

Role of Forest Policy and Legislation in Enhancing Commercial Forestry in Kenya

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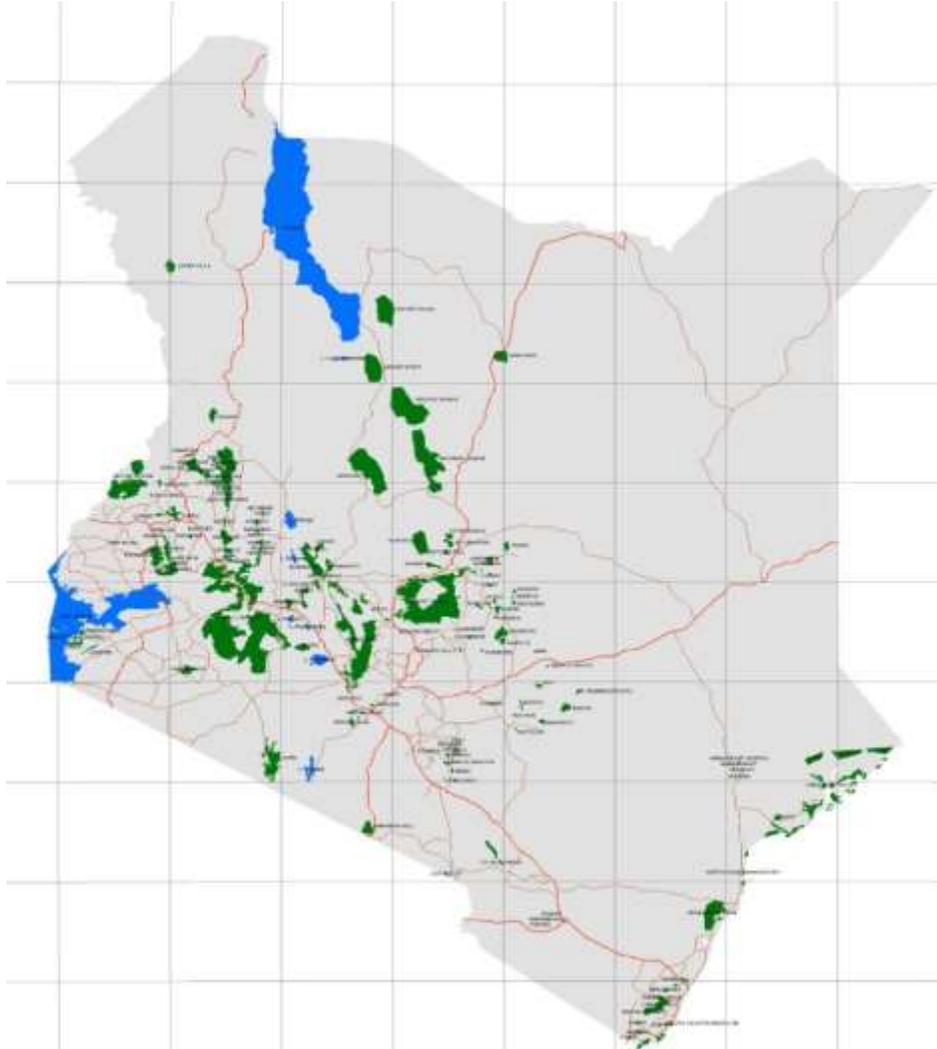
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Presentation Outline

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Introduction: Forest Estate in Kenya



- Kenya is a low Forest Cover country;
- 3.46 million hectares of forest on public, community and private lands;
- Approximately 2.59 million hectares gazetted as public forests, managed by Kenya Forest Service;
- Kenya Wildlife Service, County Governments and other Public Institutions hold significant public forest resources;
- Government policy is to achieve 10% forest cover by 2022- **Will require innovative and transformational to conventional management practices.**
- **Favourable Forest Policy and Legislation for Commercial Forestry**

Introduction on Policy

- Kenyan forests contribute **forest products** and **ecosystem services**.
- These uses are at **subsistence level** with little commercial forestry
- **Legal frameworks** (Policy, Legislations, Rules and Regulations) drive Kenyan forest sector
- Earlier **1957 & 1968 Forest Policies**, focused on timber production with policy on timber harvesting (Timber Act, CAP 386 of 1972)
- Kenya Master Plan 1994 on Commercial Forestry and Investment

Policy, legislation, Rules and Regulations

- Development of the forest policy and legal framework (Forest Act, Forest Policy and Forest Rules and Regulations).
- Role of Commercial Forestry to enhance regulatory, implementation and law enforcement.
- Creation of an enhanced enabling environment for commercial tree growing, including providing incentives for farm forestry and private sector engagement in plantation enterprise development.
- Addressing resource issues in the ASALs with the aim of clearly linking local resource rights to resource users.
- County Governments are currently developing county-specific laws, provide advisory.
- Further legalisation and enhanced regulation of the charcoal industry to pave the way for development of technology and efficient value chains.
- Benefit sharing procedures and principles applied in joint forest management.
- Constraints facing potential investors in forest industry and commercial Forestry.
- Restrictions that are occasionally applied on the use of forest resources.

Policy, legislation, Rules and Regulations...

- The legislation guiding forest sector:
- Kenya Forest Act (2005) Repealed,
- Forests Conservation and Management Act (FCMA, No. 34 of 2016)
- Forestry Policy of 2015.
- These legislative and policy document have different take on commercial forestry

Role of Forest Act (2005) and Commercial Forestry Repealed

- Kenya Forest Act (2005) established KFS
- The Act looks at rational utilization and management of forest resources for socio-economic development...”
- There are aspects of commercial forestry

Role of Kenya Forest Act (2005)...

- Article 7 (7g, 7h and 7o), of the Act advocated for financial incentives, and regulations to advance commercial forestry
- Article 18 establish Forest Management and Conservation Fund for promotion of commercial forest plantations

Role of Forest Act (2005)...

- Article 47(2) allowed for use of forest for community based industries; plantation establishment and forest based industries.
- Miscellaneous rule in article 59(2) allowed for use of forest for tourism, industrial; establishment of forest-based industries; and (r) production, charcoal

The Forests Conservation and Management Act (FCMA) (No. 34 of 2016) in Commercial Forestry

- Review of Forest Act, 2005 resulted in FCMA (2016) to realign it with the Kenya Constitution 2010.
- The Act advocate for inclusion of County Governments in forest management.
- It also advocate for incentives to increase forest and tree cover to at least 10% of total land area.
- The Act has more role in **Commercial Forestry**

Key Areas of Focus in Commercial Forestry Policy



1. Reducing pressure to clear forests for agriculture, settlements and other land uses;
2. Improving governance in the forest sector by strengthening national and County government capacities for FLEG , advocacy and awareness ;
3. Promoting sustainable utilization of forests by promoting efficiency, energy conservation;
4. Enhancement of stocks through restoration, reforestation, fire prevention;

Commercial Plantation Forestry

- Production of logs for timber and pulp.
- Production of transmission poles and posts.
- Production of fuelwood.
- Soil nutrient conservation.
- Production of Non-Wood Products oils and resins.

Role of FCMA of 2016 on Commercial Forestry

- In preliminary section (Article 2): Through the identification of
- **"Commercial use"** of forest products, for direct or indirect financial benefits.
- **"Forest industries"** to include processing or marketing of trees.
- **"Forest resources"** to include commercial use.
- Article 40(4) Private forests include (c) any forest owned privately by an individual, institution or body corporate for **commercial or non-commercial purposes**

Role of FCMA of 2016 in Commercial Forestry...

- Section 42(1) indicate that all indigenous forests to provide **recreation** and **tourism**; sustainable production of **wood** and **non-wood products**
- Section 54(1) allows Cabinet Secretary for the National Treasury to propose fiscal incentives to increase investments in forest land use and forest resource utilization.
- Section 60(2) give the Cabinet Secretary powers of **export** and **import** of forest products.

Role of Forest Policy of 2015 on Commercial Forestry

- National Forest Policy of 2005 preceded Kenya Forest Policy (2015).
- Section 2.4.1 on **Resource mobilization** indicate that forest goods depend on public funding.
- It recognize that prioritization of public **investment** and **incentives** to the private sector for forestry development has been low

Role of Forest Policy of 2015 on Commercial Forestry...

- Section 3.3g dwells on **commercialization** of forestry activities:
- The Government will invite private sector to invest in tree growing, wood processing and value addition.
- Section 4.2 is on **plantation forests** to supply industrial wood as investment and business.
- It advocate for **concessions** and promote Public/Private sector **People Partnership (PPPP)** in plantation development.

Role of Forest Policy of 2015 on Commercial Forestry.....

- In section 4.3 **dryland forests** supply marketable commodities on a sustainable basis such as gums and resins, aloe, essential oils, silk, fruits, honey and timber.
- Section 4.5 on farm forestry identify trees as essential part of diversified farm production and income.
- Forests under private ownership play a role in provision of forest goods and services to generate incomes to the households.

Role of the Kenya Forest Policy of 2015 on Commercial Forestry.....

- Section 5 looks at forest products such as wood products to supports subsistence needs of households.
- The wood industry includes pulp and paper, sawn timber, transmission poles, furniture, building materials.
- Section 5.2 recognize non-wood products as important to the livelihoods and provide and incomes

Dryland Forestry Potential on Commercial Forestry

- Water catchment and biodiversity conservation;
- Wildlife habitats- National parks, game reserves and wildlife conservancies;
- Grazing lands;
- Fuelwood and Charcoal- ASALs;
- Production of non-wood forest products;
- Climate change mitigation and adaptation, desertification control, land degradation control;
- Livelihood support systems.



Potential Areas in Natural Forest for Investment

Investment in Water Bottling



Ecotourism and Green Spaces Investment



Commercial Forestry on public and Private Lands

Commercial Forest in Public Land



Commercial Forest in Private Land



Conclusion

- Kenya Forest legislation and policy has done well to realize the full benefit and potential on commercial forestry.
- While the rhetoric has shifted from the management to sustainable commercial forestry, there is a need for more funding to enable full realization and potential of improved commercial forestry.

Recommendations

- Shift from public to private sector involvement for more private finances commercial purposes.
- Increased budgetary allocation for commercial forestry.
- Private financiers to make their support conditional upon multi-stakeholder approaches.
- Policy framework developed, to be based on adequate information and facts.
- Data collection to be purposeful, relevant and result oriented.

Policy Implication and Way Forward

- Incorporate the economics of sustainable forest management for all forests
- Reduce the loss of forests ecosystems as the cost of not doing is 4.2 times higher than the actual cash revenue
- Ensure Kenya has in place fully functioning forest resource account system
- Enhance regulation of forest use
- Encourage investment in forest sector to increase efficiency in production of sawn timber and charcoal production
- Address the growing trend dependency on imports of forest products
- Mainstream the use of Policy instruments and incentives eg PES, trading and insurance schemes



THANKS

