Community Forest Enterprise: Rights-Based Conservation and Development

October 2017

Richard Zell Donovan
Vice President of Sustainable Forestry
Established in 1987

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

• 3 divisions: Agriculture, Forestry and Tourism

• Landscape-specific technical assistance projects

• Communications & Education

• Certification programs in forestry, agriculture, climate & tourism
Assisting CFEs worldwide
Extending control, adding value

Phase 1: Establishing local rights and building sustainable forestry
Phase 2: Accessing benefits from the forest and improved social organization
Phase 3: Building local enterprise and extending value-added production
Phase 4: Diversification and market competitiveness
A diversity of tenure models

• Guatemala, Cameroon, Vietnam, Myanmar – fixed-term “concession” agreements

• Mexico – *ejidos* and *comunidades* – a kind of ‘permanent usufruct’

• Honduras and Peru – permanent indigenous territorial land titles, with forest as common property

• Indonesia – a variety of tenure arrangements (KPH, hutan desa, hutan adat, etc.) – gov’t target of 12.7 million ha for social forestry
Variety of community, government & private sector collaborators - Examples

• Guatemala – Local NGOs, regional & national government, wood sourcing companies, guitar makers, furniture makers, local & export markets

• Indonesia – Local NGOs, IKEA, local & national government, sawmills & furniture makers

• Cameroon – Local NGOs, local government & forestry agency, musical instrument makers
What we do – always with key partners

• Sustainable forest management planning and operations
• Enterprise formation, business planning, administrative controls, access to credit, financial & investment management
• Value-added production, new product development, production efficiency and quality control
• Marketing & communications (stories)
• Where appropriate, certification
Case study: Oaxaca, Mexico – 30+ years

- Ixtlan de Juarez – Zapotec indigenous community
- Ancestral forest rights recognized after Mexican Revolution and title issued in 1950s; really took control of forestry in 1980s
- 20,000 ha – from tropical forest to montane cloud to pure pine and fir
- 6,000 ha of pine-oak forest under production
- Ave. annual production =10,000 cu. meters
- Diversified forest business
- Hundreds of jobs – migration dynamic
- Wider development benefits
- Strong indigenous governance
- **TIP Muebles – a value-added retail business**
Case study: Madre de Dios, Peru – 5+ years

- Tres Islas – Ese’ Eja and Shipibo indigenous community
- Ancestral rights recognized in 1990s
- Still taking control of forestry – heavy threats from mining and agriculture
- 31,000 ha- mostly forested
- Integrated territorial land use planning process 2012-2013
- Areas for timber harvesting, NTFPs and conservation
- Organization of different “forest management committees” under General Assembly
- Investments in value-added have expanded jobs and increased incomes (e.g. 480% increase in $/bf)
Maya Biosphere Reserve, Guatemala – 16+ years

- 2.1 million ha: largest remaining lowland tropical forest in Central America
- Home to 180,000 people and has huge biological and cultural value
- High stocks of mahogany
- Three management zones:
  1. Core protected area zones (767,000 ha; 37%)
  2. Multiple use zone (848,400 ha; 40%)
  3. Buffer zone (497,500 ha; 23%)
Guatemala - Results to date

• 480,000 ha FSC certified forest for timber production (ACOFOP is here!)
• 180,000 ha FSC certified for NTFP production (xate palm for export market)
• Annual sales of FSC-certified timber products = US $8 million; 52% increase in per board foot income
• Xate palm generates up to $500,000/year
• About 3,000 permanent and seasonal jobs generated every year – most jobs pay well above regional wage averages; women-managed businesses
• International buyers competing for FSC-certified community-based hardwoods
What makes it work?

• **Tenure security** in order to establish viable enterprises & social organization

• **Value-added production**, increased efficiencies and quality control, better market access

• **Diversification** – Use of valuable and lesser-known species (LKS) and timber & NTFPs – e.g. in Guatemala more than half of all NTFP jobs are held by women

• **Finance** – partnerships with Guatemalan banks making $18 million in credits available

• **Community reinvestment** in social development such as basic infrastructure healthcare and education, as well as forest protection ($200K/yr)

• Using revenues to build local **social capital**
A global partnership to support new CFEs

- Fieldwork in key “community forestry frontier” countries across the global tropics – in Africa, Asia and Latin America
- **South-south exchange** facilitation – adaptation of tools and lessons
- Policy and advocacy activities at multiple scales
- CFE Finance and Market share – alliances with responsible business partners, buyers and investors
NGO Partnerships

• **Mesoamerica** – ACOFOP (Guatemala), UZACHI, ICOFOSA, Alianza Selva Maya (Mexico)

• **South America** – COICA (Amazon Basin), AIDESEP (Peru)

• **Africa** – CED, CARFAD (Cameroon), REPALEAC (Congo Basin)

• **Asia** – Karen National Union, KESAN (Myanmar); AMAN, Samdhana, Kaoem Telapak (Indonesia)

• **Global** – RRI, BVRio

ALWAYS – With government and corporate partners RA brings to the table
**MBR Use Zones**

**CORE ZONE**—Protected areas for strict conservation

**MULTIPLE-USE ZONE**—Low-impact activities, including 350K ha of certified concessions

**BUFFER ZONE**—Settled areas on the agricultural frontier
Community forestry concessions

- First concession awarded in 1997
- Now: 9 active community concessions in the MBR (>350,000 ha) + 2 industrial concessions (>130,000 ha)
- 25-year renewable contracts
- FSC certification is precondition for contract validity
- Exclusive rights to communities – but essentially co-management, Guatemalan government has a major role in management oversight
- Communities are managers and enterprise owners
Concessions outperform core areas
RA-Samdhana project in Indonesia

Working with 7 CFEs across the archipelago

Support from Ford Foundation

Objective: build from exchange visits to Mesoamerica and provide field-based support, in the following areas:

• Community organizing
• Advocacy for supportive local regulations
• Forest planning, management and monitoring
• Community enterprise organization
• Market analysis and linkages with buyers
• Business development planning
• Tools for enterprise monitoring
Needs for Indonesian context

- **Clear Forest Tenure**, with long-term rights to the full range of forest products, synched with wider land use plans.

- **Social Organization** for local ownership of forest management and enterprise development.

- **Political Support** from central government, subsidy and active role in co-management.

- **Short, Medium & Long-term Finance** with combination of grants & loans.

- **Technical Assistance** that is has proven sector & enterprise-specific skills.

- **Responsible & Engaged Buyers** that require good management, assist in quality production, spur government & engage in finance.