



# What is the Role of Tenure in the Poverty-Forest Link?

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Thursday January 10, 2008  
CIFOR PEN Workshop  
Barcelona, Spain

# Topics covered

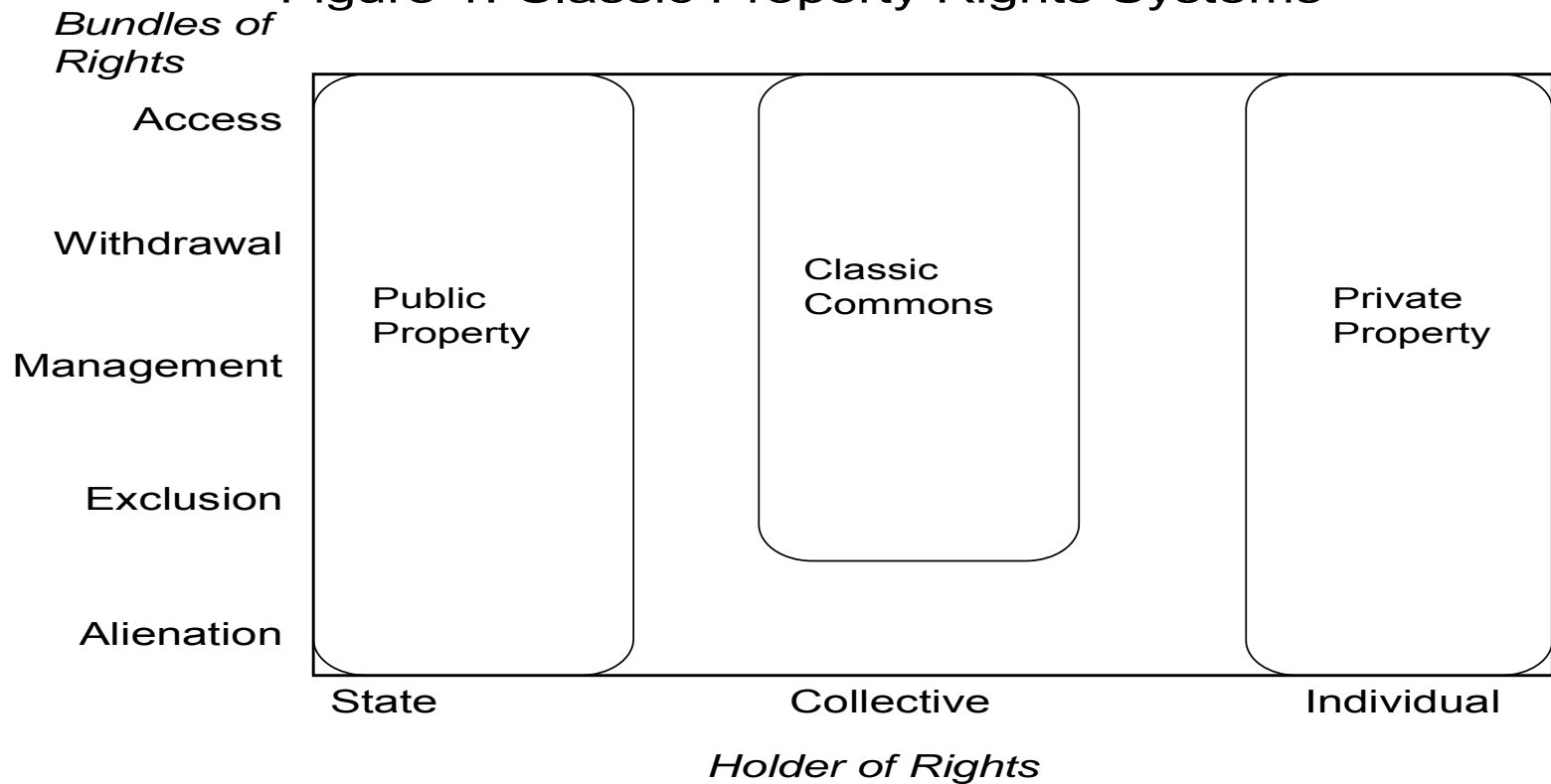
- Definitions of key terms
- Why is tenure important?
- Key attributes of the poverty-forest link: a review
- Trends & characteristics of forest tenure change
- What are the consequences of strengthening forest tenure?
- Program of action for tenure reform
- What is the possible role for CIFOR PEN in answering the big questions?

# Definitions of key terms

- **Tenure:** “Rules of tenure define how property rights to land are to be allocated within societies... In simple terms, ... tenure systems determine who can use what resources for how long, and under what conditions” (FAO 2002:7).
- **Poverty:** “Pronounced deprivation of well-being related to lack of material income or consumption, low levels of education and health, vulnerability and exposure to risk, no opportunity to be heard and powerlessness” (World Bank 2001:15).
- **Forest:** In this presentation I am referring to all kinds of forests, that is, both natural and artificial forests (e.g. plantations. Legal definition = possibility of no trees.

# Definitions of key terms

Figure 1: Classic Property Rights Systems



From Meinzen-Dick (2006)

# Definition of key terms

Distinctions and continua in forest tenure:

*Tenure type:*

customary ↔ formal

*Degree of rights:*

mere use rights ↔ private ownership

*Scale of holding:*

individual household ↔ community

# Why is tenure important?

It is generally assumed that strengthening of tenure rights to land can reduce poverty by:

- Encouraging investment in land and resources by landholders;
- Enabling access to credit through use of land as collateral;
- Improving markets for land ownership and rental;
- Providing a legal basis for excluding competitors and therefore reducing conflict;
- Stimulating sustainable resource use, which can increase income;
- Providing a strong stimulus to economic growth; and by
- Facilitating the legal transfer of land between generations.

# Why is tenure important?

Moreover it is assumed:

- Women experience much greater exclusion from rights and tenure than men, and therefore require special attention (Deininger 2003; SIDA 2007; DFID 2007a);
- Strengthening rights to land and resources supports the fulfillment of a broad spectrum of rights, including human rights (SIDA 2007; DFID 2007a); and
- The obstacles to strengthening rights and tenure are firmly rooted in bad governance and unequal power relations, and therefore require attention to these broader societal problems (SIDA 2007; DFID 2007a).

# Key attributes of P-F link – a review

Forests are important because of **what** they are to those who live in and near them. Forests:

- can help maintain and in some cases improve household wellbeing;
- are a source of regular subsistence in the form of food, fuel, forage, building materials, and medicines, among other products;
- provide a “subsidy from nature” of free environmental goods and services which include: a wide diversity of products for home consumption and sale, new agricultural lands at the agricultural frontier, restoration of soil fertility on fallowed lands used in swidden cultivation cycles, and access to fresh water through the watershed function of forests
- help diversify income sources;
- provide a source of “gap filler” income in between agriculture harvests and serve as a “safety net” in calamities;
- function as a form of savings and as a form of natural insurance;
- assure that the poor are often relatively unhindered in making use of forest resources because of the “open access” character of wide areas of public forests in developing countries .



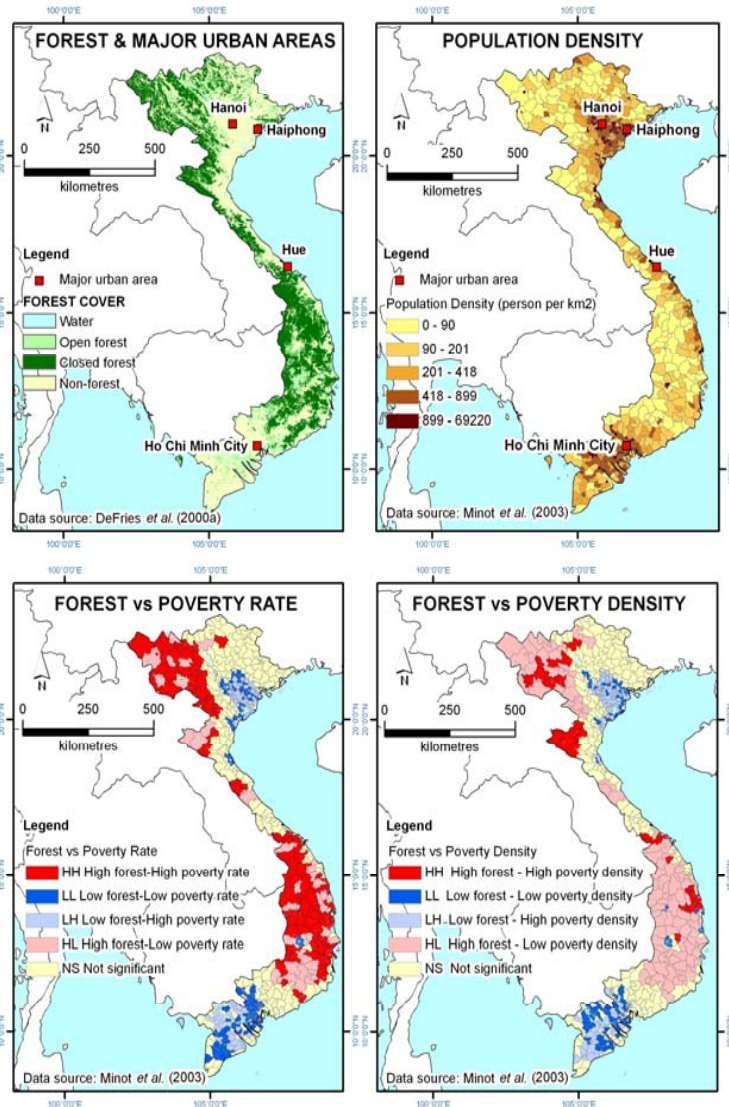
# Key attributes of P-F link: a review

But forests are also important because of **where** they are in relation to the poorest of the poor:

- There is a detectable but imperfect coincidence between the spatial distribution of high poverty rate and dense closed forest;
- There is a tendency for low poverty density to be associated with dense closed forests;
- Remoteness is a governing variable: the greater the distance from urban areas and infrastructure, the higher likelihood of high poverty rate, low poverty density, and remaining areas of natural forests, with big exceptions.

(Results of recent CIFOR research)

# Key attributes of P-F link – a review



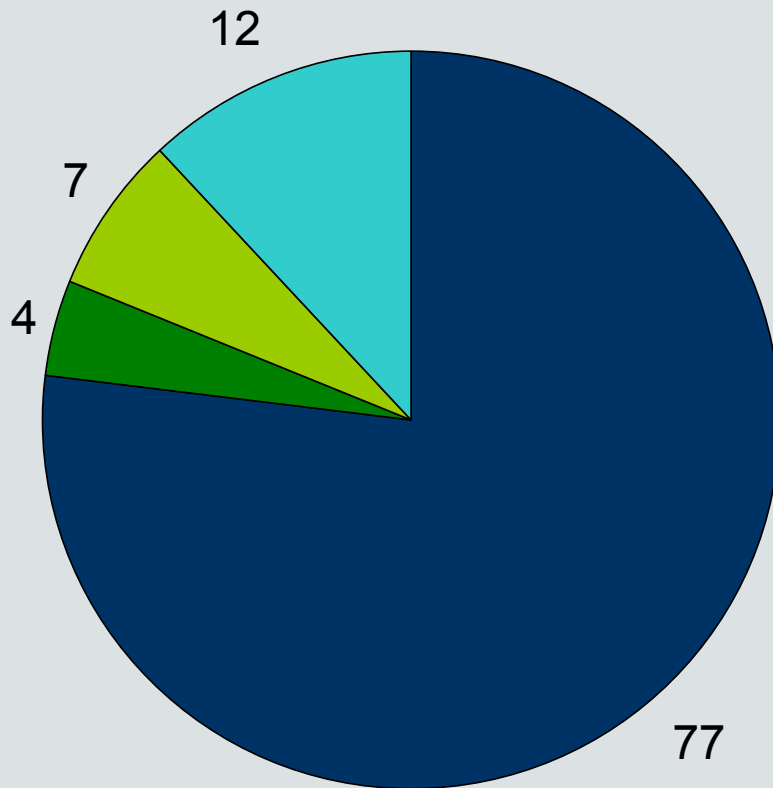
# Key attributes of P-F link: a review

Why are forest peoples often poor, and why are their rates of poverty often high?:

(Is the alleged P-F link a disguised poverty-rurality link??)

1. “Primordial” low income;
2. Higher incomes outside of forests;
3. Weak tenure in forests;
4. Difficulty in capturing forest rents;
5. Powerlessness of people in forest areas;
6. Forests as magnets for migrants; and
7. Low investment in remote rural areas, including forests.

# Trends and characteristics in forest tenure change



- *Public: Administered by Government*
- *Public: Administered by Communities*
- *Private: Collectively Owned*
- *Private: Individually Owned*

# Trends and characteristics in forest tenure change

While forest tenure rights are presumably expanding, there are **weaknesses** associated with this trend – eg:

- talk of approving customary rights and/or “modern” property rights but no action;
- mere access rights with no other rights (e.g. exclusion & alienation) can mean livelihood improvements elusive;
- full panoply of property rights with no enforcement;
- bureaucratic hurdles undermine rights strengthening;
- devolution of degraded forests to communities;
- lack of parallel improvements in other rights (human, gender)

# Trends and characteristics in forest tenure change

There are also **threats** undermining the trend toward strengthening forest tenure rights:

- Growth in demand for land and resources, including in remote areas;
- Search for oil, coal, and minerals in forests, esp. Latin America;
- Emergence of biofuels as a major market;
- Imminence of carbon sequestration schemes with no attention to tenure
- Persistence of war, conflict, governance and corruption problems.

# Trends and characteristics in forest tenure change

Empirical evidence of **positive consequences** of tenure strengthening:

- **Mexico's** community forest enterprises (CFEs) said to assist poverty reduction (Bray et al. 2006);
- In **Bolivia**, higher economic returns for those with formalized forest management rights (Andersson & Pacheco 2006);
- In **China**, household income from forest resources increases with reallocation of forest lands from common to individual holdings (Xu 2007).

# Trends and characteristics in forest tenure change

Empirical evidence of **negative consequences** of tenure strengthening:

- In **Bolivia**, forest tenure reform has produced some incentives to occupy public forests and convert them to agricultural land uses, with resulting concentration of landholdings to a privileged elite (Pacheco 2005);
- In **China**, privatization of forest landholdings has in some cases led to a sell-off of local holdings to large landholders.



# Program of action:

- Giving secure property rights to forest lands and resources, as well as other rights that reinforce property rights;
- Eliminating anti-poor laws and regulations;
- Assisting the process of establishing forest-based income-earning opportunities (e.g. community forest enterprises, improved marketing of forest products, payments for environment services);
- Assuring gender equity in forest property rights;
- Integrating forest-based poverty alleviation into broader poverty alleviation strategies; and
- Creating an enabling environment for rights and tenure reforms through improved governance.

# Possible role of CIFOR PEN

In-depth case studies of:

- Devolution of forest management to provincial or district levels;
- Consequences of formalizing customary land claims, of expanding access rights, and/or giving ownership rights to communities or individuals;
- Role of tenure in “alternative tenure and enterprise models” (ATEMs) e.g., CFEs & SMFEs;
- Role of tenure in payments for environmental services;
- Role of collective action in fending off external claims by large enterprises;
- Importance of gender rights as problem and solution.