



September 2005

Forest Governance Learning Group – Mozambique

WORK PLAN

1. Background on the Forest Governance Learning Group

The Forest Governance Learning Group (FGLG) is an alliance of independent agencies that aims to exchange learning and develop ideas on forest governance and to help them work. Several internationally active agencies and a range of connected sub-groups in western and southern Africa, and Asia constitute the FGLG. The FGLG is coordinated by the International Institute for Environment and Development (IIED) and, in the period February 2005 to January 2009, is financially supported by the European Union and The Netherlands Ministry of Foreign Affairs¹.

Mozambique established a FGLG sub-group in November 2003 with support from IIED. The group is comprised of government and non-government forest practitioners that focus on exchanging lessons and developing ideas for improving forest governance in the country².

2. Problem statement

In Mozambique, 10,823,000 people out of a total of 15,278,000 live in rural areas mostly within 40km of the coast where subsistence agriculture, forest resources and artisanal fisheries constitute the main options for income generation. Poverty in these rural areas is widespread.

2.1 National policy frameworks

The broad principles of the Government of Mozambique's development strategy are set out in the Action Plan for the Reduction of Absolute Poverty (PARPA), which are further elaborated for forestry and the rural sector in the National Agricultural Programme (PROAGRI, phases I and II). The Government also recently signed the Yaounde Ministerial Declaration on African Forest Law Enforcement and Governance, committing itself, internationally, to 30 intentions and 42 indicative actions against illegal logging and hunting, their associated trade and corruption, and to promote improved forest governance.

For land based natural resources the policy context is in its infancy. The main legal frameworks are as recent as 1997 for the Land Law and 1999 for the Forestry and Wildlife Law – with the forest

¹ See "Forest governance learning group: enabling practical just and sustainable forest use. Project document. February 2005 to January 2009. IIED, London. Contact: forestry@iied.org

² For further information on the Forest Governance Learning Group (FGLG) in Mozambique contact Adolfo Bila: abila@map.gov.mz

regulations only being approved in 2002. These provide the conceptual and legal frameworks for sustainable forest management and emphasising the requirement for processing in country, to promote job creation and the alleviation of poverty. The context for work on forest policy is rather unique – on the one hand providing rich opportunities to the technical annexes which make the law and regulations operational, but on the other without the established institutional processes for translating legislation into field realities. As the opportunities for legislative change diminish it is hoped the opportunities to implement it will increase.

The introduction and establishment of private concessions is one of the tangible results of the 1999 Forestry and Wildlife Law that has an everyday impact on the life of the forest dependent populations. While other legal provisions aimed at benefiting communities are yet to be put into practice, the granting and management of concession areas is now an important element of the development of the forestry sector and one which can already be examined from the point of view of the actual success of legal implementation and the security of legally provided community rights and benefits.

2.2 Illegal and corrupt forestry

In general terms, almost all the forestry enterprises in Mozambique are small mostly family run businesses. Many use less than 100m³ per year and even the largest firms use less than 10000m³ per year. These include micro operators with or without logging licences often without transport who sell to middlemen, small operators with simple licences and medium size concession holders. Middlemen / agents play an important role in the demand for timber – the most powerful groups of which are Chinese agents. A recent independent report from ORAM documented the substantial gap between the intentions of the Government as expressed in legislation and the field reality. It was noted that, according to the last published inventory in the province of Zambézia, the annual allowable cut for 2003 of currently marketable species should be about 18,000 m³. Yet SPFFB set the quota for 2003 at 49,000 m³. This discrepancy is driven in part by strong demand for raw logs from China's booming economy, and the presence of Asian buyers providing easy credit to small loggers to produce timber, and a cash market for the logs of larger independent operators. The independent report concluded that too many operators, large and small, are being allowed to take too many logs, from too many places in a way that is rendering the resource unmanageable in the longer term, and abuses the rights of local communities, denying them opportunities for vitally needed employment and skills development that would come from sustainable forest management, processing industries and community based enterprise. Export of logs is starving local industry and threatening jobs.

2.3 Forest enterprise initiatives

In a recent report on forest sector profitability, the consultancy company SAVCOR noted that if forest operations continue as in the past, it is quite likely that Mozambican forest resources will be gradually depleted with the loss of potential economic and social benefits. They noted that the most viable option for the use and development of natural forests were through concessions – with primary production next to the natural resource and value added production in the city next to the markets. They also noted that the real growth possibilities were in plantations. These would require a long gestation period and significant public investment to create the business conditions necessary for private sector investment. Both natural and plantation forest management would require a strategic vision of development that ensured sustainable management. While recent progress towards voluntary FSC certification is a positive development, there is need for considerable improvement to the mainstream non-certified producers in terms of sustainability.

2.4 Community ownership and access rights

The main rights and benefits of the forest dependent communities envisaged under the Forestry and Wildlife Law are the following: subsistence level use of the resources; participation in co-management; community consultation and approval prior to allocation of exploitation rights to third parties; development benefits derived from exploitation under a concession regime; return of

earmarked 20% of forestry tax revenue to the communities; and 50% of the value of fines received by the individual contributing to law enforcement.

The main shortcomings identified in securing community benefits stemming from recent legal provisions are the lack of: adequate consultation procedures; clear guidelines on how stakeholders are to engage with each other; and clearly defined responsibilities at local government level (both provincial and district) to assist and monitor the process. In addition, stakeholders do not demonstrate sufficient capacity to fulfil their legal obligations vis-à-vis community engagement and development issues. Government forestry staff is only trained to deal with natural resource issues, communities do not have the capacity to create the appropriate representative and legally recognised bodies and private sector does not have the experience or incentive to play the role of a development agency without properly defined parameters of intervention and support.

Finally, the formulation of the Forestry and Wildlife Law must be examined in conjunction with the 1997 Land Law and the state decentralization reform currently underway. Local government and community structures need to have clearly defined powers, responsibilities and institutional context within which to function. Therefore, clear relationships must be established between the proposed institutional developments at community level and the newly defined decentralised district level state organs.

In light of the above, the main challenge Government faces is to successfully implement and enforce existing legal provisions, closing the gap between legal intent and reality. In doing so, this priority must be given to:

- Community consultation must be defined as part of a process of establishing a working relationship between government, private sector and the community;
- Better definition of roles in monitoring and evaluation, encompassing social development aspects and mechanisms for effective conflict resolution;
- Capacity-building of local government, community organisations and private investors on issues of social consultation and sustainable multi-stakeholder cooperation;
- Co-management structures and related statutes should be formulated in accordance with the principles and practice of the broader decentralisation process;
- Transparent and publicly available information that provides clear and assessable data regarding the state of forestry exploitation and provides regular and uniform information flows between provincial and national levels;
- Financial systems – separation of the earmarked 20% community tax return from the general revenue basket by opening of separate accounts and accumulation of this revenue stream until mechanisms for distribution and use are put in place and made operational;
- Concession allocation through open competitive process based on set criteria with independent review;
- Investor screening strategy as part of measures targeting compliance and securing benefits for the forest-dependent poor.

3. Aims of the Forest Governance Learning Group – Mozambique

The *overall objective* is the conservation and sustainable management of forests in Mozambique so as to meet the economic social and environmental demands placed on forests at local, national and global levels (matching the EC Programme on tropical forests and other forests in developing countries). The main target groups for the outputs of the FGLG work in Mozambique will include:

- key forest policy and decision makers within DNFFB and other Ministries and Departments;
- leaders in forest enterprise and the new forest industry associations;
- champions of local community rights.

4. Project outputs and summary of activities

FGLG *activities* will be spread across two separate teams headed by the Universidade Eduardo Mondlane (UEM) and the NGO Terra Firma under the overall direction of Adolfo Bila at UEM. The

two contracts refer to an identical set of activities that are based on the activities specified in the head contract between the EC Tropical Forest Budget Line and IIED. In each contract the activities of the team in question are highlighted in bold.. Project activities will involve participatory evidence gathering, learning events, network building, delivery and supported uptake of governance tools and guidance materials, taking opportunities to engage directly with governance reform, training/ capacity building, and monitoring. The relevance of a “learning group” in establishing good forest governance is straightforward. If learning about the key ingredients and tactics for change spreads, better processes of decision-making may spread. A stronger “governance community” is needed, one that can draw in high-level opinion formers and decision-makers, generate lessons and spread success amongst divergent actors. The main emphasis of the Mozambique FGLG group will be to identify, test and install practical approaches and tactics. In other words the focus is not just to generate new lists of recommendations – but to learn how to implement them.

Output 1: Poverty reduction strategies, national forest programmes, decentralisation programmes and related processes enable improved forest governance

The main aim of this output is to ensure that the Action Plan for the Reduction of Absolute Poverty (PARPA), and the National Agricultural Programme (PROAGRI, phases II) adopt and promote best-bet options for ensuring poverty reduction through sustainable forest management within Mozambique.

The subset of activities planned within this contract are marked in bold:

1.1 Identify the opportunities (leverage points) for improving forest governance in ProAgri II, the PARPA and the decentralisation programme within a short report.

1.2 Consolidate Forest Governance Learning Group (FGLG) participation through the hiring of an FGLG coordinator and the convening of regular meetings - connecting high-level governance actors with each other and with on-the-ground practice. Assist with the development of a website dedicated to providing electronic copies of report relating to land and natural resource access and use under the banner of the FGLG.

1.3 Adapt and update this work plan when new opportunities for making governance improvements arise in: tackling illegal and corrupt forestry, forest enterprise and their associations, and tenure and access for local communities. Steer the development of new knowledge and promote and organize at least one national exchange and learning event (including, but not restricted to the FORUM and the CBNRM forum) over the life time of the project in addition to six monthly meetings of a core working group.

1.4 Support the spread of knowledge to key actors both in Maputo and the provinces but also internationally both through participation in meetings as appropriate and through the development of a FGLG website hosted on the Terra Firma website.

Output 2: Illegal and corrupt forestry that degrades livelihoods is reduced through the adoption and spread of practical approaches to improved forest governance

The main aim of this output is to make real progress towards identifying problem areas within the forest sector and putting in place information and strategies that allow these problems to be addressed.

The subset of activities planned within this contract are marked in bold:

2.1 Publish/ spread findings from initial work on practical approaches to address various scales and impacts of forestry illegality (e.g. the new strategies for law enforcement and reports by Terra Firma)

2.2 None

2.3 Supervise a detailed case study (study 1) of the production and processing of timber and NTFPs in Cabo Delgado – and its impacts on local livelihoods in association with Terra Firma and CARE. Prepare, publish and deliver guidance materials and tools based on new and previous findings to improve the implementation of the nfps, the PARPA and decentralised forest programmes

2.4 Engage with and provide options to key actors to test and implement at least one new practical approaches to combat illegality in association with Savcor Indufor Oy, thus directly contributing to in-country implementation of the EC Action Plan for Forest Law Enforcement, Governance and Trade

2.5 Develop and undertake at least two training events on ‘tactics that work for law enforcement’, to try and strengthen forestry in wider frameworks such as the PARPA.

2.6 Evaluate progress through an invited independent review and share findings on approaches that are proving successful

Output 3: *Forestry enterprise initiatives and private sector associations comply with the law and spread practical approaches to improve forest governance*

The main aim of this output is to work in conjunction with the private sector operators to identify strategies to improve legal compliance in line with the AFLEG commitments.

The subset of activities planned within this contract are marked in bold:

3.1 Conduct or supervise an outsourced survey (study 2) in Cabo Delgado, Sofala and Inhambane of the existing capacities and difficulties facing simple licence forest enterprise and their associations – building on the work of the NDC funded programme on Forest Enterprise. Assess public policy and technical support mechanisms, finance, associations and information flows, capacity and labour issues relevant to legal compliance

3.2 Prepare and publish guidance on practical approaches to improve the functioning of small and medium forest enterprises and their associations (including incentive based and voluntary compliance mechanisms such as certification) in association with the WWF and other members developing the national criteria for certification

3.3 Engage with key actors in enterprise initiatives and associations and help to establish best bet options for corporate social responsibility and sustainability-conscious market access

3.4 Participate in attempts to test out best bet solutions with corporate leaders (for example with MAFER or with TCT Dalmann) so as to drive progress through competition and contribute to the EC Action Plan for FLEGT.

3.5 Work to install ideas for corporate responsibility within the forest sector and reporting protocols for new forest associations – potentially in association with Global Witness.

Output 4: *Ownership, access rights, policy and management frameworks are improved to support local control and benefit from forestry*

The main aim of the output is to improve the flow of intended forest benefits to communities in rural Mozambique

The subset of activities planned within this contract are marked in bold:

4.1 Support the spread of information on community based management through participation in the forum on CBNRM hosted by the IUCN.

4.2 Conduct or support participatory pilots to test improved options suggested in these reviews in at least three areas (i) Community organizational models and their recognition at local and district levels (in advance of any delegação de poderes legislation); (ii) Securing tenure and access to resource – linking to the new multi-donor land fund led by DFID; (iii) Improving benefits from private sector activities (building on and testing the company community consultations manual developed by Terra Firma. Produce a summary report (study 3) on the option for community forest management based on these experiences.

4.3 Share lessons from other countries where tenure and access issues have been substantively resolved. Engage with key decision makers governing land and resource access laws and identify and promote actions that strengthen the interest of local communities in sustainable natural resource management

4.4 Strengthen capacities through training of key intermediary groups in (i) community organization models, (ii) Securing land and resource tenure (iii) improving consultations.

4.5 Prepare, publish and deliver guidance materials and tools for communities, their supporters and other local-level actors on how to improve tenure, forest resource access and policy frameworks governing local control and benefit from forestry

5. Implementation arrangements

Mozambique already has numerous active fora and working groups (for example the national forest forum and the working group on Community Based Natural Resource Management (CBNRM). The FGLG is a learning group and process that draws on but does not duplicate or replace those existing fora. The core of the FGLG managed by the first team at Universidade Eduardo Mondlane (UEM) deals primarily with the group at the national level. The FGLG convenor, Professor Adolfo Bila, will catalyse a working group – which will involve 3-4 key members to represent Mozambique at the regional level across Southern Africa– and a wider group of interested stakeholders. This set of core activities will be complemented by independent research studies carried out by a second team managed by Terra Firma, including the establishment of a website (which together form the basis of this contract). The aim of these complementary activities is to research and spread as widely as possible information pertinent to the good governance of forest resources within Mozambique. The grantee will make reports available both to IIED and to the convenor of the FGLG and to the wider public through the website.

6. Budget

A budget for the proposed activities to be carried out by Terra Firma is given in Appendix 2.

7. Monitoring and evaluation

A participatory monitoring and evaluation approach will be used. FGLG members and actors at different levels will jointly develop and identify indicators which will be used to assess progress in a participatory manner. In addition there will be an external evaluation. One major FGLG meeting per year will supplement smaller quarterly meetings to disseminate study results and share experiences in the forestry sector.

8. Sustainability

The sustainability of the FGLG within Mozambique depends primarily on its continued relevance and interest to the group members as a learning process about how to improve forest governance.

The independent DNFFB working groups, the national FORUM and independent working groups such as that on CBNRM etc are all independently funded and have a viability of their own. The FGLG is a means to extract and spread useful new insights from such existing processes both within Mozambique and across the Southern African region.