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NEWS RELEASE
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POOR PEOPLE ARE LOSING OUT AS EC AID MISSES FOREST LINK IN DEVELOPING COUNTRIES

Research published by FERN¹ today (18.11.02) reveals that EC aid programming is failing to help people in developing countries who depend on forests for their survival. The findings undermine the claim that the EC Development Policy, revised in 2000, integrates the environment into all focal areas as promised by the European Commission.

The research, published in *Forests at the Edge: A review of EC aid spending*,² is based on investigations into 16 Country Strategy Papers and two Regional Strategy Papers³ – the official documents that say how EC aid will be spent. The report is the first result of the EC Forest Platform,⁴ a FERN initiative that links peoples in the South and the EU on aid and forest issues.

All of the 16 countries investigated include large areas of forest, yet none of the Country Strategy Papers offers a thorough analysis of how poor people depend on forests for food, fuel, materials and medicines. Almost no money is allocated to forests or forest peoples.

FERN also found that:

- Out of €1.66 billion allocated to 16 countries, only €63.6 million (3.8%) is for forests or forest-dependent peoples. This is allocated in only three countries, €51m in Indonesia.
- The connection between poverty and natural-resource management is often completely overlooked or given only superficial attention.
- In Africa nearly 50% of aid will be spent on roads that in many cases will facilitate forest degradation and aggravate conditions for forest-dependent people.
- Participation with civil society and indigenous peoples is non-existent or inadequate.

“If what is happening in these countries is typical of the wider picture then EC aid is probably making conditions worse for people who depend on forests,” said Bérénice Muraille, FERN’s aid programme campaigner. *“We were told that the environment was going to be prioritised across the*

whole of the aid programme. It's now clear that it has fallen off the agenda almost completely. The European Commission needs make urgent changes to the way that aid is allocated and needs to grasp the idea that millions of people rely on forests for their most basic needs."

The Country Strategy Papers (CSPs) investigated include:

- **Cameroon**, where the single biggest sum is for building a new road (€77m) that is likely to encourage traffic in illegal and unsustainable timber within and outside the country. The CSP's analysis offers no clear case explaining how the road will contribute to poverty reduction and fails to properly assess regional environmental impacts.
- **Bolivia**, where 48% of the land area is forested but none of the €126m allocated for 2003-06 will go to forests or forest peoples. Instead €50m will be spent upgrading a stretch of road that will make Bolivian forests more accessible to the dynamic timber markets of Brazil. Potential impacts on indigenous and forest-dependent peoples are not analysed.
- **Papua New Guinea**, where three-quarters of the country is forested yet none of the €81m allocated will go to forests or to the problems of environmental damage caused by excessive and unsustainable logging.

Forests at the Edge includes a series of detailed recommendations for the European Commission. A summary of the report and the main report itself are available as PDFs at www.fern.org.

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Notes for the Editor

1. Forests and the European Union Resource Network (FERN) campaigns to the achieve conservation and sustainable management of forests and respect for the rights of forest by influencing the policies and practices of the European Union. See www.fern.org for more information.
2. *Forests at the Edge: A review of EC aid spending* is published by FERN. A summary and the full report are available at www.fern.org or from the FERN offices. This research was funded by the Netherlands Committee of the IUCN and the Finnish Ministry of Foreign Affairs.
3. The 16 Country Strategy Papers (CSPs) under review were Bolivia, Cambodia, Cameroon, Central African Republic, Colombia, Gabon, Guinea Bissau, Indonesia, Malaysia, Mexico, Papua New Guinea, Peru, Tanzania, Uganda, Venezuela and Vietnam. The two regions were Central Africa and Latin America. The CSPs for Laos and Suriname were also reviewed and are published separately.
4. The EC Forest Platform is a FERN initiative that aims to facilitate peoples in the South in presenting their cases to the EU and to inform the wider NGO community about forest-related developments and aid at the EU level.