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Policy pointers

Supporting forest and farm producer organisation (FFPO) businesses that provide a range of social and cultural services in forest landscapes is an effective way to deliver rural prosperity and achieve the Sustainable Development Goals.

A certain scale and income are required for FFPOs to develop often costly services, especially for the most vulnerable. Partnerships with public or private sector institutions can help FFPOs overcome financing gaps and meet service needs.

Social and cultural services enable women to participate in the labour market on a more equitable basis. Donors and governments should support FFPO service provision as a priority for meeting Sustainable Development Goal 5.

National governments can support service provision by granting FFPO businesses preferential land and resource access, reducing bureaucracy, using targeted procurement and offering tax incentives and skills training.

How forest and farm producer organisations deliver social and cultural services

To meet the Sustainable Development Goals' (SDGs') aim of leaving no one behind, governments must ensure vulnerable groups have access to social and cultural services. Many of these services are central to people's wellbeing, empowerment and sustainable development — particularly for women. In remote forest landscapes, state service provision can be patchy, so access to social and cultural services for vulnerable groups is often through collective community action or local producer organisations. Indigenous people's organisations in particular prioritise protecting and strengthening their members' cultural identity and wellbeing. Research by the Forest and Farm Facility (FFF) highlights how forest and farm producer organisations (FFPOs) are providing many crucial social and cultural services, while also balancing economic and environmental trade-offs. They merit much greater government and donor support.

Providing services for sustainable development

Some 1.5 billion people depend on forest resources to meet their income, food, shelter, medicine and energy needs. They have developed their ecological, cultural and social values over time through cultivation, property distribution, conservation and different forms of worship within forest landscapes. These practices deliver a fusion of vital services that provide for the wellbeing of both near and distant populations. The degradation of forest and agricultural landscapes is harming at least 3.2 billion people, and leading to irreversible losses in cultural identity and knowledge.¹

Globally, poverty gaps are increasing — between economic classes and between women and men. There are 122 women aged 24–35 living in extreme poverty for every 100 of their male peers.² Coincidentally, this is also a typical age for

motherhood, when women often step out of work, making them more economically vulnerable.² Rural women who depend on natural resources for employment are especially vulnerable.³ The SDGs aim to deliver prosperity for all and forests can contribute to this goal in many ways.⁴ But if they are to engage with entrepreneurship in forest landscapes, vulnerable women and men will need support from a range of services that promote more prosperous and diverse human-ecological systems, which are better able to cope with shocks and stresses.

Table 1 shows the range of services that can protect and empower vulnerable groups to achieve prosperity. Although the division into social and cultural services is somewhat arbitrary, disaggregating services in this way can be useful. Not all communities aspire to economic development as a single dimension of prosperity. For most, it is much broader, while some place a

stronger emphasis on maintaining a traditional way of life or enhanced autonomy.

Services that enhance livelihood security by addressing social equity and exclusion are important for long-term poverty reduction

What are social and cultural services?

Social and cultural services are both material and non-material benefit systems that cover common interests (see Figures 1 and

2). But although they can overlap, there are some important distinctions. **Social services** help vulnerable people “secure prosperity through, for example, more efficient product and labour markets, rights representation, diminished exposure to risks, and enhancement of capacities to generate and manage income and economic and social risks throughout the life cycle.”⁵ **Cultural services** help them “derive or maintain cultural integrity through spiritual and religious values, inspiration, aesthetic values, social relations, sense of place, cultural heritage values, recreation and ecotourism.”⁵

In the context of FFPOs, we view public and social protection as part of social services. Social protection initiatives target the poorest or most vulnerable people who have fallen below

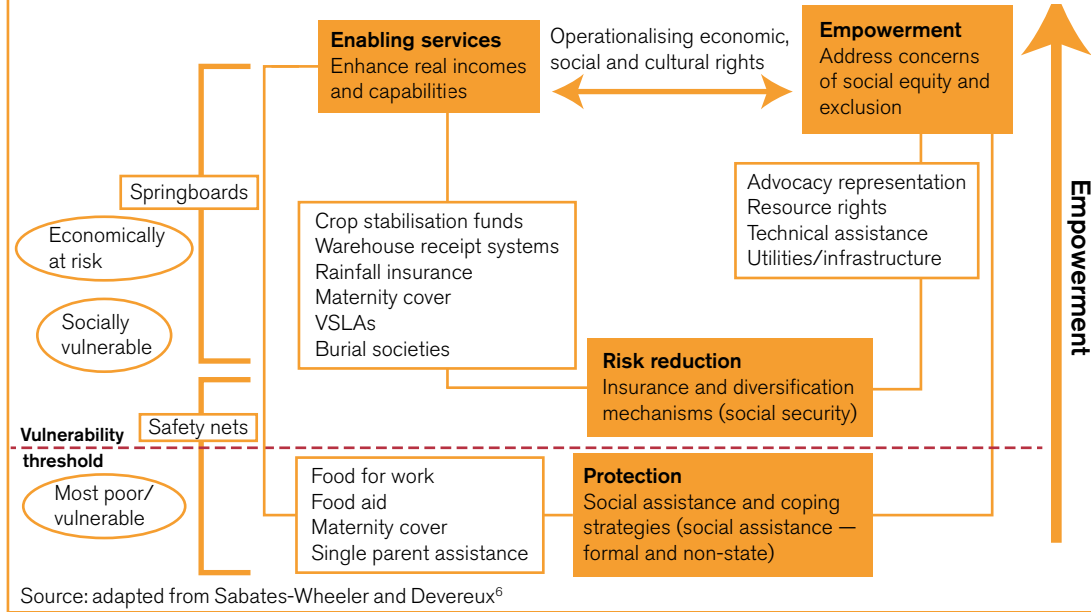
a minimum threshold; they also offer risk reduction and enabling initiatives that broadly target people who are socially vulnerable or economically at risk. This applies to most smallholder subsistence and cash crop farmers, who are exposed to climate and price shocks, or rural women, ethnic minorities and youth, who are made vulnerable by differences in gender, political and economic power. Such services allow people with limited means to cope with income and consumption variability to enhance their incomes and capabilities to save, invest and springboard out of poverty, reducing economic risk.⁶ Care services and maternity cover can help women enter and remain in the labour market. Overall, services that enhance livelihood security by addressing social equity and exclusion are important for long-term poverty reduction.

Following a similar pattern, there may be a cultural minimum threshold affecting identity and way of life that requires a safety net as an emergency response to terminal cultural decline. Cultural services such as teaching and preserving traditional languages, agricultural practices and crops, healthcare, arts and crafts can act as a springboard to broader cultural developments, while rights representation and lobby services often foster the inclusion of disadvantaged groups.

Table 1. Social and cultural services that contribute to prosperity for all

Prosperity values	Social services	Cultural services	Links to SDGs
Sustained environmental and cultural heritage	Resource planning and management Utilities and infrastructure (water, electricity, roads)	Territorial mapping and delimitation	SDG6: clean water and sanitation SDG7: affordable and clean energy SDG12: responsible consumption and production SDG15: life on land
Material wealth and health	Business incubation Finance and insurance: village savings and loan associations (VSLAs), crop stabilisation, warehouse receipts, rainfall insurance	Preserving traditional production practices, crop varieties and tree species (including seed banks)	SDG1: no poverty SDG3: good health and wellbeing SDG8: decent work and economic growth
Affirmative social relationships	Links to: Regional or national markets Organisations Research and technology providers	Support for cultural and religious groups and/or ceremonies, such as coming of age, marriage, festivals and funerals	SDG9: industry, innovation and infrastructure SDG13: climate action
Personal and collective security	Social security: food aid, food for work, disability or single parent allowances	Maintaining customary authority structures and dispute resolution procedures	SDG2: zero hunger
Personal and reproductive fulfilment	Education: schooling, vocational training, adult literacy classes Childcare Care for the elderly Healthcare	Maintaining traditional artisanal and healthcare systems (cultivation and protection)	SDG4: quality education SDG5: gender equality
Cognitive identity and purpose	Representation services: information systems, advocacy, lobbying	Branding of products and services that reinforces local vision of prosperity and identity	SDG10: reduced inequalities SDG17: partnerships for the goals

Figure 1. Social services and social protection: relationships and functions



The role of FFPOs

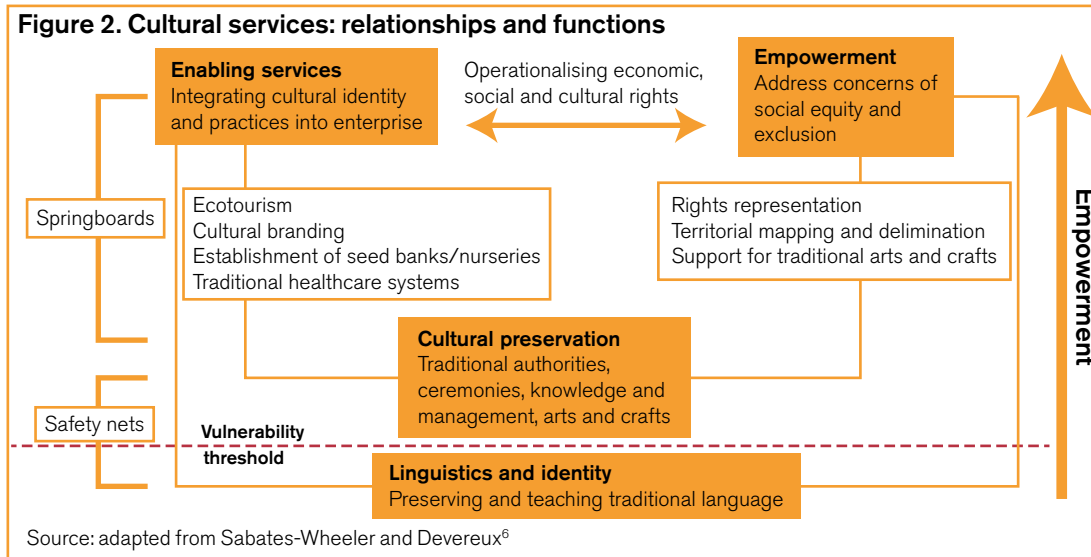
When overstretched government departments struggle to deliver social and cultural services in forest areas, it often falls to the collective action of communities or their institutions to provide them. FFPOs can provide a mixture of protection, enabling and empowerment services, either on their own or through national programmes.⁷ They are particularly important in remote environments because they generate revenues that can pay for services. Their business models can deliver some of these directly, by pooling shared income through the production of consumer goods into the creation of self-financing services. They can also set up indirect mechanisms, collaborating with public sector or other private actors (including other cooperatives) to enable access to services that meet the community's broader values and needs. Because these services matter locally, there is often a strong business case for distributing a portion of profits towards these ends, to ensure

continuing access to resources and the support of the community at large.

They also matter globally. FFPOs play a crucial role, supplying services to some of the three-quarters of the world's population who do not have access to social protection.⁸ In rural contexts — which tend to have high transaction costs and low investment returns — FFPOs are often the only source of income and social protection. They provide financial and crucial insurance services against crop failure, climate hazards or market volatilities for the two billion people who are excluded from formal financial services.

In addition, FFPOs support women's entry into the labour market by providing care services, jobs, access to markets and information for setting up a business. This empowers women, whose role as primary caregivers of children and the elderly often limits their ability to do other paid work. And finally, FFPOs help deliver global public goods, including stewardship of indigenous territories and landscapes

Figure 2. Cultural services: relationships and functions



that have a long history of human interactions. New data show that indigenous peoples and local communities manage nearly 300,000 million tonnes of carbon in their trees and soil; this is equivalent to 33 times global energy emissions.⁹

Women-led FFPOs forging the way¹⁰

Two women-led FFPOs show how, once they have reached enough scale in their membership and capital savings, FFPOs can invest in social and cultural services to help their members secure prosperity.

The People's Alliance for Progress Multi-Purpose Cooperative has developed a women-led coffee enterprise in Sulu, Philippines, bringing together 11 smaller producer cooperatives. Of their 2,221 members and 13,326 beneficiaries, 85% are women, who also occupy 60% of leadership positions. Initially, each family invested US\$20 to set up an investment fund to develop a freshwater supply system. They used the remaining US\$385 to start a coffee enterprise. A decade later, the enterprise is worth hundreds of thousands of dollars and generates income and profits for cooperative members. While it distributes some profits to members, the rest goes into a social service fund to maintain the fresh water supply and community roads.

KANBAOCU in Ghana has 42 registered cooperative societies that collectively manage 173 group enterprises with 12,376 female and 485 male members. To improve its members' prosperity, KANBAOCU established a VSLA system, and home care and school care services. By catering for the needs of children and the elderly, the association allows householders to go to work. It also gives members access to soft loans to cover unexpected costs during ill health or bereavement, or to pay for school fees.

Implications for development donors and national policymakers

Supporting FFPO businesses that provide social and cultural services in forest landscapes is an effective way to deliver rural prosperity and achieve the SDGs.

Notes

¹ IPBES (2018) Summary for policymakers of the assessment report on land degradation and restoration of the Intergovernmental Science Policy Platform on Biodiversity and Ecosystem Services. IPBES secretariat, Bonn, Germany. See: www.ipbes.net/assessment-reports/ldr / ² UN Women (2018) Turning promises into action: gender equality in the 2030 Agenda for Sustainable Development. See: <http://bit.ly/2NpRreH> / ³ Poschen, P (2015) Decent work, green jobs and the sustainable economy: solutions for climate change and sustainable development. International Labour Organization (ILO), Geneva. See: <http://bit.ly/208YUJo> / ⁴ Milledge, S (2014) Progress with integrating forests in the SDGs: reflections on the outcome document of the UN Open Working Group on SDGs. IIED, London. See: <http://pubs.iied.org/G03839> / ⁵ Millennium Ecosystem Assessment (2005) Ecosystems and human well-being: current state and trends. Island Press, Washington, DC. See: www.millenniumassessment.org/en/Condition.html / ⁶ Sabates-Wheeler, R and Devereux, S (2008) Transformative social protection: the currency of social justice. In: Barrientos, A and Hulme, D (eds) *Social protection for the poor and poorest*. Palgrave Studies in Development. Palgrave Macmillan, London. / ⁷ Tirivayi, N (2018) The role of forest producer organizations in social protection. FAO, Rome. See: www.fao.org/family-farming/detail/en/c/1149477 / ⁸ Dijkhoff, AA (2019) Universal Social Protection for Human Dignity, Social Justice and Sustainable Development. General Survey concerning the Social Protection Floors Recommendation, 2012 (No. 202). ILO, Geneva. See: <https://tinyurl.com/yxh6hq2> / ⁹ Rights and Resources Initiative (2018) A global baseline of carbon storage in collective lands: indigenous and local community contributions to climate change mitigation. See: <http://bit.ly/2zNlidd> / ¹⁰ From: Bolin, A (forthcoming) Women's entrepreneurial empowerment: how social and cultural service provision by forest and farm producer organisations contributes in forest landscapes. IIED, London. / ¹¹ See examples in: Macqueen, D, Bolin, A and Greijmans, M (eds) (2015) *Democratising forest business: a compendium of successful locally controlled forest business models*. IIED, London. See: <https://pubs.iied.org/13581IIED>

There is good evidence that locally controlled forest businesses diversify rural economies while providing social and environmental co-benefits. There are also examples of innovation in the way FFPOs deliver prosperity beyond cash income to their members.¹¹

It can be expensive to deliver such services regularly and to a high standard — especially to highly dependent and vulnerable people in remote areas. FFPO businesses are in a unique position to support those who are economically at risk and socially vulnerable. Donors and governments should therefore channel investment and programme support to FFPOs so they can fill the gaps where public sector services are non-existent or non-inclusive.

Governments should give FFPOs preferential access to land and forest resources, simplify registration and license fees for forest resource use, deliberately procure from FFPO businesses and offer tax incentives to offset some the provisions of these services.

Increasing support to producer organisations to help them join together to form and develop large marketing cooperatives would enable the latter to provide essential services for their members. Without substantive external support, this would require a scale of membership and revenue turnover that can take a long time to develop. In particular, smaller organisations need help to overcome gender inequality, as low participation among women and other socially and economically vulnerable groups can hinder the identification and prioritisation of such services.

Many of these services are not the core business of FFPOs. Rather, they emerge as an organisation grows and evolves. When they do, FFPO service providers are likely to require new skills and learning about a services sector, which is different from their initial purpose. Helping upskill FFPO staff could be a useful step forward.

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