### PART II - Chapter 23

# Assessing forest governance in the Federation of Bosnia and Herzegovina: Views of forestry professionals

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Abstract: The concept of forest governance is related to new ways of managing forests that extend beyond the traditional functions and power of the state. This chapter presents the views of highly educated forestry professionals (forestry engineers) on several forest governance components through an evaluation of their importance and implementation in the forestry sector of the Federation of Bosnia and Herzegovina, one of three units within the country of Bosnia and Herzegovina. By using the Framework for Assessing and Monitoring Forest Governance, the gaps between the importance and the implementation of forest governance components were identified. In order to understand how the conditions shaping sustainable forest management (SFM) at the national level are influenced by the current state of forest governance, the presence, absence, and interactions of these conditions were also analysed. The greatest gaps between the importance and the implementation of the framework components are identified as those that refer to policy and institutional, legal, and organisational preconditions for SFM. The absence of key conditions to foster SFM (sound policies and institutional capacities) is the result of poor public forest administration and lack of an appropriate legislative framework. The forestry sector in the Federation of Bosnia and Herzegovina has characteristics of a resilient policy system, fairly resistant to impacts from the international processes aimed at influencing national-level policies. This resistance is due to deficiencies in adaptive capacities of the national forestry sector, which limits the ability to tackle necessary reforms, and to failure of efforts led by international agencies to empower the national forestry sector. While the international forest governance paradigm can trigger positive changes in forest policy and stakeholders' behaviour, real progress is impossible without proactive domestic actors that are committed to carrying out reform processes in the national forestry sector.

Keywords: Forest governance, sustainable forest management, forestry professionals, Federation of Bosnia and Herzegovina

### 23.1 Introduction

Bosnia and Herzegovina (hereinafter BIH) is a country in southeastern Europe with the total area of 51 197 km² and an estimated population of almost 4 million inhabitants. The country proclaimed its independence from the former Yugoslavia in the spring of 1992 when political conflicts escalated into war. During the war between 1992 and 1995, more than half of the pre-war population of the country was displaced from their homes (Toal and

O'Loughlin 2009). In terms of administrative and political regulation (Figure II 23.1), the country consists of the following three units: the Federation of Bosnia and Herzegovina (FBIH) – the focus of this study, the Republic of Srpska, and the District of Brcko. Twenty years after the war, the country is still characterised by numerous problems that jeopardise further political and economic development. According to the last European Commission's progress report on acceptance of BIH as a member state of the European Union (EU) the country achieved little or limited



Figure II 23.1 Administrative structure of the country of Bosnia and Herzegovina.

progress in almost all aspects, concluding that the key issue seems to be a lack of shared vision among political representatives on the direction the country should take and its administrative set-up (European Commission 2012).

Covering more than half of the country, forest resources are important both to the national economy and to local livelihoods. Forests have a critical role to play in maintaining biodiversity, regulating water and soil regimes, mitigating climate change effects, and providing substantial additional income for rural communities. Together with the wood-processing industry and agriculture, forestry plays a key role in the development and well-being of most rural areas. Forests also provide a number of ecosystem services, benefits, and resources to society. The forestry sector has had an irreplaceable role in post-war reconstruction, rehabilitation, and the economic stability of the country.

As in other countries with economies in transition, BIH is facing an unprecedented scale of changes that has shaped social, economic, and political realities. Although these changes are more and more driven by national actors, it seems that the formal commitment to join the EU is still the prevailing agent of change that promotes acceptance of internationally recognised principles of sustainable development. In that context, the concept of sustainable

forest management (SFM) and the shift from government to governance in policy formulation have also been introduced in professional debates in BIH. The national forestry sector<sup>(1)</sup> is under pressure to pursue these guiding global paradigms but there is no comprehensive understanding of how they are currently implemented at the national level.

Forest governance has become the new progressive industry in forestry science and practice (Arts and Visseren-Hamakers 2012). Generally, forest governance is about new ways of managing forests, such as forest certification, corporate social responsibility, national forest programs, participation and partnership between the private and public sector, community forest management, etc. It is generally accepted that these ways of forest management are better able to take care of public issues related to forest resources than are the classical methods of management by state institutions. Still, the achievements of forest governance are predicated upon mutually

<sup>(1)</sup> As mentioned, Bosnia and Herzegovina consists of the Federation of Bosnia and Herzegovina, the Republic of Srpska, and the District of Brcko. Since the chapter focuses on the forestry sector of the Federation of Bosnia and Herzegovina, the term *national* in this chapter refers only to the Federation of Bosnia and Herzegovina.

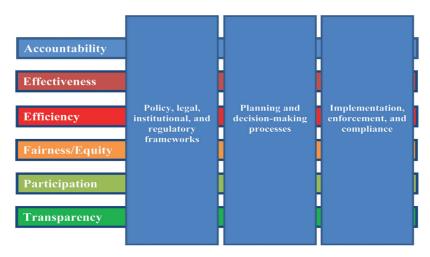


Figure II 23.2 Pillars and principles of the Framework for Assessing and Monitoring Forest Governance (PROFOR and FAO 2011).

supportive and cooperative relationships among government, the private sector, and civil society. However, forest governance is successful when the principles and practices of governing create greater democratic and transparent processes for adaptive and iterative, cross-sectoral, and multilevel, forest policy-making, and implementation (Shannon 2012).

In the Western Balkans, studies focusing on forest governance at the national and regional level are still in initial stages. Some authors have explored various issues dealing with forest governance in a wider context. These studies range from forest certification (Avdibegovic 2001, Avdibegovic et al. 2003) and dynamics of regulatory instruments of forest policy (Brajic et al. 2011, Grašic et al. 2011) to private forestry issues (Glück et al. 2011, Pezdevšek-Malovrh et al. 2011) and relationships among different stakeholders regarding natural resources (Selmanagic-Bajrovic and Avdibegovic 2010, Vuletic et al. 2010, Maric et al. 2012). The most consistent research on perception of forest governance at the national level was presented just recently (Mutabdžija 2012). The modest practical experiences in forest governance in FBIH make understanding of the influence of this concept quite difficult. The deficiencies in relevant empirical research regarding the implementation of forest governance principles calls for an evidencebased analysis that takes into account the views of forestry professionals. This case study presents an overview of the forest sector in FBIH and examines how the different components of forest governance are currently implemented at the national level. The focus is on the conditions shaping SFM, their interactions, and especially how they are influenced by the current state of forest governance. These conditions are discussed in the following sections: section 2 presents an overview of the natural resource base; section 3 looks at livelihoods, capacities, and cultural and socio-economic aspects; section 4 is on policy,

institutions, and governance; and section 5 focuses on research and monitoring. Conclusions are presented in section 6.

In order to analyse the success or failure of SFM in FBIH, the analytical framework presented in the Part I of this book was used to evaluate presence, absence, and interactions among these four groups of conditions. Empirical evidence provided by forestry engineers' views on the importance and implementation of forest governance components in FBIH was used to support the analysis. This information was obtained from the GOVOR project, which intends to foster better understanding of forest governance in southeastern European countries. This is an ongoing regional research initiative (implemented within the Forest Policy Economics Education and Research – FOPER – project of the European Forest Institute) that deals with the adaptation of national forest policy systems in southeastern European countries to new modes of global forest governance.

Since forest governance has meant different things to different people around the world, the need for a comprehensive analytical framework to diagnose, assess, and monitor forest governance was widely recognised. In 2011, in order to facilitate description, diagnosis, assessment, monitoring, and reporting on the state of governance in national forestry sectors, the United Nations Food and Agriculture Organisation (FAO) and the World Bank's Program on Forests (PROFOR), in close cooperation with the UN REDD/ Chatham House initiative, developed the Framework for Assessing and Monitoring Forest Governance (FAMFG). The overall design of the FAMFG is based on the idea that the governance is both the context and the product of the interaction of a range of actors and stakeholders with diverse interests. The FAMFG consists of pillars and principles of good forest governance (Figure II 23.2) (PROFOR and FAO 2011).

Table II 23.1 Forest Governance Components.

FAMFG Pillars	Forest Governance Components	
I. Policy, legal, institutional, and	I. Forest-related policies and laws	
regulatory frameworks	Legal framework to support and protect land tenure, ownership,     and use rights	
	3. Concordance of broader development policies with forest policies	
	4. Institutional frameworks	
	5. Financial incentives, economic instruments, and benefit-sharing	
2. Planning and decision-making	6. Stakeholder participation	
processes	7. Transparency and accountability	
	8. Stakehol der capacity and action	
3. Implementation, enforcement, and	9. Administration of forest resources	
compliance	10. Forest-law enforcement	
	II.Administration of land tenure and property rights	
	12. Cooperation and coordination	
	13. Measures to address corruption	

Table II 23.2 Total growing stock, annual volume increment, and annual available cut in FBIH (Federal Ministry of Agriculture, Water Management and Forestry 2012).

	Total growing stock (m³)	Annual volume increment (m³)	Annual allowable cut (m³)
Conifers	68 020 804	I 988 887	I 292 867
Broadleaves	93 82 I 784	2212128	I 639 502
Total	161842588	4201015	2932369

Under the FAMFG structure, each pillar has several essential components (Table II 23.1). These are further divided into subcomponents that identify important aspects of forest governance that facilitate assessment of the components (PROFOR and FAO 2011).

The primary data for this case study was collected in 2012 through an e-mail survey directed to forestry engineers in FBIH. The questionnaire was designed to obtain information from them on the importance and implementation of the 13 forest governance components presented in Table II 23.1 and to identify the gaps between the level of importance and the level of implementation of these components (Mutabdžija 2012). The rating was on the scale from 1 to 10, where 1 means "unimportant/non-implemented" and 10 means "important/implemented." In addition, different sources of existing literature were used to develop an overview of the current situation of the forestry sector of FBIH and the challenges it faces.

### 23.2 Natural resource base

The extent and conditions of forest resources largely define the ecological limits for management activities of forestry companies. The data on growing stock, annual volume increment and annual allowable cut in FBIH is presented in Table II 23.2.

According to the official data (Federal Ministry of Agriculture, Water Management and Forestry 2012), forests and forestlands in FBIH cover 1521400 ha (48% of total area). The state owns 1244400 ha (81.8%) while private forest owners hold 277000 ha (18.2%). State forests in FBIH have the following structure: high forest 568432 ha (45.6%), coppice 255615 ha (20.7%), and bare land 290882 ha (23.2%). As a consequence of the war, roughly 130000 ha of all categories of forests are contaminated by mines, which heavily affects effectiveness of forest management, including fire and disease control. Average growing stock of all



Figure II 23.3 In rural ares of BIH forests are important for subsistence, employment, energy, and recreation. ©Bruno Maric

forest in FBIH is 196.6 m³/ha (high forest: 251 m³/ha and coppice 75.7 m³/ha) while the average annual volume increment is 5.08 m³/ha (high forest: 6.26 m³/ha and coppice 2.47 m³/ha). Based on the proportion of the total annual volume increment and annual allowable cut as well as the fact that total cuttings in 2011 were 2 291 852 m³, it can be concluded that total growing stock of state forests in FBIH is permanently increasing.

As for the general tendencies related to forest areas, some authors mention positive changes over past decades. Although full-scale data of the second state forest inventory (carried out between 2006 and 2009) are not available yet, some preliminary results point to a tremendous increase of forest area in some regions of FBIH (Lojo et al. 2008), though these tendencies probably do not have much to do with forestry management activities. In many cases, rural populations displaced during the war did not return to pre-war settlements and many villages are still abandoned. On the other hand, poverty in rural areas has led to increased exploitation of forests - clearly illustrated by a statement of the deputy minister of forestry of the federal Ministry of Agriculture, Water Management, and Forestry: "In the immediate aftermath of the war, it was natural that many people, especially refugees, would illegally cut down trees, either for firewood or to sell to try to make ends meet" (Hawton 2005). According to official data for the period between 2003 and 2009, more than 560 forest fires occurred each year, annually affecting an area of 7100 ha (Federal Office of Statistics 2010).

Forest ecosystems in BIH are extremely rich in terms of biodiversity. Estimated number of plant species, subspecies, and varieties is 3572, with 500

of them endemic (Gibson et al. 2003). Only 2% of the territory is under formal protection (Dalmatin et al. 2010). Global trends for nature protection and strengthening of the non-governmental sector have spurred initiatives to establish new protected areas. Due to this, large areas of productive forests have been protected, resulting in a transfer of management responsibilities from foresters. In the process, a long tradition of close-to-nature forest management can often be neglected. The concept of urban forests has become more and more pronounced in FBIH with the request by urban populations for forests and greenery for amenities such as scenic beauty and recreation. Still, there is insufficient data related to trees outside forests and their contribution to the production of goods and ecosystem services such as outdoor recreation, water and air quality, flood prevention, and carbon sequestration.

# 23.3 Livelihoods, capacities, and cultural and socio-economic aspects

## 23.3.1 Contribution of forestry to the national economy and well-being of the population

More than 50% of the BIH population lives in rural areas and relies in one way or another on forest and mountain ecosystems as an important source of subsistence, employment, energy, and recreation (World Bank2013, Figure II 23.3). From an economic point

Recent positive changes in terms of providing environmental and cultural benefits from the forests to local livelihoods are evident from the introduction of the concept of high conservation-value forests (HCVFs), which several forest companies have applied in order to obtain Forest Stewardship Council (FSC) certificates. This practice results in some environmentally or culturally relevant areas of great importance for local population being managed by special management regimes.

#### 23.3.2 Stakeholders' capacities

Stakeholders other than public forest administration and forestry companies are slowly improving their technical, managerial, and leadership capacities. Training activities conducted by the Association of Forestry Engineers of FBIH focused on specific forest policy instruments (forest certification) and regulation (EU Timber Regulations), with the aim being to educate forestry professionals. In combination with similar efforts, these activities generated some improvements in social capital in the forestry sector. Capacity improvements, however, have been largely focused on public forest administration and employees of forestry companies, with no substantial participation by non-governmental and private sectors. The reason stems not from access barriers but rather the limited capacities of these two latter groups to take part in such opportunities. Integration of local producers into improved market opportunities mainly related to a United States Agency for International Development (USAID) project to develop a wood/

furniture cluster-based initiative. Targeted activities in this initiative included company-level assistance on product development, workforce development, training on international technical standards, and building supply chain linkages among companies.

For public forestry companies, some channels to obtain capital were provided by various international organisations such as the World Bank, FAO, USAID, and the Swedish International Development Cooperation (SIDA). In cooperation with governmental institutions, the World Bank implemented several projects in forestry focused on forest recovery, development, and forest protection. Some strategic projects in FBIH – such as development of national standards for forest certification, a federal action plan to combat illegal activities, a federal forestry development programme, and the second state forest inventory – have been financed or co-financed by the World Bank.

### 23.4 Policies, institutions, and governance

Forest governance is a broad term involving multiple actors, complex actions, and interrelationships, many of which are relatively poorly understood. It is largely unknown how various initiatives associated with forest governance influence people's livelihoods and sustainable forest-related development in FBIH. The responses of forestry professionals (the results of the GOVOR project) offer more empirical evidence about the gaps between estimated level of importance and implementation of forest governance components in the FBIH forestry sector (Figure II 23.4). The data in the figure can be interpreted as the higher the number, the bigger the difference between estimated level of importance and implementation. The components with higher numbers can be treated as the weaker elements of forest governance in the FBIH forestry sector (Mutabdžija 2012).

### 23.4.1 Institutional conditions for SFM in FBIH

Land tenure and property rights are crucial social institutions that define opportunities and constraints related to SFM. Only minor changes happened in terms of land tenure and forest ownership rights due to processes of restitution and denationalisation in FBIH. The comparison of data from the period of the Austro-Hungarian monarchy with the current size of private forests leads to the conclusion that the share of private forests will not significantly increase as a

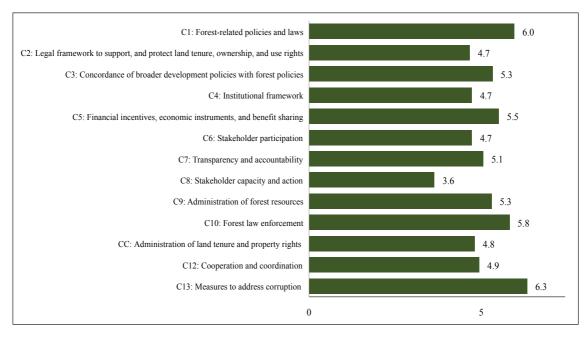


Figure II 23.4 The differences between the level of importance and the level of implementation of forest governance components in the FBIH forestry sector (Mutabdžija 2012).

result of the restitution process (Glück et al. 2011). Although it is generally held that agrarian reform had a strong impact on private land ownership in the former Yugoslavia, the fact is that the land nationalisation process has mainly influenced private agricultural properties (fields and pastures) while the greatest part of private forest estates was already below the prescribed maximum (Sabadi 1994).

The results of the GOVOR project related to the legal framework to support and protect land tenure, ownership, and use rights (FAMFG component 2) show that 90% of interviewed forestry professionals found component 2 of forest governance important or very important while almost 70% of them evaluated the level of implementation as low or even non-implemented. These answers largely relate to the current situation in private forests, which are dispersed among thousands of non-organised owners. Individual properties are fragmented and the number of owners is increasing as a result of continuous division owing to inheritance processes (Glück et al. 2011). Similar results of importance and implementation levels are reported for component 11 (administration of land tenure and property rights) (Mutabdžija 2012).

The organisation of the forestry sector reflects the constitutional character of the country, where the administrative units of BiH and the District of Brcko and 10 cantons (within FBIH) have strong impacts on forest resource management. Due to the decentralised administrative structure, there is neither a statelevel forest policy nor a framework for forest legislation. FBIH devolves its management competencies to cantonal governments – each canton has competency

over the forest resources within its administrative boundaries. A more controversial issue, however, is the extent to which forest-related mandates of federal and cantonal authorities are clear and mutually supportive. As both these authorities and cantonal borders are the result of post-war political negotiations rather than natural considerations, this structure does not lend itself to rational forest resource management. The results of the GOVOR project related to the institutional framework (FAMFG component 4) in the national forestry sector show that more than 80% of forestry engineers found this component very important while almost two-thirds of them evaluated the level of implementation as inadequate. In addition, the current institutional framework and organisation of public forest administration was evaluated as non-functional by key national forest policy actors (Delic et al. 2012). Such decentralised organisation calls for a revision of the role of public forest administration. More than 90% of the respondents evaluated FAMFG component 9 (administration of forest resources) as highly important. At the same time, more than 60% of responses related to implementation of this component were negative. Low quality and adequacy of staff in public forest administration was frequently mentioned as the reason for the gap between estimated importance and implementation of this component (Mutabdžija 2012).

Traditionally, forest resources management in FBIH is entirely formulated by bodies that have constitutional authority (public forest administration) and is based on a hierarchical, top-down approach. This results in lack of participation and stakeholder cooperation in forest-related planning processes

and harms local stakeholders through inequitable distribution of forest benefits and the absence of a platform for prior and informed consultations. As to rights of local communities to be involved in decisions related to forest management, the Association of Municipalities and Cities in FBIH requested the Constitution Court to decide whether the Law on Forests<sup>(2)</sup> is harmonised with the European Charter of Local Self-Government. The court identified serious discrepancies between the law and the charter and ordered necessary alignments in terms of respecting the rights and vital interests of local communities. Since such alignments were not realised on time, the Law on Forests was proclaimed invalid. Although various institutions have proposed several drafts of a new Law on Forests, there is as yet no political agreement on this. The key point of disagreement is about the role of cantonal and local governments in terms of forest management. Moreover, the political crisis in FBIH after the common elections in 2010 set this issue aside from general political debate, failing to observe negative impacts of that situation on SFM.

The issues of stakeholder participation and capacities to cooperate with public forest administration were also researched in the GOVOR project. The results related to the importance of stakeholder participation (FAMFG component 6) show that only 50% of respondents found it very important. This clearly points to slow reactions of the national forestry sector to emerging initiatives to secure public involvement in forest-related policies and decisionmaking processes. On the other hand, the evaluation of FAMFG component 8 - stakeholder capacity and action – show that only 25% of forestry professionals found strong capacities of civil society, non-governmental organisations, watchdog organisations, and the private sector to participate in forest-related planning as important preconditions for SFM. It seems that forestry professionals in FBIH still do not recognise the necessity to create and maintain partnerships with other stakeholders in order to secure active participation of civil society as an important element of good forest governance.

### 23.4.2 Policy impact on SFM in FBIH

Although some strategic documents (e.g. the National Environmental Action Plan) propose clear goals related to the forestry sector, an overall commitment to SFM in FBIH is at least dubious. The issues related to the forestry sector are only occasionally subjects of public political agendas (e.g. forest fires). As documented, forest policy does not exist, so processes related to SFM hardly can be evaluated as positive. The results of the GOVOR project emphasise a large gap between importance and implementation of forest-related policies and laws in the FBIH forestry sector (FAMFG component 1). Long-term societal commitment to SFM cannot be achieved without active and harmonised participation of all policy actors. This is particularly important in countries like BIH where the complicated constitutional system calls for close cooperation between different administrative levels. Similar to other components, almost 90% of the respondents found cooperation and coordination (FAMFG component 12) in FBIH as important or very important, while two-thirds of them find this component as little implemented or not implemented.

The most important effort to address the issue of illegalities in the forestry sector was the 2005 federal Action Plan to Combat Illegal Activities in Forestry and Wood-Processing Sectors. It was recognised that forest regulations alone cannot fully eliminate illegal activities. Thus, the action plan consists of three main lines: 1) improving external control (e.g. strengthening forestry inspection, independent assessment of type and volume of illegal logging, etc.), 2) internal development of public forestry companies (e.g. human resource development, application of market-oriented mechanisms for forming wood prices, etc.), and 3) parallel and supporting activities (e.g. formulation of the National Forest Program, promoting forest certification, etc.) (Government of the Federation of Bosnia and Herzegovina 2006). While significant improvements have been achieved in some aspects (e.g. forest certification), the majority of activities prescribed by the action plan are not yet implemented. Results of the GOVOR project related to forest-law enforcement (FAMFG component 10) in the national forestry sector show that two-thirds of forestry professionals found this component poorly implemented though 90% of them found it very important. The largest gap between importance and implementation found in the GOVOR project relates to FAMFG component 13 – measures to address corruption. More than 90% of respondents found it very important while 60% of them believed that measures to address corruption in the forestry sector are not implemented at all.

<sup>&</sup>lt;sup>(2)</sup> Official Gazette of the Federation of Bosnia and Herzegovina 20/02.

### 23.4.3 Influence of global initiatives on forest-related policies

Multiple international processes and initiatives aim at enhancing sustainable use of forests strongly influence forest policy in FBIH. Important activities for improving the state of the art in the national forestry sector (e.g. development of the National Forest Program, combating illegal logging, etc.) have a clear aim - to support implementation of various international processes focused on forest conservation at the national level. While it is clear that the strongest drivers of change in the country originate from outside the forestry sector, a more controversial issue is how these changes are perceived by key national forest policy actors and to what extent are the principles of global forest governance essentially adopted. The empirical evidence from the GOVOR project, based on the views of forestry professionals, points to high importance but low implementation of all components of the FAMFG. Following this, one can evaluate the forestry sector in FBIH as being a resilient policy system that is quite resistant to the influences of international initiatives and processes. The formal commitment of the government to fulfil its international obligations stands, but practical implementation has not always led to SFM and positive changes in the national forestry sector.

By analysing the case of the European Charter of Local Self-Government and the role of the FBIH Association of Municipalities and Cities in proclaiming the Law on Forests as invalid, one can understand how local implementation of international rules may influence national policies in a negative way. The result has been a four-year absence of the Law on Forests in FBIH, which has brought various negative consequences due to the non-existence of a sound legal framework. Furthermore, GOVOR project results prove that influence of internationally driven initiatives (e.g. good forest governance and associated principles) on the national forestry sector and related policy-making processes are merely symbolic.

Of the international initiatives, forest certification has probably had the most important influence in FBIH. Forest certification has become a solid self-sustainable instrument for increasing the competitiveness of forestry companies as well as an effective tool for successful public relations. According to the official data from the Forest Stewardship Council (FSC), more than 50% of all state forests in BIH are FSC certified (FSC 2012). Furthermore, several actions initiated by forest certification (e.g. establishing HCVFs, adopting a rule book for transparent distribution of timber, etc.) have led to better forest management. Different from other pathways through which international processes may influence policies at national or local levels, forest certification is based

on international market demands and relies on the final consumers values. Based on positive experiences with forest certification as a market-driven instrument, it is worth exploring the capacities of some legally binding instruments such as the EU Timber Regulation to support national forest policy development. Through different agencies and direct governmental agreements, the EU can offer a wide range of services (e.g. technical assistance, training, and capacity development, etc.) aimed at harmonisation of the national forestry sector with global forestrelated processes. On the other hand, some sceptical opinions about the extent of the influence of global processes on national policy can hardly be neglected. Although the war in BIH was ended by direct foreign intervention, the role of external actors in national policy-making processes is a highly delicate matter. Almost two decades of relatively slow economic and social progress show that direct and strong influence of international institutions (e.g. EU, the World Bank, USAID, etc.) to national policy processes cannot be effective without an active role of domestic policy actors and wide national commitment to change social, political, and economic realities.

### 23.5 Research and monitoring

The analysis of research programs in FBIH has shown that there is no common initiative to provide information on SFM and generate the necessary knowledge to support forest management decisions. Ongoing research projects in forestry vary in the following aspects:

- Field of interests (focused mainly on a single SFM dimension or, rarely, on a combination of dimensions)
- Financing institutions (mainly financed by public authorities and governments, rarely by private sector and non-governmental organisations)
- Financing sources (international donors, foreign governments, state institutions, international nongovernmental organisations, etc.)

Research projects funded by public forest administration (federal forestry office and cantonal forestry offices) are mainly focused on technical and environmental aspects of SFM while only a few deal with economic and policy issues. On the other hand, the projects financed by international organisations are mainly focused on social, policy, and economic dimensions of SFM. Research projects financed by external (international) sources also vary in their geographical focus. For example, several collaborative regional research projects dealing with forest policy and economics have been conducted in the Western

Balkans within last few years (under the umbrella of a FOPER project entitled Strengthening Capacities of Education and Training for Forest Policy and Economic Development in the Western Balkan Region, financed by the Finnish Ministry for Foreign Affairs).

Due to decentralised administrative regulations in the country, there is not a continuous monitoring program aimed to generate information on SFM. However, public forest administration at the federal level publishes annual statistical information on the state of forests and forestry. These publications are available online and provide information related to the status of forests, activities in forest protection and afforestation, forestry production, financial data, etc.

#### 23.6 Conclusions

The analysis of the four groups conditions shaping SFM in FBIH and how they are influenced by the current state of forest governance (based on views of forestry professionals) leads to the following general conclusions:

- ◆ The presence of a firm natural resource base can foster SFM, but the absence of other important conditions (particularly sound policies, strong institutional capacities, and good forest governance) hinder it
- The overall interaction among the four groups of conditions is complex and results in serious constraints on forestry-supported sustainable development

The extent of forest resources and the biodiversity values of forest ecosystems are the most advantageous conditions for SFM in FBIH. Forests play a great role in different aspects of the national economy and provide various environmental, economic, and cultural benefits for local livelihoods. Still, it is clear that the national forestry sector is failing to deliver all potential benefits. It seems that forests are perceived as an endless natural resource, suitable merely for satisfying short-term economic and political interests. The absence of collective responsibility of the society for forest conditions is largely encouraged by poor institutional capacities and lack of an appropriate legislative framework. Non-existence of basic instruments of forest policy, such as a framework for forest legislation, is a direct consequence of the administrative organisation of the forestry sector, which is based on political rather than economic or natural conditions. This is affirmed by the results of the GOVOR project, which identify that the greatest gaps between importance and implementation exist in exactly those components of FAMFG that refer to policy, institutional, legal, and organisational

preconditions for implementing forest governance.

The role of several international institutions (World Bank, FAO, SIDA, USAID, etc.) is important in terms of implementation of various international forest-related processes and also in provision of necessary financial means. However, the empirical evidence shows a relatively modest impact of the international forest governance paradigm on the national forestry sector. Starting from the statement that good forest governance is "characterised by the prevalence of the rule of law, low levels of corruption, robust institutions, high competence of officials and other functionaries who implement rules, willingness to address forest sector issues, sanctity of critical legal elements such as enforcement of property right and voluntary contracts" (World Bank 2009) and taking into account the views of forestry engineers presented in this chapter, one can conclude that forest governance pillars, principles, and components are poorly implemented in FBIH. Why this is the case needs to be clarified in order to make progress towards forestry-supported sustainable development. An additional question that begs for answers is whether this situation is the result of deficient adaptive capacities of the forestry sector to implement the necessary changes and fully take advantage of international support or whether something is wrong with the supporting policy. The substance of supporting policy, particularly the role of international development agencies in post-war economic reconstruction, is a controversial topic. When it comes to this issue, the attitude of the international society, particularly the EU, is more and more recognised as a serious obstacle to further development in BiH. Instead of genuine strengthening of the capacities of national institutions in order to make them capable of implementing necessary reforms, the foreign support has often been limited to technical assistance and formal acceptance of international norms. Without readiness to conduct internally driven structural changes, national forest policy actors become passive consumers of this support, too lethargic to perceive and integrate the principles of good forest governance in the national forestry sector. Although global forest-related processes have great potential to trigger necessary changes in forest policy and stakeholder behaviour, any real reform requires the action of domestic forest-policy actors as key drivers of change.

The formal commitment of the government to implement key principles of good forest governance is probably out of the question. The absence of essential changes in the pattern of decision-making in forestry leads to a situation where practical implementations of these commitments do not appear. The concept of forest governance driven by the complexity of international forest-related processes has resulted in new modes of forest management in which the role

of public forest authorities is significantly changed. While such change would not exclude forest authorities from decision-making, it would include the emerging interest groups mobilised by the changing political environment. In countries in transition, the role of the non-governmental sector and civil society in the transition processes is irreplaceable. The current situation can only be improved by serious changes in public forest administration that would hopefully result in enhanced participatory governance, support for stakeholder cooperation, and empowerment of local stakeholders. Again, further progress in FBIH requires improvements in those conditions of SFM dealing specifically with policy, institutions, and governance.

In the future the society will be increasingly interested in changing the ways forest resources are governed. This entails transparency and accountability in decision-making, equitable allocation of benefits, and sustainable maintenance of the national resource base. In moving towards SFM, the principles of good forest governance have to be clearly recognised, understood, and adopted by key forest policy actors in FBIH, properly integrated into the national forest policy, and consistently implemented in practice. This is the crucial precondition to prevent negative aspects of poor forest governance and to create an environment in which the national forestry sector can respond to both the demands of global forestry-related processes and the changing needs of society relative to forests.

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