

## BRIEF REPORT OF THE 7:30 BREAKFAST DEBATE –MAY 31<sup>ST</sup> 2013

### Improving Forestry Governance in Tanzania: The Role of the Private Sector

Private sector has been involved in forestry initiatives for a long time but more recently there has been growing waves of interests to try to understand their role in improving forestry governance. Scholarly findings have indicated private sector involvement to be much debated especially with current trends on global mechanisms such as REDD+ of which Tanzania is also a party to. Various initiatives have been initiated to understand and learn how the role of private sector might help improve forestry governance in developing countries. In many occasions, such initiatives have drawn private sector among other actors in discussions with the aim of drawing lessons specifically on transparency and accountability in forestry governance.

This is why Policy Forum dedicated its May 2013 debate on the issue of Private sector involvement in the forestry sector, the debate is titled: **Improving Forestry Governance in Tanzania: The Role of the Private Sector**

The debate had two presentations which were made by: Mr. Ben Sulus, President of SHIVIMITA, Mr. James Laizer, Co-Director of Sound and Fair and the discussant of the event was Mr. Kahana Lukumbuzya, an independent consultant.

The Debate was facilitated by Geoffrey Mwanjela from Tanzania Natural Resource Forum (TNRf).

Mr. Ben Sulus started by introducing SHIVIMITA which he said is the official national apex level PSO in the Tanzania's forest and forest industries sector, established 3 years ago and now undergoing organizational restructuring/ transformation.

He defined Forestry Governance **as per World Bank as**, to the *modus operandi* by which officials and institutions both formal and informal acquire and exercise authority in the management of the resource of the sector to sustain and improve the welfare and quantity of life for those dependent on the sector.

Therefore improving forest governance is essential towards achieving a business operating environment for forest industry enterprises efficiency, growth and development, and realising more FS socio-

economic contribution.

He mentioned some of the major causes of Weak Forest Sector governance (as per AFF) include; Weak and/or inadequate policy and legislative frameworks, Political interference/ patronage, Corruption & forest malpractices, Poverty and population pressure, Private sector Issues include.

He continued by mentioning the roles of PS in improving forest governance as; Formulation, implementation, monitoring & evaluation and review process stages of PLRs at micro, macro, and levels (service interface), Stakeholder validation of reports from major activities/ projects/ program, key studies, major decision processes/proposals, NAFAC meetings, Participates in Stakeholder- based steering committee meetings, task forces, Participate in Joint stakeholder annual reviews and consultative meetings, Lobbying visits and memoranda to stakeholder institutions/ leaders, Advocacy, public relations & free publicity- via media and Customer meetings at forest plantation management level, MNRT leaders/ political leaders visits.

Based on Scholarly findings and SHIVIMITA experiential learning he said this can be achieved through PSOs getting and using: Government Willingness and Determination/ readiness for improving FSG, All stakeholders support, Legislation for effective enforcement of Professional Ethics and Best Practices, PS Self Regulation- for effective enforcement of laws, ethics and Best practices, Information about FSG Opportunities.

He said some of the challenges facing the private sector are; Limited involvement in policy, legal and regulations reviews and major decisions making processes, Limited involvement in relevant MNRT Institutions and government agencies, high resource constraints, PSOs capacity (Advocacy, Lobbying, inadequate SHIVIMITA information and business support services provision), no or delayed feedback, low public education and awareness on major forest sector issues, highly informal and scattered MSMEs, underdeveloped PSOs networks.

He recommended that, Stakeholders must collectively supporting efforts towards achieving *improved Stakeholder Interaction (Cohesion & Collaboration) and dialogue platforms* for issues- based discussions encompassing:

He finished his presentation by saying that, more time-bound and demand-driven country consensus building efforts among identified

sector actors towards improving forest sector governance are needed. National Forest Policy has to duly guide forest governance improvement efforts.

Mr. James laizer started by giving an overview of Sound and Fair which he said started as a campaign in UK which aimed at raising awareness in the forestry sector.

He mentioned the operational successes of the campaign to be; 150m<sup>3</sup> African blackwood harvested and processed during Sept-Dec 2012, also 5m<sup>3</sup> other species (Panga Panga, Doussie, Muninga, Knob Thorn), Immediate, direct social impact - USD22,000 paid in harvesting fees And additional USD 5,000 injected into local economy - wages etc.

He also mentioned the operational challenges of the campaign in Tanzania to be; Villages still use the district to harmer the logs- take time and resources, Transport permit which come from the district are not always available and export permit and wood investigation is not a smooth process.

He gave the way forward for the campaign as; Modern technology required for harvesting, extraction and processing, training and capacity building at the community forest level.

The discussant of the event, Mr. Kahana stressed that Tanzania Forestry sector is now reformed, major changes occurred during the period between 1967-1991, it has now moved to free market economy where there are now many private sectors in involved in the sector for instance the TFS which has autonomy over its staffs and budget.

We have the PFM which Mr. Sulus referred as stakeholders, he classified them as government stakeholders and a whole bunch of stakeholders which are equal, this is not quite true because if you look at the forestry sector in Tanzania you will find that the government owns half of Tanzania forests where 60% is village land, the PFM reform is to empower these communities to own these forest lands.

He said defining the question of who is the private sector? You will need to consider the fact that we have different private sectors associated with forest products and energy such as charcoal and fuel which come from the forest sector. We believe that the resources from the forestry sector are decreasing each year due to over exhaustion of the resource.

He lastly said, there is a strong need of effective dialogue of the sector like the breakfast debate organized by Policy Forum and TNRF.

### **Plenary Discussion and comments**

- There is a need of civil societies and developmental partners to be involved in the sector.
- TFS represents the government in looking at the forest resources and villagers do it at the local level by managing their own resources. Villagers are issued harvesting permits at district level but the challenge is that there are no transport permits issued at the district level therefore we recommend districts to be given mandate to issue transport permit.
- There are very good policies in the sector but the challenge is its implementation
- There is an ideology that once villagers are empowered then they might overthrow the government officials.
- The sector needs to be structured so that people could be able to know where to go and for what issue.
- There is much ambiguity on how people interact in the forest sector
- What is needed is the incentives to the private sector to participate in the sector like monetary incentives since PS are mostly involved in making profit.
- What is the sustainability in the sector considering the population pressure issue
- CSR is needed so as to make communities benefit from the sector.
- More reforms on the sector are needed between private sectors and other stakeholders.
- the issue of corruption should be addressed in the sector since its a cross cutting issue.
- Better charcoal technology needs to be emphasised
- People should be encouraged to plant trees
- The government should not be involved in selling and buying of forest products instead it should only monitor and license the sector.

Mr. Geoffrey closed the discussion and welcomed again participants to the next 7:30 Breakfast Debate



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