Why the Interest in Forest Valuation

Using valuation to promote conservation

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Neat forest valuation exercises, leading to conceptually sound papers – with lots of erudite mathematics, and dollar figures against present use, potential use, optional use etc, may all be very satisfying to forest economists; but there is a deeper bottom line than that. Economics is a tool to reach a larger end point, to may of us that end point is better conservation of the forest resource. Here we use the work conservation broadly, meaning wise and sustainable use of the forest resource and sharing the benefits of that use in an equitable manner. The bottom line is also about applying the principles of the convention on Biological Diversity (which – in articles 6b, 7a, 11 and 20 suggests the need for resource valuation).

So how do we use valuation for conservation purposes? The first task is to get those who would use such valuation data to make policy, land-use and funding decisions that affect conservation, to actually accept and buy-in to the valuation process.[1] Conservationists this past decade have been seeking ways to get stakeholder ownership. The emerging paradigm is "participation", get those whom you wish to convince to participate in the valuation exercise from the initial planning to the data collection to the analysis of conclusions. Agi Kiss in a provocative presentation to the Society of Conservation Biology (Kiss, 1999) talked of the need to change societal behaviour patterns, changing the way that resources are used, including land. Land-use patterns are based around the value we attach to those resources. Valuation is therefore one major entry point to the goal of influencing land and resource use. It follows that if we wish to convince national planners, district councils or communities around a forest, of forest valuation results – then we must include them in the analysis.

This means that forest valuation expertise has to develop a more simple terminology and set of methodologies. Forest economists must make partnerships with other stakeholders.

Can increased participation actually increase the assessed value of a forest or forest resource? Part of valuation methodology includes rural community level assessments of products used, quantum of use, time, resource substitution etc. Participation in the exercise – rather than being passive subjects, can lead to recognition of new uses, or amounts of use or a realization of the scale of indirect uses. etc.

Focussing on the value of a product can lead to discussion on how that value can be enhanced – can that resource be increased by management practices etc (eg. coppicing from poles, timing of collection etc). Muramira (in this volume) used a figure of 5$ per hectare per year as to the rural community benefit from a hectare per year as to the rural community benefit from a hectare of Mabira Forest Reserve in Uganda. Can we rephrase the management questions and ask "how can that value be increased through better management?" if we break down the 5$ into component parts – fuel, poles, food, medicines, etc – which of those resources allows a scaling up of values?

Does tenure affect local community valuation? If there were to be a stronger CFM or JFM process, would people value their resource higher than if it was government's forest resource? What limits the value as 5$ Is this an ecological limitation or a sociological limitation or worse – an institutional limitation? Economics, community forestry, policy and resource management all become linked.

The Linkage grows as forest conservation and management activity focuses on the negotiation necessary for CF/JFM approaches. Negotiations are about sharing the cake (the benefits from forests). Valuation must become a key part of that process. Forest valuation must integrate with policies and practices of on ground conservation.

Forest economists must have a greater sense of conservation imperatives (and conservation is not always about stopping use – and is not only timer!) Conservationists must have a greater knowledge of valuation economics – and economics is more than mathematics with Greek symbols – or should be. This Special Volume of I Innovation on Forest Valuation and activity within the GEF Cross Borders Forest Biodiversity Project should help bridge the divide.

Note

1. This presupposes of course that decision makers are in fact guided by facts, and that facts, and are available for then to use. If not – then first steps are about developing awareness and advocacy campaigns – developing media consciousness, a public demand for informed decision making. This recent case in Kenya of the public (with facts through the Kenya Forest Working Group – an NGO) not accepting governments decision to degazette 10% of the nation's closed forest is a case in point. There were two different value systems!