STRENGTHENING PUBLIC FORESTRY INSTITUTIONS
Most countries have made significant efforts to develop, revise and adapt their forest policies, programmes and laws to make them relevant to the changing needs of society. However, inadequate institutional structures, management approaches and capacities often make it difficult for those policies and laws to be put into practice.

In many cases, public forestry institutions are adjusting to change only slowly, creating a gap between society’s expectations and what institutions are able to deliver. Many public forestry administrations are expected to carry out traditional functions more efficiently and also to perform additional new roles. Box 1 shows the wide range of functions now commonly expected of them.

This brief describes the changing context within which public forestry administrations operate and outlines concrete steps they can take to adapt to this changing context and to strengthen their capacity to fulfil their mandates.

**Box 1: Functions of public forestry institutions**

**Policy and regulatory functions**
- Develop, implement and monitor forest policies, legislation and regulations
- Regulate the use of public, communal and private forests (e.g. law compliance, taxation, auctioning and permitting)
- Contribute to international processes related to forests

**Forest planning and management functions**
- Manage public forests, including planning, policing, inventorying and mapping, and silvicultural operations, including afforestation/reforestation, logging and the protection of forests from fire, pests and diseases
- Support and approve management planning and implementation in private forests
- Monitor and report on key forest indicators (e.g. forest area, wood volumes, annual allowable cuts, contributions to livelihoods and other socioeconomic benefits) and provide information to government, the legislature, international bodies and the general public

**Facilitating functions**
- Coordinate and facilitate partnerships with other sectors and stakeholders, balancing sectoral interests
- Support local communities and the private sector in the management of forests and trees, including through the provision of information and technical assistance
- Support forest users by providing education and training, and strengthen the knowledge base through research and extension
FORESTRY’S CHANGING LANDSCAPE

Public forestry administration has a long history, in some countries dating back to the early nineteenth century, when forest policies mainly focused on wood production. Over time, forest policies and programmes have changed in multiple ways. For example, modern policies and laws:

- adopt a broader and more cross-sectoral concept of sustainable forest management that now includes consideration of such aspects as climate change, biodiversity, renewable energy, water, forestry–poverty–food security linkages, productivity and people’s welfare;
- advocate for better governance such as stakeholder participation in policy development and implementation, transparency in information sharing and decision-making, and accountability, efficiency and equity;
- promote greater access to forests and decision-making by – and enhanced management roles for – the private sector and communities;
- support and strengthen voluntary and market mechanisms such as certification, competition-based approaches such as auctions, and payments for environmental services; and
- consider and integrate international agreements.

Institutions must adapt to these revised forest policies and laws, as well as to broader socioeconomic and political changes, including through changes in their functions, structures and management approaches.

A change effected in numerous countries worldwide is the separation of policy and regulatory functions from forest management functions. For example, several countries in Eastern Europe have assigned the management of public forests to state forest enterprises (SFES) that are supervised and controlled by a separate body. The rationale for this change is that it avoids the conflicts of interest that arise when an organization supervises its own operations.

Wood production has historically been a primary function of many forestry departments, but this is rarely the case today because, to a large extent, commercial functions have been transferred to the private sector or to separate agencies (such as SFES). In many places, forest management responsibilities have been fully or partly transferred to local communities and other non-state actors (Box 2).

Reforms involving the transfer of management responsibilities from public to private bodies run the risk of corruption and nepotism.

Transparency and accountability are critical, therefore, for ensuring that institutional reforms yield the anticipated benefits. Governance has also been improved by including multiple stakeholders (e.g. other ministries, the private sector, academia and civil society) in the management boards of public forestry administrations (Box 3).

Management approaches also require revision. The concept of national forest programmes, developed and agreed by countries globally in the mid-1990s, has required organizations that traditionally employed a technically driven, command-and-control approach to become more participatory, more responsive to the needs of local stakeholders, more interdisciplinary and cross-sectoral, and more results-oriented.

Box 2: Transferring forest management responsibilities to local communities

Nepal transferred forest management responsibilities to community forest user groups through a decentralization policy and the 1993 Forest Act. In effect, this Act reversed the 1957 nationalization of private forests, which had resulted in heavy deforestation and forest degradation.

In 1995, the Federation of Community Forestry Users, Nepal (FEFCOFUN) was formed to give voice to small forest users in policy processes; it has since grown into a social movement of 9.5 million forest smallholders who manage about 30 percent of the country’s forest area.

Forest management responsibilities have also been transferred progressively from the state to communities in Mexico. Currently, about 80 percent of that country’s forests are under the legal jurisdiction of communities (ejidos and indigenous communities).

There are also many examples of the transfer of forest management responsibilities to local communities in Africa. One of the first countries on that continent to introduce the concept of community forestry was the Gambia. Its 1998 Forest Bill specifies that 75 percent of forestland should be managed and protected by communities. Although the Gambia is a poor country with a rapidly growing population, net forest cover increased by 8.5 percent between 1990 and 2010, thanks partly to the engagement of communities in forest management and protection.
Notwithstanding the progress that has been made in many countries, public forestry institutions continue to face significant internal and external challenges in adapting to socioeconomic and political change. These challenges are explored below.

**Political and financial**
Because public forestry institutions are part of a government system, there are limits to the organizational changes that can be brought about unilaterally. Although they are accountable to higher powers in government, public forestry administrations may lack the political support to instigate change, partly because of the generally low visibility of the forest sector. On the other hand, it is not uncommon for higher-level political demands to interfere with an administration's goals.

Other challenges are financial. Public forestry institutions are often accorded low priority in government allocations; in some cases, they face budget cuts. Also, they often face legal constraints in charging for their services and have limited capacities to mobilize resources from unconventional (i.e. non-government) sources.

**Organizational and technical**
Several organizational obstacles limit institutional adaptation. Perhaps the most widely recognized of these is a lack of human and financial resources, but a lack of focus on results, insufficient evidence-based management, and weak information management systems also constrain public forestry institutions.

Another challenge is the lack of attention paid to strategic management skills. Updating and upgrading technical capacities is important, but increasing the people-related skills of staff, such as facilitation, negotiation and communication, is arguably more important because the obstacles to sustainable forest management are rooted more in socioeconomic dynamics than in technical deficiencies. Nevertheless, decisions on hiring and staff development still often fail to recognize the importance of strategic management skills.

**Social, human and ethical**
Embracing new roles (e.g. shifting from a command-and-control approach to one involving shared responsibilities and the provision of services) requires a change in culture and attitudes; this might require new leaders and employees. Overcoming resistance to changes to the status quo is often a significant challenge, even when most people stand to benefit from such changes. The need to adapt may also force leaders and managers to make difficult decisions, for example on employees who have dedicated decades to the organization and now have difficulty in adapting to new roles.

Avoiding institutional adaptation may be the “path of least resistance” in the short term, but it puts the administration at an increasingly serious risk of becoming obsolete and irrelevant. Failing to take steps now may mean more drastic consequences later.

**Box 3: Multistakeholder boards as a way of institutionalizing participation in forest policy implementation**
Several countries have introduced management boards, on which multiple stakeholders are represented, as a way of guiding and supporting their public forestry administrations. In Guatemala, the forest management board includes members of civil society, academia and the private sector. Multistakeholder management boards enable the inclusion of multiple perspectives in policy implementation and, to some degree, limit political interference in key agency decisions.
Public forestry institutions that are adapting successfully to policy and legislative change share a number of characteristics. For example, they:

- Increasingly **focus on results**, including by measuring results through effective systems of monitoring and evaluation. A focus on results enables the operationalization of the organization’s mission and vision into specific, measurable, achievable and time-bound outputs and outcomes. A focus on results also means seeking more efficient ways to deliver services, such as by delegating or outsourcing responsibilities to decentralized levels or to other stakeholders, and maintaining flexibility in how outcomes are achieved. The measurement of results also informs organizational structures and capacity development priorities and drives resource mobilization strategies and efforts. Countries can increase their focus on results by adopting performance management approaches (such as results-based management) and adopting a limited number of priorities.

- Invest in developing **strategic management skills** such as communication, facilitation, multistakeholder decision-making, participatory approaches, public-service competencies, leadership and management. Strategic management skills are critical for the success of today’s public forestry organizations because forest policy decisions are increasingly being made in collaboration with multiple stakeholders; strategic management skills enable institutions to leverage the resources and capacities of multiple stakeholders to achieve shared goals. Such skills can also be applied in the revitalization of technical extension services to help forest users deliver forest goods and environmental services sustainably.

- Identify ways to **contribute to wider development goals**. Successful forestry institutions see how forest administration fits within a broader picture, adopt a longer-term vision (and accordingly avoid continually having to expend their energies addressing “emergencies”) and see their work as serving other stakeholders. Recent efforts to mainstream national development goals into forest policies and their implementation go in this direction.

- Invest in **continuous learning**, for example by assessing their own performance, tracking key economic, social and environmental trends, being open to differences in opinions and new ideas and upgrading the technical and people skills of their staffs. Areas where new technical knowledge and skills are required include climate change, timber legality and verification, community forestry, and the use of information technology to improve efficiency and transparency.
Assessing
Designing and implementing an organizational change process in response to changing political, economic, social and environmental conditions requires a picture of the current situation in terms of organizational performance, the institutional environment within which the administration operates, and the institution’s capacity to fulfil its mandate. This can be obtained through institutional reviews and organizational assessments.

An institutional review identifies policies, strategies and plans relevant to forests (e.g. national development policies, poverty reduction strategies, forest policies and national forest programmes) and their related goals, public and private stakeholders (e.g. through a stakeholder mapping), their mandates and needs, and the arrangements that exist for them to work productively together to achieve the goals set (Box 4).

An organizational assessment is a systematic review of an organization’s performance, and how it can be improved. Having identified (in the institutional review) the goals and context for the work of the organization, this assessment addresses the internal functioning of the organization. Depending on scope and resources available, it may cover:

- strategic leadership (e.g. good governance and the clarity, quality and use of strategies and plans);
- technical, strategic and organizational capacities (e.g. skills, technology, information management and policy instruments);
- human, financial and material resources (e.g. staff levels and budgets, by key function);
- programme and process management (e.g. the efficiency of decision-making, including the delegation of responsibilities);
- transparency (e.g. of information and decision-making processes);
- oversight and accountability;
- motivation (e.g. the presence of incentives and rewards); and
- division of authority and coordination within and across agencies.

Organizational assessments help in identifying the need to revise functions, structures, managerial procedures and information management systems and in refocusing the strategic priorities of an organization. They can also be useful in drawing up action plans and identifying the resources needed to implement them. Self-assessments are particularly helpful in building internal awareness of the need for change and in identifying practical solutions. Depending on its purpose, scope and available resources, an organizational assessment may focus on specific organizational functions or address organizational performance more broadly. Successful organizations appropriately track selected key performance indicators.

Designing and implementing
The institutional review and organizational assessment allow a comparison between the current situation and the administration’s stated objectives, requirements and operating principles, thereby identifying the gap between the current and desired state. An understanding of this gap can be used to prioritize changes and related support activities (e.g. in a capacity-development programme). It can also help define decisions and activities to bridge the gap, such as choosing a different instrument for implementing a policy or instigating better institutional arrangements for inter-sectoral and interagency coordination.

Having identified the gap between the current and desired state, a change process can be designed and implemented. Successful change processes usually involve certain key “ingredients”. For example:

- The process must have a high-level champion (e.g. a minister, permanent
secretary or forestry director) with the will and influence to see the change through.

- The process will benefit from the support of a change team tasked with building momentum and continuity through communication about the importance of the change, the vision of where the organization is heading, and the strategy for getting there.
- Effective processes have short-term unambiguous “wins” that reassure staff they are on the right path.
- Often, capacity-development interventions need to be part of the change process – not only to modify how the organization works but also to equip staff with new skills and competencies, where needed. The change process may also involve a revision of how the organization funds its activities. For example, some countries have decided to allow their public forestry organizations to retain forest revenues rather than send them to the treasury. Other countries have established national forest funds. Some countries have decided to create separate units specifically tasked with the search for alternative funding sources and mechanisms to finance policy implementation.

Because organizational change affects people’s work, the involvement of the entire organization is important to ensure acceptability. To obtain “buy-in” by all staff members, some of whom may feel threatened by the change, their concerns must be addressed appropriately.

**Measuring and learning**

Institutional adaptation and strengthening is not a one-time intervention. The environment in which most forest-related organizations operate is continuously changing, perhaps at an accelerating pace. Organizations need processes to track progress and anticipate change so as to take advantage of emerging opportunities and to deal with challenges. Recent emphasis on results-based management provides an opportunity for public forestry administrations better to articulate the outcomes they seek to achieve and the indicators they will use to measure progress.

**Box 4: Institutional reviews and organizational assessments in REDD+ strategy development: the case of Sri Lanka**

Sri Lanka is carrying out an institutional review as part of its REDD+ strategy development. The review is highlighting that forest-related policies need to be updated and still envision only a limited role for other public agencies and private actors in their implementation. They also need to be better aligned with other national policies (e.g., energy). The institutional review is helping the Government of Sri Lanka identify which policy revisions and institutional arrangements are needed to complement the REDD+ strategy development process.

An organizational assessment is to then assess which capacities exist to carry out and coordinate the functions required to execute a REDD+ strategy: identification, analysis, prioritization and approval of REDD+ activities; selection, design and implementation of policy instruments; monitoring, reporting and verification of mitigation actions and impacts.

**THE WAY FORWARD**

In an era of rapid global transformation, the forest-related expectations and demands of societies change – in some cases dramatically – over time. Public forestry institutions must evolve if they are to respond effectively to these changing expectations and demands. The way forward is not simply to seek higher annual budget allocations for forestry; even if this would succeed for some years, it will not, by itself, result in stronger and better-adapted organizations with the capacity to cope with ongoing change.

Building resilient, adaptable public forestry institutions takes time and effort. A starting point is to build a clear picture of organizational performance, the institutional environment within which the administration operates, and the existing capacity of the institution to fulfil its mandate. Institutional reform requires a strong focus on results, an understanding of how the forest sector contributes to wider development goals, ongoing monitoring and learning, and investment to build the management, people and technical skills of staff.

In the future, the most effective and resilient public forestry institutions will have strong political support arising from the demonstrated economic, social and environmental importance of the forest sector, and heightened public awareness of this importance. They will be staffed by highly motivated people with good management, people and technical skills. Forest stakeholders will be strongly involved in institutional decision-making and forest-related policy development, and there will be strong understanding of, and integration with, other relevant sectors, such as agriculture, energy and water. Public forestry institutions with these attributes will be resilient in the face of ongoing change and therefore will have a high capacity to serve the public interest over time.
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