





## SUSTAINABLE DRY LAND RESOURCES MANAGEMENT FOR ENHANCED LIVELIHOODS, FOOD SECURITY AND CLIMATE CHANGE ADAPTATION IN SOMALIA





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# The impact of governance and political economy on the commercial viability of NTFP value chains

#### **Summary**

Forest governance encompasses all interactions, both formal and informal that control how people interact in and around forests and with the products and services originating from them. NTFPs plant species that are harvested, processed and sold create a value chain which

allows the impacts of governance and political economy on the trade of these products to be assessed. The failure to weigh political economy considerations contribute to deforestation and forest degradation therefore a successful implementation of reforms in the forest and NTFP sectors depends upon providing the right incentives to change the behaviour of the entire spectrum of stakeholders impacted by reforms (Kishor et al., 2015). Furthermore, understanding the political economy is crucial in addressing the political, economic, social and institutional contexts in which NTFPs are harvested and traded (Neumann and Hirsch, 2000). A political economy analysis studies of the forestry sector in Somalia was carried out through review of literature and key informant interviews to shed light on the functioning of these complex interactions. Key recommendations were suggested.

#### NTFP commercialization in value chains

Most of these NTFP species are endangered due to overgrazing, charcoal production and export, and desertification resulting from erratic rainfall, possibly, due to climate change. There are economically important NTFP plant species such as *Boswellia frereana Birdw* (Maidi), *Boswellia sacra Flueck* (Moxor/Mohor), *Commiphora myrrha* (dhidin) in Puntland, and *Cordeauxia edulis* (Yicib/Yi'ib) in Galmudug and *Melia volkensii* (*Boda,baba*) in Jubaland state, that are suitable for the local environment and that can be introduced to reap their benefit for the farming community as well as the entire population.

#### **Governance regimes of NTFP resources**

Local community customary governance
Local communities (led by traditional leaders),
spearhead planning and management of forests and
investment in forestry at local levels. They are also the
implementers and the determinants of tree species and
technologies used in community-based forestry
plantation establishment and management and do and
can play a key role in enhancement of NTFPs.

**Federal Government.** The Central government has an overall responsibility to coordinate inter-ministerial issues in the forestry sector, developing and ensuring the forestry policy implementation. The Ministry of Environment should formulate and review national policies and coordinate their implementation.



#### **Federal Member States**

The state governments will ensure that orientations and guidance from the central level are well internalized and that the national policies (e.g. National Forestry Policy, Charcoal Policy etc) are implemented at state level. They will also manage the state forests in collaboration with local governments, NGOs, Communities and private sector.

#### **Informal national Actors**

These are the powerful elite of individuals, clan militias, and Al-Shabaab, who control the majority of harvests as well as the sub-contracts for development support necessary for creating an enabling environment for value chain development.

#### **Private Sector**

Most commercial activities in forestry are handled by the private sector. However, the enabling environment created by the government for private sector to do business, invest and participate in forestry and forest industries development is low. Potential areas of intervention by the private sector include investment in enhancing NTFPs commercialization (e.g. investment from private banks), harvesting and marketing of forest products, plantations especially on degraded lands, agroforestry models and demonstration farms, forest and tree based small-scale development, and the development of sustainable forest management systems, given similar examples in Cameroon (Awono et al 2013), Cape Verde (Ingram 2022) and globally (Darr et al 2020). Currently such investment and collaboration does not exist and it is an area with huge potential for development if the private sector or public-private partnerships could be encouraged to increase investment in forestry and agroforest sector. Similar challenges have been identified globally by

Meinhold and Darr (2019): lack of resource access (finances, skills, technologies, etc.), market information, and basic infrastructure; the role of key entrepreneurs; and cooperation across the value chain, amongst producers, and among members of institutional environments or in an abundant resource base. Moving from small-scale NTFP commercialization in local markets to reach export markets, requires increasing cooperation and a supportive institutional framework. Overall, successful NTFP processing strongly depends on the socio-economic and environmental context in question, requiring a holistic approach tailored to the respective context and value chains.

#### **Political economy of NTFP Value Chains**

Power and resources are distributed in Somalia among a range of formal and informal, domestic and international actors. These actors operate in various contexts, with differing consequences on forests and non-timber forest products. In terms of politics, domestic and international informal interest groups (clans, Islamic extremist groups, religious groups, and the diaspora) have competing claims over rights of forest resources with formal interest groups, such as the Somali Federal Government and regional federal states. Overall, the power of the formal regional and federal government is weak; as the majority of the Lower House representatives coming from the diaspora (Webersik et al., 2018) and not having a stake in the sustainable management of forest resources. Real power lies with individuals, clan militias, and Al-Shabaab, who control the sub-contracts for development support necessary for creating an enabling environment for value chain development, export businesses, and illicit trans-border trade of forest products to gulf countries. The revenues thereof are used to fuel conflict. There is a dismal history of resource over-exploitation for personal and clan-based gains. The most rapid degradation has been of forest resources providing the raw material for the production of charcoal in Somalia – extracted predominantly from slow growing dry deciduous land and thicket species of Acacia and Commiphora.

The economic processes that create revenue and improve the livelihoods of the local actors involved in the value chain of NTFPs are linked to how political decisions are made. Trade in NTFPs in Somalia is significantly influenced by political outcomes (Webersik et al., 2018). The private sector benefits considerably from the absence of rule of law in some areas in Galmudug and Jubaland but they are also willing to pay informal taxes (which does not go into government coffers) for trade in forest resources

and for the security of their economic operations. A stable, functioning national, regional and local administration which is prerequisite for the successful implementation of policies and practices for the sustainable exploitation and trade of NTFPs is not in the interest of these elites as that would undermine their own businesses which is sustained by insecurity

Apart from domestic actors, regional and international formal and informal actors with vested interests have contributed to conflict, deforestation and forest degradation in Somalia. A 2012 UN Security Council resolution put a ban on importation of Somalia's charcoal to Gulf Cooperation Council States (informal international actors) such as Saudi Arabia, Qatar and UAE, and Diaspora). However, due to vested interests from the other informal actors and weak capacity for implementation on the part of the Somali government, the last few decades have seen an increase in unsustainable charcoal production and export.

The role of government in managing conflicts, especially the federal government is critical. Sumra and Almi (2020) report that conflict resolutions in Somalia are largely unsuccessful as most of conflicts exist till today. The role of federal government is limited to the Somali peace processes and conferences with the ethnic motivated perceptions. They conclude that the federal government of Somalia is perceived by the public as involved in the conflicts and that thus formulate strong federal agencies to prevent any possible conflict in future, besides employing community-based conflict resolution mechanisms.

#### Literature

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### Recommendations

- 1.Development of national forest and land management policies that integrate different sectors and agencies, and promote a social contract, co-production and participatory management system whereby planning, management and implementation of conservation, sustainable multiple utilisation and restoration of NTFPs can be achieved.
- **2.Make significant institutional reforms** about livestock, agriculture and forestry as well as trade and legal reforms to the main forestry laws and permits at national, state, provincial, district, and village levels.
- 3. Government and donor support for an enabling and sustainable business environment and funding (e.g. micro credit, grants, low interest loans) to develop sustainable agroforestry and NTFP value chain projects with a focus on the whole chain and resilient livelihoods which a specific focus on strengthening and empowering women and youths, and on empowering entrepreneurs already operating in this sector.

#### **About the Author**

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