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# Sustainable Development Goals and forests

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Prospects, integration, priorities and experience  
of Latin America and the Caribbean

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## About the project

For more information about this report, or the 'Integrating forests into the post-2015 development framework' project, visit [www.iied.org/integrating-forests-post-2015-development-framework](http://www.iied.org/integrating-forests-post-2015-development-framework), or contact:

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## Acronyms

CCAD	Central American Commission on Environment and Development
CDM	Clean Development Mechanism
ECLAC	Economic Commission for Latin America and the Caribbean
FAO	Food and Agriculture Organization of the United Nations
FLEGT	Forest Law Enforcement, Governance and Trade
FRA	Forest Resource Assessment
GDP	Gross Domestic Product
GHG	Greenhouse Gases
GIZ	German Federal Enterprise for International Cooperation
GTZ	German Organisation for Technical Cooperation
IDB	Inter-American Development Bank
ILO	International Labour Organization
IPCC	Intergovernmental Panel on Climate Change
IUCN	International Union for Conservation of Nature
Km	Kilometres
MA	Department of Agriculture
MARN	Ministry of Environment and Natural Resources
MFA	Ministry of Armed Forces
NFP	National Forest Program
NGOs	Non-governmental organisations
NTFP	Non-Timber Forest Products
OAS	Organization of American States
OHCHR	Office of the High Commissioner for Human Rights
PAHO	Pan American Health Organization
PES	Payments for Ecosystem Services
REDD	Reducing Emissions from Deforestation and forest Degradation
SDGs	Sustainable Development Goals
SFM	Sustainable Forest Management
SINAPs	National System of Protected Areas
TNC	The Nature Conservancy
UNAIDS	Joint United Nations Programme on HIV and AIDS
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFCCC	United Nations Framework Convention on Climate Change
UNFPA	United Nations Population Fund

UN-HABITAT	United Nations Human Settlements Programme
UNICEF	United Nations Children's Fund
UNOPS	United Nations Office for Project Services
UN-REDD	United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries
USAID	United States Agency for International Development
VPA	Voluntary Partnership Agreement
WB	World Bank

## Executive summary

The UN Open Working Group on Sustainable Development Goals (SDGs) presented a package of proposals to the UN General Assembly in July 2014, making an important contribution to the negotiation. The final agreement on the post-2015 framework will be discussed at a high-level summit in September 2015. The purpose of this paper is to put forward a debate to integrate the perspectives, priorities and experiences of Latin America and the Caribbean, to help ensure that the Sustainable Development Goals give recognition to the contribution of forests to promote sustainability in an optimal way.

As a precursor to this report, IIED developed a study to assess the Zero Draft from the Open UN Working Group (OWG) on Sustainable Development Goals from the forestry point of view. This study examined the links between the objectives and targets set and forests. A combined set of goals and objectives was proposed as a 'forest module', which is considered essential to enable sustainable forest development.

Experience with the Millennium Development Goals, as well as experiences of countries in Latin America and the Caribbean, clearly show how a focus only on forestry objectives is insufficient and unable to adequately address the right of an ideal environment. This paper follows a similar approach and evaluates the proposed SDGs from the perspective of the forests and the communities that live in them, from the point of view of Latin America and the Caribbean. In order to do this, the paper presents some of the major trends in forest policy and its impact. This allows us to assess whether forest policies have been effective and what the critical issues are that this region must overcome, for forests to contribute to sustainable development. This, along with case studies from Latin America and the Caribbean, provides the necessary information to make recommendations on the 'Zero Draft' from the forestry point of view of Latin America and the Caribbean.

The region of Latin American and the Caribbean has 22% of global forest area, 14% of the overall area and 7% of the world's population. The total forest area totals almost 890 million hectares, distributed across South America (97%); Central America (19.4%) and the Caribbean (6.9%). The forestry sector is important in the region's economy because forests not only provide wood, but also provide fibre, wood fuel and non-timber forest products for industrial and non-industrial uses. Furthermore, forests provide a range of ecosystem services (habitat, biodiversity, carbon storage, and so on) that, even though they don't always have a commercial value, are essential to both to the local and to the global scale. As this is not reported in national statistics, the intrinsic value of ecosystems is often underestimated in decision-making. Demand for forest products is dependent on demand for various secondary products, such as construction wood, wood and paper based panels and paper-boards. At the regional level, there is also the phenomenon of urbanisation and the resulting demand for products.

In Central America and Mexico, from 1990 to 2010, progress towards sustainable forest management was generally positive, with the noticeable exception of the significant negative trends regarding forest affected by fire and plagues of insect. Progress towards sustainable forest management was variable in South America. The rate of net forest loss continues to be a concern, although there have been noticeable advances, especially in the last five years. The rate of loss of primary forest also remains alarming. Despite all this, there are some positive signs shown by the increase of forest areas designated for the conservation of biodiversity and of protected areas. The planted forest areas have increased, and in future, these forests could offer a greater proportion of the demand for wood.

Official reports suggest major advances for Latin America and the Caribbean in some of the aspects of environmental sustainability; for example, the total area of protected areas has grown steadily over the last decade. The consumption of substances that deplete the ozone layer has decreased considerably and the region has advanced in the expansion of the services of tap water and sanitation. All these achievements show a positive trend towards the fulfilment of the seventh objective. There are still many difficulties to overcome, however, such as the continuous decrease of the area covered by forests and the steady increase in CO<sub>2</sub> emissions from fossil fuels and cement production. In both cases, there is evidence that the region has a tendency to move away from the environmental goals of the Millennium Development Goals.

The difficulty of advancing the effectiveness of policies could be due to weak integration of environmental sustainability into national policies and programmes, as well as to a lack of information and inter-institutional coordination, leading to a misallocation of resources. The undervaluation of environmental protection objectives on the one hand and the prioritisation of other public policy objectives (growth, employment, poverty reduction) on the other is, at least in part, from an incomplete understanding of the importance of the environment to sustain economic activity and long-term prosperity. Comparable to the behaviour of private agents who, in the absence of adequate regulation, fail to consider environmental degradation as a cost, public officials often prioritise activities that are not environmentally desirable but generate short-term benefits.

In an international level, it is recognised that REDD+ (Reducing Emissions from Deforestation and forest Degradation; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks) should be part of global efforts to mitigate climate change. There are two possible reasons for this acceptance. First, deforestation and forest degradation are responsible for approximately 17 per cent of emissions of greenhouse gases and secondly, REDD+ is widely recognised as a potentially cost effective mechanism for reducing emissions.

The available evidence indicates that reaching sustainability requires strong environmental safeguards and drastic measures of adaptation, which is a complex process and difficult to measure accurately, since it involves non-linear patterns and generates unequal and uncertain costs from one region to another. There are already a wide range of cost-effective adaptation options that can significantly reduce the economic, social, and environmental costs of climate change and will bring considerable additional benefits, such as promoting energy efficiency benefits, improvements in health, reducing deforestation and reducing air pollution.

# 1. Introduction

The UN Open Working Group on Sustainable Development Goals (SDGs) presented a package of proposals to the UN General Assembly in July 2014, making an important contribution to the negotiation. The final agreement on the post-2015 framework will be discussed at a high-level summit in September 2015. The purpose of this paper is to put forward a debate to integrate the perspectives, priorities and experiences of Latin America and the Caribbean, to help ensure that the Sustainable Development Goals give recognition to the contribution of forests to promote sustainability in an optimal way.

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Experience with the Millennium Development Goals, as well as experiences of countries in Latin America and the Caribbean, clearly show how a focus only on forestry objectives is insufficient and unable to adequately address the right of an ideal environment. This paper follows a similar approach and evaluates the proposed SDGs from the perspective of the forests and the communities that live in them, from the point of view of Latin America and the Caribbean. In order to do this, the paper presents some of the major trends in forest policy and its impact. This allows us to assess whether forest policies have been effective and what the critical issues are that this region must overcome, for forests to contribute to sustainable development. This, along with case studies from Latin America and the Caribbean, provides the necessary information to make recommendations on the 'Zero Draft' from the forestry point of view of Latin America and the Caribbean.

## 2. Methodology

As a precursor to this report, IIED developed a study to assess the Zero Draft from the Open UN Working Group (OWG) on Sustainable Development Goals from the forestry point of view. This report, entitled, 'Sustainable Development Goals from a forestry perspective: Transformative, universal and integrated?' proposes an approach to ensure environmental goals are obtained with the positive contribution of forests, to ensure their sustainability.<sup>1</sup> The experience of the Millennium Development Goals highlighted that the limited perspective provided by these goals and targets was insufficient.<sup>2</sup> In particular, that the objectives are not sufficiently addressed by considering the 'enabling environment' – through rights, systems, capabilities and metrics – to allow forests to contribute to sustainable development.<sup>3</sup>

Based on existing frameworks, such as the global criteria for sustainable forest management (SFM), the report highlights four categories of 'optimal conditions' to enable sustainable forest development:

1. Social justice within secure forest stewardship arrangements. Just and secure forest rights through equitable forest governance and negotiated land use planning.
2. Fair, accessible and responsible market systems. Inclusive economic opportunity and resource efficiency for all forest products and services, influenced by sustainable lifestyles and trade.
3. Organisational capabilities to manage multifunctional landscapes. To enhance the quality and quantity of ecosystem services, sustainable land use practices and resilience of the poor.
4. Incentives and practical metrics. To build partnerships that effectively resource and monitor progress at national and international levels.

The report examines the links with the Zero Draft, evaluating the proposed goals in terms of the contribution of forests; it first identifies the goals towards forests which can contribute directly, and secondly, the critical levers for changes within which forests can contribute to sustainable development. This combined set of goals and targets is proposed as a model called a 'forest module,' which is depicted in Figure 1 and is put forward as a means to ensure forests can contribute effectively to sustainable development.

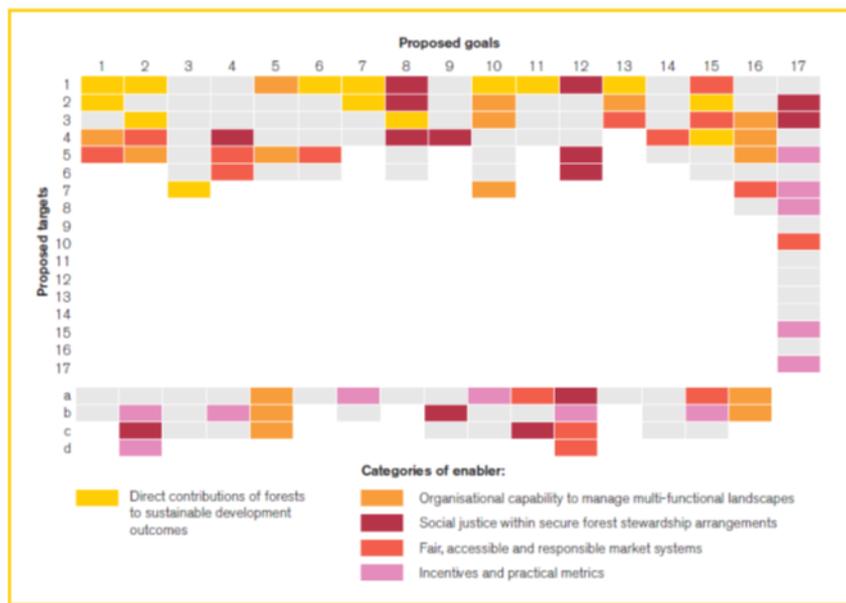
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<sup>1</sup> Macqueen, D., Milledge, S. and Reeves, J. (2014). SD goals from a forest perspective: Transformative, universal and integrated? IIED Discussion Paper, International Institute for Environment and Development, London, UK.

<sup>2</sup> UN (2004) The Millennium Development Goals Report. United Nations, New York.

<sup>3</sup> Milledge, S., Macqueen, D., Reeves, J. and Mayers, J. (2014), Sustainable Development Goals: a forest module for a transformative agenda, IIED Briefing Paper: Issue July 2014, International Institute for Environment and Development, London, UK.

Figure 1: Modular approach to the contribution of forests



This paper presents a similar method for assessing Sustainable Development Goals, from a forestry perspective in the context of Latin America and the Caribbean. To achieve this, we first need to better understand the major trends of forest policy in the region and assess whether they have been effective. This allows us to distil some of the criteria necessary for forests to help achieve sustainable development in Latin America and the Caribbean.

The following reports were consulted in the writing of this background paper: The State of the World's Forests 2014, FAO and the Report on Millennium Development Goals. Advances in Environmental Sustainability of Development in Latin America and the Caribbean, prepared in 2010 by the United Nations Economic Commission for Latin America and the Caribbean (ECLAC) in close collaboration with regional offices of other agencies of the United Nations in particular with the United Nations Environment Program (UNEP), the United Nations Development Program (UNDP), the United Nations Program for Human Settlements (UN-Habitat), the United Nations Children's Fund (UNICEF), the United Nations Population Fund (UNFPA), the Office of the United Nations High Commissioner for Human Rights (OHCHR), the Joint United Nations Program on HIV / AIDS (UNAIDS), the United Nations Food and Agriculture Organization (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the International Labor Organization (ILO), the Pan American Health Organization (PAHO) and the United Nations Office for Project Services (UNOPS)<sup>4</sup>.

Also consulted was the Global Forest Resources Assessment (FRA) 2010, which is conducted every five years in an effort to provide a consistent approach to describing the state of the world's forest resources and how these are changing. The evaluation is based on two main data sources: National Reports prepared by the NCs and remote sensing survey conducted by FAO, in collaboration with the national focal points and partners at regional level.<sup>5</sup>

Finally, visits were conducted in the Latin America and the Caribbean region, to capture information from civil society groups and from official documents, to enable analysis based on evidence of the actual situation of the forests, the communities living with them, the real effects of climate change in these areas, the good practices of communities and key challenges in the region in reaching the environmental goal of the Millennium Development goals.

<sup>4</sup> Naciones Unidas. Enero 2010. Informe Objetivos de Desarrollo del Milenio, Avances en la Sostenibilidad Ambiental del Desarrollo en América Latina y el Caribe.

<sup>5</sup> FAO 2010. <http://www.fao.org/forestry/fra/fra2010/en/>

### 3. Perspectives of Latin America and the Caribbean

The Latin America and the Caribbean Region includes 22% of global forest area, 14% of the global land area and 7% of the world's population. The total forest area is about 890 million hectares (ha), across South America (97%); with 19.4 million ha in Central America and 6.9 million ha in the Caribbean (FAO 2010). The surface area covered by forests is declining. Latin America and the Caribbean have the highest rate of deforestation in the world. There is little economic incentive to keep the forest standing. Mechanisms do not ensure the internalisation of the costs of destroying forests and its conservation benefits in ecosystem services. As a result, the profitability of some economic activities that cause deforestation is higher than that of activities compatible with the preservation of the forests.<sup>6</sup>

There is no clear evidence up to now that forests are speedily disappearing in the region as a result of climate change.<sup>7</sup> Some simulations based on IPCC emission scenarios show a significant risk of forest degradation induced by the climate towards the end of the twenty-first century in tropical, boreal and mountainous areas, however, while others predict a drastic reduction in rainfall in the eastern Amazon area.<sup>8</sup> While there is still no consensus within the scientific community, the fourth assessment report of the IPCC indicates a potential loss of land area covered by forests in the Amazon between 20 per cent and 80 per cent, as a result of climate impacts induced by increase in temperature in the Amazon basin 2°C to 3°C. There would then be a cyclical effect between climate change and deforestation, involving the Amazon in a particularly important way. The interactions that can exacerbate the effects of climate change on forests are also important. The IPCC assessment of the forestry sector found mixed evidence as to wildfires, and their relation to some effects associated with climate change. Moreover, recent studies suggest that increased temperatures and increased harvest periods raise the risk of fire due to increased aridity.<sup>9</sup>

In regards to energy issues, despite the relatively marginal contribution made by the region to global emissions, the international context (especially business conditions and international treaties) and the need to address adaptation strategies consistent with those for mitigation, make it imperative to move toward a general de-carbonisation of economies; in particular through energy efficiency and the development of renewable energy.<sup>10</sup>

#### The Forest Industry and Deforestation

The global forest area used for the production of wood and non-wood products decreased from 1.160 million to 1.130 million hectares during the period 2000-2010.<sup>11</sup> This decrease is also observed in the region, and is due largely to deforestation associated with the expansion of the agricultural frontier, poor forest management practices, fires, overharvesting wood and illegal logging. Nevertheless, the area of forest plantations grew at a faster rate in Latin America between 2000 and 2010 than in any other region of the world (3.23% annually).<sup>12</sup> The area covered by forests in Latin America and the Caribbean is decreasing.

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<sup>6</sup> Naciones Unidas, 2010 (Informe Objetivos de Desarrollo del Milenio 2010).

<sup>7</sup> Samaniego, 2009.

<sup>8</sup> Al respecto, el PNUMA afirma que, de acuerdo a los modelos predictivos, la Amazonía estaría cerca de su punto de inflexión (PNUMA, 2009c, pág. 26) y Naciones Unidas, Objetivos de Desarrollo del Milenio, 2010, pag 72.

<sup>9</sup> Easterling y Aggarwal, 2007 y Naciones Unidas, Objetivos de Desarrollo del Milenio, 2010, pag 72.

<sup>10</sup> Naciones Unidas, Objetivos de Desarrollo del Milenio, 2010, pag 73.

<sup>11</sup> PNUMA, 2012.

<sup>12</sup> PNUMA, 2010.

## Forest Planning

In Central America and Mexico, during the period 1990 – 2010, the progress towards sustainable forest management has been generally positive, with the notable exception of the significant negative trends in areas of forests affected by fire and pests insects. Progress towards sustainable forest management was mixed in South America. The rate of net forest loss continues to be a concern, although there have been notable advances, especially in the last five years. The rate of loss of primary forest also remains alarming. Despite all this, there are some positive signs being seen, such as the increase in forests areas designated for biodiversity conservation and the increase in protected areas. The decrease in the removal of wood fuel may mean a reduction in demand for this product in the region, which is partly offset by the increase in removals of industrial wood since 2000.<sup>13</sup>

## Main trends in forest policy in Latin America and the Caribbean

According to the United Nations, in its Progress Report on the Millennium Development Goals, developed in 2010 by ECLAC, important progress was reported for Latin America and the Caribbean in some aspects of environmental sustainability. The total amount of protected areas has grown steadily over the last decade; the consumption of substances that deplete the ozone layer has decreased considerably; and the region has increased coverage of tap water and sanitation. All these achievements show a positive trend towards the fulfilment of the Seventh Objective. There are still many difficulties to overcome, however, such as the continuing decline in the area covered by forests and the steady increase in CO<sub>2</sub> emissions from fossil fuels and cement production.<sup>14</sup> In both cases, the region has a tendency to move away from the environmental goals of the Millennium Development Goals.

## Common trends in forest policy in Latin America

In integrating the principles of sustainable development into country policies and programmes, most of the constitutions of Latin American and Caribbean countries experienced a process of reform or new wording in the last twenty years. Environmental rights and duties were reflected in the new text. All countries in the region, without exception, have issued their framework laws, some of which have already undergone reform process, which has been accompanied by the establishment of public institutions devoted to environmental issues. Data from state assessments of the environment in the region, (prepared by UNEP, 2003 and 2009; World Bank, 2008), however, show that these gains have been limited in their effectiveness.

In Brazil, the Productive Development Policy (2008) states that development should be combined with the reduction of the environmental impact by taking advantage of opportunities created by clean technology. In 2009, the Forestry Management Program for the Community and the Family, introduced the concept of family and community forest management in the Brazilian legal system.<sup>15</sup> In the new guidelines for energy policy in Chile, the compatibility with sustainable development is considered among its guiding principles (Tokman, 2008). In Mexico, the National Development Plan 2007-2012 is considered as one of the five guiding principles of the country's development policies of environmental sustainability. The mainstreaming strategy adopted aims to promote sustainable development through inter-sectorial coordination of strategies, actions and targets contained in the sectorial programmes, integrating and prioritising public policy and inducing synergies between economic growth, welfare and sustainability. In 2010, the National Forest Institute of Guatemala, the forest authority in the country, established an incentive programme for small landowners with the potential to participate in the management of natural forests and agroforestry activities.<sup>16</sup>

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<sup>13</sup> FRA 2010.

<sup>14</sup> Naciones Unidas 2010. Objetivos de Desarrollo del Milenio. Avances en la Sostenibilidad Ambiental del Desarrollo en América Latina y el Caribe.

<sup>15</sup> <http://www.fao.org/3/a-i3710s/i3710s05.pdf>

<sup>16</sup> <http://www.fao.org/3/a-i3710s/i3710s05.pdf>

In the Caribbean, several countries have incorporated the principles of sustainable development into their strategic plans. The Vision 2020 Document from Trinidad and Tobago, adopted as a strategic plan in 2007 for the economic transformation of the country, refers to human development in its economic, social, safety and environmental components. It establishes that the environment will be valued as a national asset and preserved for the benefit of future generations and the international community. In Jamaica, the National Development Plan Vision 2030 has among its principles and strategic priorities the sustainability, in the sense of the integration of the economic, social and environmental issues. In the 2006-2025 National Strategic Plan for Barbados, the need to protect the environment, strengthening the physical infrastructure and transforming the energy economy based on renewable sources is mentioned as a priority. Aruba is in the process of developing its 2025 plan, which addresses the issue of energy and climate change in an integrated manner.<sup>17</sup>

In the Central America region since 2000, advances in integration policies include a process of formulating Forest National Strategies and National Forest Programs (NFP). This process culminated in 2006, when at a regional level the Central American Forest Strategy (CAFS) was formulated. The Regional Strategic Program Management of Forest Ecosystems (PERFOR) was created in the Central American institutional framework of regional policy environment and development, through the Central American Commission on Environment and Development (CCAD); this project supports the principles of the multiple functions of forest ecosystems, including sustainable production and management, as well as biodiversity conservation and protection.

Further steps have been taken to clarify confusing in legal tenure rights and recognise customary tenure. Several countries, including Bolivia, Brazil, Costa Rica, Honduras and Nicaragua, have taken steps to clarify the rights of forest tenure, including the problems of encroachment. For example, in 2009, Brazil passed land tenure legislation, allocating 67.4 million hectares to squatters or illegal settlers.<sup>18</sup>

Reforming forest tenure is one area of forest policy that explicitly mentions indigenous tenure. Tenure reform is one of the few areas of forest policy in which indigenous communities are addressed explicitly. Mexico, for example, recognises that for thousands of indigenous communities that own land, forestry is their main economic activity. The 2006 Law of Guyana relating to the Amerindians, empowers these communities to create protected areas on their land and the power to enforce such protection, as well as the access control to their territory and their traditional knowledge. In 2007, Brazil adopted the National Policy for the Sustainable Development of Traditional People and Communities. Its main objective is to promote sustainable development for the people and traditional communities with emphasis on recognition, strengthening and ensuring the territorial, social, environmental, economic and cultural rights.<sup>19</sup> In 2011, Peru passed a law that requires consultation with indigenous groups before performing mining projects, logging, oil and gas on their land, so that these populations are given the privilege of giving their prior and informed consent for such projects, but have no power to veto them.<sup>20</sup>

During the decades of 1990 and 2000, Latin America and the Caribbean reinforced their trade specialisation patterns based on static comparative advantages associated with ample supply of natural resources, low labour costs combined with location advantages, or both. In the 1990s, the intensification of economic globalisation and trade liberalisation in Latin American economies, combined with the lack of a clear strategy for productive development and competitiveness, meant that many of the sectors that had previously achieved local technological training were weakened and unable to compete. South America has specialised in natural resources (mining, energy, agriculture), involving direct and intensive use of land and water, and natural resource-based manufactures, which involve intensive energy use, and, in many cases, are highly polluting. Mexico, Central America and the Caribbean have exploited their proximity to the North American market and relatively low labour costs.

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<sup>17</sup> Informe ODM 2010

<sup>18</sup> <http://www.fao.org/3/a-i3710s/i3710s05.pdf>

<sup>19</sup> <http://www.fao.org/3/a-i3710s/i3710s05.pdf> p12.

<sup>20</sup> FAO, Estado de los bosques del mundo 2014, p13.

In Brazil, there are support organisations for forest producers, providing economic incentives and capacity building, linking these organisations with the private sector. They also provide support for the access to non-timber forest product markets and guarantee minimum prices for non-wood products.

Investment policies in public forests tend to focus on attracting a direct investment from abroad, both private and public, mainly through fiscal instruments. Several countries with a high percentage of publicly owned forests are trying to mobilise private or public international investment. This includes methods such as tax incentives in Brazil; low-interest loans and related funding mechanisms with REDD+, such as in Bolivia, Brazil, Guyana, Panama; and measures to further strengthen the rights of the investors (Panama). Guyana encourages foreign direct investment in priority areas where more capital is necessary, technological projects linked to networks for external marketing, and processing forest products with added value. Bolivia, Brazil, Guatemala, Nicaragua and Peru have taken steps to expand the information about local plans for microcredit and small grants, and how to access them. This has been undertaken through the organisation and capacity building of small cooperatives of producers and creating opportunities for dialogue between banks and stakeholders in the forestry sector.<sup>21</sup>

Some countries have established new institutions with a mission to support and facilitate the development of national forestry investment; among these are Honduras, Nicaragua, Paraguay and Peru. In Latin America in particular, efforts have been made to establish a set of specific programmes to increase small forest producers' access to loans, particularly through increased collaboration with local banks that provide services to the agricultural sector. Examples of this collaboration are PRONAF (National Program for Strengthening Family Agriculture) in Brazil PINFOR (Forestry Incentive Program) and PINPEP (Incentive program for small landholders in forestry or agroforestry vocation) in Guatemala, Produzcamos Bank in Nicaragua, PROFORESTAL (Financing for Commercial Reforestation Products) in Paraguay and Credit Program Forestry Agrobanco in Peru. In 2010, for example, the National Congress of Guatemala adopted the "PINPEP law", which provides incentives to forest owners for small-scale reforestation and forest management. It is anticipated that 400,000 people will directly benefit from this system. Often the problem is not the lack of financial resources but rather access to finance, hampered by lack of knowledge of potential recipients and compounded by bureaucratic requirements and limited financial resource capabilities.<sup>22</sup>

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<sup>21</sup> FAO, 2014, El Estado de los Bosques del Mundo.

<sup>22</sup> FAO, 2014.

## Other socioeconomic and environmental dynamics influencing forests

### Poverty and land degradation

Twenty five per cent of the surface area of Latin America and the Caribbean is arid, semi-arid, and dry sub-humid. Of this total, 75 per cent presents serious degradation issues. Most people living in these areas face significant restrictions on their access to land, water, markets and technology. The urban migration transfers the problem of poverty to urban areas and causes situations of extreme insecurity and vulnerability, mainly for women and children in rural areas, where the search cycle for marginal lands and degradation continues.<sup>23</sup>

### The lag in the provision of public services and infrastructure.

The Latin America and the Caribbean region experienced a long period of limited investment in infrastructure. The experience of the Initiative for the Integration of Regional Infrastructure in South America (IIRSA) shows the tension between the need to increase and improve the provision of infrastructure in and between the countries of the region, and the challenges of managing the environmental and social impacts of large infrastructure programmes. The Mesoamerica Project (formerly the Puebla-Panama Plan), has had a similar advance, establishing the Mesoamerican Environmental Sustainability Strategy, which provides regional sustainable actions to address strategic areas of biodiversity and forests, climate change and sustainable competitiveness (cleaner production activities, strategic environmental impact assessment for infrastructure projects, mining and other economic activities). The effectiveness of these measures cannot yet be fully understood. Initially, relatively little value was attributed to the environmental and social costs involved in their projects, then evaluation mechanisms for economic and social impacts were incorporated. Their effectiveness in the practice, is still uncertain.

### Private enterprise

Since the early 1990s, significant advances have been made in the behaviour of firms in relation to the environment. Two examples of this advancement are the adoption of technologies and environmental management systems to combat pollution and comply with environmental regulations and standards such as ISO 14001, and the development of corporate social responsibility strategies. Transnational corporations are influencing environmental policies in several Latin American countries, obtaining concessions on natural resources or tax benefits for their activities. The environmental impact of business activities depend largely on the nature of their activities, which in turn is determined by the pattern of specialisation in each country or region. As mentioned above, an important part of the economies of the region, which is reflected in the activities of companies, is related to sectors and activities of high environmental sensitivity. This includes those involving the extraction of natural resources, which competes with ecosystem services such as carbon dioxide capture and protection of biodiversity; or those with high energy consumption, as is the case with many of the processing industries.<sup>24</sup> In Central America, the Central American Commission on Environment and Development (CCAD), with representatives in the regional private sector, is constructing the new Regional Environmental Strategy 2015-2020 of this organisation, which is responsible for the environmental agenda of the Central American Integration System (SICA).

### Climate change

The situation in Latin America and the Caribbean is different from that of developed countries. The region has done little to generate GHG emissions (it only emits more than Africa, which is the region that produces fewer emissions), but suffers and will suffer the effects of climate change in the future in a disproportionate manner. There exists some evidence of climate change manifesting in the region. The retreat of glaciers in the Andes, the bleaching of coral reefs in the Caribbean, a higher frequency of extreme events and their impact on sites that historically were not affected, and changes in productivity

<sup>23</sup> Morales, 2005 y Informe ODM, 2010.

<sup>24</sup> UN, ODM, 2010.

of some crops in the region as a result of altering rainfall patterns and temperature. Global studies in forestry agree, however, that South America could benefit from the relocation of plantations and forestry-related operations that may occur as a result of climate change.<sup>25</sup> The evolution of the forestry sector will also be influenced by other factors, such as a change in land use.

### Industrial wood production

Industrial wood production from planted forests increased from virtually zero 50 years ago to nearly a third today, and is expected to increase to over 40 per cent by 2030 and 75 per cent by the middle of this century. Another non-climatic factor that could have an important role in the future development of the forest sector is the development of competitive production of lignin cellulose biofuels. The increase in demand that would be a development of this nature could reverse any possible reductions in timber prices that would result from climate change.

### Have these forest policies been effective?

The difficulties in advancing environmental policies effectively could be a result of political interests, a lack of awareness of environmental issues, or corruption. Further, there is a failure to integrate environmental sustainability into national policies and programmes, as well as information and interagency coordination failures, leading to a misallocation of resources. Protected areas have continued to grow – though at a much slower pace – and public and private efforts have joined in new ways and contributions. But this does not help the pressure of human activity on the natural heritage: a significant loss of forests is maintained in most countries. In this context, Central America has shown great dynamism in the creation of legislation and institutions, both national and at regional levels; but the results of its environmental management shows that there is little capacity for effective monitoring of activities in favour of sustainability.

It is internationally recognised that REDD+ should be part of the global efforts to mitigate climate change. There are two possible reasons for this acceptance. Firstly, deforestation and forest degradation are responsible for approximately 17 per cent of global greenhouse gases emissions and secondly, REDD+ is widely recognised as a low cost mechanism for reducing emissions.<sup>26</sup> As countries begin to prepare the ground for REDD+, however, the complexity of the design and implementation of REDD+ has raised big questions and challenges that require new solutions and management. For example, how will the countries get a variety of actors, from indigenous peoples to the private sector, to work together without slowing down the progress and implementation of REDD+?<sup>27</sup> How can you protect the rights of indigenous peoples and other forest dependent people? What are the tools to establish effective REDD+ monitoring, reporting and verification (MRV) systems? Does concentrating on carbon limit the policy options necessary to treat the different values of forests? The UN REDD Program in Latin America is seeking to answer these questions being asked. The proposal comes from the territorial authorities and forest communities in Mesoamerica, which are promoting their conservation model, with high standards of success. There are few policies to give recognition to the fact that the best practices come from indigenous peoples and rural communities, however.

### Why have forest policies been ineffective in Latin America and the Caribbean?

The available evidence indicates that reaching sustainability requires strong environmental safeguards and drastic measures of adaptation, which is a complex process and difficult to measure accurately, since it involves non-linear patterns and generates unequal and uncertain costs from one region to another. There are already a wide range of cost-effective adaptation options that can significantly

<sup>25</sup> Sohngen, Mendelsohn and Sedjo (2001) concluded that by the mid-century, timber production in the world could increase between 29% and 38%, with increases in South America and declines in North America and the Russian Federation. Another global study, Perez-Garcia *et al* (2002), with projections to 2040, also concluded that there will be increases in forest production in South America between 10% and 13%.

<sup>26</sup> UN-REDD Programme. (2010). Perspectives on REDD+. FAO, UNDP, UNEP.

<sup>27</sup> Ibid.

reduce the economic, social, and environmental costs of climate change and will bring considerable additional benefits, such as promoting energy efficiency benefits, improvements in health, reducing deforestation and reducing air pollution.

Following the evidence presented by the Intergovernmental Panel on Climate Change (IPCC) in its Fifth Assessment Report, there is now no doubt that our patterns of production and consumption, our notion of progress and the laws and economic system that we have created, is at the heart of the threat of global warming. We are reaching the limit of the carrying load capacity of the planet. During the period 2000 to 2012, the highest rate of emissions growth in the last 40 years occurred in those thirteen years, increasing by 2.6 per cent. According to the World Meteorological Organization, in 2013 we had a record increase of 2.3 per cent in just one year and it is estimated that global emissions today are 61 per cent above the level in 1990. This rate of growth probably reflects the combined interaction of the emission growth. On the other hand, the absorption capacity is lower today, especially in the oceans and forests, and this evidence either leads us to a bleak future, or to a vital economy very different from today. Furthermore, current global commitments to mitigate greenhouse gas emissions are increasingly inadequate for stabilising weather conditions. The challenge is to move from about seven tonnes per capita of CO<sub>2</sub> emitted today to about two tonnes per capita in 2050. This will only be possible through a global agreement on the use of energy, forest management, technology, in urban design, the idea of progress and prosperity, in institutions, in the financing and new visions of sustainable economy.

The region has made complex institutional and conceptual progress in addressing this issue, but it maintains levels of exposure and vulnerability, in an environment of increasing number of disasters and of climate change. The Central American countries have common challenges, share borderland watersheds, protect natural heritage of global significance, exhibit similar trends in various patterns of the use of natural resources (particularly energy) and live shared threats that they must confront, such as drug trafficking. Therefore, environmental management emerges as a clear space in which regional action can be critical, and help strengthen (with planning, information and social participation) capabilities to find and maintain sustainable human development.

## 4. How are these issues addressed in the zero draft of the Sustainable Development Goals

'SDG forest module' for Latin America and Caribbean highlighting combination of targets to address key systemic issues

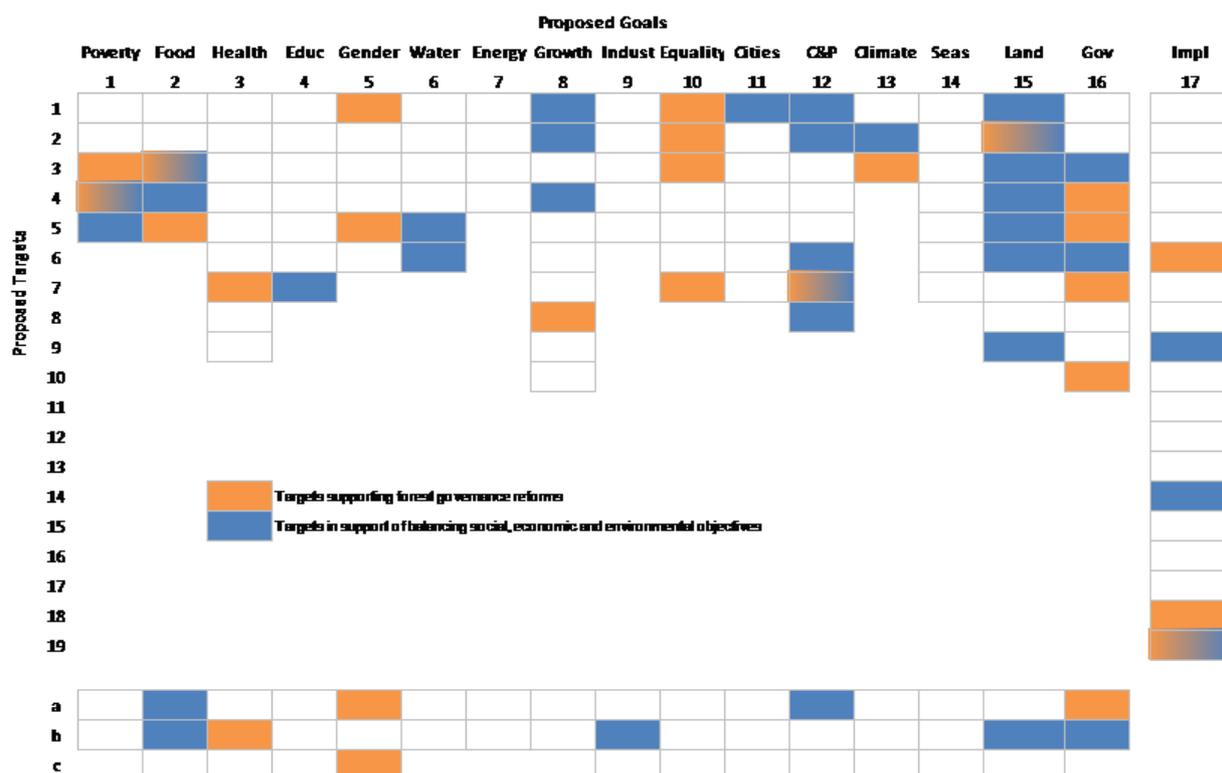


Table 1: Objectives and goals that support forest governance reforms

Target	Explanation of why it matters
<b>Goal 1. End poverty everywhere</b>	
Target 1.3) applied to local and national systems and social protection measures appropriate for everyone, including indigenous communities, including their vision of the good life and by 2030 achieve substantial coverage of the poor, minorities and vulnerable	Indigenous and forest communities need social guarantees and special protection measures that take into account their context and culture.
Target 1.4) by 2030 to ensure that all men and women, particularly the poor and vulnerable, have access to credit, health, education, property and social guarantees for their work.	Improving access to financial resources, to property, and the promotion of productivity growth in the forestry sector, and strengthening access to markets could be some of the most effective ways to reduce poverty.
Target 1.5) In 2030 it will have developed skills in agriculture, housing, household economy and territory, the	Recognise in all policies that forests are tools that contribute to the

poor and vulnerable groups, to withstand the impact of natural hazards related to climate.

resilience of communities to prevent disastrous impacts on the poor.

**Goal 2. End hunger, improve nutrition, and promote sustainable agriculture**

Target 2.1) 2030 to eliminate hunger by ensuring that all people have access to food throughout the year suitable, secure and affordable

Traditional management of forest communities and indigenous communities, promote healthy forests that provide a direct source of nourishing food and the utilisation of non-timber resources.

Target 2.3) in 2030 will have enhanced agricultural productivity and improved incomes for producers of small-scale food, including women, indigenous peoples, farmers, growers and fishermen, including through secure and equitable access to land and other productive inputs, resources, knowledge, financial services, markets and opportunities for value-added and non-agricultural employment

Providing access to resources and forestry markets is very effective in enhancing the socioeconomic benefits at the local level. It guarantees subsistence and efficient production in at a small scale.

Target 2.5) by 2020 maintain genetic diversity of seeds, cultivated plants, farmed and domesticated animals and their wild relatives, and ensure access to and fair and equitable sharing of benefits arising from the utilization of genetic resources and associated traditional knowledge as internationally agreed.

Ensuring access and fair and equitable distribution of benefits arising from the utilisation of genetic resources. Associated traditional knowledge is crucial for the communities living in the forests. It improves the sustainable management of the same.

**Goal 4: Provide quality education and life-long learning opportunities for all**

Target 4.7) by 2030 ensure all learners acquire knowledge and skills needed to promote sustainable development, including among others through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship, and appreciation of cultural diversity and of culture's contribution to sustainable development.

Provide educational programmes with quality and equity in indigenous zones and forest communities. Technical training for work in the woods and access to scholarships and higher education aimed at sustainable management of forests.

Target 4.b) in 2020 will grow by x% globally the number of scholarships for developing countries, particularly least developed countries, and the countries of Central America and the Caribbean.

**Goal 5. Attain gender equality, empower women and girls everywhere**

Target 5.5) ensure full and effective participation and leadership of women at all levels of decision-making in the public and private sectors.

It is necessary to create inclusive policies and programmes that promote the participation of women in local public office positions. It is necessary to facilitate forest management with a gender perspective, particularly in the management of non-timber or timber products processing.

Target 6.1) by 2030, achieve universal access to safe and affordable drinking water for all.

Forests ensure water supplies for human consumption and should be protected from economic policies that threaten the buffer zones and avoid the megaprojects that pollute the water.

**Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

Target 8.3) achieve progressively through 2030 global resource efficiency, and endeavour to decouple economic growth from environmental degradation and resource use.

It is important to advance policies that project production capacity of forests to reduce pressure on forests that generate degradation.

**Goal 10. Reduce inequality within and between countries**

Target 10.2) by 2030 empower and promote the social, economic and political inclusion of all irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

Create inclusive and fair educational programmes to improve employment in indigenous territories and forestry communities, to avoid pressure on natural resources.

Target 10.7) facilitate orderly, safe, regular and responsible migration and mobility of people, including through implementation of planned and well-managed migration policies.

Ensure orderly and safe migration during farming time, to promote jobs in rural areas and between neighbouring countries, to control illegal trafficking of wood and pressure in buffer zones of the forest.

**Goal 11. Make cities and human settlements inclusive, safe and sustainable**

Target 11.1) by 2030, ensure universal access to adequate and affordable housing and basic services for all, eliminate slums and upgrade informal Settlements.

It is necessary to enable indigenous and forest communities to improve their homes with wood from forests that they care for, to eliminate overcrowding, slums and temporary settlements in rural communities.

**Goal 12: Promote sustainable consumption and production patterns**

Target 12.7) promote public procurement practices that are sustainable in accordance with national policies and priorities.

Create sustainable purchasing manuals in all institutions and private companies with percentages for the Sustainability Fund of Forests.

**Goal 13. Tackle climate change and its impacts**

Target 13.1) strengthen resilience and adaptive capacity to climate induced hazards and natural disasters in all countries

Forests have the ability to reduce the impact of natural disasters in rural communities. It is necessary to include forests in regional policies of Integrated Risk Management for Natural Disasters, to establish protective measures such as natural barriers that contribute to resilience.

Target 13.2) integrate climate change adaptation and mitigation into national strategies and plans

Environmental themed chapters should be included on: climate change, adaptation and mitigation in national strategies, regional and

development policies and development programmes. Recognising that forests have an influence in the control of the planet's temperature.

Target 13.3) improve education, awareness raising and human and institutional capacity on climate change mitigation, impact reduction, and early warning

Incorporate study materials related to climate change at all levels to create awareness and promote sustainable multilevel practices.

**Goal 15. Protect and promote sustainable use of terrestrial ecosystems, halt desertification, land degradation and biodiversity loss**

Target 15.2) by 2030, ensure the implementation of sustainable management of all types of forests, halt deforestation, and increase reforestation by x% globally

The sustainable management of the forest provides a great variety of products and cultural and economical services and responsibilities should be distributed for forest protection in all sectors, in percentages of efficiency and clear goals to ensure effective reduction of deforestation.

**Goal 16. Achieve peaceful and inclusive societies, access to justice for all, and effective and capable institutions**

Target 16.3) by 2030 reduce illicit financial flows by x% globally, increase stolen asset recovery and return by y% globally, fight all forms of organized crime, and reduce corruption and bribery in all its forms and at all levels and ensure accountability and transparency.

The governance of indigenous and forest communities as forest managers and the structures of regional governance must be recognised. Resources must be designated for the control of the territory in coordination with government authorities to combat trafficking with people, weapons, drugs, wildlife and wood. Improvement of mechanisms for permits, concessions and rights to enable communities, especially those dependent on forests. The consumption of forest products.

Target 16.4) by 2030 increase inclusive, participatory and representative

decision-making at all levels and ensure prior informed consent of

indigenous and local communities in decision-making and natural

resources management, and promote the use of their traditional knowledge and culture.

Target 16.5) substantially reduce corruption and bribery in all its forms

Target 16.6) develop effective, accountable and transparent institutions at all levels

Target 16.7) by 2030 increase inclusive, participatory and representative decision-making at all levels

Target 16.10) ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements

Target 16.a) strengthen relevant national institutions, including through international cooperation, for building capacities at all levels, in particular in developing countries, for preventing violence and combating terrorism and crime.

**Goal 17. Strengthen the means of implementation and the global partnership for sustainable development**

Target 17.17) encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships

It is necessary to involve local territorial figures as programme partners and public and private projects to generate income.

Target 17.18) by 2020, enhance capacity building support to developing countries, including for LDCs and SIDS, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts

The availability of data (for example, forest monitoring) will bring greater transparency in decision-making in the forestry sector.

Table 2: Objectives and support targets to balance the social, economic and environmental objectives

<b>Goal 1. End poverty everywhere</b>	
Target 1.4) by 2030 ensure that all men and women, particularly the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services including microfinance	Promote multisectoral policies and programmes with gender equity. Create environmental financial products for forest services.
Target 1.5) by 2030 build the resilience of the poor and those in vulnerable situations to disasters, shocks and climate-related extreme events	Recognise forests as tools for the resilience of communities to prevent disastrous impacts on the poor.
<b>Goal 2. End hunger, improve nutrition, and promote sustainable agriculture</b>	
Target 2.4) by 2030 ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters, and that progressively improve land and soil quality.	It is necessary to promote adaptation programmes for agriculture and new production techniques resistant to climate change, to lower the pressure on forests and prevent illegal logging and fight poverty.
Target 2.a) increase investment in rural infrastructure, agricultural research, technology development, and capable institutions, particularly in countries that are net food importers	Give Assistance to Rural Communities in the implementation of new production technologies, for new products according to the capacity of the soil. That it may permit the performance of various economical activities in the territories and reduce the burden of employment on forests.
Target 2.b) correct and prevent trade restrictions and distortions in world agricultural markets including by the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round	It is necessary to simplify the marketing procedures to farmers and indigenous groups. It is important to give a fair price to the sustainable production and marketing facilities.
<b>Goal 4. Provide quality education and life-long learning opportunities for all</b>	
Target 4.7) by 2030 ensure all learners acquire knowledge and skills needed to promote sustainable development, including among others through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship, and appreciation of cultural diversity and of culture's contribution to sustainable development	Promote a model of sustainable development in students of the communities in all stages.
<b>Goal 6. Ensure availability and sustainable use of water and sanitation for all</b>	
Target 6.5) by 2030 implement integrated water resources management at all levels, and through trans-boundary cooperation as appropriate	Recognise that the activity of water conservation, is a product that comes from the forests and it is necessary to give a financial value to the community management.

Target 6.6) by 2020 protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes

**Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

Target 8.1) sustain per capita economic growth in accordance with national circumstances, and in particular at least 7% per annum GDP growth in the least-developed countries

It is necessary to strengthen measures to protect forest communities with incentives for forest management, as a source of water for the planet.

Target 8.2) achieve transformation of economies towards higher levels of productivity through diversification with a focus on high value added sectors

Programmes are needed to guide communities in creating new diversified products from the forest and provide facilities for sustainable tourism, non-timber products, organic farms, community economics and family.

Target 8.4) improve progressively through 2030 global resource efficiency in consumption and production, and endeavour to decouple economic growth from environmental degradation in accordance with the 10-year framework of programmes on sustainable consumption and production with developed countries taking the lead

It is necessary to implement policies for sustainable consumption at all levels and regulate the production of country food. The creation of state programs for reforestation or obtaining services from forests can be the backbone of many small projects that create local opportunities for income.

**Goal 11. Make cities and human settlements inclusive, safe and sustainable**

Target 11.a) 11.a support positive economic, social and environmental links between urban, pre-urban and rural areas by strengthening national and regional development planning

In necessary land use planning, land management and planning prioritising economic growth of forest reserves needed to balance the climate on the planet.

**Goal 12. Promote sustainable consumption and production patterns**

Target 12.1) implement the 10-Year Framework of Programmes on sustainable consumption and production (10YFP), all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries

Regulate and monitor the issues that are generating more pressure on forests in Latin America and the Caribbean that are causing the increase in deforestation and degradation such as: the consumption and energy production, ranching, monoculture plantations and mining. Condition the operation of transnational companies to the sustainable management of their business. Promote GHG measurement systems for each business to promote the sale of carbon between forest communities and businesses.

Target 12.2) by 2030 achieve sustainable management and efficient use of natural resources

Target 12.6) encourage companies, especially large and trans-national companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

Target 12.7) promote public procurement practices that are sustainable in accordance with national policies and priorities

<p>Target 12.8) by 2030 ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature</p>	<p>Promote information campaigns on the service of the forests, the control of residues and environmental-friendly living styles. It is necessary to promote private policies on consumption responsibility and practices of solidarity.</p>
<p>Target 12.a) support developing countries to strengthen their scientific and technological capacities to move towards more sustainable patterns of consumption and production</p>	
<p><b>Goal 13. Tackle climate change and its impacts</b></p>	
<p>Target 13.2) integrate climate change adaptation and mitigation into national strategies and plans</p>	<p>Strengthening local governance contributes to the adoption of regional measures to protect forest resources and other natural resources, which have assets of livelihood of a community, thereby strengthening community resilience and the protection from the impact of climate change.</p>
<p><b>Goal 15. Protect and promote sustainable use of terrestrial ecosystems, halt desertification, land degradation and biodiversity loss</b></p>	
<p>Target 15.1) 15.1 by 2020 ensure conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements</p>	<p>The land use planning, forest planning and management of natural resources and the forest, accompanied by multi-sectorial and multi-level control measures on production and consumption can help lower the rates of desertification and degradation; and the criminalisation and penalties for the possession, sale and consumption of wild animals in closed seasons can help control traffic in species.</p>
<p>Target 15.2) by 2030, ensure the implementation of sustainable management of all types of forests, halt deforestation, and increase reforestation by x% globally</p>	
<p>Target 15.3) by 2020, combat desertification, and restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land-degradation neutral world</p>	
<p>Target 15.4) by 2030 ensure the conservation of mountain ecosystems, including their biodiversity, to enhance their capacity to provide benefits which are essential for sustainable development</p>	
<p>Target 15.5) by 2020 take urgent and significant action to halt the loss of biodiversity, and protect and prevent the extinction of known threatened species</p>	
<p>Target 15.6) ensure fair and equitable sharing of the benefits arising from the utilization of genetic resources, and promote appropriate access to genetic resources</p>	<p>Recognise forest communities that manage the forests as partners in the use of genetic resources from plants.</p>
<p>Target 15.9) by 2020, integrate ecosystems and biodiversity values into national and local planning, development processes and poverty reduction strategies, and accounts</p>	<p>Ecosystems provide services that should be a valued and recognised in the policies of poverty reduction.</p>
<p>Target 15.b) mobilize significantly resources from all sources and at all levels to finance sustainable forest management, and provide adequate incentives to</p>	<p>Create a Community Fund to strengthen the sustainable management of forests. Promoting</p>

developing countries to advance sustainable forest management, including for conservation and Reforestation.	direct investment to territorial authorities and community governance structure operating the forests.
<b>Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</b>	
Target 16.3) promote the rule of law at the national and international levels, and ensure equal access to justice for all	Recognition of territorial authorities and providing them with financial and technological training for monitoring forest resources can contribute to just, inclusive and accountable societies.
Target 16.6) develop effective, accountable and transparent institutions at all levels	
Target 16.b promote and enforce non-discriminatory laws and policies for sustainable development	
<b>Goal 17. Strengthen the means of implementation and the global partnership for sustainable development</b>	
Target 17.9 enhance international support for implementing effective and targeted capacity building in developing countries to support national plans to implement all sustainable development goals, including through North-South, South-South, and triangular cooperation	Developed countries should provide technical assistance and resources to developing countries in direct relation with forest communities, producers and through local territorial programmes.
Target 17.14 enhance policy coherence for sustainable development	Addressing sustainable development policy into national legislation through reforms or the introduction of environmental chapters.
Target 17.19 by 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement GDP, and support statistical capacity building in developing countries	The contribution of forest communities must be entered in the GDP and conditions must be prepared for the sale of carbon and these should be booked in GDP statistics.

## What are the major gaps and progress of the objectives and goals?

Many opportunities are identified to enhance the socioeconomic benefits of forests. The trend for the socioeconomic benefits could benefit many people in the production and consumption of forest products. In this matrix, we can identify the tendency to seek a balance between economic, social and environmental objectives and low integrated resource management. The gaps that do not show of the true contribution of forests as a survival mechanism for humanity need to be resolved. There are significant advances, however, which we will now consider.

The need to promote a more sustainable venue of development is recognised in Goal 12: promoting sustainable consumption and production practices seem central, in particular the more integrated policies and the planning of other countries (targets 12.1 and 13.2) and the principles of sustained development in business procedures (Goal 12.6) in public management (Goal 12.7), as well as the need for broader systems in the national accounting procedure (target 17.19). There are a number of key elements that can help improve the balance of incentives for the conversion of forests to agriculture and forest protection; for example through the provision of forest management based on community (target 1.4) and access to funds and potential markets to pay for forest goods and services (target 15.b), including through PES and REDD+ payments. Costa Rica offers an outstanding example in the

region on the introduction of a policy of PSA (Case Study 4) and in Peten Guatemala, the Guatecarbon ACOFOP Project offers an example of the sale of carbon community management (Case Study 3).

In the long term, it is important to advance awareness and understanding of the need for models of sustainable living, and to implement environmental and social objectives at all levels of education. This requires a sharing of knowledge and technical skills on sustainable development. This issue is seen in target 12.8, regarding information and awareness about sustainable lifestyles and strengthening education, science and technology to move towards more sustainable patterns of consumption and production capabilities (targets 4.7, 12 and 17.9); but these should be improved, including the involvement of the private sector, to develop cost-effective models of sustainable production.

Forests have a direct and measurable impact on the lives of people. The production and consumption of wood products, non-timber forest products and forest services meet needs for food, energy, housing and health, and generate revenue. Although apparently low, figures from the income generated in the sector and the number of people who benefit from them are all significant, especially for the least developed countries. Even more people benefit from the consumption of forest products and services. Moreover, it is still necessary to advance the assessment and promotion of socio-economic benefits for specific groups such as women, indigenous people and the poor. It is interesting to see, therefore, that countries of the Mesoamerican region already have a proposal to promote the use of models on the part of indigenous and forest communities, which have been grouped in the Mesoamerican Alliance of Peoples and Forest.

## 5. The experience of Latin America and the Caribbean

In Latin America and the Caribbean, there are new models of relationships between States and Indigenous Territorial Governments. Indigenous peoples and the rights agenda is a phenomenon that is not unique to the region, but a global process. It is part of a range of struggles for recognition and dignity. The persistence and endurance of Indigenous peoples is seen today in the establishment of a new political and territorial status quo, as well as in new modes of institutional relationship between states and Indigenous peoples. The UN Declaration on the Rights of Indigenous Peoples has been the basis for protracted indigenous struggles, and it puts forward the international standard, mandatory for the States, offering an explicit policy framework as an approach to public policy.

One of the major challenges facing the region in their pursuit of equality is the inclusion of the rights of Indigenous peoples among policy priorities. The challenges are huge: in Latin America, there are more than 800 indigenous communities, with a population of nearly 45 million people. They are characterised by a wide demographic diversity; socially, territorial and political, ranging from communities in voluntary isolation to their presence in major urban settlements. Furthermore, economic growth in the region is highly dependent on natural resources and their international prices and weak governance of these resources has been observed. The tight economy has caused great pressure on the territories of Indigenous peoples and triggered numerous and still unresolved environmental conflicts.<sup>28</sup>

In Central America, indigenous organisations and forest communities have direct influence on the future of 40 per cent of the remaining forests, in such a way that strengthening the rights and governance practices that have preserved these forests is crucial to their preservation to sustain their contributions on the part of climate equilibrium, biodiversity, water production and food security. In recent years, significant progress has been made in community contributions to the sustainable management of forests; expressed in new experiences and management models.<sup>29</sup>

Central America offers critical lessons for these processes, given its role as a pioneer in tenure reform with various decades of experience, as well as to the wide variety of paths to tenure reform and the different modalities through which the communities now enjoy more rights to forests (usufruct, ancestral rights, arrangements at municipal level, and so on.) Examples like these exist in Guatemala, where nearly 500,000 hectares of forests are managed by the communities in the Maya Biosphere Reserve, while 1.2 million hectares are managed under different types of common property regimes, representing about half of the forests in that country. In Honduras, about 37 community management contracts have been signed, representing more than 300,000 hectares of forest. Nicaragua is in the process of consolidation of the autonomous regimen. Significant achievements are being made: more than 2.2 million hectares have been titled as indigenous territories, with 1.5 million remaining acres, representing approximately 30 per cent of the territory. In Panama, 35 per cent of the national territory and more than half of the country's forests (depending on definitions) are found in indigenous territories and collective properties. These processes – among others – have brought about a great amount of experience, demonstrating various options in which livelihoods can be improved, while producing positive environmental results in the conservation and sustainable management of forests and ecosystem services.<sup>30</sup>

There are much broader implications that emerge clearly from these experiences, however. One of the most important lessons is the need for constant defence of these advances in the face of continuous attempts to reverse rights that have been acquired. This is particularly where these territories face increasing pressures from mega-projects of extractive industries, the expansion of oil palm, sugar cane, tourism, drug trafficking, migration and the expansion of the transport infrastructure in the region. It has

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<sup>28</sup> Estado de la Región, 2013.

<sup>29</sup> Alianza Mesoamericana de Pueblos y Bosques, 2014.

<sup>30</sup> FAO, 2014.

also become clear that the economic benefits associated with these models of community rights have been crucial in maintaining local livelihoods while facing all this diversity of pressures.

The success of these initiatives to contain external pressures has also demonstrated its strategic role as a fundamental pillar for territorial governance in a variety of settings throughout the region. These community efforts are springing up across the region as bulwarks against the dramatic expansion of drug trafficking, environmental degradation and social deterioration that is emerging as a result of short-term economic strategies based on mega-investment projects. Ironically, these conditions have deterred investors to come to the region, while dramatically increasing the scale of the challenges in promoting sustainable development.

Advances in rights and governance are also crucial to the mitigation of climate change, persistently affirmed by Indigenous peoples and the forest communities in the region in the context of the processes for the preparation for REDD+. Such preparation processes are reaching the implementation stage, and Indigenous peoples and forest communities have begun to lead pioneering approaches to FPIC consultations and safeguards, turning abstract principles into concrete governance mechanisms that encourage participation of Indigenous peoples and communities in the policy process, which clearly have important implications for regional and international levels.

The various forms of rights have shown benefits way beyond mere conservation and rural development of the communities included in these reforms, as they are increasingly showing its potential to promote broader goals, such as territorial governance, a key condition for investment in sustainable social and economic development. At the same time, progress in the capacity of organisation and mobilisation has placed them in a strategic position to innovate the use of policy instruments such as FPIC, safeguards and consultation in policy processes, generating critical lessons that could help build institutional arrangements pertaining to the Ownership Fund.<sup>31</sup>

## Opportunities and ideas that can enrich a helpful guide for implementation, based on existing examples of better practices in Latin America and the Caribbean.

### Deforestation Monitoring, Forest Utilization and Land Use Changes

Work is being done in the forests of the Amazon region to improve governance issues related to deforestation and land use, providing real-time information about the extent and quality of forest cover. This is possible due to the Deforestation Monitoring Project, Forest Utilization and Changes in Land Use in the Pan-Amazonian Forest II - ITTO - ACTO - INPE, which aims to support Member Countries of the Amazon Cooperation Treaty Organization (ACTO). The project began in 2005, and is part of the Program for Conservation and Sustainable Use of Biodiversity and Forest Action and part of an activity called Implementation of criteria and indicators of Tarapoto sustainability of the rainforest in Systems Forest Management, the main instrument agreed by member countries of ACTO to guide sustainable management in the Amazon region.<sup>32</sup>

### Just Fair Market Systems

High demand for cheap timber and increasing pressure on forests to be turned into agricultural use, in the absence of a clear legal framework and a robust governance structure, is generating illegal practices in the forest sector, such as illegal logging. FAO and the EU have been promoting the Program for Forest Law Enforcement, Governance and Trade (FLEGT) in Latin America since 2013. This initiative promotes the sustainable management of forests, fighting off the presence of illegal timber on the world market and preventing its entry into the European market. The programme is promoting this agenda in several Latin American countries, including Mexico, Honduras, Guatemala,

<sup>31</sup> PRISMA 2013

<sup>32</sup> <http://otca.info/portal/projetos-programas.php?p=agd>

Nicaragua, Brazil, Colombia, Ecuador and Peru.<sup>33</sup> In 2013, Honduras signed a voluntary FLEGT Voluntary Partnership Agreement (FLEGT-VPA), with the EU.

### **Actions to Mitigate Climate Change**

The possibility to mitigate climate change by reducing carbon emissions caused by deforestation and forest degradation (REDD), as well as by the increase of the carbon sequestration through afforestation and sustainable forest management, highlights the critical role of forests in sustaining life on Earth. For that reason, a collaborative UN programme was created to Reduce Emissions, Deforestation and Forest Degradation (UN-REDD), which operates in developing countries.<sup>34</sup>

### **Environmental information in the Region of Latin America and the Caribbean**

In recent years, there has been an advancement in the understanding of the state of the environment, of the levels of degradation and of the effectiveness of policies in Latin America and the Caribbean. Examples of this include the development of statistical capacity and the elaboration and integration of environment evaluations, published in a series of reports, 'Perspectives of the global environment (GEO) from the PNUMA'. Twenty countries of the regions have official programmes on environmental statistics and have had at least one official publication.<sup>35</sup>

## **Case Study 1: Binational Projects, Tri-National Conservation and Wildlife**

### **Brazil-Peru and Colombia-Peru-Ecuador**

Regarding the institutional framework of the Amazon Cooperation Treaty Organisation (OTCA), the binational project Acre-Ucayali contributes in the implementation of the 2004-2012 Strategic Plan and recognises protected areas as the main mechanism for the conservation of biodiversity and as instrumental for a sustainable development. This binational project aims to contribute to coordinated management of resources and wildlife in areas of high socio-cultural and environmental interest in the border area Ucayali-Acre. This is done by strengthening the Border Integration Forum in the frontier region between Peru (Ucayali) and Brazil (Acre), from the national coordinating committees and technical support groups, for which it is possible to improve management and conservation of natural resources. At the same time, it supports actions relating to sustainable use of resources of flora and fauna by local communities in those regions.<sup>36</sup>

### **Conservation and Sustainable Development of the Corridor Management between Protected Areas La Paya (Colombia), Güeppi (Peru) and Cuyabeno (Ecuador) – Tri-National Project**

This project was implemented to contribute to the consolidation of the Corridor Management La Paya-Güeppi-Cuyabeno, as a conservation model and regional sustainable development of protected areas, through joint management and coordinated management between Colombia, Peru and Ecuador. The project also envisages the development of joint planning processes, including specific plans for management of resources and the use of buffer zones.<sup>37</sup>

## **Case Study 2: Sustainable Management of Indigenous Communities and Rural Communities**

In Central America, indigenous organisations and forest communities have direct influence on the future of 40 per cent of the remaining forests, in such a way that strengthening the rights and governance

<sup>33</sup> <http://www.fao.org/forestry/eu-flegt/es/>

<sup>34</sup> ONU REDD, 2013

<sup>35</sup> <http://www.unep.org/spanish/geo/>

<sup>36</sup> OTCA, el Proyecto Binacional Acre - Ucayali contribuye en la implementación del Plan Estratégico 2004-2012

<sup>37</sup> OTCA, el Proyecto Binacional Acre - Ucayali contribuye en la implementación del Plan Estratégico 2004-2012.

practices that have preserved these forests is crucial to preserve and sustain their contributions on climate equilibrium, biodiversity, water production and food security. In recent years, significant progress has been made in community contributions to the sustainable management of forests; expressed in new experiences and management models (AMPB).

The research data from Andrew Davis, Prism Foundation, show that most of the forests are in the hands of indigenous and forest communities in Mesoamerica. Mexico is a pioneer in Community Forestry, with approximately 70 per cent of the forest area in the hands of the community. In Guatemala, REDD is in a favourable context; over 20 per cent of the forests are managed in a communal way or by the municipality, but there is unwillingness to recognise the pattern. Nicaragua has 17 titled territories, totalling 2.5 million acres. Honduras, since the passing of the Forestry Act 2007, has granted titles to the Mosquitia territory. In Costa Rica, Indigenous peoples make up two per cent of the population, and they hold 12 per cent of the forests in the country. In Panama, 54 per cent of the forests and carbon are in the indigenous territories; all Indigenous peoples are unified and organised under the National Coordination of Indigenous Peoples of Panama (COONAPIP.A. Davis, PRISMA, 2013).



PRISMA. 2013.

In Panama, the Embera-Wounan has developed an ambitious plan for community forestry, which began with a management plan for an area of 26,720 hectares in the heart of Tupiza River Basin, in the district of the Cémaco in mid-2000s. Nowadays, their projections include having an area of 100 acres under forest management, which corresponds to a third of that which the country, through its national forestry development plan, has set as a goal of forest area under management. Recently in Panama, the Forest Strategic Plan for the Embera was launched, establishing strategic objectives and goals for the first five years of implementation. Some of these include reducing illegal logging by 70 per cent; complete land use planning in the territory in some parts of the region; strengthened community forest enterprises; and reduced deforestation and forest degradation in the territory.<sup>38</sup>

<sup>38</sup> AMPB, Memoria Pre congreso Forestal de Áreas Protegidas por Pueblos Indígenas, 2014.

New community forestry movements have emerged in the communal lands of Guatemala, giving rise to the surge of the Alliance of Forest Organizations Guatemala. Similarly, reactivation of the indigenous forest management in the Honduran Mosquitia has occurred. Meanwhile, the process of restoring the rights of Indigenous peoples in the autonomous regions of Nicaragua has transferred responsibility over natural resources to the new Indigenous Territorial Governments, generating extraordinary conditions to strengthen community forestry. In Peten, Guatemala, the model for community forest concessions has consolidated and now the community organisations are moving towards participation in carbon markets under the national REDD strategy. In Mexico, since the 1980s, as a result of a resistance movement and of unified groups that opposed government policy of giving concession of their forest lands to private companies, forest legislation changed, giving opportunities and facilities for community initiatives to form their own forestry businesses. More than 2,300 common land people and communities across the country will therefore acquire their own permits for the management of their forests and thus become the titled owners of the management of their forests. About 25 per cent of these communities have made substantial progress to date and control much of the production processes. In Honduras, the traditional model of community forestry has been subsistence-based short-term use. New forestry law has led to plans for long-term usufruct, and organisation partners from FEPROAH have consolidated access to 350 thousand hectares of forest and in the national forest agenda. This organisation has therefore become a key player for forest governance. In April 2012, the Government of Honduras, through the Minister and Director of ICF, agreed with the European Union to start preparations to advance formal negotiations of a Voluntary Partnership Agreement (VPA) under the European FLEGT Action Plan. As part of the preparation, multiple actions must be promoted to create conditions in and out of the country, including the creation or strengthening of spaces for dialogue, negotiation and participatory and inclusive agreement between the non-state public institutions and state actors related to forestry. The end result of this process is to agree on the position of the country, in order to advance negotiations to sign a VPA with the European Union. It is in this space of negotiation, where Honduran organisations such as FEPROAH and MASTA, have played a crucial role. In 2010, the Mesoamerican Alliance of Peoples and Forests (AMPB) emerged, which is constituted by territorial authorities that, through various legal mechanisms, provide management of indigenous territories and areas of mainly forest or long-term logging grants. These areas are the main forest areas of the region (outside protected areas) where territorial organisations, through its laws, management instruments, customary laws and their own authority, are exerting a true territorial governance in their jurisdictions.<sup>39</sup>

### Case Study 3: Community REDD +: Guatecarbón Project Maya Biosphere Peten Guatemala

Guatecarbón Project has been running for eight years, in which three terms in office have been coordinated with eight CONAP executive secretaries, the counterpart to the project. The aim of this initiative is the reduction of CO<sub>2</sub> emissions through avoided deforestation.

Depending on the concession model, this can include avoiding deforestation, halting the advancing agricultural frontier and reducing fires. These communities have shown what REDD has done, for many years and have created services that have not been recognised. The project area is approximately 713,000 hectares, in multiple use areas. March 06 2006 was the first time that a chairman was taken to the zone and the initiative was presented to him on site. From there, a follow-up was undertaken by the government, and it began with the support of the Rainforest Alliance to present it to the secretariat of the presidency and the secretariat of CONAP, the forestry entity of Guatemala. ACOFOP is seeking the sale of carbon with



<sup>39</sup> AMPB, Memoria Pre congreso Forestal de Áreas Protegidas por Pueblos Indígenas, 2014.

various partners internationally and has already advanced some negotiations, shown in the table below.<sup>40</sup>

### Case Study 4: Payment for Environmental Services in Costa Rica

Under the ratification of the UNFCCC and the Kyoto Protocol, Costa Rica is the first country to implement a national programme of payments for environmental services (PES). Similar results have occurred from the change in the orientation of the Costa Rican government policies aimed at curbing the destruction of forest resources. The First Forest Law: The Forestry Law No. 4465 (1969), constitutes the first formal effort to reverse the anti-forestry bias that gave priority to agricultural and livestock activities, and became the legal expression of the government's interest in the conservation of the forests. In 1996, the Forest Law No. 7575 created the legal framework for the SA payment to forest owners. The five forest services recognised by law are: mitigation of greenhouse gases (carbon fixation, reduction, sequestration and storage); watershed protection in urban, rural or hydroelectric purposes; biodiversity protection for its preservation and for its scientific and pharmaceutical use; the use in genetic research and for improvement and protection of the ecosystem and its wildlife; and the protection of scenic beauty for tourism and scientific purposes. In this sense, Costa Rica has played an essential role in issues related to environmental services by generating a valuable experience in CO<sub>2</sub> markets, being a pioneer participant in the shared activities of implementation and in the sales of the first group of Certified Tradable Offsets (CTOs) to Norway. FONAFIFO also offers Forrestral Credit for the financing of Forrestral activities in the country. The activities that are to be financed with the Forrestral Credit in agreement with those established in article 38 of the Forrestral Law are: Established Forrestral Plantations, Management of Forrestral Plantation, Forrestral Agriculture, Forrestral Nurseries.<sup>41</sup>

### Case Study 5: Conservation, deforestation and drug trafficking as causes of deforestation in Protected Areas and Indigenous Territories of Mesoamerica

Dr. Kendra McSweeney, Professor of Geography at Ohio State University, published an article in the journal *Science* about a new trend in deforestation in Mesoamerica. Sites with drug trafficking in Mesoamerica are also the most deforested areas, and many of them are protected areas. This is a situation that is being supported by indigenous peoples and forest communities. Drugs represents a new and unique challenge for forest communities, though drug trafficking is not new.

In Central America, the expansion of deforestation coincides with the expansion of narco activities. The fight against drug trafficking in the Mesoamerican region, with support from North America, has generated changes in the routes of operation and has put pressure on the Central American forests because these are the geographical conditions that are the most favorable natural conditions in which to operate. This new factor is influencing the governance and society of the territory, leading to areas where it has become difficult for local authorities to keep control. Traditional authorities do not have sufficient resources to address this problem, and it is influencing the control of property, changing land use, and introducing non-traditional practices in territorial dynamics.

In some areas, however, the authorities are finding their own measures to deal with this. This is the case in Nicaragua, where advocacy to government achieves a decree to allow territorial reorganisation, evicting non-natives. In northern Cauca, there has been an ordinance for an indigenous guard, armed only with their brightly coloured decorations, to allow them to be seen at a long distance, to expel drug traffickers in the territory within which they operate. There has also been a negotiated cessation of indiscriminate recruitment of their youth.

<sup>40</sup> AMPB, Memoria Pre congreso Forestal de Áreas Protegidas por Pueblos Indígenas, 2014.

<sup>41</sup> FONAFIFO, Costa Rica.

The key lesson learned from this has been that dismantling the groups is not only a military effort, but also requires community organisation and trust on both sides. Effective participation of leaders is also necessary. When there is a will, change can be brought about.<sup>42</sup>

### **Organized crime, new markets and their way of financing**

#### **Michoacan, Mexico: the experience of the Community of San Francisco Purhépecha Cheran**

Cheran, located in Mexico, State of Michoacan, Purepecha region, with an area of 20,868 acres, is composed of cropland, urban, pasture and forest. There is temperate rainforest of 7,800 hectares. It has a population of approximately 16,000 people, of whom 32 per cent are women. The community is dedicated to the activities of forestry and there is a lot of migration. Historically, land has a communal background which dates from the colonial titles of 1537, but were given communal land titles after the presidential order of 1986. When reference is made to 'organised crime' in Michoacan, it refers to drug trafficking, state and federal governments, and commercial chains. The modus operandi of the drug cartels has changed; besides the smuggling of illicit goods, they have been empowered with the help of the authorities and some Indians. They are playing a significant role in the dispute over the Indian Territory and deforestation, with organised crime destroying their forests. Other strategies to seize resources include kidnappings, extortions, drug trafficking, production of synthetic narcotics and charging fees. This indicates that the activities of organised crime begin to mutate, affecting the indigenous communities. Communal Lands are host to laboratories, which produce amphetamines and cultivate cannabis. These activities are causing deforestation and fires, and are bringing about changes in land use, such as from avocado orchards and forests. Private land deeds are being made from communal lands. The change in land use should be analysed, as to the avocado industry and environmental damage in the region. It is therefore important to analyse external factors and current problems, including transnational corporations, and the Free Trade Agreement with North America.

### **Case Study 6: Sustainable management of forests and other natural resources in Central America and the Caribbean**

On this region, all member countries of CCAD have developed REDD programmes, with support from the German Society for International Cooperation (GIZ) (CCAD GIZ REDD Program), through the Ministry of Environment and Natural Resources of the Dominican Republic (DR). The purpose of the programme is to establish adequate bases to accomplish sustainable compensation mechanisms to reduce CO<sub>2</sub> gas emissions caused by deforestation and forest degradation, in member countries. The identification of the causes of deforestation and forest degradation is part of a component which states that "through a sectorial dialogue at different levels of governance (national, regional and global) contradictions are reduced between sectorial policies which encourage deforestation, and policies and institutions are developed to reduce deforestation." Among the indicators of this component, is that "countries have integrated their national REDD strategy development plans." In that sense, the REDD strategy should be formulated from the basis of a detailed assessment of the causes of deforestation and forest degradation, as well as the factors limiting the conservation and sustainable management of forest resources.<sup>43</sup>

### **Case study 7: Responsible and Sustainable Private Sector Practices**

Some private initiatives have directly contributed to the fulfilment of the seventh Goal of the MDGs and, in particular of the goals 7A and 7B (associated with reduction of loss of resources of the environment and biodiversity). The agreement in Brazil on the 'soy moratorium', created in 2006 and renewed until 2010, is a promising example. This is an agreement between industry and environmental organisations, committed to by the big companies of the Brazilian Association of Vegetable Oil Industries (ABIOVE) and of the National Association of Cereal Exporters (ANEC), which collectively have 90 per cent of the power of purchase of soybeans in Brazil, to not purchase the oil from newly deforested areas of the Amazon. In general terms, there has been remarkable progress in specific areas, such as the

<sup>42</sup> Mesoamerican Alliance of Peoples and Forests, Case study summary, Memory Pre Congress Indigenous Protected Areas: Forests Forever

<sup>43</sup> REDD CCAD GIZ.

consumption of substances that deplete the ozone layer. Overall, however, business activity in the region, in the intensive use of natural resources, land and energy, continues to have a strong direct and indirect impact on the resources of the environment. The expansion of the agricultural frontier at the expense of native forests in the Amazon, habitat destruction by extractive or large-scale tourism projects in the Caribbean, over-exploitation of fisheries resources, and environmental and social consequences of the salmon industry in Chile are a few examples. Moreover, the environmental performance of the private sector in the region is limited by capacity constraints and lack of knowledge of a large number of companies, particularly SMEs, to which the high level of informality in the labour market are added.<sup>44</sup>

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<sup>44</sup> Informe Objetivo Desarrollo del Milenio 2010.

## 6. Conclusion

The contribution of Latin America and the Caribbean to global climate change is low but the region is disproportionately exposed to risks. Climate change adds new challenges to the achievement of the MDGs in general and in particular to the seventh Goal. Indeed, this phenomenon poses new challenges to achieve the goals of reducing the loss of environmental resources and biodiversity, as well as the expansion of tap water, sanitation and improved quality of life for residents of slums. On the other hand, the urgency of these measures increases in the first instance because of the importance of environmental services of ecosystems and biodiversity in the region, and secondly, because of the extreme vulnerability of people experiencing poverty, who have no access to water, sanitation, or housing, to the effects of climate change. The financial, technological and management needs required to implement adaptation measures that will be needed to address the impact of climate change are no lesser challenges in the region to meeting the MDG targets.

Climate change, by mainstreaming its effects and its close relationship with the energy base of regional economies, reinforces the importance of institutional challenge posed by target 7A of the seventh Goal. In terms of the integration of the principles of sustainable development into sectorial policies, it is evident that the climate issue, as with other environmental problems, cannot be addressed exclusively within the institutions and laws of the specific issue, but needs to be considered in the agendas of productive, social and infrastructure development

Currently, some forests are used only for the production of non-wood forest products and environmental services provision. Much of the forests in Latin America and the Caribbean, however, continue to be used primarily as a source of wood. In other cases, the wood is just a by-product of the process of change in land use, because it does not compete economically with other land uses that are more attractive financially. Unless the market for environmental services of forests is consolidated and profit-income from forest products increases, among other conditions, the permanence of forests continues to be threatened.

In Latin America and the Caribbean, the urbanisation of the population, the persistence of poverty, the share of the region in global trade and foreign investment, are several of the major socio-economic dynamics that affect forests. For an individual, family or rural community to be "poor" means to try and make use of all possible resources available to meet basic needs, mainly food. Therefore poverty and homelessness in rural areas promotes the extraction of forest resources, mainly wood as a source of income at almost immediate or short-term availability. Generally, this extraction is done without technical considerations that promote the sustainability of the resource. It is therefore necessary to think about new forms of relationship between the forest and the poor. While not all deforestation can be attributed to poverty and destitution, there is evidence that deforestation is correlated with the level of poverty of the rural population in this way; the efforts to reduce deforestation in the region are faced with strong problems socially and economically in rural areas, associated with high levels of poverty.

The growth of the international market for wood in Latin America and the Caribbean and the increased demand for the product opens the possibility of better prices at local and national level. A higher price for wood, on one hand will allow the producer to take on certain additional costs to improve the practices of forest use, allowing forests to compete with other land uses; but on the other hand, this will imply greater pressure on forests, either to extract more wood per surface, and / or take advantage of a larger forest area, unless there is a strengthening of the law and its application. A higher wood price could also encourage the establishment of forest plantations, and depending on the product at that point, it could reduce pressure on natural forests, if these plantations occur on a significant scale. Therefore, it will remain very urgent that states have a greater capacity for regulation and control on the transfer of land use and forestry.

Overall, investments in natural resources have increased mainly in the mining, oil and gas extraction, and in the expansion of monoculture agribusiness and biofuel plantations. The increase in investments related to natural resources in a way confirms that Latin America and the Caribbean are gradually specialising in the production and export of primary goods. This specialisation creates pressure on forest resources. Forest resources are part of the natural resources, to a lesser extent, also attract

investment for their use. Forest resources can also be affected indirectly, due to investments in productive activities for the exploitation of other natural resources, which must have limits through more stringent policies to ensure resource sustainability safeguards.

There are new elements of pressure on forests in Latin America, which have not been considered in official assessments. These problems include drug trafficking and all dynamic pressures exerted in the territories to seize lands owned by indigenous and forest communities. With such power and economic resources, they are displacing those who are protecting the forests and are violating human rights. To combat this threat, it is necessary to strengthen the territorial governance and provide the territorial authorities with resources to exercise governance and involve state authorities with territorial authorities in patrolling of the wooded areas to provide security to people and to natural resources.

The UN's Open Working Group (OWG) proposed draft sustainable development goals (SDGs) in July 2014.

This paper evaluates the proposed SDGs from the perspective of the forests and the communities that live in them, from the point of view of Latin America and the Caribbean. It presents some of the major trends in forest policy and its impact, assessing whether forest policies have been effective and what the critical issues are that this region must overcome, for forests to contribute to sustainable development.



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## Project materials

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### Forests

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