Income Generation through Community Forestry

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Community Forestry has a very important potential role in increasing incomes of local communities. As the Background to this meeting observed,

“Particularly in situations and for groups that have limited access to other resources for rural development activities, it now appears that community forestry could be a major strategy for self-financed and self-managed rural development. In many cases the incomes generated from better managed resources by villages act as incentives for forest conservation”.

But among the opportunities, there are potential hazards:

- demands for forest products are volatile and rapidly changing. Many NTFPs appear to be "inferior" goods (demand falls as incomes rise);
- communal forest resources (and access to them) can be limited;
- there are numerous potential sources for substitutes and competing products, and as the market values of forest products rise, the pace of substitution accelerates;
- small-scale forest-based enterprises are notoriously risky and have short life expectancies, although they do employ millions of poor rural people worldwide;
- commercialization of forest products will almost certainly modify gender roles and intra-household relationships; and
- relationships between households (such as community coherence) can come under additional stress in the transition from forest products for "own-use" to "cash sales".

This paper will provide an overview of production and marketing of NTFPs as well as management and utilization of NTFPs by local communities.

Introduction

The concept of community forestry has evolved a great deal in the past 20 years. After the flurry of activity about "resolving the fuelwood crisis of the rural poor", and die rehabilitation of degraded lands, we now have much more experience with the concept of community forestry, and a more mature, realistic appreciation of its strengths and limitations. Looking back now, with the advantage of hindsight, some of our early expectations might appear naive. Practitioners (and donors/aid agencies) have learned a good deal in attempting to implement community forestry projects. For some years, there was perhaps more true "community" forestry outside official "Projects" than within. Many "Community Forestry Projects" have probably not contained enough of what communities wanted, (such as income-generating options) and too much of what "outsiders" thought they should want (such as helping to provide downstream environmental benefits). "Communities" have also learned a good deal about the risks and rewards of participating in externally devised "Projects".

In the statement of objectives of this meeting, the organizers have clearly spelt out the challenges facing us. I propose to briefly review patterns of production and marketing of NTFPs in the region and establish the size and importance of NTFPs to the rural economy, especially to those who earn a significant proportion of their livelihoods from forests and trees. But I also think it is important to recognize the reciprocal of this - people do not just take from forests. Frequently they also contribute their time and efforts to management and protection. It is very important to understand if such local management practices (whether traditional or spontaneous) need assistance - particularly in the face of rapid socioeconomic changes - and if so, how and by whom this can best be done?

In all this complexity, we must not lose the dynamic dimension. It would not be enough even if we could understand all that is going on in a static picture of the relationships between household and forests, household and community, and community and forests. Some questions that come to mind:

- How do these relationships interact and change over time?
- Will NTFP collection and marketing increase or decline, and why? I believe the answer is "both, depending on the circumstances" and will attempt to give the reasoning behind this
provisional, if unhelpful, assessment.

- Will the importance of these activities to poor rural households rise or fall, with rapid changes in the social and economic environment surrounding households and communities? Maybe the creation of new off-farm employment opportunities (e.g., in tourism, construction or export-processing zones) could have more impact on what benefits the communities derive from forests, (and hence what efforts they put into management) than anything related to the forest, or forest product per se.

- Similarly, how will the management regimes for sustainable, equitable production of NTFPs and timber from community forests - many of which have existed for generations in many parts of Asia - cope with such changes?

The evidence to assess these questions is very contradictory so far. There are hundreds of anecdotal examples, and micro-level case study analyses to support opposite points of view. Many of these studies are botanical, or simply record that people use certain parts of certain plants for particular purposes, but they tend to be very descriptive and very site- and situation-specific.

The problem is even more complicated because the collection and marketing of forest products is frequently integrated within very complex systems, which we refer to as Household Livelihood Strategies. This is characterized by products which are often both for own-use and for sale; which are often collected or processed in conjunction with other household activities. And this does not just mean other household activities related to the forests or the farmlands. There is now evidence from Nepal (e.g., Adakhari 1991) and current CIFOR research in Zimbabwe, Cameroon, Sri Lanka and The Philippines that households with substantial remittances from migrant family-members, employ very different patterns of forest use than households without such incomes. Is it possible to disentangle this complex maze and find some understanding of the different processes underway? Moreover, are there different driving forces in different circumstances, as a basis of explaining what costs now? And finally what the processes guiding future developments?