

# FSC SMALLHOLDERS UPDATE

## Q1 2014

### LETTER FROM THE EDITOR

Dear Readers,

This is my first letter from the Editor, and I am pleased to introduce myself as the new FSC Smallholder Support Manager. I also take this opportunity to thank the former Editors for the work well done, in particular, Joachim Meier-Dörnberg with whom I am working together with on the Program.

My professional background is Forestry. I have worked on various projects, and smallholders have been at the core of all the programs I have undertaken. For example I have spearheaded the implementation of a community based program integrating agroforestry activities, food security improvement and farm to market access for communities in Uganda.

I have also been involved in implementing projects for productive landscapes and biodiversity conservation. For four years I worked on a project helping communities who utilize productive landscapes for agriculture to diversify into other forest based income generating activities such as bee keeping, on farm tree planting and crafts making for sale, as alternative sources of income.

I am eager to contribute to the wellbeing of smallholders by developing and implementing strategies for better utilization of their existing forests through FSC certification.

In this quarter's Smallholders Update, we present different articles highlighting some of the FSC projects going on at the moment.

Craig Norris from NCT in South Africa tells us about a project that aims to test the effectiveness of a number of initiatives designed to improve smallholder's access to FSC certification, and how they have received a grant from the FSC Smallholder Fund to reach the goal.

Hartono Prabowo from FSC Indonesia shares the experience from 3 training sessions in Indonesia as part of a 3-year pilot of the FSC Train the Trainers program, and finally we have an article about the launch of a campaign to promote the FSC Small and Community Label Option.

Best Regards,  
Annah Agasha  
Smallholder Support Manager

### Smallholder Spotlight

#### FSC Train the Trainers Program in Java, Indonesia

By Hartono Prabowo, FSC representative in Indonesia and former Community Forest Manager at The Forest Trust, Indonesia

##### Background

Community forests have become a growing business for landowners in Java. They are an opportunity to meet market demand for the products of community forestry and to generate additional income for farmers. The development of community forests is one positive outcome of a reforestation program that was launched by the government a few decades ago. But community forestry activities are often not based on well-planned business models, efficient management, high quality products or good marketing. Instead, they only focus on fulfilling demands for timber and generating income in the short term. This has at times led to negative environmental impacts.

To gain optimal economic, social and environmental benefits, Java farmers need more knowledge and skills in business management and the production and marketing of forest products. They also need to integrate silviculture and environmental protection in their community forestry management practices. The Forest Stewardship Council (FSC) has been helping to meet these needs through its Train the Trainers (TOT) program, which focuses on FSC certification, forest management, livelihood support systems, value chains and marketing.

### The Train the Trainers program

The TOT program started in Indonesia in October 2012 and will keep running throughout 2014. It is a three-year pilot program that aims to test a new model for delivering training to small and community producers through modules that suit the local context.

The program also aims at designing tools to determine the constraints farmers face in managing their forests, which will lead to developing appropriate measures to reduce the constraints. Recommendations from these pilot program activities will help to develop and improve training programs for private forest growers in Indonesia, particularly in Java.

Three training sessions were delivered by FSC's training experts in October 2012, May 2013 and June 2013 in Yogyakarta, Malang and Buleleng (Bali) respectively. The trainees were selected from farmers and farmer groups, non-governmental organizations, state-owned companies, local governments and timber craftsmen.

The participants were trained in the importance of livelihood systems and how they can be managed to gain optimum benefits, value chain development, and business models for their current work. They appreciated FSC's delivery of the training sessions through user-friendly methods such as plenary sessions, self-assessment, presentations, video, role play, discussions and case studies. Many commented that this made the new content and messages introduced during the training interesting and easy to understand.



Since the training, participant farmers have begun to change the way they conduct their day-to-day business. They now understand how a forest certification scheme and good forest management practices can become tools to gain global market access, and are working towards that dream.

Although the training sessions went well and led to positive progress towards good forest management practices, livelihood improvement and registration for certification, the participants suggested some improvements to be made to the next set of training sessions, planned for this year.

- Future training should focus more on the FSC principles and criteria, and provide guidance on how to comply with them in the context of community forests.
- Some training sessions should be organized to allow more interaction between stakeholders at the local level, particularly farmers, farmer groups and the local governments.
- Some of the participants found the training modules hard to understand, and would like to see the inclusion of more case studies or pre-training assignments, especially concerning the livelihoods, value chain and marketing modules.
- The training sessions should be more detailed, with a field-based program and more local case studies based on the participants' backgrounds.





## The Smallholder Fund boosts South African smallholder project

By Craig Norris, Forestry Technology Services Department Manager, NCT Forestry Cooperative

Certification of smallholder forestry has proved a challenge all over the world. In South Africa, the importance of meeting this challenge has come into even sharper focus since the government initiated a Land Reform Program, which will dramatically increase the amount of land owned by communities. As the demand for FSC certified products increases both locally and abroad, FSC certification could make trade for smaller management units more difficult, unless certification becomes equally accessible at all scales of forestry. Against this background, the NCT Forestry Cooperative, together with other industry partners, has created a project to test the effectiveness of a number of initiatives designed to improve smallholders' access to FSC certification – and has received a grant from the FSC Smallholder Fund to help reach this goal.

### A co-operative with a mission

NCT is a marketing co-operative that caters to the needs of private and independent timber growers in South Africa. It is an international supplier of quality round wood timber and hardwood pulp chips, and is the largest forestry marketing organization in southern Africa. Its mission is to assist its members in achieving their full forestry potential and optimizing their financial results on a sustainable basis. Today there are more than 2,000 shareholding members, representing a total area of 300,000 ha.

NCT has held an FSC group certificate since 1999. Approximately 24 percent of the total area registered with NCT – 98,000 ha (75,000 timber, 23,000 conservation) – is certified. However, NCT has long been concerned that the smaller members of the cooperative are not able to gain certification. It hopes to find innovative solutions to solving this problem because it believes



certification to be the best mechanism for improving members' forest management practices, particularly in the social and environmental areas.

### The project

The grant NCT has received from the Smallholders Fund will be used to help three groups of smallholder forest owners gain group certification. Each group operates under different land tenure arrangements: family ownership, traditional communal ownership, and community ownership under the Land Reform Program. In an introductory phase, management systems for smallholder certification will be developed. These systems will then be implemented in each of the smallholder land tenure settings over a period of three years. The first year will focus on training and mentorship during preparation for certification. The second year will involve implementation and auditing of the operations, resulting in a certificate being issued. In the third year, support will be given for maintaining the certification through the first surveillance audit, and ongoing assistance with group management will be provided. If the project is successful, it is hoped that the model will be used to promote FSC certification to smallholders in other parts of Africa.

### Expectations for the smallholders

NCT has great expectations and believes that the smallholders will benefit tremendously from FSC certification and training. It hopes that by gaining certification, smallholders will achieve better access to markets, increased revenues from timber sales, safer operations and healthier workers, legal compliance, and greater capacity to manage the environment and protect of biodiversity. All this will contribute to improved livelihoods in a perilously impoverished rural area. The aim and hope is also to share the South African experience with other smallholders around the world. The final phase of the project will see lessons and experiences shared with other smallholder groups in order to build more equitable access to the benefits of FSC systems in other countries.





### The Small and Community Label Option has been launched!

By Annah Agasha, Smallholder Support Manager and Carla Tavares, Program Manager, Marketing

On 10 January 2014, FSC launched the 'Made with Heart' campaign, aimed at showcasing small and community producers through in-store promotions. Retailers, consumers and promoters who have long wanted to purchase or use products coming exclusively from small and community producers can now look for Small and Community Label Option (SCLO)-labeled products in the marketplace. The SCLO label signifies not only environmentally appropriate forest management, but also attention to the welfare of producers.

Made with Heart is an initiative of FSC, designed to clearly identify FSC certified products that come from small and community producers. The campaign includes ensuring that products carry the SCLO label and providing marketing support to retailers. It is also planning activities to raise consumer awareness of the label and is helping to connect certified small and community producers directly with traders, retailers and consumers.

The SCLO label helps retailers and producers to make more business connections and to find new markets for their certified products at the local, national, regional and international levels. They can also download online materials including stories, tags and newsletters to use in their marketing campaigns and to highlight their commitment to responsible forest management.

The Made with Heart campaign uses stories that link products to their sources to help communicate to consumers the importance of purchasing FSC certified products from small and community producers. The Made with Heart website ([www.made-with-heart.fsc.org](http://www.made-with-heart.fsc.org)) features many stories from producers, and will be updated as FSC develops more profiles about different producers along with their product portfolios.

#### The SCLO marketing toolkit: how it works

FSC is providing an online information hub for retailers who source products with the SCLO label option. Once registration is approved, FSC certificate holders and Trademark Service Licensees can log on to [www.sclo.fsc.org](http://www.sclo.fsc.org) and access an online SCLO toolkit comprising downloadable graphics, taglines, infographics and animations. These can be displayed alongside SCLO products in shops and online. Retailers can modify some of the messages included in the various campaign elements to shape them to their particular marketing interests.

#### Which products qualify for the SCLO label?

FSC certified wood products bearing the 100% or FSC Mixed labels qualify for the SCLO. All of the forest-based materials in the product – excluding the packaging – should be FSC certified for forest management and controlled wood (under FSC-STD-30-001), and come from small and community producers. Controlled wood certified under FSC-STD-40-005 does not qualify. Non-timber forest products qualify if they carry the 100% label and come from small and community forest producers. No partial claims are allowed.

#### Future outlook for SCLO

- Increase in number of retailers signing up to access SCLO labelled products
- SCLO labelled products gain more market access and sales increase
- Supply chains for SCLO labelled products are developed
- Producers are supported to maintain supply chains through training and the Smallholder Fund.

## MORE INFORMATION

For more information on the projects, check out the Smallholders Portal on [www.fsc.org/smallholders](http://www.fsc.org/smallholders).

And stay tuned for more updates. The next issue will be published in June 2014.

## CONTACT

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