Q: Is this an example of an indigenous community succeeding solely because of outside help? Or has this model, as it’s been applied in Tres Islas, begun to influence other surrounding communities? How will replication and scaling up happen?

A: Replication and scale-up is a question that we at the Rainforest Alliance, and many folks in the region, are contemplating very deeply these days. There are many mechanisms for scale-up, from market access to policy incentives to working with the right people. First, national and international buyers who want to see more of these products in the marketplace provide a strong, often financial incentives. Secondly, government has a strong role to play here. Peru has recently passed a new Forestry and Wildlife Law, and transitioning towards implementation of its national REDD+ Program (Reducing Emissions from Deforestation and Forest Degradation; the “+” represents forest conservation, sustainable forest management and reforestation). One pillar of these laws and programs is to create better conditions and financial incentives for sustainable, diversified forest management in native communities. More needs to be done to ensure that native communities can effectively access these incentives and really benefit from these laws; as they do so, it may enable replication. Last, it’s also about working with the right people. There are some really strong indigenous forestry organizations and indigenous organizations in general, both in Madre de Dios and throughout Peru, including the Indigenous Forestry Association of Madre de Dios (AFIMAD); the
Federation of Native Peoples of the Madre de Dios River (FENAMAD); and the Inter-ethnic Association for Development in the Peruvian Jungle (AIDESEP). By working with these folks, who have a mandate to bring this more to scale—and they’re already key partners in this work—we hope to give it more legs in the future.

**Q: This sounds similar to other such initiatives in the Amazon. Why is this one particularly successful?**

**A:** That’s right, it’s important to underscore that across the Amazon there are a lot of organizations, businesses, governments, and communities who share a common objective of enabling native communities to live better through sustainable community forestry; many folks are working towards this greater goal. In that much broader context, perhaps some of the lessons learned worth highlighting based on our experiences in Madre de Dios include: a) working in alliance; b) taking lessons from the field to create policies more favorable for native communities; c) hitting new ‘firsts’; and d) integration.

First, as noted in the webinar, working hand in hand with AFIMAD, FENAMAD, AIDESEP, and other actors has created a platform of key partners committed to the idea of enabling native communities to live better off their forests and the reach to do so across a large network of native communities. Creating a functional alliance is difficult to achieve and its impacts are difficult to quantify, but it has been a critical factor behind many of the gains made by Tres Islas and other native communities in recent years.
Second, with these and other partners, as native communities found significant regulatory barriers impeding them from sustainable harvesting, they didn’t just throw their hands up in the air. They got involved and had an active role in reshaping those regulations to resolve the bottlenecks and create better conditions. For example, for a long time there were no regulations to govern the responsible, legal harvesting of palm fruits—communities like Tres Islas would seek authorizations from the government to harvest palm fruits and no one could authorize it, the regulations just did not exist. A classic regulatory bottleneck. So, based on their experiences developing sustainable palm fruit harvesting best management practices, and together with other actors, management guidelines were developed and approved by government. This now allows Tres Islas and other native communities across the Peruvian Amazon to secure legal approvals for their palm fruit harvests.

MDD NCs also successfully advocated for simplified administrative procedures, reduced costs and eligibility of more non-timber forest products as part of Peru’s new Forestry and Wildlife Law—another example of how these local groups are taking their experiences and using these to improve the policies and programs designed to benefit them.

Third, MDD’s NCs have achieved some important firsts that hopefully pave the way for other native communities to follow suit. For example, around January 2015 for the first time in Peru, native communities accessed AGROBANCO credit for Brazil nut activities. By the end of the year they’d repaid 100% of their debt. This has profound implications: it shows that, despite commonly-held perceptions, under certain conditions it makes sense for government banks to invest in native community forest enterprises, that they are good investments. Hopefully this helps open the door for other Peruvian native communities.
Last, Tres Islas’ leadership in tackling community planning and governance challenges; sustainable management and harvesting; diversification; value-added processing; access to finance; and market-linkages simultaneously, has been a driver in their success. It doesn’t seem as though communities are often able to advance on all these fronts at the same time, in an integrated way – and that integration seems to have been one of the keys to their successes to date.

**Q: What are the critical issues and bottlenecks?**

A: Great question. There is of course a tremendous amount of work that remains to be done, some of which we tried to capture in the “Where to from here?” part of the webinar. To recap, in the context of consolidating gains and beginning to scale up, some key issues/bottlenecks would include:

1. Growing sales and production volumes in tandem. The development of a new commercial brand, **O’HEE**, hopefully should help drive increasing sales. As demand grows, supply will have to grow as well: continuing to harvest sustainably, to harvest more, and to improve quality and consistency when processing wood into furniture, brazil nuts into oil, aguaje into fruit juice pulp, etc., will be key. To do so, and to do so at scale, it will be important to further build capacities of local and regional indigenous associations and governments to provide quality technical assistance on these issues.

2. Access to finance: Can’t say this one enough. Access to more finance, on more favorable terms, from government and businesses is critical. Part of this is about creating more tools and training to enable NCs to access existing programs. It’s also about creating new financial packages that are better structured to the needs of native communities.
3. More effective support delivered via government programs: On paper Peru has put in place a lot of exciting plans and commitments to support native communities to do work very similar to what Tres Islas and others in MDD are doing. This is a great sign, but there are some systemic barriers to achieving this in practice out in the forest. For example, government agencies have their own capacity constraints; many have little or no presence where many of Peru’s native communities are. Also, sometimes the policies and programs need to be adapted or tweaked to better suit local needs. Local organizations are already sensitive to these and other issues, and strengthening the work of groups like AFIMAD and FENAMAD on these topics is important.

These are key bottlenecks, and also opportunities. One interesting opportunity to consider would be further research and efforts to bring the next generation of amazing Amazon fruits to international markets. Acai berries are one recent example that the general public might know about. There are dozens more products that can be harvested sustainably from the Peruvian Amazon as inputs to juices, energy drinks, sauces, even the cosmetics industry and who knows, with the evolving palates of global consumers and growing interest in responsible consumption, maybe there are innovative, forest-friendly products in the Peruvian Amazon just waiting for a chance to make it to the international stage.

Q: Are there potential negative effects of scaling up?

A: As with any business, there are always going to be risks, and these may turn into negative consequences. The way these communities are trying to mitigate these risks today is by having very clear long-term visions
and plans, and then by developing their own local organizational and governance capacities to ensure that systems are in place to promote transparency, accountability, and broad participation.

For example: Traditionally, timber harvesting was done only by five or 10 community members who had access to equipment needed to extract wood, excluding many other members from participating. To address this, three native communities decided to be more transparent and inclusive going forward—they worked through their community assemblies to proactively identify every one of the members interested in joining the timber committee; this basically doubled the number of members benefitting from timber harvesting. This is a key milestone—these NCs tackled systemic inequities in the way timber harvesting rights (and revenues) are assigned to be more transparent and inclusive.

So while there are risks from this work, real progress has been demonstrated that shows how native communities are becoming more capable of mitigating them. It’s important to bear in mind that there’s a whole other set of risks associated with not taking a chance on this new type of sustainable, diversified forest-based economy: the continued illegal harvesting and extraction of gold and timber from native communities.

**Q: Is there a need in these communities for some kind of mobile, consolidated training program for practical business skills, and if so, is that being addressed?**
A: Absolutely. It’s a critical need. Folks are trying to address it, obviously more could be done and needs to be done. We gave a really strong focus on enhancing enterprise capacity development, starting with conducting baseline diagnostics to evaluate how communities are performing against key business development areas including: legal compliance; administrative capacities; accounting and tax issues; solvency; access to finance and credit, amongst others. Then, based on that, we got out to the communities, continuously delivering training and technical assistance and just supporting them in things like basic bookkeeping, being able to understand how much it costs to produce, what the potential profitability gains are, as well as more complex issues around being able to produce a business plan, having a marketing strategy—and having the capacities within the community to get out into local, regional, and national trade fairs, get out in front of gourmet restaurants in Cusco, to be able to pitch aguaje pulp, for example. So that’s work that’s underway, and it will be important to further strengthen it.

To strengthen this work going forward and create better conditions to replicate, one key local ally is AGROBANCO, the national rural development bank. They’ve become more interested in providing financing to native communities in past years, and we’ve been discussing with them ways to help better reach a greater number of native communities. There is certainly great need, and Tres Islas and others have shown that with a bit of training and guidance, native communities can successfully access and rapidly repay loans and credits. With the right tools and incentives, hopefully others can follow in their footsteps.

Q: How do you assess the long-term sustainability of some of these non-timber forest products such as palm fruits?
A: There are so many ways to answer that, but I’ll just share two thoughts off the top of my head. One is the actual environmental sustainability. The Rainforest Alliance has a really strong background in promoting Forest Stewardship Council certification. Now, obtaining FSC certification is not a viable short-term strategy in a lot of these communities, but applying the same spirit and principles and best management practices of the FSC is. So we’ve been enshrining those within the community’s own governance and regulations. Other things that we’ve done are research studies to try and understand better fruiting patterns and the potential impacts on wildlife that harvesting palm fruits and other products may have. We’re learning from that and adaptively managing. Obviously, in the long-term, assessments of long-term sustainability are going to be about research, monitoring, and adaptive management. From the economic side, it really starts with having a good business plan, understanding what the good production potential is of that forest—that is, does it even make sense to try to exploit these resources? Does it make sense to begin to harvest these new palm fruits or not? For example, in Tres Islas aguaje palm fruit harvesting is projected to yield a profit margin of around 40% (including labor costs). This is a good sign of the potential long-term financial viability of this product in Tres Islas. This will vary by community or by region so it’s important to evaluate on a case-by-case basis. It’s basically going out there, doing your inventories, and then having the competencies to develop a good marketing and financing plan to start getting this work rolling.

Q: To what extent have you observed a conflict between sustainable and non-sustainable palm oil agriculture?
A: To clarify, the “palm fruits” that these communities are working on are not the same as oil palm (Elaeis guineensis), the ubiquitous global commodity that’s in everything from soap to cookies and is a rampant deforestation driver throughout the tropics.

For the palm fruits that MDD’s native communities are harvesting (aguaje, Mauritia flexuosa and unguahui – Oenocarpus bataua), the challenge can perhaps be more accurately described as a lack of knowledge and capacity to implement improved practices and a lack of finance and access to markets to legally sell them, amongst other issues.

There aren’t entrenched interests within these native communities that are against responsible, sustainable production of palm fruits. Rather, there’s a lack of awareness, knowledge, skills, and resources to harvest them legally, in a way that protects the forest.

For example: these palm fruits are clustered in the tops of 20 or 30 meter tall trees. In the past, community members would just go find the nearest one with fruit and then cut the whole tree down to get to them—it was the easiest and fastest way to get the fruits. Now, based on results of inventories that determine where the palm fruits are in their community, management plans that prevent overharvesting, studies of fruiting patterns they are identifying which palm trees have ripe fruits at which times of the year, and after training to use safe techniques and protective equipment, they climb the palm trees to harvest just the fruits, instead cutting down the whole tree. This enables them to harvest fruits from the same tree many times over its 40-50 year life cycle, rather than just once by chopping it down. Once they realize they can more efficiently
harvest more fruit year upon year, without degrading their environment or deforesting, there’s not much resistance to adopting the better harvesting practice. Just like anything new in life, it’s more about overcoming the initial resistance to change and realizing that change can be good.

**Q: Diversification seems important, but is there a point at which there are diminishing returns for a community, and how do you know when you've reached that point?**

This is another great question. There will surely be diminishing returns at some point, though these NCs have many gains they can make before reaching this stage—which could be evidenced by economic metrics, a lack of available labor, or other factors.

It’s important to start by completing forest inventories, business planning, and some initial piloting to ensure that there is sufficient room for growth and avoid a scenario whereby the community commits to investing its time and energy into something that really doesn’t make much sense for them given their local realities (economically, socially, organizationally, and environmentally).

Another way to assess if that point has been reached is by evaluating and understanding the degree of commitment and engagement within the community: diversification should only be pursued to the extent that it’s the community’s decision—these are their lands, their resources, and their decisions. So if there is not much desire to continually invest time and resources in one product or the other, it may be an indication that diversification into new product X or Y doesn’t really make sense at this time.
Availability of labor can be a key constraint in native communities and many rural communities—people can only do so much in a given day! But while that can become a key limiting factor in the future, so far what we’ve found is that diversification is creating new sources of employment and economic opportunities for new community members and a greater percentage of families. For example, the majority of community members involved in aguaje harvesting and processing are women. Also, an interesting lesson has been that different products are harvested and processed at different times of the year: Brazil nut is harvested from December to March; timber from May to October; and aguaje from September to November. In these cases, diversifying forest resources also enables more consistent income streams than in a community that, for example, depends on income from four months of Brazil nut harvesting for the entire year. These types of factors—does the activity create opportunities to employ new and additional community members? Does it create opportunities for women? Does it compete with peoples time and resources for already established production activities, or not?—are important to consider as part of any exploration of diversifying production.

Q: What can people who don’t live anywhere near these communities do to support these communities and this work?

A: Well, many things. The first is to become aware and get the word out and to become a champion for the work. Tell folks about it, learn more about it, and find out all the different ways that you can support it. There’s an amazing network of both local non-profits and international organizations that are active in
Madre de Dios. Look for allies that are active in the region and partner with them. Hopefully, in the next few years, we will see some of the Brazil nuts and palm fruits coming out of Peru and into international markets, so you can support by sourcing those sustainably produced items. Madre de Dios is also an ecotourism hotspot. For those who haven’t visited, you should—it’s an amazing place. Although we didn’t have a chance to cover it in this presentation, there’s a tremendous amount that’s going on in order to support these native communities’ local ecotourism operations. Ecotourism is an effective strategy to help folks live better while protecting their forest resources. It may also be the most pleasurable way to support!

For those interested in supporting responsible tourism in the region, you can start by contacting one of the lodges that has achieved verification of their implementation of sustainable practices, by navigating our global impact map. The three listed for Madre de Dios benefit the community of Infierno, one of the native communities we’ve been working with.

Also, with DIRCETUR, the regional government agency that oversees tourism in Madre de Dios, the Rainforest Alliance compiled a list of visitor attractions in the region. Feel free to review some of these and ask local operators if they are included within their routes, and how they engage MDD’s native communities here.

**Q:** How much of the work that the indigenous communities are doing grows organically out of their own decision-making processes rather than out of the integrated model that the Rainforest Alliance
has put forth? In other words, is there a danger here in imposing our own cultural values (value-added production, for example) on these indigenous communities?

A: This is a great question. First, it’s worth underscoring that the community’s decisions are their own, and nothing starts until they’ve decided they want to walk this path towards more responsible management and value-added production. They have their own vision and priorities and they discuss and agree to these through their community assemblies, which are the primary decision-making spaces in native communities. The Rainforest Alliance and other local partners provide information about land-management alternatives and opportunities to live better from their forest resources, and native communities make their own decisions based on this (and other) information. In that sense, we’ve contributed information about an organic process for decision-making that exists in the communities. Once the communities decide to commit to this improved, diversified management is when things get really interesting and we all get to work together on putting into practice some of the elements of this “integrated model.” The way that we put it into practice is through responding to their interests and needs to help them build their own skills and knowledge base—i.e. which products to begin to harvest and where; who in the community participates in this work; how the revenues are distributed, etc. At each step, the community engages in participatory planning processes and receives approval through their community assemblies, to ensure all the right people are involved, everyone’s voice is heard and decisions aren’t imposed from the outside. It’s really important to underscore that the community leads—they decide what they want, and we support them and offer our experience and know-how to help them start to do it, and then, over time, do it better and better, and more and more independently.
So by responding to the communities’ needs and respecting their traditional processes for decision-making, we aim to be very sensitive to their cultural values. Part of being sensitive to cultural values is also about respecting how cultural values evolve over time and how to be respectful of cultural values in different contexts. For example: maybe 30 or 40 years ago it would have been inappropriate to try and leverage market-based economic alternatives to improve incomes in these native communities. However, the reality is that today, the communities working under this “integrated model” have been impacted by—and part of—market-based economies for years. Informal gold mining and illegal timber harvesting, driven by market demand, are causing them to lose their forests and fragment their social structures. So what they are looking for now are ways to use markets to their favor, to take this vulnerability and turn it into a strength that enables them to become more resilient to the kinds of unsustainable market-based activities that have been causing them so much trouble (illegal mining, illegal logging, deforestation for agricultural production, etc.).

**Q:** Are there current education Rainforest Alliance projects on the harm that mining causes to forest, river, and human health? Do you have a specific success or in-progress story to share?

**A:** That’s an important issue to address. The way we’ve tried to tackle it is through raising awareness of economic alternatives to mining locally. Together with our local partner AIDER we’ve adapted a Rainforest Alliance-developed educational curriculum to highlight the threats facing Madre de Dios forests and people, note that alternatives like sustainable forest management and eco-tourism can be used to tackle these, and enhance understanding of the linkages between responsible forest management and forest conservation.
Teachers and youth in the native community of Infierno (one of the communities also implementing the “integrated model”) were trained, and as a result initiated a community-based tree planting campaign. Here is a brief summary of that experience.

Building the next generation of local leaders and creating the economic opportunities that make it worthwhile for them to continue to live in their communities instead of migrating to cities or other regions is very challenging work, and very important. More needs to be done to continue to cultivate the next generation of forest stewards and entrepreneurs.

**Q: To what extent indigenous peoples involved in these illegal activities, mining, illegal deforestation, and agricultural expansion? Illegal sale of land?**

**A:** “Halting deforestation is a task that requires shutting down the fuel that feeds it: chronic poverty and the low economic value of forests.” This quote, from an inspiring book created by Peru’s Ministry of Environment to raise awareness around the global uniqueness and importance of its forests, provides important context to answer this. While each community is unique, members of native communities often participate in illegal activities because they are the only economic alternatives available to them. It’s both an internal and external dynamic. The external pressures are always present and may well always be—middlemen who make deals to purchase and sell timber without legal permits or in accordance with management plans; traders of threatened wildlife species; or informal gold miners ready to make a deal to give communities a cut of their profits in exchange for authorization to mine their lands. And internally,
within some native communities, there are some community members who respond to these external pressures by engaging with brokers, middlemen and others, because they represent the only immediate opportunity to earn the money required to cover their basic needs.

By increasing the value of their standing forests, Tres Islas and other native communities are becoming more resilient to these external pressures while also looking inward and proving to themselves that there are other ways they can make a living, and do so in a way that protects their forests.

A: How can organizations who have very similar models work together?

Building alliances is right at the heart and soul of the way the Rainforest Alliance works. The challenges facing MDD’s native communities are so daunting, we can only tackle them together. There are a lot of allies we’ve worked with (some highlighted in the PPT) and there’s lots of room to complement the unique strengths of different NGOs to maximize impacts in a given region or community. As one example, together with local NGOs including Association for the Conservation of the Amazon Basin (ACCA), the Rainforest Alliance developed a joint work plan with AFIMAD, to divide out each organizations roles and responsibilities to collectively support AFIMAD in achieving its 2015 harvesting and commercialization priorities. More always needs to be done, but there are some good examples of how local NGOs have been working together to advance the common interests we all share: people living better from their forest resources, and communities more resilient to the threats facing them.
For more information on the results of Tres Islas’ work, please see this recent case study: http://www.rainforest-alliance.org/publications/tres-islas.