



# Extracting value from the forest

Lessons for landscapes and livelihoods from the Acre landscape, Brazil



LIVELIHOODS AND LANDSCAPES STRATEGY - Landscape paper n°2

The designation of geographical entities in this book, and the presentation of the material, do not imply the expression of any opinion whatsoever on the part of IUCN or the Ministry of Foreign Affairs of the Netherlands concerning the legal status of any country, territory, or area, or of its authorities, or concerning the delimitation of its frontiers or boundaries.

The views expressed in this publication do not necessarily reflect those of IUCN or the Ministry of Foreign Affairs of the Netherlands.

This publication has been made possible by funding from the Ministry of Foreign Affairs of the Netherlands.

Published by: IUCN, Gland, Switzerland

Copyright: © 2012 International Union for Conservation of Nature and Natural Resources

Reproduction of this publication for educational or other non-commercial purposes is authorized without prior written permission from the copyright holder provided the source is fully acknowledged.

Reproduction of this publication for resale or other commercial purposes is prohibited without prior written permission of the copyright holder.

Citation: Frederico Machado and Jamie Gordon (2012). *Extracting Value from the Forest: Lessons learned in the Acrelandscape, Brazil*. Gland, Switzerland: IUCN.

Cover photo: © IUCN/Julie Griffin

ISBN: 978-2-8317-1500-1

Available from: IUCN (International Union for Conservation of Nature)  
Publications Services  
Rue Mauverney 28  
1196 Gland  
Switzerland  
Tel +41 22 999 0000  
Fax +41 22 999 0020  
books@iucn.org  
www.iucn.org/publications



# About LLS

The papers draw on data and information generated over the last 5 years and in most cases, at the time of publication, successes on the ground have continued into 2012, when the first phase of the project officially closes. With sustainability integral to the LLS project design, the work of LLS will in effect live on in each landscape and often much more widely than that, influencing local, regional and international practice and policy in the manner already detailed and reported in the LLS Landscape Papers, Thematic Papers, Thematic Briefs and Research Papers.

# Table of contents

- Executive summary ..... iii
- About LLS ..... iv
- Introduction ..... 1
  - Location ..... 1
  - Origins of Extractive Reserves (RESEX)..... 1
  - Initiation of LLS in Acre ..... 2
  - The people ..... 3
  - Cooperative management of forest resources ..... 3
  - Challenges..... 4
  - Landscape definition..... 4
- General objectives of LLS in the state of Acre ..... 6
  - Specific objectives ..... 6
- What has changed inside the landscape? ..... 7
- What has changed outside the landscape?..... 9
  - Horizontal impacts..... 9
  - Vertical Impacts ..... 9
- Key steps in the success of LLS in Acre..... 10
  - General..... 10
  - Rubber (FDL) production ..... 10
  - Timber production ..... 10
  - Brazil nut ..... 11
- Lessons..... 12
  - Stakeholder recognition through already established groups ..... 12
  - Interpreting governance and distinguishing it from governability..... 12
  - Designing MSD goals and process according to prevailing conditions and resources ..... 12
  - Open dialogue, transparency and stakeholder inclusion at every stage and step..... 12
  - Communication to share information ..... 13
  - Defining the common goals and outcomes..... 13
  - Differences in responses from stakeholders..... 13
  - Coping with conflicts ..... 13
  - Communication improvements ..... 13
- Indicators, baselines and changes ..... 14
  - Number of households targeted by LLS ..... 14
  - Change in household incomes from each forest product supported by LLS..... 14
  - Income generated from Brazil nuts ..... 14
  - Income generated from timber ..... 14
  - Income generated from FDL – a kind of high-quality rubber..... 14

Volume of processed forest products commercialized by cooperatives and prices of the forest products.....	15
Brazil nut .....	15
Timber .....	15
FDL .....	16
Rate of deforestation, Alto Acre Valley .....	16
Other indicators .....	16
Brazil nuts.....	16
Timber .....	16

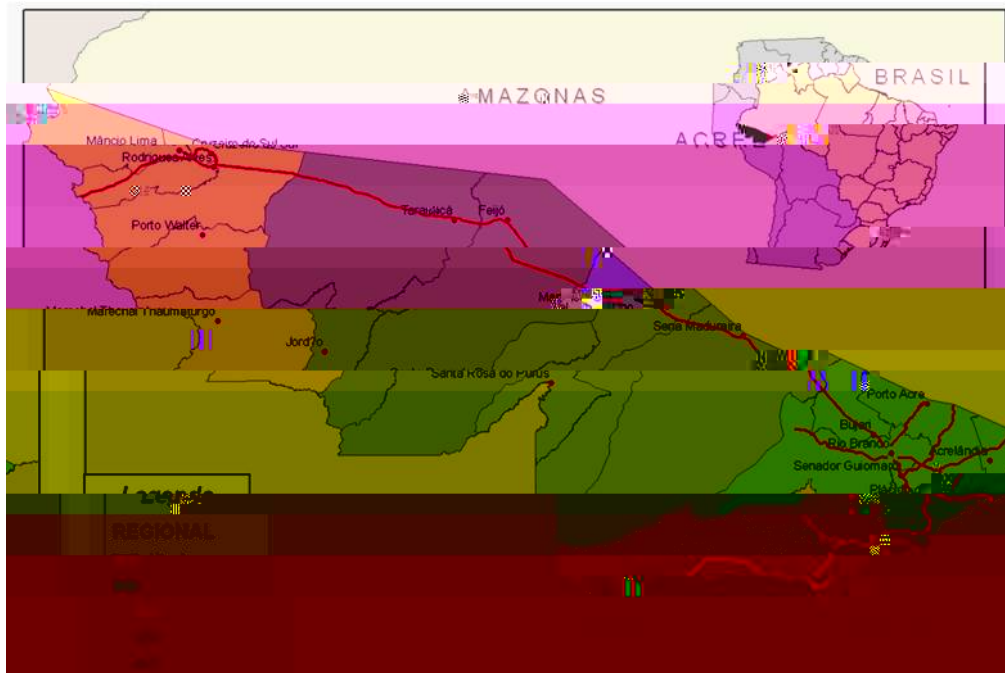




# Introduction

## Location

The state of Acre is located in the extreme north-western part of the Brazilian Amazon region. To the west and southeast it borders the states of Amazonas and Rondonia, while in the south it shares borders with Peru and Bolivia. With an area of 16,422,136 ha, Acre today retains around 90% of its original forest cover, composed of 11 different forest types. Almost half (45.6%) of its territory has been designated as some type of protected area: 9.52% consists of Strict Protected Conservation Units (national and state parks and ecological stations); 21.6% is protected as Sustainable Use Conservation Units, including Extractive Reserves and State forests; and 14% is indigenous land. Acre has a population of 669,736 inhabitants, mainly concentrated in the urban centres; with almost half of the population located in the capital, Rio Branco. Despite 90% forest coverage of the territory, only 35% of the population lives in rural areas. The forest in the LLS implementation area consists of generally well-conserved closed-canopy forest. Forest coverage in the Reserva Extrativista Chico Mendes is over 90%. Although precise figures are not available, forest coverage in the surrounding settled areas rarely falls below 80%; this complies with federal law which allows for no more than 20% forest conversion in Amazonia.



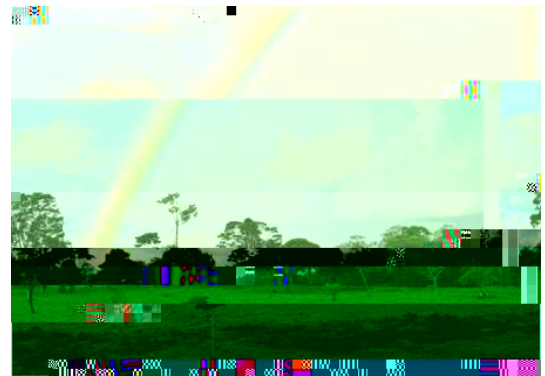
Location of the five regions of Acre state, with Alto Acre highlighted

## Origins of Extractive Reserves (RESEX)

The history of Acre is intimately related to the history of extractive forest activities in the Brazilian Amazon region. Acre was first colonized during the second half of the 19th century because of the presence of an important export latex harvesting industry. However, the emergence of Malaysian plantation rubber in international markets devastated the Amazon rubber industry, forcing the region into a deep crisis that lasted an entire century.

During the national economic boom that occurred under the military regime in the 1970s, the Federal Government implemented a policy of territorial integration through the construction of highways linking

the rich industrialized southern region of the country with the poor and isolated northern region. Thanks to strong subsidies, agriculture and cattle were introduced into the Amazon region, attracting thousands of immigrants in search of cheap and



## The people

The 2,000-plus families involved in the LLS landscape live in forested areas (Amazonian lowland rainforest). Tenure patterns vary among the large number of families within the landscape, but all tenure is legally recognized. All families living within the Extractive Reserve are authorized to do so, and their use rights are recognized by law. Extractive Reserves were created especially to protect biodiversity and livelihoods. The area usage is family-based rather than communal and each family has a designated area; within this area up to 5% of forest

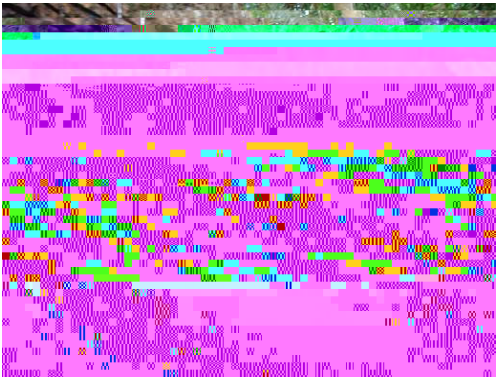
can be converted to other uses. In the resettlement areas outside the reserve, forest is also publically-owned but families have a 'concession' document that defines the area which they can use for productive purposes.

The principal economic activities in these areas consist of traditional farming, beef ranching and other smaller-scale livestock and forest extraction. The most commonly used agricultural system is a variant of 'slash-and-burn' called 'coivara'. Under this system, und



largest extractive cooperative of any sort in the Amazon region and since 2003 has gained increasing recognition within Acre and beyond as a model of good cooperative management.

COOPERFLORESTA is dedicated to the sustainable community management of timber to FSC standards. It began operations in 2005 and since then its administrative



important fora in which public policy could be created or refined. As a result, part of the focus of LLS work was directed at the state level.

- d. Ultimately, the strategy for Acre was much more focused on achievement of objectives than the need to adhere to any strict definition of the landscape concept. The outcomes of the intervention, outlined below, suggest that this evolution of the definition of landscape was appropriate to adapt LLS to the local context.

e.

# General objectives of LLS in the state of Acre

The overriding goal of LLS in the state of Acre is to improve livelihoods and the conservation of Amazonian forest by strengthening the value chains for forest products and enhancing forest governance.

## Specific objectives

1. To support the development of community and local cooperatives that support the commercialization of timber and non-timber forest products, through enhanced communication, improved access to markets and better administration, and through the application of best practices (including different certification schemes).
2. Improve participation of civil society in decision-making fora such as: i) Tripartite State Councils for forests, environment, science and technology and household production, and ii) multi-stakeholder dialogues for value chains (Brazil nut, rubber and timber).
3. Support landscape restoration through the programme to Increase Value of Forest Activities (Programa de Valorización de los Activos Forestales), an innovation of the state government of Acre.

### Tripartite State Councils

Tripartite State Councils are part of the national political infrastructure for public policy making. They may or may not have binding and legally established powers in the formulation and implementation of government policies in their area of interest. For civil society they represent important fora for discussing and advocating policy positions. For community-based organizations such as cooperatives, they can provide a space for dialogue on a 'level playing field', particularly with the private sector, on issues such as producer incentives. The choice of institutions making up the councils dates from their foundation; attempts are made to achieve a balance among government (state and national), civil society and private sector representation. Members are chosen by their institutions and serve on a rolling two-year basis.

CEMACT (State Council for Environment, Science and Technology) had a pioneering role in advising on natural resource management in Acre. Created in 1992, it began operating in November 1993. It has 19 members, with the presidency held by the Ministry of Environment - SEMA. Eleven of the seats are occupied by public authorities, three by civil society, three by the private sector and two by research and education organizations.

The CFE (State Forest Council) was created through the 2001 Forest Law but its first official meeting took place in 2004. It has 24 members, 12 representing state bodies, five from the private sector, three from NGOs, two drawn from forestry-related professional bodies, and two from financial agencies. The presidency of the CFE is held by the State Secretariat for Forests.

# What has changed inside the landscape?

The LLS programme has succeeded in achieving the strategic objectives set for the landscape of Alto Acre (see indicators, below).

This is less a result of the financial resources supplied by LLS, or even of



- x The MSD platform for Brazil nut is about to be converted into a committee with formal links to federal and state programmes working on improving the value chain; COOPERACRE recently decided to become the leader of all activities of the platform.
- x The creation of a MSD platform for community timber production has led to the initiation of discussions for its formal recognition as a Consultant Body of the cooperative COOPERFLORESTA.

Restructuring of the Tripartite State Councils was supported by two state secretaries who, in collaboration with LLS, have produced guidelines for their councillors explaining how to improve the value of their participation and how government action can respond to the tripartite decision-making processes:

- x Restructuring of the State Forest Council (CFE) was supported by the State Secretary for Forests to ensure greater participation of councillors in policy formulation. One of its major achievements has been the development of new legislation for the licensing of timber extraction.
- x The State Council for Environment, Science and Technology (CEMACT) is, at the time of writing, undergoing restructuring which LLS is supporting through i) councillors' guidelines, ii) the review of its history and the challenges it faces, and iii) recommendations for possible improvements with examples drawn from successful documented cases elsewhere in Brazil.

The next step is to re-evaluate the legislative framework which determines the councils' work.



# What has changed outside the landscape?

## Horizontal impacts

- x IUCN and the Brazilian Forest Service have developed a US\$300 million World Bank-funded project to begin development of NTFP marketing chains in conservation areas in three Amazonian states. The project began in 2010 and concluded in 2011. It is expected to form the initial step in building a longer-term relationship between IUCN and the Brazilian Forest Service.
- x The best practice guidelines developed in Acre for Brazil nut have been recognized by different stakeholders outside the state of Acre (Amapá y Pará) and are being adopted and adapted for

# Key steps in the success of LLS in Acre

## General

Coordination and responsiveness of COOPERFLORESTA and COOPERACRE were improved by better communications and transparency resulting in increased and effective participation.

The role of LLS here was to identify problems and facilitate the elaboration of a shared vision by investing resources in the establishment of communication strategies and instruments. The stakeholders themselves solved the communications and transparency issues. In particular, LLS gave financial support to four monthly bulletins for producers and to the development of websites for the cooperatives to improve communication with the wider public ([www.cooperfloresta.com](http://www.cooperfloresta.com) and [www.cooperacre.com](http://www.cooperacre.com)).

Significant institutional changes were seen during the LLS implementation in both stakeholder behaviour and decision-making structures; participation in governance and decision making became understood as essential for the achievement of better results.

Active participation by community members in decision making in the cooperatives has improved – more assemblies have been called and greater numbers of participants have attended. In the case of COOPERACRE, courses were organized to improve participation. The MSD platform for Brazil nut, established in 2007, is about to be converted into a committee with formal links to federal and state programmes working to improve the value chain; COOPERACRE recently became the lead organization for the platform.

Other state councils were also assisted in diagnostic surveys, the production of publications explaining the legal frameworks under which the councils operate, and the creation of a Councillors' Handbook



# Lessons

## Stakeholder recognition through already established groups

- x One way to identify key stakeholders is by starting with most evident stakeholders, who then engage others. The fact that the project coordinator had already established strong working relationships in the area was a relative advantage in stakeholder identification.
- x When there are already institutions working together and their leaders have a good knowledge of the context, it is easier to identify the main opportunities and threats with stakeholders, as long as those institutions do not add their own biases. A situation analysis requires skill.
- x The situation analysis must avoid creating expectations among stakeholders that can be frustrated later on.

## Interpreting governance and distinguishing it from governability

Stakeholders in government may be resistant to governance reform processes, believing that governance is their business, not that of others. When government institutions see governance and governability as the same thing they will not be interested in governance reform processes as they appear to threaten their right to govern. When they understand that working on governance structures can enhance governability, they are more likely to be open to governance reform. A discussion of the concept of governability helped to create consensus and cooperation among stakeholders around specific problems. In this way, governance was seen as a process for creating governability – a shared concern.

## Designing MSD goals and process according to prevailing conditions and resources

- x When stakeholders are identified as a starting point for the multi-stakeholder dialogue (MSD) process, it is important to understand the needs, expectations, fears and capacities of those stakeholders. Power relations between stakeholders must be analysed at all levels, and all must agree to their monitoring and adjustment during the process in order to ensure shared responsibility and the legitimacy of leaders and representatives.
- x MSD goals, strategy and activities must be designed and adapted by the stakeholders, according to their needs (which will guarantee their involvement), capacities (which will make possible their participation and contribution), expectations (which will make explicit hopes), and fears (which will increase their resistance).

## Open dialogue, transparency and stakeholder inclusion at every stage and step

- x The MSD structure and functioning must create efficient strategies for participation in order to

## Communication to share information

A good communication strategy is important to strengthen the flow

# Indicators, baselines and changes

Number of households targeted by LLS

## Volume of processed forest products commercialized by cooperatives and prices of the forest products

### Brazil nut

Year	Total volume commercialized (in natura and processed) <sup>3</sup>	In natura (volume commercialized and price)	Processed (volume commercialized and price) <sup>1</sup>	Comment
2007	1,500 tons (bought in natura from the producers) and 980 commercialized between in natura and processed	800 tons (53 %) for R\$ 16 per can (about 10kg)	180 tons (47 %) for R\$ 12/kg	Increase of 153% (from 1,500 to 3,800 tons) in the total volume bought from producers; Increase of 88% (from 800 to 1,500 tons) in volume in natura and commercialized;
2008	2,600 tons (bought in natura from the producers) and 1,400 commercialized between in natura and processed	800 tons (31 %) for R\$ 17 per can (about 10kg)	600 tons (69 %) for R\$ 11.50/kg	Increase of 289% (from 180 to 700 tons) in the volume processed and commercialized; The cooperative was able to maintain the average selling price (to the producers) despite the decrease in the market price.
2009	3,800 tons (bought in natura from the producers) and 2,200 commercialized between in natura and processed	1,500 tons (39 %) for R\$ 15 per can (about 10kg)	700 tons (61 %) for R\$ 10/kg. Obs.: because of the global economic crisis they still have about 180 tons from 2009 for sale in 2010.	

### Timber

Year	Total Volume (m <sup>3</sup> ) <sup>4</sup>	Total income per year (USD) <sup>2</sup>	Medium price per m <sup>3</sup>	Observations	Comment
2007	1,205.45	13,0711.24	108.43	More than 50% sold as processed timber.	Increase of 410% (from 1,205m <sup>3</sup> to 6,178m <sup>3</sup> ) in the total volume commercialized;

2009	6,177.99	286,195.76	46.33	Almost all of the production sold as raw timber <sup>2</sup> .	Increase of 120% (from US\$130,711.24 to 286,195.76) in the total financial income per year.  Decrease of 43% in the medium price, justified by the last market strategy <sup>5</sup>
------	----------	------------	-------	--	---

## FDL

Year	Volume commercialized and price	Comment
2007	3.5 tons (imprecise, the AMOPREAB ex-president indicates something between 3 and 4 tons) for US\$ 1.95/kg	Increase of 77% (from 3,5 tons to 6.2 tons) in the total volume commercialized;  Increase of 120% (from US\$1.95 to 4.30) in the price per kg of FDL.
2008	5.9 tons for US\$ 2.80/kg	
2009	6.2 tons for US\$ 4.30/kg	

## Rate of deforestation, Alto Acre Valley

Year	Forest lost	Comment
2007	11,017.01 ha	Decrease of 21% in the annual deforestation rate in the Vale do Alto Acre Landscape.
2008	10,810.03 ha	
2009	8,654.22 ha	

## Other indicators

### Brazil nuts

1. An increase in the total amount of working capital of COOPERACRE (from US\$ 900,000 in 2007 to a total amount of US\$ 3,000,000 in 2010), giving the cooperative better production and commercialization conditions;
2. The certification of 162 Brazil nut producers through ECOCERT, opening new market opportunities.

COOPERACRE has become the single largest of all producers (cooperative or private sector) of NTFPs in



1. An increase in the total amount of Cooperfloresta's working capital (from US\$ 40,000 before 2007 to a total amount of US\$ 230,000 in 2010), giving the cooperative better production and commercialization conditions;
2. ng pcessens;



**INTERNATIONAL UNION  
FOR CONSERVATION OF NATURE**

WORLD HEADQUARTERS  
Rue Mauverney 28  
1196 Gland, Switzerland  
[daniel.shaw@iucn.org](mailto:daniel.shaw@iucn.org)  
[forests@iucn.org](mailto:forests@iucn.org)  
Tel +41 22 999 0000  
Fax +41 22 999 0002

[www.iucn.org/forest](http://www.iucn.org/forest)

