The key role of tenure arrangements

Many companies have made commitments to meet environmental safeguards and standards established to achieve supply chains that are free of deforestation. The Tropical Forest Alliance 2020 aims to help realize these commitments through dedicated public-private collaborations. Among its key areas of work, it seeks to address land tenure, agricultural land use, and landscape-level planning and management. The relationship between deforestation and tenure of land and natural resources within specific commodity supply chains remains an under-examined area of analysis and programming. What role does tenure insecurity play in driving deforestation? How can strengthening tenure security provide an enabling framework? What type of public-private collaborative approaches can improve tenure conditions? Does achieving reduced deforestation through tenure improve supply chain tracking and transparency?

The dynamics of land and natural resource tenure within commodity supply chains are varied. Very often, manufacturers and traders source commodities from producers on land that they do not know much about, let alone own or lease. Besides large-scale plantations, commodities are often sourced by companies from independent smallholders, those who are part of outgrower schemes, or a combination of these. All too often, sourcing or processing companies are not knowledgeable about the tenure conditions within their areas of operation. There is a strong need to build an empirically grounded understanding of the specific role of tenure — laws, policies, governance institutions, and rules and practices — to identify its particular effects. Secure tenure arrangements can create incentives for investing the time, labour and knowledge needed to make the transition to sustainability. Understanding tenure arrangements can help to support the development of appropriate tools and guidance that are adapted for local producers, supply chain companies and government bodies, to support the transition.

Examples include USAID’s Tenure and Global Climate Change Program, which implements projects to understand and address tenure conditions within cocoa and beef supply chains, and Winrock International, which work with the private sector in Ghana’s cocoa sector to improve customary land and tree tenure within smallholder cocoa farms in order to decelerate the continued conversion and degradation of old-growth forests. The World Resources Institute is seeking to reduce high deforestation levels within cattle ranching operations in the Paraguayan Chaco by drawing on lessons from tenure regularization in the Brazilian Amazon, and is supporting greater understanding of and accountability for the link between deforestation and land tenure risk in supply chains. Through these and related initiatives, it is hoped that the crucial importance of tenure in achieving zero-deforestation, along with the means to ensure that best practices are adopted, will be highlighted. For further information, see USAID’s Land Rights Matter: www.land-links.org.

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