

Forestry as an Entry-point to Governance Reform: The Case of Cameroon

David Brown

*Forest Policy & Environment Group,
Overseas Development Institute,
London*

Introduction

This case study examines some of the problems of governance of the forest sector, and the ways in which rural development forestry can be used as an entry point to improved governance. It shows how an approach focused on the enhancement of local livelihoods can encourage what is - potentially at least – a quantum shift in power relations within society. The case of community forestry promotion in Cameroon demonstrates the mutually supportive roles played by largely donor-inspired 'supply-side' policy changes and of 'demand-pull' means to build accountability from below. It illustrates the importance of macro- and micro-level connections to promote pro-poor change, and the ways in which improved governance can be made to work for the poor. It is not suggested that the particular dilemmas of environmental governance which are addressed here have necessarily all been resolved. The case study ends with some of the challenges which still remain, relating both to good governance and livelihoods.

Governance issues in the forest sector

Tropical forests have a number of characteristics which make them problematic from a governance perspective. These include:

- The fact that, while they have important global public goods values, they are managed as sovereign territories.
- The multiple and often competing values which can be derived from forests by a range of stakeholders, often with vastly uneven power (those with the greatest power often having the narrowest interests);
- The fact that forest use involves - to varying, but often significant, degrees - private activities on public lands, giving the state an important role in pricing policies and in defining resource tenure regimes; this makes them prone to policy and market failures, and also easy to commandeer for political ends;
- High levels of state control also mean that, while forestry has a local fiscal base, its revenues can be centralised;
- The fact that, for industrial purposes, forest areas have to be managed in large units, on a consolidated basis, by single concessionaires.

Forests are not all of a piece in these respects. A critical distinction can be made between tropical dry forests, which often have high and diverse use values to poor people but usually rather low market values, and tropical moist forests which have vital livelihood functions for the rural poor, but also have high market values. The latter are particularly associated with governance problems. Tropical moist forests tend to have

'rentier state' characteristics, being mined largely for their external rents, with restricted linkages into the domestic economy. This increases their propensity to corrupt management and political distortions. On the one hand, the main state agencies for forest management may be 'in the pocket' of the forest industry. The rules of the game are ones which, in the main, suit the purposes of this single interest, and their application tends to be uncompromisingly for its benefit. On the other hand, forest dependent people often have low security of land and tree tenure, negligible public voice, and little incentive to promote (because little capacity to ensure) the sustainable management of the resource on which their long-term survival depends.

The challenges to environmental governance in countries with high coverage of tropical moist forests are compounded by their relatively low human population densities. This has a number of consequences. Historically, it has been associated with low levels of statehood and low spans of political authority. Forest communities still tend to be riven by internal tensions. Low population densities also increase the transaction costs of community-based management (because of the high value of the ratio of land area: potential managers, together with the difficulty of excluding free-riders from entry into the forest estate). And because of their relatively low populations, humid forests tend also to act as frontier zones, into which overspill of populations from other areas is encouraged to migrate. As a result, forest communities are often surprisingly divided, and community-based associations fragile and unstable. At the same time, other forms of civil society organisations, such as NGOs, may be few and far between. There is likely to be little redundancy in the system, in the sense of alternative NGO providers of services. Those that do exist rarely have strong roots in the community or any financial autonomy, and they tend to be highly dependent on donors for both funding and ideas. For all these reasons, civil society in high forest areas is generally 'low on social capital'.

Issues for development assistance

Donors are drawn to work in tropical moist forests because of their high global public goods values, and the often abject poverty of those who live within them. However, they may find it difficult to justify interventions in societies which are often conspicuous for their governance failures and which offer little prospect of ready increments to the quality of public governance. Donors who work in such countries are faced with mutual and often conflicting claims upon them: the need to find ways to improve the quality of governance in a very uncondusive legal and policy framework, while simultaneously pursuing pro-poor policies and promoting long-term environmental sustainability.

Organisational changes must be part of the strategy. The aim would be to reconfigure government forest services to make them more responsive to certain kinds of land use (those related to the livelihoods of the poor) and less dominated by another (that of the extractive industry). But the problem here is that the existing agencies of the state are likely to be unwilling partners and highly resistant to reform. Even where they can be pressured to do so (through aid conditionalities, for example), there may be little confidence that these reforms are genuinely locally 'owned'. The forest industry is a lucrative one and generates sizeable rents, and thus may have much more influence and power within the host society than the donor community.

Decentralised local government has also been viewed as a key component of such governance reform, and as the main means by which demand can be created both for pro-poor governance and improved environmental management. The argument is that bringing decision-making closer to the users is the best way of broadening democratic

influence over the processes of government, and giving voice to those with a long-term interest in the management of the environment. However, from the evidence to date, there is no guarantee that decentralisation will achieve these goals. It is only likely to do so if there is a strong recognition of the need for change on the part of the state – and again, this is usually the missing ingredient in this type of society.

The challenge is therefore to promote good governance against the likely resistance of the two most powerful actors (state and logging industry), and in a context in which there is little social capital elsewhere in society. The following case study - of community involvement in forest management in Southern Cameroon – addresses this conundrum and considers some of the entry points for change.

Case study: community forestry in Cameroon

It is a paradox that, despite the great wealth that the timber industry generates, Cameroon's forest dwellers are among the poorest groups in the society, and the least well provided with public services. There is, moreover, no right of public redress for citizens against the agents of the state, and very little against the excesses of the forest industry. With such limited accountability, it is unsurprising that the quality of public services is also extremely low.

Land reform?

One of the main barriers to improved management of forest lands in a country such as Cameroon is the weakness of land tenure for the majority of resource users. Land tenure is often insecure in former colonies, but especially so in ex-French territories, where virtually all land was transferred into state ownership under the colonial regime, and retained as such by the post-colonial state. This might be thought to argue for a rights-based approach in donor strategies, focused on the land rights issue. General land rights promotion, however, implies radical land reform – and this has not been an area in which donors have much of a track record. Moreover, land reform in this type of context (land managed extensively and still in relative surplus) has rarely worked for the interests of the poor, and has indeed, often achieved the reverse - limiting the access of the poor but encouraging land grabbing by the rich.

The legislation

A more restricted approach to policy change has therefore been sought. A provision was introduced into the 1994 Forest Law to allow for community forestry – in the sense of community management of state forest lands for a variety of purposes (including timber production, harvesting of non-timber products, wildlife management and land conservation for community benefits). The initiative for this reform came almost entirely from external sources, especially the World Bank. It suffered from the start from low local legitimacy and ownership.

Interventions by the government and the legislature also modified the original proposals substantially. For example, it was decided to restrict community ownership to the 'non-permanent forest estate' (the zones conceded to land conversion), rather than the 'permanent forest estate' (the areas earmarked for timber production and protection purposes). This meant that communities found themselves in competition for land with logging companies, for which the rules of exploitation (as small 'Sales of Standing Volume' [*Ventes de coupe*]) were much less restrictive than those for 'community forests'. The competition was only intensified by delays in allocating land for large logging concessions within the permanent forest estate, which shifted short-term

industrial interest to the non-permanent estate. Logging is a capital-intensive industry, and thus there are strong pressures to keep expensive equipment in constant use.

Generally speaking, the state agencies were sceptical of this initiative, and did little to move it forward. Under the Cameroonian legal system, there are a number of steps which need to be taken between promulgation of an Act and its implementation, and the latter has to be based on enacted provisions, not precedent. This gave ample opportunity to thwart the intentions of the legislation.

DFID became involved in the programme in 1995, through the 'Community Forestry Development Project', with a team of two advisers and a fairly modest budget. This was to support legislative development, research in the forest zone, and reinforcement of a planned 'Community Forestry Unit' in the Ministry of Environment and Forests. The early years saw a considerable struggle to establish the legitimacy of community forestry, get the Unit established with sufficient authority in the Ministry, and develop the legislation. It was not until 1999-2000, that the Unit began to perform its regulatory functions, assessing the quality of applications and ruling on their validity under the law.

The user constituency

One of the initial difficulties was that the notion of 'community' was undefined in the legislation and (unlike in, say, Tanzania) referred to no established institution in the system of local government. The conventional way to handle this dilemma (on the Indian sub-continent for example) has been to switch attention to livelihoods issues, and promote interests based on forest use, within a framework defined by residence. However, while 'user group' promotion works well in situations where there are relatively stable types of current use, but problems of resource degradation (with the emphasis on shoring up access and use rights once the required biomass has been adequately reconstituted), it is less helpful where there is no major problem of degradation, and where the types of usage in prospect involve a combination of existing livelihoods practices (NTFP harvesting, hunting, etc.) and innovations in forest use (eg. timber production). The prospect of lucrative income from timber and sawnwood sales would inevitably attract the interest of expatriate elites of local origin. Whilst it is easy to demonize such elites, they do play important positive roles in Cameroon society, and cannot, therefore, be excluded from participation by fiat.

The strategy adopted was to include a clause, within the Manual of Procedures for Community Forestry, requiring that all members of the community were to be consulted before a community forestry was established. The nature of the 'community' was left undefined. A grievance procedure was devised to allow anyone who felt that they had been improperly excluded to exercise their own voice. The local representative of the state forest authorities needed to be sure that all members of the community were satisfied with the proposal before allowing a community forestry application to proceed.

Additional legislative changes

There were two other crucial innovations in the advancement of the legislation. The first was the delegation of the Minister's right to exploit a forest '*en régie*' (in the public interest) to forest dwelling communities, circumventing the need to involve a licensed operator. The second was the passing into law, at the end of 2001, of a new regulation relating to *droits de préemption* (first user rights) under which communities were permitted a two-year period in which to establish their claim to a community forest, before the zone in question would become available to the loggers. In both cases, the

DFID Country Representative played an important role in pushing the legislation, at national level, against some resistance from within the Ministry. These two items of legislation were crucial to shifting authority towards the local communities and away from the logging industry. Neither had been foreseen when the law was first passed.

Nevertheless, these changes are unlikely to be sufficient, in themselves, to achieve any substantial long-term improvements in the quality of governance. Unlike community forestry in many drylands areas (where the emphasis tends to be on giving communities the tenurial security to do better what they are doing already), community forestry in the high forest zone means taking on tasks of which local populations have little if any prior experience, and few of the necessary assets. Logging operations demand capital and high technical competence. While the potential benefits are very great (for example, it has been estimated that communities could earn 20x as much from sale of processed sawnwood as they can from sale of standing trees to the loggers), capital investments have to be 'front-loaded', with heavy expenditures on inventory and management planning, long before any income comes on stream. This dramatically increases the risks to rural populations, particularly the poor. By far the biggest benefits, moreover, would come from sale of community products on the 'green markets' of western Europe. The mark-up on price in such markets is many times greater than that on the already well-supplied local markets for low quality sawnwood. However, it is most unlikely that forest-dwelling communities could handle the whole commodity chain themselves, and over-dependence on international NGOs is neither desirable nor (for the majority) feasible.

Other sources of support and injections of capital are thus required, if community forestry is both to become viable in its own right, and to make a significant contribution to development in Cameroon. In an economically more complex environment, the banking sector would be expected to provide this capital and share the risk. However, such a sector barely exists in the forests of Southern Cameroon, and does not often serve the interests of rural smallholders even when it does.

It is in this reference that links are being sought to the provisions for decentralised local government, and Cameroon's 'Poverty Reduction Strategy'. Effective linkages to local government might not only provide the capital to pump-prime community forestry, and move it towards sustainability, but also create greater public accountability in the use of forest sector revenues. Marrying the initiative to a country-level strategic initiative such as the PRSP would also broaden the public interest in the forest sector, and increase its embedding in the society.

Local government

In Cameroon, the basic unit of local government, above the village, is the commune. There are 338 communes in the country, 205 of them rural. The communes have very limited autonomous revenue-generating powers, and are highly dependent on central transfers. In the forested zone, the communes have two main sources of taxation, on which they depend for 85% of their revenues¹:

¹ The sums in question are significant. The total RFA stands at 2.8 billion CFA, (£2.8 mn.). - £1.25 per eligible citizen per year (which compares with the present actual income per capita for the communes of £0.44/year). The total CAC available annually (though not necessarily distributed) has been estimated at 21 billion CFA (£21 mn. - £1.40 per capita).

- The *Redevance forestière annuelle* (the main logging tax), which is shared 50:40:10, between central government: commune: community;
- The *Centimes additionels communaux* or 'CAC' (a tax equivalent to 10% of the sum of the main state revenues (value-added tax, company taxes and income tax), part of which is earmarked for communes).

Only a proportion of these two taxes has yet reached the communes (about half the CAC, for example), and most people are unaware of the income they have forgone. (For most purposes, the logging tax is treated as central revenue, and its local fiscal base is hardly apparent to the public at large.) At present levels, the fiscal space available to the communes is very limited, once core salaries are paid, and few development activities are initiated. Retention of such a high proportion of state income at the centre seriously limits the multiplier effects of any gains in national wealth, compromises anti-poverty efforts and increases the vulnerability of the rural areas to recession.

If effectively attributed and managed, however, this income could make a sizeable contribution to the community forestry programme, and provide knock-on benefits for rural services and welfare, far in excess of existing levels of state provision. A well-financed system of decentralised local government, with high levels of local fiscal control, would go a long way towards improving the quality of public services and give the rural citizens a much greater say in moulding the services delivered to them.

Creation of a constituency with an interest in the future management of the forest estate, in this way, is a value in its own right, but it would also contribute to the creation of a national constituency for the poverty alleviation strategy. And by linking poverty alleviation to internal revenue-raising and expenditure on a fairly short time-frame, rather than discretionary allocations of donor and government funds, this ownership would become organically rooted in the society. Under some pressure from the donors, the Government of Cameroon acknowledged the potential of the forest sector in the Interim Poverty Reduction Strategy, and the rural sector (including forestry) will provide one chapter of the PRSP which is presently under preparation.

The situation is therefore promising, though not without risks. The main risks are:

- The low capacity of the Forest Ministry, which has meant that the promising initiatives identified in national strategy papers such as the IPRSP have not yet been converted into projects & budgetary allocations within the medium-term expenditure framework;
- Low downward accountability in the administrative system; this is problematic in the short- medium term, in that there is as yet no structure of public responsibility to adequately manage the funds which could soon be released to support local-level activities.

The relationships between decentralised development and sustainable forest management is problematic in a number of other respects. Firstly, increased ability to absorb funds at local level could well encourage liquidation of the resource for short-term gain (Cameroon is a pole of relative stability in an unstable region, but by no means immune from wider political pressures). Secondly, pressures at national level for fiscal redistribution between regions may have perverse effects on forest conservation. Proposals are under consideration, for example, to create an equalisation fund (*Fonds de péréquation*) to ensure that the benefits are widely shared in the society, and not

concentrated in forest rich areas with low populations (if all forest revenues were to be retained in the areas of their origin, over 70% would go to the Eastern Province, an area with less than 5% of the national population). While not lacking in moral justification, the equalisation fund stands to break the link between sound forest management and public welfare which is important to encourage longer-term perspectives on the part of the forest-dwelling populations, and may also create a pressure in the wider society to increase the rate of deforestation to benefit the non-forest areas.

Community forestry in Cameroon – the state of play

Despite the slow progress of change, particularly in the first few years, and the ambiguities and flaws in the initial policy, community forestry is now becoming well established in Cameroon, and demand is growing fast. As of December 2001, there were 138 applications on the files of the Community Forestry Unit, 68 community forests reserved, and 24 management conventions approved or signed. These figures were, respectively, 18%, 23% and 61% up on the figures for June. A constituency is thus rapidly developing within the rural areas for involvement in forest management, where only four years earlier, there had been absolutely none at all.

At the present time, the main constraint on the pace of change is the lack of technical and management services. DFID, among others, is helping to build the capacity of civil society, though this remains externally dependent and vulnerable. The justification for the use of grant-aid at this early stage is that it will position civil society organisations to deliver well-costed support services when the income from community exploitation starts to come on stream.

Taking stock

Improving the quality of environmental governance in Cameroon's forest zone has thus involved seeking to create a new set of clients for public services, and new rules to establish their access to the resource. What conclusions can be drawn from this case study about the relationships between governance and rural livelihoods, and about the entry points for donors to progress a rights agenda through actions in the forest sector?

Firstly, that the policy development process in states with weak governance is a fairly problematic one, involving two-way support between supply and demand. It benefits both from supply-side pressures, from the donors and others, for policy reform, and from demand-side pressures to build accountability from below. There is a clear need not only for central policy development, but also learning from the grass-roots up. This is partly because local experience is required to develop operational policy, and partly because without local engagement, central authorities may lack the will to initiate the process at all.

Secondly, that developing new institutional arrangements in an unsupportive environment and technically demanding field demands a long-term commitment by donors, and an ability to act flexibly. In the early stages, there is likely to be the need for skills in legal analysis and draughtsmanship, as well as sociology; later, the emphasis shifts more to technical forestry and marketing, as the work progresses from forest attribution to exploitation.

Thirdly, that establishing a tenurial right over the resource at an early stage – even if only in an intermediate form – is an important step in giving people control over their

livelihoods. (And, as noted above, there are arguments to favour a strategy of restricted, rather than radical, land reform.)

Fourthly, that the lack of redundancy in the delivery system is a potential weakness, which has implications for the pressures to performance and the speed of scaling up. This constraint cannot easily be 'designed out' by donor influence. It calls for a long time commitment, and a diversified approach. There are also implications for NGOs. The limitations of NGOs, as regards both technical expertise and security of funding, may need to be addressed.

Fifthly, that the linkages which are being made to the new architecture of international aid (the poverty reduction strategy) provide an important additional lever for change, and potentially, at least, acts as a means of generating government and public commitment to the reform.

Viewed from the perspectives of livelihoods and governance, however, a number of challenges still present themselves. The final section considers some of these.

Issues outstanding

a) Local livelihoods

An integrated livelihoods perspective has long been de rigueur in rural development forestry, and the need to protect diverse local livelihoods was central to the move to bring communities into forest management. But has the outcome been to promote these diverse livelihoods?

This is debatable. In principle, the new legislation gives communities the right to manage the forests as they think fit. Certain locally valued (but often neglected) livelihood practices, such as NTFP production and game hunting are – again, in principle – included under the new legislation. Donors, DFID included, have invested quite heavily in their support. But there is a bias to marketed benefits under the new legislation, to support the relatively high costs of community forestry, which will in all probability encourage a focus on timber production, to the detriment of non- or under-marketed services. This does have the advantage of helping to move the debate on from forest safety nets and social protection, to growth-based options for transcending poverty. However, it may be doing so at the expense of other aspects of rural livelihoods, particularly agriculture under shifting cultivation, which is the mainstay of the rural economy. It is interesting that where community forestry has been most problematic, this can often be related to the competition for space within the proposed forest area between timber extraction and swidden agriculture.

b) Improved environmental governance

Where a resource has hitherto been effectively unmanaged, it is easy to make the case that changes in management arrangements will have a beneficial effect on environmental quality. However, it does not follow from this that the problems which occurred under the former regime have necessarily been overcome. For example, the area under community management at the end of the first phase of the programme could be as high as one million hectares (target of 200 community forests, each with a maximum area of 5,000ha). This represents 5% of the total natural forest area, and 17% of the non-permanent forest estate. If the state extension services have been unable or unwilling to effectively monitor the few large forest concessions in the permanent forest

estate, it must be wondered how much more effective they will be in managing large numbers of small-scale concessions, dispersed across the non-permanent estate.

Major challenges also present themselves as regards standard setting (without which it will be difficult to monitor the probity of community forestry). These require high levels of information on sustainable levels of offtake and silvicultural standards which may take years to generate.

c) Checks and balances

The presumption behind community forestry is that broad community participation will increase the levels of accountability and the husbandry of the resource. But how certain is it that community involvement will introduce checks and balances into the system? Is the potential for abuse just being shifted from one nexus (government/forest industry) to another, even more complicated, one (government/forest industry/communities)? How easy will it be to supervise the interface between congeries of weak and dispersed rural communities and a collection of diverse, but often powerful, forest industrials?

d) Conflicts of interest

Finally, there are some potential conflicts of interest between the regulatory and extension functions of the state which have their origins in the lack of redundancy of service provision in such low population density areas. Under the new legislation, the major function of the Community Forestry Unit is to act as the regulatory authority for this form of forest exploitation. But the Unit is increasingly finding itself under pressure to provide extension services, particularly to community forestry committees which are failing either to get their forests properly registered or to manage them effectively. Ideally, this extension function should be passed on to either the External Services of the Ministry (ie. the provincial and departmental delegations) or forest-sector NGOs. However, both lack the capacity, skills and funds. Short of creating a new community extension sub-entity, the CFU has little alternative in the short term but to combine these two functions as best it can.

Conclusion

Community forestry is thus no magical elixir to improve forest governance overnight. But its value needs to be judged against what existed before. Already, for example, drawing communities into the sphere of legitimate forest use has generated important new information about the condition of the resource, and the levels of benefits which it can generate. This is helping to create a more transparent environment for forest exploitation, which could well have wider benefits for public governance. And new management models are now being developed, and new public-private partnerships forged.

Bibliography

Brown D, Malla Y, Schreckenber K and O Springate-Baginski (2002) 'From Supervising 'Subjects' to Supporting 'Citizens': Recent Developments in Community Forestry in Asia and Africa' *ODI Natural Resource Perspectives* N^o75.

Rural Development Forestry Network (2001) 'Community Forestry: Facing Up to the Challenge in Cameroon', Mailing N^o25, ODI (16 articles by various authors).

Brown, D (1999) 'Principles and Practice of Forest Co-Management: Evidence from West-Central Africa', *EU Tropical Forestry Papers* N^o2, ODI.

All of these are available at the ODI website: www.odi.org.uk