



PROGRESS ON THE NEW YORK DECLARATION ON FORESTS

# Support alternative livelihoods

February 2022





## Goal 4

Support alternatives to deforestation driven by activities such as subsistence farming and reliance on fuel wood for energy, in ways that reduce poverty and promote sustainable and equitable development that is inclusive of women, youth, and Indigenous Peoples and Local Communities.

**Without dramatic shifts in economic development strategies, the world will not meet its ambitious goals for sustainable development, climate, and forests.**

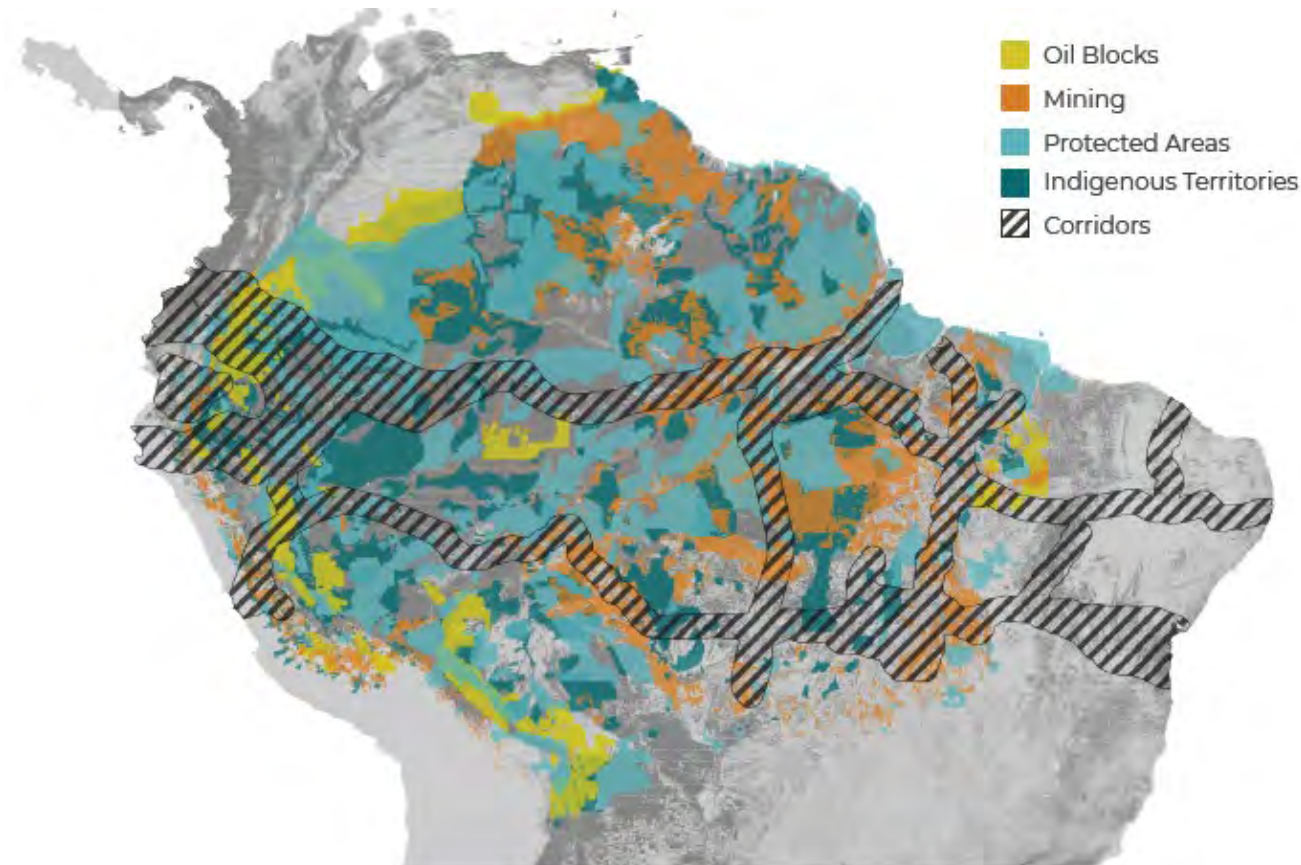
The world has undergone **major economic changes in the last few decades**, which continue to push many forest-dependent and poor people around the world toward **livelihood activities that can negatively impact forests**.

Small-scale farming, artisanal and small-scale mining, fuelwood collection, and the harvesting of non-timber forest products provide necessary subsistence and income for **well over a billion people**. Meanwhile, the COVID-19 pandemic caused **an increase in poverty for the first time** in over 20 years.

When economic growth and recovery is **not paired with livelihood support**, these livelihood activities can **become unsustainable**, with consequences for forests and for communities.

# As countries plan new investments in extractives-based development, communities who rely on forests for their livelihoods are put in an increasingly perilous position.

## Planned economic development corridors overlaid with forest areas in the Amazon



**Poverty, inequality, and migration** are closely related to deforestation and forest degradation from livelihood activities.

At the same time, government-led economic development plans often **fail to provide benefits to local forest communities**. Instead, the value of products extracted from the forest – such as timber, mined metals and minerals, and agricultural commodities – accrues to **powerful elites**.

**Global trends show that the pressures on forests are only set to increase.** The area of shifting agriculture is decreasing, while the area of intensive agricultural production is increasing.

The number of artisanal and small-scale miners has tripled in the last two decades. Demand for other forest resources like fuelwood, charcoal, and non-timber forest products also **shows little sign of slowing**.

# Most poverty-reduction programs focus narrowly on increasing productivity, without sufficiently addressing major challenges like rights, institutions, market access, and ecosystem services.

## The PRIME framework to reduce deforestation and poverty



- **Tenure insecurity** is a widespread barrier to sustainable livelihoods for farmers, forest users, and local communities. A 2020 review of 42 countries, comprising half of the world's land, found that at least 46% of community lands were not legally recognized by national governments.
- **Investments** in improving public services and targeted infrastructure development to enable livelihood activities and market access **remain miniscule** compared to subsidies and investments in large-scale commercial activity.
- **Power imbalances** lock stakeholders like Indigenous peoples and local communities out of decision-making, despite their rights to participation and free, prior, and informed consent.
- **Productivity interventions** – like public extension services for smallholder farmers or technological support for small-scale miners – are also underfunded in many countries.

# Well-designed interventions to reduce poverty while protecting forests can pay off but are **difficult to scale up**.

**Community forest management** and **payment for environmental services** schemes have shown positive impacts on forests and livelihoods. Only a few countries have managed to implement these programs on a large scale.

Through REDD+, many countries are planning **holistic programs** to alleviate poverty, provide alternative livelihoods, and reduce deforestation. These initiatives have mobilized **at least USD 7.6 billion**, but many of these programs are still in early stages.

On the private sector side, agriculture companies have started many **support programs for farmers in their supply chains**. Millions of independent smallholders remain outside of these programs' reach.

## Strategies to achieve NYDF Goal 4



### Strategy 1

**Embrace alternative development pathways** that reduce over-exploitation, inefficient production, and excessive consumption of resources.



### Strategy 2

**Align macro-economic and strategic planning with forest goals**



### Strategy 4

**Apply the PRIME framework** to promote sustainable alternatives to deforestation linked to poverty

Source: NYDF Assessment Partners 2020.



# Collaboration is essential to reduce poverty for forest-dependent populations while ensuring sustainable forest and land use.



## Governments must

- **Implement alternative development pathways** that are less dependent on resource exploitation in natural ecosystems
- **Foster collaboration** with the private sector, civil society, financiers, and IPLCSs to **fulfill all aspects of the PRIME framework** – productivity, rights recognition, investment in institutions and services, market access, and ecosystem services.
- **Promote transparency and enable stakeholder participation** in development decisions to ensure that development projects benefits local communities

## Companies must

- **Fully respect IPLC rights** in line with international best practice
- **Engage, where possible, in jurisdictional approaches** to provide holistic support for all smallholders in their direct and indirect supply chains