Annex 6

Analysis of the Institutional Context for the Implementation of the New Forestry Law

Adrian Barrance

November 2007
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# List of Acronyms

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<th>Full Form</th>
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<tbody>
<tr>
<td>ACM</td>
<td>Alternative Conflict Management</td>
</tr>
<tr>
<td>AMHON</td>
<td>Association of Municipalities of Honduras</td>
</tr>
<tr>
<td>CBFM</td>
<td>Community-based forest management</td>
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<tr>
<td>CIPFP</td>
<td>Catalogue of Inalienable Public Forest Property</td>
</tr>
<tr>
<td>COCONAFOR</td>
<td>National Consultative Council for Forestry, Protected Areas and Wildlife</td>
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<tr>
<td>CODEL</td>
<td>Local Development Committee</td>
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<tr>
<td>COHDEFOR</td>
<td>Honduran Corporation for Forestry Development</td>
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<tr>
<td>COMDE</td>
<td>Municipal Development Council</td>
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<tr>
<td>CONABISAH</td>
<td>National Commission for Environmental Goods and Services</td>
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<tr>
<td>CONADEH</td>
<td>National Commission for Human Rights</td>
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<tr>
<td>CUPROFOR</td>
<td>Forest Product Utilization Centre</td>
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<tr>
<td>CURLA</td>
<td>Regional University Centre for the Atlantic Coast</td>
</tr>
<tr>
<td>DFID</td>
<td>UK Department for International Development</td>
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<tr>
<td>DICTA</td>
<td>Agricultural Science and Technology Directorate</td>
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<tr>
<td>EAP</td>
<td>Panamerican Agricultural School</td>
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<tr>
<td>ESNACIFOR</td>
<td>National School of Forest Sciences</td>
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<tr>
<td>FEHCAFOR</td>
<td>Honduran Federation of Agroforestry Cooperatives</td>
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<td>FHIA</td>
<td>Honduran Foundation for Agricultural Research</td>
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<td>FUG</td>
<td>Forest User Group</td>
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<td>ICF</td>
<td>Institute of Forestry Conservation and Development</td>
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<td>IFM</td>
<td>Independent Forest Monitoring</td>
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<tr>
<td>INA</td>
<td>National Agrarian Institute</td>
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<tr>
<td>LMDSA</td>
<td>Law for the Modernization and Development of the Agricultural Sector</td>
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<td>MFO</td>
<td>Municipal Forest Offices</td>
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<tr>
<td>ODI</td>
<td>Overseas Development Institute</td>
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<tr>
<td>PBPR</td>
<td>Forests and Rural Productivity Project</td>
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<tr>
<td>PES</td>
<td>Payment for Environmental Services</td>
</tr>
<tr>
<td>REMBLAH</td>
<td>Honduran Network for Broadleaf Forest Management</td>
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<tr>
<td>SAG</td>
<td>Ministry of Agriculture and Livestock</td>
</tr>
<tr>
<td>SENAFORH</td>
<td>National Forestry Service of Honduras</td>
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<tr>
<td>SERNA</td>
<td>Ministry of Natural Resources and the Environment</td>
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<tr>
<td>SINEA</td>
<td>National System of Environmental Assessment</td>
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<tr>
<td>SINFOR</td>
<td>Forestry Research System</td>
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<tr>
<td>SNITTA</td>
<td>System for Agricultural Research and Technology Transfer</td>
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<tr>
<td>SSF</td>
<td>Social Forestry System</td>
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<tr>
<td>UMA</td>
<td>Municipal Environment Units</td>
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<tr>
<td>UNA</td>
<td>National Agricultural University</td>
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<tr>
<td>UNAH</td>
<td>National Autonomous University of Honduras</td>
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EXECUTIVE SUMMARY

Background
1. A new general Forestry Law in Honduras was approved by the National Congress on 13th September 2007, after public discussions which lasted for three Presidential terms. It is expected that the law will be fully regulated and applied by mid 2008 (see Table 1). This report examines the degree to which institutional conditions currently exist for the intentions of the new law to be translated into reality, and highlights specific areas in which institutional strengthening is required. The report pays particular attention to the potential for the law to be applied in such a way as to contribute to the reduction of poverty.

The main implications of the new law
2. The law aims to raise the profile of forestry issues, revitalize the moribund state forestry authority, reactivate the Social Forestry System, provide incentives for sound forest management and conservation and increase the effectiveness of forest protection.

3. The new law will:
   - Declare forestry as a sector in its own right, rather than part of the agricultural sector as at present.
   - Create a new lead institution in the forestry sector, the Institute for Forestry Conservation and Development (ICF), which will be attached to the Presidency of the Republic rather than to the Ministry of Agriculture.
   - Eliminate the budgetary dependence of the forestry authority on income from auctions of timber on public lands.
   - Increase provisions for public participation and consultation, through the formulation of Consultative Councils at national, departmental, municipal and community levels.
   - Establish funds and incentives for forestry management and protection.
   - Formalize the contractual arrangements for forest management, with the introduction of short, medium and long term contracts and the replacement of usufruct agreements with usufruct contracts.

4. The formal recognition by this law of forestry as a sector in its own right, and its reformulation of the lead institution of the sector, are important milestones in the history of Honduran forestry. In other aspects, however, the law serves principally to consolidate and reinforce the provisions of existing legislation. By reactivating the Social Forestry System, it seeks to give continuity and reality to the ideal of community-based forest management contained in the 1974 Law for the Creation of COHDEFOR; it does not contradict the provisions of the 1992 Law for the Modernization of the Agricultural Sector, which returned ownership rights of trees and forests to the owners of the land on which they stand; and it seeks once again to provide incentives for forestry activities, as did the Law for Forestry Incentives (unsuccessfully) in 1994.

Principal bottlenecks for the implementation of the new law
1) Conflicts and stakeholder polarization
5. Conflicts and polarization of stakeholder positions are central causes of the current failure of the forest sector to contribute adequately to the combat of poverty. The new law proposes unprecedented opportunities for this problem to be resolved, including the formation of

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1 At the time of writing (October 2007), the law was undergoing a final review of style. For it to take effect it still requires to be ratified by the President of the Republic and regulations need to be produced and approved.
Consultative Councils at a number of levels. These would be completely new and unproven entities, however, and at present their intended participants do not have the necessary skills of negotiation and conflict management to enable them to take advantage of this opportunity and negotiate and resolve their differences in a constructive manner. Limited capacities for conflict management also constitute a major risk to the successful nationwide replication of the process of regularization of forest land use and tenure rights, currently being support on a pilot basis by the World Bank-supported Forests and Rural Productivity Project (PBPR), and which is an essential pre-requisite for the realization of forestry activities by community-based groups under the Social Forestry System.

2) Capacities of forest user groups
6. The abilities of community-based cooperatives and other forest user groups to participate competitively in forest management, and to take advantage of funding opportunities, continue to be constrained by their limited technical, administrative, commercial and organizational capacities. This situation is in turn perpetuated by limitations in capacities among institutions such as COHDEFOR and their federation FEHCAFOR to provide them with support. The provision of such support is foreseen as one of the mandates of the new ICF; compliance with this responsibility will again depend on the institution’s capacity to attract sufficient budgetary allocation, and the establishment of the required institutional structures and logistical resources.

3) Expertise of forest professionals
7. The new draft law gives a large amount of responsibility on forestry technicians and modifies the nature of their relations with other stakeholders. Under the new law, foresters will in future require increased social awareness and skills of negotiation, in contrast with their typical focus at present on more narrowly technical aspects of silviculture, management planning and supervision, a situation which at present is perpetuated by the nature of the training delivered by educational institutions. The effectiveness of the Forest Guards which are proposed in the current draft of the law will also depend heavily on them being provided with adequate training, and on the abilities of educational institutions to expand their physical and financial capacities to provide it.

4) Institutional funding
8. The new law gives major responsibilities to the ICF, certain of which in particular (such as supervision and the provision of technical support) assume high levels of funding access. The proposed change in the funding modality of COHDEFOR, when it is transformed into the ICF, is positive as it will reduce its dependence on timber auctions for its income, but there is no guarantee that its budgetary allocation will be adequate for it to meet these multiple responsibilities. The ability of the new institution to attract sufficient budget will depend on its ability to ‘reinvent itself’ and project a positive image both of itself and of the forest sector as a whole, free from the accusations of operational ineffectiveness and corruption to which COHDEFOR has historically been subject. The effective application of forestry regulation will also require the adequate provision of funding to the Environmental Prosecutor’s office, which at present is only able to process a small proportion of infractions but which will have a significantly increased workload given the proposed emphasis under the new law on classifying infractions in the forest sector as crimes rather than misdemeanours.

5) Institutional efficiency
9. At present COHDEFOR faces problems of institutional inefficiency, for example in the disbursement of expenditure and the approval of forest management plans, delays in which constitute serious problems for community-based forest management groups. The new ICF will face the additional challenge of having to adapt to unprecedented requirements for stakeholder consultation under the new law. In order to be effective, the ‘reinvention’ of the new institution
will have to include the development of internal procedures and organizational structures in order to guarantee efficiency.

6) Capacities of municipal governments
10. Municipal governments have major potential to contribute to forestry governance at local level, and this is recognized in the draft law which gives them a wide range of responsibilities. Many municipal Governments however have limited financial, administrative and technical capacities to assume these responsibilities. With some notable and promising exceptions, municipalities with significant areas of ejido forests fail to take advantage of the potential of these to generate income and other municipalities do not collect all of the fiscal revenue due to them.

Conclusions and Recommendations
11. The new law offers important opportunities for promoting pro-poor forest management. It also represents a major opportunity for ‘re-launching’ the forest sector and its associated institutional structures, in such a way as to overcome the stagnation and loss of credibility which have affected them to date. The next few months and years, following the recent approval of the law by Congress, will constitute a crucial window of opportunity for support by cooperation agencies such as the World Bank, the effectiveness of which is likely to determine the course of the forest sector over the coming several decades.

12. Key areas of support should include the following:

1) Development of pilot experiences with Consultative Councils, across a range of biophysical, productive and socio-economic contexts, backed up by training of participants in negotiation skills, training of members of the ICF, municipalities and NGOs in facilitation, and systematization and replication of experiences.

2) Scaling-up of capacities in alternative conflict management, including logistical, funding and methodological support to an increased number of pilot experiences (for example within the context of the regularization processes currently supported by PBPR), and training of members of municipalities, NGO, civil society groups and the ICF. This will be of particular relevance to the processes of regularization provided for in the new law and will also serve to create a favourable climate for investment in the forestry sector, which is essential for the functioning of the Social Forestry System which the new law seeks to reactivate.

3) Follow-up to regularization processes, continuing the support provided under the PBPR project, in order to ensure consolidation of the capacities of the institutions involved, based on lessons learnt in the PBPR pilot and taking advantage of the supportive legal environment offered by the new law.

4) Development of lasting capacities for the provision of support to forest user groups, in accordance with the focus of the new law on reactivating the Social Forestry System. This may be achieved either directly through the ICF, through private and NGO service providers or through direct alliances between the forest user groups and private service providers.

5) Strengthening and broadening of forestry education, in order to equip forestry professionals to address social and environmental issues in accordance with the spirit of the new law, and to enable ground-level staff to function effectively in their supervisory role.

6) Scaling-up of successful experiences with municipal support to sustainable forest management, focusing especially on the development of technical capacities for resource planning and supervision, administrative capacities in order to ensure sustainability and mechanisms for social control and participation as provided for under the new law.

7) ‘Re-launching’ of the institutional profile and culture of the forest authority, taking advantage of the transformation under the new law of COHDEFOR into the ICF, and complementing IADB support to infrastructural, technological and administrative aspects.
13. Even under the favourable legislative conditions provided by the new law, community-based forest management (CBFM) is likely to continue to face significant challenges as a mechanism for conferring benefits to the rural poor, including the difficulty in practice of regularizing tenure and use rights on national forest lands, and its limited profitability under prevailing market conditions. CBFM should therefore be seen as only one of a suite of strategies for realizing the potential of tree and forest resources to combat poverty. Others include:

- Forest management by the private sector where appropriate, in order to make use of the available yield which the campesino sector does not have the capacities to harvest, and thereby generating jobs and fiscal revenue. The implications of this for the rural poor depend, however, on the existence of adequate controls in order to ensure that environmental and social norms are respected.

- The application of schemes to market the environmental services provided by forests, thereby complementing the income generated from CBFM and increasing the ability of forest cover to compete with alternative land uses. The development of methodologies for the application of such schemes on a large scale is as yet in its infancy.

- Promotion of the role of trees as sources of goods and services to the livelihoods and farming systems of the rural poor. The complex relations between trees and livelihoods are still inadequately reflected in the design of many rural development programmes, and undermined by a broad-brush and restrictive regulatory environment.
1. INTRODUCTION

Background
1. It has been proposed for a number of years to replace the current dispersed legislation covering forestry issues in Honduras with a new single Forest Law. This idea was originally promoted by the Honduras Forestry Agenda and was subsequently subjected to a lengthy process of multi-stakeholder public debate, which to date has spanned three presidential terms. The law was finally approved by the National Congress on 13th September 2007. The next steps with the law, and their approximate timing, are shown in Table 1. The present report is based on the most recent available printed version of the law, dated March 2007 and indications received from a member of the Forestry Committee of the National Congress regarding the content of the final version.

Table 1. Approximate timing of next steps with the new Forestry Law

<table>
<thead>
<tr>
<th>Step</th>
<th>Approximate timing</th>
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<tbody>
<tr>
<td>Approval by Congress</td>
<td>13th September 2007.</td>
</tr>
<tr>
<td>Completion of style review</td>
<td>Early November 2007.</td>
</tr>
<tr>
<td>Sanction by the President of the Republic</td>
<td>End November 2007 (10 working days after receipt).</td>
</tr>
<tr>
<td>Entry into law</td>
<td>End December 2007 (20 working days after publication in the Official Gazette)</td>
</tr>
<tr>
<td>Period of institutional transition</td>
<td>End December 2007 – end March 2008 (3 months)</td>
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<tr>
<td>Completion of regulations</td>
<td>End May 2008 (6 months after sanction by the President)</td>
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Objective
2. The aim of this report is to answer the following question:

“In what ways does the institutional context in Honduras need to be improved, in order to permit the new Forestry Law (currently under discussion) to be applied in a way that maximizes the contribution of forest resources to the combat of poverty?”

3. Throughout the report it is assumed that the World Bank’s interest in the forestry sector in Honduras is aimed at promoting equitable and sustainable access by the poor to the goods and services provided by forests and trees outside forests, in such as way as to increase the sustainability of their livelihoods.

Methodological approach
4. The analysis consists of the following logical steps:

1. Identification of the ways in which forest and tree resources have most potential to generate goods and services for the poor, in support of their livelihoods.

2. Identification of the conditions which need to be met if this potential is to be realized.

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2 At the time of writing, the version of the law as finally approved by Congress was not publicly available.
3. Examination of the implications of the draft new law for the prospects for each of these conditions being met.

4. Analysis of the adequacy of institutional capacities at present, and under the draft new law, for meeting these conditions.

5. Identification of priority areas where institutional strengthening is needed in order to address the gaps identified in institutional capacities.

6. Summary of the roles, weaknesses and strengthening needs of each of the main institutional stakeholders identified.

Forests and their management in Honduras: a brief overview

5. It is important to recognize the heterogeneity of forest and tree resources in Honduras, in silvicultural, ecological, commercial and socio-economic terms. This heterogeneity stems from a combination of the country’s topographical conditions and the history of human influence on the resource. The principal regions of the country, in terms of forest conditions, are as follows:

- **Virtually monospecific Pinus oocarpa forests in the mountainous interior of the country.** This forest type makes up 36% of the accessible forest resource by area and around 18% by volume. At higher altitudes *P. oocarpa* tends to give way to a number of other less common pine species. The selective felling of this forest type has been the principal focus of the forest industry in Honduras to date. The main pressures affecting this resource are the inadequate attention which is paid to protecting the forest’s regenerative capacity when carrying out selective felling (for example the inadequate protection of seed trees and damage to forest soils); forest fires, which when occurring at a low frequency and intensity serve to perpetuate this forest type but when excessively frequent or intensive inhibit regeneration and kill mature trees; and the conversion of forests to agriculture and pasture.

- **Tropical broadleaved forest in the humid north.** This forest type makes up 51% of the accessible forest resource by area and 70% by volume. It contains a large diversity of usable species, however forestry activity is focused on the highly selective creaming off of a very limited number of species, principally mahogany (*Swietenia macrophylla*) and cigar-box cedar (*Cedrela odorata*). The main pressure affecting this resource is its conversion to agriculture and pasture, a process which is facilitated by the typically limited governance conditions at the agricultural frontier and has been exacerbated (particularly during the processes of agrarian reform from the 1960s to the 1990s) by the influx of migrant farmers. Selective felling has the effect of degrading the structure and ecology of the forest and facilitating its conversion to agriculture and pasture.

- **Dry forest and shrub.** This vegetation type occurs naturally on the Pacific slopes (up to around 800m) and coastal plains surrounding the Gulf of Fonseca and also in numerous valleys in the interior which are affected by ‘rain shadows’. It has been heavily impacted by agricultural and grazing activity and only a few isolated and heavily disturbed remnants of closed canopy forest remain. In the flat cultivable valleys and coastal plains, the elimination of vegetation has been almost complete, however on the steeper slopes of the Pacific drainage the original forest has been replaced by an ‘agroecosystem’ with large numbers of scattered trees and stumps of diverse species.

- **The ‘agroecosystem’ in areas throughout the country affected by human activities.** This area accounts for most of the 48.5% of the country which is not under forest cover. It contains large numbers of trees, in fence lines, scattered throughout pastures and fields and as secondary re-growth in temporary fallows. Trees in these circumstances play a
major role in livelihood support, as sources of timber, firewood, fruit, fodder and other products, and also support a large proportion of the country’s biodiversity, albeit in conditions which have been highly altered by human influence. In some areas, such as the smallholdings of the dry south, this resource is managed in a sustainable manner in traditional agroforestry systems (Barrance et al 2003), however in other areas it is under threat from agricultural intensification and the replacement of agriculture by extensive pastures.

- **Cloud forests, above around 1,800m altitude.** These largely broadleaved forests play vital hydrological roles as they capture moisture from clouds, facilitate water infiltration and buffer against extreme stream flows and landslides. They are also very important for wildlife conservation, as they have high levels of endemism and also serve as ‘stepping stones’ for migrant birds. They suffer from high rates of deforestation and degradation, largely due to the establishment of coffee farms, pasture, vegetable farms and staple grains.

- **Pinus caribaea savanna.** This forest type is largely concentrated in the isolated Mosquitia region, although more limited populations of *P. caribaea* also occur elsewhere along the north coast. The main threats affecting this vegetation type are grazing practices, which suppress natural regeneration, and fires; the damage by fire has in some cases been exacerbated by over-zealous attempts to control fire outbreaks which have led to the accumulation of large amounts of fuel.

- **Mangroves, principally around the Gulf of Fonseca, on the country’s Pacific coast.** These play vital roles as breeding areas for fish, as wildlife reserves and as buffers against coastal erosion. The principal pressures which these face include the extraction of timber and firewood, and the establishment of shrimp farms, either in the mangrove areas themselves or the mudflats with which their ecology is inextricably linked.

6. The relations between people and forests in Honduras have some particular characteristics, an adequate understanding of which is vital to any analysis of the adequacy of the legislative and institutional context for forest management. Here we present and discuss some key statistics of relevance to our analysis, based largely on the results of the 2005-6 Inventory of Trees and Forests (Zea and Salgado, 2006):

- **Poverty in Honduras is strongly concentrated in rural areas:** About 74% of the country's poor people, and 86% of the extremely poor, live in rural areas.

- **Honduras has a very significant forest resource,** covering an estimated 57,916km² (51.5% of the national territory), of which 32,855 km² (56.7% of forests, or 29.2% of national territory) is considered to have potential for forest management.

- **The forest resource is suffering from high rates of deforestation,** largely as a result of clearance to establish more profitable land uses, and degradation, due to a combination of uncontrolled fires and poor silvicultural management.

- **Little use is made of the forest resource in practice** as a means of generating income and employment for the rural poor: only a small proportion of the area with potential for forest management (31% in 2005-2006) is covered by forest management plans, and only 15% of forest owners make commercial use of timber.

- **Minimal investment is made in protecting the regenerative potential of the forest resource:** although 78% of the forests under management were found to have received some form of silvicultural treatment, over 86% of this area this consisted solely of
selective felling; only 4% had received pre-commercial thinning and 3% liberation of seed trees.

- **A large proportion of the resource cannot legally be used at present** due to the lack of clear definition of tenure and usufruct rights: national forests account for a very large proportion (45.7%) of the forest estate, however with around 60% of this nationally-owned forest there is no formal registry of tenure, and around 12% has ‘informal’ occupants (with no legal status).

- **The organizational and technical capacities of forest owners are generally weak**: only an estimated 39% of forest owners belong to some type of organization (cooperatives account for only 8% of forest owners), and only around 10% of forest owners and occupiers have received technical assistance (with only 4% this has been in relation to forestry issues).

**Main areas of potential contribution of the forest sector to reducing poverty**

7. On the basis of the assumption stated in paragraph 3, this report focuses on those aspects of forest resource management covered in the draft law which are of most relevance to the combat of poverty. These are the following:

1) **Community-based forest management**

8. In theory, community-based forestry management has the potential to generate benefits for the rural poor through the sale of the forest products and the provision of paid employment, as well as giving rural communities control over how the forest resources on which they depend for income, subsistence products and water supply are managed. This activity also has the potential to generate indirect benefits for the poor, through the payment of stumpage and taxes to the Government which can then be invested in social, economic and infrastructural development programmes of benefit to the poor. The legal and institutional bases for community-based forest management in the country were laid with the establishment of the Social Forestry System (SSF) in the 1970s, and the passing of the 1974 “COHDEFOR Law” which established the Honduran Forestry Corporation (COHDEFOR). It should be noted that the economic viability of community-based forest management, specifically in species-diverse tropical broadleaved forests where significant markets exist for only a limited proportion of the species present, as is the case in Honduras, has been seriously questioned. Increases in access to niche markets and premium markets following forest certification can in theory improve this viability to some extent, however the numbers of cases where this has yielded significant and lasting results are limited. Forest management under these conditions is only likely to be truly viable if the non-timber values of the forest, specifically environmental services in the form of hydrological protection and carbon sequestration, are recognized and internalized.

2) **Commercial/industrial forest management**

9. The management of forests by commercial companies also has the potential to generate employment among the rural population and to generate fiscal revenue through the payment of stumpage and taxes. Industry interests also argue that commercial companies have greater technical and commercial capacities for forest management than community-based enterprises, and as a result are able to make more efficient use of the forest resource and generate greater net benefit for the national economy. Conversely, local communities and civil society groups often argue that the employment generated by the forest management carried out by private industry does not necessarily favour local communities, and also that external private interests have limited motivation to invest adequately in durable access infrastructure, the avoidance of negative
environmental impacts (for example on water courses) and the promotion of natural regeneration of tree populations.

3) Protection of environmental services
10. The rural poor are both consumers and producers of environmental services. The effective conservation of forest resources is a major determinant of the sustainability of their livelihoods, given their typically high levels of dependence on forests for the provision of subsistence products and water, and for the buffering of extreme climatic events. The appropriate management of protected areas has an important role to play in providing these benefits, as does the effective protection of production forests and trees in agricultural landscapes. Meanwhile as managers of trees and forests, particularly on hillsides, they also affect the flows of environmental goods and services, on which they and others downstream depend. There is potential for their costs and benefits associated with this role to be internalized through the "payment for environmental services" which could contribute to their income and also motivate them to invest more in resource protection.

4) The timber processing industry
11. The timber processing industry has a strong indirect role to play in the combat of rural poverty. Given the currently limited technical and financial capacities of campesino groups, timber processing is likely for the foreseeable future to continue to be concentrated principally in the hands of the private/industrial sector, in centralized locations where there is good access to services and labour. The existence of a thriving private sector is therefore essential for the viability of the campesino sector, for the purchase, transport and transformation of the timber it produces and the marketing of the resulting products. The employment generated by the timber processing industry is principally concentrated in urban centres and therefore of little direct benefit for the rural poor.

5) Forestry plantations
12. The establishment and maintenance of forest plantations, and the harvesting and transformation of their products, has the potential to generate employment for the rural poor. Forest plantations also have the potential to generate income, forest products and environmental services, however this depends on a number of factors, including: i) access to secure long-term land tenure, which the majority of the rural poor do not enjoy (with some exceptions such as organized groups associated with the Social Forestry System and the Agrarian Reform); and ii) the scale and type of silvicultural regimes employed. Small woodlots and agroforestry systems are more likely to be compatible with the livelihood systems of the rural poor, to produce the kinds of products and services that they need, and to be feasible under their prevailing conditions of tenure, than are large mono-specific plantations, which in some cases risk contributing to the marginalization of the poor from the land available for farming. Diverse, multi-level tree systems are also more compatible with sound watershed management than are pure plantations, which in some cases can actually exacerbate erosion problems. The potential of naturally regenerated trees on farms to generate goods and services in a manner which is highly compatible with farmers’ traditional production systems, meanwhile, is frequently neglected.

6) Trees in farming systems
13. Trees play a fundamental role within the context of the farming systems and livelihoods of the rural poor, as a source of diverse products and services such as fenceposts, building materials, firewood, fruit, fodder, nitrogen fixation, slope stabilization and microclimate moderation for domestic and cropping areas. The relations between trees, farming systems and livelihoods vary widely between the different agro-climatic and ecological zones in the country, and in general are
poorly understood and inadequately reflected in the design of rural development programmes and regulatory instruments. In many cases (for example in the robust agroecosystem of the dry south), the potential of naturally-regenerated on-farm trees to be harvested sustainably as a source of timber and firewood is underestimated. Similarly underestimated are the opportunities that exist to increase the number of trees on farms, either by planting or natural regeneration, without negative effects on crop production and with positive implications for livelihood diversification, income generation and environmental risk reduction.

Table 1. Implications of forest resource management for the rural poor

<table>
<thead>
<tr>
<th>Forms of tree and forest resource management</th>
<th>Relevance for the situation of the rural poor</th>
</tr>
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</table>
| Community-based forest management by cooperatives and campesino groups | - Direct income for cooperative/group members through the sale of forest products  
- Employment for non-members in forest protection, harvesting, transformation and transport  
- Generation of revenue for reinvestment in community projects, through fiscal income and sale of products from municipal forests  
- Influence of cooperative/group members over how the forest resource is managed |
| Commercial/industrial forest management | - Employment for non-members in forest protection, harvesting, transformation and transport  
- Generation of revenue for reinvestment in community projects, through fiscal income and sale of products from municipal forests |
| Protection of environmental service supply | - Protection of natural capital on which livelihood sustainability depends  
- Generation of income through payment for environmental services |
| Timber processing industry | - Employment (though largely concentrated in urban centres)  
- Provision of markets and services on which community-based enterprises depend |
| Forest plantations | - Employment  
- Income from sale of products (though most common beneficiaries will be the less poor)  
- Possible marginalization of rural poor from access to land |
| Management of trees on farms | - Provision of goods and services of importance for livelihoods and farming systems |
2. THE PRINCIPAL LEGISLATIVE CHANGES PROPOSED UNDER THE NEW DRAFT LAW

14. The roles of different stakeholder groups as proposed in the new draft law are summarized in Appendix 5.

1) Creation of a forestry sector
15. The proposed new law creates the ‘forestry sector’; up until now, forestry has been considered a component of the agricultural sector. The head of the forestry authority correspondingly becomes a Secretary of State, with the right to participate in the Council of Ministers. This would significantly increase the public and executive profile of forestry issues, allowing them to be raised directly in the Council of Ministers and not, as to date, through the Minister of Agriculture. The law also defines the two thematic axes of the sector, namely forestry development and protected areas. This marks a significant change from the current law, whose prime focus is more narrowly limited to the regulation of forestry activities, as conventionally understood.

2) Changed status of the lead institution in the sector
16. The law also proposes the creation of an Institute of Forestry Conservation and Development (ICF), as the entity representing the State Forestry Administration. The ICF will have two thematic directorates, charged respectively with forestry development and protected areas, reflecting the definition of these two thematic axes in the law. The ICF will replace the Honduran Forestry Development Corporation (COHDEFOR), which was created in 1974. In common with COHDEFOR, the ICF will be ‘decentralized’, with its own judicial status and patrimony and as a result would have technical, administrative and financial autonomy (earlier drafts proposed a National Forestry Service or SENAFORH, which would have been ‘de-concentrated’ rather than decentralized and would not have had its own judicial status or patrimony).

17. In contrast with COHDEFOR, the ICF will be attached directly to the Presidency of the Republic, rather than the Ministry of Agriculture. This change implies some loss of autonomy3, however conversely it will be much closer to the higher levels of political power than is the case at present with COHDEFOR and it is therefore probable (at least under the present administration, which emphasizes environmental issues), that it will be more able to attract the budget and essential political support that it will require to administer the forest sector effectively.

3) Reactivation of the Social Forestry System
18. The new law consolidates the concept of community forestry within the framework of the Social Forestry System, which was established under the Law for the Creation of COHDEFOR in 1974, with the objective of integrating forestry campesinos4 into the protection and benefits of forests located in national, ejido5 and private land. Under the new law this will be carried out through community forestry contracts, assigned preferentially to the campesino sector by the ICF. The new law will allow municipalities to promote community forestry in lands of forestry vocation which belong to the municipality.

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3 Although under the new law the ICF will have administrative and financial autonomy, this will be limited in practice by the fact that it will depend on another entity (the Ministry of the Presidency) to request its budget. The General Law of Public Administration, meanwhile, states that de-concentrated entities will have ‘relative’ autonomy in technical, administrative and financial terms.
4 Rural inhabitants
5 Common lands in the possession of municipalities
Analysis of the Institutional Context for the Implementation of the Proposed New Forestry Law in Honduras

4) **Increased support to regularization of forest lands**
19. In general terms, the new law will confirm the tenure arrangements set out in the existing legislation. However in reflection of its intention to reactivate the Social Forestry System (SSF), it also places strong emphasis on regularization (the recognition of use, enjoyment and occupancy rights, which is a key requirement for the functioning of the SSF), which is declared to be of public interest.

5) **Increased opportunities for titling forest lands**
20. The new law also provides for the titling of small areas of land with forestry vocation. This is in apparent contradiction with the prohibition of the titling of forest land in the current legislation (such as the Law for the Modernization and Development of the Agricultural Sector or LMDSA of 1992), but in fact provision is already made for this in the Property Law of 2004. It also makes provision for the titling of *ejido* forest lands in favour of municipalities, but prohibits their subsequent transfer to third parties. The law also continues the requirement for a Catalogue of Inalienable Public Forest Property (CIPFP), which is provided for in the current Forest Law, and proposes that the CIPFP be formulated and managed by the ICF (as the forestry authority), and that all protected zones and areas of forestry interest be inscribed in it.

6) **Increased provisions for consultation**
21. The new law places significantly increased emphasis on the creation of mechanisms for public consultation in relation to forestry issues, which represents a major change from the highly vertical decision-making structures which exist at present. Specifically, it proposes the creation of four Consultative Councils (at national, departmental, municipal and community levels).

22. The proposed National Consultative Council, integrated by public functionaries at the level of Sub-Secretaries of State and representatives of the public and social sectors of the economy and civil society, will replace the current Board of Directors of COHDEFOR, which is presided by the President of the Republic and composed of Secretaries of State and high level representatives of the private sector. The other consultative entities which are proposed are considered as opportunities for public participation in the negotiation and coordination of the actions of public, private and community based organizations in relation to forestry issues.

7) **Reduced role of the private sector**
23. The elimination of the current Board of Directors or COHDEFOR, and the establishment of the new National Consultative Council (COCONAFOR), implies a significant reduction in the influence of private/industrial interests over forestry issues. The level of influence of these actors to date has been a major bone of contention among civil society and *campesino* groups.

8) **Increased role of municipalities**
24. Under the new law municipalities will have a large number of responsibilities in relation to forest management, as local authorities, owners of forest areas and providers and receivers of technical assistance services. This is in accordance with the earlier provisions for decentralization included in the Municipalities Law. These roles will include participation in Consultative Councils, establishment of contracts for forest management and co-management of protected areas, mediation in the definition of payments for environmental services, management, protection and reforestation of public lands with forestry vocation, determination of proposals to

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6 It is assumed that this refers to public areas, given that inscription in the CIPFP would imply their accreditation as being of public utility; their dominion and possession by the State or municipality in question; and the prohibition of their sale or of the confiscation of soil and forest resources.
establish titles on municipal forest lands, inscription of approved management plans, the issue of permits for timber and firewood transport in the absence of a Regional ICF Office, participation in the formulation of management plans for aquifer recharge areas, the promotion and support of the Social Forestry System in municipal forests and the prevention and control of forest fires and pests.

9) Increased availability of forestry incentives and funds

25. The new law creates a Forest Reinvestment Fund and restates the legal provision for the Protected Areas Fund\textsuperscript{7}. Proposals for such funds are not new: the Forestry Law of 1971 created a Forestry Fund, which was cancelled after a few years; subsequently the Forestry Incentives Law of 1993 created a series of incentives, but regulations for this law were never produced with the result that the law as a whole was never applied.

26. In addition to these funds, the new law makes provision for a series of other incentives, including preferential opportunities for poor communities to participate in timber auctions, the provision of technical assistance to the owners of forest areas, and a number of financial incentives (the reimbursement of 100% of the costs of forest protection in public forest areas which are in a process of regeneration and which are not covered by forest management plans; the reimbursement of 50% of the costs of reforestation by private landowners on deforested areas which have not been harvested under the provisions of a management plan; the reimbursement of 100% of the costs of reforestation on deforested public lands; and compensation for the provision of environmental services). These incentives complement other existing laws, such as the provision in the LMDSA for the inputs required for forest management to be imported tax-free.

10) Increased onus on owners of forest areas

27. The new law gives many obligations to forest owners but few benefits. In general terms, forest owners with full title can harvest them indefinitely, as long as this is carried out under a management plan approved by the forest authority and the products obtained are for the benefit of the owner; however the law appears to give few opportunities to forest owners to gain access to benefits such as training and information (for example on technology, markets and finance), in order to allow them to make better use of their resources. They will also be responsible for any infractions carried out when the forest management plans are applied, even when they themselves do not carry out the infractions.

11) Increased profile of conservation and protected areas

28. Under the new law the new ICF will have two Sub-Directorates, one of which will be concerned with Protected Areas and Wildlife. This raises the profile of protected area issues, relative to their present treatment in one of the various Departments of COHDEFOR. The law also includes a specific requirement for the preparation of forest protection plans, as distinct from forest management plans. The intention of this distinction may be to raise the profile of forest protection, but another (probably unintentional) interpretation is that protection is not understood as constituting an integral part of management.

\textsuperscript{7} Earlier drafts of the law also provided for a Municipal Forestry Fund, however it is understood that this was removed from later versions due to concerns over its legality. This will only be confirmed once the draft law is made public.
12) Titling of indigenous lands in protected areas

29. With regard to indigenous lands, the current legislation allows communities with title to their lands to sell them, but only under the community concept of management. Indigenous peoples have had serious problems titling their lands when these are located in zones which have been declared as protected areas, especially those registered in the CIPFP. The new law recognizes the access and use rights of the different ethnic groups in the country, both to lands and forests (as well as other renewable resources) which they have occupied or used ancestrally, ‘in any part of the country where they are located’. This last consideration could be interpreted as permitting all indigenous territories to be titled, irrespective of any special classification which they may have, and therefore appears to open up the possibility of the titling of lands in protected areas.

13) Increased responsibilities of forestry professionals

30. The new law gives forestry professionals an increased number of roles and level of responsibility, namely: i) as forestry technicians; ii) as producers of management plans; iii) as Accredited Forestry Professionals; iv) as participants (through their professional body) in the National Consultative Council and v) as Director of the ICF. Under these roles, they are given a number of obligations, failure to comply with which makes them subject to civil and penal redress.

14) Creation of a National System for Forestry Research

31. The new law creates the National System for Forest Research (SINFOR), which will be responsible for developing forestry research in the country. This proposal contrasts with the current legislation which gives little importance to the issue of research. The need for a separate SINFOR arises from the separation of forestry from the agricultural sector, research in relation to which is coordinated through the National System for Agricultural Research and Technology Transfer (SNITTA). Although SINFOR appears to be conceived as a mechanism for coordination, made up of a range of public and private entities involved in research, the fact that it is created through the law would possibly require it to take the form of an internal entity within the new ICF (such as a unit or department).

15) Formalization of provisions for Forest Management

32. The new law provides for forest management contracts of short, medium and long term (more than 10 years), community forestry management contracts and usufruct contracts. This contrasts with the present legislation which provides for short term management contracts (effectively harvesting contracts) and usufruct agreements, which have less legal weight than contracts. The effect of this change is to provide greater contractual security to forest operators, including community-based enterprises, and will in theory allow them to adopt a longer-term perspective, with increased motivation to apply sound management practices. A time limit is also placed on the period within which the forest authority has to reach a decision on forest management plans submitted to it for approval, with the aim of correcting the current situation where delays in approval can cause serious financial difficulties for forest users.

16) Sanctions

33. Under the present Forestry Law, most infractions are classified as misdemeanours and as such are penalized by COHDEFOR. The new law, by contrast, classifies most forestry-related infractions as crimes, which are by definition referred to the courts. This reflects the apparent intention of the law to increase the firmness with which infractions are treated.

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8 Including afro-Caribbean communities, who are actually considered in Honduras to be autochthonous rather than indigenous
Overview of the main implications of the proposed new law

1. The new law will consolidate all of the existing legislative instruments into one. This will overcome the current problem of dispersion and the obsolescence of some of the current instruments.

2. The process of ‘rebirth’ implied by the introduction of the new law and the corresponding institutional reorganization may result in increased motivations to see that the multiple provisions of the new legislation are actually put into practice.

3. The new forestry authority (ICF), which will be created under the new law, will substitute the existing entity (COHDEFOR) which finds itself in a condition of institutional prostration due to the lack of a reliable budget, accusations of corruption and scarcity of resources.

4. The creation of a forest sector will raise the public and political profile of forestry issues and allow the Director of the new ICF to have direct access to the Council of Ministers.

5. Conversely, the new law is perceived by some analysts as excessively complex, covering as it does institutional, administrative, technical, financial and tenure issues; forest management and protected areas themes; and administrative, policing and jurisdictional spheres of action. It will undoubtedly be a particularly difficult instrument to manage, not only for the public functionaries responsible for its administrative application, but also for law enforcement and judicial agencies.

6. Another shortcoming of the new law is that it is extremely regulatory in nature, including many aspects which could otherwise be left to regulations. The main concern is that, in order to carry out minor changes, which are normal in the course of the validation of any legislation, it would be necessary to go through a complex and slow process of reforming the law itself.
3. CONDITIONS FOR THE SUCCESSFUL PRO-POOR APPLICATION OF THE NEW LAW, AND CORRESPONDING INSTITUTIONAL CAPACITIES

34. In this section, we examine the extent to which institutional capacities exist at present to satisfy each of the conditions for the new law to be applied successfully, in ways that benefit the poor (these different areas of potential contribution are set out in Section 1, paragraphs 5-11). The dependence of the pro-poor management of forest and tree resources on these factors is summarized in diagrammatic form in Appendix 1, while the same analysis in the case of environmental service payment schemes in summarized in Appendix 2. In Section 4, we summarize the overall types of institutional strengthening that will need to be prioritized in order to address the deficiencies presented in this section, if the new law is to be applied effectively.

1. Clear definition of use rights

35. Usufruct rights over forests. The Government’s ability to enter into usufruct agreements with campesinos groups on State forest lands, in order to allow them to carry out forest management as foreseen under the Social Forestry System (and provided for both under existing legislation and the new draft law), is limited at present by the lack of formal definition of the State’s title over these lands and of the groups’ usufruct rights, and the fact that most of this land is currently occupied by private individuals, who claim de facto usufruct rights over it.

36. The “regularization” of these State forest lands, including the formalization of State title, the recognition of occupancy and usufruct rights in accordance with the existing legislation and the recovery of land occupied in contravention of the existing legislation, is currently being supported by the World Bank through the Forests and Rural Productivity Project (PBPR). Under the new law, the ICF will be responsible for investigating and delimiting the limits of State Forest Land and for maintaining a catalogue of Public Forest Land, and the Property Institute will maintain a Special Register of State Property in which State land will be inscribed once its title is formalized. These responsibilities mirror those assigned to COHDEFOR and the Property Institute under currently legislation.

37. The principal challenge for the regularization of State forest lands nationwide is the lack of a proven methodological model for the regularization process, and in particular for resolving the conflicts that will inevitably occur in those cases where the rights of existing occupants are questioned; and also for coordination between the diverse institutional stakeholders involved (at both central and local levels). The PBPR aims to resolve this problem by supporting a pilot regularization project in Yoro Department, starting with a “mini-pilot” and scaling this up to around 90,000 ha by the end of 2008. A number of institutional stakeholders will be involved in the pilot, in addition to those with the most direct responsibilities mandated by law, including the Agriculture and Livestock Ministry (SAG), the National Agrarian Institute (INA), municipal governments and federations of indigenous peoples. The PBPR aims to adopt a “hands-off” approach in that pilot, with the aim that this will serve as a learning experience for the national institutions involved, which will in the process be able to identify and address any institutional and methodological shortcomings before project support is withdrawn.

38. An additional problem which it is beyond the power of the PBPR to resolve under the current legal context, but which may be resolved under the new law, is the limited financial and logistical capacity of COHDEFOR for carrying out its responsibilities in relation to regularization. The

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9 The Property Law already makes provision for the titling of small areas of forest land
causes of COHDEFOR’s budgetary limitations, and the corresponding provisions of the proposed new law, are explained and discussed in paragraphs 43-45.

39. A similar situation, to that described above in the case of State forest lands, applies to many municipal forests. Large areas of these are occupied without authorization by private individuals, who claim usufruct and in some cases ownership rights. In the case of municipal forests, it is the municipal land registry departments (departamentos de catastro municipal) which are responsible for regularizing and registering tenure on these lands, and the municipal Government which is responsible for issuing usufruct agreements (under the present law) and management and usufruct contracts (under the new law). These land registry departments do not necessarily include information on forest lands (as in the case of Catacamas reported by Vallejo and Ferrouki, 2005).

40. **Ownership rights over trees in agricultural systems.** Despite the provisions of the LMDSA which recognized the rights of landowners to the trees on their lands, smallholders typically are very unclear about their rights to harvest and sell the trees growing on their lands (whether planted or naturally regenerated). As a result, they fail to take advantage of the major potential that these have to supplement farm income, for example in areas such as the dry forest agroecosystem of southern Honduras (Barrance et al 2003, Richards et al 2003). This is to a certain extent a hangover of the recent history of the forest sector, wherein from 1974 to 1992 the ownership of all trees was vested in the State. Another contributing factor is the almost exclusive focus of the current legislation on the commercial management of productive forests, and its corresponding failure to clarify the legal requirements for selling trees under other circumstances. The new law will not change this situation, unless provision is made at the level of regulations; even if such provision were made, deficiencies in the flow of information on legal issues to the rural population would be likely to limit its impact in practice. This situation is compounded by the fact that the forestry technicians in regional offices of COHDEFOR, to whom farmers have to apply for permits for felling and transporting trees, are typically products of forestry training institutions which also have a narrow technical focus on the commercial management of productive forests. Finally, a large proportion of smallholders lack formal title to the land which they occupy: typically this is not an obstacle to them felling and using trees on ‘their’ land, as there is a high level of recognition of informal tenure in rural communities; however it does present an obstacle to them obtaining formal permits for tree felling and transport for sale.

41. **Ownership rights over trees in plantations.** The recognition in the LMDSA of the rights of landowners to the trees on their lands also applies in theory to forest plantations. In practice, however, there is concern on the part of potential plantation owners as to whether they will run into problems once they actually harvest their trees and attempt to transport them or their products to market. At the beginning of this decade, COHDEFOR issued a number of certificates to plantation owners, in association with the Honduran Foundation for Agricultural Research (FHIA) and the PROLEÑA project, with the intention that these could be used to prove the origin and legality of plantation products if these were challenged by the authorities. This was one of the incentives foreseen in the Forestry Incentives Law, however this law was never put into practice. Currently, there is a lack of clarity among both COHDEFOR and municipal governments regarding the procedures to be followed. The resulting lack of confidence among landowners constitutes a significant disincentive to the establishment of plantations.

42. **Formal land tenure rights.** The implications of the lack of formal land tenure (due largely to the limited logistical capacities of the National Agrarian Institute INA to satisfy the demand for land titling) for the possibilities of smallholders obtaining permits to fell, sell and transport trees in agricultural systems are discussed in paragraph 39. An additional implication of this situation is the difficulties that smallholders and campesino groups may face in obtaining credit from the formal financial sector, in the absence of solid guarantees in the form of land titles. The
significance of this factor as an obstacle to obtaining credit has however been questioned by some researchers, given the existence of alternative sources of credit which accept other forms of guarantee, such as “solidarity guarantees”.

2. Adequate access to institutional funding

43. The new law gives a large number of responsibilities to the proposed ICF, as summarized in Appendix 5. A fundamental requirement, if these are to be fulfilled, will be for the institution to have reliable access to adequate levels of funding. The main strategy proposed in the new law for overcoming the budgetary uncertainty which has plagued COHDEFOR to date is that the institution should cease to depend on auctions of timber from public forest lands for its income, and should instead be assigned a recurrent budget by the Ministry of Finance, as is the case with other Ministries and their dependencies. There is however no guarantee that this will provide the institution with the funding that it requires to meet its responsibilities; this will depend entirely on the amount of budget which the Executive decides to allocate to it, which in turn will depend on the political profile of forestry issues under each administration.

44. Currently, the image of the forestry sector which is promoted by the Government focuses heavily on the combat of deforestation, while the formal institutional framework, centred on COHDEFOR, is largely discredited in the public eyes due to the accusations of corruption and lack of operational effectiveness to which it has been subject in the past. As a result, much of the Government’s high profile investments in reforestation and the control of illegal forestry activities currently go to parallel entities such as the armed forces. In order to maximize the probability of receiving an adequate funding allocation in the future and thereby being able to develop a solid, professional institutional framework for overseeing and supporting forest management, it will therefore be necessary for the new ICF to invest in projecting a positive image both of itself - as a ‘reborn’ institution free of the vices perceived to date and working to reconcile the interests of different stakeholder groups - and of the sector as a whole, as a vehicle with potential for contributing the economic growth and poverty reduction.

45. Even if such a strategy were effective in increasing the budget allocation of the ICF beyond the current levels of funding currently available to COHDEFOR, it is still unlikely that this budget allocation would reach the levels required to meet all of the responsibilities which the institution is given under the proposed law. It will therefore be necessary for the ICF to develop capacities for building alliances with other institutional stakeholders, in the public, private, NGO and civil society sectors to complement its own resources and capacities. Such alliances currently exist with the armed forces and SERNA, in the areas of reforestation and policing, however relations with NGO and grassroots entities are weak due to the institution’s credibility problems in the past and the polarization of Government and civil society actors in relation to forestry issues.

3. Adequate funding of forestry stakeholders

46. For forest management and protection to be viable, adequate and reliable funding is required at a number of stages in the management cycle, including the development of forest management plans; the supervision of forest management activities; logging, transformation and marketing of forest products; the protection of production forests and conservation areas against illegal felling, fire and pests; the establishment and maintenance of forest plantations; and the certification of forestry activities in order to access niche and premium markets. Inadequate access to such funding leads some campesino cooperatives to invite private companies, which do have the financial resources necessary to prepare management plans and carry out forest management, to operate on the lands on which the cooperatives have been assigned usufruct rights by the
Government. This tends to reduce the generation of benefits, in terms of income and employment, for local communities.

47. The new law makes extensive provision for the funding of forest management and conservation. Specifically, it establishes:

- **A Fund for Forestry Reinvestment and the Promotion of Plantations**, whose objective is the support of the formulation and implementation of forest protection activities, the execution of management plans in public forests, and the recovery of deforested and degraded areas through the establishment of forest plantations. Part of this fund will be made available in a non-returnable form, for forest protection, management and reforestation activities on public lands, and part will be in the form of credit, for activities by the private sector and organized campesino groups.

- **A Fund for the Management of Protected Areas and Wildlife**, in accordance with the principles of the National System of Protected Areas SINAPH (this fund already exists and has received an initial injection of resources from the Government, however it has not been executed due to the lack of clarification of the corresponding legal and institutional arrangements).

48. The sustainability of these funds depends on the establishment and maintenance of adequate levels of funding relative to demand, and their efficient and transparent administration. Under the new law, the Fund for Forestry Reinvestment and the Promotion of Plantations and the Fund for the Management of Protected Areas and Wildlife will be capitalized through a one-off investment by the Government, and maintained through inputs from the Government’s recurrent budget, income from forest management on State forest lands and fines levied on infractions of the forestry law. The funds will be administered by an Administrative Board, whose diverse membership will help to ensure transparency and equity: it will be made up of the Executive Director of the ICF and representatives of the Ministry of Finance, the Association of Municipalities of Honduras (AMHON), international cooperation agencies (with voice but no vote) and the National Consultative Council (two representatives, one of whom will be from the campesino sector). The utility of the funds as sources of finance for forest management and protection will also depend on the agility of their administration, which in turn will depend on the efficient functioning of the Credit Committee; given its newness and multi-stakeholder nature, this is likely to present a challenge.

49. The draft law originally also contained provisions for a Municipal Forestry Fund. It is understood (but cannot be confirmed until the draft law is made public) that these provisions have now been removed. In the absence of this fund, it is still possible for municipalities to access funds managed by the ICF, under the provisions of the Municipalities Law which allows entities such as the ICF to contract municipal governments to carry out activities to manage and protect natural resources. This provision is currently used for example to direct funds from external cooperation to municipalities. Key requirements in any case would be the capacity of municipal governments to lobby for this funding, the existence of efficient mechanisms for its prompt disbursement, and its efficient, effective and transparent management once in the hands of the municipality. The lobbying capacity of municipal representatives varies widely, due to differences between municipalities in relation to the different factors which it depends, including the personality of the mayor, the economic importance of the municipality and, in some cases, the political ‘colour’ of the municipal Government relative to that of the central Government currently in power. In its present condition, the capacities of COHDEFOR to carry out prompt disbursement of funds to municipalities, appropriate to their needs and importance, are limited, though this may change if there are adequate improvements in institutional design and culture when it is converted into the proposed ICF. The abilities of municipal Governments to manage
funds, once collected, also vary widely between municipalities, due to variations in the histories of economic activity in their territory (which in turn determine the levels of fiscal revenue generated and the corresponding abilities of municipal Governments to pay staff) and in the effectiveness of mechanisms for social control over the transparency of municipal administration, which in most municipalities are poorly developed (see below).

50. In addition, municipal governments can generate income themselves by entering into contracts for the management of municipal forests (which make up an estimated 28% of the country’s forest cover, Vallejo and Ferroukhi 2005), by charging taxes or levying fines on forestry activities in other forest areas within their territorial jurisdiction, and by charging other taxes, for example that related to land ownership (impuesto de bienes inmuebles). Limitations in municipal capacities to promote and administer forest management lead to a vicious circle, whereby the potential of forest management to generate fiscal revenue is not realized, thereby perpetuating the budgetary limitations of the municipal government. It has been demonstrated in a number of cases (see Vallejo and Ferroukhi 2005) that initial injections of investment, in the form of the short term payment of the salaries of municipal staff involved in the promotion and oversight of forest management, can serve to break this circle by allowing the municipality to develop the capacities for income generation which can in the future support these salaries (in some cases generating a surplus which can be invested in the development of the municipality). Again, the effective functioning of this model depends on the existence of adequate mechanisms for social control. There are some interesting examples of such mechanisms currently in existence, such as the Municipal Forestry Committee established in Yamaranguila municipality. It is proposed under the new draft law that Municipal Consultative Councils would assume a role of social control in relation to forestry issues, however this would depend on these function as foreseen and achieving an adequate balance of influence between representatives of municipal governments and other stakeholders; as these are completely new entities, there is no guarantee that either of these conditions will be met.

51. Another factor contributing to the budgetary limitations of many municipalities, and their corresponding lack of resources for investing in the protection and management of natural resources, is their failure to collect the income to which they are legally entitled in the form of land ownership taxes (impuesto de bienes inmuebles) due to the poor functioning of their land registry offices. The Forests and Rural Productivity Project (PBPR) is supporting the improvement of the capacities of these offices on a pilot basis (for example in the municipality of Santa María del Real in Olancho Department), with promising and replicable results.

52. The abilities of municipal Governments to manage funds, once collected, also vary widely between municipalities, due to variations in the histories of economic activity in their territory (which in turn determine the levels of fiscal revenue generated and the corresponding abilities of municipal Governments to pay staff) and in the effectiveness of mechanisms for social control over the transparency of municipal administration, which in most municipalities are poorly developed (see below).

53. The new law also provides for a number of incentives, for afforestation and reforestation, the protection of natural and artificial forests, the protection of watersheds, the establishment of plantations and forest management in public and private forests. The provisions for incentives under the new law replace those in the earlier Law of Incentives for Afforestation, Reforestation and Forest Protection (Decree 163-93), for which regulations were never developed. As with the earlier Law of Incentives, the application in practice of the incentives foreseen in the new draft law will depend on the existence of political will to develop the corresponding regulations. It will also depend on their being an adequate level of awareness among potential beneficiaries of the provisions of the law and its regulations, and on the other conditions for the feasibility of forest
management described in this section being met, without which there will be little motivation on the part of forest managers and owners to apply for the new incentives.

54. *Campesino* forestry groups also have access in theory to **credit funds from both commercial and non-commercial sources**. Their access to credit support from commercial financial institutions tends to be limited by their difficulty in providing adequate guarantees, for example in the form of land titles (see paragraph 42), and the limited confidence of commercial banks in the financial viability of forest management. Non-commercial sources include rural savings banks (*cajas rurales*), however the magnitude of the loans which these are able to provide are typically limited due to their limited opportunities for capitalization, except in cases where these have received injections of capital from funding agencies. Savings and loans cooperatives are another option, and in some cases have also received injections of capital from funding agencies with the specific aim of supporting forest management activities.\(^{10}\)

55. The sustainability of the provision of credit from such sources depends on a number of factors: favourable legal and market conditions must exist to make forest management a viable option; the forestry groups must possess adequate technical and administrative capacities to carry out forest management in an efficient manner and manage the funds responsibly; and the credit entities must have the capacities to evaluate the financial feasibility of forest management and the capacities of the groups to repay loans. The capacities of forestry groups vary widely but in general remain seriously deficient (see paragraph 56). Some credit institutions have received support to increase their capacities to take appropriate decisions on loan applications, through the definition of loan criteria and the establishment of multi-stakeholder credit committees\(^{11}\), however in general their capacities in this regard are far from adequate.

4. ** Capacities of user groups to carry out forest management**

56. In order to take advantage of the generally favourable provisions of the new law for locally-based forest management, forest user groups and private forest owners require a range of capacities:

- **Technical**, in order to be able to produce forest products of a quality required by the market and at a competitive cost, to carry out forest management planning and to add local value to forest products;
- **Administrative**, in order to be able to manage their limited resources in an efficient and transparent manner and to reinvest profits as appropriate;
- **Commercial**, in order to be able to negotiate effectively in the market and to access niche and premium markers where possible;
- **Organizational**, in order to ensure that the different members of community-based groups have equitable access to opportunities for participation and to the benefits generated through forest management, and that groupings of forest user groups and forest owners are able collectively to exert influence on markets and on policies.

57. A large number of groups have received support from the Government under the Social Forestry System, through specific projects funded by external agencies\(^{12}\) and from the umbrella

\(^{10}\) EU funds were used in this way by CARE to support forest management by indigenous forestry groups in western Honduras, in the LENCAFOR project.

\(^{11}\) The World Bank PBPR project is supporting the capacities of Intermediate Financial Institutions in this regard, as did CARE LENCAFOR project with a local savings and loan cooperative.

\(^{12}\) Including the World Bank (e.g. PBPR), GTZ (e.g. the AFOCO project in Yuscarán), the Government of Finland (the MAFOR project) and the European Union (e.g. the CARE LENCAFOR project in western Honduras).
Honduran Federation of Agroforestry Cooperatives (FEHCAFOR). However, this support has as yet been insufficient to cover the demand and as a result major gaps still remain in the capacities of many of these groups, typically in all of the above areas.

58. The new law gives a large amount of responsibility to the ICF in the provision of support to forest users and managers. It is required to provide forest user organizations, campesino forestry businesses and individuals with free technical assistance13 for forest protection and restoration activities; to support and promote certification; to support the transformation of forest products and the adding of value; to maintain a market information system; and to implement a support programme for the beneficiaries of the forest land regularization programme (see paragraph 36). It is not explicitly stated whether this support will include organizational advice, an unfulfilled need which has been highlighted by civil society organizations.

59. The fulfillment of these responsibilities will be a significant cost to the ICF, the institution’s ability to cover which is by no means guaranteed by the change in its funding modality which is provided for in the new draft law. If this support were provided directly, the ICF would require significant increases in staffing levels above current levels, together with improvements in staff management and institutional culture in order for the support to be delivered in an efficient and non-politicized manner. If delegated to the private sector, NGOs or FEHCAFOR, it would still require the improvement of capacities in the ICF to fund, coordinate and supervise these entities, and also adequate development of the technical capacities of service providers.

60. The effective provision of technical support to producers is also crucial for enabling farmers to realize the potential of trees in agricultural landscapes, as a source of goods and services in support of sustainable livelihoods and farming systems. Support in relation to farming systems issues (including the management of trees on farms) is normally provided through institutions and projects of the SAG, as head of the agricultural sector. At present, the Government generally delivers extension support by contracting private service providers and so, as when this model is applied in support of forest management (paragraph 59), its effectiveness is largely dependent on the existence of adequate capacities within the service providers, as well as capacities for supervision within the SAG. NGOs tend to have a greater role in providing support in relation to farming systems than to purely forestry issues, and so the existence of adequate NGO capacities is also a strong determinant of effectiveness. Given the complexities of farmers’ livelihoods and farming systems, the long term effectiveness of support in relation to this theme depends not only on logistical, administrative and technical capacities to carry out extension, but also on the existence of methodological capacities for carrying out in-depth and participatory analysis of livelihoods and farming systems, and adjusting support accordingly.

5. Preparation of forest management plans which satisfy technical, social and environmental concerns

61. Under the new law, forest technicians will be responsible for preparing management plans for forest owners and managers. The provisions under the new law for consultation with civil society and other stakeholders in relation to management plan preparation mean that forest technicians will have to broaden their range of skills, beyond the more conventional aspects of forestry (such as yield estimations and the definition of silvicultural prescriptions) in which they currently have expertise. In the future, forest technicians will need social awareness and skills to enable them to

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13 Interpreted literally, this would represent a volte face in relation to the model of privatization of the provision of technical services which has been adopted by the Government and funding agencies over the last 15 years. Conversely, the intention of the draft law may be that the support be provided by the private sector (NGOs and companies) under the coordination of the ICF.
undertake dialogue with diverse stakeholders in an open and constructive manner in relation to the content of management plans, and to manage conflicts effectively. This will require a significant change of mindset among many members of the forestry profession, which in Honduras (as in many other countries) has traditionally been heavily centred on technical issues. This in turn will imply modifications in the emphasis of the forestry education provided in the country, with increased attention to aspects such as the social importance of tree and forest resources, and methodologies for social analysis, participation and conflict management.

62. In order for forest management to achieve full social acceptance and to address the concerns of grassroots environmental organizations (such as “Pro-Veda”) which to date have been successful in halting forestry operations in certain areas of the country, forest technicians in future will also have to have the capacity to pay adequate attention to environmental aspects when preparing management plans. Organizations such as Pro-Veda argue that at present only lip service is paid to such considerations, with the result that forest management activities cause environmental impacts which affect local people’s livelihoods, particularly the degradation of water sources. This will again imply modifications in the training of foresters in order to enable them to address such issues, broadening their current focus on silviculture to include integrated environmental impact assessment. It will also require the formulation of appropriate, practically applicable yet objective methodologies for carrying out environmental assessments. This will require close collaboration between the ICF and, which is responsible for the National System for Environmental Assessment (SINEA).

6. Expedited and objective approval of forest management plans

63. Final responsibility for review and approval of forest management plans lies at present with COHDEFOR and, under the new law, with the ICF. The new law provides for social auditing of these plans by Municipal Consultative Councils (see paragraph 63), thereby in theory permitting any plans with aspects which run counter to local interests to be screened out (however, although The ICF is prohibited from approving plans which put in risk the sustainability of natural resources or damage the environment, it is not obliged under the new law to comply with the recommendations of the Municipal Consultative Councils). At present Municipal Forestry Offices (MFOs) in some municipalities already apply such a screening process. This is largely carried out by forestry technicians, however, and so focuses principally on technical issues, and the MFOs also lack a broad stakeholder base or remit for representation and dialogue. The effectiveness of such local screening in addressing social and environmental issues will therefore depend under the new law on the functionality of the Consultative Councils, which are as yet completely unproven. MFOs could play a valuable role in providing these with technical advice, but are as yet few in number.

64. Experience to date has shown that the approval process for management plans, once in the hands of COHDEFOR, can be very lengthy, taking at times up to 2 years. This is especially true in the case of community-based forest user groups which do not have the benefit of an influential external patron to push the process along (Global Witness/CONADEH 2006), unless they happen to be the beneficiary of a donor-funded technical support project at the time\(^\text{14}\). This can be a significant disincentive to investing in forest management, especially in the case of campesino enterprises which have to take out loans to cover the costs of management plan preparation, and are unable to generate income with which to repay their debt until such time as the management plans are approved.

\(^\text{14}\) As in the case of PBPR, where project staff personally delivered the management plans of some community groups to COHDEFOR central office and took advantage of internal contacts to push the process along.
65. The problem of the delay in approving management plans at present is due to a number of factors, including the complexity of the management plans, the limited personnel resources in COHDEFOR and its inefficient institutional and administrative structures. In the case of plans presented by campesino groups, an additional factor in some cases is the susceptibility of COHDEFOR staff to external influence in determining how they allocate their workload.

66. The passing of the new law gives some hope, but no guarantees, that this situation will be addressed. Positive factors include the possibility that the ICF will have more resources to contract personnel to review management plans, under its new funding modality (although again this will depend on its budget allocation); and the opportunity which will be presented by the restructuring of the institution to streamline the review procedures and to improve the abilities and motivation of staff. The existence of Consultative Councils may in addition possibly provide an opportunity for community-based actors and the representatives to have an increased level of influence on the agility of the review process, for example by raising questions about plans which have encountered serious delays. Again, however, the Councils are as yet completely unproven (see paragraphs 89-92).

7. Effective forest protection and supervision

67. The *sine qua non* of successful and sustainable forest management is adequate supervision, to ensure compliance with management plans and to prevent forestry activity being carried outside of the limits of such plans. Illegal timber harvesting and trade is a major problem in Honduras: it causes damage to the regenerative capacity of the tree resource and to soil and water resources, reduces the capacity of forests to buffer against environmental risks, reduces the competitiveness of timber which genuinely comes from legally managed sources, and erodes governance structures and corresponding opportunities for social development in the areas involved (Richards et al. 2003, Contreras-Hermisolla 2003 and del Gatto et al. 2003).

68. The new law gives responsibility to Forest Technicians for ensuring that the provisions of management plans are complied with, and requires them to report any infringements to the ICF\(^\text{15}\), which in turn will be responsible for monitoring their performance. Principal responsibility for ensuring forest protection and the enforcement of forestry legislation is given, however, to a new entity, the Corps of Forest Guards\(^\text{16}\). The responsibilities of Forest Guards will include: the combat of forest fires, pests and diseases, forest clearance, illegal extraction of forest products, illegal hunting, the occupation of public forest land and other illicit activities; the provision of information to the public on legislation related to natural resource management; facilitating the development of social and ecological projects aimed at environmental conservation; and training and awareness raising among the public in relation to the protection and conservation of natural resources. The Corps of Forest Guards would therefore assume some functions traditionally assumed by forest technicians, and some ‘policing’ role. If effective in practice, the Corps of Forest Guards could play a vital hands-on role in combating the phenomena of illegal felling and transport of timber which currently plague the forestry sector, and undermine the feasibility and competitiveness of legal forest management.

69. The new law proposes that the Corps of Forest Guards be instituted by the ICF. It is assumed, but not explicitly stated, that the Forest Guards would be employees of the ICF, which would cover their salary, equipment, transport and other costs. Their existence, sustainability and effectiveness in practice will therefore again depend on the ICF receiving sufficient funding from

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\(^{15}\) This appears to place them in a situation of ‘judge and jury’ as they will be under contract with forest owners.

\(^{16}\) A similar entity existed prior to the passing of the Law for the Creation of COHDEFOR in 1974.
the Ministry of Finance to cover these costs, which is not guaranteed. Concerns have also been expressed by representatives of the campesino agroforestry movement about the credibility and transparency of Forest Guards if they were to be employees of the ICF, due to the institutional history of its predecessor COHDEFOR.

70. Another option would be that the Forest Guards be employed in some cases by municipal Governments, as is currently the case in some municipalities such as Lepaterique and Ojojona. Under current conditions, it would be those municipalities with the most significant areas of ejido (municipal) forests which would be best placed to meet the costs of Forest Guards, through income generated through forest management on ejido lands. There is likely also to be room in other municipalities for raising awareness of the social, economic and environmental benefits of forest protection in such a way that farsighted municipal authorities redirect scarce resources to covering the costs of Forest Guards, in the expectation of thereby safeguarding their income flows from tree and forest resources in the future. Another option is to take advantage of the legal provision will currently exists in the Municipalities Law for Government entities such as COHDEFOR (or its successor the ICF) to provide funding to municipalities to allow them to cover the costs of natural resource protection, for example by contracting Forest Guards. This option would not necessarily reduce the financial burden of Forest Guard salaries on the ICF, but would be likely to increase their credibility, especially if provision were made for ‘social auditing’ of their performance by local civil society (see paragraphs 84-94).

71. The new law gives a number of important and in some cases sensitive responsibilities to the Forest Guards. Given that the law stresses basic education and personal qualities rather than technical or methodological capacities as criteria for selection of the Forest Guards, they will not be in a position to fulfill these responsibilities without appropriate prior training. The options for providing this training include using ESNACIFOR (which has the facilities and experience to do this, and currently provides training to forest workers, as a service to PBPR); increases in the capacity or number of secondary schools (colleges) in rural areas which provide secondary-level forestry qualifications (bachilleratos forestales)17; or the use (subject to adequate resource provision) of the National Institute for Sustainable Development (INADES) which for a number of years has been training ‘forestry promoters’ as heads of Municipal Environmental Units (UMAs).

72. A complementary strategy for ensuring the protection of tree and forest resources is through the formation of community-level entities. In the 1990s the NGO PROCONDEMA supported the formation of Nature Defence Committees in a number of communities in southern Honduras (including El Corpus and Concepción de María). The members of these Committees, which still exist and function, have the responsibility of reporting any activities which were in contravention of environmental law to the authorities (COHDEFOR and the police) and, as such, function as additional ‘pairs of eyes’ for the authorities. They have been provided with accreditation by the regional COHDEFOR office and police.

73. High level staff within COHDEFOR and members of National Congress also foresee that the Army will continue in the future to play an important role in controlling illegal forest-related activities (in particularly illegal timber transport) as a complement to the Corps of Forest Guards. The Armed Forces have the advantage that they are not subject to the same level of personal risks that might affect individual Forest Guards and they also have significant logistical capacity, relative to the police and the proposed ICF. At present the only training received by soldiers on how to fulfill this role is ad hoc on-the-job instructions from local COHDEFOR staff in how to check timber loads for legality.

17 Such colleges currently exist, for example, in the municipalities of Lepaterique and Yamaranguila.
74. Other vital actors in the process of law enforcement are Environmental Public Prosecutor’s Office (Fiscalía del Medio Ambiente), who are responsible for determining whether accusations of infringements of forest law have merit) and judges, who are responsible for sentencing. The Fiscalía del Medio Ambiente is specialized in issues of environmental law, but is seriously lacking in manpower and logistics for carrying out inspections in the field, and so at present is only able to process a small proportion of the total number of accusations received. Judges, meanwhile, typically have limited knowledge of environmental law. This is of particular concern given that the proposed law classifies most infringements as delitos (criminal offences), which are processed by the Fiscalía and judges, rather than faltas (misdemeanours) which predominate at present and which are processed by the responsible executive authority (in this case, at present, COHDEFOR).

8. Effective supervision of the legality of timber transport and marketing

75. The illegal trade in timber only prospers because the timber produced can travel from the forest to the mill with impunity. The pathways by which this occurs are typically complex and, especially in those parts of the country (such as the agricultural frontier zone of the north-east) where governance conditions are weakly developed, opportunities for illegally felled timber to slip through are rife. A common practice is ‘timber laundering’ whereby timber felled outside of permit areas is presented as having been felled within the permit areas, and legitimized with the credentials of legally formalized timber cooperatives which have approved management plans.

76. Under the new law, Regional Offices of the ICF will be responsible for issuing permits for the transport of timber and, where these do not exist, Municipal Governments will assume this responsibility. Supervision of timber transport in the field will be one of the responsibilities of the Forest Guard Corps, in association (in practice, although this is not stated in the law) with the police and Armed Forces.

77. The effective application of these provisions, in such a way as to reduce the flow of illegal timber significantly, will depend partly on the logistical capacities of the ICF Regional Offices to check the provenance of timber for which it issues transport permits, and partly on the integrity of their staff and of the other actors involved in overseeing the chain of custody, such as the police. The logistical capacities of the ICF will again depend largely on its access to financial resources, which will (as explained in paragraphs 43-45) depend on the effectiveness of its new financing modality. The integrity of ICF staff, in resisting bribes to issue transport permits for illegal timber, will in turn depend partly on the institutional culture of the ICF, partly on the processes of staff selection and evaluation within the institution, and partly on the effectiveness of the provisions in the law for social auditing.

78. Another key factor which limits the possibility of detecting illegal timber flows, even if the conditions outlined in the previous paragraph are met, is the absence of adequate technical and methodological capacities for log tracking: the paper-based tracking procedures currently applied are highly susceptible to forgery and misuse. Well-proven improved systems for log tracking have been developed and applied elsewhere in the world (for example in Indonesia, with the support of The Nature Conservancy), using a combination of bar codes and satellite monitoring. There is potential for similar systems to be applied in Honduras. Here, as in Indonesia, this would require attention to be paid not only to the technical aspects of the log tracking system itself, but also to the definition of criteria of legality and sustainability and the negotiation of institutional arrangements for the implementation of the system (see paragraph 81). In Honduras, advances have been made in the definition of such criteria, in the form of the Criteria and Indicators for Sustainable Forest Management developed through ‘The Lepaterique Process’ in 2000 under the coordination of the Honduran Forestry Agenda and COHDEFOR.
9. Independent monitoring

79. Irrespective of the institutional changes proposed under the law, there is likely to remain a legacy of mistrust among the public regarding the adequacy and transparency of the supervision of forest management operations which is carried out by the ICF and the Corps of Forest Guards, due to the institutional history of COHDEFOR. Independent external entities therefore have an important role to play in monitoring forest management and the supervision activities carried out by the Government.

80. The main experience with independent forest monitoring (IFM) to date in Honduras has been that promoted by the international NGO Global Witness, which in 2005 undertook a pilot IFM project in association with the Honduran National Commission for Human Rights (CONADEH). In addition to generating information on illegal logging and the illegal trade of forest products, and ensuring the objectivity and transparency of the monitoring undertaken by COHDEFOR, this aimed to strengthen the operational capacities of COHDEFOR by sharing experiences and skills. Global Witness reported that its coordination with COHDEFOR had been encouraging but was largely ad hoc in nature. It concluded that more formal arrangements for coordination with COHDEFOR were needed, and that synergies also needed to be developed with the Environmental Public Prosecutor and the State Attorney for the Environment and Natural Resources (Global Witness/CONADEH 2006).

81. Global Witness also produced a number of recommendations of technical measures to be undertaken by COHDEFOR, on the basis of the initial results of the IFM process:

- Promotion of the definition of legality standards in order to reduce arbitrariness in the application of laws, starting with a consensus-based and clear definition of illegal extraction and trade of forest products;
- Establishment of procedures for regular consultation with local populations affected by logging activities and the involvement of these in the decision-making process (including safeguards to avoid manipulation by external vested interests);
- Geo-referencing of the limits of authorized logging areas and of the location of seedling trees.

82. Another important contribution to understanding the dynamics of illegal activities in the forest sector has been made by the UK’s Overseas Development Institute (ODI), through its diagnostic study of illegal logging in Honduras and Nicaragua, which was implemented in Honduras by the Honduran Network for Broadleaf Forest Management (REMBLAH) with official support from COHDEFOR and the Honduran Federation of Agroforestry Cooperatives (FEHCAFOR).

83. Independent external studies such as that carried out by the ODI, and monitoring projects such as that of Global Witness have an important role to play in increasing awareness of the problem of illegality in the forest sector, generating debate and, more crucially, providing key institutions with an understanding of the processes and stakeholders involved, which is essential for the definition of effective strategies to address the problem. As such, these types of initiatives warrant continued support. In order for sustained impacts on the legality of the forest sector to be achieved, however, it is necessary for such initiatives to be complemented by the development of permanent capacities at national level for independent monitoring and ‘social auditing’. The draft law proposes that such social auditing would be one of the functions of the different Consultative Committees which it is proposed to establish at national, departmental, municipal and community levels.

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18 Funded jointly by the UK Department for International Development (DFID), the World Bank, and the Canadian International Development Agency (CIDA).
levels; for this idea to function in practice, however, significant attention would need to be paid to ensuring the technical and logistical capacities of these Committees, as well as their impartiality and objectivity. The roles of these committees and of civil society as a whole in the promotion of equitable forest management and conservation in discussed in more detail below.

10. Effective participation of civil society

84. Shortcomings in the democratic process and entrenched imbalances of power have traditionally limited the voice of civil society in decisions related to natural resource management, which affect the public interest. The result has been that tree and forest resources have not been managed in ways that maximize benefits (for example income generation, employment and environmental services) for the population as a whole, and in many cases forestry activities have seriously undermined local peoples’ livelihoods by damaging the natural resource base. This in turn has resulted in reactions from civil society groupings which in some cases have paralyzed the forestry sector.

85. The processes of agrarian reform which commenced in the 1960s and the establishment of the Social Forestry System in the mid-1970s responded in a large degree to pressures from grassroots and trades union groups, and resulted in increased access on the part of the rural poor to land and forest resources, but did not significantly increase their influence on decision making or address imbalances of power. The past 10 years however have seen significant increases in the influence of civil society groups. Hurricane Mitch in 1998 played a particularly important role in catalyzing this process, as the Government at that moment found itself obliged to comply with the conditions of international agencies and the demands of groupings of grassroots organizations and NGOs, in relation to public accountability in the reconstruction process. Environmental activism by the NGO sector and groupings of local stakeholders had in fact achieved some successes before that time, a particularly important example being the rejection of a proposal by the US-based Stone Container Corporation to carry out large scale timber extraction from the Mosquitia in the early 1990s, in response to public pressure.

86. Over the last decade, environmental pressure groups have continued to exercise significant influence, most notably in the case of the Olancho Environmental Movement (MAO) and the ‘Pro-Veda’ (pro-moratorium) movement. These have succeeded in stopping timber operations by private companies over large areas of forest, due largely to concerns about the impacts of these operations on local people’s water supply.

87. These movements, and other forms of activism carried out by ‘civil society’ organizations, can play an important role as a counterbalance to the entrenched inequities of power and the corruption which often affect decision-making in the environmental sector, providing a channel of expression for the rural poor who are traditionally highly marginalized from such decision-making. Conversely, there is a risk that radical environmentalism can contribute to the polarization of the positions of different stakeholders, and lead to the sometimes unjustified ‘demonization’ of private enterprise. This in turn leads to a generally unattractive climate for carrying out the types of investment in the forest sector which are necessary in order to ensure its competitiveness and to realize its potential to generate income and employment nationally. Other concerns about some such groups are the extent to which they truly represent the opinion and interests of the public as a whole, given that they are unelected, and their capacities to analyze technical issues in a sound and objective manner. Notwithstanding these concerns, civil society organizations undoubtedly have the potential to make an important contribution in relation to environmental and social issues, and should be taken into account as stakeholders.
88. Specific areas where civil society organizations would benefit from support, in order to maximize their potential to contribute to pro-poor management and conservation of forest resources, therefore include the following:

- Development of capacities and structures for participation, consultation, negotiation and conflict management, among all of the stakeholders involved in issues of concern to civil society (including the Government and stakeholders with views opposed to those of civil society);
- Improvements in the access on the part of civil society organizations to technically sound, objective and balanced information on issues which are of concern to them and to the population which they seek to represent and benefit;
- Development of the capacities of civil society organizations and their constituents to carry out objective, technically sound and participatory analyses of environmental issues, in order to maximize their ownership of the arguments developed on the basis of the results of these analyses.

89. On paper, the new law goes some way towards addressing the factors which currently limit the effectiveness of civil society participation in issues related to forest management, through the establishment of Consultative Councils at national, departmental, municipal and community levels. These will include representatives of dependencies of the national Government, municipal authorities, forest owners and managers, and representatives of civil society (the identities of the actors involved would vary between the different levels). There would also be differences between the functions of the Councils at the different levels (ranging from community to national), however in theory they would all function as channels for civil society participation in providing social control of forestry issues, the formulation of policies and regulations, the proposal of protected areas and other conservation activities, and the review of management plans.\(^{19}\)

90. The effectiveness of these Councils in practice remains to be seen. The National Consultative Council will replace the current Board of Governors of COHDEFOR, and will have a broader membership base. A recurring problem with other such high level councils is the availability of time on the part of high level institutional representatives to participate in them, with the result that they commonly delegate participation to lower level functionaries who lack adequate decision making power. The large number of stakeholders which it is proposed to include in the Councils is also likely to present a challenge when it comes to coordinating their participation in meetings of the Council, especially in the case of those based in other parts of the country (for example afro-Caribbean communities).

91. An additional issue to be resolved with the National Consultative Council is the ability of the proposed participants to represent the diverse interest groups related to forestry issues in the country. The March 2007 draft of the law proposed that indigenous and autochthonous groups be represented by the Confederation of Indigenous Peoples\(^ {20}\) (COPIN) and ‘a representative of afro-Honduran organizations’, however COPIN only represents the Lenca ethnic group of western Honduras and not the sizeable other groups in the country such as the Miskitos, Pech, Tawakha, Tolupanes/Jicaques or Chortís. The experience and capacities of the organizations representing these ethnic groups vary widely, from strong in the case of the Miskitos to weak in the case of the

\(^{19}\) They would not have formal regulatory powers in this regard, as the ICF would have sole responsibility for approving management plans.

\(^{20}\) The more recent version of the Law refers to the ‘Confederation of Indigenous Groups’, however it is not clear to which organization this refers.
Tolupanes/Jicaques. The only organization that seeks to represent all indigenous and autochthonous groups is the National Commission for Autochthonous Peoples (CONPA) however this has extremely limited human and financial resources and would be incapable of carrying out this role in practice.

92. There is even greater uncertainty about the functionality of the Consultative Councils which are proposed at departmental and municipal levels, given that these are completely new and unproven entities. In practice the Department has to date had limited importance as a level of Government, Departmental Governors being largely political figures. An alternative might be for the Councils proposed at Departmental level eventually to work instead at the level of Regions or groupings of Departments, defined according to shared characteristics and issues (for example, a grouping of the Departments located along the north coast, where the greatest concentration of broadleaved tropical forest is found, and another in the south and east where the dry forest ‘agroecosystem’ is concentrated).

93. The Consultative Councils proposed at municipal level do have some parallels with existing structures, such as the Community Forestry Committees established with the support of the LENCAFOR project. There have been some successful experiences with other types of participation structures, such as the Municipal Development Council (COMDE) established in Guajiquiro municipality (Vallejo and Ferroukhi, 2005), however this is not specific to forestry issues and it only includes community representatives, rather than the broad range of stakeholder groups foreseen in the Consultative Councils. There are very few successful examples of functioning Local Development Councils (CODELs), an entity which was provided for in the Municipalities Law. The Municipal Forestry Committee established in Yamaranguila municipality (see paragraph 50), meanwhile, functioned well while it received support from the municipality’s particularly active mayor and from an EU-funded project administered by CARE, but has apparently largely ceased to function in recent years following the death of the mayor and the end of the project.

94. These Councils will face a number of challenges. In some cases, conditions of governance and trust between stakeholders may be insufficiently developed to allow them to sit down together to carry out constructive dialogue; in other cases, in the absence of adequate capacities for facilitation the level of broad stakeholder participation foreseen in the new law may result in discussions becoming cumbersome and unproductive; while in others the composition of the Councils may serve to perpetuate inequitable relations of power between Council Members. Some ‘community leaders’ are self-appointed, lack representative legitimacy and have vested interests which may run counter to those of the community as a whole (Nygren 2005). Concern has been expressed that if these challenges are not overcome the Councils will come to be used only as channels for the one-way flow of information about the Government’s intentions, rather than channels for genuine participation by communities.

95. The new law explicitly leaves a considerable degree of flexibility in relation to the nature of the Consultative Councils at community level, leaving open in theory the option that this role could be filled by existing community organizations such as patronatos and juntas de agua (water committees). In any case, considerable investment will be required to train members of such organizations nationwide in forestry-related issues, in order to allow them to participate effectively in forest management decisions in their communities and in the municipal councils. It is not clear which institution might be best equipped to provide this training, given the magnitude of the task. Central Government is not in a good position to meet the logistical challenges of doing so, given its downsizing over the last few decades; municipal Governments, on the other hand, have adequate geographical coverage but tend to lack the required technical expertise and funding.
11. Effective funding and co-management of protected areas

96. The effective and appropriate management of protected areas is of importance for the rural poor by virtue of their dependence on the environmental services which such areas provide, and the potential impacts which exclusive and vertical approaches to protected area management could otherwise have on their livelihoods and culture. The new law places considerable emphasis on protected area conservation, and also on the participation of private and social sectors of society in protected area management: one form of evidence of this is the proposed new provision for indigenous communities to acquire title on land which they have ancestrally managed which is located within protected areas.

97. This ‘co-management’ approach is a sound strategy given that (even with the increased budget that it may receive as a result of its new financing modality) the ICF will be unlikely to have sufficient resources or logistical capacity to ensure effective protected area management on its own. For the practical advantages of such co-management models to be realized, however, it is necessary for protected areas to have their financial sustainability ensured. This is far from the case in most protected areas in Honduras. Institutional weaknesses in this regard include the lack of capacities for strategic financial planning among co-managers, balancing predictions of recurrent expenditure against possible sources of income; and limited abilities to conceive and negotiate opportunities for generating income. Such opportunities include the Fund for Protected Areas Management which will be established under this law, access to which will depend on awareness among co-managers of its existence and the associated administrative requirements, and the ability to develop and deliver proposals for funding; and the payment for environmental services, the institutional barriers to the application of which are discussed in paragraphs 109-113.

12. Adequate conditions of local governance

98. The limited effectiveness of controls on illegal forestry activity to date is due not only to the limited capacities of the forestry authority, but also, more fundamentally, to a broader situation of weak governance structures which affects much of the country. This is in fact a vicious circle as, as explained in paragraph 67, illegal forestry activity itself tends to undermine governance. This situation is particularly pronounced in the agricultural frontier zone in the north-east of the country, where conditions of lawlessness are exacerbated by the links that exist between illegal timber activities, cattle ranching and drug trafficking.

99. This weak governance has a number of aspects. On the one hand, those engaged in illegal activities are often willing to resort to violence, which may be directed against representatives of the Government or in some cases against environmental activists who oppose them. A few examples of this wide-ranging problem include the withdrawal of COHDEFOR staff in the Sico Paulaya valley, who were attempting to control the movement of illegally felled mahogany, due to threats to their lives; the recent burning of a vehicle assigned to a GTZ-funded project in Olancho which was attempting to address environmental conflicts; and the murder in 1988 of an environmental officer of the municipal Government of Catacamas.

100. Weak governance is further exacerbated by corruption among some Government officials, which directly facilitates illegal forestry activity, and erodes respect for and confidence in government institutions among the public. This may take the form of taking bribes to turn a blind eye to illegal activity, or political favouritism (either on the initiative of the officials themselves or in response to pressure from above). Again, this is a vicious circle, whereby Government officials in areas with weak governance structures are particularly open to temptation to circumvent the law if the alternative is to enter into potentially dangerous conflict, or to lose their jobs (Nygren 2005). Decentralization of responsibilities from central to local
levels of government does not necessarily resolve this problem, given the susceptibility of some municipal governments to bribery, political pressure and domination by political elites (Nygren 2005).

101. The Government has made significant progress in addressing this problem, for example through the National Anti-Corruption Commission and the requirement that public servants provide declarations of wealth at the beginning and end of their contracts, however it is still far from being resolved. Under the new law the Consultative Councils at national, departmental, municipal and local levels will undertake ‘social control’ of the transparency of the application of development plans, programmes, projects, and forest management plans. The effectiveness of this social control will again depend on the functionality of these as yet unproven Councils, an issue which is discussed in paragraph 90. Social and environmental pressure groups, such as the Civic Alliance for Democracy and the environmental movements described in paragraph 86, also have an important role to play in denouncing corruption, as a complement to these unproven structures, however this often implies their members putting themselves in situations of personal risk.

102. Another aspect is the limited development of capacities and structures for constructive communication between opposing stakeholders in environmental conflicts, a situation which reflects deeply entrenched power relations and social divides. As explained in paragraph 92, the proposed Consultative Councils may have some role to play in addressing this situation; however there is very little likelihood of them being effective if basic conditions of trust and willingness to talk do not exist between stakeholders. A specific skill which is particularly relevant in this regard, but which is as yet poorly developed in Honduras, is that of Alternative Conflict Management (ACM). This approach is currently being promoted by a number of institutional actors and donors in Honduras and some promising concrete results have been achieved. There is much scope for the ACM approach to be replicated broadly throughout the country. Key actors who would require training in ACM principles and methods for this to be achieved would include municipal staff, ICF staff, members of NGOs and environmental pressure groups, and representatives of the timber industry.

13. Effective and equitable mechanisms for benefit distribution

103. In order for forest management to function as a vehicle for poverty reduction and a motivation for the conservation of the forest resource, it is necessary for the benefits which it generates to reach the poor, and those with influence on the condition of forest resource, in an effective and equitable manner.

104. In the case of community-based forestry groups and cooperatives, the generation of income for their members depends on their abilities to undertake forest management. As discussed in paragraphs 56-58, they face significant barriers in this regard. It also depends on the internal procedures of these groups for the distribution of income: legally established cooperatives typically have well-defined regulations governing benefit distribution among members, however this is not necessarily the case with other organizations participating in community-based management, such as indigenous groups, which in some cases have pronounced internal imbalances of power and benefit distribution. The equity of benefit distribution may in particular suffer when community-based groups are obliged, due to deficiencies in their own capacities, to form alliances with private industry in order to implement their management plans: in addition to receiving part of the income from forest management and thereby reducing the balance which is left for the local communities, private operators in many cases import their own workforce and thereby limit the possibility of forest management to generate employment among the local population (which otherwise would be one of the main
channels for conferring benefits to community members who are not members of the forestry cooperatives).

105. Women in particular tend to have limited access to the benefits generated by forest management, given that most usufruct rights are registered in the name of the husband, local inheritance practices tend to favour male heirs and logging is considered a highly masculine task. PBPR is supporting a number of community-based enterprises in which women produce handicrafts from non-timber forest products, such as baskets made out of pine needles, however the scale of the markets for such products is far from proven and the marketing capacities of these groups are as yet poorly developed.

14. **Appropriate and effective involvement of private industry**

106. The new law places a strong emphasis on the promotion of the social sector of forestry. This may be taken as implying a reduction in the relative role of the private (industrial) sector, although it does emphasize the ‘coordinated participation’ between social and private sectors as being essential for the generation of benefits from the forestry sector. Under the new law, as previously, private industry will in any case continue to have an important role to play in practice. On public lands, it is able to take up the slack which results from the currently limited financial and technical capacities of *campesino* groups to use the available forest yield, however this role is only beneficial for local communities if it is subject to adequate control and if adequate arrangements are made for benefit distribution; as we have seen, capacities to ensure that these requirements are met are far from adequately developed as yet. In Lepaterique municipality, for example, a number of outside timber merchants have shown interest in establishing a sawmill; however they have no interest in working with local micro-enterprises. The main reason for their interest is rather the fact that the municipality has a valid forest management plan and environmental permit to operate a sawmill, both of which are extremely costly and time-consuming to obtain; there is consequently a risk that forest business in the municipality will slip out of the hands of local residents and into those of outside interests (Nygren 2005).

107. The private sector also has the capacity to undertake forest management on private lands which are not covered by the Social Forestry System, thereby generating employment and fiscal revenue (again, the net benefits generated depend on the adequacy of the supervision to which it is subjected). It will also play a vital role in purchasing, transporting and transforming forest products, and in exploring and developing markets. Except in the few cases where the social forestry sector is able to gain direct access to markets, the commercial viability of the *campesino* sector is thus highly dependent on the condition of the private timber industry.

108. While there are a number of well-equipped and specialized operators in the timber and furniture industry, especially in the industrial capital San Pedro Sula, many operators suffer from serious technical deficiencies which limit their efficiency and the quality and corresponding value of their products. This is due in part to the limited availability of quality technical support services (a situation partly addressed by the CUPROFOR Foundation in San Pedro Sula described in paragraph 118). Another significant cause is the generally unfavourable investment climate in the forestry sector, due in part to the pressure exerted by environmental pressure groups which have succeeded in imposing felling moratoria over large areas of forest, thereby affecting timber supplies. The significance of this situation varies between the pine area, which includes the areas of Ólancho where these groups have been most active, and the broadleaved areas of the north coast.
3. Conditions and Institutional Capacities

15. Existence of functioning markets for environmental services

109. The economic viability of pro-poor community-based forest management has been seriously questioned, particularly in species-diverse tropical broadleaved forests where markets only exist for a small proportion of the species present, and where legal forest management is undermined by unfair competition from illegal timber extraction which is not subject to the punishing taxes and administrative requirements imposed on legal activity (del Gatto, pers. comm.), and which confers limited benefits to the poor. Sustainable forest management and conservation in these tropical forests are only likely to represent an attractive alternative to deforestation if their full value, including their role in providing ecosystem services, is recognized and internalized through appropriate compensation schemes (Richards, 2007).

110. The new law makes provision for the payment for environmental services (PES), and specifically seeks to ‘determine and implement a system for the valuation of environmental goods and services’. The balance of roles in this regard between the Environment Ministry SERNA and ICF is not made clear in the law (it is assumed that this will be clarified in the regulations); however SERNA, as head of the environment sector according to the General Environment Law, should in theory continue to be the lead institution in relation to this issue which transcends forestry issues. The National Strategy for Environmental Goods and Services (SERNA 2005) recognized the institutional weaknesses of SERNA in filling this role, specifically the limited resources and profile of regional offices of SERNA and lack of harmonization of strategies and policies within SERNA. Other institutional barriers identified for the implementation of PES schemes included the limited infrastructural, economic and technical capacities of municipal Governments, inadequate coordination between institutions, and limited membership of the National Committee for Environmental Goods and Services (CONABISAH).

111. There have been a limited number of experiences with PES schemes in Honduras. These have principally been ‘domestic’ in nature, involving consumers, producers and environmental service flows within the national territory, typically within one municipality or a small group of municipalities. They have also largely focused on hydrological services. In one of these experiences (in the municipality of Campamento, Olancho), Ardon and Barrantes (2003) stress the importance of the role of municipal governments in promoting and coordinating such schemes; in particular, the Municipal Water Board and the Municipal Environment Unit (UMA). These authors confirm the challenges involved in setting a fair and effective level of payment, an issue which requires capacities for economic evaluation and also for negotiation between producers and consumers. In the Campamento case, where the flows of environmental services and costs were strongly dependent on one sector (coffee) the authors mention the possibly important role of a local association of coffee growers in involving their members in the scheme. In another example from Colón, Honduras, the strategy applied was to relocate people who were occupying water production areas, paying them compensation for the investments they had made in the land (based on standard guidelines produced by the National Agrarian Institute INA). Given that the strategy to be applied was one of relocation, particular attention was paid to managing the risk of conflicts, through initial visits to the water production area during which the different participants explained their situations and concerns, followed by negotiations between community members (water consumers) and land occupants, in the presence of representatives of the municipality, COHDEFOR and the Pastoral Social of the Catholic Church. The essential steps in the application of such ‘domestic’ PES schemes are summarized in Appendix 2, together with the types of capacities and skills required at each point in the process.

112. A major drawback of such ‘domestic’ PES schemes, centred on hydrological services, is that they tend only to focus on the protection of small areas of specific importance for water catchment for urban centres, or at most the protection of specific basins which drain into
reservoirs. They are therefore relatively inefficient in terms of the ratio of transaction costs to the area protected and have little potential for motivating forest protection at a larger, landscape scale.

113. The alternative is international schemes, focusing on environmental services of global importance, principally carbon sequestration. The Kyoto Protocol does not as yet apply to initiatives aimed at reducing deforestation; however there is considerable, as yet unrealized, potential for voluntary schemes which channel payments from businesses in industrialized countries to activities leading to reductions in deforestation, as part of corporate environmental responsibility programmes. This model is currently being promoted by Rainforest Alliance, in association with GTZ, in the buffer zone of the Río Plátano Man and the Biosphere Reserve. In order for these types of schemes to function, it is necessary to ensure the existence of institutional capacities for the following:

- The definition of tenure rights, in order to make clear who would be the recipients of the payments received;
- Marketing and negotiation with possible sources of payments (private industry)
- Analysis of the implications of these types of scheme for the situation of the rural poor (for example possible limitations on the subsistence activities of poor people without formal rights over the resource, who would not be beneficiaries of the payments)
- Determination of ‘baseline’ deforestation rates and monitoring of compliance
- Efficient and transparent administration of the income received
- Effective and equitable distribution of payments in such a way as to motivate reductions in deforestation rates.

114. The levels and institutions where these capacities are needed will depend on the PES model used in each case. It is probable (Richards, pers. comm.) that these voluntary schemes would function initially on a purely private basis, between forest owners (individuals or communities) on the one hand and businesses in industrialized countries on the other. However as and when the model gains impetus, the Government is likely to play an increasing role, for example in developing and applying a nationwide marketing strategy and monitoring compliance. The Government is also a potential recipient of payments for environmental services provided by national forests. Arrangements for PES on national forest land covered by usufruct agreements and therefore in practice managed by campesino groups would require analysis and negotiation.

16. Relevant research and information supply

115. There are a number of key outstanding needs for research in relation to the involvement of forest-dependent poor people in the management of forest and tree resources in the region (Barrance 2000):

- Mechanisms for the development of pro-poor forest laws and policies;
- Alternative regulatory models for the forestry sector;
- Organizational models for forest-dependent communities;
- Quantification, valuation and payment for environmental services;
- Extension and technical support models for tree-based land use management systems.

116. Contreras-Hermosilla (2003) and Richards et al (2005), meanwhile, stress the importance of adequate availability of information as a pre-requisite for combating illegal activity in the forest sector in Honduras and Nicaragua. Specifically, they refer to the need for information on the condition and trends in the forest resource and its ownership, and for transparency in relation to the content and implementation of forest management plans, in order to facilitate social control and accountability. Information on the status of the forest resource is also of vital importance for
the strategic planning of investments and activities in the forestry sector at levels ranging from national through to municipal. Technical information on markets and prices for forest products, meanwhile, is necessary to guide the technological investments and production plans of the industry and to assist producers in the development of marketing strategies and the negotiation of prices for forest products. The new law, meanwhile, refers to the importance of information on the economic value of the environmental services provided by forests, in order to permit the implementation of schemes for the payment of these services.

117. A series of large scale forest inventories have been carried out since the 1960s with support from different donors, the most recent and with widest geographical scope being that carried out nationwide in 2005-2006 by COHDEFOR with support from the FAO (Ramírez Zea and Salgado, 2006). An additional element of this initiative, in addition to the inventory itself, was the establishment of an Information Centre aimed at guiding the National Forestry Programme (CI-PRONAFO), based in the National School of Forest Sciences (ESNACIFOR) in Siguatepeque. This complemented the capacities of COHDEFOR’s Centre for Forestry Information and Statistics (CIEF), which in the 1990s received support from German cooperation; and the existing mapping and GIS centre in the National System for Territorial Information (SINIT) at ESNACIFOR. The thematic areas covered by the most recent National Forest Inventory were based on the Criteria and Indicators for sustainable forest management in Honduras, defined in the late 1990s under the auspices of the Honduran Forestry Agenda.

118. The Centre for the Utilization of Forest Products (CUPROFOR) in San Pedro Sula, established with DFID support in 1990, also functions as an information centre for the timber industry. Its particular focus is on the provision of information on the characteristics of currently under-utilized species in tropical broadleaf forests, with the aim of diversifying the resource base of the currently highly conservative timber industry and increasing the economic potential of forests. Despite the preparation of a strategy for financial and institutional sustainability in 2001 prior to the withdrawal of UK support, and its sale of technical services to the timber industry, the centre (now the CUPROFOR Foundation) has problems in meeting its running costs and continues to be dependent on Government support.

119. Another major investment in forestry research by DFID was the CONSEFORH (Conservation of Forestry Species) project in COHDEFOR, which combined activities of seed collections from wild populations of native tree species for worldwide distribution, ex situ and circa situm genetic conservation in ‘breeding seed orchards’ and research into the potential of native and exotic species in plantations (Barrance, 1997). This project underwent reorientation in the late 1990s in reflection of an increased emphasis in DFID on actions directly related to the combat of poverty, and a research prioritization strategy was developed (Hobley and Henderson 1998). The combination of an inadequate institutional exit strategy at the time of the withdrawal of DFID support, and the institutional weaknesses of COHDEFOR (which were particularly pronounced at that time), has meant that the two regional field centres established by the project in Comayagua and Choluteca (which contain a combination of seed orchards, species trials and dissemination facilities) have suffered a high level of neglect in recent years. The Comayagua Site has recently (early 2007) been transferred to ESNACIFOR and constitutes a valuable research and training resource for the institution. Changes in the geographical priorities of DFID have also meant that there has been limited follow-up of the recommendations of the Research Demand Study described in paragraph 115.

120. Forestry research at present in Honduras is therefore largely limited to thesis investigations in the country’s main forestry sector educational institutes ESNACIFOR and CURLA, the Panamerican Agricultural School (EAP-Zamorano) in Honduras and the Tropical Agronomic Centre for Research and Teaching CATIE in Costa Rica. Although the National Forest
Programme (PRONAFOR) defines a number of central This research does not respond to a central strategy or to overall assessments of the research needs of the industry or of forest-dependent poor people.

121. The new law establishes a National System for Research into Forestry, Protected Areas and Wildlife (SINFOR), whose functions will include carrying out applied forestry research, and generating, disseminating and transferring forestry technologies. Among the proposed members of SINFOR are ESNACIFOR, ICF, CUPROFOR, the National Agricultural University (UNA), the National Autonomous University of Honduras (UNAH) through the Regional University Centre of the Atlantic Coast (CURLA) and the Biology Faculty, the Honduran Foundation for Agricultural Research (FHIA) and the Panamerican Agricultural School.

122. The need to create this new system arises from fact that, under the new law, forestry is recognized as a sector in its own right rather than a sub-sector of agriculture, and the forestry authority (the ICF) is correspondingly proposed to be separated from the Agricultural Ministry SAG. As such, forestry research would cease to fall within the scope of the National System for Agricultural Research and Technology Transfer (SNITTA) which is currently coordinated by the Agricultural Science and Technology Directorate (DICTA) of the SAG. In reality this change would have little impact on the types of research carried out within the SNITTA, which currently places negligible emphasis on forestry issues.

123. The SINFOR in theory provides a useful platform for coordinating forest research activities in order to ensure that they complement each other in satisfying the information needs of the forest sector. Its effectiveness in this regard, and its relevance for the forest-dependent poor, will however depend on its development of a solid, needs-based research strategy which takes into account the complex relations between forest resources and livelihoods. Given the technically-centred and production-focused natures of its main members, particularly ESNACIFOR, CURLA and EAP-Zamorano, it is doubtful whether SINFOR at present has the ability to develop and implement a research strategy with these characteristics unless specialized outside support is provided.

124. According to its proposed name, SINFOR would be a system in which a number of different institutions would participate; however when describing it and assigning it responsibilities, the current draft of the law treats it as an institutional entity. To function effectively in the fulfillment of its responsibilities, it would indeed be necessary for the nature of SINFOR as an institution or network to be developed. In particular, it will be essential that SINFOR has strong strategic leadership and coordination (the law proposes ESNACIFOR as coordinator of SINFOR) and also that effective participation in SINFOR and adherence to its strategic objectives is institutionalized in each of its members and thereby becomes an obligation, rather than depending on the level of interest of the staff of the moment. The limited progress that has been made to date with putting into practice the research priorities defined in the National Forestry Programme (PRONAFOR) illustrates the challenge which this kind of strategic coordination represents.

125. Even if the SINFOR were to function in practice, it would still be necessary to develop mechanisms and capacities for the communication of information on forestry issues to the rural population, and to the grassroots organizations to which a large proportion of them belongs, in order to permit their genuine and effective participation in forestry-related decisions in accordance with the spirit of the draft law. The necessary capacities for this to occur do not exist at present.
4. CONCLUSIONS

126. At least on paper, the new forestry law opens up significant opportunities for increased participation by the population in general in the management of the country’s forest estate. Major obstacles remain, however, to the translation of this potential into real, widespread and lasting benefits for the rural poor.

127. As explained in Chapter 1 of this report, there are a number of channels whereby trees and forests can in theory generate such benefits, ranging from community-based forest management to the provision of environmental services and the management of trees on farms. This report has focused principally on the conditions required for community-based forest management (CBFM) to function as a vehicle for poverty reduction, given that CBFM is the channel, out of those discussed, which has the most potential to generate concrete and direct economic benefits for rural populations. This also reflects the emphasis of the new law on the reactivation of the Social Forestry System.

128. It is important, however, to recognize the seriousness of the challenges facing CBFM and to be realistic about its potential to benefit the poor. Procedures for regularizing tenure, occupancy and use rights in national forests are in their infancy and their application has the potential to generate major conflicts with existing occupiers, a situation which is likely to prevent CBFM being an option in the near future over a significant proportion of the current’s forest resource. Even when they do have usufruct rights and the required technical, organizational and marketing support to function effectively, the members of campesino forestry cooperatives typically only constitute a limited proportion of the local population; the generation of benefits from CBFM for the rest of the population (including the extremely poor and the socially marginalized, particularly women), depends on the existence of economic ‘trickle down’ effects and the generation of indirect benefits such as the protection of the ability of the forest to provide subsistence products and services. With few exceptions, there are at present inadequate mechanisms to ensure that these effects occur. Finally, even if the above conditions are met, the economic viability of CBFM is in many cases highly marginal when the opportunity cost of labour is taken into account. This is particularly the case in species-diverse tropical broadleaved forests where markets only exist for a small proportion of the species present, as is the case in Honduras, and where legally-produced timber faces unfair competition from material produced illegally.

129. These reservations do not negate the potential of CBFM, as conceived under the Social Forestry System, but indicate the need for realism and for it to be complemented by alternative approaches. The private/industrial sector will continue to have an important role to play (see paragraphs 106-108) in making use of that forest yield which the still incipient social forestry sector is as yet not able to access, due to technical, organizational or financial limitations; however the implications of this for the poor are dependent on the effectiveness of actions taken by central and municipal governments and community-based organizations to maximize local economic multiplier effects and to minimize the risks of negative impacts on the local environment. The opportunity also exists to realize a greater proportion of the true value of forests, by developing markets for environmental services as well as timber (see paragraphs 109-113), for example through international schemes of voluntary payment for avoided deforestation. Methodologies and institutional capacities for realizing this potential are currently in their infancy. It is also important to look beyond the context of forests and their management, and to continue and broaden the provision of appropriate support to farmers, in order to enable them

21 As stated in Chapter 1, national forests make up 45.7% of the forest estate, around 60% of this area is lacking formal registry of tenure and around 12% already has ‘informal’ occupants.
fully to realize the potential of on-farm trees to contribute to the sustainability of livelihoods and farming systems (see paragraphs 13 and 60).

130. The diagrams presented in Appendix 1 and Appendix 2 show that the success of any strategy aimed at generating benefits for the rural poor from the forest resource depends on a large number of conditions being simultaneously met: if any one of these issues is not adequately addressed, the scheme will fail to function and deliver. This highlights the need for national institutions and external agencies to adopt multi-pronged approaches, and for institutions and agencies with particular thematic specialities to coordinate their actions in order to ensure that between them they provide adequate coverage. Despite this note of caution, based on the analyses presented in the preceding chapters it is possible to highlight a number of issues which are particularly crucial for pro-poor forest management and which merit particular attention:

1. Technical, organizational and marketing support for forestry groups

131. Given the emphasis of the new law on reactivating the Social Forestry System\(^{22}\), ‘social’ forestry groups (particularly campesino organizations and cooperatives) will be play a key role in determining its effectiveness in promoting ‘pro-poor’ forestry. These groups continue to have major unsatisfied needs for the provision of technical, organizational and marketing support. Limited technical capacities prevent them from maximizing the value of their production, while limited organizational capacities can lead to the collapse of cooperatives, the inappropriate management of the resource or the inequitable distribution of benefits to members and other stakeholder. Organizational difficulties are reported by Stanley (1991) to have plagued campesino groups at least since the initial introduction of the Social Forestry System in 1974.

132. The new law proposes that the ICF deliver free technical assistance to these groups, and provides for a Support Programme for the beneficiaries of regularization processes. In practice it is questionable whether the conditions exist for ICF to be able to comply with this responsibility, partly because of funding limitations (even with the proposed change in its financing modality) and partly due to its implications in terms of logistical and institutional complications. While external assistance may have a role to play in funding the direct provision of this support in the short term (through limited duration projects with ICF), more crucial from the point of view of sustainability will be the construction of national capacities for the provision of this support. This could be achieved by various means:

- Through the provision of organizational support to ICF for the establishment of a unit or department specifically dedicated to the provision of support to campesino groups;
- By supporting the development of arrangements for the ICF to contract private service providers and NGOs, who would be the main line of contact with the campesino groups (this would be in line with the current policy of privatization of extension services);
- By fostering the development of arrangements for the provision of such support through direct agreements between campesino groups and private service providers, with the possible need for credit facilities to meet the upfront costs of contracting such services; and/or
- By supporting the development of capacities for the provision of support within campesino or farmer organizations, or groups of organizations (del Gatto, pers. comm.). This model is already applied by some agricultural cooperatives, which have technicians on staff to provide technical support to their members.

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\(^{22}\) Title VII: The Social Forestry System, Human Settlements and Resettlements, Chapter I (General Aspects)
2. Regularization of forest resources

133. The emphasis of the new law on the regularization of forest lands\(^{23}\) recognizes its fundamental importance as a prerequisite for the functioning of the Social Forestry System. This is an area which is already receiving attention through the PBPR project and which is also the focus of a study carried out by the Overseas Development Institution with World Bank Group support\(^{24}\). PBPR support will focus on the development and validation of a practical model for regularization, and assisting the national institutions involved (principally COHDEFOR, SAG, INA and the Property Institute) in troubleshooting any methodological difficulties encountered. It is estimated that by its end in 2008, the PBPR will have facilitated the regularization of upwards of 90,000ha of forest land. This will however constitute only a small proportion of the total area of forest land in the country that requires regularization. There will therefore be a continued need to support this process after the end of PBPR.

3. Forestry education

134. The new law will require the development of significant new areas of human capacity in the forest sector. Its emphasis on the creation of mechanisms for consultation in its section on the institutional framework for the forest sector\(^{25}\) would require forest technicians to develop skills in negotiation and dialogue, which are not at present strongly emphasized within the highly technically-centred forestry profession. It is foreseen that during the first months of the new ICF a complete review would be carried out of its personnel (which would be inherited from COHDEFOR), providing the opportunity to modify the institution’s staff profile by favouring those staff members who show aptitude in these areas. In order to achieve a permanent change in the mentality of the profession, however, it would be necessary to review and as necessary modify the curricula and academic staff profiles of the country’s main educational institutions in the forestry sector, ESNACIFOR and CURLA, which at present tend to perpetuate this technically centred tradition (ESNACIFOR is already going some way towards filling the need for socially aware forestry professionals through its Masters course in Community Forestry, however at the undergraduate level this issue remains to be adequately addressed).

135. The effective supervision of forestry activities on the ground, by the Corps of Forest Guards whose creation is proposed under the new law as a key tool for forestry protection and promotion\(^{26}\), would require the training of a significant number of people in order to achieve adequate geographical coverage and credibility. This could either be provided by the existing higher level centres of education (particularly ESNACIFOR, which has the required experience and facilities) or by the institutes currently providing secondary-level qualifications in forestry.

4. Conflict management

136. Conflicts are a recurring feature of forestry in Honduras, given the diversity of stakeholders who depend on forest goods and services, their widely differing interests and conditions of access to power, the economic value of the resource and its importance for the livelihoods of the rural poor. The new law makes the need for developing capacities for managing conflicts more urgent than ever: it addresses head-on issues such as forest land regularization\(^{27}\), which have a high potential for generating conflicts (especially when the Government seeks to assert its rights

\(^{23}\) Title III: The Judicial Regime of Forests, Chapter : Social Forestry System, Human Settlements and Resettlements, Chapter I (Forest Property), Section II (Regularization of Forest Lands)


\(^{25}\) Title II: Institutional Framework, New Chapter (Consultative Councils)

\(^{26}\) Title VIII: Measures for Protection and Promotion, Chapter IV (Forest Guard Corps)

\(^{27}\) Title III: The Judicial Regime of Forests, Chapter : Social Forestry System, Human Settlements and Resettlements, Chapter I (Forest Property), Section II (Regularization of Forest Lands)
over State forest lands which are at present illegally occupied in contravention of public interest), and also (through the proposed Consultative Councils) provides channels whereby existing conflicts can be brought into the open. This need has already been expressed by members of the staff of the PBPR project involved in supporting the regularization process. Examples of other conflicts where such skills are likely to be crucial include cases where there is concern that forest management activities will cause damage to water sources (this was the main motivation for the formation of the Olancho Environment Movement, see paragraph 86), and where the relocation of population is necessary in order to avoid downstream impacts from agricultural and domestic activities (see example in paragraph 111).

137. There is a small core of expertise in methodologies for alternative conflict management (ACM) in Honduras, and a small number of positive pilot experiences to date. Much interest has been expressed among diverse projects and stakeholder groups in expanding the coverage of this expertise through the provision of training. In order to create significant and lasting impacts, it would be particularly useful to focus training in ACM on key stakeholders, for example staff of municipal governments, ICF and the National Agrarian Institute, as well as members of grassroots NGOs. Scaling up of these methodologies could also be promoted by ‘training trainers’, for example the staff of rural development projects. Given the relatively small number of pilot experiences to date, a useful contribution would also be the provision of logistical and financial support to an increased number of such experiences; in the longer term, successes in these pilots would be likely to motivate commitment on the part of the Government to dedicating recurrent budget on a regular basis to maintain conflict management capabilities.

5. Negotiation and dialogue
138. The Consultative Councils provided for in the new law represent a very valuable opportunity for decisions related to forestry issues to be taken through consensus, rather than through vertical imposition or in reaction to mass protests by pressure groups, as is common at present. It would be completely unrealistic however to assume that stipulation of these entities in the law will result automatically in their establishment and functioning in practice. External cooperation could usefully be used to support the establishment of pilot experiences with these Councils, at each of the different levels proposed (departmental, municipal and community) and under different geophysical, productive and socioeconomic conditions throughout the country.

139. Ideally the support in these pilots would not promote the Councils in isolation, but rather as part of broader development initiatives, with the aim of demonstrating their concrete benefits for social and productive development and environmental conservation. To be fully sustainable, the pilots would initially seek to achieve the replication of the processes of negotiation and dialogue within the rest of each community and municipality in question, in order to develop a supportive environment of governance, prior to replicating the models to other areas. The establishment of such pilots would need to be accompanied by the provision of training to the participants in the Councils in negotiation and dialogue skills.

140. Depending on when the law comes into force, some such pilots could be established within the context of existing World Bank initiatives such as the PBPR, by modifying that project’s intervention strategy in selected municipalities to include the figures of Consultative Councils. Such initiatives could indeed be taken even before the new law actually requires the establishment of these Councils.

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28 Title II: Institutional Framework, New Chapter (Consultative Councils)
29 Only one national Council is proposed, therefore the idea of pilots would not apply.
6. Technical and administrative capacities in municipal Governments

141. The potential role of municipal Governments to contribute to sustainable forest management, in association with community organizations and campesino forestry groups, has been well demonstrated in a number of municipalities, as documented by Vallejo and Ferroukhi (2005). The new law confirms the roles of the municipalities which are already provided for in the Municipalities Law, and gives additional emphasis to their role in ensuring that decisions in relation to forestry issues take into account municipal and local concerns, through the proposed Municipal Consultative Councils.

142. In order to be able to comply with this potential role, municipal Governments require organizational support, technical advice and equipment, coupled with support in financial management in order for these other capacities to be sustainable. The examples provided by Vallejos and Ferroukhi (2005) demonstrate that, with relatively short term support, it is possible to place municipal Governments in a situation where their technical capacities to oversee forest management are financed by income generated from the forest management itself. The example provided in paragraph 50, meanwhile, shows that short term external support can also be valuable in increasing local Governments’ capacities to generate non-forestry fiscal revenue, which can be invested in natural resource protection by the municipality. The new law is supportive of these types of models; a major remaining unsatisfied need for support, however, is the scaling up of these currently isolated experiences. This could be facilitated by the effective communication of these successful experiences nationwide and by the continued provision of methodological advice and ‘bridging’ financial support. In order for this to be achieved it would be necessary to strengthen capacities in national institutions (for example ICF, the Governance and Justice Ministry, SERNA or the National Association of Municipalities AMHON) for the provision of such support.
Appendix 1. Capacity requirements for the process of sustainable forest management to function

- Conflict management skills
- Definition of user rights
- Definition and validation of methodology for regularization
- Negotiation of forest management contracts
- Preparation of forest management plans (FMPs)
- Expedited and correct approval of FMPs
- Independent monitoring
- Negotiation skills
- Consultation of FMPs
- Capacities for assessing social and environmental aspects of FMPs
- Capacity for environmental and social analysis
- Operational and supervisory capacities of forest authority
- Capacities to provide support to FUGs
- Technical and organizational capacities of FUGs
- Supervisory capacity of ICF and police
- Legal transport of forest products
- Generation of income for poor
- Independent monitoring
- Processing and sale of forest products
- Favourable investment climate
- Negotiation of forest management contracts
- Correct application of FMPs (harvesting and silviculture)
- (Local transformation of forest products)
- Sale of forest products
- Marketing capacities of FUGs
- Funding
- Local capacities for social control
- Generation of employment for poor
- Funding
- Resolution of civil society/private sector conflicts
- Generation of income for poor
Appendix 2. Capacity requirements for “domestic” environmental service payment schemes to function

- Social analysis skills
- Negotiation skills
- Logistical capacities
- Administrative capacities
- Social analysis skills
- Conflict resolution skills
- Logistical capacities
- Analytical capacities
- Conceptual design
- Determination of appropriate payment level
- Collection of payments from consumers
- Transparent administration of funds
- Effective and equitable distribution of funds
- Investment of funds in resource management
- Monitoring of effectiveness
- Adjustment of design, payment levels or distribution modality
- Skills in analyzing resource management and livelihood dynamics
- Economic valuation skills
- Awareness raising and enforcement capacities
- Conflict resolution skills
- Social control capacities
- Income or cost recovery for service providers (including poor farmers on hills)
- Protection of flows of services essential for livelihood sustainability
- Mechanisms for stakeholder participation
Analysis of the Institutional Context for the Implementation
of the Proposed New Forestry Law in Honduras

Appendix 3. Comparison of the provisions of current and new forestry legislation

The numbers in parentheses refer to existing legislative instruments: 1= Forestry Law (Decree N° 85 of 1971); 2= Law for the Creation of COHDEFOR (Decree 103-74); 3= Law for the Modernization and Development of the Agricultural Sector (Decree 31-92); 4= General Environmental Law (Decree 104-93); 5 = Municipalities Law (Decree 134-90 and its reforms); 6= Law for Incentives for Afforestation, Reforestation and Forest Protection (Decree 163-93); 7= Decree 323-98 (nameless); 8= Decree 74-91 (nameless); 9= Law of Property (Decree 82-2004); 10 = Territorial Land Use Planning Law (Decree 180-2003)

<table>
<thead>
<tr>
<th>Current forestry legislation and related legal norms</th>
<th>New Draft Forestry, Protected Areas and Wildlife Law</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional framework</td>
<td></td>
</tr>
<tr>
<td>Forestry is considered a ‘sub-sector’ of the agricultural sector (2)</td>
<td>Creates the forest sector, which until now has been considered to be part of the agricultural sector.</td>
</tr>
<tr>
<td>The forest authority is the Honduran Corporation for Forestry Development (COHDEFOR), a decentralized semi-autonomous dependency of the Ministry of Agriculture and Livestock (SAG) (2).</td>
<td>The forest authority will be the Institute for Forest Conservation and Development (ICF), also decentralized but attached to the Presidency of the Republic. The Director is required to be a forestry professional.</td>
</tr>
<tr>
<td>COHDEFOR depends for its budget on income from auctions of timber from national forests (2)</td>
<td>The ICF will be funded through the recurrent budget via the Ministry of Finance</td>
</tr>
<tr>
<td>The Board of Directors, presided by the President of the Republic, is the maximum authority of the sub-sector (2).</td>
<td>Replaced by the National Consultative Council</td>
</tr>
<tr>
<td>Protected areas issues are handled by a Department of Protected Areas and Wildlife, attached to COHDEFOR (8).</td>
<td>The ICF will have two sub-Directorates: Forestry Development, and Protected Areas and Wildlife</td>
</tr>
<tr>
<td>Property and tenure of forest lands</td>
<td></td>
</tr>
<tr>
<td>Forests and protected areas are declared as being ‘of special interest’ in the Property Law (10)</td>
<td>Recognizes their rights of property and possession in lands which they have ancestrally occupied anywhere in the national territory (can be interpreted as including protected areas)</td>
</tr>
<tr>
<td>Various laws prohibit the titling of public lands with forestry vocation (1,3,6), although the Property Law does allow the titling of small areas (9)</td>
<td>Allows the titling small areas of forest land (family titling) subject to certain conditions</td>
</tr>
</tbody>
</table>
Analysis of the Institutional Context for the Implementation of the Proposed New Forestry Law in Honduras

<table>
<thead>
<tr>
<th>Current forestry legislation and related legal norms</th>
<th>New Draft Forestry, Protected Areas and Wildlife Law</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The Municipalities Law allows the provision of full title on municipal common forest land (ejidos) to municipalities, but prohibits its transfer to third parties (5)</strong></td>
<td><strong>Municipalities can request title on municipal common forest land</strong></td>
</tr>
<tr>
<td>Provides for usufruct agreements as a means for regularizing rights (3)</td>
<td><strong>Usufruct agreements are replaced by usufruct contracts (with more legal weight and longer duration)</strong></td>
</tr>
<tr>
<td><strong>Forest Patrimony of the State</strong></td>
<td><strong>This role of the ICF is maintained, but it is not clear how privately owned parts of protected areas would be affected</strong></td>
</tr>
<tr>
<td>The state forest authority maintains a Catalogue of Inalienable Public Forest Land (1)</td>
<td><strong>Revives the Social Forestry System, using community forestry as a mechanism for its promotion</strong></td>
</tr>
<tr>
<td><strong>Consolidates the concept of community forestry, with the obligation of the State to promote it in public areas (national and ejidos)</strong></td>
<td><strong>Communities have the preferential right to enter into community management contracts</strong></td>
</tr>
<tr>
<td><strong>Community Forestry</strong></td>
<td><strong>Municipalities keep their status as owners of forest areas, local authorities and providers/receivers of technical assistance</strong></td>
</tr>
<tr>
<td>The state forestry administration is required to include the integrated development of rural communities in the forest management plans that it administers, and must therefore promote silvicultural activities which involve most of the population, allowing them to participate in benefits, in harmony with the conservation of water sources and soils (3)</td>
<td><strong>Increases the responsibility of municipalities for regulating forest areas within the municipal area.</strong></td>
</tr>
<tr>
<td><strong>Income from exploitation of municipal forests goes to the municipalities which own them (1)</strong></td>
<td><strong>Municipalities receive payments from fines and from the auction of forest products in the municipality</strong></td>
</tr>
<tr>
<td><strong>Private landowners</strong></td>
<td><strong>Municipalities can enter into agreements with third parties or the ICF to carry out forestry activities or protected area co-management</strong></td>
</tr>
<tr>
<td>Owners of forests on lands with full title can use them indefinitely.</td>
<td><strong>Included in consultation and participation mechanisms provided for in the law (except at community level)</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Conciliate payments for environmental services between consumers and providers</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Many obligations but few benefits</strong></td>
</tr>
</tbody>
</table>
## Analysis of the Institutional Context for the Implementation of the Proposed New Forestry Law in Honduras

<table>
<thead>
<tr>
<th><strong>Current forestry legislation and related legal norms</strong></th>
<th><strong>New Draft Forestry, Protected Areas and Wildlife Law</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>as long as they are subject to plans approved by the state forest authority. The products obtained will be for the benefit of the landowner (3)</td>
<td>Landowners are allowed to carry out all forestry activities (in reality this would benefit the private industry which would actually carry out the activities)</td>
</tr>
<tr>
<td>Must produce and be responsible for a management or protection plan. Subject to penalties is the plans are not complied with. Can establish private nature reserves</td>
<td></td>
</tr>
<tr>
<td>Can establish private nature reserves</td>
<td>Have the right to receive technical assistance for the management of their forest areas.</td>
</tr>
</tbody>
</table>

### Public participation

<table>
<thead>
<tr>
<th>Current forestry legislation and related legal norms</th>
<th>New Draft Forestry, Protected Areas and Wildlife Law</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communities located in forest lands have the right to participate in benefits derived from forest management (1)</td>
<td>Maintains the rights of communities located in forest lands to participate in benefits derived from forest management</td>
</tr>
<tr>
<td></td>
<td>Promotes public participation in order to achieve the sustainable management of the resource</td>
</tr>
<tr>
<td></td>
<td>Provides for at least four mechanisms (at national, departmental, municipal and community levels) for participation, consultation and support to the new forestry authority, with wide stakeholder representation</td>
</tr>
<tr>
<td></td>
<td>Civil society organizations can participate in the process of co-management of protected areas</td>
</tr>
<tr>
<td></td>
<td>Provides for participation by communities adjoining forest areas in processes linked to the new law (e.g. social control of forestry activities, preparation of norms for hunting and fishing)</td>
</tr>
</tbody>
</table>

### Forest management

<table>
<thead>
<tr>
<th>Current forestry legislation and related legal norms</th>
<th>New Draft Forestry, Protected Areas and Wildlife Law</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial felling or harvesting in public and private lands requires prior authorization by the State Forest Administration of a forest management plan prepared by the owners of the property (3)</td>
<td>Forest management in private areas will be carried out in accordance with the production objectives of the owner</td>
</tr>
<tr>
<td></td>
<td>Maintains the distinction between commercial and non-commercial harvesting</td>
</tr>
<tr>
<td></td>
<td>Maintains the requirement for a management plan</td>
</tr>
<tr>
<td></td>
<td>The preparation of a management plan is the responsibility of the landowner, however it must be drawn up by a forestry professional</td>
</tr>
<tr>
<td></td>
<td>Puts time limits on the period for approval of management plans</td>
</tr>
<tr>
<td></td>
<td>Distinguishes between forest management plans and forest protection plans (can be interpreted as implying that protection is not considered to be an...</td>
</tr>
</tbody>
</table>
Analysis of the Institutional Context for the Implementation of the Proposed New Forestry Law in Honduras

<table>
<thead>
<tr>
<th>Current forestry legislation and related legal norms</th>
<th>New Draft Forestry, Protected Areas and Wildlife Law</th>
</tr>
</thead>
<tbody>
<tr>
<td>aspect of management)</td>
<td></td>
</tr>
<tr>
<td>The ICF is obliged to promote and support forest certification</td>
<td></td>
</tr>
<tr>
<td><strong>Forestry funds</strong></td>
<td></td>
</tr>
<tr>
<td>The Forestry Law (1) created a Forestry Fund, which was later revoked and recreated through the Forestry Incentives Law (6), which was never applied</td>
<td>Creates a fund for forestry reinvestment with greater participation by the public sector and another for protected areas, with greater participation by the private sector</td>
</tr>
<tr>
<td><strong>Concessions and contracts</strong></td>
<td></td>
</tr>
<tr>
<td>Provides for short term harvesting contracts, and usufruct agreements for community forestry (1,3)</td>
<td>Provides for contracts for management and forestry activities in the short, medium and long terms in public forests (maintaining the model of auctions of standing timber)</td>
</tr>
<tr>
<td></td>
<td>Changes the term usufruct agreements to usufruct contracts, which have more legal weight</td>
</tr>
<tr>
<td></td>
<td>Provides for Community Forest Management Contracts between the State, municipalities and communities</td>
</tr>
<tr>
<td><strong>Forestry professionals</strong></td>
<td></td>
</tr>
<tr>
<td>Have the right to participate in the Board of Directors of COHDEFOR (2)</td>
<td>Continues their participation in the highest level National Consultative Council</td>
</tr>
<tr>
<td></td>
<td>Required to maintain an updated list of Accredited Forestry Professionals</td>
</tr>
<tr>
<td></td>
<td>Obligations include the formulation of management plans, the supervision of forestry activities and the reporting of illicit acts; subject to penalties for non-compliance</td>
</tr>
<tr>
<td><strong>Research</strong></td>
<td></td>
</tr>
<tr>
<td>Forestry research is covered by the provisions of the LMDSA for agricultural research (3)</td>
<td>Creates a separate National System for Forestry Research (SINFOR), which is actually a network of institutions</td>
</tr>
<tr>
<td><strong>Incentives</strong></td>
<td></td>
</tr>
<tr>
<td>The Forestry Incentives Law (6) was never applied. Some other incentives exist in other laws (4)</td>
<td>Incentives include the provision of free technical assistance, the right to harvest plantation products, the total or partial reimbursement of investments in public forest areas and compensation for the use of environmental services.</td>
</tr>
<tr>
<td><strong>Sanctions</strong></td>
<td></td>
</tr>
<tr>
<td>Most infractions are classified as misdemeanours (<em>faltas</em>), which are the responsibility of the state forestry authority.</td>
<td>Most infractions are classified as crimes, which implies the involvement of public prosecutors and judges</td>
</tr>
<tr>
<td>Current forestry legislation and related legal norms</td>
<td>New Draft Forestry, Protected Areas and Wildlife Law</td>
</tr>
<tr>
<td>-----------------------------------------------------</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td>Protected areas and wildlife</td>
<td>Continues the SINAPH</td>
</tr>
<tr>
<td>Protected areas are included in the National Protected Areas System (SINAPH)</td>
<td>Increased emphasis is given to protected areas, through the creation of a corresponding Sub-Directorate in the ICF</td>
</tr>
<tr>
<td></td>
<td>Regional offices of the ICF are obliged to include a protected areas and wildlife unit</td>
</tr>
<tr>
<td>SERNA is responsible for creating new protected areas and COHDEFOR for their management (4, 8)</td>
<td>The declaration and administration of protected areas is established as one of the objectives of the law</td>
</tr>
</tbody>
</table>
Appendix 4. Summary map of key institutional actors

Note: this does not aim to constitute a definitive listing of stakeholders but rather examples of each category.

<table>
<thead>
<tr>
<th>Level</th>
<th>Public sector (Government)</th>
<th>Civil society</th>
<th>Forestry profession</th>
<th>Campesino sector</th>
<th>Private timber sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>ICF</td>
<td>Coalition for Environmental Justice</td>
<td>COLPROFORH</td>
<td>FEHCAFOR</td>
<td>AMADHO</td>
</tr>
<tr>
<td></td>
<td>SAG</td>
<td>Vía Campesina</td>
<td></td>
<td>Federations of Campesino Organizations</td>
<td>ANETRAMA</td>
</tr>
<tr>
<td></td>
<td>SERNA</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>lNA</td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Armed Forces</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Environmental prosecutor’s office</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>National Consultative Council</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Departmental</td>
<td>Departmental Governors</td>
<td>Olancho Environmental Movement</td>
<td></td>
<td></td>
<td>Sawmills and timber operators</td>
</tr>
<tr>
<td></td>
<td>Environmental Prosecutors</td>
<td>Catholic Church</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Judges</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Police</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Departmental Consultative Councils</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipality</td>
<td>Municipal Governments</td>
<td>Watershed committees</td>
<td>Forest technicians</td>
<td></td>
<td>Individual timber operators</td>
</tr>
<tr>
<td></td>
<td>Police</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Municipal Consultative Councils</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community</td>
<td>Forest guards</td>
<td>Patronatos</td>
<td></td>
<td>Campesino cooperatives and groups (forestry and agrarian reform)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Police</td>
<td>Water boards (juntas de agua)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Community consultative councils</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Appendix 5. Summary of stakeholder roles and needs for strengthening

<table>
<thead>
<tr>
<th>Summary of roles within the context of the new draft law</th>
<th>Areas of weakness/challenges</th>
<th>Strengthening needs and strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ICF</strong></td>
<td>- Access to funding remains to be proven (this depends on the new funding modality of the ICF)</td>
<td>- Political projection of the importance of the forest sector in order to achieve adequate budget allocation</td>
</tr>
<tr>
<td>- Design, formulation, coordination, monitoring and evaluation of forest sector policies</td>
<td>- Inadequate staff and logistical resources at present; may be resolved if the new funding modality is successful</td>
<td>- ‘Re-launching’ of the institution, with improved facilities and personnel review</td>
</tr>
<tr>
<td>- Creation of regulatory framework for the sector</td>
<td>- Limited institutional credibility due to history of institutional inefficacy and corruption</td>
<td>- Effective oversight by Consultative Councils, other civil society entities and Government anti-corruption entities</td>
</tr>
<tr>
<td>- Ensure compliance with sector policies, law and programmes</td>
<td>- Technocentric institutional culture and staff profiles, with limited social capacities</td>
<td>- Personnel training and selection focusing on social issues and capacities</td>
</tr>
<tr>
<td>- Coordinate the activities of the members of the forest sector</td>
<td>- Inadequate inter-institutional and inter-sector coordination (between SINFOR members and with environment sector ministry)</td>
<td>- Realistic formulation of SINFOR structure, roles and coordination mechanisms</td>
</tr>
<tr>
<td>- Approve or reject management plans, in consultation with Community Consultative Councils</td>
<td>- Limited access to methodologies for land regularization</td>
<td>- Follow-up to pilot regularization exercise supported by PBPR</td>
</tr>
<tr>
<td>- Cancel management plans when not complied with</td>
<td>- Update the National Forest Inventory, soil classification and biodiversity inventory</td>
<td>- Personale training and selection focusing on social issues and capacities</td>
</tr>
<tr>
<td>- Institute and manage territorial land use planning, particularly forestry zoning</td>
<td>- Organize and regulate land ownership surveys on public forest lands and protected areas, and recover land where appropriate</td>
<td>- Realistic formulation of SINFOR structure, roles and coordination mechanisms</td>
</tr>
<tr>
<td>- Update the National Forest Inventory, soil classification and biodiversity inventory</td>
<td>- Administer state forest lands and protected areas</td>
<td>- Follow-up to pilot regularization exercise supported by PBPR</td>
</tr>
<tr>
<td>- Organize and regulate land ownership surveys on public forest lands and protected areas, and recover land where appropriate</td>
<td>- Establish trust funds as appropriate</td>
<td>-</td>
</tr>
</tbody>
</table>
### Summary of roles within the context of the new draft law

<table>
<thead>
<tr>
<th>Areas of weakness/challenges</th>
<th>Strengthening needs and strategies</th>
</tr>
</thead>
</table>
| - Determine base prices for timber in public auctions  
- Declare water sources as protected areas  
- Formulate a national plan for forest protection | - Awareness raising, motivation and methodological guidance on effective and equitable participation |

### National Consultative Council

- Advise the ICF on the formulation, proposal and evaluation of its strategies  
- Carry out social control of public actions in the forestry sphere  
- Propose to the ICF the declaration of protected areas, risk areas, areas of conservation, restoration and protection and moratoria  
- Promote the development of the sector through information and promotion activities  
- Support the ICF in conflict resolution, intermediation, the channeling of accusations and other forms of public participation  
- Advise on technical forestry audits  
- Present a proposal of a Strategic Plan for the Social Forestry System  
- Strengthen the National Strategy for Forest Protection

### Departmental, Municipal and Community Consultative Councils

- Negotiate and propose forest management activities  
- Support the proposal of guidelines for implementing territorial land use planning  
- Ensure compliance with norms and legislative instruments related to forest management  
- Carry out social control of the development of forestry plans, programmes and projects  
- Ensure the transparent and full application of forest and protected area management plans

- Broad stakeholder base (positive in terms of opportunities for participation but poses challenges in terms of functionality in practice)

- Difficulty in overcoming entrenched imbalances of power  
- Limited experience and methodological knowledge of negotiation and conflict management  
- Depend highly on motivations of individuals to call meetings  
- Limited knowledge of technical forestry issues, especially at

- Support of pilot experiences  
- Training of participant stakeholder groups in technical issues, negotiation and conflict management
### Summary of roles within the context of the new draft law

<table>
<thead>
<tr>
<th>Area of role</th>
<th>Areas of weakness/challenges</th>
<th>Strengthening needs and strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Maintain member organizations informed of decisions taken by the Council</td>
<td>Community level, limits ability to comment effectively on management plans and forestry-related decisions</td>
<td>- Strategic alliances with other entities such as municipalities, the armed forces and grassroots organizations</td>
</tr>
<tr>
<td>- Participate in defining and protecting water sources</td>
<td></td>
<td>- Re-launching of the image of the ICF</td>
</tr>
<tr>
<td>- Collaborate with Municipal Corporations in organizing work groups in response to forest fires and pests</td>
<td></td>
<td>- Definition of strategy for social projection</td>
</tr>
<tr>
<td>- Promote the conservation, protection and sustainable management of forests, water and other natural resources at community level</td>
<td></td>
<td>- Definition of arrangements for collaboration with the police and other strategic partners</td>
</tr>
<tr>
<td>- Ensure that forestry aspects of poverty reduction projects and programmes respond to the needs and development plans of communities</td>
<td></td>
<td>- Support to educational and training institutions</td>
</tr>
<tr>
<td>- Seek technical and financial support from external agencies to satisfy community needs</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Corps of Forest Guards

<table>
<thead>
<tr>
<th>Role</th>
<th>Areas of weakness/challenges</th>
<th>Strengthening needs and strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Control and supervise compliance with the legal and administrative rules of the ICF</td>
<td>- Access to funding for salaries and logistics remains to be proven (this depends on the results of the new funding modality of the ICF)</td>
<td></td>
</tr>
<tr>
<td>- Inspect and check measures to prevent, combat and revert damage to natural resources</td>
<td>- Limited credibility as representatives of the ICF (successor of the discredited COHDEFOR)</td>
<td></td>
</tr>
<tr>
<td>- Keep the public informed of legal provisions for natural resource conservation</td>
<td>- Depends on adequate arrangements being defined for collaboration with the police</td>
<td></td>
</tr>
<tr>
<td>- Facilitate the development of social and ecological programmes and projects aimed at environmental conservation</td>
<td>- Lack of experience in relation to forestry issues</td>
<td></td>
</tr>
<tr>
<td>- Carry out awareness raising activities in communities for the protection and conservation of natural resources</td>
<td>- Limited existence of training facilities oriented to their needs and characteristics</td>
<td></td>
</tr>
<tr>
<td>- Control and supervise the illegal traffic and sale of flora and fauna.</td>
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<td></td>
</tr>
</tbody>
</table>

### Areas of weakness/challenges

- Limited credibility as representatives of the ICF (successor of the discredited COHDEFOR)
- Depend on adequate arrangements being defined for collaboration with the police
- Lack of experience in relation to forestry issues
- Limited existence of training facilities oriented to their needs and characteristics
- Strategic alliances with other entities such as municipalities, the armed forces and grassroots organizations
- Re-launching of the image of the ICF
- Definition of strategy for social projection
- Definition of arrangements for collaboration with the police and other strategic partners
- Support to educational and training institutions
**Summary of roles within the context of the new draft law**

<table>
<thead>
<tr>
<th>Certified Forest Technicians</th>
<th>Areas of weakness/challenges</th>
<th>Strengthening needs and strategies</th>
</tr>
</thead>
</table>
| - Ensure compliance with forest management and protected area plans, guaranteeing the quality of the services provided to the [forest owner or manager] and the protection of the interests of the State.  
- Inform the ICF, interested parties and municipalities on advances with the implementation of management plans.  
- Report to the ICF failure to comply with technical recommendations aimed at ensuring compliance with management plans. | - Difficult position due to contractual relation with forest manager and simultaneous obligation to denounce non-compliance with forest management plans.  
- Typical focus on technical issues, with limited training in social awareness and negotiation skills required under the new law in consultation of management plans with Consultative Councils. | - Support to broadening the syllabus of training institutions in order to include social issues and skills for negotiation and conflict management, and provision of on the job training in these issues. |

<table>
<thead>
<tr>
<th>Campesino forestry groups and cooperatives</th>
<th></th>
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</tr>
</thead>
</table>
| - Forestry activities on State forest lands, under the conditions of contracts with ICF.  
- Participate in the Departmental and Municipal Consultative Councils. | - Limited technical, organizational and financial capacities, and limited capacities of FEHCAFOR to provide support.  
- Credibility of FEHCAFOR affected by the ‘hijacking’ of some of their members by outside interests.  
- Ability to function in practice will depend on the rate of progress with regularization. | - Development of sustainable mechanisms and capacities for the provision of support.  
- Continued support to regularization. |

<table>
<thead>
<tr>
<th>Timber industry organizations</th>
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</thead>
</table>
| - Forest management outside of the Social Forestry System.  
- Forest management under contract to beneficiaries of the Social Forestry System.  
- Purchase, transport and transformation of forest products.  
- Exploration and development of links with markets. | - ‘Demonization’ by civil society groups creates an unfavourable climate for investment.  
- Illegal forestry activities undermine their viability when operating legally. | - Support of platforms and skills for negotiation and conflict management.  
- Support of formal supervision, independent forest monitoring, social control and log tracking. |
### Summary of roles within the context of the new draft law

<table>
<thead>
<tr>
<th><strong>Areas of weakness/challenges</strong></th>
<th><strong>Strengthening needs and strategies</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>for forest products</td>
<td></td>
</tr>
<tr>
<td>- Participates in the National Committee Forestry, Protected Area and Wildlife Conservation through AMADHO and in the National Consultative Committee through the National Chamber of Forest Industry.</td>
<td></td>
</tr>
<tr>
<td><strong>Municipal governments</strong></td>
<td></td>
</tr>
<tr>
<td>- Participation in Consultative Councils and their respective functions (through the AMHON at national level, as multi-municipal groupings at departmental level and as chair at municipal level)</td>
<td>- Variable levels of potential to generate income with which to comply with responsibilities, due to varying levels of forest resources and other sources of fiscal income</td>
</tr>
<tr>
<td>- Establishment of contracts for forest management and co-management of protected areas</td>
<td>- Variable levels of capacity to lobby for funding allocations from central Government</td>
</tr>
<tr>
<td>- Represent local communities in requesting the ICF to declare protected water production areas</td>
<td>- Lack of coverage of forest lands in land registries</td>
</tr>
<tr>
<td>- Mediation in the definition of payments for environmental services</td>
<td>- Limited technical capacities and logistical capacities</td>
</tr>
<tr>
<td>- Management, protection and reforestation of public lands with forestry vocation</td>
<td>- Political bias on the part of some elected officials</td>
</tr>
<tr>
<td>- Determination of proposals to establish titles on municipal forest lands</td>
<td>- Risk of corruption in the use of resources aimed at forest management and protection</td>
</tr>
<tr>
<td>- Inscription of approved management plans</td>
<td>- High turnover rates of elected officials and employees</td>
</tr>
<tr>
<td>- Issue of permits for timber and firewood transport in the absence of a Regional ICF Office</td>
<td>- Support to development of technical capacities</td>
</tr>
<tr>
<td>- Participation in the formulation of management plans for aquifer recharge areas</td>
<td>- Support to processes of social control</td>
</tr>
<tr>
<td>- Promotion and support of the Social Forestry System in municipal forests</td>
<td>- Promotion of role and capacities of community, NGO and civil society groups</td>
</tr>
<tr>
<td>- Prevention and control of forest fires and pests</td>
<td>- Support to development of administrative capacities and capacities to collect fiscal revenue</td>
</tr>
</tbody>
</table>

### SINFOR

<table>
<thead>
<tr>
<th><strong>SINFOR</strong></th>
<th><strong>Functioning depends on the</strong></th>
<th><strong>Institutional awareness raising and</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Carry our scientific and applied forestry research</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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51 Appendix 5
### Analysis of the Institutional Context for the Implementation of the Proposed New Forestry Law in Honduras

#### Summary of roles within the context of the new draft law

<table>
<thead>
<tr>
<th>Summary of roles within the context of the new draft law</th>
<th>Areas of weakness/challenges</th>
<th>Strengthening needs and strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Generate, disseminate and transfer forestry technology</td>
<td>motivations of its members to collaborate</td>
<td>modifications of statutes</td>
</tr>
<tr>
<td>- Generate information to develop qualified human resources in relation to protected areas, wildlife and forestry development</td>
<td>Lack of clarity whether it is a system or an entity as such</td>
<td>- Support to network development and consolidation</td>
</tr>
<tr>
<td>- Generate information to support the development of social culture and activities in the forest sector, protected areas and wildlife</td>
<td>Traditional focus of members on technical rather than social or livelihood issues</td>
<td>- Thematic inputs in social and livelihood issues</td>
</tr>
<tr>
<td>- Generate scientific information on the condition of national ecosystems</td>
<td>Need for strong strategic coordination</td>
<td>- Development of central research strategy</td>
</tr>
</tbody>
</table>

#### Civil society organizations

<table>
<thead>
<tr>
<th>Civil society organizations</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Represent the interests of the public in relation to forestry issues</td>
<td>Marginalization from power and political influence</td>
<td>- Support to fora for discussion and negotiation</td>
</tr>
<tr>
<td>- Exercise social control over corruption, illegal activities and policies, plans, programmes or laws related to forestry issues, considered to be counter to the public interest</td>
<td>Tendency to radicalization and polarization of issues</td>
<td>- Development of conflict management and negotiation skills</td>
</tr>
<tr>
<td>- Participate in the Consultative Councils through the confederations of campesino organizations, the confederation of indigenous peoples and afro-Caribbean organizations</td>
<td>Limited access to sound technical information and capacity of technical analysis</td>
<td>- Development of technical capacities and mechanisms for information flow</td>
</tr>
<tr>
<td></td>
<td>Difficulty in proving legitimacy as representatives of public will</td>
<td>- Support to channels for local representation and expression</td>
</tr>
</tbody>
</table>
## Appendix 6. List of people interviewed

<table>
<thead>
<tr>
<th>Name</th>
<th>Organization/position</th>
<th>Interest group represented</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toribio Aguilera</td>
<td>Member of National Congress (Forestry Committee)</td>
<td>Legislature</td>
</tr>
<tr>
<td>Rafael Alegría</td>
<td>Vía Campesina</td>
<td>Civil society/smallholder sector</td>
</tr>
<tr>
<td>Julio Cárcamo</td>
<td>Country Director, The Nature Conservancy</td>
<td>Environmental NGOs</td>
</tr>
<tr>
<td>Mario Chinchilla</td>
<td>Former National Environmental Prosecutor</td>
<td>Judiciary</td>
</tr>
<tr>
<td>Andreas Gettkant</td>
<td>Coordinator, GTZ Natural Resources Programme</td>
<td>International cooperation</td>
</tr>
<tr>
<td>Ramón Izaguirre</td>
<td>Judicial consultant</td>
<td></td>
</tr>
<tr>
<td>Harbin López</td>
<td>College of Forestry Professionals of Honduras</td>
<td>Forestry professionals</td>
</tr>
<tr>
<td>Roberto Medina</td>
<td>Head of Planning, COHDEFOR</td>
<td>State forest authority</td>
</tr>
<tr>
<td>Mateo Molina</td>
<td>Environmental Specialist, Interamerican Development Bank</td>
<td>International cooperation/funding agency</td>
</tr>
<tr>
<td>Carlos Sandoval</td>
<td>Former head of forestry development in COHDEFOR</td>
<td>State forest authority</td>
</tr>
<tr>
<td>Andrés Solórzano</td>
<td>Honduran Federation of Forestry Cooperatives</td>
<td>Social forestry sector</td>
</tr>
<tr>
<td>Juan Blas Zapata</td>
<td>Coordinator of the Honduran Forestry Agenda</td>
<td>Forestry sector forum</td>
</tr>
<tr>
<td>Salvador Zúñiga</td>
<td>Confederaición de Pueblos Indígenas</td>
<td>Indigenous people (Lenca ethnic group)</td>
</tr>
</tbody>
</table>
References


