Village Forestry Experiences in FOMACOP: from Piloting to Expansion

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1 Introduction

Forest Management and Conservation Program (FOMACOP) is a national program financed by the Government of Finland (GOF), the World Bank (WB) and the Government of Lao PDR (GOL), and implemented by the Department of Forestry and provincial forestry offices. It has the following main objectives: (i) to promote sustainable forest management throughout the country by developing forest and conservation policy and legislation, (ii) to promote village forestry, (iii) to improve the wellbeing of villagers in the project area, (IV) to establish four National Biodiversity Conservation Areas and bring them under efficient management. To meet these objectives FOMACOP has been organized around two sub-programs: forest management and biodiversity conservation. The forestry program is piloting village forestry (Lao version of community forestry) in Dong Sithouane in Savannakhet Province and in Dong Phou Xoi in Khammouane Province.

FOMACOP has been operating since January 1995, that is, for more than five years. The project's first phase is coming to an end within six months and it is thus already possible to assess what the project has actually achieved during all these years, and whether these achievements bear any relevance outside the project context.

This presentation concentrates on few selected workshop themes as follows:

- providing an overview of the village forestry concept and its implementation,
- summarizing FOMACOP experiences in replication/expansion and identifying the pre-conditions for moving from a piloting stage to fully-fledged implementation, and
- identifying policy and legal requirements for village forestry.

2 Context for Village Forestry Piloting

To provide a better understanding of the background of the developed village forestry concept and its general applicability, a summary description of the project context is first provided.

- The project area covers sixty villages with about 19,000 people and 145,000 hectares of land, most of it natural forest. Legally both Dong Sithouane and Dong Phou Xoi have been classified as production forest because of their large commercial value and limited conservation value. The natural forest cover in most villages is between 50-70%.

- Most of the project villages are relatively old and have well-established traditional boundaries. The village territories range from 400 hectares to 6000 hectares, the average be 2500 hectares.

- Although the forests have already in the past been selectively cut, there is still a lot of pressure from logging companies to exploit the forest. Shifting cultivation is not a serious problem.

- The average village size is some 300 people, or 50 families.

- Living standards in the project area very low. Villagers live largely in a subsistence economy based on rice cultivation, hunting and collection of forest products.
3 Village Forestry Concept

Village forestry means local communities sustainably managing the natural forest in the village in partnership with district and province foresters. In village forestry, forest production, conservation and traditional management systems are integrated with each other while recognizing that forests and biodiversity can be conserved only if they contribute to the basic, economic, social and cultural needs of villagers. Villagers manage and conserve the forest resources within their traditional village territories in accordance with a management plan, government policy and regulations. Forestry staff provides management controls, and training and extension services to assist villagers in their planning and management efforts as well as in decision-making. It is important to note that although the developed village forestry approach builds as much as possible on traditional knowledge the FOMACOP model introduces also many new technical elements, which require intensive learning.

The forests remain legally under state ownership, but villagers are compensated for their management and projection effort by allowing them to keep the net revenue after paying royalties and other taxes. Decentralized management and revenue generation at the village level make it possible for the village communities to initiate and finance various community development activities. In the model, village development and its financing with revenue from timber and non-timber forest products (NTFP) sales are the interface, where sustainable forest management and development are linked concretely. In this way, sustainable forest management helps in meeting the immediate needs of the local population. In medium and long term it is foreseen that it may act as an "engine of economic development" in the villages.

The developed and piloted village forestry model covers three important aspects - village organizing, forest management, and village development, which are described in Annex 1. It is important to note that not only are all these elements important, but the sequence in which they are introduced also matters. It is not possible in a short paper like this to describe the three dimensions of village forestry development and their practical implementation (on request related FOMACOP documents can be made available). However, due to its importance, the system of land allocation underlying the FOMACOP village forestry model is briefly summarized.

In the FOMACOP model the first step is to allocate land to village communities based on their traditional boundaries. Physical criteria such as forest category and forest quality are not used in deciding what land belongs to a village territory but it is the act of demarcating the village boundaries itself that determines what kind of resources will fall within village control. In the second step, the villagers are helped to allocate land for various management purposes such as agriculture land, potential agricultural land, conservation forest, spirit forest, protection forest and production forest within the demarcated village territories. Physical criteria combined with the villagers' needs and government regulations determine the allocation of land within a village territory into different management categories. During the first phase of FOMACOP, the focus has been on developing a viable village-based management model for production forests. Since the development of village forestry requires a major effort, the full program is not launched unless the village forest resources are adequate to warrant it. In villages with poor or no forest resources at all, villagers have been helped only with land-use and development planning.

4 Village Forestry Implementation Experiences in FOMACOP

4.1 One Hundred Thousand Hectares of Natural Forest Has Been Brought under Sustainable Management by Village Communities

Village forestry program has now been implemented for five years. During this period about 100,000 hectares of natural forest have been brought under systematic, sustainable forest management by organized villagers. At the same time forest environment, including spirit and burial forests, have been protected and villagers' customary uses such as collection of non-timber forest products have been secured.

Villagers in the project area have formed 33 village forestry associations (VFAs). The associations have evolved over time from informal core groups responsible only for few activities to a fully functioning village forestry association that has a formal structure, and is responsible for quite a large number of functions. Recently, the VFAs in both provinces have formed a Group of VFAs to facilitate inter-village cooperation especially in fire protection, conservation, organizing wood sales, harvesting and forest certification.
Forest management capacity of villagers and forestry staff has been improved through systematic training. During the lifetime of the project almost 40,000 person-days of training have been provided to trainers, field staff and villagers. Heavy investment into training of extensionists and villagers has allowed moving ahead with decentralized, participatory forest management on quite a large scale. All 60 villages have demarcated their traditional village boundaries, and prepared boundary maps and land-use plans. These steps have aimed at stabilizing land-uses and creating a sense of "ownership". Just the formal recognition and demarcation of the traditional village boundaries have reduced encroachment and provided incentives for protecting the land.

The VFAs have inventoried the forest resources in their territories and prepared long-term forest management plans and annual operation plans with assistance from field forestry staff. The 15 villages in the first batch have two years of experience in plan implementation and the other villages are implementing the management plans for the first time this 1999/2000 operating year. The forests are managed following a low-intensity forest management system that simulates natural ecological processes, and which aims at natural regeneration. Village land-use plans cover about 145,000 hectares and forest management plans 100,000 hectares altogether in the two provinces.

Forest management has generated employment and financial benefits to the villagers and the state. Forest management operations generated a net revenue of USD 3,400 per village. About one quarter of this revenue was channeled back to sustainable forest management and related VFA operations, and the balance was allocated for village development activities. This year the annual turnover will be about USD 1 million, out of which about 12% will go to the villagers and the rest will be paid to the government in the form of various taxes. Even though the proportion received by villagers may seem modest, it provides them with an income, which is high, compared to the general income level in the region.

An accredited, forest certification pre-assessment team has assessed the sustainability of the piloted village forestry system from environmental, social and production viewpoints. It concluded that forest management operations are sustainable in accordance with the criteria defined by the Forest Stewardship Council (FSC). The team recommended FOMACOP to proceed ahead with full certification after some identified gaps are eliminated.

4.2 Main Success Factors

The main factors that have helped FOMACOP to reach the current situation are summarized below:

- Especially during the first four years the political support for village forestry was quite strong, which made it possible to develop and pilot quite a radical concept in the Lao context. The sheer size of the project, and the fact that it worked simultaneously both at the national level and at a field implementation level, also made it easier to get support for testing new approaches to forest management. Without this link between policy-making bodies and field implementation, FOMACOP could have ended up as an isolated field project constrained by the existing system.

- The forest resource base is large enough and of good enough quality to provide tangible incentives to villagers for sustainable forest management. This may be one of the most unique features of FOMACOP. Where else in the Mekong Region village communities have been entrusted to manage valuable natural forests on this scale? This is a really crucial issue, because without these financial incentives villagers would have a little reason to put so much of their time into teaming many new things and actually undertaking sometimes quite hard and time-consuming work.

- FOMACOP has had good access to both human and financial resources throughout the project. The GOL has allocated enough staff to work in the project and staff turnover has been very small. There have been enough advisors and inadequate finance has never been an issue.

- Project has spent considerable amount of time in training of trainers, field staff and villagers.

- Training of a critical mass of trainers combined with the basic idea of mobilizing villagers to do most of the forestry work such as forest inventory, land-use mapping, planning and pre-harvest have allowed a "multiplication effect" and large-scale implementation over a relatively short time.

- Project implementation has been quite flexible and process-oriented, while at the same time being focused and target-driven. The most important example of this is the evolution of the project from a relatively top-down state-driven forest management to a very participatory community forestry project
when it was found out that after village boundary demarcation there was no other forest land left.

- The use of step-by-step approach (almost in everything) and repetition of training and field activities have made it easier for the staff and villagers to absorb new concepts and to learn to new things.

- Keeping technological solutions simple and appropriate to local conditions has made it possible for the staff and villagers to understand adopt them with relative ease and also train others in using the systems and tools. The only planning tools needed by villagers and field forestry staff are transparent paper, pencils, cheap pocket calculators, and forest measurement tools available either locally or manufactured by villagers themselves. No computers are used in forest management planning.

### 4.3 Main Constraints and Future Challenges

Despite all the positive achievements described earlier, the fact remains that quite a lot needs to be done to make village forestry a feasible, sustainable proposition also in the long term. Below some of the experienced constraints and future challenges are briefly described.

- The adoption of a very participatory approach to forest management on a scale that matters is simply **very time consuming and not easy** for anyone, including advisors, forestry staff and villagers. This constraint is not a created one but more a fact of life that must be accepted when promoting community-based forest management. One of the most important tasks during the project consolidation stage is to identify ways of simplifying the model and its implementation procedures in order to ensure that the benefits accruing to villagers are proportionate to their effort and to improve the cost-efficiency from the viewpoint of the use of state resources.

- The attitudes of forestry staff at the implementation level were initially not in favor of village forestry. In fact, for most of them the entire concept was first strange and against the way they had been trained to work. This resulted in both organizational inertia and individual inertia, which slowed down project implementation.

- The skills and knowledge of most of the forestry staff were almost non-existent when it came to village forestry and even to the basics of forest management. The staff had experience mainly in regulating forestry (checking permits) and no experience in providing extension services to villagers.

- The organizational arrangements both at the central, province and district level do not directly support village forestry and provision of forest extension services. FOMACOP, like all the other projects, has ended up working as a pilot project, which has not had an opportunity to influence organizational arrangements.

- Village forestry implementation proceeded relatively smoothly as long as implementation was contained to villages. However, as soon as the VFAs were ready to sell logs and contract harvesting operations serious conflicts emerged. Villagers were not allowed to sell logs freely to maximize the benefits and there were all kinds of attempts to interfere with the selection of a logging company, determining the quota, and pricing of logs and harvesting services. It has become very apparent that it is difficult to separate village forestry from the formal and informal system influencing the entire forest sector. These other realities can create constraints that can endanger not only FOMACOP implementation but the entire concept of village forestry.

- The lack of a clear policy and legal framework has also had adverse impacts on village forestry promotion. Provincial and district forestry agencies must follow the law, regulations, and instructions issued by various ministries. Quite often these instructions are against what is required by successful implementation of village forestry.

- Towards the end of the project, the concept of practicing village forestry in production forests started losing some of its policy support. A new government proposal emerged, where village forests would be defined as a residual, which will remain after all the valuable production forests are identified and demarcated to be managed by the state forest organizations, state enterprises and/or joint ventures. This interpretation would eliminate one the key success factors in this village forestry pilot project by taking away the incentive for managing the forest sustainably.

The resolution of the above-described constraints already forms a formidable challenge for the future. Some other major challenges are listed below:
- It is important to make the village forestry system, including both organizational and technical aspects, simpler and less intensive in terms of training and other support requirements.

- If village forestry (sustainable forest management) is to be expanded to other parts of the country, a mechanism for financing village forestry development must be developed. This task is very much linked to the institutionalization of village forestry and moving away from project-driven development.

- More attention must be paid to developing and strengthening forestry extension organizations. The government forestry organizations must be partly reoriented and strengthened so that village forestry promotion and forest conservation become routine functions to them.

- FOMACOP’s village forestry model has until now concentrated on the management of valuable production forests. However, Dong Sithouane and Dong Phou Xol, and the villages within these areas, have other forest categories such as degraded forests, which also must be brought under sustainable management. Non-timber forest products and conservation of biodiversity must also receive more attention.

5 From Piloting to Full-scale Implementation: What is Needed to Make It Happen?

5.1 Lessons Learned in FOMACOP

FOMACOP has some experience in expanding village forestry. Field implementation started first on a small scale (15 villages) in one province and expanded to 45 villages in two provinces after more experience was obtained. In a way, the first 15 villages have been pilot Villages for model development and testing, and the other 45 villages that entered the program later on, have been pilot villages for expanding village forestry.

Expansion took place in two different settings: expanding in Savannakhet in the same area where the first 15 villages are located, and expanding to an entirely new province (Khammouane). In Savannakhet, one could continue working with already trained province and district forestry staff but in Khammouane all the staff were new to village forestry. No local or international adviser was placed in Khammouane to test how the village forestry system could be transferred to a new area almost in a “real life” situation. Already trained and experienced provincial trainers from Savannakhet conducted most of the staff training in Khammouane. Advisors helped with part of the training and provided support in field implementation during initial stages. Cross-village visits were also used as one strategy to facilitate expansion.

The expansion has taken place relatively smoothly. The work has not progressed as fast in Khammouane as in Savannakhet, but no major delays have been experienced. Also, there appear to be no major differences in work quality. The main factors, which facilitated expansion of large forestry to new areas, are:

- Only already tested and revised approaches and tools were used in new areas. This was made possible by phasing the field implementation.

- Since project inception special attention was paid to systems development and documenting the systems in a form of easy-to-use training guides. These tools were thus readily available during the expansion phase.

- The project has trained a “critical mass of trainers” who understand the village forestry system and have experience in implementing it. It was possible to draw on this resource pool when training new staff in a new province.

- Village forestry was expanded to same kind of conditions where the system was originally developed and piloted.

- Expansion was naturally greatly facilitated by having it take place under the same project umbrella. (In a "real-life" situation expansion is likely to take place as part of a government program implemented by line agencies without a special project setup.)

When expanding village forestry, it is important to avoid imposing blueprints throughout the country. The piloted FOMACOP village forestry approach appears to be working in areas with good, valuable natural
forests and where villages have tradition in communal resource management and have well-established boundaries. It is unlikely to work in a shifting cultivation area with poor forest resources in its current format. One should not impose a FOMACOP village forestry model, or any type of forest management model as national strategy, because different approaches are likely to work in different situations. In many parts of Lao PDR, the focus of village development should be on agriculture and improving basic livelihoods relying on farm-based approach instead of a communal development approach. In such situations forest management could mean agro/farm forestry, which would be only one part of the land-based resource management system.

State production forestry, private farm forestry and even long-term private forest management contracts (concessions) can also be viable approaches to sustainable forest management. Expansion of village/community forestry should not proceed ahead in isolation from other efforts but ideally it should be part of an overall national policy and strategy to bring the forests under sustainable management.

One should avoid relying on individual (pilot) projects with varied approaches and models as a main development vehicle. In far too many cases pilot projects are interested only in "technical" model development, which is naturally useful. However, pilot projects can also aim at testing models, which can contribute to improving policies and organizational arrangements, which are often more serious hindrances than any technical shortcomings. Unfortunately, often pilot projects are too small to make a difference and/or they are content with just being pilot projects without paying attention to what to do after the pilot is over.

Pilot projects can play a very important role in model development and having a positive demonstration impact. FOMACOP has tried to demonstrate that village communities under right circumstances can manage natural production forests sustainably and profitably, and even reach a certifiable standard in their management operations. However, there must be ways of linking FOMACOP and other pilot projects to institutions, which can draw from all the lessons learned and integrate them into more general (sectoral) guidelines. When expanding village/community forestry it is important to have general guidelines and a process, which unify development efforts rather than having a large number of fixed models developed by various projects for different conditions.

5.2 What Kind of Policy and Legal Support Is Needed for Promoting Village/Community Forestry?

Successful expansion of village/community forestry from scattered project-driven efforts to nationwide implementation requires that:

- there is a political will to involve villagers in the management of forest resources (the modalities for this may vary),
- the political will is expressed in a clear policy, which is supported by a clear legal framework,
- the legal framework is enforced, and
- adequate human and financial resources are allocated in coordinated manner for policy implementation.

The forest policy should provide an enabling environment, where villagers, government and forestry staff all will have an incentive to benefit from sustainable forest management and conservation. It should provide guidance at least on the following matters:

- What is the status of village forestry in the national development policies including for example decentralization policy? How should it contribute to the implementation of other national policies such as rural development policy?
- Which groups or stakeholders should receive special attention in forestry development? Who should benefit from village forestry and how? How should the benefits and costs be divided in principle?
- Which are the key forestry strategies and what is the status of village forestry among them? This question is very important, for example, when land and forestland is allocated among various management purposes, or when government and aid funds are allocated for forestry development
- What kind of rights villagers have to land resources within their traditional territories?
• What should be the role of the central government, provincial government, and villagers in forestry? What should be the role of financing agencies and NGOs?

• How to coordinate forest development and how to address inter-sectoral coordination?

All these issues are important but the policies governing allocation of land for village/community forestry, tenure and user rights in general should receive special attention. They are also very sensitive issues especially when land resources are valuable. This is certainly the case with natural hardwood forests in Lao PDR. Different instruments can be used for improving tenure arrangements and securing property/user rights. FOMACOP has (partially) circumvented this sensitive issue by integrating its land allocation activities with the government’s land allocation program, and by adopting a forest land allocation approach, where the ultimate control over forest land remains with the State. The State recognizes the traditional village boundaries as a management unit through contractual arrangements, which also explicitly specify the user rights. This long-term leasing/forest management contracting approach may provide a policy option worth considering in countries like Lao PDR, where the State still wants to keep control of most natural assets.

Initiating the necessary policy changes is always a challenge especially when some stakeholders may stand to lose from the introduction of new policies. FOMACOP has played an instrumental role in creating a policy dialogue in Lao PDR. The large size of FOMACOP and its attempts to do things in a “different way” have sometimes resulted in highly visible conflicts, which have been felt both at the central and province levels. From the viewpoint of the project implementation it would have been better not have these conflicts but on the other hand, they have demonstrated the need for policy and legal reform and for clarifying some of the existing policies guiding village forestry and sustainable forest management in general. At least many of the important policy issues, which were listed above, are now seriously discussed amongst the senior decision-makers in the various government ministries as well as within the donor community. In addition, a forest policy review has been launched to take a more systematic look at the underlying issues. Individual projects can also influence policies if they have originally been given a mandate to help with policy development, or they can influence policies through positive demonstration impacts as discussed in Section 5.1. However, in order for this to happen, projects must be visible, well-connected and pay adequate attention to dissemination of lessons learned. Non-governmental organizations, various informal grass-roots organizations and media can also play an active role in initiating policy dialogue both at a local and national level. Very likely a combination of tools to influence policies are needed. The potential of different tools would depend very much on the political context for example in terms of democracy or the strength of the NGO movement. What may work in Cambodia or Thailand may not work in Lao PDR or Burma, and vice versa.

Irrespective of the country and political context, forest policy must always be supported by laws and regulations to make it effective. It may not be necessary to have separate village/community forestry legislation as long as the overall legal framework for forestry covers at least the following aspects:

• Determination of the principles, criteria, and process for allocating forests to a particular management class, including village/community forests. Who is responsible for doing it, how will it be done, who approves the classification, etc.?

• Delineation and approval of village boundaries.

• Recognition of customary uses and rights to utilize the forest, including commercial uses.

• Ways of improving land tenure security through provisions of various tenurial instruments such as long-term forest leases and/or land titling.

• System for legally recognizing village organizations responsible for forest management.

• Rules for distributing benefits and costs.

• Financing of village/community forestry.

• Village/Community Forest Management Agreement/Contract - how to prepare and negotiate it, what should be included in it.

• Preparation of management plans (what should be included in the plan, who prepares it, who approves, etc.)
- Monitoring of village/community forestry.
- Access to extension, training and credit facilities.
- Enforcement of village/community forest management contracts.
- Rights of transfer, control, and use.
- Rights, duties, and responsibilities of villagers and government staff in forest management.

The existence of an explicit and comprehensive forest policy supported by forest regulations is necessary everywhere, where sustainable forest management is a national development objective. In addition, one must have a system for enforcing the legislation and maybe even more importantly, a system that provides incentives for the various stakeholders to adopt sustainable forest management practices. It is also important to acknowledge that without the political will and commitment to sustainable forest management and village/community forestry, well-meaning policies and even legislation may not have much meaning, because they may not be implemented anyhow.
1 Dong means forest in Lao.

2 FOMACOP work has progressed in two batches. The first batch of 15 villages in Savannakhet started in 1996 and the other villages started one year later.

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6,7,8,9 Rainy season/Break for rice farming

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6,7,8,9 Negotiations and signing of the Village Forest Management Contract/Break for rice farming

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