The impacts of training, technical assistance and new market access for community forest enterprises in the Río Plátano Biosphere Reserve, Honduras

Executive Summary

Covering over two million acres, the Río Plátano Man and Biosphere Reserve (RPBR) is Honduras's largest natural forest reserve and an area of global biodiversity importance. Subjected to high rates of deforestation for decades due to conversion for agricultural use and livestock raising, and suffering from the unsustainable mining of its valuable mahogany stands, the RPBR was created in 1982 to stem deforestation while ensuring livelihood development in one of Central America’s most remote regions.

Twelve community cooperatives have been granted the right to harvest timber and non-timber forest products in multiple-use zones of the RPBR, but they face substantial technical and financial challenges. While significant international demand exists for sustainably-harvested mahogany, the cooperatives have had difficulty producing large enough volumes of high quality timber to meet buyer needs. High transportation costs due to poor roads and heavy seasonal rainfall have made the situation particularly challenging, as has a lack of working capital and outmoded and low-capacity technology.

One company actively seeking sustainably-produced mahogany is Gibson Musical Instruments, which manufactures electric guitars in the United States using component parts certified by the Forest Stewardship Council (FSC). The key components are the body and neck of the guitar, built from solid blocks of mahogany. In 2005, Gibson began providing support to Rainforest Alliance to increase the availability of legally-produced and FSC-certified mahogany, which led to a collaborative effort to improve community forest enterprise in the RPBR.

Work began in 2005 with community enterprise trainings in business management and organization, techniques for value-added production, inventory and cost control, strategic alliance formation, and FSC certification. Community cooperative members responded with enthusiasm. That same year, the twelve timber cooperatives of the RPBR joined together to form a second-tier organization dubbed the Union of Agroforestry Cooperatives of the RPBR (UNICAF-BRP, following the Spanish acronym), consolidating their production of mahogany into higher volumes and adding value for export to Gibson. As the cooperatives have taken greater control over the value chain, they have successful cut out local brokers and middlemen and increased local incomes from forestry. Meanwhile, illegal activity in the area has been sharply curtailed.

Applying the principles of sustainable forest management and sound business practices, by 2008 the cooperatives had achieved remarkable successes in increased productivity, enterprise competitiveness and overall income. The below points summarize the most significant gains:
• Sustained production of high-quality pre-dimensioned mahogany for guitar components achieved, with a low percentage of rejects

• 128% increase in income achieved, with a 33% increase in production (well within the allowable volume set out in management plans)

• Sawmill performance improved by 12%, from 170 board feet (bf) per cubic meter (m³) in 2005 to 190 bf/m³ in 2008

• Reduction in rejects from 83% in 2005 to 49% in 2008; medium quality output increased from 2% in 2005 to 36% in 2008; high-quality production increases reached 15% during the same period

• Reduction in illegal trafficking of wood in the area of influence of UNICAF-BRP cooperatives

Since the beginning of organized community forestry in the RPBR, many observers have been skeptical regarding the capacity of local groups to sustainably manage their forest resources, access international markets and run successful forest enterprises. In the face of tremendous contextual challenges, community forest enterprise development, value-added production and strategic alliances have put in place the fundamental building blocks for the long-term success of community forestry in the RPBR. This case study presents in detail the work of Rainforest Alliance with UNICAF-BRP forest communities, demonstrating how even in highly difficult settings, relatively limited investments in enterprise competitiveness can lead to significant and tangible gains for both conservation and development.