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Policy pointers

Governments can foster producer organisations' social, environmental and economic potential by:

Granting secure tenure and legal commercial access to forest and other natural resources.

Devolving legal registration to local levels, simplifying administrative procedures and encouraging links between organisations in different sectors and regions.

Respecting and including forest and farm producer organisations in policy and decision making processes and safeguarding their interests through fairly enforced law.

Creating an enabling environment by proactively strengthening access to markets and support services, and through preferential treatment in procurement policies, tax and fiscal measures.

The Forest and Farm Facility: building strength in numbers

Forest and farm producer organisations offer benefits on three fronts: social, environmental and economic. Above all, when forest and farm producers organise, they gain the strength their numbers warrant. Families, communities and indigenous peoples are collectively responsible for one third of the world's forests. The Forest and Farm Facility (FFF) works to engage with a huge spectrum of producer organisation across countries and contexts. It strengthens organisations' business and policy engagement. It catalyses multi-sectoral policy platforms they can engage with. And it helps link their voices to global processes. This briefing describes the stages, benefits and challenges of organising, and explains FFF's strategies, and how governments can help producer groups transform forest and farming landscapes.

Why focus on forest and farm producer organisation?

Forest and farm producers include women and men, smallholder families, indigenous peoples and local communities. They grow, sustainably manage, harvest and process many natural resource based goods and services. These supply subsistence needs, but also local, national or international markets. Producers come together in diverse traditional, informal and formal forest and farm producer organisations that help their members in several crucial ways.

Social benefits

Strong organisation can help producers achieve social ends and organisations can advocate for policies that secure tenure and access rights. For example, after the national indigenous peoples' organisation of Indonesia (Aliansi Masyarakat Adat Nusantara, or AMAN) filed a petition with the Indonesian Constitutional Court in Jakarta, a ruling decided that indigenous peoples' customary forests should not be classed as 'State

Forest Areas'. This paves the way for wider recognition of indigenous peoples' rights in the archipelago and reduced forest conflict.

Organisations let producers share knowledge and experience. Producers grapple with many challenges. They must assess new technologies and management methods. They must cope with environmental challenges such as climate change. They need to establish productive relationships with government and other agencies. And, not least, they must build and maintain their new organisations.

Sharing problems and successes builds a confidence in the benefits organisations can bring, making the investment of time and money seem worthwhile. And as organisations federate, experience is shared across regions, countries and even internationally (for example through the Global Alliance for Community Forestry (GACF), the International Alliance of Indigenous and Tribal Peoples of the Tropical Forests (IAITPTF), and the International Family Forestry Alliance (IFFA).

Governments play a key role in releasing producer organisations' full potential

Environmental ends

Strong organisation can foster sustainable forest management and bear the costs of environmental certification schemes. In Nepal, a

cluster of 22 community forest user groups sells handmade paper to the US cosmetic firm Aveda. They sell their Lotka paper through Himalyan Biotrade Private Limited, and with the help of the Asia Network for Sustainable Agriculture and

Bioresources the group has achieved Forest Stewardship Council certification for its paper production and chain of custody. Elsewhere within Nepal the federation of community forest user groups (FECOFUN) has restored forest cover across almost a quarter of the country.

Economic achievements

Perhaps most obviously, strong organisation brings economic benefits, developing scale efficiencies that facilitate access to markets and help groups find business and financial services. In Guatemala the Alianza Nacional de Organizaciones Forestales Comunitarias de Guatemala (the National Alliance of Community Forest Organisations) is made up of more than 400 community groups, with about 77,000 members. It has successfully lobbied for new forest financing policies. It has also supported market access — for example a commercial venture linking reforestation groups in San Francisco Petén and Las Verapaces with market opportunities.

Transforming lives and landscapes

This triumvirate of social, environmental and economic benefits coming from stronger organisations can be transformative. Organisation unleashes the largest private sector: the vast strength of millions of rural producers. This 'strength in numbers' is at the heart of the Forest and Farm Facility's (FFF's) vision of better livelihoods and decision making over forest and farm landscapes.

Producer organisations vary widely in size and form. Some focus on forests — others on combining forestry and farming. They include indigenous peoples, community and private smallholder organisations; women's groups; tree grower and agroforestry associations; forest owners' associations; producer cooperatives and companies; and their umbrella groups. At a recent international conference co-facilitated by the FFF in China, representatives from 42 countries provided abundant evidence of how producer organisation can deliver at scale.

Providing support

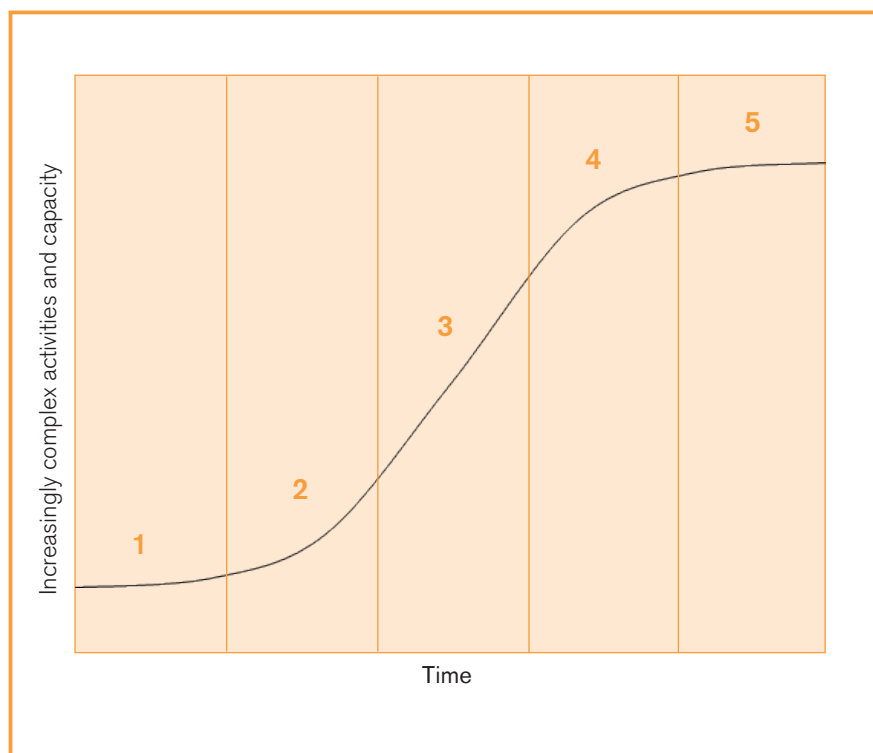
Within such diverse organisations and contexts, the FFF has had to develop a flexible strategy and work plan. FFF operates in six (soon to be ten) partner countries with varying stages of organisational development and prospects for intervention (see Figure 1 and Table 1).

Figure 1 is a broad generalisation of a complex and dynamic reality — there will always be exceptions to the smooth and apparently logical progression that it implies. It is intended to help those supporting producer organisations assess the risks and rewards associated with interventions as organisations evolve to take on more work, more complex structures, and broader geographic scope.

In general, farmer organisations have been around longer than organisations integrating forest and farm producers, and many have had considerable support. Their experiences offer valuable lessons. The Forest and Farm Facility seeks to broaden the organisations it works with to include forest producers and producers of both forest and farm products.

Producer organisations' prevalence, and their maturity (particularly for forest-based producer organisations), varies significantly across the countries where the FFF works. Myanmar and Liberia are still forming forest and farm producer groups (stage one) and in Nicaragua, local groups need significant strengthening (stage 2). FFF has paired these countries with regional partners: Myanmar with Nepal (where many

Figure 1. Producer groups fall into five 'stages' of organisation, and their business capacity, benefits, potential impact and risk alter as they mature. This figure gives a visual representation of the changes described in Table 1.



organisations are advanced — stage four); Liberia with Gambia (which has growing regional groupings — stage three) and Nicaragua with Guatemala (which has mature organisations — stage five). This allows for cross learning exchange visits. For example, FFF has planned an exchange to show Myanmar producer groups innovations within the 18,000 Nepalese forest user groups, their emerging enterprises, and the structure of their federation FECOFUN.

In countries where producers are relatively unorganised, FFF is channelling initial support through non-government organisation. But as producer organisations develop more capacity, FFF quickly transitions to more direct support. So in Myanmar for example, the emphasis was on support to civil society groups to catalyse the formation of producer organisations — often clustered into product-based clusters to allow for potential regional federation (such as the Kachin Forest User Association with potential for timber and non-timber forest product production).

In countries where groups are more organised, the FFF is directly financing producer

organisations' workplans — including supporting business development and policy engagement.

Whatever stage an organisation is at, it needs coherent multi-sectoral policy platforms to engage with. This is important both so groups can access government services, and to ensure an enabling policy environment for individual producer, community and larger-scale businesses. So the FFF is finding, facilitating and strengthening multi-sectoral policy platforms. The strategy is to bring producer organisations' representatives together with government representatives and other stakeholders to discuss actual challenges. This catalyses dialogue and policy reform and helps build coherence and coordination across traditional departmental barriers.

Producer organisations' potential does not stop at the national level. Regional federations such as the Central American Alianza Mesoamericana de Pueblos y Bosques, or international apex federations like the GACF, IAITPTF and IFFA, play important roles in international development and environment policy discussions. They represent the contributions and needs of those who collectively are responsible for one third of

Table 1. A summary of organisations' different stages and the potential benefits, needs, indicators, impacts and risk of FFF interactions.

Organisational stage	Nature and benefits	Key needs	Indicators of success	Potential impact of intervention	Risk of failure
5. Mature and (inter)-nationally federated	Global policy and market force	Highly specialised business planning and management capacity development; support for international representation	Sound diversified financial revenue streams; investment in international coordination mechanisms	Medium: capacity already highly evolved but small additional resources can add significant leverage	Low: but balancing the pull between global engagement and service to national and local members can be challenging
4. Advanced and nationally federated with high capacity	National policy and market shaper	Specialised capacity needs, e.g. certification, brand development, representational strategies	Specialised functions and revenue generation at different levels; policies on federated decision-making	Medium: some national development engagement opportunities	Low: but must balance maintaining service orientation against lure of project and fund implementation
3. Growing regional groupings with specialised service capacity	Growing market force with policy relevance	Assistance with strategic planning; increased capacity in core areas of activity, e.g. market negotiating skills	Investment in business activities; productive relationships with government and private sector agencies	High: scope to move from regional to national impact	Medium: strong group goal and roles already established
2. Coalescent local groups with basic management capacity	Market scale efficiencies and local bargaining power	Staff training in basic group administration, simple marketing activities, basic information distribution	Democratic functioning; transparent financial accounting; an emerging policy agenda	Medium: local development impacts	High: motivation and leadership are often challenging issues
1. Unorganised and isolated with capacity gaps	Marginalised in markets and decision making	Development of constitution and by-laws; meeting planning and leadership; book keeping and financial reporting; exchanges with more established organisations	Clear organisational objectives based on broad-based discussions; emergence of credible leadership	Unknown: context and producer dependent	Very high: highly context and person specific

the world's forests. And so, the FFF also has a regional and global programme, supporting such federations through planning and partnership grants.

In summary, the FFF's work has three main pillars:

Pillar 1: Strengthen smallholder, women, community and indigenous peoples' producer organisations for business/livelihoods and policy engagement.

Pillar 2: Catalyse multi-sectoral stakeholder policy platforms with governments at local and national levels.

Pillar 3: Link local voices and learning to global processes through communication and information dissemination.

Action for governments

Governments play a key role in creating an environment that releases producer organisations' full potential. This role involves attaining the right balance of laws, infrastructure, technical advice, research and service provision. Different countries give these factors different weights over time, but all are necessary. Establishing trust between producer organisations and governments is essential and requires dealing transparently and in good faith over long periods, building on a foundation of respect for producer organisations' autonomy. Initiatives in four main areas are likely to foster such trust.

Tenure reform. Governments can reform policies and law to ensure that indigenous peoples, local communities and private smallholders have secure and long-term access and tenure to forests, land and trees. This is an essential basis for sustainable forest and farm management, and sustainable businesses. Additional steps might involve investment in rural infrastructure, health, water, education, rural industry and services.

Freedom of association. Governments can do much to ensure a supportive legal framework for establishing and developing forest and farm producer organisations — especially devolving decision-making authority to levels accessible to such groups. They can also help by removing legislative and regulatory barriers to formal registration, and providing clear legal recognition for producer organisations' roles. Extension

services (or support for a network of private sector service providers) are vital. Needs will include technical advice to individual producers, basic skill development for managing organisations, and specialised business management training as organisations mature. Governments can also facilitate links between producer organisations in different sectors.

Inclusive policies and fair law enforcement.

Governments can build trust by respecting producer organisations' contributions to policy processes and legal reform. But this must be backed by fair law enforcement to eliminate illegal deforestation and land grabs/conversions, which undermine producer organisations' efforts to get fair value for their products.

Business support. Governments can also help producer organisations flourish commercially. This might involve proactively developing packages of incentives, credit and insurance, (including enabling land and trees to be used as collateral for loans), or otherwise ensuring access to credit. It could involve preferential treatment in procurement, tax and fiscal measures because of the social benefits producer organisations bring; practical and policy support to encourage favourable access to markets; developing organisations' capacity to access basic market information and specialised functions such as brand development and certification.

Governments also have a clear responsibility for policies that let everyone compete fairly for access to state-controlled forests.

Finally, governments should appreciate that forest and farm producer organisations can underpin major rural transformation efforts. They should be supported within a larger framework of policies to encourage local value addition, processing, and more and wider environmental services and local infrastructure that 'thickens' economies — taking small to scale at local and regional levels

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Knowledge Products

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