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Forestry and Livelihoods: Is there a Future?
An FAO Perspective

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Forestry and Livelihoods: Is there a Future? An FAO Perspective

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Given the large number of people in both developed and developing countries who rely on forest products and services for subsistence and income, forestry plays a big part in securing sustainable livelihoods. Thus FAO is placing greater emphasis on linking livelihoods, poverty alleviation and food security in its forestry program of work. Although not a panacea, the contributions of forests and trees outside forests to achieving the Millennium Development Goals could be significant, especially if the sector were more fully integrated into wider national development strategies.

A few facts and figures

About 1.6 billion people rely on forests resources for their livelihoods. Of this number,

- 60 million live in the rainforests of Latin America, Southeast Asia and West Africa
- 350 million live in or next to forests
- 1.2 billion in developing countries use trees on farms to generate food and cash (World Bank 2001).

DR M. HOSNY EL-LAKANY was appointed Assistant Director-General of the Food and Agriculture Organization of the United Nations in charge of the Forestry Department in 1998. In this capacity he chairs the Collaborative Partnership on Forests comprised of 14 international organisations. He was Professor and Director of the Desert Development Centre of the American University in Cairo 1983–1995. He spent 1980–81 as a visiting fellow at the ANU and was member of a task force to incorporate forestry into the CGIAR system (1987–1988), and of the CGIAR Technical Advisory Committee (1992–1996). He is a member of the World Bank's Forestry Advisory Group.

Dr El-Lakany has published more than 100 scientific papers and co-edited one book, and is the recipient of a number of academic and international awards.

More specifically, forests and trees outside forests provide subsistence needs, in addition to generating income:

- more than 2 billion people rely mainly on fuelwood for cooking and heating (UNDP, UNDESA and World Energy Council 2000)
- forestry provides more than 10 million formal jobs in developing countries and an estimated 30–50 million more in the informal sector in the wood industry (ILO 2002; Poschen 2002)
- natural products (many from forests) are the only source of medicine for 75–90% of people in developing countries (FAO 1996)
- one out of four poor people in the world depend on forests for their livelihood (World Bank 2000).

These figures show there is little question about how closely forestry is linked to livelihoods, either now or in years to come. In my view, the dilemma is more one of finding ways to raise awareness of its importance in terms of sustaining livelihoods, alleviating poverty and improving food security. While not a panacea, forestry can make a difference. It does so by providing two essential means of living — subsistence and income.

Forests and trees outside forests also function as safety nets in times of sudden crisis or emergency — for example, when crops fail as a result of prolonged drought or when heads of households can no longer engage in agriculture due to HIV/AIDS and other devastating diseases. They

contribute to achieving most Millennium Development Goals (United Nations 2000) — not only those related to poverty eradication and environmental sustainability. For example, the nutrition that forest products provide contributes to improving maternal health and reducing child mortality. Money earned from the sale of surplus goods can also help pay for children from poor families to attend school.

As importantly, forests and trees outside forests provide a number of environmental services which help to maintain land productivity and the integrity of coastal ecosystems. In terms of the future, the growing market for such services offers new opportunities for forest owners, including rural communities. Evidence is mounting that certain segments of society are able and willing to pay to protect watersheds, for example, and this practice is expected to become more widespread. Payment for biodiversity conservation and carbon sequestration are two other emerging areas that are receiving significant attention. Forest-based ecotourism is increasing in popularity as well. If managed properly, it can generate income and employment for those with few alternative livelihood opportunities.

FAO activities related to livelihoods, poverty alleviation and food security

For these and other compelling reasons, FAO is placing greater emphasis on linking livelihoods, poverty alleviation and food security in its forestry program to support the achievement of the Millennium Development Goals. Below are some elements of the FAO strategy that the Forestry Department is undertaking, with others, to enhance the contribution of forests and trees in these areas — the strategy covers aspects related to small business and trade as well as social dimensions such as access and tenure rights:

Community-based enterprise development

A key activity within the economic component of the strategy is Community-based Enterprise Development — a program that assists people to develop small-scale businesses. What makes the approach different is that activities to generate income are linked to the conservation of tree and forest resources. The program uses a market analysis and development approach which involves the community in:

- assessing the local situation
- identifying promising products and potential markets
- preparing the strategy and business plan for the enterprise.

Non-wood forest products

In the context of the small-enterprise development program, FAO is supporting efforts to increase the sustainable use of on non-wood forest products to generate income, improve food security and conserve forest biodiversity. For example, we are collaborating with countries and external partners to:

- analyse the impact of trade in non-wood forest products on local livelihoods and on the sustainability of resources
- assess microcredits and microfinance as tools to support small enterprises and trade in non-wood forest products
- explore the use of instruments such as certification and labelling schemes on the sustainable development of non-wood forest products.

Access rights

As part of an outlook study that analyses forestry trends and driving forces in West and Central Asia up to 2020, FAO is assessing the access to forest resources by local people and the linkages between forestry and livelihoods in four countries: Turkey, Iran, Kyrgyzstan and Afghanistan. Expected outputs include:

- recommendations to improve access to forest resources by local people
- a methodology to assess linkages between forestry and poverty
- indicators of poverty from the perspective of stakeholders
- lessons learned that could be applied elsewhere.

Future orientation

Forestry can play a big part in securing sustainable livelihoods. However, the potential of this resource to alleviate poverty and reduce food insecurity will only be met if contributions are con-

sidered in the context of national development strategies. In this regard, achieving broader country objectives will sometimes mean maintaining and sustainably using forests. At other times it will mean removing forest cover to make way for other land uses. Such trade-offs are not new. Unfortunately, many decisions are made in the absence of a comprehensive framework and so fail to take into account their full effects on all sectors. In other words, planners often disregard the inter-dependency of natural resource management strategies.

In summary, some of the key ways to maximise the contribution of forestry to sustainable livelihoods are to:

- make forests and trees outside forests part of wider strategies for economic and social development
- secure strong national commitment to improve governance and fight corruption
- empower forest-dependent people and build their entrepreneurial skills
- provide assistance to implement realistic action plans that bring about lasting change.

FAO is working with governments to achieve these and other objectives, and it is doing so in partnership with inter-governmental agencies, non-governmental organisations and the private sector.

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