

ASIA – PACIFIC FORESTRY WEEK: Growing Our Future  
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# Fair and Equitable Benefit Sharing from the Utilization of Forest Resources

Case Study: CBSFM- Drawa Block, Fiji

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# Outline

- SDG 15
- What is Benefit Sharing
- Community Based Sustainable Forest Management Process
- Benefit Sharing Mechanisms
- Profit Distribution
- Conclusion

# Introduction

- SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- Target 15.6: To ensure fair and equitable sharing of benefits from the utilisation of forest resources and promote appropriate access to forest resources
- Benefit sharing mechanisms from a community based SFM model in Fiji
- CB SFM: Proper planning and use of forest resources by the community to ensure, the ecological and social and economical benefits to the community from the past are continually available to the present as well as the future generations.

# What is benefit sharing (Fair and equitable?)

- Compensate costs
- Sharing and distribution of benefits-income
- Economic, social and environmental benefits
- Fair to all including the marginalised and vulnerable people
- Equitable based on contributions

# Community Based SFM Process

- Collaborative effort between landowners and agencies
- New forest management procedures and techniques
- Development of appropriate benefit sharing mechanisms
- Land Use Plan
- 10 year Forest Management Plan
- Framework for CB NRM, guideline for forest utilisation and equitable benefit sharing mechanism
- Implementation of FMP: silviculture method, community organisation structure, by-laws, community development plans, monitoring and benefit sharing mechanisms

# Benefit Sharing Mechanism

Land Use Plan + FMP

SFM + DLT (Harvest strategies)

Value Adding (sawn timber + logs:  
Portable sawmill

Income from sale of timber

DraFCo

Landowners association (LOAD)

Controls the distribution of revenue (DraFCo)

Business reserve 70%  
(Regulated Coop Act)

Community development  
15%  
-HRD  
-infrastructure  
-NRM&D

Income for landowners  
Dividend (10%),  
Other: Royalties, wages

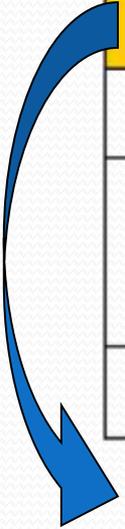
Bonus to employees 5%

Royalty (paid by DraFCo): Equitable share before:  
Chief (5%)  
Clan leader (10%)  
LOU Leader (15%)  
Members (70%)

Equal share now

# Profit Distribution of DraFCo

	Year 1 (2006)	Year 2	Year 3	Year 4
<b>Dividend</b>	10%	15%	15%	15%
<b>Business reserve</b>	60%	50%	40%	30%
<b>Community Development (LOAD)</b>	30%	30%	40%	50%
<b>Bonus to employees</b>		5%	5%	5%

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- Dividends from DraFCo shares
  - Royalties and Premium when Clan Land area is harvested

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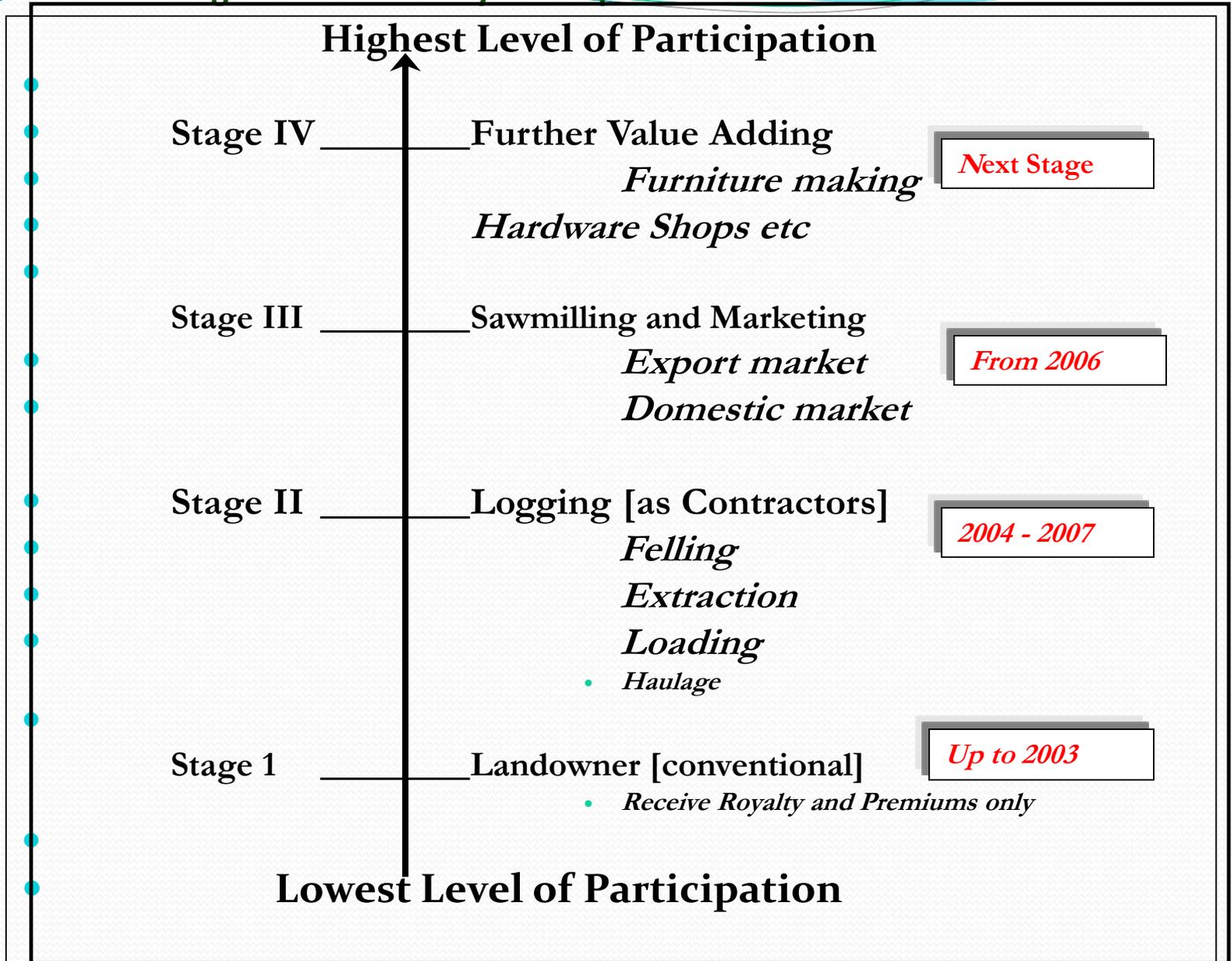
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## Community Development Fund Distribution - LOAD

*Decided by DraFCo  
Board*

Projects	Distribution
Village Development	40%
Scholarship	40%
Revolving fund	20%

## Stages of Community Participation in Timber Business



# Conclusion

- LUP and FMP: Improved management of natural resource's, increased biodiversity, reduce LD
- Meeting the development aspirations of communities is key to the sustainable management of forest resources
- Equitable and fair distribution of benefits
- Bridge the gap between the income objectives of land users and communities long-term objective of preserving natural resources
- Resource owners can be convinced to better manage their forest resources after seeing financial gain from the efforts in applying sustainable forest management.
- Active involvement of resources owners in the process increased their capacity. Address the social and economic aspects of forest management and helps develop the community
- Significant institutional impact in Fiji with the SFM concept being fed in national Forest Policy and national code of Harvesting Practice



Thank you