

*FAO Forestry Department Technical Meeting on Cross-sectoral Policy Impacts in Forestry; Rome 18-20 September 2002*

*Summary of Presentation*

*Franz Schmithüsen: Policy and Legal Aspects*

Important *trends* such as globalisation of the economy and of trade , internationalisation of environmental and nature protection, privatisation and a changing understanding of the role of the state, increased participation of, stakeholders and the public, a growing influence of non-governmental organisations in public decisions, as well as an increase and diversification of society's demand for forest goods and services form the context in which the impacts of public policies on sustainable forest management and forest sector development have to be seen.

*Public policies* are based on constitutionally founded competencies of the state and on laws, decrees, governmental regulations and decisions of administrative authorities. A useful distinction can be made between policies which provide *institutional frameworks* for state intervention and public security; policies addressing *social equity, economic production and cultural integration*; and policies promoting *development for subsistence and well-being*. Depending on the stage of socio-economic development; demands for goods and services; cultural values; and on the area, biodiversity, productivity and fragility of forest ecosystems specific combinations of policy domains are of importance. In some countries and regions policies establishing an institutional framework, in others policies addressing specific economic sectors or promoting development have been identified as of particular relevance at present.

*Cross-sector linkages* result from public policies which have an immediate or indirect influence on the behaviour of land owners, forest users, governmental agencies and non-governmental organisations, and through such agents on forest land uses and sustainable forestry practices. Of importance are the combined outcomes and results from policies and legal instruments that address economic, social and environmental issues and their *positive and negative effects* on sustainable land management practices.

This refers both to the positive and negative effects of *relevant policy domains* on sustainable forest management as to the positive and negative effects of specific *forest policies and regulations* on economic growth, biodiversity and environment. Useful typological elements to specify cross-sectoral impacts are the combination of relevant policy domains, the regional and local socio-economic context, the levels of political decisions, the combination of policy instruments, the direction of impacts and the kind of outcomes and results that are produced.

*International legal instruments* adopted prior and during the UNCED Conference in Rio, as well as the Rio follow-up processes lead to an emerging international regime on forest conservation and forestry development. They aim at a balance of economic, social and environmental factors as the primary aim of sustainable development. Together with continental, regional and supra-national processes they establish multilevel policy and legal frameworks which increasingly influence political choices at national and sub-national levels.

At the national and local level the *significant policy domains*, the kind of linkages that are most important and the scale of positive and negative effects which result from them need to be examined. The criteria for selecting the major factors is the usefulness of new knowledge gained to the main stakeholders, to the representatives of national public administrations and to policy makers. The focus is on the actors involved, the instruments and procedures that influence their behaviour, and on the causal relationship between forest and other policy domains in both directions. This implies to reconsider the role and mandate of forest administrations and their ability to operate with success in a changing political environment in which effective stakeholder participation and a dominant role of the private sector are key determinants. Policy instruments related to process-steering, public organisation and financial resources allocation gain importance.

There is a considerable need to focus on public capabilities to manage complex political *networks* with a wide range of stakeholder interests in different land use systems and management practices. It is important to find out to what extent those interests are compatible or conflicting and the reasons for both. In case of *compatibility of interests* one has to know in which way public policies can foster synergy and optimise the available resources. In case of *conflicting interests* one has to find out to what extent modified political solutions and regulations can be found or to what extent complementary measures and/or compensations may reduce or neutralise negative policy effects. One needs to examine more consistently how arbitration procedures among stakeholders from the private and public sector, co-operation among land owners and the industry, and mechanisms for inter-administrative co-ordination function in practice and what critical problems need to be solved. Useful criteria for assessing the effectiveness of policy networks and legal regulations are consistency, comprehensiveness, subsidiarity and applicability.

A considerable amount of *investigations* on cross-sectoral impacts in forestry have already been initiated in particular by CIFOR, FAO and the World Bank but also by individual researchers and national research institutions. Case studies based on legal, policy and organisational analysis as well as analysis of natural resource accounts, econometric analysis, indicator frameworks and impact studies are relevant methodologies of such studies. Important for the use of research results is the specificity of the findings at national, sub-national and local levels providing concrete empirical information on successes as well as on gaps and draw-backs in a given social, economic and political context.