

Forest Governance

Basic Knowledge



This module covers the basic elements and components of forest governance and explores the ways in which governance affects the implementation of sustainable forest management (SFM). The module addresses why it is important for forest managers to know about forest governance and provides guidance on what they can do to enable good forest governance.

What is forest governance?

In general terms, governance refers to the formal and informal rules, organizations and processes through which public and private actors articulate their interests and [make and implement decisions](#). *Forest governance* is defined as the way in which public and private actors, including formal and informal institutions, smallholder and indigenous organizations, small, medium-sized and large enterprises, civil-society organizations and other stakeholders negotiate, make and enforce binding decisions about the management, [use and conservation of forest resources](#). The concept of forest governance has evolved to engage multiple (public and private) actors at multiple scales, from local to global. It may include:

- rules about how forests should be governed, governmental regulations about who benefits from forest resources, and traditional and customary rights;
- the use of private-sector mechanisms such as voluntary certification to support SFM and legal timber supply; and
- international measures to support timber legality and promote good governance, such as the European Union's Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan and payment schemes for environmental services, such as REDD+(insert here hyperlink to REDD+ module).

Effective forest governance processes engage forest stakeholders, address key forest-related issues, and involve other sectors that affect, or are affected by, forest governance.

What makes forest governance “good”?

In general, forest governance is considered “good”, or “responsible”, when it is characterized by the following elements: adherence to the rule of law; transparency and low levels of corruption; stakeholder participation in decision-making; adequate equal rights for stakeholders; accountability; a low regulatory burden; a coherent set of laws and regulations – both within the forest sector and in other sectors that influence forest management; the [proper implementation of laws; political stability; and sound capacities to govern efficiently and effectively](#).

The [Framework for Assessing and Monitoring Forest Governance](#), which was developed by a group of experts and published by FAO and PROFOR in 2011, sets out three pillars of governance, as well as elements and sub-elements of it. Forest managers are encouraged to

familiarize themselves with this framework, which is now widely used for appraising forest governance, because it provides an overview of the elements that constitute good governance and can enable the implementation of SFM (see [In more depth](#)).

Forest managers and users should keep in mind that the forest sector does not operate in isolation: other sectors, policies and land uses can affect how forests are governed at various scales (from the local to the global). Good forest governance acknowledges and takes into account such influences.

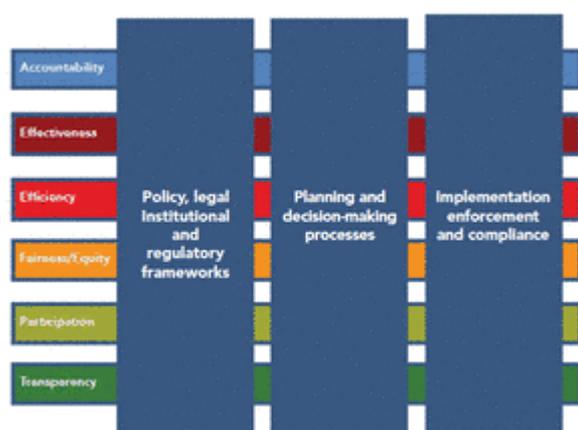
How does forest governance affect the implementation of SFM?

The quality of a country's legal framework and the rule of law is a strong determinant of SFM. For example, clear, equitable laws on forest resource tenure and access, coupled with effective law enforcement, can be instrumental in achieving SFM. Good forest governance may include empowering police and courts to [better detect and punish illegal activities](#); cross-border collaboration and information-sharing; and providing forest users with adequate access to information on how to comply with legal requirements. Forest policies and laws should also be consistent with those of other sectors, such as agriculture, which is a significant driver of forest degradation and deforestation. The failure of governance in the agriculture sector will inevitably undermine the implementation of SFM.

In more depth

Pillars and principles of forest governance

The [Framework for Assessing and Monitoring Forest Governance](#) is premised on the idea that a widely accepted, comprehensive analytical framework can facilitate efforts within and among countries to improve forest governance. The three core pillars established in the framework are: 1) policy, legal/regulatory and institutional frameworks; 2) planning and decision-making processes; and 3) implementation, enforcement and compliance.



The framework identifies the following six principles that cut across the three pillars (see figure) and address the quality of governance:

1. **Accountability** – people and institutions should be accountable for their actions.
2. **Effectiveness** – governance mechanisms should achieve the ends they are intended to achieve.
3. **Efficiency** – governance should work with a minimum of resources.
4. **Fairness/equity** – the benefits and burdens of a forest resource should fall in a way generally viewed as just.
5. **Participation** – all interested people should have an opportunity to be consulted or to participate in key decisions affecting forests.
6. **Transparency** – information about forests and how they are governed should be reasonably available to all.

Each of the three pillars is discussed in more detail below, and guidance on the role of forest managers is provided.

1. Policy, legal/regulatory and institutional frameworks

It is widely accepted that effective forest governance is founded on forest policies and laws that promote efficient, effective and lawful forest management as well as fair and equitable outcomes from such management. Effective forest policies and laws provide a clear and coherent system that facilitates the sustainable management and use of forest resources. A good forest policy provides a long-term vision for the forest sector – consistent with international commitments and obligations – and guides the development and implementation of legal and institutional frameworks. Effective laws help put forest policy into practice. For example, forest policies and laws should establish clear, coherent rules regarding who holds rights to, and who benefits from, forest and tree resources and the revenues they generate. Clarity should especially be promoted where there is overlapping or contradictory traditional and statutory laws on forest ownership and the distribution of benefits. Appropriate institutional mechanisms should be put in place to allow the periodic review of policies and laws and adaptation in light of changing circumstances.

FAO developed the [Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security](#) to provide guidance on the principles of, and internationally accepted standards and practices for, the responsible governance of tenure. The voluntary guidelines provide a framework that governments can use when developing tenure-related strategies, policies, laws, programmes and activities. A practical guide on improving the [governance of forest tenure](#) is also available.

Many individuals and institutions benefit from forests and use them for different purposes, and conflicts inevitably arise over forest use. [Collaborative Conflict Management for Enhanced National Forest Programmes](#) and [Negotiation and Mediation Techniques for Natural](#)

[Resource Management](#) are examples of tools to help in managing forest conflicts.

Good forest governance ensures that policies in other sectors, such as mining, agriculture, transport, biodiversity and climate change, are consistent with forest policies. Forest conversion – the clearing of natural forests to convert the land to other uses, such as agriculture, plantations, pasture for cattle or mining – is an example of the negative effects that incentives or policies in other sectors can have on forests and their sustainable management if there is a lack of complementarity. Good forest governance ensures that an incentives structure is in place to make SFM economically viable and an attractive land-use option.

Role of the forest manager

- Forest managers possess important technical knowledge about forest users and uses that can inform the development of effective forest policies and legal and institutional frameworks. Forest managers, therefore, should contribute to dialogues on forest governance frameworks that enable the sustainable and *technically viable* management of forests.
- Forest managers may be best able to present their views and influence the development of governance frameworks by organizing into professional associations and producer organizations. Such representation can assist forest managers in participating effectively in the negotiation of policy priorities, together with other stakeholders such as local communities and authorities, the private sector, civil society and other sectors.

[see also [Forest Policy](#) and [Forest Tenure](#) modules].

2. Planning and decision-making processes

Stakeholder participation, transparency and accountability, and stakeholder capacity and action, are all important for good forest governance. An indicator of good forest governance is the extent to which all actors with interests in forests are able to participate in decisions about forests; another indicator is the quality and reach of that participation. The extent to which disadvantaged or vulnerable segments of society, such as women, indigenous peoples, youth and the elderly, are able to participate in these processes is especially important. The government can play an important role by creating dialogue processes in which all actors can voice their opinions, expectations and concerns. A good example of this is in Guatemala, where subnational roundtables (*mesas de concertación y política forestal*) have been established involving representatives of the central government, local authorities, non-governmental and civil-society organizations, and private companies involved in the production, conservation, protection and use of forests. Despite their strategic importance, however, such dialogue platforms are challenging to establish and maintain; they require the buy-in, continuous support of stakeholders and possibly significant spending.

The creation of platforms for broad participation in forest governance is a cornerstone of national forest programmes as well as REDD+ and the European Union's FLEGT initiative; such programmes and initiatives illustrate how international governance processes can support local forest governance initiatives.

The extent to which governments provide or encourage mechanisms for conflict resolution is another important indicator of good forest governance. For example, the principles and mechanisms of "free, prior and informed consent" are proving important for ensuring that indigenous peoples and [local communities have a greater say in governance processes](#).

Providing space for participation is only one side of the coin: ensuring that these groups have the means to use such space effectively is equally important. See the [Forest Policy](#) module of the SFM Toolbox for a list of tools for enabling effective participation.

Transparency and accountability are central tenets of good governance and keys to effective planning and decision-making processes. Transparency has been described as "[the process of revealing actions so that outsiders can scrutinize them. ... Attributes of transparency include the comprehensiveness, timeliness, availability, and comprehensibility of information, as well as the proactiveness of efforts to inform affected groups](#)". An indicator of good forest governance is the extent to which the legal framework on forests supports public access to information, promotes evidence-based debate on forest policies, and imposes sanctions for the failure of agencies to meet obligations to disclose information.

Transparency is especially important in processes for determining who is able to benefit from the revenue generated from the use of forest resources. The operations and finances of state forest agencies should be audited regularly, both internally and externally, and the results of such audits made public. The operations and finances of forest-involved companies, other corporate entities and civil-society organizations should also be audited to ensure transparency and accountability. For example, some companies have been shown to lack permits for the forest clearing they carry out. Such breaches of the law may result in billions of dollars' worth of lost revenue (at a national-to-global scale) for governments and their citizens, and the lack of detection diminishes the rule of law and causes severe economic, social and environmental consequences. Independent auditing is a way of detecting such behaviour and enabling the enforcement of the rule of

law.

A key challenge is to ensure that all stakeholders – including the vulnerable and marginalized – have equal access to information, and digital technology offers opportunities to increase the dissemination of information. The [Forest Transparency Initiative](#), for example, which is led by the World Resources Institute, is working to put information about the forest operations of forest concessions and companies online, where it can be obtained by anyone with access to the internet. This and many other related initiatives involve collaboration among civil-society organizations, the private sector and government to improve public access to information. The involvement of non-state actors in the monitoring of forest operations is an essential component because it adds credibility to the information. International and civil-society organizations can also perform important watchdog functions but, in many countries, efforts are needed to build capacity for the independent monitoring of forest operations.

The extent to which private entities operating in the forest sector participate in forest-related planning, decision-making and implementation and comply with voluntary or market-driven mechanisms for legally and sustainably sourced timber and products is another important indicator of good governance. The triangulation of various data sources (such as forest inventories, harvesting records, market surveys, post-harvest surveys, export records, forest-cover surveys and forest inventories, when carried out systematically) can be used, for example, to indicate overharvesting.

Role of the forest manager

- Although forest managers are usually not responsible for ensuring that the views of all stakeholders are taken into account when important forest-related decisions are made, they can advocate for this to be done. In some cases, forest managers can consult directly with forest communities, thereby facilitating their participation and helping to ensure equitable representation and benefit-sharing as well as improved policymaking. Forest managers can also help mediate between local communities and companies.
- Forest managers may think they have little to do with policymaking and decision-making. Nevertheless, decisions made “at the top” will often affect day-to-day forest management, and forest managers should therefore demand to be involved in the process, at least through their representative bodies. The involvement of people with hands-on experience in forests will help ensure that policies, regulations and other decisions are implementable, sensible and conducive to SFM.
- Forest managers can play important roles in enhancing accountability and transparency by advocating within their own companies or organizations for full compliance with sustainability and legality standards, and an open approach to the sharing of information.

3. Implementation, enforcement and compliance

[Law enforcement and compliance are two linked aspects of good forest governance](#); compliance is likely to be low if enforcement is lacking, and strict law enforcement does not always contribute to legal and sustainable forestry. In some countries, the absence of laws creates major impediments to forest governance. In others, enforcement is undermined by a lack of use rights or a lack of access to information about legal requirements. Laws may be unclear, contradictory and unrealistic and therefore difficult to enforce; they may also be vulnerable to exploitation by vested interests. Overlapping and contradictory resource rights (e.g. customary versus statutory) and the inequitable redistribution of benefits are other challenges to effective law enforcement and compliance. Legal clarity is fundamental to both compliance and law enforcement.

Effective coordination among national, subnational and local governments is usually a prerequisite for good forest governance. The implementation of international forest-related commitments, and effective cross-border cooperation on transnational forest crimes, may also be helpful. For example, the governments of Belize and Guatemala are combining their efforts to combat illegal forest activity in the [border area between the two countries](#), with the support of civil-society organizations.

Despite often heroic efforts, however, corruption still cripples many forestry administrations and, as a result, critical aspects of forest governance may happen only on paper. Effective internal controls and internal and external audits of forest-related public and private agencies, and meaningful penalties for breaches of the law, can help reduce corruption.

Role of the forest manager

- Forest managers can promote law enforcement by providing information on forest operations that take place within their forests, for example as part of certification and legality verification compliance procedures, and by sharing their knowledge and experiences about the challenges facing law enforcement in the field.
- Forest managers can provide important information on what happens on the ground. For example, smallholders may lack access to basic information on how to comply with regulatory mechanisms; informing decision-makers about the need for training and capacity building can help promote legal compliance.

Further Learning

- Agarwal, B.** 2009. [Gender and forest conservation: the impact of women's participation in community forest governance](#). *Ecological Economics*, 68(11): 2785–2799.
- Arts, B.** 2014. Assessing forest governance from a 'Triple G' perspective: government, governance, governmentality. *Forest Policy and Economics*, 49: 17–22.
- Dhital, N., Vololomboahangy, R.R. & Khasa, D.P.** 2015. [Issues and challenges of forest governance in Madagascar](#). *Canadian Journal of Development Studies/Revue canadienne d'études du développement*, 36(1): 38–56.
- Downs, F.** 2013. [Rule of law and environmental justice in the forests: the challenge of strong law enforcement in corrupt conditions](#). Anti-Corruption Resource Centre.
- FAO.** 2005. [Best practices for improving law compliance in the forest sector](#). Rome.
- Hewitt, D.** 2013. [Potential legality issues from forest conversion timber](#). Washington, DC, Forest Trends.
- Rametsteiner, E. & Simula, M.** 2003. [Forest certification: an instrument to promote sustainable forest management?](#) *Journal of Environmental Management*, 67: 87–98.
- Rametsteiner, E.** 2009. [Governance concepts and their application in forest policy initiatives from global to local levels](#). *Small-scale Forestry*, 8(2): 143–158.
- van Bodegom, A.J., Wigboldus, S., Blundell, A.G., Harwell, E.E. & Savenije, H.** 2012. [Strengthening effective forest governance monitoring practice: an approach for integrating forest governance into national forest-related monitoring systems](#). Rome, FAO.

Credits

This module was developed with the kind collaboration of the following people and/or institutions:

Initiator(s): Thorsten Treue; Giulia Muir - FAO, Forestry Department

Contributor(s): Ewald Rametsteiner, Cesar Sabogal - FAO, Forestry Department

Reviewer(s): Pablo Pacheco - CIFOR; Prof. Bas Arts - Wageningen University, Chair of the Forest and Nature Conservation Policy Group;
Andrea Johnson - CATIE

