management objectives gradually got diversified to enhance forests products and other environmental services. Community forestry is now offered with payment for diverse types of forest products, biodiversity (e.g. Wiersum et al., 2008), watershed conservation (e.g. Porras et al., 2008), ecotourism and now even for carbon that forests sequester. Gradually, forest management institutions have to meet the expectations and demands of actors beyond the local domain. Community forestry institutions have to meet the national and global criteria and standards. Development agencies, the market and other regulating and facilitating agencies also emerged along with this process (Scherr et al., 2003). The theory and practice of PES have brought a major change in the fundamental characteristics of community forestry which are shown in table 4.

Table 4 Characteristics of traditional community forestry and evolving conditions

Traditional views	Evolving conditions
Devolution of management rights to local communities	Incorporation of local communities in international networks
Management diversification based on local traditional knowledge and practices	Modernisation of management by fulfilling international standards
Emphasis on recognising subsistence needs and local norms for management	Emphasis on international norms for forest management and commercial relations
Focus on equitable sharing of forest benefits at local level	Focus on equitable distribution of international payments
NGOs as temporary facilitators	CSOs as long-term partners

Despite this transition from traditional to PES agenda in community forestry, several challenges appear in realising the benefits. First, non-realistic expectations on one hand and high transaction costs on the other have undermined the potential benefits through PES (Skutsch, 2005; De Pourq *et al*, 2009). Second, there are gaps in understanding how community focused PES schemes can be incorporated in global governance and marketing networks (Corbera *et al*, 2009). Orienting and supporting community forestry management from a local, autonomous and self-reliant institution to an active collaborative partner in global markets and environmental governance process. Third, there are high risks of elite capture at various levels from local community to international carbon financing mechanism.

Experiences with developing community forestry certification

Forest certification often seen as a form of standardising the supply of environmental service has largely influenced the management and governance of forests. Certification process is primarily concerned with the sustained supply of forest products and not merely on the quality of the products. By adapting global standards to community forestry conditions, the Forest Stewardship Council experiences with community-focused certification offer an excellent opportunity for assessing the challenges involved in developing schemes for community focused PES schemes.

The slow pace of forest certification has lead to reconsideration of the international standards to better suit to the conditions of community forestry, making them more diversified and adaptable to specific management conditions. Contrary to initial concept of certification as a standard setting, it is recognised as a forest governance system with continuing process of negotiation between stakeholders.

Conclusion

The paper demonstrates four main issues that need careful consideration in order to achieve benefits from the expanding interface of community forestry. First, there has

been a major shift in the community forestry agenda from: (i) co-existence of localised forest economy and dominant timber economy; (ii) subsistence use to income generation; (iii) local autonomy to engagement in wider networks. Induced primarily by the PES system, these three changes describe newly emerging characteristics of community forestry. Second, during the evolution of community forestry attention moved from small scale village forests to large forest lands owned and managed by the indigenous people. It empowered indigenous people to participate in national and international policy and political forums on forest and environmental governance. Third, the early agenda of devolution is now complemented by involvement of multiple actors at different level. Similarly, entering into more formal system (such as inventory and carbon financing) has brought the risk of recentralisation. Fourth, development of secondary organisations such as federations and cooperatives may help forest communities protect their interests in the ever expanding and globalising interface.

VI. *Dr Mary Hobley – ‘Inclusion and Democratic Governance: What Can We Learn from Community Forestry?’*

There are mainly four reasons as to why we are interested in the forestry sector: (i) natural capital is a critical element to support life on planet; (ii) livelihoods for poor people; (iii) access to and control of forests underpins the wider political economy; and (iv) contribution to growth with potential use of rents for redistribution, galvanising local economies and poverty reduction. However, there is a weak understanding of the links between forests and the nature of the state, there are challenges in finding structures that maintain forests and livelihoods and it is difficult to generate and enforce policy amongst multiple stakeholders.

Governance choices for forests

The main institutional arenas in forest management are the state, civil society and markets. These can be modelled as administrative rationalisation (state as main authority), democratic pragmatism (multi-interest frameworks such as community forestry) and economic rationalisation (market dominance). The variance of power and effectiveness of each institutional arena has changed overtime.

However, each arena is subject to inherent failures of effectiveness and efficiency of policy and delivery and in the opportunities that emerge for certain groups to capture benefits. To operate effectively there must be action in all three arenas, such as a political settlement which defines who is responsible for collective choices, property rights; and political mechanisms to formulate and enforce rules and policies.

Key issues in managing forests

In addition to governance issues, there are other pressures on forestry which includes issues both in the national and international arena. There are also problems regarding