



Rainforest Foundation response to the Commission for Africa report, 'Our Common Interest'

March 15th, 2005

General

The Rainforest Foundation **broadly welcomes** some of the key conclusions and recommendations made in the report 'Our Common Interest', in particular the Commission's recognition that;

- *"Without progress in governance, all other reforms will have limited impact"* (Chapter 4 Summary);
- *"Effective use of ... large new resource flows will require careful attention to mechanisms for delivering and monitoring results, and accountability to the poor communities that are being served"* (Chapter 6 Summary);
- There should be action *"to ensure that environmental sustainability is integral to donor interventions"*;
- The, *"appalling levels of developing country protectionism and subsidies,"* must be ended and, *"Development must be a priority in all trade agreements, with liberalisation not forced on Africa"*. (Chapter 8 Summary)
- *"Increases in aid...must be accompanied...by substantial changes in donor behaviour, and by learning and evaluation"* (Chapter 9 Summary)

We also **concur** that, in the achievement of the Commission's recommendations, it will be essential for there to be:

- *"A clear programme of action with responsibilities and timetables, based on sound evidence of what works and what does not"* (Chapter 10 Summary);
- *"Effective independent mechanisms to monitor and report on progress on implementation"* (Chapter 10 Summary).

However, the Rainforest Foundation also notes several **major omissions** from the report, notably;

- Any special consideration to the question of **natural resources**, other than recognition of the need for better management of the revenues derived from resource exploitation. This does not recognise the crucial role that natural resources, such as forests, soils and wildlife play in the survival of most Africans, especially those who are most afflicted with poverty.
- Recognition of the important problem of **land tenure and rights**. Inequitable and insecure land tenure underpins the poverty of many rural Africans, and promotes poor resource use. Confused or chaotic land tenure regimes promote conflict, and are used as a tool of political manipulation and divisiveness.
- Recognition of the importance of basic civil **and human rights**. Many African governments continue to act in serious breach of national, and international laws and standards for human rights, often in the full knowledge of the international community. Many of the Commission's worthy aspirations will not be achievable unless such governments are challenged by the international community.

Specific comments

The Foundation has the following reactions to specific parts of the report.

Building effective States, Governance, and Nations (Chapter 4)

- The Foundation agrees with the analysis that governance is first and foremost the responsibility of African countries and peoples, but that outsiders have a role to play in supporting rather than undermining moves towards good governance. It also agrees with the emphasis on **capacity** and **accountability** as a route to addressing good governance and the fight against corruption. However, the Foundation feels that there is too little emphasis on the role of **African civil society** in holding governments accountable, particularly in the sections concerning corruption (pages 142-146) and the quality and use of data (p 147). In many African countries, civil society is a critical counterweight to corrupt and inefficient governments.
- The Foundation strongly agrees with the analysis that "*in many developing countries rich in oil, this wealth enriches only the ruling elite. For the vast majority of the population it often appears merely to increase poverty, corruption, environmental degradation and attendant political instability*". The Foundation would argue that this analysis applies also to other natural resources, particularly **forest resources** such as timber, and that this should be clearly stated.
- The report calls for timber importing countries to ensure that they do not trade in **illegally acquired forest products** (p141). The Foundation believes that, in isolation, such measures will have only

very limited effect in reducing the mis-management of Africa's forests, or in reducing the poverty and conflict experienced by African people because of the logging industry.

We believe that, more importantly, the international community should vigorously seek to encourage African nations to **reform forestry laws** which criminalise subsistence use of forests in favour of large-scale industrial exploitation. The allocation of vast areas of forest for industrial logging should be challenged, in favour of smaller-scale community-based forest management schemes.

- The Foundation does not necessarily agree that "*the tax revenues generated by commercial logging...are essential to fund investments in health, education, infrastructure and the like*". (p 141). To date, the Foundation has yet to see evidence that commercial logging in Africa does benefit any of these essential services. We consider it far more critical that donor countries finance research and pilot schemes looking at **alternatives to industrial logging** that provide **greater benefits** to forest communities and to national governments. This includes serious analysis of the informal forest sector and acknowledgement of its value and potential.
- The Foundation welcomes the mention of the rights of vulnerable groups and **indigenous peoples** in particular in relation to forest exploitation. However, it is critical that the rights of these peoples is given a more central role in the document. The principle of **free, prior and informed consent** of the rights holders to forest lands should be applied before the allocation of contracts or concessions for exploitation. Customary rights over forests by local communities should be recognised and incorporated into forest zoning plans.
- In terms of ensuring accountability from private enterprises in the natural resources sector, the Foundation considers that **mandatory** measures are critical. Voluntary agreements are all very well, but until both producer and consumer countries insist on transparent and sustainable management from all actors in the sector, there will always be room for inadequate management that does not benefit local people or make a real difference to poverty in Africa.

Establishing Peace and Security (Chapter 5)

- The report rightly recognises the relationship between natural resources and conflict in Africa, and calls for better management of natural revenues (p150). However, it neglects to address the problem of **inequitable access to resources** – such as forests, which are important in the survival of hundreds of millions of poor Africans, but which have often come under the control of foreign exploiters and urban elites.

The Foundation believes that the international community should intensify efforts to **devolve control over natural resources** to

local communities, whilst strengthening incentives for sustainable management, by for example, ensuring more secure land tenure.

- The Foundation concurs with the need for a **permanent UN Expert Panel** concerned with natural resources and conflict in Africa (p 157). We believe that the Panel should be charged with consideration of natural resource policies **within countries** that promote conflict, as well as international conflicts.

Promoting Human Development (Chapter 6)

- The Foundation believes that inadequate attention is given to **prevention of disease**, as well as its treatment. In particular, deforestation is a known contributor to the spread of malaria, whilst industrial logging is associated with the spread of HIV-AIDS infection. The prevention of deforestation and industrial logging could thus make a contribution to better health in Africa.
- The Foundation fully agrees with the recommendation to make basic education available to all children. We also welcome the recommendation to develop curricula appropriate to Africa. However, we would like to see more emphasis on mechanisms of making education accessible and appropriate at a local level. This includes elements such as ensuring the training of teachers who can teach in local languages, taking a more flexible approach to school calendars and timetables when working with mobile peoples such as indigenous hunter gatherers and pastoralists, and recognising and valuing traditional knowledge in the formal education system.
- The Foundation agrees that tackling exclusion and vulnerability is absolutely critical. We consider that indigenous forest peoples are one of those groups who are marginalized and discriminated against and who have particular issues that require addressing, particularly in relation to rights and access to land and forest resources. We would recommend that all African and donor countries ratify ILO Convention 169, concerning the rights of indigenous and tribal peoples, and develop strategies that ensure the implementation of the commitments in this convention.

Accelerating Growth and Poverty Reduction (Chapter 7)

- As noted above, the Foundation commends the Commission's recognition that donors need to take greater account of environmental sustainability. However, in many cases, the basic mechanisms for ensuring the integration of environmental concerns into aid programmes already exist; the problem is that they are simply not applied. For example, the World Bank's current interventions in the Democratic Republic of Congo are in blatant contravention of several of the Bank's internal safeguard policies, including those concerned with the protection of the environment.

The Foundation thus believes that the international community

should, as a priority, seek to investigate and review why existing policies are not properly implemented, before any new policies are developed.

- 7.1 We believe that the focus on direct **link between economic growth and poverty reduction** is too simplistic, especially in countries where poor people are marginalized and depend directly on resources exploited for (national) economic growth (as in timber exploitation in Central Africa).
- We welcome the discussion on the importance of property rights for investment and economic growth. However under **security of tenure and land rights**, the objective 'to provide poor people....with some sort of security in land tenure and thus the incentive to invest' is too weak. Although the report has identified the intense political nature of the problem, as noted in paragraph 94, this issue is so critical to poverty reduction we believe that it must be addressed through more specific recommendations and actions. The Foundation believes that for poverty reduction, poor people's rights to their land have to be recognised, whether through individual or collective land titling.
- We agree with section 7.4.3 that **the way businesses do business** can have a further powerful impact on poor people, and welcome recommendations for businesses concerning transparency, employment, enterprise, goods etc. However we would argue that in Central Africa the picture is not a positive one (para 134) and the paper lacks strong recommendations about how businesses can be held to account for their actions. Signing up businesses to codes of conduct that are not compulsory and have no sanctions will do little to help poor people. In our view, Corporate Social Accountability rather than Corporate Social Responsibility will help to reduce poverty in Africa.
- Concerning **Environmental Sustainability** (section 7.5), we welcome the recommendations concerning environmental sustainability. However, for these recommendations to be effective, international development agencies must ensure that environmental sustainability is included as a priority feature in African government's poverty reduction strategies.

Breaking into World Markets (Chapter 8)

- The Foundation welcomes the Commissions recommendation that, 'Africa should not be forced to liberalise', but allowed to develop and implement reforms at a pace appropriate to their own national development strategies.
- The Foundation agrees there is a need for more 'favourable conditions' for private sector investment, especially by rural poor (p.251-2), if poverty is to be addressed. However, as mentioned

above, the report fails to recognise the importance of land tenure and rights, an essential ingredient for any private investment.

- The Report calls for much needed funding to improve Africa's infrastructure, for example, highways to reduce transport costs. Past experience demonstrates that roads through wilderness areas, such as forests, lead to an unintended and unsustainable increase in natural resource exploitation, the spread of disease, such as HIV, and conflict with existing land 'owners'. Prior to the approval of any large-scale projects, such as highways and dams for energy, the Foundation calls for full social and environmental impact assessments, including the right to **prior and informed consent** of land owners.

Financing and Supporting Africa's Resurgence (Chapter 9)

- The Foundation doubts the appropriateness of the Commission's insistence on the need for a 'strong reduction' in the use of conditionality in association with external assistance (p305). Greater accountability of aid within recipient countries as an alternative to donor conditions is a worthy aspiration - but one that is not likely to be achieved in many countries within the foreseeable future. The aid policies of *donor* governments in advanced democracies are, in practice, barely accountable to the public.

The Foundation believes that donors need to continue to apply specific conditions – such as the need for policy reform in the areas of natural resource management, land tenure and human rights – in the short-medium term. Many African governments are unlikely to become more accountable to their peoples on the use of aid *unless* appropriate donor conditions are applied in the short term.

- The Foundation agrees on the general need for greater accountability of the World Bank. In addition to the Commission's recommendations, the Foundation also proposes that the Bretton Woods Institutions mandate should be revised such as to ensure that these institutions become subject to the resolutions of the UN Security Council.
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