3. Policy development in a dynamic environment

> A [policy] is like a recipe, either formulated in advance or emerging in response to events.
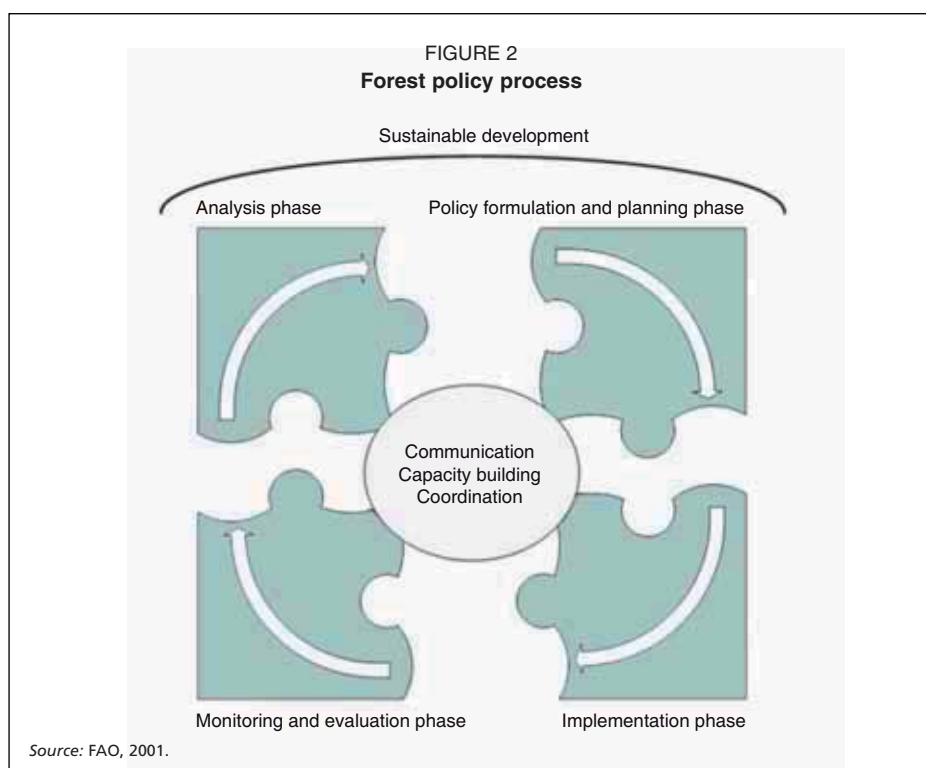>
> **Gane, 2007**

Some people view policy development as a form of rational planning. Others see it as something that emerges as a consequence of bargaining and decisions by different policy-makers. In reality, policy development and its subsequent formulation are often unstructured and many layers are hidden beneath the facade of a well planned and executed process. In fact, many policy-relevant decisions are taken outside the formal process. This may lead to the impression that "policies happen" and are rarely, if ever, executed as planned.

Given that a country rarely develops or formulates policy from scratch, it can be useful to conceptualize the forest policy process as a continuous cycle: forest management and administration review → policy development and formulation → implementation → evaluation → reformulation. The NFP process is based on a similar notion (Figure 2).

In most cases, the development of a formal forest policy statement starts from the need or wish to improve a current policy, be it written or implicit, because of either abrupt changes or gradual shifts in the larger context. What is less clear conceptually but evident in reality is that the process can be initiated anywhere in the cycle. The wish to develop or revise a policy might arise during implementation, after a review or when it is almost formulated, for example because of a newly established government having different policy intentions than its predecessors. Moreover, activities that occur at different times in the process are interconnected in many ways: they can run in parallel or take place in any one of the four phases. In other words, the schematic four-step approach is a simplification of what happens in practice but nonetheless can help to structure and facilitate the work that needs to be undertaken.

Policy-making is an iterative process, and it is important to view it in this light for two reasons. First, in an iterative process experiences and lessons learned can be more easily taken into account to inform and improve coordination. Second, iteration helps to maintain a dialogue on the policy and its implementation after the process of developing a formal policy has concluded. Ongoing dialogue, and an established platform for it, is often a crucial component in implementing policies, as many concrete details in the implementation of the national forest policy need to be discussed or negotiated after it has been adopted. Established mechanisms

Development and adjustment of a forest policy is a process, with no beginning or end-point.

FIGURE 2
Forest policy process

Sustainable development

Analysis phase

Policy formulation and planning phase

Communication
Capacity building
Coordination

Monitoring and evaluation phase

Implementation phase

Source: FAO, 2001.

for dialogue also make it easier to benefit from diverse lessons and experiences in implementing agreed policies, and to coordinate subsequent planning.

WHAT HAS CHANGED IN POLICY DEVELOPMENT?
Participation to strengthen relevance, acceptance and effectiveness of policies

Effective implementation of policies and policy processes requires, first and foremost, synergy between State and citizens. Although a national forest administration may be the source of most technical expertise about managing forests to deliver various goods and services, it is not necessarily in the best position to determine and speak for what society wants and needs from forests. Balancing often conflicting interests is a political rather than a technical matter; one major lesson that FAO has drawn from its policy assistance to countries is that the importance of non-technical issues, knowledge and skills is often underestimated (FAO, 2008).

Experience has shown that the development of a national forest policy must be initiated and led by the country, not external parties or partners. Measures must also be taken to ensure that the process provides for sufficient participation at the national and subnational levels. Even though a strong and technically sound policy could be formulated without stakeholder involvement, participation is necessary to ensure that the policy meets the needs of society. Past approaches have taught

that policies are difficult to implement when people affected by decisions are excluded and when negotiations to accommodate competing interests take place in the absence of their representatives. Both conditions are essential if the policy is to have the broad-based support that will enable it to overcome the challenges associated with implementation, even if the process seems protracted, expensive and unruly at the start. In many countries, NFP processes and platforms for forest discussions are used to strengthen participation in policy development and formulation. The NFP provides an opportunity for stakeholders with different interests, objectives and opinions to discuss and negotiate issues, understand each other's point of view and reach consensus or compromise or agree to disagree for the time being. It also serves as a mechanism for constructive confrontation, a release valve for grievances and a communication platform to deal with and avoid misunderstandings that can lead to conflict.

> Forest policy processes aim to develop and implement policies that are jointly owned and widely supported by involving a broad range of stakeholders within and outside the sector.

Policy implementation as a shared responsibility

If forest policy is an agreement between government and stakeholders, the central government need not achieve the stated goals on its own but should ensure they are implemented, as appropriate, by decentralized administrations or by other parties such as the private sector, community forestry organizations, farmers, indigenous people, non-governmental organizations (NGOs) and civil society. Central authorities thus are finding new ways to coordinate across different levels after decentralization and to collaborate with stakeholders.

The diversity of public and private stakeholders involved in policy implementation calls for the need to be explicit about the division of responsibilities among different government agencies and stakeholder bodies. It also requires more efforts by government officials to coordinate and collaborate across sectors and different levels of government. These aspects become all the more important in countries that are moving towards decentralization and devolution where more levels of government share responsibility for implementation. Equally important is the need for public agencies to have goals, structures and capacities to discharge this mandate.

With conventional policy settings and institutional arrangements, governments tend to rely on regulations, control and policing for implementation. However, this approach is often incompatible with the wish and need to involve stakeholders, for example, smallholder tree growers or NGOs. Command-and-control measures alone have also been found to be ineffective in the management of valuable protected areas. New instruments, such as voluntary agreements, public-private partnerships and market-based approaches, have surfaced over the past few decades. These not only have the potential to make implementation more efficient but may also, at times, help avoid the marginalization of governmental forest administrations.

Mechanisms for continuous dialogue and periodic adjustment

Changes in the context within which forest and trees are used and managed call for periodic amendments to national forest policy and/or implementation arrangements (Box 3). Just as *de facto* policy tends to evolve with changing contexts, adaptation is also periodically necessary for formal policies. Because a formal policy is embedded in politics and is subject to election cycles and government changes, a new government could initiate revisions much earlier than initially foreseen. To ensure that a forest policy process is maintained and adaptive to changing circumstances, many countries have set up national forest policy platforms, forest forums or similar mechanisms. These facilitate continuing communication and coordination among different stakeholders, response to emerging issues and integration of experiences or new initiatives in policy adaptation.

Continuous forest dialogue is key for developing, implementing and revising policies that are consistent and adaptive over time.

BOX 3

The evolution of forest policy in Bhutan

Bhutan approved its first formal forest policy in 1974, following the 1969 Forest Act, which mandated state ownership of all forests. The policy laid out approaches to forest and wildlife conservation, afforestation, resource survey and utilization. It also set a minimum target of 60 percent forest cover.

The primary objective of the policy drafted in 1990 was conservation of the environment, and only thereafter could economic benefits be derived. However, provisions were made to supply timber to rural households on an ongoing basis. In spite of the intent to balance conservation and sustainable use, implementation tended to focus on conservation and protection.

When the national policy was reviewed in 1999, the emphasis shifted to timber marketing and pricing, subsidized timber for rural housing construction, and community and social forestry. A gradual further change in emphasis has taken place over the past decade, towards a more decentralized and people-centred approach to forest management, directed at poverty alleviation.

The 2009 forest policy responds to a growing need for a broader and more balanced approach to sustainable development and poverty alleviation, identifying food security and biodiversity protection as issues, for example. It provides a framework to address both conservation and sustainable use in areas such as community forestry, watershed management, wood and non-wood forest products and livestock management. It also provides a means to implement in a coherent manner the legislation that affects the natural resources of Bhutan.

Source: Don Gilmour, personal communication.

BOX 4

Post-crisis adjustment of forest policy in The Former Yugoslav Republic of Macedonia

Emerging from a decade of political turmoil, and moving away from central government planning as part of the former Yugoslavia, officials of The Former Yugoslav Republic of Macedonia realized that the country's approach to governing forests was in desperate need of revision. Although forest resources were generally in good condition, it became clear that forest management was unsustainable, and forest agencies constituted a drain on government finances. Reform of the State-owned timber enterprises seemed especially urgent to improve their viability and to deliver better forest goods and services to society. In addition, the new government sought to demonstrate its eagerness and capacity to undertake economic and social reform and to develop polices that would facilitate admission into the European Union.

CLARIFYING WHEN A CHANGE IS NEEDED – AND POSSIBLE

Not all changes that affect forests or forest management require a new or amended forest policy. However, policies sometimes need to be revised in order to guide operational decisions effectively. In the past two decades, societies have undergone increasingly rapid changes – in where people live (increasingly in cities), how they earn income and how they use natural resources, including forests. Shifts in social and demographic trends, along with changes in economic, environmental, technological and political contexts, inevitably require that policy respond to new realities, risks and opportunities (Boxes 4 and 5). Over time, any sector that does not address broader societal issues as part of its mandate or does not forge strong links to the national development agenda will be sidelined, command less attention and see its power erode – all of which will result in weaker capacity to pursue goals. The forest sector is no exception, and when ties can be strengthened by revising forest policy, it is a clear indication that change is due. Change can take different forms; it can be brought about by seizing emerging opportunities or by taking action to stop a slow but steady loss of relevance.

> Over time, any sector that does not have strong links to the key societal issues and overall development agenda of its country will be sidelined, lose power and have less capacity to pursue its goals.

Since policy development is tied to the politics of parties and élites, those who lead or who should be involved are likely to have diverse views about the needs, goals, benefits and risks of embarking on such an initiative. They must assess the right time to initiate the process, determine the triggers required to get it started and consider the right pace of reform – gradual or sudden. Although there are no simple answers, a few factors can predispose government to consider policy reform:

> Identifying the right moment to initiate change requires leadership and good knowledge of the policy context and players.

BOX 5

Increased pressures on Kenya's forests

Kenya's Forest Policy, 2007 notes that significant changes had taken place since the previous authoritative statement of Kenya's forest policy in 1968, necessitating a new forest policy (Government of Kenya, 2007):

"These changes include an increase in the country's population and a rise in forest related activities.... This increase in population will continue to exert pressure on the forest resources through a growing demand for forest products, services and land for alternative uses. The need to conserve the soil, water, wildlife habitats, and biological diversity will become even greater. Further, since 1968, the country has experienced a major decrease in forest cover, which has resulted in reduced water catchment, biodiversity, supply of forest products and habitats for wildlife. At the same time, the forest sector has been beset by conflicts between forest managers and forest adjacent communities over access to forest resources. Consequently, it is necessary to prepare a new Forest Policy to guide the development of the forestry sector. The broad objective of this new Forest Policy is to provide continuous guidance to all Kenyans on the sustainable management of forests. The Sessional Paper No. 1 of 1968 did not provide for adequate harmonisation between resource policies. This policy has taken cognizance of other existing policies relating to land and land use, tenure, agriculture, energy, environment, mining, wildlife and water. Further, this policy stresses the need for greater cooperation and linkage among resource owners, users, and resource planners. The policy incorporates the present forest-related values of the people of Kenya, international concerns, and represents the national will."
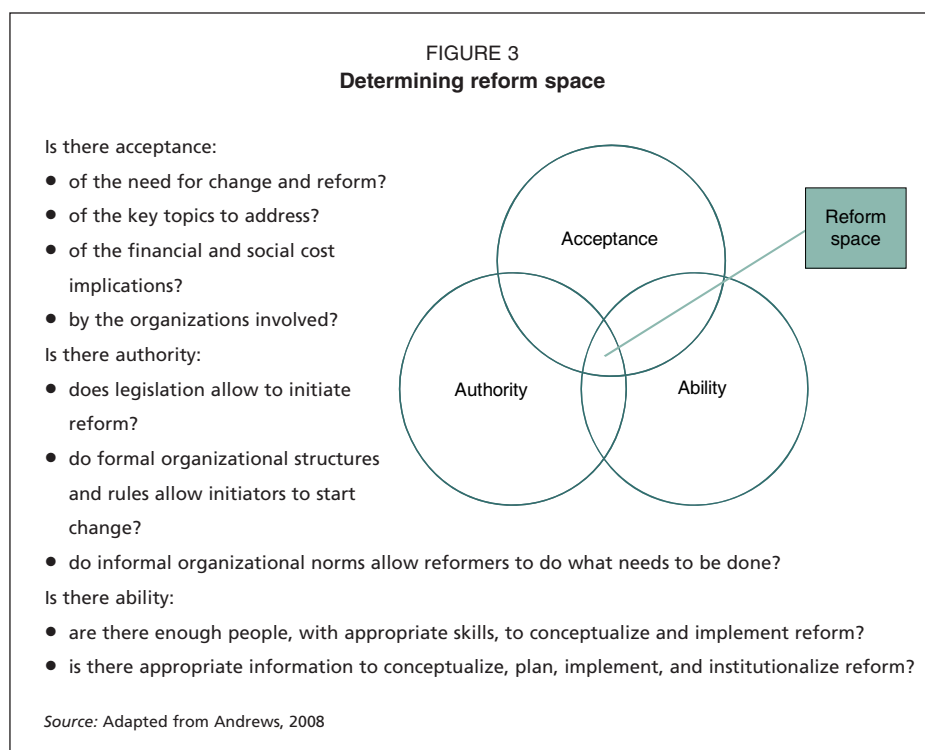
- *A shift in the wider policies of a country or a new administration with different priorities.* It is often a new party in power, leading policy-makers or government officials who are willing to review and reform current policies.
- *A review or anecdotal evidence revealing that formal and ad hoc policies are mismatched with realities on the ground.* Reviews of the forest or related sectors, of national outlook studies or of public expectations may prompt the government into action. Likewise, the findings of research, pilot or demonstration projects might encourage broader implementation.
- *Natural crises such as floods, economic turmoil or conflicts over forest use, which call attention to specific problems.* Stakeholder groups, including interest groups, informal networks, lobbyists, the media and research organizations, can create momentum for change as well – for example, to introduce bans against logging and log exports, to stop exotic plantations and to provide greater access for local people to collect non-wood forest products.
- *The threat of losing authority over certain matters.* Current issues that may trigger reassessment of national forest policy include climate change

(reducing emissions from deforestation and forest degradation), biodiversity, social aspects of sustainable forest management (forest certification) and good governance (e.g. forest law enforcement).

- *International commitments and the funding opportunities associated with them.* These include the United Nations Framework Convention on Climate Change and its Kyoto Protocol, the UNFF Non-Legally Binding Instrument on All Types of Forests, the Convention on Biological Diversity and its Biosafety Protocol, the United Nations Convention to Combat Desertification and the Convention on International Trade in Endangered Species of Wild Fauna and Flora, among others.

The successful initiation of a process to review, develop and formulate policy depends on the ability of proponents to identify the right moment to start an initiative and to build sufficient government and stakeholder support. Experience shows that this endeavour requires leadership – expertise, authority and respect, capacity and persistence. It also shows that political will is often stronger if the demand for action is clear and the priority issues are relevant and of high interest. One approach to clarify what is involved and whether it is useful to pursue reform is to apply the concept of "reform space" (Andrews, 2008), which helps to test the degree of acceptance, authority and ability to undertake reform (Figure 3).

A good understanding of the common ground and different views of stakeholders and of how far they are willing to go is essential to assess the possibilities, limits and risks in starting a policy development exercise. Aspects to

FIGURE 3
Determining reform space

Is there acceptance:
- of the need for change and reform?
- of the key topics to address?
- of the financial and social cost implications?
- by the organizations involved?

Is there authority:
- does legislation allow to initiate reform?
- do formal organizational structures and rules allow initiators to start change?
- do informal organizational norms allow reformers to do what needs to be done?

Is there ability:
- are there enough people, with appropriate skills, to conceptualize and implement reform?
- is there appropriate information to conceptualize, plan, implement, and institutionalize reform?

Source: Adapted from Andrews, 2008

BOX 6
Be prepared to invest considerable time to understand the political context

When policy development processes fail, it is often because the complex social and political dimensions of forest conservation and use are not well understood, or because expectations are unrealistic. It is important to understand who wants or does not want a policy change, and why. Some decision-makers may want to make genuine reforms but others may want to make only cosmetic changes, for example to reorganize a department without revising its rationale or culture.

be examined include the timing with regard to political election cycles, the scope of issues, questions to be addressed, objectives, the sort of process desirable, feasible or necessary, the type of policy expected (new, updated, partially amended) and how it will be adopted. Such a realistic assessment will also be necessary to engage the minister to lead efforts and to take political risks (Box 6).

Formal forest policy development processes, when well timed, provide the opportunity to bring conflicting interests to one table. The willingness of groups to negotiate constructively depends on how each sees the risks and costs of staying away versus the benefits of jointly finding solutions. It is thus important, early in the process, to understand the issues and interests of key stakeholders, the costs and benefits for them, their power and their readiness and capacity to negotiate. Sometimes it is wise to reconsider or postpone policy development if the mood, political will or capacity is questionable. When capacity is the main issue, countries might wish to seek the assistance of FAO or other bodies.