

Forest Tenure in West and Central Asia, the Caucasus and the Russian Federation



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For quotation:

FAO. 2010. *Forest Tenure in West and Central Asia, the Caucasus and the Russian Federation.* by F.Romano, I. Buttoud, D.Reeb. Forestry Policy and Institutions Working Paper No. 25. Rome.



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Acknowledgements

This paper would not have been possible without the fundamental contribution made by the authors of the seven case studies on which it is based: Anatoly Petrov and Nadezhda Lovtsova (Russian Federation), Gulusa Vildanova (Uzbekistan), Kairat Zh. Ustemirov (Kazakhstan), Venera Surrapaeva and Chinara Yakupova (Kyrgyzstan), Ruben Petrosyan (Armenia), Ali Yachkaschi, Kamran Adeli, Hooman Latifi, Kiumars Mohammadi Samani and Majid Seifollahian (Islamic Republic of Iran), Erdene Dorjsuren (Mongolia), and Yusuf Gune and Aynur Aydin Co kun (Turkey).

Special thanks go to our colleagues from the Natural Resources Department at FAO, Paul Munro Faure and Vladimir Evtimov, for their support in coordinating the Sustainable Rural Livelihoods and More Equitable Access to Resources component of the FAO-Norway Partnership Programme 2008, which funded this work.

We would also like to thank all the participants at the Workshop on Forest Ownership and Tenure, held in Antalya (Turkey) in March 2008, where the case studies were presented and discussed.

Acronyms

CFM	collaborative/community forest management
CIS	Commonwealth of Independent States
CPG	community partnership group (Mongolia)
FDC	forest dwellers' cooperative (Islamic Republic of Iran)
FMP	forestry management plan (Mongolia)
FPA	forestry plan administrator (Islamic Republic of Iran)
FRA	Global Forest Resources Assessment
FRWO	Forest, Rangeland and Watershed Organization (Islamic Republic of Iran)
FSU	former Soviet Union
GEF	Global Environment Facility
JFM	joint forest management
MNE	Ministry of Nature, Environment and Tourism (Mongolia)
NGO	non-governmental organization
NWFP	non-wood forest products
SFM	sustainable forest management
SGP	Small Grants Programme
UNDP	United Nations Development Programme
UNECE	United Nations Economic Commission for Europe

Introduction: Why is forest tenure important?

Natural resource tenure is broadly defined as the arrangements through which people gain legitimate access to natural resources; the conditions under which they use those resources and participate in the benefits deriving from them; and the institutions and processes for the management of those resources. Tenure is broader than ownership. It refers to a bundle of both rights and obligations – rights when it comes to owning, holding, using, managing or transferring resources, and obligations when it comes to using resources in such a way so as to not harm others, and paying taxes, fees and other duties. These rights and obligations are defined by national law, customary rules, or a combination of the two. (SIDA, 2009)

FAO's Global Forest Resources Assessment (FRA) 2005 shows that most of the world's forests (about 85 percent) are publicly owned. Deforestation and forest degradation resulting from population growth, agricultural expansion, increasing demand for wood products or rapid economic growth occur mostly in countries where forests are entirely or mainly State owned, thus triggering the debate on the effectiveness of public sector forest management and of current forest resource tenure and institutional arrangements. Although the causes of deforestation are multiple, there is increasing recognition that diversifying tenure arrangements by transferring secure tenure rights to local stakeholders, is an important mechanism for improving accountability and control of forestry operations at the local level, thus creating better conditions for sustainable forest management (SFM) (FAO, 2005). Tenure arrangements that provide secure rights to local stakeholders may also contribute to poverty alleviation (UNDP/UNEP/World Bank/WRI, 2005). Over the last 20 years, increasing efforts have been made to empower local populations, decentralize decision-making to local government units and increase the private sector's involvement in forest management. In some countries, this has led to a diversification of forest tenure systems and innovative institutional arrangements that aim to increase the direct involvement of local non-State stakeholders in forest management (Sunderlin, Hatcher and Liddle, 2008).

Nonetheless, most current policies and legal frameworks continue to limit local people's access to natural resources. Most rural poor people remain poor because their rights to land are weak and their tenure insecure (Bruce, 2004). In addition, an effective rights-based approach to forestry reform that ensures justice and poverty alleviation requires that attention be paid to more than just property rights. If forest peoples are to benefit from forests and forestry reform, forest governance systems need to secure a broad spectrum of rights (e.g. to market and commercialize forest products, and to give or withhold prior and informed consent for activities affecting people's land) (Colchester, 2007).

To provide facts and evidence on the implications of forest tenure for SFM and poverty alleviation, FAO has conducted a series of studies in South and Southeast Asia (2006), Africa (2008) and Latin America (2009), aimed at clarifying the relationships among forest tenure, SFM and poverty alleviation.¹ These studies highlight the fundamental importance of secure tenure rights and the need to accompany tenure reform with capacity building in exercising those rights. Effective tenure arrangements have much potential in solving forest degradation and destruction. If this potential is to be realized, emphasis should be given to designing and adopting more effective and diversified tenure systems that support local users, particularly disadvantaged groups, and to providing the necessary supportive legislation. Diversification of forest tenure can contribute to better forest management, particularly where State capacities have been demonstrated to be weak and the State is unable to ensure the sustainable management of its forest resources. Diversification of tenure systems through mechanisms that increase and guarantee access to natural resources for the poor are also key to poverty reduction and the realization of human rights (FAO, 2004a; SIDA, 2009)

¹ See also www.fao.org/forestry/tenure/en/. These studies are complemented by the United Nations Economic Commission for Europe (UNECE) assessment on private forestry in Europe (Schmithüsen and Hirsch, in press)

As part of the effort to collect evidence from all over the world, this paper presents the results of the study carried out in West and Central Asia, the Caucasus and the Russian Federation (complete list of country case studies in Bibliography)

This region is of special interest in being characterized by the predominant role of the State in controlling and regulating management activities in both public and private forests. Some of the countries, particularly the Commonwealth of Independent States (CIS)², are undergoing an economic, political and social transition, and reviewing their tenure structure and institutional settings. To various degrees and with different strategies, they are all considering a shift from a State monopoly in resource management and policy-making to new arrangements that are more open for other stakeholders.

The purpose of this study is to analyse and compare the various transformation processes taking place in these countries, with a view to identifying innovative and promising concepts and approaches for SFM and improved livelihoods at the local level.

² Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russian Federation, Tajikistan, Turkmenistan, Ukraine, Uzbekistan.

Facts and figures

The study collected quantitative data from 12 countries through a matrix showing the area of forest under different ownership and management categories,³ and carried out case studies in eight of them⁴ (Map 1). The quantitative analysis was based on two variables for defining tenure: type of ownership; and level of control over and access to resources. It explores the various possible combinations of forest ownership and arrangements for managing and using forest resources. The case studies provide more insight into the various forest tenure arrangements, through a qualitative assessment of forest tenure and its impacts on SFM and poverty alleviation (see Annex 2 for categories and definitions).

Map 1: Area covered by the report

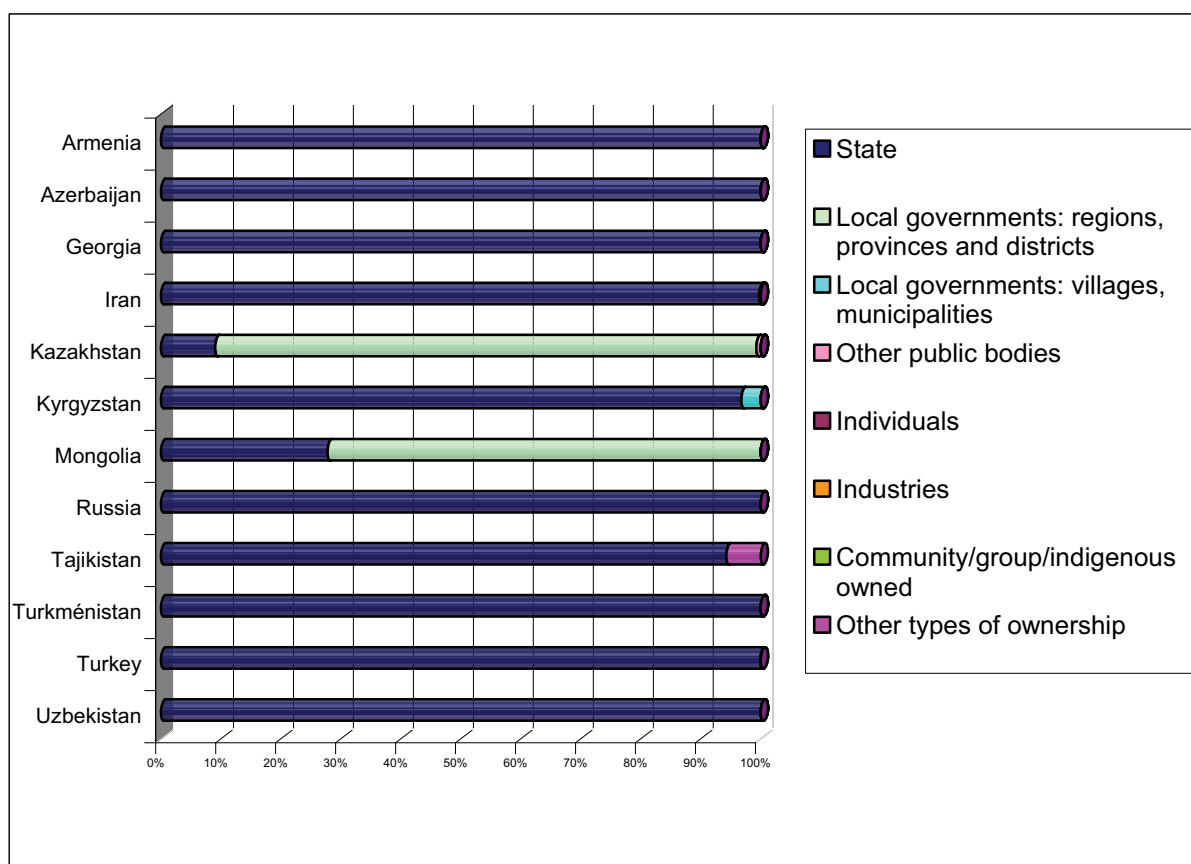


In the study countries, almost 100 percent of forests are public, with 2 percent owned by local and 98 percent by central government. Figure 1 shows that there is very little variation among countries.

³ Armenia, Azerbaijan, Georgia, the Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, Mongolia, the Russian Federation, Tajikistan, Turkmenistan, Turkey and Uzbekistan.

⁴ Armenia, the Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, Mongolia, the Russian Federation, Turkey and Uzbekistan.

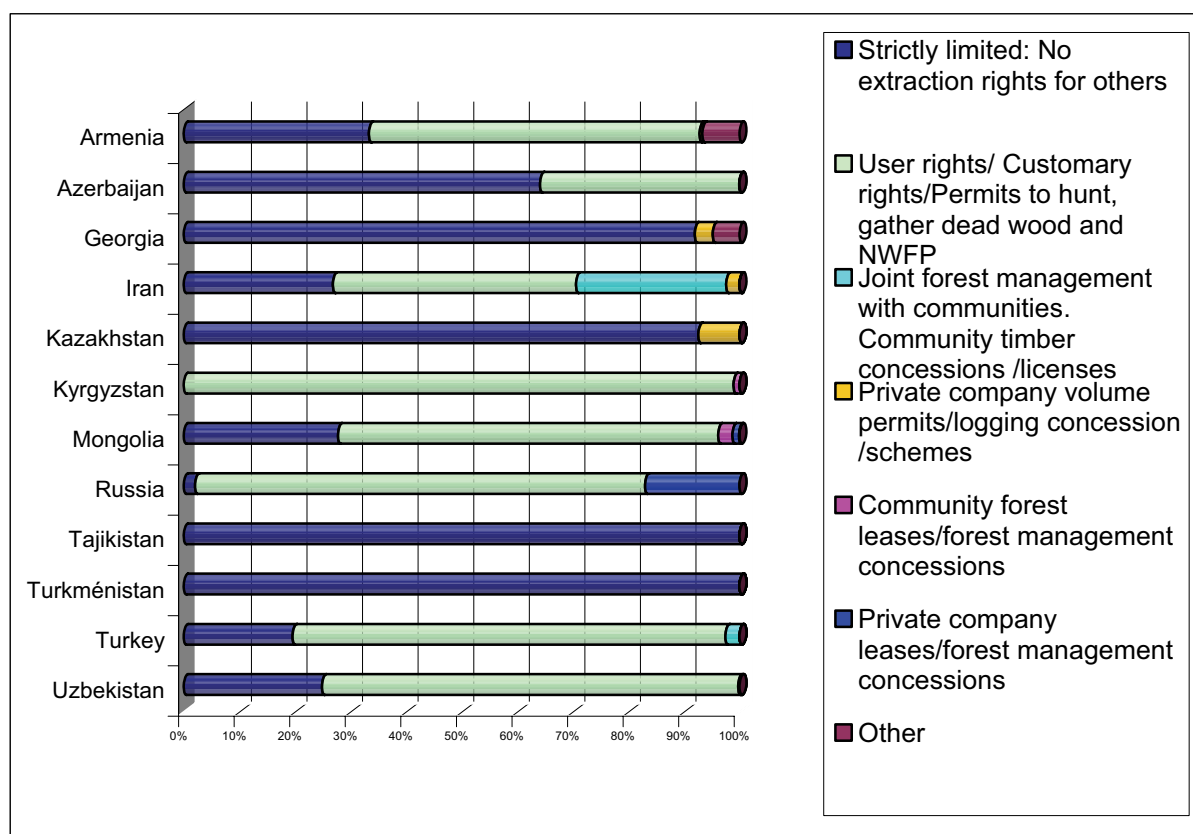
Figure 1: Ownership structure



The forest area in these countries amounts to 870 million ha (22 percent of the world's total), of which 800 million ha is in the Russian Federation.

Analysis of the management of public forests indicates that, with few exceptions, governments retain most responsibilities, through direct control over resources or by granting limited user rights. Joint forest management accounts for 26 percent of forests in the Islamic Republic of Iran and 2.5 percent in Turkey. Forest leases to local user groups or communities (usually for use of non-wood forest products [NWFPs], or use of land for pastures) are significant only in Mongolia (2.5 percent) and Kyrgyzstan (1 percent). Logging concessions for private companies represent a relatively significant share in Georgia, the Islamic Republic of Iran and Kazakhstan. In the Russian Federation, private company leases play a major role in terms of both percentage (about 20 percent) and surface (137 million ha) (Figure 2).

Figure 2: Management categories in public forests



Experience of innovative and diversified tenure arrangements is relatively limited in the study area compared with Africa, Southeast Asia and Latin America, where there have been more reforms and experimenting of new approaches (Annex 3).

The tenure structure for forest resources in the study region reflects the recent history of the countries. Thus, for example, in the CIS countries, which were marked by an absence of private property and land markets, the currently weak land reform and land law provisions have direct and indirect implications for forest and forest land tenure arrangements (Box 1).

BOX 1: General situation of land reform in the Commonwealth of Independent States (CIS)

Since the constitutional recognition of private property in all CIS countries, soon after independence in 1991, land reforms have introduced new land tenure regimes that allow for private, communal and other types of property. These land reforms started with the redistribution of former State collective farms among their members, which in most cases resulted in highly fragmented holdings and “virtual” land shares, without clearly defined boundaries. As a consequence, most land remained under the management of large (joint) farms or local authorities, leaving other land users without land shares, and thus not really improving conditions for the rural poor.

From the normative point of view, land laws, land-related sector regulations and their amendments lacked harmonization and coordination, and were often incorrectly interpreted for application. Organizational and normative gaps, unclear sharing of responsibilities between the State and local authorities, and the limited information on the land reform available to the rural population (especially regarding land distribution processes) had often resulted in very poor land tenure governance and insecure property rights.

Despite these limitations in the land reform, land laws remain the reference documents for forest land tenure arrangements in practically all the CIS countries’ forest codes, and this has a direct or indirect impact on forest tenure development.

At present, in most CIS countries, forests remain State property which cannot be transferred to other users. Private forests can only be established through the development of forest plantations on private lands, which are land shares privatized under the land reform. Owing to the unclear procedures of the land reform, few private forests have been established in this way. There is increasing interest in lease arrangements for forest land as an alternative way of gaining access to land for agricultural purposes, including pasture, and access to NWFPs as a source of additional income for the rural poor.

Annex 4 describes the different tenure systems, showing that privatization and other types of devolution of forest management responsibilities are still limited. Tenure systems other than public ownership and State control and management have been introduced only recently, so it is too early to see significant changes. Many of the alternative tenure arrangements foreseen by new legislation have not yet been applied at a significant scale, owing to weak institutional capacities, complex procedures or lack of incentives.

However, some interesting new tenure arrangements are emerging in the region. To understand these trends, it is necessary first to consider the forces that drive or limit the present tenure structure, as explained in the following chapter.

Challenges for forest tenure

PREDOMINANT ROLE OF THE STATE

All countries in the study region are undertaking decentralization and privatization, at various levels and to varying degrees. Despite these efforts, the role of the central government in controlling and regulating forest management activities remains predominant, in both public and private forests. It appears that the potential of decentralization and privatization is not yet being fully realized.

Uzbekistan provides an interesting example of this. Although land reform as a means of increasing agricultural production has been a declared national priority since shortly after independence, due to the prevailing traditional State-led command and control system there have been no evident changes in the structure of land use and decision-making procedures, and only a few changes in the organization of work at the local level. Land is considered a national asset, subject to rational use for the well-being of the whole nation. It can therefore not be privatized as its use must be strictly regulated. Long-term leases, such as the life-long land-use rights given to communities for joint possession and use, are neither transferable nor inheritable without the consent of the agricultural authority and local government institutions responsible for implementing land reform and land redistribution. These authorities decide which fields to lease, select farmers from among the applicants, select the crops, impose production levels, finance the farming, sell seeds and fertilizers, and buy and market all the products. In forests and on forest land controlled by the State, uses by non-State entities or private individuals are restricted to short-term leases for the harvesting of NWFPs and the use of non-forested forest land for agriculture or pasture. Only recently, under pressure from international environmental initiatives, have forest land leases for protective forest plantations been issued.

Decentralization is occurring at varying degrees in most of the cases assessed, but this is often limited to administrative decentralization (de-concentration), in which responsibilities and obligations are transferred without fiscal decentralization (see Annex 1 for definitions). For example, the Russian Federation's new Forest Code (2006) introduces the decentralization of forest management from the federal to the regional level, but ownership, normative regulation of forest use, conservation and protection, and control over law implementation remain with federal State bodies. Decentralization is limited to administrative tasks and the implementation of technical management, with no real economic independence. Although market mechanisms for access to forest resources have been introduced through obligatory lease auctions, the prices are still set by the State and payments for these go to the federal budget.

BOX 2: New tenure arrangements for forest management in the Russian Federation

The land reform (1990) brought a new emphasis on sustainable development, improved land-use efficiency and changes in the forest policy. The latter include liberalization of forest use arrangements, reorientation of forest management towards a market economy, and privatization of forest use rights, while ownership remains with the State. Administration and commercial forestry activities used to be responsibilities of the State Forest Service, but are now carried out by private companies. The responsibility for forest administration has been transferred to State territorial forest management units, which have no rights to undertake commercial activities. As a result, the model of forest use through long-term leases by private companies has replaced the model of State commercial operations of the Soviet era. The 3 500 forest management units (*leskhozes*) previously engaged in logging and processing have been abolished, and there are now more than 33 000 companies specializing in logging, processing and trading. The Russian forest industry currently consists of four main types of enterprise: logging companies, sawmills, wood processing enterprises, and pulp and paper mills. Approximately 95 percent are private Russian companies, while a few remain State-owned and there is a small but growing number of Russian-foreign joint ventures.

Source: Lesniewska et al., 2008.

Private landownership is extremely rare in the region, although it is included in the legislation of all countries except Uzbekistan. In some cases, the forest code that allows the establishment of private forests is relatively new, so the privatization process is still not significant. The main limitations to privatization are probably the lack of incentives, and sometimes the existence of cumbersome regulations that act as disincentives for citizens to invest in forests.

The privatization of natural forests is not foreseen in any part of the study area. Privatization is limited to newly planted forests, which in some cases have to be established by the landowner at his/her own expense (e.g., in Kazakhstan). Because its advantages for the rural population are not evident, privatization is not widespread. Recent land and forest legislation in CIS countries opens up the possibility for private ownership and other tenure arrangements, but the forests and forest land registered under the State Forest Fund⁵ remain in State ownership. Under *Kazakhstan's* Forest Act of 2003, for example, plantations can be established through afforestation by private individuals or legal entities on their land. The plantations, once registered as forests, are granted to the landowner as private property or for long-term land uses. However, so far, there are no records of registered forests. The *Russian Federation* represents an exception within the study area, as forest ownership in this country is attached to and inseparable from landownership, and the privatization of land that is not included in the Federal Forest Fund is permitted by the Land Code. In theory, therefore, private forests could be created where the privatized land is covered by trees, but there have been no cases of this so far.

In *Armenia*, non-forested State forest land without natural regeneration can be handed over to private companies or individuals on 60-year leases at no cost on condition that forest plantations are established at the tenant's expense. The trees planted on the land (but not the land itself) are the property of the entrepreneurs who invested in tree planting. Ownership of the forest is registered after the forest plantation has been converted to the forest category by a special legal act. Owing to the initial investment required to establish a plantation, and difficulties with access to credit, only a few companies or individuals have taken advantage of this possibility thus far.

According to the provisions for private ownership in the Land and Forest Code of *Kyrgyzstan*, only "unused land" can be utilized for establishing private forest, and State Forest Fund lands cannot be allocated to private forest development. This situation is fairly common: afforestation is restricted to unused lands, which are generally of poor quality, so significant initial investments are needed. This constitutes a disincentive for private landowners, even when the State offers tax incentives or free saplings.

In the *Islamic Republic of Iran*, farmers are reluctant to convert their fields into plantations, which is currently the only way of privatizing forests. There is little cooperation between local people and major wood industries or the Natural Resources Office (as potential contractors), and farmers are unsure of the long-term success of investments in plantations.

The legislation in some countries *de facto* discourages private forest ownership. In *Turkey*, for example, any land area larger than 3 ha covered by forest trees or shrubs is automatically nationalized (Box 3).

⁵ State Forest Fund/Forest Estate is a tenure category common to all FSU countries. According to the Russian Federation Forest Code of January 1997 (www.forest.ru/eng/legislation/) it is defined as:

Article 7. Forest Estate: All forests, except forests located on defence lands and lands of populated localities (settlements), and also Forest Estate lands not covered with forest vegetation (forest lands and non-forest lands) shall constitute the Forest Estate.

Article 8. Forest Estate lands: Forest Estate lands shall include forest lands and non-forest lands. Forest lands shall include lands covered with forest vegetation, and those not covered therewith but intended for the restoration thereof (fells, burns, withered stands, thinned stands, bare patches, glades, areas under nurseries, non-closed forest crops, and the like). Non-forest lands shall include lands intended for the needs of forestry (lands under footpaths, bridges, roads, arable lands, and other lands), and also other lands situated within the boundaries of the Forest Estate (lands under bogs, and other lands unfit for use).

BOX 3: Turkey: Legislation limits private forestry

In Turkey, almost 3 percent of forest land was owned by private entities until 1945, when Law 4785 nationalized all forest areas greater than 5 ha, reduced to 3 ha in 1950 by Law 5653. The only exceptions are for planted forests, such as poplar, or privately owned lands under stone pines. In 2001, title deeds transferred to private entities started to be cancelled, causing severe problems regarding security of ownership and the implementation of forest management plans.

Current legislation does not encourage afforestation on private lands due to lack of incentives. Afforestation of small areas (less than 3.0 ha) is not a good investment because of the management costs involved. A shortage of funding sources is the main obstacle to private afforestation, along with restricted use rights for private land containing forest trees. These areas are considered forests and are subject to forest legislation, which prohibits investors from converting forested areas to other uses. Forest legislation also acts as a disincentive to private afforestation because it does not allow investors to use afforested areas for recreation, house construction and commercial land uses. Private owners also have to cover all the costs of forest planning, management and protection activities stipulated by law.

Source: Gunes and Cuşkun. 2008, FAO

THE FOREST LEASE SYSTEM: THE MOST COMMON OPTION FOR NON-STATE STAKEHOLDERS

Although policy objectives are gradually changing from pure production and preservation to a more multifunctional approach, in most CIS countries, forests' productive role is still given the highest priority in management decisions, especially when the forest has important economic potential, as in the Russian Federation or Kazakhstan. Central governments and concerned ministries and institutions seem to be reluctant to experiment with new systems, particularly in forests with commercial value.

When the State does not manage forest resources directly, leases and concessions are the most widespread tenure arrangement. In the Russian Federation, leases cover more than 137 million ha, representing 17 percent of the total forest cover. These arrangements are developed and managed in a very conservative way: most forest leases are issued to private companies, so poorer sections of the population rarely benefit. Current forest tenure systems (Annex 1) favour large-scale industry and companies with the capacity to invest in infrastructure and long-term forest management. The forest is seen first and foremost in terms of the economic value that can be realized through leases, without consideration of multiple forest functions, and this indirectly limits access for other users, such as local communities or smallholders. There have been few efforts to encourage leases and concessions to support local communities and smallholders. In *Armenia*, for example, timber harvesting has not been included in attempts to develop a more diversified lease system (Annex 1) that would benefit local communities (see Chapter on promising initiatives for greater stakeholder involvement).

In *Uzbekistan*, where about two-thirds of the Forest Fund is agricultural land, the existing lease system concerns only non-forested areas and includes the leasing of lands for pasture or establishment of plantations of poplar, walnut and fruit trees intercropped with agricultural crops, for ten to 15 years. When the agreement expires and the stand is mature, the tenant can start cutting trees and receives a share of the harvested timber for personal use. The first long-term leases for establishing protective forests in the Aral lake preservation area have recently been formulated. Lease systems have so far not been very efficient, mainly because of the need for considerable initial investment from the tenant and the restrictions imposed on water use (water is reserved primarily for agricultural purposes). In addition, the methods of allocating forest areas are not based on open bidding. The local forest management unit defines the tenure conditions and selects leaseholders, who are usually the people that work for the forest enterprise, or their families.

In *Kyrgyzstan*, forest land leases are based on land use, and may be indefinite or for a fixed term. One or several uses can be applied to the same forest (land) plot. The maximum size of a family or group plot ranges from 2 to 10 ha, depending on the forest type as regulated by the Forest Code or Collaborative/Community Forestry Management (CFM) Regulation. Although the legislation foresees the leasing of State Forest Fund for various uses (mainly NWFP production, tourism, forest plantations and timber harvesting), so far, most leases have been for non-forested areas and plots in walnut forests, for short periods of one to five years on a maximum of 5 ha. Theoretically, the longest lease could be for 50 years, but forests in Kyrgyzstan are in the special protection category, so no forests are currently under long-term leases. There is no economic incentive for the private sector to take up long-term forest leases, owing to the ban on industrial timber harvesting and the vast area of specially protected

territories, where possibilities for economic activities are very limited. Non-forested Forest Fund lands seem to be more attractive for pastures, hay making and other agricultural uses.

In *Kazakhstan*, both long- and short-term leases are granted, based on specific licences for each use. To harvest timber on State Forest Fund lands, companies are required to obtain a harvesting licence proving their material and professional capacity to execute the activity. Forest lease licences for harvesting timber and/or NWFPs for personal consumption, or for using the land for pasture, hay making and other agricultural activities may limit the local population's access. For example, NWFP collection is rarely a full-time commercial activity. NWFPs are usually used for subsistence or to generate supplementary income through sales at local markets.

CHANGING POLICIES AND LEGISLATION

The social, political and economic transformations – including democratization processes and efforts to promote sustainable development – taking place in most countries of the region have an impact on the forest sector. Recently, forest sector policies and laws have undergone significant changes affecting forest tenure systems:

- *A more multifunctional vision of forests and, consequently, changes in policy objectives:* The focus on timber production or forest preservation is giving way to a wider view that includes the conservation of biodiversity and multiple uses of forests. The adoption of improved forest management and conservation in accordance with international agreements has forced countries to change their forest management priorities and increase protected areas. Governments acknowledge the ecological importance of forests but may be reluctant to devolve management rights to local stakeholders because they believe that local people lack the capacity to conserve forest resources. In addition, there is still a strong focus on technical issues, while social aspects are neglected or only superficially dealt with. Local communities' involvement in forest management is part of national strategies for sustainable development in many countries in the region: there are provisions for this in the legal frameworks of Mongolia, the Islamic Republic of Iran, Kyrgyzstan and Armenia. However, very few countries have yet adopted meaningful measures in this direction, and the implementation mechanisms introduced are still weak. For example, concepts such as joint forest management (JFM) and CFM, which are now rather common in Africa and Asia, and communal and private forests found in parts of Europe and North America where there is a tradition for either commune or private social structures, have been introduced to the study region, but are neither fully accepted in nor fully adapted to it.
- *Decentralization of forest management and administration and a new role for the State:* Although forests remain largely under State ownership, the role of the State needs to be redefined to adapt to the political, social and economic changes brought about by the introduction of a market economy. Decentralization is often limited to the transfer of responsibilities and obligations, sometimes accompanied by the separation of monitoring and management functions. The growing need for private involvement in forest management, through the empowerment of new stakeholders such as private companies and civil society, is often blocked by State institutions' reluctance to share power and their lack of capacity to support new stakeholders and forest functions.
- *Legal frameworks:* Political reforms, including in forestry, are generally accompanied by changes in legislation. Owing to the drastic changes in the region within a relatively short time frame, there has been little coordination or harmonization of the general legal framework and sector laws. In addition, the development of implementation mechanisms for the new laws is lagging behind, partially due to the pressure of rapid and constant changes. Another feature common to all CIS countries is their inadequate coordination of land tenure, privatization, decentralization, etc. regulations among sectors, which leads to confusion and opens up possibilities for multiple interpretations, thus promoting informal relations and injustice.

THE ENABLING ENVIRONMENT: INSTITUTIONAL CAPACITY, AWARENESS AND COMMUNICATION

Despite their flaws, the lease systems and their recent modifications open the way for leases to communities and other local stakeholders and can be considered a first step towards more diverse tenure systems. As observed in other regions (FAO, 2006b; 2008; in press), the devolution of management responsibilities to a variety of stakeholders, especially at the local level, is unlikely to

generate the desired outputs (improved forest management and poverty alleviation) if it is not supported by an adequate enabling environment – adequate implementation modalities and capacities, institutional and legal frameworks, and long-term and secure tenure agreements.

Most of the cases analysed describe the limited capacities of individual farmers and groups to implement reforms and satisfy contract requirements. Long, costly and complex procedures for obtaining forest management rights affect the poorest in particular, and are undermining the emerging new tenure systems in many countries. In *Armenia*, the management of State forests in the territory of a municipality can be handed over to a community without a tender, as long as a forest management plan is available. However, no forest concessions have been granted to communities thus far because they cannot produce forest management plans (Box 6). *Mongolia* and the *Islamic Republic of Iran* are in a similar situation, with local actors' participation restricted by their lack of capacity and by the procedures themselves, which are designed to retain decision-making power in public hands. The development of management plans is assigned to forest professionals or certified consultants, while implementation is left to local communities. These have to be organized in community partnership groups (CPGs) in Mongolia, and forest dwellers' cooperatives (FDCs) in the Islamic Republic of Iran (Box 4). Local communities have no control over decision-making, but bear the burden of applying management plans, for which they are rarely prepared.

In Mongolia (Box 8), the success of CPGs has been undermined by the limited capacity of the forestry professionals and companies licensed to design forestry management plans (FMPs) in fulfilling the growing demand from CPGs and other stakeholders. In addition, many CPGs have not yet developed sufficient capacity to implement their FMPs. A similar situation is experienced in the Caspian region of the Islamic Republic of Iran.

BOX 4: Islamic Republic of Iran: Forest dwellers' cooperatives

Forest ownership in the Islamic Republic of Iran was transferred to the government following enactment of the Forest Nationalization Law in 1963. Most forest areas are now State-owned, except for a few plantations on private land.

In the Caspian region, State ownership has helped to regulate forest utilization; timber can be extracted only with approved management plans that the Forest, Rangeland and Watershed Organization (FRWO) prepares directly or through consulting companies.

Although forest management rights belong to the State, since the 1980s, the implementation of forest management plans has been gradually devolved to forestry plan administrators (FPAs), which can be government institutions, semi-governmental companies and local cooperatives. At the moment, 48 percent of forests are managed by the government, 36 percent by private companies and 15 percent by local cooperatives. The FPAs' responsibilities include harvesting timber products, paying royalties to FRWO, constructing and maintaining forest roads and skid trails, reforestation degraded lands, and other duties stipulated in the forest management plan. The FPA's rights include the commercial benefits from implementing the forest management plan, chiefly through timber harvesting.

FRWO has facilitated the formation of small forest dwellers' cooperatives (FDCs) to promote community cooperation in organizing and implementing forest management plans, mainly on degraded and often erosion-prone forest lands with low-density forests whose management is often not economically viable. FDC executive managers are usually retired FRWO experts or local trustees; most other forest managers are local people with appropriate education and training. The focus of forest management by FDCs has gradually changed, from biological and technical aspects of forests to greater consideration of socio-economic issues, such as the relocation of livestock from planned forest districts. However, the trend for establishing FDCs has lost momentum, mostly as a result of economic inefficiency and local mismanagement. For example, there is a basic conflict between the State's and local communities' perceptions of the purpose of cooperatives. In forming an FDC, the State considers objectives such as forest protection and resource sustainability, while local people living in poverty tend to view the FDC mainly as a potential source of income to support their own livelihoods.

Nonetheless, the participation of local communities (and sometimes local experts) in managing FDCs can bring benefits for local forest protection, as well as commercial benefits for local people, provided the government supplies the necessary financial support through forest mechanization, subsidizing activities, etc. The main advantage of an effective FDC mechanism is the community's greater sense of responsibility for protecting forest resources. Recent forest management plans show promise – at least in their basic terms of reference – for increasing public participation, but it is too early to assess how effectively they are doing so.

One of the weaknesses of FDCs is their definition of local participation: they tend to use local people as low-skilled forest workers, rather than involving them in forest management planning and implementation. While communities' livelihoods should be supported through temporary and permanent employment opportunities, their long-term experience, knowledge and interests should also be integrated into the planning process.

Source: Yachkaschi et al. 2008, FAO.

The land reform process that has characterized the CIS countries since 1991 shows some common patterns, particularly regarding local institutions.

Private property is recognized by countries' constitutions, but the transition from State to private ownership has often lacked well-defined support mechanisms, such as clear registration procedures or legal norms. Reform has usually been accompanied by a decentralization process involving local institutions in forest administration, without proper capacity building.

In the *Russian Federation*, since 2008, the administration of forests has been transferred to specialized territorial forestry units (*lesnichestva*), although specialists in these units may lack experience in administrative issues. In *Kazakhstan*, during institutional reform in 2001 to 2002, the responsibilities and duties of entities dealing with forest management and nature protection were transferred to regional local governments, without the necessary budgets and professional training.

Institutional capacity problems linked to decentralization have also been experienced in *Mongolia*, where management responsibilities – including for forests – are devolved to local government at the city, province (*aimag*), district (*soum*) and sub-district (*bag*) levels. Environmental legislation provides these bodies with the authority to implement forest legislation, monitor forest management and lease forest resources to private and community bodies. However, this is an almost impossible task for local governments, which lack training, guidance and financial support. The main institutional problem in Mongolia's environmental management is the imbalance between the assignment of responsibilities and the allocation of budget resources to local governments, resulting in serious constraints to implementation.

Weak institutional capacities are often accompanied by limited knowledge of the legal framework, including the rights associated with specific tenure systems. Countries have invested little in awareness raising and communication, and the poorest and marginalized sections of the population are the most affected by this lack of information. In *Mongolia*, for example, local communities have received no information about new legislation that would enable them to participate in natural resources management through CPGs, and are therefore often excluded from membership.

RECOGNITION OF CUSTOMARY RIGHTS

Recognizing and valuing customary tenure systems as a way of preventing conflicts and ensuring long-term management has proven to be of utmost importance other regions, especially Latin America, where indigenous populations play a major role in the management of forest resources. In Central Asia, the issue of indigenous people is less relevant, but in some countries, customary tenure systems have been affected by the rapid changes these countries have been undergoing in recent years.

In the Islamic Republic of Iran and Turkey, for example, which have a tradition of customary forest management, the abolition of traditional tenure systems as a consequence of the nationalization process is a critical issue for forests and local users' livelihoods. In western *Islamic Republic of Iran*, pressure on forest dwellers to accept State ownership of forests has been a major cause of conflict leading to deforestation (Box 5). The same applies to *Turkey*, where the current Forest Code (1956) does not recognize indigenous or tribal ownership rights to forests, particularly not for NWFPs, which have good potential for poverty alleviation and forest village development. Although customary law allows forest villagers to collect NWFPs for household consumption, they do not have statutory rights to such resources and cannot use them commercially. Instead, external investors can obtain leases to collect NWFPs through short-term contracts, even though villagers have greater need of them. This creates a potential source of conflict and limits income generation at the local level.

BOX 5. Western Islamic Republic of Iran: Unrecognized traditional tenure systems.

In the western Islamic Republic of Iran (Zagros), informal forest ownership based on the traditional system was the main form of tenure until it was invalidated by the National Land Reform and the Forest Nationalization Law in 1963. Local rural and tribal communities regard themselves as the original owners of resources, despite official State ownership of forest resources and land. This initially led to increased deforestation, land-use conversion and disputes between the government and communities that lost their long-established rights to forest resources and land.

There are no timber harvesting plans for Zagros forests, because the native woody species are not commercially harvestable and the region is ecologically sensitive and seriously prone to soil erosion. Instead, these forests are a rich source of NWFPs

So far, government management has had little success in promoting public participation in SFM. Many rural and tribal communities in Zagros are totally dependent on forest sites because understorey cultivation and livestock are their only sources of income.

It seems that modified traditional forest management could enhance SFM, but this is not currently recognized by State organizations. Over the last 30 years, the government has responded to a significant population increase (particularly in rural and tribal areas) by relocating communities and restricting their access to forests, rather than by helping them to modify traditional forest management practices and creating alternative income sources.

Source: Yachkaschi et al. 2008, FAO.

Promising initiatives for greater stakeholder involvement

Previous chapters have highlighted the predominant role of the State in forest management in the region and have outlined how mechanisms such as privatization and decentralization that could facilitate tenure diversification and the involvement of a broader range of stakeholders suffer from insufficient legal frameworks, institutional capacity and incentives. However, some promising initiatives are emerging in several countries. It should be noted that most of these are in incipient stages and their effectiveness cannot yet be assessed.

ARMENIA: LEGISLATION AS A BASIS FOR TENURE DIVERSIFICATION

The new Forest Code adopted in 2005 aims to create the conditions for more efficient and longer-term use of the State Forest Fund, through increased diversification of tenure systems and the involvement of a broader range of stakeholders. Leases were previously limited to a period of ten years, but the new code allows the leasing of non-forested forest lands for 60 years, for establishment of forest plantations. Ownership of these can be obtained once the plantation has been registered in the forest category by a special legal act. The code also allows ten-year concessions to be granted to communes on a no-tender basis, or to private entities through tenders. State forests in the territory of a commune can be handed over for community management without a tender, if there is a forest management plan. If the community is not interested in this, the land can be handed over to private entities on a tender basis.

Therefore, no concessions to communities have been registered, because forest management plans are not available due to capacity problems. Instead, the number of private entities applying for forest land leases has increased drastically. Concessions include ecotourism, recreation, use of forest by-products, reforestation, forest protection and hunting; 30 000 ha of Forest Fund land have been leased to private entrepreneurs. Of this area, 20 000 ha is leased for reforestation, protection and hunting; about 6 000 to 7 000 ha for recreation and ecotourism; and about 3 000 to 4 000 for NWFP use. Although the law has been applied for only a short period, some positive results have been recorded, particularly reduced poaching.

This new legal framework has the potential to increase private interest in forest management, create possibilities for income generation through the use of NWFPs and, eventually, improve the livelihoods of the rural population.

ISLAMIC REPUBLIC OF IRAN: PARTICIPATORY FOREST MANAGEMENT

The introduction of *participatory forest plans* on a pilot basis, with local people playing an important role in managing forests, has had some positive impacts on SFM and poverty alleviation in the Islamic Republic of Iran .

An integrated forest management project carried out by the United Nations Development Programme/Small Grants Programme (UNDP/SGP) and the Global Environment Facility (GEF) (Yachkaschi, 2006) in Mazandaran province provides a case study that could be replicated on a larger scale across the Caspian region. It was implemented in mountainous areas facing many challenges: high population density, degraded forest resources, widespread livestock grazing in forests, poverty, etc. Increasing migration to the cities (especially by young people) is a potential source of cultural and socio-economic conflict. The project's objectives were to introduce efficient ways of using forests sustainably, strengthen the public's environmental awareness, improve local employment rates (and thus local economic conditions), and promote communities' interest in protecting forest resources across the area.

After seven years of project implementation, results show significant progress towards the aims of enhancing the local economy, improving degraded forest cover, increasing local participation and optimizing forest management practices. Surveys show an average increase of 31.4 percent in families' net revenues. Another project in the same area created 34 permanent and 180 temporary jobs in a

village of 707 people. Deforestation within the project area was also found to be lower than the 1.8 percent rate recorded for other districts.

This project demonstrated that local people can be effectively involved in forest management processes, even though the forests are state-owned. UNDP selected it as one of the three most successful of the 80 SGP-funded projects conducted in the Islamic Republic of Iran.

MONGOLIA: COMMUNITY-BASED NATURAL RESOURCE MANAGEMENT

Community-based natural resource management is an innovative tenure system, which is based on community partnership groups (CPGs), voluntary associations of local people with common interests. In Mongolia, more than 260 CPGs, involving 4 224 families and 8 793 members, are leasing a total of 343 691 ha of forest area for periods of up to 60 years, with possible extension. Although it is still relatively new, the system is already showing positive impacts, the most important being the reduction of illegal logging in leasehold forests, which is due to CPG members' control over their forest areas. Over the last decade, the government has made substantial progress towards establishing an enabling legislative environment for community participation in natural resource management.

A CPG owns any forest resources it plants. In exchange, CPGs are responsible for providing annual reports on the status of their forest areas, enforcing relevant environmental legislation, carrying out rehabilitation and reforestation activities, and recruiting volunteer rangers and conservation managers to protect against wildfire, pest infestation and forest degradation. At least 80 percent of CPG members must be permanent residents of the local administrative division. The partnership group submits a forest management plan (FMP), developed by a professional forestry organization, and provides annual reports on implementation of this plan to the local authorities (the first FMP is paid for by the Ministry of Nature, Environment and Tourism (MNE)).

The programme started in 1995 as a first attempt to provide local communities with forest tenure rights. However, it focused initially on the responsibilities of forest users rather than fully addressing their rights. CPGs were responsible for funding and conducting all environmental management, including wildfire control, pest management and deforestation control, and assisting in environmental law enforcement in the forest resources they leased. The groups were granted rights to use NWFPs, but not to cut timber: the very limited economic return from the forest made it difficult for communities to fund forest conservation and management activities, and leasing communities ended up becoming volunteer rangers or unpaid forest guards. This imbalance of responsibilities and rights for CPGs discouraged other local communities from setting up CPGs.

Since 2005, communities have the rights to own the forest they have planted themselves; conduct the activities identified in the FMP; utilize the timber and non-timber resources extracted from their tenured forest according to the FMP and licence, and market excess resources; formulate project and programme proposals for national and local budget funding; and participate in tenders and management and professional skills building and training activities.

Selenge province has become one of the area's best examples of community-based natural resource management for controlling natural resource depletion. Some CPGs have established carpentry workshops and are producing furniture and other wooden products. Most CPGs have planted trees and obtain financial rewards from the government for their reforestation activities.

TURKEY: CULTIVATION OF STONE PINE BY COMMUNITIES

As a result of a clear tenure arrangement and capacity building programmes, private and village-owned stone pine plantations in the Kozak region of Turkey have had a positive impact on local people's livelihoods. Stone pine land can be private, communal (village) or State-owned. The nationalization process of Turkish forests described in Box 3 does not include fast-growing tree species such as polar and stone pine planted on private lands, which are considered orchards. In stone pine areas belonging to villages, planting and maintenance work is paid for through the village budget, and products are harvested by tender. At the start of the stone pine programme, villagers had no knowledge about managing stone pines, exporting nuts or marketing their products, but they developed these abilities through training and hands-on experience. The outcomes for villagers have been positive, and their living conditions have been substantially improved: "development of the region's socio-economic structure has created a unity not seen in most parts of the country, including the development of

business cooperatives” (FAO, 2004a). Turkey’s total annual production of stone pine nuts is about 1,300 tonnes, of which between 900 and 1,000 tonnes is produced in Kozak; 80 percent of this production is exported, generating annual income of more than 10 million US\$, or about US\$1,300 per capita for the local people participating in the programme. Stone pine cultivation also creates many jobs in the region, and now generates about 60 percent of total household income.

KYRGYZSTAN: COLLABORATIVE FOREST MANAGEMENT AS PART OF THE DECENTRALIZATION PROCESS

Forest reform in Kyrgyzstan started in 1998 and foresees a gradual decentralization, with the transfer of forest management responsibilities to State forest management units (*leshozes*) and licensing of forest use activities, including the responsibility for forest protection, to the private sector and local populations.

One of the features of Kyrgyzstan’s forest sector reform is the introduction of joint forest management (JFM) involving local governments, populations and communities. JFM (otherwise known as *CFM leasing*) was introduced in Kyrgyzstan in 1995, mainly in walnut forests, which are of high economic interest. It is based on joint activities by the families, communities or individuals living on State Forest Fund territory, and focuses on forest use, protection and regeneration. To ensure equity and fairness, the forest plots are allocated by two participatory commissions: one made up of representatives of the local State forest management unit and the local/village administration, and the other of CFM tenants. The NWFPs that CFM tenants harvest from their plots become their own property, and in return the tenants carry out some forest management work (forest protection and regeneration, pest and disease control, nurseries, etc.). A contract is initially signed for five years, with the possibility of a 50-year extension if its provisions are respected.

Kyrgyz forest policies and legislation recognize CFM as a means of promoting SFM (according to the Forest Code, the National Forest Programme and the National Action Plan). The objectives of CFM have changed over time, but the basic mechanism of leasing Forest Fund plots (mainly of walnut) to local families remains the same. The development of CFM tenure arrangements may have the potential to improve the situation of rural families (the income of CFM tenants is reported to be increasing gradually), but this potential is limited by the scarcity of the resource.

In January 2008, CFM accounted for about 9 427 ha of State Forest Fund land, distributed among 1 058 families, whose incomes have grown over the years. For the whole Dzhalsalabad region, for example, the total income increased from US\$3 000/year in 2002 to US\$91 000/year in 2007. According to the BIOM report, implementation of the CFM programme produced a useful lesson for the entire region as it explores alternative tenure systems: Locally adapted tenure settings and processes should be part of any reform (Box 9).

BOX 9: Kyrgyzstan: CFM issues and lessons learned

The JFM tenure system, also known as collaborative/community forest management (CFM), has been in place for several years, but has not realized its full potential, for several reasons.

One of the first lessons of this experience is that the context and capacities in Kyrgyzstan were not properly taken into consideration when CFM was first introduced: the State’s role in ensuring a sustainable process was underestimated in favour of a purely bottom-up approach.

The current conflicts of interest between State forest management units (*leshoz*) and local people are caused mostly by unfair forest land distribution and failure to observe the requirements of contracts for forest use. The CFM regulation’s conflict resolution mechanism is insufficient to deal with these.

Local populations have often misinterpreted CFM objectives and mechanisms, and undervalued their utility owing to:

- the inadequate training and information services provided by *leshozes*;
- the sudden introduction of the concept of community in contexts where farmers tend to act individually (or as families);

excessive demands on resources: on one hand, tenant families’ priority to maximize the profits from plots as soon as possible leads to their neglect of SFM principles, while on the other hand, the limited access for non-tenants creates social conflict, undermining sustainable local development objectives.

Source: BIOM 2008.

Conclusions and the way forward

The case studies made it clear that in most countries in the study area, particularly the CIS countries, poorly developed land markets, uncoordinated sector legislation, difficulties with developing effective institutional reforms, weak local governance and inadequate communication are slowing down the development of more diversified forest tenure systems involving local stakeholders.

In forest-rich countries, current forest tenure arrangements are more favourable to wealthy entities with the possibility to invest (such as larger private companies, as in the Russian Federation) and well-organized individuals with networking and lobbying capacity than they are to the rural poor.

The latest initiatives for tenure diversification that are taking place in several countries have not yet benefited poorer sections of the rural population. However, when an enabling environment is in place, with adequate policies, legislation and institutional support, forest tenure systems involving local people have a real chance of success.

With the exception of the Russian Federation, the potential for private forestry development in most countries is currently limited by legal restrictions regarding the establishment of private forests and the need for considerable initial investments. NWFPs are of great importance for local livelihoods, but the requirements for licences and other types of permits often prevent local people from benefiting from these resources, as the process of getting a licence is complicated and costly.

Priority areas for action in the study region are similar to those that have emerged in other regions: capacity building of different actors; strengthening diversification of forest tenure systems through negotiation with and participation of local actors; and development of an enabling environment based on harmonized policies and an appropriate regulatory framework. The recent history of most countries in the region, including the drastic socio-economic changes and the frequent changes of policy orientations and legal frameworks have undermined the confidence of stakeholders. Therefore aspects related to building confidence and capacities, communication and public participation are of greater importance than they are in other regions.

Countries need to invest in *confidence building* among stakeholders at all levels, through exposure to other regions' experiences, and by implementing tenure systems other than public ownership and management, through appropriate and step-wise processes. *Capacity building* of policy- and decision-makers is of fundamental importance: the delegation of forest management rights and responsibilities to other private and communal stakeholders is a new concept that may not yet be well understood. There is a need to increase understanding of the benefits of alternative, well-implemented, locally based tenure arrangements, particularly their potential for enhancing forest management, improving forest governance, stimulating local economies and reducing poverty.

Part of the capacity building process is the introduction of wider *stakeholder participation*, primarily in policy-making processes, but also in forest management planning and administration, the latter being particularly relevant in countries implementing decentralization. However, it is essential that this concept be adapted to the socio-economic context, rather than imposing "imported" models, and that it is based on a careful assessment of the institutional setting.

In common with many other regions, the *harmonization of sector policies and legislation* deserves special attention and support, for example, through the development of specific platforms for dialogue and negotiation. At the same time, a stronger emphasis on *information and communication* would ensure better understanding of policies, laws and regulations by a wider range of stakeholders, thus allowing them to participate in and benefit from emerging efforts to provide more access to forest resource management by non-State actors.

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ANNEX 1: TERMINOLOGY

The following definitions of property and ownership terminology were used in the case studies (Bruce, 1998; FAO, 2003).

Commons: Land or other natural resources used simultaneously or serially by the members of a community.

Co-ownership: Joint ownership by more than one legal person.

Custom: An action or practice that has taken place since time immemorial and that is not regulated by the State or other authority outside the social group.

Customary land: Land where uses are regulated by customary, unwritten practice, rather than written, codified law.

Decentralization: The transfer of both decision-making authority and payment responsibility to lower levels of government. Although still involving the government, it provides a stronger role for local bodies, which are presumed to have greater accountability to the local populace, including both users of the resource and others who live in the area.

Deconcentration: The transfer of decision-making authority to lower-level units of a bureaucracy or government line agency. It represents less of a change than either decentralization or devolution, because authority remains with the same types of institution and accountability still runs upwards to the central government, which is sometimes taken to represent society at large.

Devolution: The transfer of rights and responsibilities to user groups at the local level. User groups are accountable to their memberships, who are usually those who depend on the resource.

Forest tenure: A broad concept that includes ownership, tenancy and other arrangements for the use of forests. In the context of these case studies, forest tenure is the combination of legally or customarily defined forest ownership rights and arrangements for the management and use of forest resources. Forest tenure determines who can use what resource, for how long and under what conditions. The necessary components of forest tenure include excludability, duration, assurance and robustness.

Excludability allows those with rights to a particular piece of land to exclude those without rights.

Duration refers to the period for which the right is granted. Right holders, such as local communities or farm households, only feel secure when the time horizon is sufficient to allow them to reap the benefits of investments. An institutional framework capable of enforcing rights provides assurance.

Robustness refers to the number and strength of rights that can be possessed (Knox McCulloch, Meinzen-Dick and Hazell, 1998).

Privatization: Broadly, the transfer from the public sector to private groups or individuals.

Property: A set of rights and responsibilities concerning a thing and recognized by an official title.

Private property: Property held by private people, natural or legal.

Public property: Property held by any level of government.

Common property: A commons from which a community can exclude non-members and over which it controls use.

ANNEX 2: OWNERSHIP AND MANAGEMENT CATEGORIES AND DEFINITIONS

1. Ownership categories

Public ownership	
State	Forests owned by national and State governments, or by government-owned institutions or corporations.
Local governments: regional, provincial and district-level	Forests owned by regional, provincial or district governments.
Local governments: cities, municipalities, villages and other local levels of administration	Forests belonging to cities, municipalities, villages and communes. These administrative units are locally self-governed and managed by a local forest administration with no or little public involvement. These forests should not be confused with community- or group- owned forests.
Other public bodies	Forests owned by universities, research institutions, etc.
Private ownership	Rights usually associated with private property are exclusiveness, duration (usually unlimited) and transferability.
Individual	Forests owned by individuals, households and families.
Industries	Forests owned by private forest enterprises or industries.
Other	Forests owned by religious and educational institutions, pension or investment funds, non-governmental organizations (NGOs), nature conservation societies and other private institutions.
Ownership by communities or user groups	Forests owned by a collective, a group of co-owners or a community whose members hold exclusive rights and share duties.
Ownership by indigenous or tribal people	Forests are owned by : Indigenous people are those who descend from the population that inhabited the country, or a geographical region to which the country belongs, at a time of conquest or colonization or the establishment of current State boundaries, and who – irrespective of their legal status – retain some or all of their own social, economic cultural and political institutions. Tribal people are those whose social, cultural and economic conditions distinguish them from other sections of the national community, and whose status is wholly or partly regulated by their own customs or traditions or by special laws and regulations.
Other types of ownership	Forests that do not belong to any of the categories mentioned above.

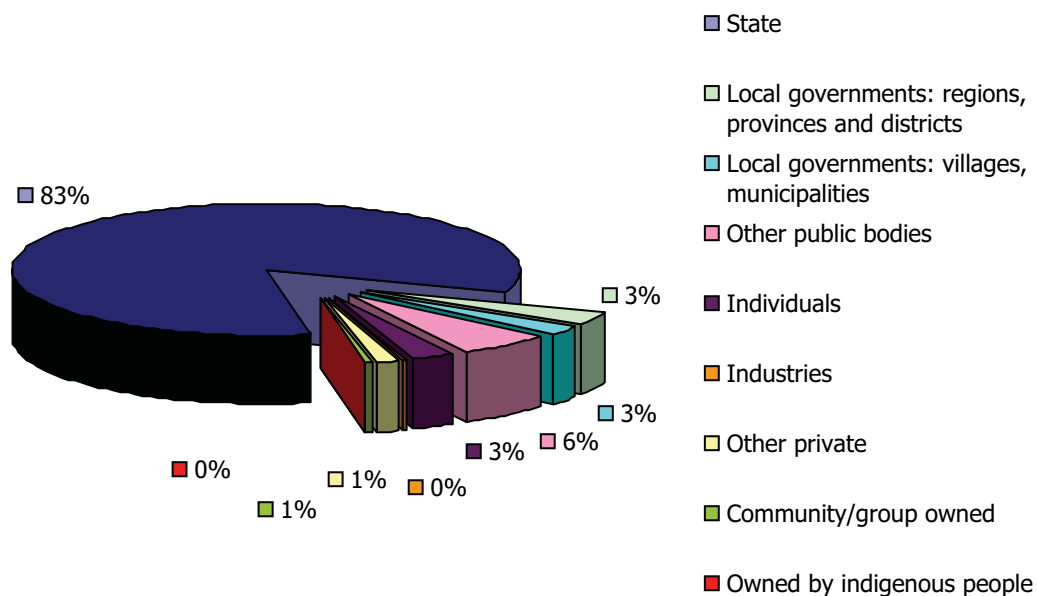
2. Forest management categories

Owner is the manager	The owner retains management rights and responsibilities <i>within the limits</i> specified by legislation.
Owner is the exclusive manager: no extraction rights for others	The owner is the sole manager of the resource(s); no subsistence or commercial use/extraction rights are allocated/granted to others.
Non-commercial, user rights, customary rights, permits to hunt, gather dead wood and NWFPs	User rights allocated to satisfy local people's needs for forest products and do not allow commercialization by the users. Such rights might be regulated through licences and permits.
Forest management through contracts or partnerships with the owner	Forests in which the management decisions remain solely with the owner but management activities are executed by a different group according to an agreement. Include forests allocated for extraction purposes through licences or timber concessions. Property and management rights are not transferred.
Joint forest management with communities, community timber concessions or licences	Forests where management agreements with local communities foresee a degree of devolution in the execution of forest operations. The agreements allocate temporary exploitation rights for specific forest products or other activities. Local communities may be given licences or short-term concessions to harvest for commercial purposes. Joint/collaborative management does not alter the ownership state, and includes a negotiated transfer of benefits.

Private company permits, forest harvesting licence schemes	Agreements allocate temporary rights for specific forest products or activities. Usually private companies are given licences or short-term concessions to harvest for commercial purposes. Also includes partnerships between private processing companies and smallholders for the production of commercial forest products from private or communal forests (out-grower schemes).
Devolved management rights	Includes forests in which management is devolved to a group other than the owner. Agreements are usually renewable, and convey many rights, but overall property rights remain with the owner.
Community forest leases, forest management agreements	Forests managed by local communities according to leases or management agreements, usually for more than 10 to 20 years, with management, user rights and responsibilities and some property rights transferred to the communities.
Private company leases, forest management concessions	Forests managed by private companies according to leases or management concessions, usually for more than 10 to 20 years, with management rights and responsibilities and some property rights transferred to the companies.
Others	Forests that do not belong to any of the management categories mentioned above.

ANNEX 3: FOREST TENURE STRUCTURES IN SOUTH AND SOUTHEAST ASIA⁶, AFRICA⁷ AND LATIN AMERICA⁸

Africa

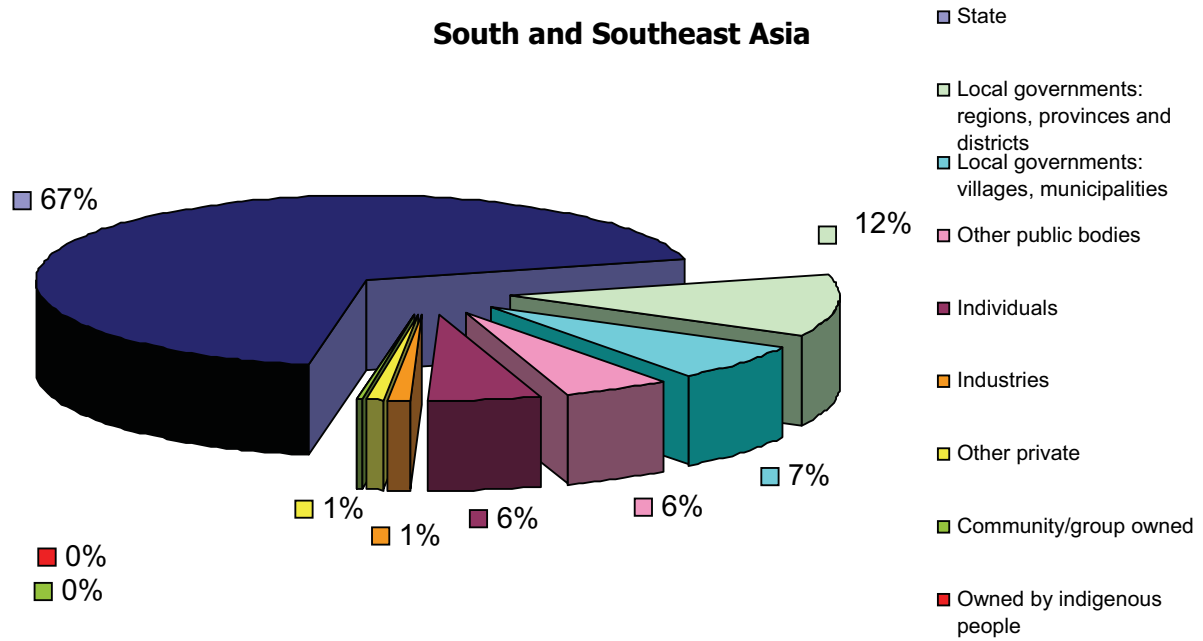


⁶ Brunei, Bhutan, Cambodia, China (Yunnan), India, Indonesia, Japan, Republic of Korea, Lao People's Democratic Republic, Malaysia (Sabah), Myanmar, Nepal, Pakistan, the Philippines, Thailand and Viet Nam.

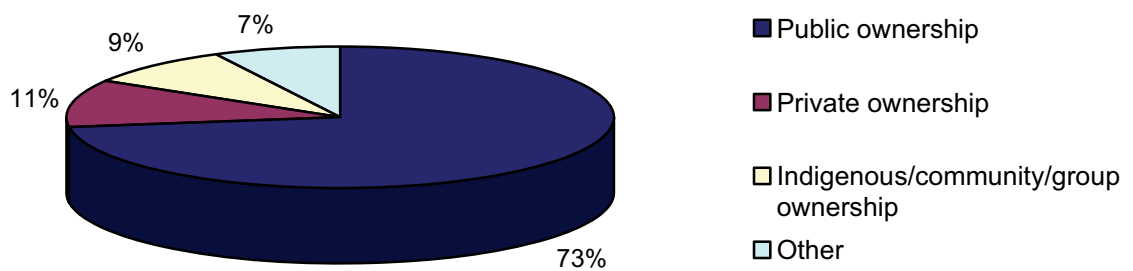
⁷ Cameroon, Côte d'Ivoire, Democratic Republic of the Congo, Gabon, the Gambia, Ghana, Kenya, Madagascar, Mali, Morocco, Mozambique, the Niger, Senegal, South Africa, Uganda, United Republic of Tanzania and Zimbabwe.

⁸ Belize, Chile, Costa Rica, Ecuador, Guatemala, French Guiana, Guyana, Honduras, Panama, Paraguay, Peru, Suriname, Venezuela

South and Southeast Asia



Latin America



ANNEX 4: OVERVIEW OF FOREST TENURE SYSTEMS

Armenia			
Relevant legislation	Ownership categories	Tenure systems	Notes on implementation status
Land Code 2001; Forest Code 2005	State-owned	State management of the Forest Fund through the Ministry of Environment and the Ministry of Agriculture (protected areas).	Little implementation of the different tenure options provided by the Forest Code. By the end of 2008, no private or communal concessions had been established and no State forests and forest lands had been granted as concessions. Plans are under way to grant concessions in State forests to 12 communes on a pilot basis, once forest management plans are ready. One of the main reasons reported for the delayed introduction of new tenure arrangements is lack of forest inventories and forest management plans, which are the main condition for forest leasing. At present, the only types of forest tenure are leasing for: - fauna regeneration, protection and hunting (including game farming); - tourism and recreation (mainly the construction of tourist infrastructure).
		Short-term leases (1 year) for forest use: timber/secondary wood, NWFP harvesting, secondary forest use (pastures and hay-making), based on a contract and a licence, with a maximum proposed price for the forest use based on tender or auction.	
		State forest concession (10 years) for forest plantation and regeneration, forest protection, NWFP use, research, development of ecosystems; to communes on a no-tender basis, to legal entities and individuals through a tender or auction (sub-leasing to third party is possible).	
	Private forests	Long-term leases (up to 25 years) for agricultural purposes, based on a tender or auction.	
		Long-term leases (60 years) for afforestation – free use of land on condition of creating a forest plantation. Ownership can be obtained once the plantation is registered as a forest.	
		Forests planted on the land of communes, private individuals and/or legal entities.	
Islamic Republic of Iran			
Relevant legislation	Ownership categories	Tenure systems	Notes on implementation status
Forest Nationalization Law 1963	Public	Forest management rights (development of management plans) rest with the Forest, Rangelands and Watershed Management Organization.	
		Responsibility for implementing management plans devolved to governmental/semi-governmental companies and local cooperatives.	
	Private	Only for planted forests.	

Kazakhstan			
Relevant legislation	Ownership categories	Tenure systems	Notes on implementation status
Land and Forest Code 2003	Public forests (State Forestry and Hunting Committee responsible for protected areas; <i>Akimat</i> – local government at the regional level)	Since 2002, management functions have been transferred to local regional governments.	
		- Permanent land-use right given to State-owned legal entities for agricultural or forestry production; or as protected natural areas.	
		- Long-term leases (10 to 49 years) for the use of forest resources (timber) or forest land for farming and agricultural production, based on tenders or auctions. A licence for a specific forest use activity is an eligibility requirement for participation in a tender.	
		- Short-term use leases (up to 5 years) are generally granted to citizens and legal entities of Kazakhstan, based on a contract and a forest use licence, mainly for personal consumption (forest ticket).	
	Private forests	Forest plantations on private lands, financed by the landowners.	Precise data on private property is not available, as introduction of the private forest category (in 2003) is too recent for the new plantations to be registered as forests. No inventory has yet been made.
Kyrgyzstan			
Relevant legislation	Ownership categories	Tenure systems	Notes on implementation status
Land Code (1999); Forest Code (1999)	Public forests in State Forest Fund (State and communal/municipal)	Since 1998, progressive decentralization of forest management to State forest management units (<i>leshozes</i>).	
		Short-term leases (1 year) for harvesting of NWFPs and for pastures on non-forested lands.	
		Long-term leases (up to 50 years) for timber extraction.	Although legally possible, there are no forests under long-term leases, as all mountain forests in Kyrgyzstan are registered as protective forests, focusing on erosion control and water regulation functions with very limited and regulated possibilities for timber harvesting. Use of non-forested Forest Fund lands seems to be more attractive for medium- and short-term leasing for pastures and hay-making.

		Collaborative forest management on mainly walnut forests for NWFPs and fuelwood: currently, contracts are signed for 5 years, with extension to up to 50 years if they are respected.	
	Private forests	Forest plantations on land granted to private individuals or legal entities for afforestation. State Forest Fund lands cannot be allocated for private forest development.	
Mongolia			
Relevant legislation	Ownership categories	Tenure systems	Notes on implementation status
Forestry Law 2007	Public	Forestry Management Division, MNE responsible for all aspects of forest management, including legislation and policy-making. Through decentralization, local governments at the city, province (<i>aimag</i>), district (<i>soum</i>) and subdistrict (<i>bag</i>) levels are responsible for implementing forest legislation, monitoring forest management and leasing forest resources to private and community bodies.	
		Community partnership groups (CPGs) are voluntary associations of local people with rights to lease natural forest areas for up to 60 years.	
		Concessions to private enterprises ("economic entities", generally small businesses) for up to 60 years for internal market only.	Concessions have not yet been implemented.
	Private	Planted forests can be registered as private	No planted forests have yet been classified as private.
Russian Federation⁹			
Relevant legislation	Ownership categories	Tenure systems	Notes on implementation status
Constitution of the Russian Federation, 1993; Land Code 2001; Forest Code 2006	Public: federal ownership of Federal Forest Fund national forest estate (95% of forests); this land cannot be transferred or used without a fee. Municipal forests that are not part of the Federal Forest Fund are owned by municipal authorities, but the management arrangements are unclear and vary among subjects.	Decentralization of many forest management and exploitation functions from federal to regional governments that are subjects of the Russian Federation. Leasing of forest plots to individual entrepreneurs or juridical persons: a) (10–49 years) for harvesting and processing of forest timber and NWFP and for re/afforestation, signed through auction and valid only for forest plots registered by the cadastre; and b) (1–49 years) for construction/mining purposes and priority investment projects, without auction.	

⁹ The Russian Federation is divided into 83 subjects, which are republics, oblasts, krais, autonomous oblasts and Okrugs, with varying levels of autonomy within the Federation.

		Leased plots can be subleased, pawned or transferred to third parties. Responsibilities attached to leases include control, protection and regeneration.			
		Permanent use agreements granted to public bodies, with no right to dispose of the property.			
		Free fixed-term use agreements (based on contracts) with public bodies for development/social purposes, or as service allotments to individuals (for up to 1 year).			
		Buying and selling contracts (forest plantations), based on sales of standing trees through auctions, short-term, and for municipal and small private needs.			
		Free public access for NWFP harvesting for non-commercial purposes.			
	Private	Land plots covered by natural forests not included in the Federal Forest Fund can be privatized. Forest use rights may be privatized on Federal Forest Fund, but State retains ownership.			Adoption of new Forest Code is very recent and information on establishment and management of private forests is not yet available.
Turkey					
Relevant legislation	Ownership categories	Tenure systems	Notes on implementation status		
Forest Code (amended) 1984	Public	Management, planning, protection and exploitation responsibilities lie directly with the General Directorate of Forestry.			
	Private	- Joint forest management/facilitated employment in forest operations for forest cooperatives and individuals. Private/family forest plantations (e.g. polar) considered agricultural land and do not fall under forest regulations			
Uzbekistan					
Relevant legislation	Ownership categories	Tenure systems	Notes on implementation status		
Land Act 1994; Forest Act 1999	State-owned forests: the Land Law and Civil Code exclude the possibility of land privatization	Forests directly managed by central government.			

		Short-term leases for harvesting of NWFPs and for pastures, with agricultural use between rows in orchards and forest plantations.	
		Longer-term leases (10 years) to legal entities, e.g. construction companies, for planting of protective forests. ¹⁰ Eventually the timber produced in the plantations becomes the tenants' property.	The first longer-term leases, for protective plantations for Aral lake preservation, are very recent and cannot yet be evaluated.

¹⁰ Under a special clause, long-term forest land contracts allow plots to be sold, but legally the land tenure is neither inheritable nor sellable.

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