

POVERTY REDUCTION IN FORESTRY CONSERVATION PROGRAMS IN THE PRC

Over the last 20 years, the Government of the People's Republic of China (PRC) has increasingly emphasized development plans combining both environmental sustainability and poverty reduction. In the initial stages, policies and programs were devised and implemented separately, with relatively little attention to the interactions between them. Increasingly, however, the government is seeking a more balanced approach.

In 1997 and 1998, the PRC was affected by a series of environmental catastrophes: flooding in the Yangtze, Song Hua River, and Nei River; dust storms; and a prolonged drought on the Yellow River. These events prompted the PRC government, through its State Forestry Administration (SFA), to initiate the following six priority forestry programs (PFPs) in 1998:

- Natural Forests Protection Program (NFPP),
- Cropland Conversion to Forest and Grassland Program (CCFG),
- Key shelterbelt development programs,
- Sandification Control Program for Areas in the vicinity of Beijing,
- Wildlife Conservation and Nature Reserve Development Program, and Forest Industrial Base Development Program, and
- Forest Industrial Base Development Program.

This increasing emphasis on both environmental and poverty alleviation goals is reflected in the government's national-level 5-year plans. The government's commitment to reduce poverty without compromising environmental stability has been paramount in recent plans and is maintained in the 11th Five-Year Plan, 2006–2010.

Impact of Forestry Programs on the Poor

A Forest and Grasslands Task Force, under the China Council for International Cooperation on Environment and Development (CCICED), was set up in July 2000 to address the linkages between PFPs, poverty alleviation, and development in Western PRC and to provide independent advice on policy reforms in the forestry and other related sectors to the State Council and policy makers. In spite of the evidence that forestry programs were having a desired effect on reduced logging and were enabling conversion of steep agricultural lands into forests and grassland, evidence showed negative impacts on the livelihoods of the poor. Some

CCICED studies had noted potentially adverse social, economic, and fiscal consequences, including reduced livelihoods, diminishing fiscal returns, and tenure insecurity. Unemployment triggered by the logging reduction was estimated at 0.75–1.5 million people. Taken together, the logging ban and the steep land conversion projects affect millions of households at the community and village levels.

The Government identified a need for a more comprehensive and detailed analysis. In particular, there was a need to establish linkages between PFPs and the socioeconomic well-being of the people, especially the poor, and to enhance the effectiveness of these programs. The analysis was considered important as these programs had the potential of reducing poverty by enhancing income-generating opportunities, adopting conservation-oriented land-use practices, and stabilizing the rural environment for better land management.

Technical assistance (TA) 4307: Poverty Reduction in Key Forestry Conservation Programs funded by the Asian Development Bank's (ADB) Poverty Reduction Cooperation Fund (financed by the United Kingdom's Department for International Development) was born in this context. It aimed to help the Government respond to the need for better understanding of the PFP impact. The TA involved a comprehensive study to identify the environmental and socioeconomic impacts of selected PFPs on the poor in particular. The study intended to establish a basis for policy reforms related to poverty reduction and natural resources management. This is particularly important given that previous monitoring and evaluation work focused on implementation targets (trees planted and whether funds are properly handled) but not on whether the programs have achieved their intended goals at minimal environmental and social costs. The project also aimed to recommend adjustments in the policy framework and program implementation arrangements to prevent adverse impacts on the livelihood of affected people, reduce poverty by promoting sustainable livelihoods, and enhance PFP's cost-effectiveness.

Overall, the TA's scope of work and outputs from the work program included the following:

- Analytical review of the objectives, policy framework, procedures, and implementation arrangements, and status of PFPs;
- Analysis of the linkages between poverty and environmental degradation to identify policies and practices that can have long-term benefits for the poor;
- Analytical overview of experiences and lessons from local and international studies and projects on poverty reduction to identify good practices and successful and replicable models;
- Policy recommendations to ensure that poverty objectives are realized while addressing environmental concerns;
- A prioritized implementation schedule of the proposed changes in policies, procedures, and implementation of PFPs, with associated legal and institutional changes, and budgetary implications; and
- Design for a cost-effective and feasible monitoring and evaluation system for poverty reduction and PFPs, with recommendations for the system's implementation.

Given the time and resources available, four provinces were selected as representatives of PFPs: Shaanxi, Sichuan, Jiangxi, and Hebei.

The research involved both quantitative and qualitative data collection:

- For quantitative data collection, a survey was carried out covering 10 county-level local government/forest bureaus, 57 township-level forest stations, 171 administrative villages, and 2,565 households.¹
- The qualitative data collected included household semi-structured interviews by subject matter specialists; feedback and focus group meetings; and other participatory rapid appraisal (PRA) tools, such as priority ranking exercises and focus group discussion of top-priority issues.

Project Implementation

An important element of TA 4307 was the organization of project implementation with

- A project steering committee, to maximize the policy influence of the research; it coordinated between the research team, ADB, and the National Development and Reform Commission;
- An expert research team, which drew on both domestic expertise and international experience; and
- Extensive stakeholder participation, which brought to the research the views of a range of grassroots stakeholders.

Conscious efforts made during the implementation to provide significant opportunities for local government and primary stakeholders to discuss candidly the forestry programs led to the in-depth understanding of the microlevel impacts of PFPs.

Project Findings

The research demonstrates the importance of understanding not only the macroeconomic and social benefits of the forestry programs but also the need to carry out detailed analysis of the

micro-distribution structure of benefits and negative impacts. Specific findings include:

- The poor in project areas are the most likely to be marginalized because of social, economic, and cultural constraints;
- Women and ethnic women are in particular danger of being marginalized because of the gender blindness of policies and planning, which results in constraints to their participation and a lack of voice in the planning processes; and
- Different ethnic groups have been affected differently, with the Yi of Sichuan and the Man of Hebei being negatively affected by the loss of livelihoods, while the Hui of Hebei have been less affected as a result of their greater emphasis on education and commerce.

The overall conclusion reached in the research is that forestry programs with primarily environmental objectives have to consider poverty and livelihoods at the same time.

Project Impacts

The main product of this TA has been a detailed report of the research findings and recommendations. However, the manner in which the research was carried out has contributed as much to its impact. For example, the collaboration between the Government and ADB provided the space and the time to carry out thorough, field-based research. The field research looked, for the first time, at the overall livelihood effects and at the distribution of benefits and negative impacts on different socioeconomic groups. The research has provided a robust baseline for future monitoring and evaluation of environmental policies—a baseline that has since been expanded to cover 15 counties.

The approach and methods introduced in the research have also had an impact. Involving a wide range of stakeholders at all levels and listening to those who were impacted by PFP have led to major policy revisions. The collection of qualitative data in the case studies provided insights into the variable effects of the forestry programs, with some benefiting in the short term, while many others—particularly the poor, women, and some ethnic groups—become marginalized or risk losing out as a result of the programs. The process of carrying out the research and, in particular, the involvement of important secondary stakeholders, such as local government officials, provide a range of perspectives on the dual objectives of environmental improvement and poverty reduction. As a result, the recommended new approaches have been pilot-tested. In 2006, the pilots were expanded to 26 counties and, in 2007, a further expansion has taken place to cover 60 counties in vulnerable areas.

Finally, the way in which the research has been set up (in close collaboration with the Government) has enabled policy makers to gain direct access to research results.

Lessons Learned and Steps Forward

Two important lessons can be drawn from the experience in TA 4307, with regard to government ownership and involvement in the research and the importance of process in carrying out such a research.

The high level of government ownership of the project and the manner in which it was organized helped contribute to its impact. Two key government agencies put forward the original proposal to look at the twin objectives of environment and poverty reduction, while ADB's inputs were to propose an organization of the research; to provide support through supervision from the resident mission in Beijing, with regular inputs and significant direction to the team; and to provide overall quality control of the final products. The timing of the project made a major contribution, taking place at a time when a shift in national policy toward a dual focus on environment and poverty reduction was also taking place, ensuring that the research was able to contribute to the development of policy.

Two further key elements made major contributions to the uptake of the research— listening to the voices of important primary and secondary stakeholders, and providing the space and the opportunities to allow these voices to be heard. However, perhaps the greatest impact was made through providing the space for stakeholders from different levels to put across their own understandings, argue their perspectives, and suggest changes and new approaches.

Endnotes

- ¹ The number of households surveyed was about 34% more than originally planned (1,612 households). It was decided to increase the number of households surveyed as the number of PFPs to be covered in each county was more than originally envisaged. In addition, 20% of questionnaires were estimated to be uncompleted or unreliable.

This case study was written by Social Development Direct (RETA Consultant) under the Regional TA 6270: Facilitating Knowledge Management for Pro-Poor Policies and Projects with inputs from Bruce Carrad, Project Officer of TA 4307, and Sonomi Tanaka, Senior Social Development Specialist, ADB. The views and assessments contained herein do not necessarily reflect the views of ADB or its Board of Directors or the governments they represent. ADB does not guarantee the accuracy of the data and accepts no responsibility for any consequences of their use.

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