

## GUEST EDITORIAL

### FORESTS IN THE DEVELOPING WORLD: IS THE GLASS HALF FULL OR HALF EMPTY?

JR Vincent

Nicholas School of the Environment and Earth Sciences, Duke University, Box 90328, Durham, NC 27708, USA. E-mail: jrv6@duke.edu

More than a hundred developing countries have measurable forest areas. Although these countries and their forests are a diverse lot, general trends can be identified for several important forest policy issues. Some trends appear to be positive, while others do not. An optimist about forests in the developing world could point to the following:

- (1) *Deforestation* has stopped in many developing countries and reversed in some. During 2000–2005, forest area was stable or rose in a third of developing countries. China, India, and Vietnam are notable examples.
- (2) Progress has been made in resolving *tenure* issues. The area of forests under community control doubled during 1985–2000, reaching nearly one-fifth of total forest area. Governmental seizures of forest lands that began during the colonial era are being reversed.
- (3) The area of *protected forests*, where logging is prohibited, has risen on all continents and, on a global basis (all countries, not just developing), by one-third during 1990–2005. Royal Belum State Park in Malaysia is a prime example of a globally important protected area created in recent years.
- (4) Growing attention is being paid—literally—to non-market forest values, especially *ecosystem services*. Internationally, the Global Environment Facility, which didn't exist when *JTFS* was founded, pays developing countries to protect forests with globally significant biodiversity. The global voluntary carbon market tripled in value during 2007, with about a fifth of the offsets being forest-related. There is now serious discussion about creating a financial mechanism to encourage reduced greenhouse emissions from deforestation and degradation (REDD). Domestically, numerous countries, mostly in Latin America, are experimenting with payments for watershed services from forests.
- (5) Turning to timber production, the area of tropical forest *certified* as being managed sustainably under guidelines formulated by the Forest Stewardship Council (FSC), International Tropical Timber Organization, or national certification councils has grown.
- (6) A number of countries have enacted *pricing reforms* that have sharply increased government capture of the fair market value of timber harvested in public forests. Cameroon is perhaps the most striking example.

For each of these issues, however, there is also a less bright side:

- (1) *Deforestation* rates remain stubbornly high and were higher during 2000–2005 than during the preceding decade in key countries like Brazil and Indonesia, which together account for two-thirds of the annual global area deforested. Deforestation has stopped in some countries simply because they have little forest left. Biofuels have emerged as a major forest-conversion threat, especially in South-East Asia where oil palm grows so profitably.
- (2) The devolution of *tenure* to local communities has stalled since 2002, especially outside Latin America. And in Latin America, there have been instances of governments violating community rights by granting concessions for minerals and oil.
- (3) Many *protected forests* are little more than paper parks, with inadequate funding for monitoring and enforcement. They are encroached by illegal loggers and poached by hunters. 'Empty forests' are spreading: forests with plenty of trees but few animals.

- (4) Though sound in principle, payments for *ecosystem services* could be at risk of becoming viewed as yet another over-hyped ‘silver bullet’ that will save tropical forests. Remember debt-for-nature swaps, NTFPs, and bioprospecting? Payment systems for watershed services are sometimes motivated by the belief that forests reduce floods and droughts, which is far from a consensus view among hydrologists. ‘Additionality’ is a key concern: how can the purchasers of such services be sure they really needed to pay for them? Would forest owners actually have chopped down their forests if they had not received payments? A recent analysis of Costa Rica’s forest payments program concluded that a majority of participating land owners would have conserved their forests even without the payments. This ‘money for nothing’ issue is a big challenge for the design of REDD programmes.
- (5) The area of tropical forests *certified* as being managed sustainably remains tiny. National certification systems have struggled to achieve the credibility of FSC certification. The emphasis of certification systems on stand-level management could be diverting countries from a better way of jointly supplying timber and non-timber values: for both economic and ecological reasons, placing a large portion of the landscape off-limits to logging, with timber production coming from a small area of intensively managed plantations, might seem preferable to allowing most of the landscape to be logged, even if it is logged using certified methods.
- (6) Although developing country governments have caught on that they can capture more revenue from the logging of public forests, *pricing reforms* have generally not been associated with increased money flowing back into forest management. Forestry departments in developing countries generally remain understaffed and underfunded.

In sum, plenty of forest policy challenges remain in developing countries. Meeting these challenges requires a vigorous social science research effort, to understand the reasons for the successes and failures of the various forestry initiatives that different countries have tried. In some cases, research is needed simply to determine whether policies have succeeded or failed. For example, has the devolution of property rights to local communities actually improved forest management? Have protected areas unintentionally displaced logging and hunting pressures to other locations? Are forestry investments necessarily the best use of enhanced forest-sector revenues in developing countries, which have many pressing needs? By disentangling these complexities, social science research can reveal useful lessons for future policymaking.

*Jeffrey R Vincent is the Clarence F Korstian Professor of Forest Economics and Management in the Nicholas School of the Environment at Duke University. His research focuses on the economics of natural resource management in developing countries. He was co-recipient of the 2003 McKinsey Award and the 2006 Cozzarelli Prize.*