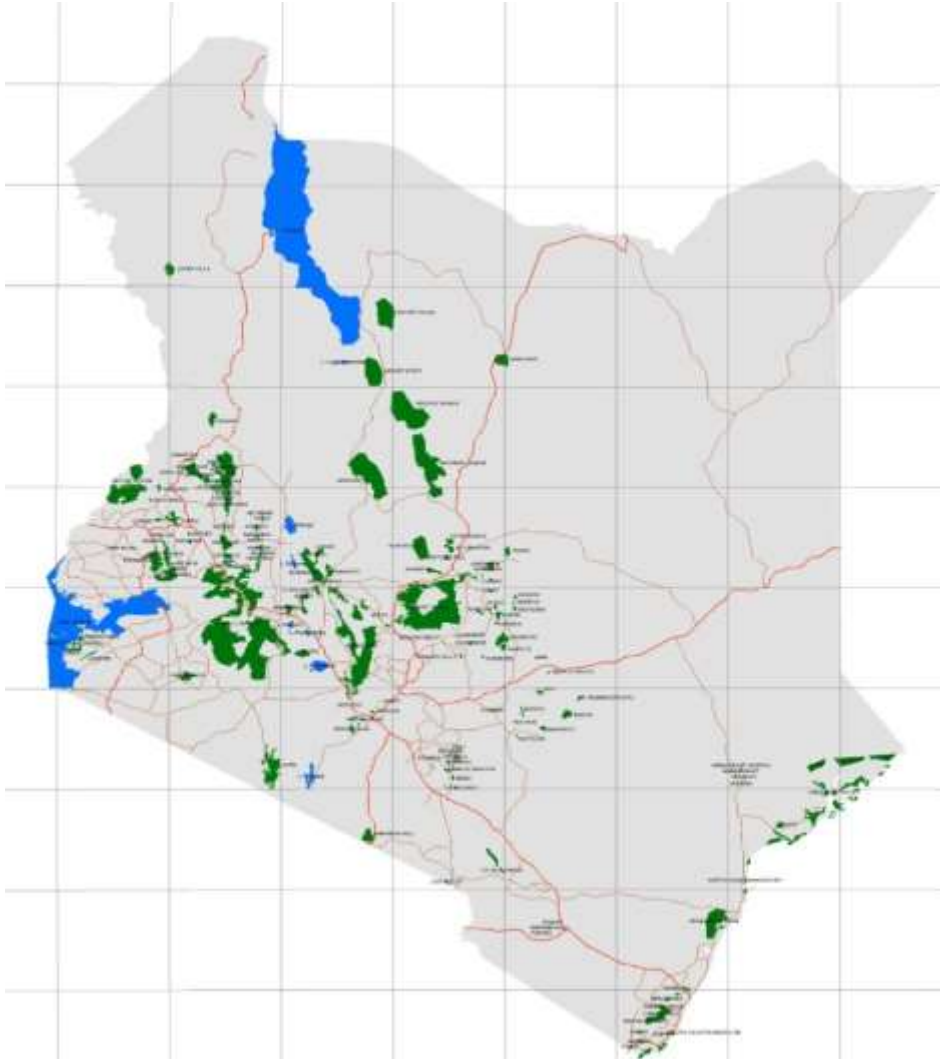




# Presentation Outline

- **Forest Estate in Kenya**
- **Introduction to Policy**
- **Role of Forest Act (2005) and Commercial Forestry Repealed**
- **Key Areas of Focus in Commercial Forestry Policy**
- **Commercial Plantation Forestry**
- **Role of FCMA 2016 in Commercial Forestry**
- **Role of Forest Policy of 2015 on Commercial Forestry**
- **Dryland Forestry Potential on Commercial Forestry**
- **Potential Areas in Natural Forest Investment**
- **Commercial Forestry on public and Private Lands**
- **Conclusion**
- **Recommendations**
- **Policy Implication and Way Forward**

# 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

