

FSC SMALLHOLDER UPDATE Q3 2013

LETTER FROM THE EDITOR

Dear Readers,

As announced in the last update, the previous Smallholders Support Manager, Angeline Gough, has left FSC to move back to Canada. I would like to make use of this opportunity to give thanks to Angeline for all her great work to improve FSC's ability to support smallholders, and I wish her all the best. - We expect the new Smallholder Support Manager to start in the beginning of November and look forward to this.

This quarter's Smallholders Update presents different articles highlighting some of the FSC projects and programs that aim to support smallholders. Richard Laity tells us about a training session in the Solomon Islands, as part of the FSC Train the Trainers Asia, where the objective was to implement a robust training program that brings the knowledge and information to support the certification and business development of smallholders.

Coatlal, a cooperative in Honduras, tell their story about some of the challenges and benefits of being FSC certified. Coatlal obtained one of the first ever FSC community forestry certifications in 1996, and as a pioneer in forest certification, they have great experience to share.

We also present an update on the Smallholder Fund, which by now has finished the first round of applications and is in the process of the final selection for funding.

Furthermore, we have an update about the Modular Approach Program (MAP), which at the moment has a public consultation period where expert opinions are welcome.

Best Regards,

Joachim Meier-Dörnberg
Smallholder Support Manager

Project Updates

FSC Modular Approach Program

By Vanessa Linforth, Social Policy Manager at FSC IC

FSC's Modular Approach Program (MAP) is an emerging initiative aimed at providing a structured path to achieve FSC certification by verifying defined steps, starting from the legal right to harvest to full FSC certification.

For the first time FSC will be able to provide structured support to non-certified producers who have a commitment to becoming FSC certified but who need help and/or motivation to achieve this goal.

FSC MAP will formalize a lower minimum entry point into the FSC system. This is especially important for small and community producers who require more support to reach full FSC certification when faced with development barriers such as poverty, illiteracy, lack of market access, lack of financial resources or low business and entrepreneurial capacity. By engaging smallholders at an earlier stage, FSC can better understand how to help them overcome these barriers in a 'pro-poor approach' where poverty reduction is a key outcome.

FSC has drafted MAP standards, support services, a Monitoring & Evaluation system, and is carrying out field-tests and consultation throughout 2013 as part of a 'controlled' launch.

These standards are currently open to public consultation, available on the FSC website here ([include link](#)). All comments are welcome. If you would like to be submit comments, please contact Vanessa Linforth, Social Policy Manager, by the end of October 2013: v.linforth@fsc.org.

FSC will review the results of the field-testing phase, make corrections to the program based on the learning, complete the consultation on the draft standards and launch MAP in the second quarter of 2014.

Coatlahl - a cooperative with a story

By Sergio Herrera, Technical advisor for Coatlahl

Coatlahl is an FSC certified cooperative in Honduras that is dedicated to the protection and management of tropical forests. Coatlahl mainly produce beautiful quality furniture as scrapers, garden tables, chairs, stools, hangers, shelves and kitchen utensils. The wood from Coatlahl is exotic and reflects the biodiversity and strength of the forests these communities live in and depend on. Mostly, the wood spieces are lesser known, and thereby Coatlahl helps lower the pressure on the forests and improves the biodiversity.

Coatlahl is a pioneer in forest certification, having been awarded one of the first ever FSC community forestry certifications in 1996. Coatlahl is made up of 20 community producers who manage 22,000 ha of lush tropical jungle. Coatlahl provides the marketing and sales support and creates furniture from these well-managed forests. Through Coatlahl, the communities can sell timber and furniture to international customers.

A journey begins

Coatlahl is a pioneer in forest certification, having been awarded one of the first ever FSC community forestry certifications in 1996. However, as with most pioneers, their journey has not been without challenges, and it took 10 years before they experienced all of the benefits that they had hoped for.

Coatlahl had hoped to gain international clients and better prices for their wood within a couple of years, but even though it took longer, Coatlahl found that FSC certification had other benefits. It was a good way to distinguish the organization in the market and to improve Coatlahl's image as an organization



committed to sustainable management of forests. The certification also helped Coatlahl achieve complementary aid to manage the forest and develop the furniture workshop.

Finally, maintaining the certification was a tool that provided added value to their wood and helped fulfill the dream of producing and exporting FSC certified products. With help from Forests of the World, a Danish NGO, they managed to obtain the first contract to export FSC certified products to Denmark in 2004.

Socially beneficial

After Coatlahl obtained their first export contract, the demand for wood increased, and this had a positive impact in the communities as more jobs were created due to forestry activities. The wood prices also increased which brought in additional income for community producers and therefore energized the economy of their communities. In collaboration with the Danish client and NGO, Coatlahl also arranged support to the development of social projects in all of the communities with certified forests. They support small community projects to improve education, create medical access and better the local infrastructure.

Protection of the environment

The certification also helps visualize the role that Coatlahl and the communities play in the protection and management of tropical forests in Honduras.

The forests are conserved, which is extremely important in a context where land use change is prevalent, and virtually has been out of control. Also, the rivers and streams located in these forests are used to generate power and are a good source of drinking water.



FSC training in the Solomon Islands

By Richard Laity, FSC Australia and SPC Consultant

Smallholders in the Solomon Islands

Solomon Islander communities manage 95 % of the country's forests. Through tribal systems, around 60 % of their country's foreign revenue comes from exploitation of natural forests.

It is speculated that they are cutting the country's forests at ten times the sustainable yield and selling it at a third of the market price. This "sunset industry" of industrial round log export is maybe compromising the sustainable development of the rural dependent country. The "sunrise industry" of value adding natural forest products and plantation development was the focus of the training program held in October 2012. Participants working towards FSC, used the training to assist in their readiness, all been part of the new wave of the FSC certification in the Pacific by early 2013.

The training

The objective was to implement a robust training program that brings the knowledge and information to support the certification of smallholders to national FSC representatives, local service providers, forestry practitioners, locally-active NGOs, and resource managers (e.g. of group certificates) so that they can respond to the needs of smallholders in an ongoing and appropriate manner.

Fifteen people attended the 3.5 day training. The training built on materials developed for the FSC train the trainers program, and at the same time, it was possible to discuss and address



individual needs for getting ready for certification. The training was organized mainly by the Secretariat of the Pacific Community (SPC) with assistance from FSC. With this FSC funded training it was possible to get engagement from all relevant stakeholders. The key was preparation and explanation through a value chain perspective, which allowed for a deeper understanding.

Reflections

The main observations included that participants were seriously interested in smallholder certification due to the changes in international policy towards illegal logging and the coming FSC audits. They shared information to make a good work plan to improve their forest management and set up traceability systems. Everyone who participated was directly connected to expanding FSC in Solomon Islands; from industrial plantation owners to natural forest owners and timber processors and exporters.

Recommendations for future training include expanding the training to plantations and to address ongoing compliance capacity development needs for those certified. It is also important to ensure that the training is closely related to the practical aspects of the certification process.

Furthermore, the program should link with other efforts, especially market driven mechanisms to increase the scale of certified areas. Beyond the scope of this program, but closely related, recommendations include links with responsible local market; simplifying cumbersome forest management and CoC processes; improving local capacity for auditing; and build capacity for second tier organizations to manage groups.



Smallholder Fund in selection process

By Joachim Meier-Dörnberg,
Smallholder Support Manager at FSC International

On August 9th 2013 the Smallholder Fund closed the gates for first time applications. 86 proposals from six regions (see table below) were submitted, showing a strong interest from smallholders on seeking support for getting FSC certified or maintaining FSC certification.

Project ideas went from acquisition of safety equipment to fulfill certification's health and safety requirements, over High Conservation Value procedure development and monitoring schemes, to investment in equipment and trainings followed by marketing activities to enhance the value chain.

Capacity development on all organizational levels to ensure long term business success was a key issue in the positively assessed proposals. Applications, which found support by the FSC network or local service providers, strengthened the proposals value towards feasibility through partnerships.

Selection of the most promising projects

During a five weeks period, the FSC Regional Offices and the National Initiatives of Canada and the United States of America with the support of FSC International had the challenging mission to select the most promising proposals in an objective way, using a standardized key with indicators, equally valid for all proposals.

Almost half of the incoming applications (41 out of 86) were selected and invited to a second round. The results are available in English and Spanish on the FSC International website. Go to this page to see the results: <https://ic.fsc.org/smallholder-fund-pre-selection-results.660.htm>.

Region	Number of applications
Africa	5
Asia & Pacific	10
Europe	32
Latin America	23
North America	14
Russia & CIS	2
Total	86

The total amount of the fund is 420.000 €, which can only support around 20 to 30 projects in 2013. Applicants, who are not rewarded grant this year, shall feel encouraged to reapply for next year's call, planned for March/April 2014. The FSC network, including national initiatives, can help to improve the proposals quality and chances to get a grant.

For this year, the deadline for the submission of a full application with detailed project ideas and budget plans was September 15th, and the final decision will be published on October 15th, while the funding will be disbursed until November 2013.

For further information, please contact your Regional Office or write to Joachim Meier-Dörnberg, Smallholder Support Project Manager, at j.meier-doernberg@fsc.org.



MORE INFORMATION

For more information on the projects, check out the Smallholders Portal on www.fsc.org/smallholders.

And stay tuned for more updates. The next issue will be published in December 2013.

CONTACT

If you have any comments and/or feedback on the Smallholder Update, please contact:

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