

Development Assistance Committee (DAC)

ISSUES BRIEF

Mainstreaming Conflict Prevention



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FORESTS AND VIOLENT CONFLICT¹

Rooted also in local histories and social relations, forest-related conflict is driven by socio-economic tensions and governance failures. It is often connected to issues of power and wealth.

This <u>issues brief</u> outlines the inter-relationships among forests and violent conflict, and development activities that can prevent and mitigate such conflicts in forest contexts. Building on the <u>Overview of the Links between the Environment, Conflict and Peace</u>, it complements other briefs on <u>water</u>, <u>land</u> and <u>valuable minerals</u>.

Underlined words are hyperlinks to other topics available at www.oecd.org/dac/conflict/issuesbriefs.

KEY MESSAGES:

- Competition to use and exploit land and timber resources in forested areas can trigger, exacerbate, or finance conflict.
- Timber extraction often has close links to arms trafficking, human rights violations, and environmental destruction.
- Timber is exploited and traded as a conflict commodity because, in proportion to its high value, it is relatively accessible and is easy to transport and requires no processing;
- Violent conflict has significant direct and indirect impacts on forest resources, and therefore livelihoods, which must be taken into account when designing and implementing development assistance.
- Stronger institutions and regulatory frameworks, improved forest management and better governance of indigenous land-rights can help prevent and mitigate forest-related conflicts.

INTRODUCTION

Access to forest resources can be vital to livelihoods.

Covering 36 million square kilometres, or roughly 30 percent of the globe, the world's forests are among its most important natural resources. For many communities, forests are crucial to food security and nutrition, to meeting energy needs (fuelwood), and to their ability to produce and sell non-timber forest products, which may account for a significant proportion of household income.

Competition to use and exploit these resources can trigger, exacerbate, or finance numerous crises and violent conflicts.² Countries experiencing violent conflict in their forests "account for

¹ The drafting of this issues brief was led by the United States Agency for International Development.

² Conflicts are an unavoidable part of processes of social change in all societies. This issues brief deals with violent conflict but, from here on, uses "conflict" as shorthand for it.

Conflict can have significant consequences on forest resources

...and forest-related issues can fuel conflict

...where timber extraction becomes a source of finance to armed groups, unaccountable security services or powerful elites

...or where
environmental
degradation
threatens
livelihoods and
destabilises societal
relations.

about 40 per cent of the world's tropical forest and over half of all tropical forest outside Brazil" (CIFOR 2003). In both tropical and non-tropical contexts, related tensions are being exacerbated by an extremely rapid rate of deforestation.

KEY ISSUES

In poor countries, forested areas can become areas of conflict because they tend to be remote and inaccessible, located on disputed land, inhabited by multiple ethnic groups and minority populations, inadequately governed, and claimed simultaneously by several different groups. Additionally, the majority of forest-dwelling and forest-dependent households suffer from poverty, lack public services, are excluded from national <u>democratic</u> institutions, and resent outsiders who often capture most of the benefits from forest resources (Kaimowitz 2003).

Forests can also be a major factor in the perpetuation of conflict and instability. They may, for example, be the location for rebel militia bases or the scene of localised resource pressures where displaced people in camps compete with local communities for clean water, fuel and building wood, and food. They can also, however, be harnessed as a driver of peace

Conflict Timber

Resource-related violence, which is rooted in local histories and social relations, is also connected to wider economic and social processes and power relations, usually within a multi-layered, interrelated "conflict system".

In forests, the uncontrolled and ungoverned extraction and global trade in timber can drive and finance violent conflict (see also the <u>Valuable Minerals</u> issues brief). Moreover, timber extraction can have close links to arms trafficking, human rights violations, humanitarian disasters, and environmental degradation and/or destruction (Renner 2002).

The conflict timber trade, closely linked to the broader problem of illegal logging, often involves the same companies, trade networks, and entrepreneurial methods. Traded at some point in the chain of custody by groups involved in armed conflict, such as rebel factions, regular soldiers, or civilian administrations, revenues derived from it are used either to perpetuate conflict or take advantage of conflict situations for personal gain (Global Witness 2003a). Conflict timber often heightens or prolongs existing crisis, because a conflict's duration depends partly on the financial viability of armed groups. Combatants can quickly and easily accumulate a significant amount of capital for war from conflict timber (Price 2003). In Angola, Cambodia, Colombia and Sudan, the pillaging of forest resources allowed violent conflicts to continue that were initially driven by grievances or secessionist and ideological struggles (Renner, 2005).

There are a number of reasons why timber exploitation drives conflict, for example:

i) Timber extraction and trade does not require a large amount of

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³ Conflict timber does not include legally harvested timber traded by legitimate governments to purchase arms for entirely legitimate self-defence against invasion or insurrection.

Tensions can arise where livelihoods and/or customary practices are (or are perceived to be) threatened.

The quality of goverance is a key factor determining whether and how these tensions can be mitigated before they spill into violence.

capital and produces relatively high returns on investment.

- ii) Transporting timber (on rivers or crude roads) is relatively simple.
- iii) Timber can be sold without processing to be used for a large number of in-demand end-products.
- iv) Timber's many sellers and buyers make it difficult to track extraction activities.

In addition, armed groups can easily extort money by blocking production and transportation routes of legal timber.

Weak governance and resource management contribute to forest-related conflict

There are a number of other factors that can lead to tensions and potentially conflict in forested areas. These have particular potency where they are perceived to threaten livelihoods or customary laws and practices. These may arise from grievances over:

- Inequitable, unclear and/or disputed tenure and access rights. Exclusion or lack of access to environmental services (clean water, fuelwood, food etc) is often a particular flashpoint.
- Inconsistent application of laws and failures to enforce what laws do exist fairly and impartially. This is often a consequence of corruption and/or weak governance. Capacity constraints are often severe, with forest departments being under-resourced and forest protection undermined by the prevalence of bribery.
- Contradictory, discriminatory and/or inconsistent legal and regulatory systems.
- Unfair distribution of benefits from the exploitation of local forest resources. A wider problem lies in failures to capture for the public good the full value of revenues derived from timber. Equitable distribution beyond elite, and often criminal, groups will depend on the quality of governance.
- Inadequate compensation for seized land, environmental damage, or health risks.

These factors often converge and crystallise where forest dwelling groups come into contact with outsiders who destabilize, and may be seen to threaten, traditional livelihoods, such as by over-logging concessions or forest clearance (including for the resettlement of excombatants). Outsiders can be attracted by forest land, displacing local communities off their traditional land as their title may be ambiguous or unenforceable. In addition, forest resources may be exploited without taking responsibility for degraded land. These problems may well occur as a result of both legal and illegal logging or where central government encourages "colonization" of frontier forest lands and their conversion to agriculture (such as ranching). The negative impacts, should be mitigated pre-emptively.

Forests can be a haven for armed groups

In conflict-affected contexts, forests can serve as havens for armed groups and can provide refuge and food for combatants (Kaimowitz 2003). In many tropical countries, governments do not have a significant presence in forests, so guerrilla groups often move in to fill the power vacuum (Kaimowitz 2002).

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It is essential to guard against the destabilising impacts of logging.

The need to involve local communities in decicion-making is also paramount when protected areas are put in place.

As a source of local livelihoods, forests can be under particular threat during post-conflict reconstruction.

Certain questions can help evaluate the interrelationship between forests and conflict.

Logging can lead to lower-scale conflicts in forests

In the past, central governments had little interest in forested areas, which were underdeveloped, sparsely populated, infertile, and economically unimportant. As governments recognize the commercial value of forests, they tend to issue logging concessions typically without consulting indigenous residents. However, in response, traditional forest users generally do not recognize the government's right to exploit the forests, and local communities may confront logging companies, local government, and security services.

Logging companies might conflict with local communities that conduct illegal logging. The way benefits are distributed may disrupt local communal and social structures, which can contribute to wider political, social and economic instability and eventually unrest (Price 2003). In addition, large-scale commercial logging by outside private companies often has considerable adverse social and environmental impacts on local forest users and forest-dwelling communities.

Protected areas may cause tensions

Conflicts also occur when governments decide unilaterally to protect forests from logging or other uses by relocating forest dwellers outside park boundaries or by restricting access rights of traditional users. While some international conservation organizations have sought "win-win" solutions between "protected areas" and local communities, others have advocated exclusion of people from "protected areas". The loss of traditional forest access and rights has led to conflict in Africa, Asia and Latin America.

Conflict can have both positive and negative impacts on forest ecosystems

Conflicts have mixed impacts on forest ecosystems, depending on the existence of alternative economic options; the availability of roads and market infrastructure; and the nature, condition and value of forest resources. For example, armed conflict has sometimes protected forests from larger-scale exploitation. Armed forces may exploit the forest, but less so than commercial logging, and their presence can discourage illegal logging by outsiders.

The greatest damage to forests often occurs post-conflict. Peace enables forest exploitation, as reconstruction and development require timber and the need to obtain foreign currency reduces political will to protect forests (Oglethorpe 2002; Halle et al. 2002). Additionally, forests are sometimes cleared for the settlement and rehabilitation of ex-combatants (Kaimowitz 2003).

KEY QUESTIONS TO CONSIDER WHEN GETTING INVOLVED

There are a number of key questions that help evaluate the risk of conflict linked to forests and the exploitation of timber. However, it should be borne in mind that not all questions will be relevant to each case or region due to natural, historical, and cultural differences.

Are valuable forests located in remote, politically and

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⁴ Example agency guidance on conflict analysis is provided on the DAC's CPDC webpage at http://www.oecd.org/dac/conflict/analysis). The DAC Network on Governance is looking at political economy analysis to identify good practice in using the different approaches being developed such as drivers of change (go to http://www.oecd.org/dac/governance). See also www.conflictsensitivity.org.

economically marginalized areas?

- Are these forests divided into logging concessions, and are they already operating?
- Are there secessionist tendencies in these areas, and could timber be used to finance a civil war?
- Are there other conflicts in the region that occur in the forests?
- Has the entire context of the potential conflict been examined and a holistic response considered?
- Is the country participating in any international initiatives to reduce conflict or illegal logging?
- What is the status of forest use (for food, building materials, fuelwood, non-timber products) and are there outside influences?
- Are the social and environmental impacts of logging and inequitable distribution of benefits fuelling grievances (and violence) by cutting off access to, or destroying the availability of food, building materials, fuelwood and non-timber products (directly or indirectly, through soil erosion etc.)?
- Are there other natural resources in the forest that might be a source of conflict, or a source of high income?

IMPLICATIONS FOR PROGRAMMING

In general, conflicts over natural resources, including timber, are difficult to resolve and often resurface in other forms. However, conflicts can be mitigated with approaches and interventions that strengthen institutions and develop capacity to manage conflict (Capistrano, 2003). In addition to infrastructure development and social services delivery, the following areas of engagement should be acted upon by the international community in order to address the links between forests and violent conflict. (Some programme examples are provided in the "Working Together" section below.)

- Improving participation and partnerships among stakeholders in analysis and decision-making. This is essential for building trust and legitimacy, and can be usefully pursued across sub-regions.⁵
- Increasing understanding of the role that natural resources can play, when properly exploited, in reducing poverty, supporting livelihoods, and spurring growth. The long-term benefits of sustainable resource use need to be made clear.
- Promoting sustainable forest management (SFM).
- Strengthening indigenous land rights, including women's property and access rights and enforcement abilities.⁶
- Strengthening governance of forest resources (both the land itself and timber see the Environment Overview issues brief)⁷ including by improving transparency in the forest sector (such as through independent monitors, where appropriate).
- Working with the <u>security system</u> to tackle off-budget sources of funding, especially those derived from illegal logging (in some contexts this is a crucial aspect of <u>security system reform</u>).

...and avenues can be explored to mitigate forestrelated tensions before they drive conflict.

⁷ See, for example, the <u>EU Action plan for Forest Law Enforcement, Governance and Trade</u> (FLEGT).

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⁵ See the DAC Guidelines <u>Helping Prevent Violent Conflict</u>, part II (1997) on Regional management of shared natural resources

⁶ See tipsheets on land and the environment produced by the <u>DAC Network on Gender Equality</u> (www.oecd.org/dac/gender).

- Improving the financial sector regulatory framework and ensuring due diligence by companies investing in the forest sector.
- Strengthening public procurement policies (which are aimed at purchasing legal timber and which governments implement) and corporate social responsibility policies (aimed at responsible purchasing and which the private sector implements).
- If businesses (such as timber companies) make the wrong decisions regarding investment, employment, community relations, environmental protection and security, they can exacerbate the tensions that produce conflict. If they make the right decisions, this can help build lasting peace.⁸

WORKING TOGETHER

Improving participation and foster partnerships.

In Indonesia, the five-year Multi-Stakeholder Forestry Programme (MFP) supports policy research and forest management, and also combines capacity-building with conflict mediation, mitigation, and resolution. Through participatory activities it promotes consensus-based policy for a national forests programme. MFP involves community groups in decision-making to avoid conflicts over access to resources. Key donor: the UK Department for International Development (DFID).

Promoting sustainable forest management.

- The private-public <u>Congo Basin Forest Partnership</u> (CBFP) supports a network of national parks, protected areas and well-managed forestry concessions, and assists communities in six Central African countries that depend upon these outstanding forestry and wildlife resources. By improving forest governance through supporting community-based management, combating illegal logging and enforcing anti-poaching laws, CBFP helps address the sources of conflict over forest use. Key partners: Belgium, Canada, France, Germany, Japan, UK, United States, the European Commission, six countries in the Congo Basin (Cameroon, Central African Republic, DRC, Equatorial Guinea, Gabon, the Republic of Congo), NGOs, private-sector, international organizations.
- In Senegal, conflict between indigenous people and migrant farmers arose over the use of forest resources. A conflict assessment involving residents, development partners and area businesses identified pragmatic options for addressing the conflict. Subsequently, the community developed an action plan to promote sustainable management of the 73,000-hectare Pata forest. Key donor: USAID.

Helping to reduce poverty and improve livelihoods.

■ To increase the capacity of indigenous people to fight poverty and build sustainable livelihoods, the Indigenous Peoples Partnership Programme promotes partnerships between aboriginal entities in Canada and indigenous groups in Latin America and the Caribbean. Key donor: the Canadian International Development Agency (CIDA).

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⁸ Among other NGOs engaging in this area, <u>International Alert</u> has worked with a number of companies, organisations and donor agencies to develop <u>Conflict-Sensitive Business Practice</u>: <u>Guidance for Extractive Industries</u>, for companies concerned about improving their impact on host countries.

Supporting comprehensive regional approaches to address forest protection and livelihoods.

■ The 20-year Central African Regional Program for the Environment (CARPE) began in 1995 and addresses deforestation, biodiversity loss and associated conflicts in the Congo Basin countries. CARPE builds institutional and human resources so that the sustainable management of valuable forests will be undertaken by Central African institutions. By improving environmental governance, CARPE helps improve democratic governance, transparency, accountability, social stability, and peace in the region. Key donor: USAID.

Helping to strengthen local/traditional land rights.

■ In Ecuador's Esmeralda Forest, a project addressing land conflicts arising between indigenous groups and timber companies supports forest communities to help ensure sustainable land use. The programme also supports conflict transformation activities, such as training village community representatives to mediate between communities engaged in land conflicts. Key donor: the German Development Service.

Reinforcing governance.

- Launched in 2000, the Forest Integrity Network (FIN) combines donor experience fighting corruption with civil society's interest in promoting sustainable forestry. FIN's anti-corruption measures could help fight forest crimes and thus reduce conflict however, "integrity pacts" between governments and private entities are crucial. Key partners: Transparency International, the World Bank's Forestry Program, the Program on Forests (PROFOR), FAO's Forestry Programme, and Future Forests.
- The EU Action Plan for Forest Law Enforcement, Governance and Trade (FLEGT) was published in May 2003 by the European Commission to tackle illegal logging. Seeking to use the incentives offered by the EU internal market to leverage partnership agreements with timber-producing countries, it sets out measures to combat illegal logging. These include: (i) support for improved governance and capacity-building, and (ii) a licensing scheme to ensure only legal timber enters the EU. Highlevel regional meetings have been held in East Asia (2001) and Africa (2003), resulting in Ministerial Declarations. A further meeting is planned for 2005/2006 for Europe and Northern Asia.

FURTHER INFORMATION

Websites and reference documents can be found through www.oecd.org/dac/conflict/themes.

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Links

- <u>CIFOR</u> (Centre for International Forestry Research)
- EU Plan for Forest Law Enforcement, Governance and Trade
- FAO/RECOFTC Training Guide
- Forest Integrity Network (FIN) at <u>Transparency International</u>
- Forest Trends
- Forests and the European Union Resource Network (FERN)
- Global Forest Watch at the World Resources Institute
- Global Witness
- International Alert
- International Model Forest Network (IMFN) Secretariat, International Development Research Centre (IDRC)
- Royal Institute of International Affairs Illegal Logging
- USAID <u>Forests and Conflict: A Toolkit for Intervention</u> (2005)
- World Bank Forests and forestry
- Worldwatch Institute

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