

POLICY DETERMINATION 74

A.I.D. FORESTRY PROGRAMS AND POLICIES

I. The Importance of Forestry in Developing Countries

Forests, woodlands, and grasslands provide food, forage, fuel, shelter, commercial products, and income and employment opportunities. These material benefits are critical in enabling rural populations in developing countries to meet their basic needs. Forests also provide important environmental benefits to society at large. They perform protective functions by regulating waterflow and preventing flooding; influence both the quality and quantity of usable water for agriculture, industry, livestock, and human consumption; provide habitats for wildlife; preserve a vast genetic reservoir of plant and animal life; help minimize soil erosion and soil resource depletion; influence local climate and meteorological phenomena as well as stabilizing global climate; and make recreational, educational, and scientific contributions to the entire population and succeeding generations.

Current rates of deforestation threaten the continued realization of these benefits. Unsustainable levels of forest use must be replaced by those which can be sustained. Fuelwood needs and the expansion of agriculture into forest areas are currently responsible for a significant part of the forest depletion. Yet it has been estimated that, by the year 2000, at least 250 million people will be without fuelwood to meet their minimum cooking and heating needs. People will be forced to increase their use of animal dung and crop residues, thereby decreasing their crop yields and providing further impetus to extending cultivation into forested lands. Thus, the long term prospects for growth in agriculture are also significantly threatened by the continued depletion of tropical forests. An allocation of development resources that is both adequate and appropriate to address the deep-rooted causes of deforestation is needed.

II. The Need for Forestry Programs

A.I.D. fully recognizes the importance of forestry as a key component of environmental and ecological systems and the overwhelming evidence that "...the accelerating loss of forests and tree cover in developing countries undermines and offsets efforts to improve agricultural production and nutrition and otherwise to meet the basic human needs of the poor."¹ A.I.D. also recognizes that few developing countries have the requisite knowledge or the development resources to carry out the wide-ranging programs required to stabilize forest use and to increase forest benefits. A.I.D. will therefore provide assistance to developing countries for a range of forestry programs.

Among the forestry programs which currently require assistance are those which seek to:

- Ensure that the production and harvest of fuelwood and timber is carried out on a sustained yield basis.
- Integrate the production of trees and tree crops into agricultural systems, that is, encourage agro-forestry approaches.
- Direct the clearing of forest cover or conversion of forest lands to other uses in ways which are consistent with land use capability.
- Reforest, afforest, or encourage the natural regeneration of lands not currently supporting any forest cover — to help balance conversion and transformation losses that will occur as forest lands are inevitably converted to other uses.
- Restore the productivity of degraded watersheds and depleted soils.
- Develop communities' capabilities to initiate and undertake forestry and forestry-related activities in their own behalf.
- Protect forests and set aside certain ecological areas for protection of plant and animal species.

1. Foreign Assistance Act of 1961, Section 103(b).

In designing and funding such programs, both A.I.D. and host governments will be confronted with a number of hard political and economic decisions. Immediate benefits from forestry -- for timber, fuelwood, fodder -- must be balanced against long term needs -- for soil fertility, genetic resources, watershed protection, ecological diversity, wildlife habitat, future commercial development, tourism, and recreation. Land required for agricultural expansion in the short term may also compete with the need to maintain or create adequate areas of forest cover. Further, the successful implementation of these programs will require rural populations to participate in these decisions. Households, for example, will have to choose between satisfying pressing daily needs for fuel and food in the short term and investing additional labor and resources in the nurturing of new forest growth for future returns.

This policy determination sets out A.I.D.'s position on addressing forestry concerns in the context of its overall development objectives.

III. Forestry in the Context of Equitable Growth

A.I.D. has endorsed a strategy for U.S. bilateral development assistance which endeavors to support developing countries in their efforts to satisfy, through sustained and equitable economic growth, the basic human needs of their populations. Major elements of this strategy include: (1) assisting the poor to increase their incomes -- through raising their productivity and access to productive resources as well as expanding their opportunities for productive employment, and (2) increasing the availability of and access to goods and services required to meet these basic needs.

There is evidence in many developing countries that unsustainable uses of forest resources are already having widespread adverse effects. Such effects are being felt by consumers who need fuelwood to cook their food, farmers who require assured supplies of water for their crops and protection against erosion for their fields, builders who rely on timbers to construct shelters, and workers who depend on jobs in forest-related industries for their livelihoods.

The tendency in forestry programs, as in many agricultural development efforts, has been to direct available resources to the most fertile and productive areas. It should be recognized, however that people with little social, cultural, or economic standing are often forced to subsist on the most marginal and fragile forest lands. These lands require both greater knowledge and substantial economic investments to sustain productivity. Yet those who live in them often have least access to such resources and find special difficulty in controlling the problems begun when the forest and vegetation cover is removed.

Without directed action to alter the allocation of development resources to marginal as well as more productive areas and to generate the knowledge needed to maintain deforested lands in productive use, inequities are likely to increase and to constrain significantly the prospects for sustained, equitable agricultural growth. These inequities and constraints will undoubtedly have broad ecological, social, and political ramifications.

IV. A.I.D. Forestry Policy

A.I.D. forestry policy includes the following elements:

1. A.I.D. will provide assistance in support of forestry and forestry-related activities. The assistance -- both technical and financial -- may be narrowly focussed (as in a reforestation activity in a single region in a single country) or it may be global in emphasis (as in support of a world-wide program of forest resources inventories).
2. A.I.D. recognizes that forestry activities may be an important instrument of rural income and employment generation. Forestry activities are thus to be seen as complementary to the Agency's broader rural development objectives. One implication of this is that in areas where underemployment is significant, labor-intensive approaches to forestry activities should be adopted.
3. Forestry program objectives supported by A.I.D. assistance may be broadly defined (as in supporting the intensification of permanent agriculture opportunities to prevent further encroachment on forested lands) or they may be narrowly specified (as in establishing a given number of tree nurseries to provide planting materials for community forestry).
4. A.I.D. recognizes that forests have multiple uses. For example, forestry (or agro-forestry) programs may be an appropriate approach for providing assistance to improve and restore the agricultural productivity of degraded watersheds and depleted soils.
5. In providing forestry assistance, A.I.D. will rely on normal project preparation procedures to indicate social, economic, and technical feasibility and to establish pragmatic project design. Popular participation of the prospective beneficiaries will be intrinsic to project preparation and implementation.

Community and participant needs, interests, and capacities must be recognized and understood. The roles of local institutions, particularly those that manage the allocation and use of land, should be given major weight in project design and implementation.

6. In addition to bilateral support, A.I.D. will provide forestry assistance in collaboration with other donors, the U.N. specialized agencies, other U.S. Government agencies, U.S. land grant institutions, and private voluntary organizations.
7. A.I.D. will rely on Mission identification of country needs and forestry project opportunities, on host country initiatives, and on international or regional organizations' analyses to determine relative priorities and emphases in its forestry assistance efforts.
8. The U.S. Government is prepared to provide food aid [as appropriate to support forestry objectives. Such assistance may be provided where forestry activities are essential to sustaining the productive capacity of agriculture in the long term but will involve a reduction in food supplies in the short run or where food for work approaches are indicated. In the latter case, the impact on local food production incentives must be taken into account.

This policy determination clearly establishes that A.I.D. is prepared to offer support to developing countries to assist them in addressing the broad range of problems associated with deforestation. The task will require resources far beyond the capacity of A.I.D. to provide. Thus, it is essential that A.I.D.'s bilateral assistance be associated with the mobilization of community and national resources within the host country itself. The political and financial commitment of the host country to altering unsustainable forest resource use patterns must be supported by the similar commitment of the rural population if A.I.D.'s support is to be effective. Complementary assistance from other donor groups and organizations will also be important, and collaborative opportunities should be explored wherever possible.

Because of the diversity of problems, resources, awareness, and commitment among developing countries, this policy determination does not attempt to delineate precisely the types of programs which A.I.D. will support in all cases. Any one of several areas of activity may be appropriate starting points for policy implementation and program development:

- Analysis, planning, and policy formulation (including natural resource inventories and land use assessments, land capability classification, evaluation of tenure law and its application).
- Institution-building for natural resource management and conservation (including training, management systems, and establishment of service support institutions).
- Incorporation of forestry activities into agricultural and rural development programs.
- Afforestation or reforestation, and protection of natural or induced vegetation.
- Appropriate or alternative energy analysis.
- Action programs for technology transfer and exchange, including extension and community liaison.
- Development of the scientific knowledge base and applied forestry research.

It should be emphasized that A.I.D.'s program of assistance in forestry will encompass program and policy options well beyond the narrow bounds of tree planting. Programs that assist developing countries to improve their capacity for making sound forestry and related land and natural resource use decisions normally will be conducive to creating sustainable and productive land use patterns in the long term.

Further, it should be stressed that few social and economic benefits of projects in natural resource conservation, preservation, and management will be realized in the short term. Some programs in forestry can be accomplished relatively quickly (assessment of resources, use rates, and causes of deforestation), but the development of programs to meet other objectives (training, controlling use rates) will require a decade or more before success can be expected, much less achieved. This should not deter A.I.D. from undertaking such activities.

Indeed, where conditions of deforestation are most urgent, A.I.D. may wish to exercise considerable bilateral initiative in undertaking and supporting forestry-specific programs.

V. Implications of A.I.D. Forestry Policy for Assistance in Other Sectors

A.I.D.'s policy on forestry complements policy in other sectors. Indeed, strengthening the support for forestry-related activities should increase the potential for achieving objectives in other sectors in which A.I.D. provides assistance.

1. Environment and Natural Resources: A.I.D.'s Policy Determination on "Environmental Aspects of Development Assistance" (PD 63) and the procedural requirements contained in A.I.D. Regulation 16 (22 CFR, Part 216) direct the Agency to take forest values into account in the design of projects requiring A.I.D. assistance. Better understanding and measurement of both benefits and adverse impacts should flow from increased activity in forestry programs.
2. Agriculture and Rural Development: The provision of support for the development of agro-forestry programs and other alternatives to unsustainable patterns of shifting cultivation should help to support and encourage a sustainable and sound balance between agricultural, range and livestock, and forest land use alternatives in developing countries. By developing alternative fuel supplies, fuelwood programs should benefit agriculture by increasing availability of dung and crop residues for soil enrichment. By developing forest-based income and employment opportunities, rural growth will be fostered.
3. Energy: The increased production of fuelwood supplies through the establishment of tree plantations has already been adopted as an objective of A.I.D.'s energy policy. Thus, through direct production programs as well as through conservation of other energy sources (e.g., protection of watersheds above hydroelectric dams), forestry activities will play a key role in supporting the achievement of A.I.D.'s energy objectives.

VI. Implications for A.I.D. Staffing

This policy on forestry could have significant staffing implications for A.I.D. The corollary to the development of new activities in forestry is an increase in staff having forestry and related interdisciplinary backgrounds. Many of the constraints to improved forestry management lie in the purview of agriculture, political science, economics, law, social organization, and informal education, as well as in the technology of forestry. The Agency currently has few foresters on its direct-hire roster. Mechanisms for supplementing and increasing forestry and related skills in A.I.D. need to be addressed, within the context of continuing limitations on staff resources, in order to enhance the effectiveness of A.I.D.'s forestry efforts.

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