



Certification and local forest management: The FOMACOP experience in the Lao P.D.R.

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Originally developed to create incentives for responsible forest management, certification is now being seen as a possible way to ensure wider participation in forest management and in recognizing local forest management regimes. This case from, Lao PDR shows how certification was used to improve local forest management systems and market linkages for harvested timber. While certification can be one way provide recognition to local forest management regimes, the author also points out that the process alone cannot bring about changes in land tenure.

Forest certification is a recent innovation that supports sustainable forest management through establishing baseline principles and criteria by which the quality of forest management may be assessed. Because certification promotes the recognition of local peoples rights and encourages the use of local forest management agreements, certification may be a potential tool to assist local communities and community forest practitioners in negotiating, recognizing and securing local forest management agreements. In addition, by establishing baseline requirements for sustainable forest management, certification can be a useful tool for forest managers to monitor and evaluate the quality of the forest management system being implemented.

This paper will briefly discuss the certification process and how it may be used to promote local management rights and agreements. Drawing on the experiences of the Forest Management and Conservation Project (FOMACOP) in Lao PDR, this article examines how certification was used as a tool to improve local forest management plans and as a way to discuss the wider policy context.

The forest certification process

Forest certification is a process by which a forest management system is assessed against established principles and criteria. The Forest Stewardship Council (FSC) accredits organizations and companies to conduct the certification process¹. The accredited company will use their own set of indicators to assess the existence of principles and criteria in the absence of national criteria and indicators. The indicators to assess the existence of these conditions may vary by assessor and by geographical area but should, in principle, indicate whether the criteria for certification has been met in the area. Generally, a pre-assessment is conducted to determine preparedness and to identify areas of non-compliance. The forest manager is then given time to address these issues and a full registration audit for certification is scheduled. A positive assessment results in the award of a certificate attesting to the sustainability of the forest management system under the recognized FSC principles and criteria. The certificate is valid for five years and maintenance audits are conducted annually by the accredited company in order to maintain the certificate.

One of the most frequently cited benefits of certification is that hardwood from certified natural tropical forests commands premium prices in the market place. However, because certification considers social and economic as well as environmental variables, benefits other than the financial can be derived from the certification process. In environmental terms, biodiversity may be maintained or enhanced by requirements that set aside areas for protection as a result of their high conservation value. Similarly, management of watershed areas and wildlife must be considered within the management plan and rigorous minimum standards met. Certification standards also encourage the recognition of local peoples' rights and support their inclusion and participation in the management of forest areas.

All of these factors are becoming increasingly important in the marketplace, where absence of these conditions may result in loss of market share as the number of consumers intent on supporting sustainable industry and environmentally responsible companies increases.

Local management agreements and the certification process

Certification can support management by local people by providing incentives to legally secure land title, tenure and use rights. FSC criteria require that:

- Clear evidence of long-term forest use rights to the land (e.g. land title, customary rights, or lease agreements) shall be demonstrated.
- Local communities with legal or customary tenure or use rights shall maintain control, to the extent necessary to protect their rights or resources, over forest operations unless they delegate control with free and informed consent to other agencies.
- Appropriate mechanisms shall be employed to resolve disputes over tenure claims and use rights. The circumstances and status of any outstanding disputes will be explicitly considered in the certification evaluation. Disputes of substantial magnitude involving a significant number of interests will normally disqualify an operation from being certified.

Certification can not itself provide the necessary incentive to secure the tenure rights of local people. This is particularly true in many countries in the region where, at present, land use policies and local tenure rights are unclear or where mechanisms to recognize these rights do not exist. In these cases, change in policies that clarify and support community land use rights will be a complex and ongoing process. However, the certification process does shed light on the need to clarify these issues and may provide useful standards by which to base and promote policies that support community-based forest management efforts.

FOMACOP: Background information

Since 1995, the Forest Management and Conservation Project (FOMACOP) Forest Management Sub-program worked with local people to implement a model of sustainable forest management in Savannakhet and Khammouan provinces in the central part of the country. As FOMACOP was considered a pilot project, special status was granted within the project area for local communities to organize Village Forestry Associations (VFAs) to manage the forestland. Over the course of five years, the VFAs were involved in the process of negotiating, developing and implementing forest management plans with assistance from the Government of Lao PDR (GoL) forestry staff. By the end of the project, the VFAs, in cooperation with forestry officials, had prepared and were implementing management plans covering about 100,000 ha of natural forest. These forest management plans covered NTFP use and management, conservation and protection of forestlands, as well as commercial harvesting.

In Savannakhet province, 32 VFAs were formed representing 48 villages. By the end of the project 23 VFAs had signed forest management plans covering a land base of 87,387 ha, of which 69,389 ha was designated production forestland. These 23 VFAs represented 31 villages with a total population 11,105 (5,697 females). Twenty of these villages are populated by Kateng people, a Lao Theung ethnic minority group. The total VFA membership in these 23 VFA was generally limited to those over the age of 18 and totalled 3,900 persons (902 females).

The Forestry Law of Lao PDR was not ratified until 1996 most implementing regulations still remain in draft form. Specific reference to community management of forests remains unclear. For the management of production forestland, a realm formerly dominated by state enterprises, this remains a particularly controversial issue. Because of this, clarification of management rights was sought by FOMACOP as part of the land allocation process and was secured through a Prime Ministerial Decree declaring the area a Special Zone. This situation, where villages manage production forestland is not common in Laos. In this case, it is arguably, not even a permanent arrangement, as decrees can be issued and overwritten quite easily in Laos. The decree was issued primarily because the villages in Savannakhet are part of a model project supported by international donors that pressed for clarification of villagers land use rights. Similar clarifications to the forestry law remain a source of debate and controversy.

FOMACOP and certification

The primary objective of FOMACOP was to develop a sustainable forest management system that could be replicated or used as a model in developing village forestry throughout Laos. Certification as an objective or as a management tool was not initially considered by FOMACOP. However, because the principles of sustainable forest management for certification were so similar to those being used to guide planning and development of the forest management system in the project area, it was felt that certification might be a realistic goal requiring very little additional planning or systems development. In addition, the criteria and indicators used in forest certification provided useful baselines and standards by which to monitor and evaluate the project's success in attaining goals of sustainability. Because of the increased demand for certified timber (primarily from European and North American markets), the perceived benefits of certification included:

- An expanded and thus more competitive market for timber from the project area.
- Higher prices leading to increased benefits to villagers and government from timber sales.

- Increased inflows of much needed foreign currency into the Lao economy (both locally and nationally).
- Secure long-term relations with buyers.
- The creation of incentives to continue sustainable forestry practices in the area.

These perceived benefits appeared realistic particularly as several wood-manufacturing firms expressed not only a willingness to support the certification process, but to develop and invest in long-term cooperative efforts in the project area. This last factor also helped offset the high cost associated with the certification process.

In May 1999, the village forest management areas underwent a certification pre-assessment by an FSC accredited certifying body. This was financed by the Tropical Forest Trust, a group of European furniture makers, committed to promoting the sustainable management of tropical forests by supporting the certification process.

Prior to the pre-assessment, the independent assessor provided a checklist of requirements for each of the FSC principles and criteria. With the actual pre-assessment, the assessors visited a representative VFA, reviewed documentation including forest management plans, land use maps, and land allocation documentation, and discussed the forest management system and VIA administration policies and procedures with VIA officers and members. They then visited several logging sites where forest operations were underway.

The results of the pre-assessment favorably assessed the technical and managerial aspects of the forest management plan and the quality of the actual on-the-ground management of the forest resource. Areas were identified where modifications to the management system would be necessary before full certification was possible. These primarily dealt with developing more comprehensive procedures for administrative procedures (to further ensure transparency and access to information) and for promoting conservation values. For example, a wildlife inventory and more comprehensive wildlife and NTFP conservation plan (including education and awareness) was recommended. These inputs were extremely useful to project management and the VFAs in improving existing systems and providing additional monitoring and evaluation indicators.

Strengths and weakness of certification as a management tool

Strengths	Weaknesses
<ul style="list-style-type: none"> • Encourage environmentally responsible and sustainable management practices • Highlights the need for clear land use and management policies, legislation and implementing mechanism • Provides standards to measure sustainability of management system • Provides mechanisms to monitor and evaluate forest management system • Provides market incentives for sustainable management of timber resources • Supports the maintenance of forest management contracts over timber • Supports the recognition of local land use and management rights 	<ul style="list-style-type: none"> • High cost associated with the certification process and subsequent maintenance may act as a deterrent to implementation and/or actual assessment • Difficult, if not impossible to implement in countries where supportive legal/policy framework not in place • Complexity of certification systems may surpass the ability and understanding of managerial capacity • Many benefits of certification are long-term in scope and not easily quantifiable, (e.g. environmental and social values) • Perception that certification is a Northern mechanism to control Southern resources and policy

After the pre-assessment, the findings of the certifying body were presented to the VFA, government and other stakeholders. Following this, training was conducted to further introduce VFA and government to the certification process and the principles, criteria and requirements for certification. The gaps that were identified in the pre-assessment were addressed together by project management, the VFA and government, and modifications were made to the training curricula and the management plan. For example, more emphasis was placed on NTFP monitoring and use; grazing and fire control training modules were developed and systems developed to include these elements in the land use mapping process; a wildlife inventory was conducted and plans to develop a more comprehensive conservation plan were introduced. More comprehensive systems were developed to manage VFA records and the guidelines and rules about employment and compensation

were developed².

The FOMACOP experience demonstrates that certification can play an important role in developing acceptable criteria and processes for recognizing local forest management agreements.

The certification process particularly influenced the decision by VFA leaders to develop an umbrella organization or "Group of VFAs" to streamline common management areas. The formation of a Group of VFAs was identified by the VFA leadership independently of the certification process after the first year of timber harvesting. Because of the large land base, the limited infrastructure in the area, lack of transportation and the ensuing

difficulty in communications, the VFA managers felt that a group representing the VFA would improve the VFAs ability to negotiate contracts, agreements and to resolve external and internal disputes. Similarly, it was felt that the management of timber operations and other forest management activities would be improved under a group management. The guidelines for Group Certification outlined by the certifying body, assisted the VFA and project management in organizing the Group and contributed to the development of Group policies, rules and regulations. This was also useful for certification purposes because it was more economical for a Group to receive certification and monitor its membership rather than have each individual VFA undergo an independent assessment.

Another outcome was recognition of the tenuous nature of the land tenure agreements under the Prime Ministerial Special Zone Decree. This decree secured tenure rights to local people for the duration of the project but it did not guarantee post-project recognition. Acknowledgment of this unresolved issue by outsiders, allowed project management and government officials to discuss larger policy issues and provided useful standards and indicators for its improvement at the local and national levels. These remain unresolved today, but have advanced the concept of institutionalizing local management at the legal and policy level.

If and when certification is accepted by the GoL, certification may play a larger role in negotiating and recognizing local use and management agreements. In a country like Laos where "contracts are viewed as a starting point for negotiations"³, certification could provide incentives to respect the roles and responsibilities set out in the contract. In this case, private industry was interested in financially supporting the management efforts required to certify and maintain the certified status of the forest management area. Because of the high costs associated with certification, this arrangement would have been advantageous to the local people. More importantly, this partnership may have provided local people with a powerful ally in whose interest it would be to ensure that local management contracts and agreements were respected over time and under different pressures.

Ultimately, a full certification assessment was not conducted in the project area, but the certification process was a useful one. Monitoring and evaluation of the forest management system (including social and environmental impacts) was improved, organizational structures and procedures were strengthened, and the sustainability of various forest resources under the management plan was assessed. In addition, attention was drawn to the legal and policy deficiencies of the current system in which the legal basis for allocating forestland for management by villagers remain unclear.

Conclusion

Perhaps in future, certification will be more readily accepted as a management tool in the region. Currently, lack of information, cost, and the uncertainty of the benefits arising from certification, represent some of the deterrents to adopting certification as a management tool.

In addition, certification may be regarded as yet another Northern imposed control over resource policy and governments of the South. This may be the case in Laos where the government agrees in principle with certification, but has withheld approval for the certification assessment until national criteria and indicators for sustainable forest management are approved. Related to this is the issue of land use policy. In countries where community land use policies and tenure rights are unclear and/or where the state maintains control over forestland and its management, certification in its present form will be impossible to implement without policy reform. Certification will have little effect on these policies as such, and may in fact be viewed as an attempt to influence the policy direction of national governments.

That said, the FOMACOP experience lends credence to the suggestion that certification could play an important role in developing acceptable criteria and processes for recognizing local forest management agreements. This role may be limited to monitoring and evaluation or may eventually evolve to a point where it is regarded as a key tool in the development of forest management systems. In the meantime, the certification process is useful for forest managers. In the case of FOMACOP, certification contributed to the development of higher quality and more sustainable management plans and provided managers with mechanisms to monitor

and evaluate forest management systems. Certification may also support efforts to recognize local land use and management rights and can provide useful standards by which policy-makers may address these issues at policy and legislative levels. As such, certification and its role within the regional context are worthy of further discussion and study.

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Notes:

¹Although there are a number of organizations which have developed certification systems, the principles and criteria established by the Forest Stewardship Council are currently the most widely accepted standard for forest certification at the international level. As such, the FSC criteria will be discussed in this article.

²A handbook covering all components and the FOMACOP Forest Management Sub-program is currently in development and will be available for general distribution in late-2000

³See UNDP Lao Country Handbook