2.3 Developing effective forest-based enterprises in the Caribbean

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Introduction
Caribbean islands have limited forest resources. Many are densely populated and most of the once-forested land was converted to agriculture and settlements years ago. Although the remaining forests are limited in area, they provide important livelihood opportunities. They are used for the artisanal production of timber through chainsaw milling, the gathering of non-timber forest products for food and handicraft materials, and the provision of ecotourism services.

Caribbean islands are popular tourist destinations and an increasing number of visitors want to see more than sand and sea. They like to explore the interior of the islands and buy local produce. Providing tour services and offering organically grown produce such as cacao can be a lucrative business for local communities in and around the forest. However, the path from idea to successful business venture can be challenging indeed. What are the essential elements of becoming a successful forest producer organization in the Caribbean?

Working within an organizational structure
Forest-based endeavours are not necessarily community-based. In many cases, though, people working in the forest choose to work together. Working in the forest alone can be dangerous, and joining forces reduces this risk. Felling and moving trees and wood requires many hands if heavy equipment is not available. Hunting together is another example where collaboration increases the likelihood of success.

Working together in organized structures is not always easy. It requires specific conditions and capacity. Key conditions are trust among members and a shared vision. The group also needs to have the capacity to manage its own affairs. Effective self-governance is essential in managing a community business and avoiding internal conflicts. A common
vision on how to work together must be complemented by the technical capacity to
develop and market a product. The Brasso Seco Tourism Action Committee in Trinidad
and Tobago and the Smithfield Local Forest Management Committee in Jamaica are two
examples of well-functioning groups in the Caribbean.

The Brasso Seco Tourism Action Committee
Brasso Seco is a small agricultural village nestled in the mountains of the Northern Range
of Trinidad, with approximately 250 permanent residents. In 1997, seven people formed
the Brasso Seco Tourism Action Committee (BS TAC) and legally registered the new
community-based organization with the Ministry of Community Development. The
initiative was part of a project managed by the Tourism and Industrial Development
Company of Trinidad and Tobago (TIDCO). The group’s vision — since its foundation in
1997 and unchanged to this day — is to develop community ecotourism that is committed
to the conservation of the region’s resources and to provide for the enhancement of
villagers’ lives through sustained economic development in a visitor-friendly environment.

To achieve its vision, the group identified several sources of revenue to bring economic
development to the community, particularly youth and women. They are accomplishing
this through partnerships with technical support organizations. TIDCO assisted the group
to begin an ecotourism enterprise that conducts tours to the surrounding forests, waterfall, river and a nearby beach. It also helped the group develop a visitor facility that serves
as an information centre for the community. The group sells food items on behalf of
community members at the facility. In 2005, the group received a grant from the
government to create and maintain trails in the surrounding forests and to clean the
nearby beach. Under favourable terms the group was able to lease an abandoned six-
hectare (ha) cocoa and coffee estate; it began to produce and sell cocoa and coffee
products in 2010. It also developed an agrotourism enterprise. The group now provides
employment for more than 40 people in the community.

The Smithfield Local Forest Management Committee
In the mountains of the eastern part of Hanover parish, Jamaica, near the 117-ha
Smithfield Forest Reserve, are the communities of Smithfield and Cascade. About 350
people live in the community of Smithfield. The vibrant Smithfield Youth Club was
introduced to the concept of the Local Forest Management Committee (LFMC) as a way to
conserve the forest resources that many people depend on for their livelihoods. This led to
the formation of the 35-member Smithfield LFMC in 2011. In a partnership between
community members and the Jamaica Forestry Department, the group practises
reforestation, manages forest resources, and improves livelihoods in the communities
using forest resources.

The Smithfield LFMC received a grant from the Jamaica Forest Conservation Fund to
implement management measures, including agroforestry and beekeeping, to develop and
improve livelihoods and help to achieve LFMC goals. With the permission of the Forestry
Department, beehives given to the LFMC were placed on land in the forest reserve. They
promote pollination, and the sale of honey generates income. Seven LFMC members are involved in maintaining the hives and extracting honey; other members are involved in agroforestry. Smithfield LFMC also received a grant from the Food and Agriculture Organization (FAO) to build a honey-processing facility.

The group is now in the process of turning several LFMC activities into businesses. The group is developing a business plan for honey production and has started discussions on how the benefits will be shared among members. They have already earned some income from the venture, mostly of which has been reinvested in the enterprise.

There are three key factors that helped these community-based small enterprises succeed:

- **Commitment of group members** — Throughout the years, the founding members remained committed to the principles developed when the organization was established. They stayed loyal to their group even when not earning any income.
- **Clear goals and direction** — Both groups have a clearly defined vision that guides the direction of the organizations and remains focused on the economic improvement of the communities.
- **Collaboration with support agencies** — Both groups have worked with several organizations to develop their enterprises. They have been strategic in choosing organizations to provide assistance with both natural resource management and business development.

**Enabling environments**

A very important requirement for community enterprises are clearly defined access rights to natural resources. In the case of the Brasso Seco Tourism Action Committee, the group was able to lease an abandoned cocoa estate from the government. In the case of honey producers, the land for the beehives was made available by the Forestry Department.

In most Caribbean countries, forest resources are owned and managed by government authorities. Forestry departments issue licences for the removal of trees, hunting, or gathering non-timber forest products. These systems are geared to individuals and issued on an ad hoc basis. Administrative procedures for long-term agreements to provide legal access to forest resources for community groups are lacking and need to be developed.

Very few Caribbean countries have forest legislation that specifically includes participatory forest management — and there are no regulations for community-based forest businesses. However, most countries have legal provisions to establish such businesses under measures such as a Friendly Societies Act, which provides for some resource rights and self-government, or under agricultural laws for producer associations or agricultural cooperatives. The same mechanisms can be used to make a community-based forest business a legal entity. It is crucial for groups to attain legal status so they can conduct business and receive assistance from support agencies. A further constraint is that commercial banks do not usually provide credit to community-based businesses, although it is legal to do so, since they feel these businesses cannot provide the required security.
Facilitation
A key factor for the success of community-based forest businesses is the group's capacity to make good use of the support offered by facilitating agencies. To be effective, these support agencies have to be capable facilitators. The Caribbean Natural Resources Institute (CANARI), a regional NGO based in Trinidad and Tobago, and FAO, have collaborated over the past 15 years to support participatory forest management and the development of forest-based livelihoods. The following recommendations are based on these experiences and lessons learned.

Local ideas
It is better to nurture business ideas that initiate within the community group than to introduce new ones. Many communities have traditional skills; for example, basket weaving using vines harvested in the local forests, or processing cocoa, as practised by the Brasso Seco Tourism Action Committee. Joining forces to produce and market these products is the first step to creating a community-based business. The proposed product may need modification to be marketable, and the facilitating agency can assist with this process of product development.

Leadership
In the Caribbean, many community-based forest business opportunities were pushed by a charismatic leader. Although strong leadership is important, dominant leaders are seldom team players and they tend to sideline other members. This results in an imbalance in the governance of the group. The leader feels the group is his/her enterprise, while an increasing number of members see themselves as labourers, rather than partners. Any facilitating agency should be aware of these risks and encourage democratic decision-making processes.

Product quality
As with any other business, a community-based enterprise will be judged by the quality of its products. The sustainable market for a product is based on its quality, not on the buyer wanting to help the producer. The facilitating agency can help the community business improve its product and deliver a consistent quality, whether for food products such as organic cocoa or chocolate, handicraft items, or tour guide services. Technical training or exchange visits with other businesses can be provided to train group members and to ensure and maintain the quality of the products. If food or handicraft items are offered to tourists, then their tastes and preferences should be targeted in product design.

Capacity
Many community groups have the ideas and the technical capacity to develop a product or service, but lack the ability to judge if implementation is economically feasible. Weaving a basket for home use and doing this work at times where nothing else can be done is one thing, but producing many baskets to be sold as an economic activity is quite another. It is important to assess the time and money spent on collecting the raw
material, processing it, and making the product. A facilitation agency can help producers assess if production is economically viable. In Saint Vincent and the Grenadines, for example, FAO assisted the Georgetown Craftmakers Association with conducting such an assessment.

**Business plan**
If production is considered to be economically feasible, the next step is to prepare a business plan. This helps to determine the responsibilities of various people in the enterprises, the inputs and where to find them, ways to market the products or services, and how the benefits are shared. The business plan is useable only if it is designed in a participatory way. A plan drafted by the facilitating agency and handed down to the community group is unlikely to be implemented. A plan developed with and agreed to by the members is likely to be respected by all group members and can form a solid foundation for the business.

**Marketing**
Marketing is as important as product quality. A business that focuses only on production is doomed to fail, since it is the selling of the product that sustains production. And although it may be feasible for individuals to carry out production, the marketing of a product is more successful if people work together. Bringing group members together to jointly agree on a marketing strategy is an important role of the facilitating agency, and it ensures that all group members understand and respect the strategy.

This process requires a certain amount of discipline. In Dominica, for example, chainsaw lumber producers agreed to jointly market their lumber. Despite this agreement, however, the producers sold the better quality lumber individually and provided only lower-grade lumber to the joint marketing facility. This meant that the endeavour failed shortly after it was established. A facilitating agency can remind group members of their commitments to joint initiatives.

**Mentoring**
The way in which these facilitation services and assistance are offered by the facilitating agency is also very important. Handing down technical information is unlikely to be successful. Experience has shown that the best approach is using a mentor. A mentor accompanies the group over a long period of time. He or she is from outside the group, but has the trust of all group members. The mentor does not make decisions for the group; he or she facilitates decision-making by asking the right questions at the right time. The mentor’s questions should guide the group to review its business proposal and assess product development, production and marketing.

The mentor should also support a robust system of group self-governance. He or she should help the group leader consolidate diverse views within the group in order to come to widely accepted decisions. This is a difficult task, and many people in the Caribbean are not used to openly discussing diverse views. There is a tendency to verbally agree to the
decisions of the leader but to dishonour these agreements through subsequent actions. A mentor can bring these inconsistencies to the attention of the group; if he or she has the trust of the group members, they may act on the recommendations. However, the mentor’s influence is limited. A mentor can facilitate an agreement within a group, but cannot create it, far less enforce it.

**Improving the legal and policy context**

In addition to directly supporting a community group, the facilitating agency can also promote the idea of community-based businesses among political decision makers. These efforts will prepare the political context for participatory management practices by helping to develop legal frameworks that facilitate local communities’ access rights to public forest resources. An important tool in this advocacy work is the preparation of policy briefs (CANARI 2012).

Another important task is assisting state agencies to become facilitators. Only a few forest administrations in the Caribbean have distinct community forestry programmes. The Forestry Department of Jamaica, for example, has two sociologists among its staff who are dedicated to supporting local forest management committees. These committees work at the watershed or municipality level and discuss forest-related matters. The Smithfield Local Forest Management Committee started out as such a group.

Many other forestry authorities in the Caribbean have expressed their interest in intensifying community forestry programmes. Although many of these authorities are committed to supporting rural communities, they have little capacity to do so. This can be attributed to the history and administrative culture of these departments. Caribbean forestry departments were created to protect the forest from encroachment and unregulated use. Many foresters still struggle with the change from being a regulatory agency to an entity that facilitates business. CANARI has trained many staff members of state forest administrations in the principles of participatory forest management and conflict resolution (CANARI 2013; Krishnarayan 2005).

A successful programme of forest-based business development starts with an assessment of current practices. For example, FAO, in cooperation with the Dominica Forestry and Parks Department, is carrying out such an assessment in that country.

**The need for patience**

These initiatives contribute to fighting rural poverty by supporting forest-based communities to develop sustainable business models that generate local income. Forest-based communities will be the most committed custodians to improve the management and protection of the forest around them.
This is a process that takes time. The speed of development is determined by the individuals who participate in the process. Despite good intentions, a facilitation agency has only limited abilities to increase the speed of development. A community-based business is like a tree seedling. It grows at its own speed; one cannot make it grow faster by pulling at its stem — doing so will only disconnect it from its roots and make it wilt.

**Conclusions**
Several key lessons for facilitating agencies can be derived from these two case studies.

**Ideas from within**
Facilitating the growth of business ideas that emanate from within the communities, rather than imposing external ideas on them, can lead to a greater likelihood of success. When the ideas are the community's, passion for and dedication to the enterprise keep them interested in its development. The Brasso Seco Tourism Action Committee, for example, proposed the idea for cocoa and coffee production and members have networked extensively to ensure that the enterprise developed.

**Trust is a key component**
Trust among the members is essential in order for the group to act in a coordinated manner. Trust is equally important to sustaining an enabling environment. Access rights to forest resources for forest-based communities are seldom formalized in the Caribbean. They must be negotiated with the land-owner or government administration. Trust is not a substitute for formalized access rights; however, in the absence of these rights mutual trust between the group and government authorities goes a long way.

**Mentors**
Experienced mentors can support the development of the enterprise. Mentors provide entrepreneurs with the experience that they lack. They are sounding boards for ideas to develop the groups and they work with entrepreneurs over a long period of time. Both the Brasso Seco Tourism Action Committee and the Smithfield LFMC were provided with mentors as part of a project funded by FAO. They groups were able to improve their enterprises by testing markets and developing the infrastructure associated with their business. An important capacity of the mentor is to be patient and give the group the time it needs to develop.

**References**
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