

## Incentives for job quality in forestry

*This is an intervention summary from the MSD for employment (MSD4E) landscape assessment.*

*Providing discounts on timber concessions to enterprises that prove they complied with best practices in forest management, including working conditions.*

### Background information

|                                         |                                                     |
|-----------------------------------------|-----------------------------------------------------|
| <b>Project</b>                          | Action Research in Peru's Wood and Furniture Sector |
| <b>Funder</b>                           | Sida                                                |
| <b>Implementer</b>                      | ILO                                                 |
| <b>Contact</b>                          | Steve Hartrich (hartrich@ilo.org)                   |
| <b>Rural or urban?</b>                  | Urban and rural                                     |
| <b>Sectors</b>                          | Forestry and wood furniture                         |
| <b>Intended employment outcomes</b>     | Job quality                                         |
| <b>Target group (end beneficiaries)</b> | All                                                 |
| <b>Cross-cutting priorities</b>         | -                                                   |
| <b>Years of operation</b>               | 2016                                                |

### What constraints did the intervention aim to address?

Procurement/contracting (rules norms) in the forestry sector. Started by looking for ways to improve documentation of workplace accidents (a weak/missing function) and then the opportunity arose to embed working conditions in a different existing rule/function.

### Which market actor partners did the intervention work with?

1. National Forestry and Wildlife Authority (Ministry of Agriculture)
2. Timber firms
3. Workers in timber sector

### What were the intended behaviour changes for these partners?

1. **Ministry/regulatory body offering concessions:** provision of discounts on timber concessions to enterprises that could prove they complied with best practices in one or more categories covered under formal guidelines.
2. **Timber firms:** invest in worker safety and receive lower costs on timber concessions.

### 3. **Timber workers:** benefit from safer workplace practices.

#### *How sustainable are these behaviour changes?*

Written into forestry concession regulations

#### *What were the intervention's key results?*

- Estimate: 13,000 workers to benefit from the new system, impacting 3,600 firms.

Note: Estimate is based on secondary data and discussions with government officials in a reasonable position to estimate the outreach.

|                                                                                                                                                                                      |      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|
| <i>Has a third party been involved in measuring these results?</i>                                                                                                                   | Yes  |
| <i>Is the partner behaviour change the sole/major/minor contributing factor towards the employment-related outcome you've reported? (i.e. are there other contributing factors?)</i> | Sole |
| <i>Results chain available?</i>                                                                                                                                                      | No   |

#### *Relevant project documents*

- Overview and case study: <https://www.ilo.org/publications/action-research-perus-wood-and-furniture-sector-carving-out-new-approach>

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