

Forest Conservation through Certification, Markets and Strengthening of Small and Medium-sized Forest Enterprise

Key outcomes of the IDB/MIF Regional Project ATN/ME-12087-RG

Over the last two decades, countries across the tropics have devolved increasing authority over natural forests to local actors. The ability of those actors to manage forests sustainably and make forestry a competitive land-use choice has therefore taken on a growing importance.

In Latin America, where community forestry is relatively advanced in comparison to other regions, small and medium sized forest enterprises (SMEs) still face a host barriers to increasing their competitiveness and maximizing the benefits of sustainable forest management. This IDB/MIF supported project was designed to facilitate solutions to these challenges, working with community forests and SMEs in five countries in the region to:

- Grow the area under sustainable forest management by communities
- Improve social organization, business skills and enterprise administration
- Diversify production, increase efficiencies and enhance quality control
- Expand SME access to finance
- Establish alliances with responsible buyers



Duration:
2010–2015

MIF contribution:
US \$4,500,000

Total project budget:
US \$9,000,000

Highlights achieved by the project over five years of implementation include:

100+

community forests, SMEs and second-tier organizations supported

90

communities managing forest certified FSC standards or improved forest management

US \$27,800,000

in sales achieved by assisted SMEs

59

agreements with responsible buyers in domestic and international markets

US \$9,100,000

in finance facilitated to support enterprise development

64

CFEs applying the project system for continual monitoring of competitiveness indicators

458

auditors and other technical service providers trained in FSC standards

23

new products (lesser-known species, value-added products, NTFPs) with market penetration

1,564,000

hectares of forest certified to FSC standards or improved forest management

The Rainforest Alliance works to conserve biodiversity and ensure sustainable livelihoods by transforming land-use practices, business practices and consumer behavior.



No.	Case study	Location
1	Awes Tingni indigenous Mayangna community	North Atlantic Autonomous Region, Nicaragua
2	Moskibatana non-timber forest product enterprise	Muskitia, Honduras
3	Ejido El Largo	Chihuahua, Mexico
4	CAIFUL agroforestry cooperative	Río Plátano Biosphere Reserve, Honduras
5	Forest management in community concessions	Maya Biosphere Reserve, Guatemala
6	Brazil nut production and enterprise	Madre de Dios, Peru
7	TIP Muebles	Oaxaca, Mexico
8	Tres Islas native community	Madre de Dios, Peru
9	Building markets for lesser-known species	Maya Biosphere Reserve, Guatemala
10	Financial mechanisms for community forests	Maya Biosphere Reserve, Guatemala

The project approached these issues utilizing an integrated approach that placed a high premium on building internal capacities to improve enterprise competitiveness, working through participatory processes to articulate business development plans, identify gaps and investments needs, and monitor progress over time.



Case Study Highlights

One of the outputs of the project was the production of ten case studies profiling the technical assistance approach delivered by Rainforest Alliance, and the results achieved during implementation. Case studies were carefully selected to cover all five countries where the project operated, and to reflect the full range of partner SMEs—from highly incipient community operations, to second-tier business alliances among multiple well-developed, certified enterprises. Special attention was also paid to ensuring representativeness with respect to forest ecosystems (temperate and tropical), tenure arrangement (permanent and concession) and production focus (timber and non-timber).

Taken together, the ten studies support the growing body of evidence demonstrating that community-based production forestry is an effective approach

to conserving forest resources while also generating significant social and economic benefits for marginalized communities. While there is significant heterogeneity among the cases—both in terms of context and outcomes—the following key messages emerge from the studies:

- Community forest enterprises (CFEs) can be highly profitable, and can contribute significantly to household livelihoods
- CFEs can conserve forest as well as, or better than, protected areas, and implement forest management that will sustain timber and NTFP harvesting over the long term
- CFEs can honor community aims and cultural values while creating new structures, professionalizing management and pursuing enterprise competitiveness
- New markets for lesser-known species and value-added products can be forged by CFEs, and they can deliver quality products to highly demanding markets
- New loan mechanisms for CFEs can be developed, and CFEs can successfully manage credits
- CFEs can create significant opportunities for women, especially when they diversify their businesses and build up value-added capacity

To achieve such outcomes, however, CFEs require:

- A supportive legal and institutional environment
- Solid social foundations and enterprise administration capacities that are continually strengthened
- Long-term support through technical assistance, transcending the typical project cycle
- Links to responsible markets
- Access to finance tailored to local needs

Rainforest Alliance

Bolivia
Cameroon
Ghana
Guatemala
Indonesia
Kenya
Mexico
United Kingdom
USA

233 Broadway
28th Floor
New York, NY 10279
Tel: 212/677-1900
Fax: 212/677-2187