

Forests, People and Tenure

The role of
European Official Development
Assistance

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Issues

- * Forests are under increasing pressure from other sectors, such as agriculture and infrastructure
- * REDD+ initiatives risk creating tensions over conditions for awarding benefits and their ownership
- * These issues are creating new challenges for donors

Risks

- * Acquisition of rights to forest land and its conversion to other uses:
 - * Loss of forests – environmental impacts
 - * Loss of forest dependent peoples' tenure and access rights
- * Acquisition of carbon rights:
 - * Loss of forest dependent peoples' tenure and access rights
 - * Capture of carbon benefits by the state or other actors

Questions

- * Are sufficient donor resources – money and expertise – available to address these risks?
- * Are donor programmes sufficiently coherent to ensure that risks are minimised?

Study elements

- * Questionnaire to forest experts in 12 donor agencies, which account for 97% of European forest-related ODA:
 - * AT, BE, CH, EC, DE, DK, FI, FR, NL, NO, SE, UK,
- * Follow-up interviews and clarifications
- * Examination of general and forest-specific policies and programmes on web sites
 - * Main agencies and Development Finance Institutions (DFIs)
- * Examination of bilateral disbursement histories 2002-12
- * Examination of main multilateral policies and disbursement histories

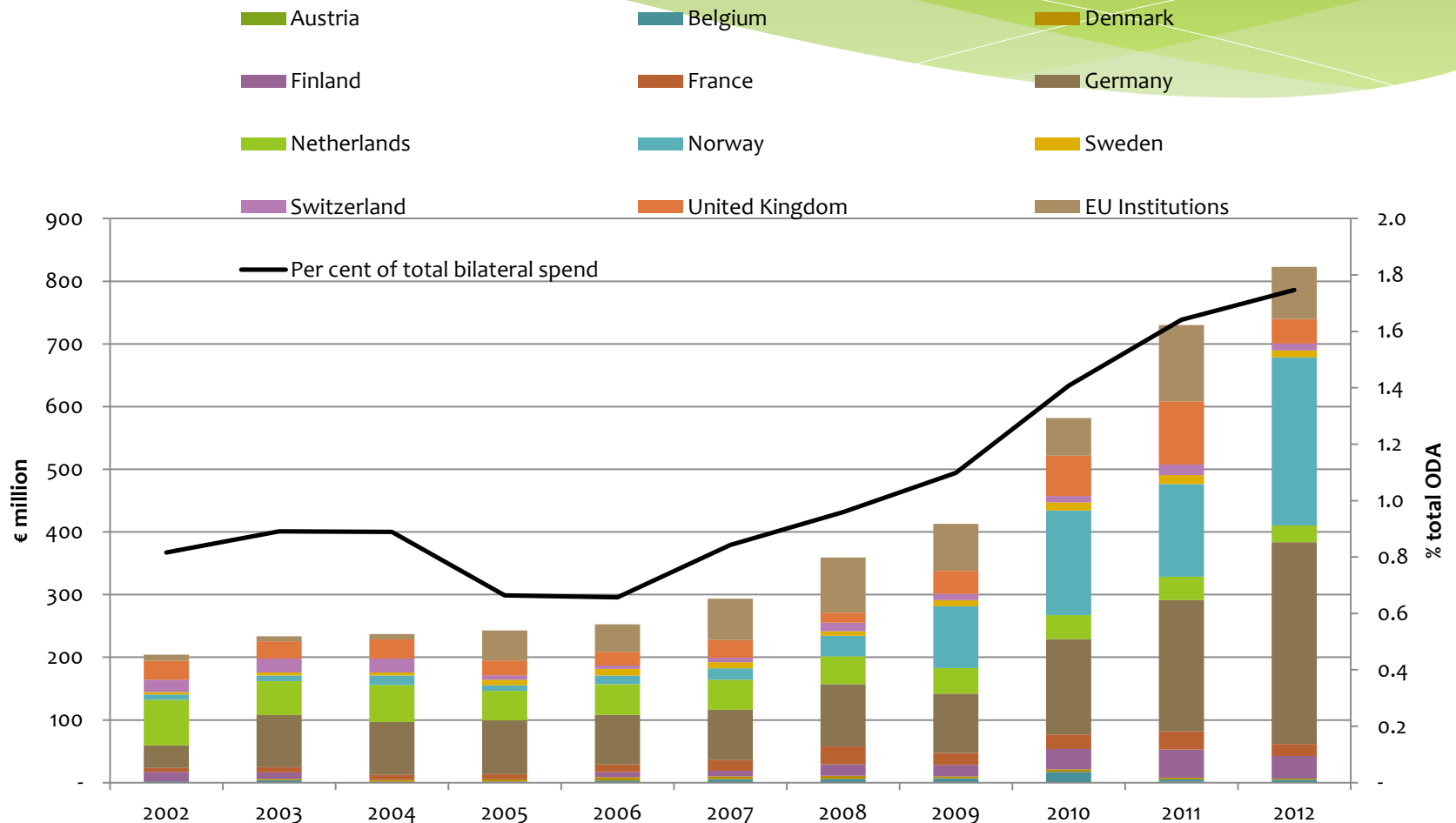
Key findings – general ODA

- * Total European ODA increased from EUR 40.4 billion in 2002 to EUR 70.0 billion in 2012.
- * Around one third has been channelled through multilateral institutions
- * Wide variation in public attitude to ODA
 - * Generally supported
 - * But affected by austerity and public sector spending cuts

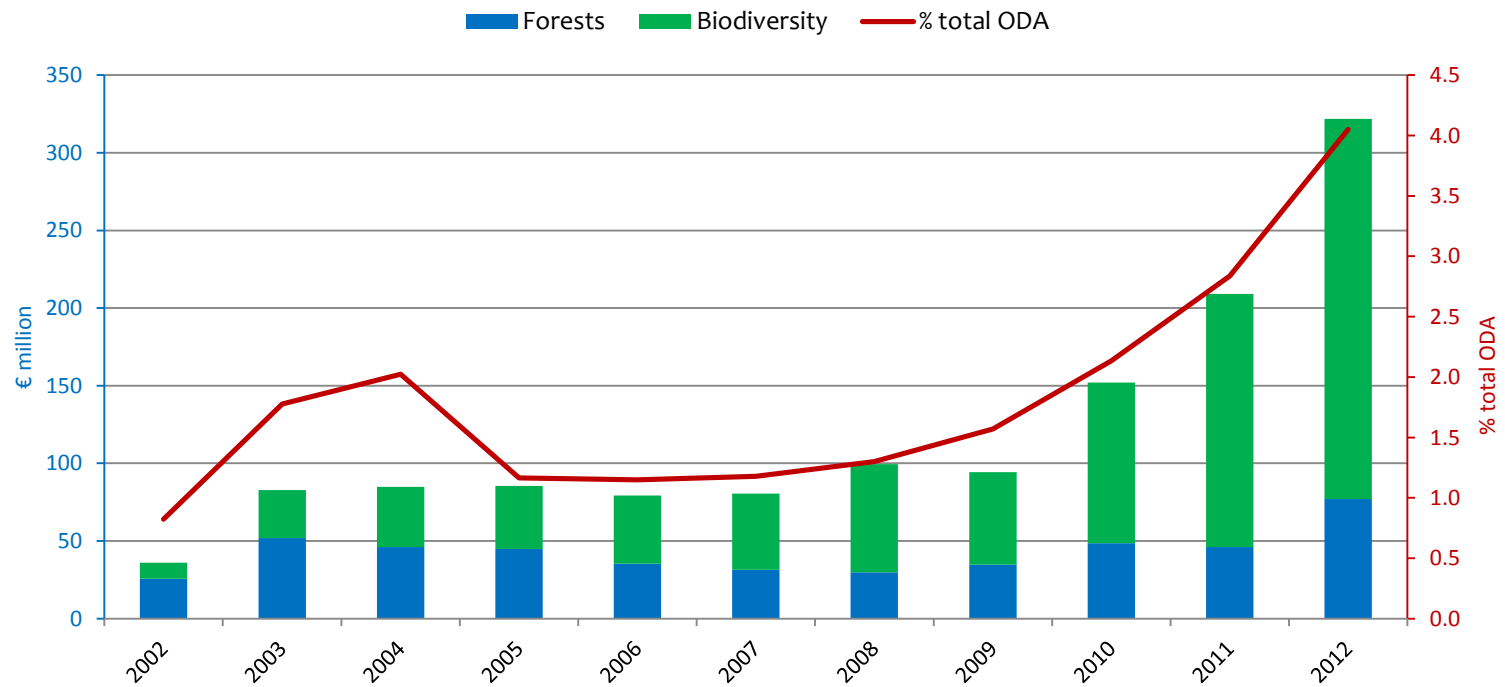
Forest-related ODA

- * European bilateral forest ODA increased from €130.2 million to €493.2 million (279%)
- * Biodiversity ODA increased from €74.8 million to €329.6 million (340%)
- * In 2012:
 - * Norway contributed 52% of total forest disbursements
 - * Germany contributed 74% of total biodiversity disbursements
- * Percent of total ODA increased from 0.89 to 1.75%

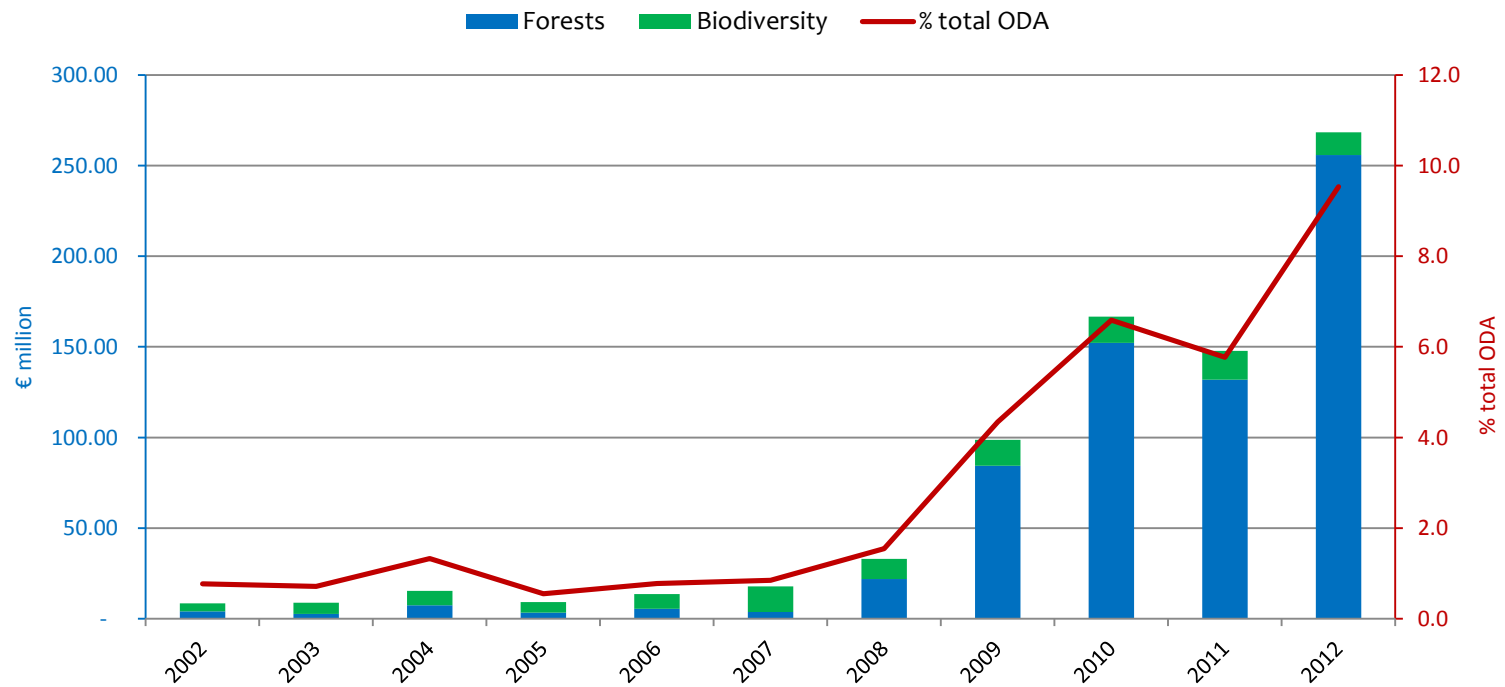
Forests and biodiversity spend



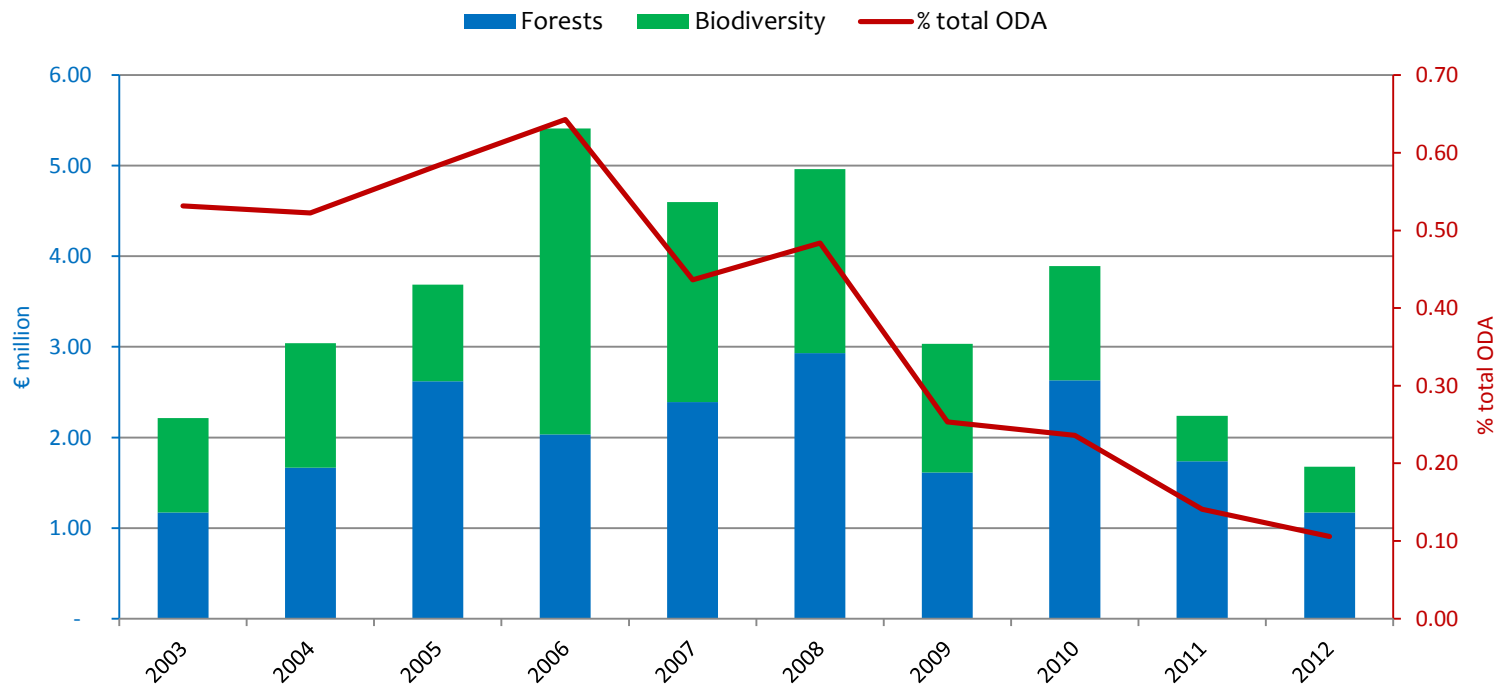
Example - Germany



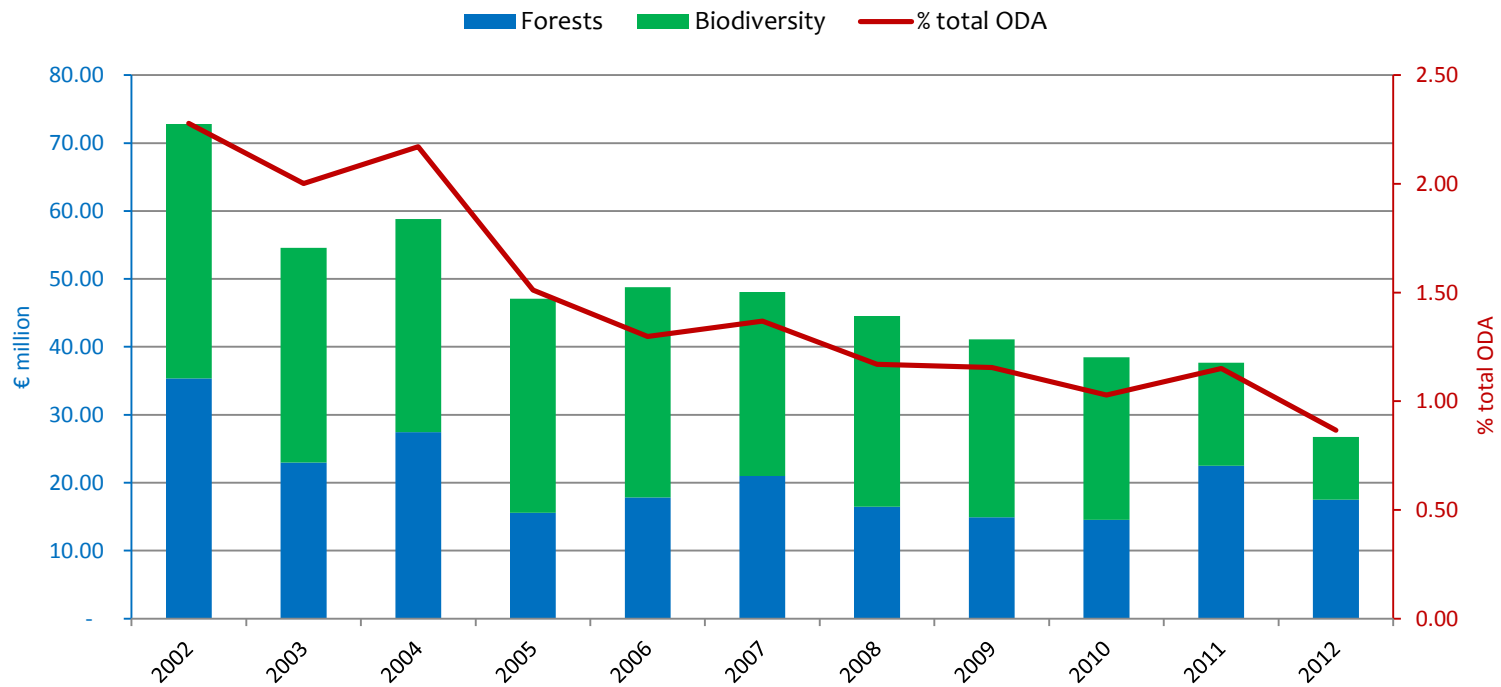
Example - Norway



Example - Denmark



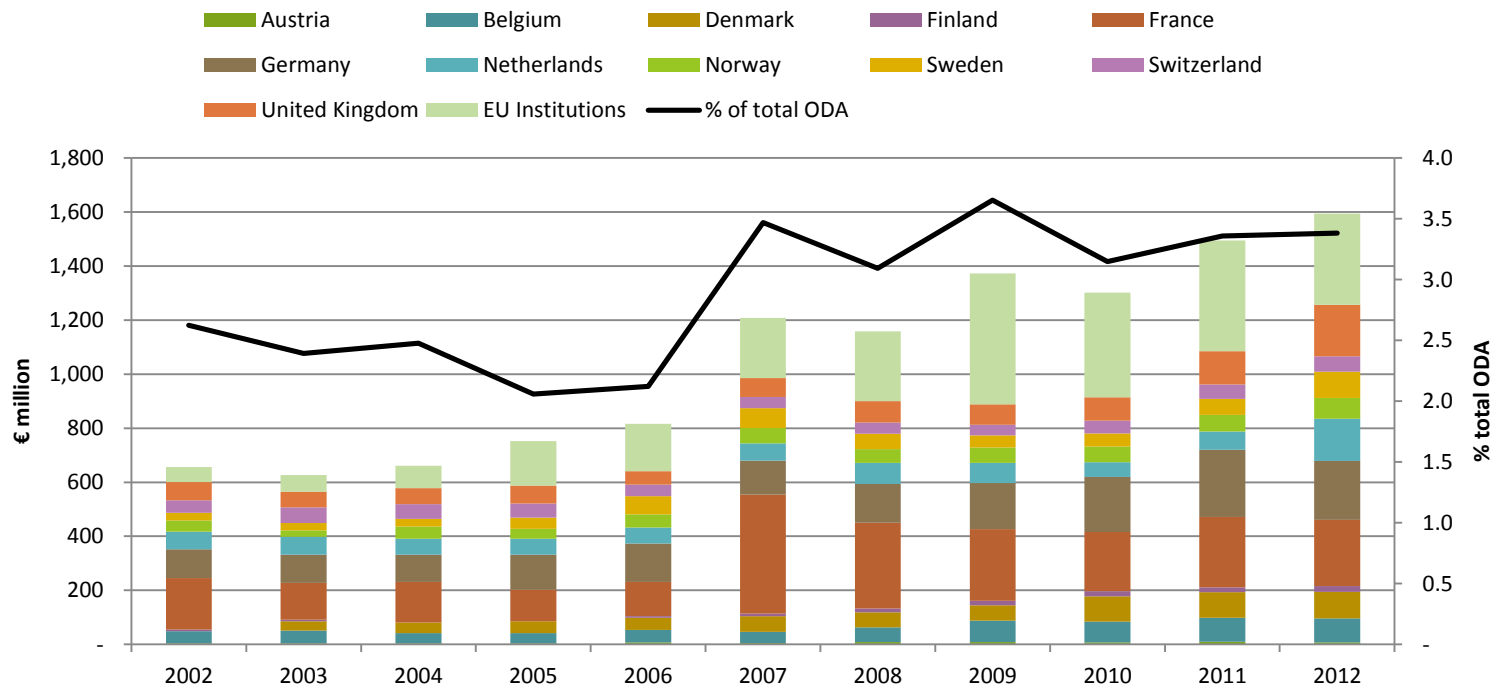
Example - Netherlands



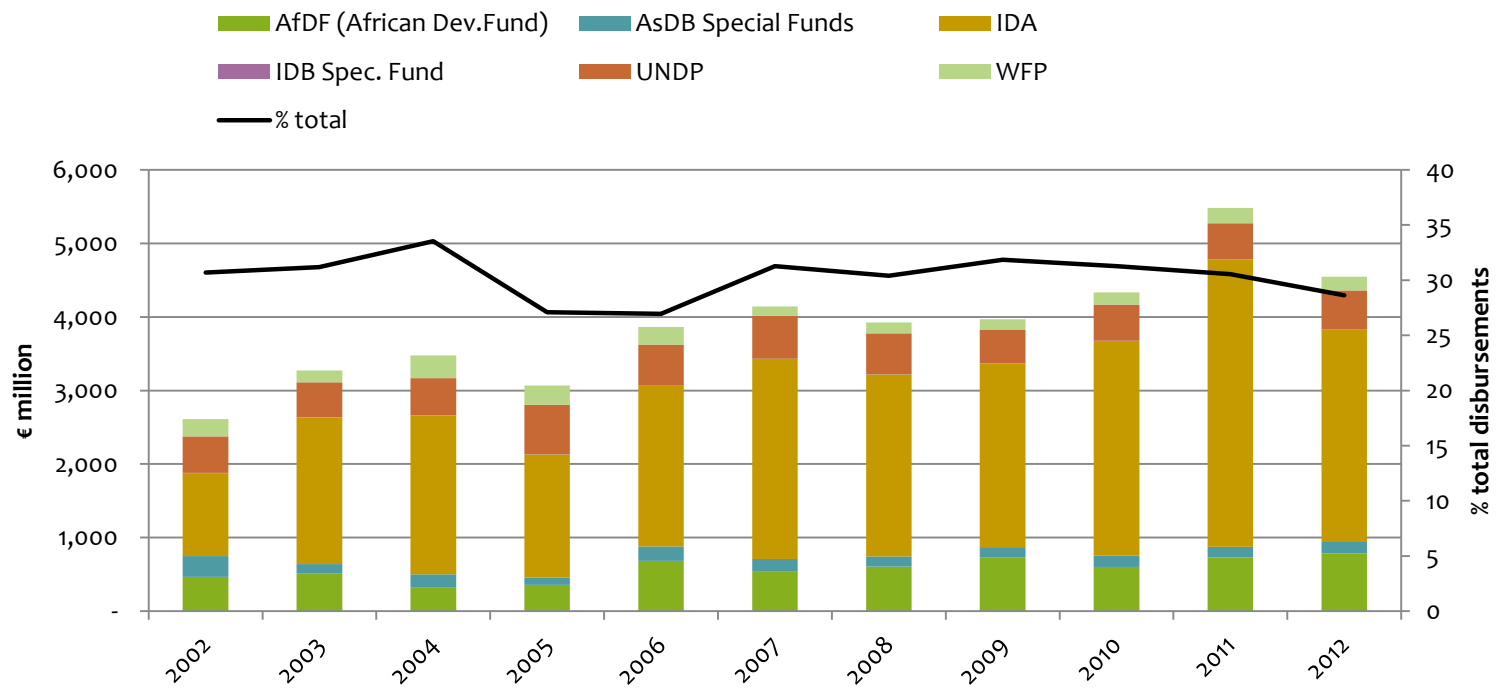
Agriculture ODA

- * Total European disbursements 2002-2012 increased from EUR 657 million to nearly EUR 1.6 billion (143%)
- * Proportion of total ODA increased from 2.4% to 3.4%
- * This includes DFIs investments in large-scale agriculture

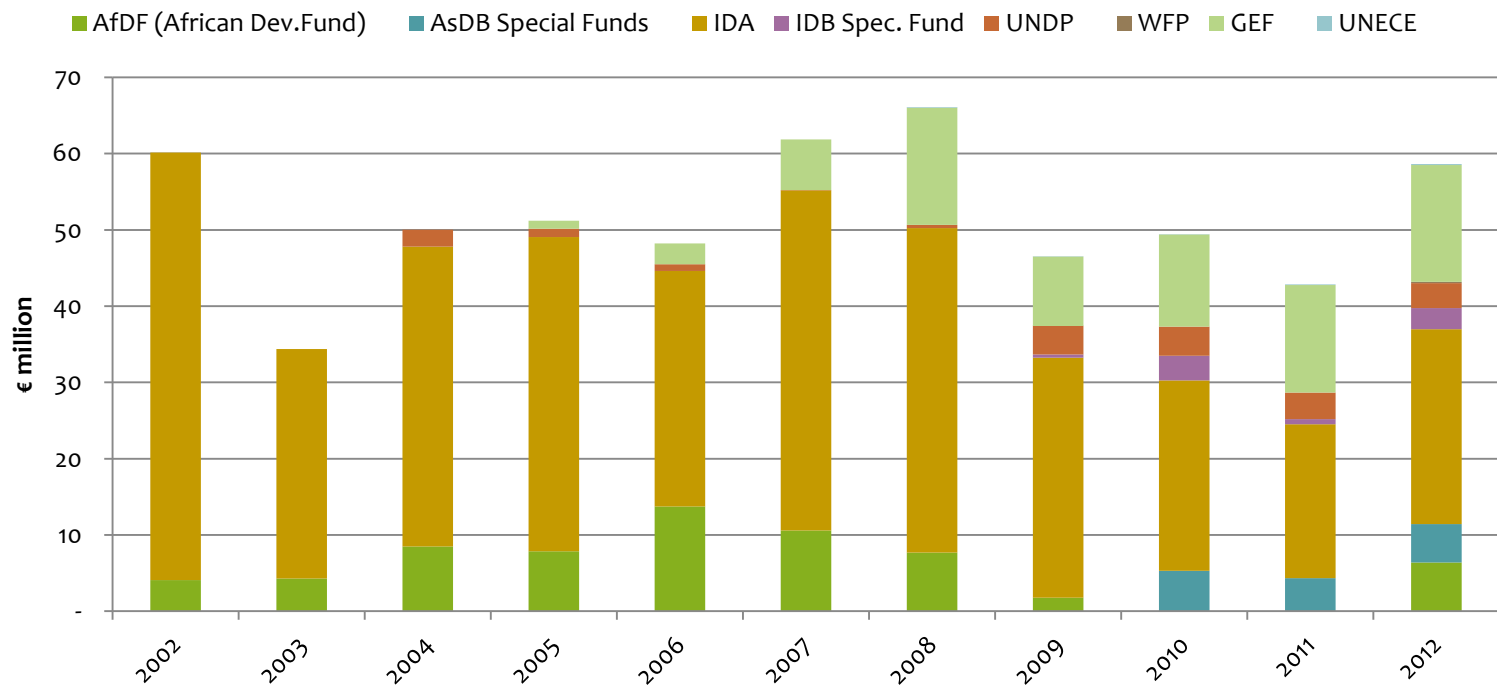
Agriculture spend



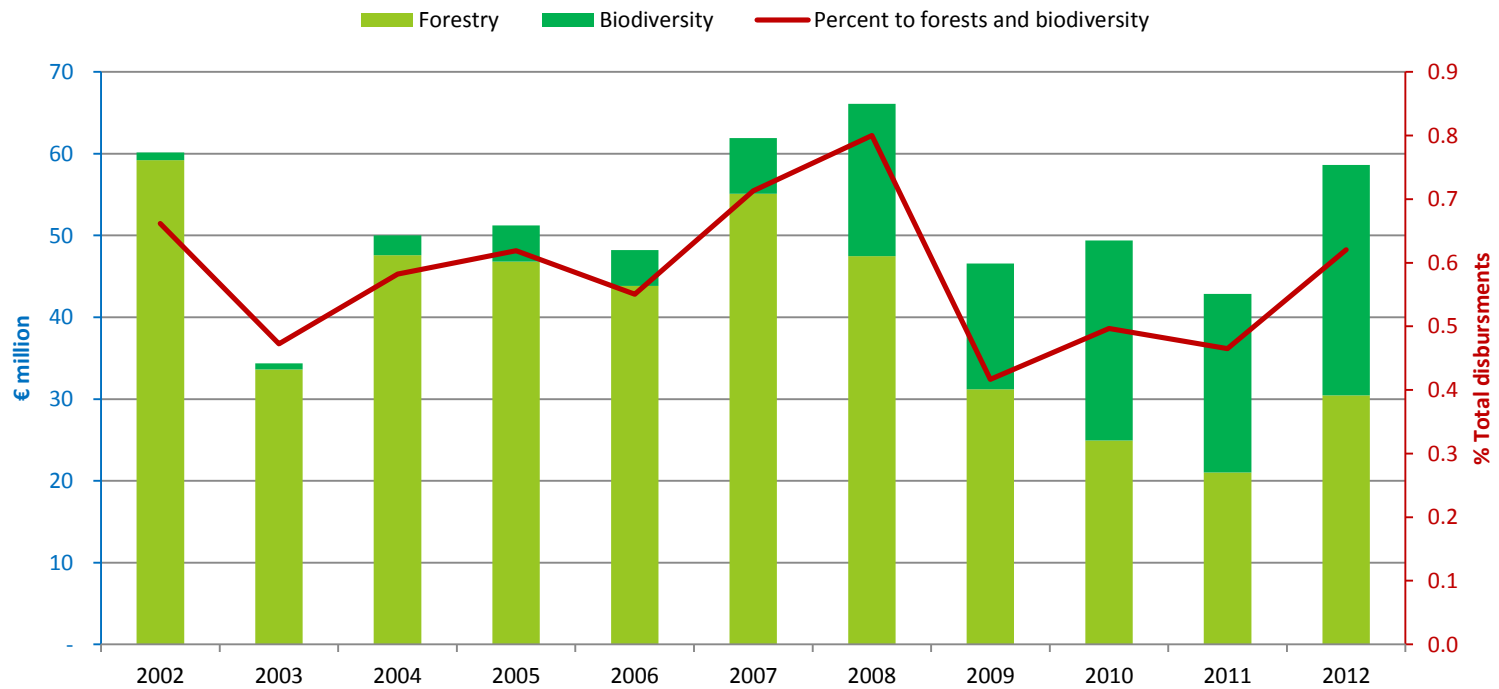
Donor contributions to multilaterals



Multilateral spend on forests and biodiversity



Multilateral spend on forests and biodiversity



Justifying support to forests

- * Most donors justify support based on forests' contribution to other goals
 - * poverty, climate, sustainable trade, governance
- * Climate has been the main driver in recent years
- * Challenge of demonstrating results in short term
- * Future support also depends on national politics, which are hard to predict

Forest-dependent people's rights

- * All donors implicitly recognise the need to consider forest-dependent people's and communities' rights in programme design and implementation...
- * ... but variation in how forest-dependent people's tenure rights in programme and project design are considered (some explicitly use published safeguards)
- * Reductions in specialist staff with knowledge and expertise in land governance issues at donor HQ and devolution of design responsibility to generalist field staff can risk inadequate consideration of land and resource tenure issues
- * Little evidence of prescribed links within donor agencies to ensure coherence on land issues between sectors

Multilateral agencies

- * Increased use of multilateral agencies (especially WB) and multi-bi programmes places reliance on their safeguards to ensure tenure issues are addressed
- * The rigour of the new WB policy is crucial...
- * Criticisms that it has become weaker:
 - * removing requirements requiring full disclosure of environmental impact assessments (EIAs) for high-risk projects prior to appraisal
 - * no binding language on international human rights standards, which would allow governments to 'opt out' of compliance with the Indigenous Peoples Policy
 - * a shift in responsibility for implementation of safeguards to borrowers, without clarity on when and how use their ' systems would be acceptable.

Development Finance Institutions

- * All surveyed countries have DFIs
- * Total EDFI members' portfolio in 2013 was €28 billion – an increase from €10 billion in 2004.
- * Agribusiness sector comprises 7 per cent of the total (nearly €2 billion)
- * Risk of driving of deforestation and land grabbing
- * Investment policies generally include social and environmental standards,
- * Criticisms of policy adequacy and of particular agribusiness projects (Aprodev report, 2013)

Possible solutions

- * Use published standards in programme design and monitoring:
 - * FAO's "Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security",
 - * FCPF's "Common Approach to Environmental and Social Safeguards"
- * Refine and adopt the "landscape approach to rural development"
- * Engage with the Global Donor Platform for Rural Development

Recommendations – donor agencies

- * Adopt clear standards on land tenure that at least meet the FAO Voluntary Guidelines, and include these in programme design and monitoring
- * Ensure that country-based staff involved in design, implementation and monitoring of land-based programmes and projects are familiar with land tenure issues in the country and that adequate safeguards are included to address such issues
- * Ensure that checks on how tenure issues are addressed are made by qualified people during the quality assurance stage of project approval
- * Provide opportunities for staff in different divisions within agencies and different agencies within countries to exchange information on tenure issues and solutions for dealing with them
- * Participate in the consultation on the new World Bank Social and Environmental Framework to ensure that the final version includes acceptable standards on tenure
- * Engage with other multilateral organisations to ensure their adoption of appropriate standards.

Recommendations DFIs

- * Examine the Aprodev report allegations of land grabbing and, where necessary, take steps to mitigate issues identified that affect their investments
- * Determine how to incorporate the report's recommendations on standards and practices into their operations
- * Consider adoption of obligatory industry-wide standards for all EDFI members that meet or exceed the Voluntary Guidelines.