



Implemented by



Financed by



ProMadera project
Within the framework of the Contribution to the Environmental Objectives of Peru programme (ProAmbiente).



ProMadera

Promoting sustainable forest management and a competitive forest industry in Peru

On behalf of
The IDH Tropical Timber Programme
Project period
04/2015 - 12/2016
Financial volume
520 000 EUR
Focus regions
Loreto, Madre de Dios, Ucayali

In the last 10 years Peru also experienced an increase of the Forest Stewardship Council (FSC) certified forest area and is able to provide timber from credible producers (see figure 1).

The German Cooperation implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, through its "Contribution to the environmental objectives of Peru (ProAmbiente)" programme¹, advises governmental partners on the implementation of environmental policy management systems using a multi-level and multi-stakeholder approach. Improving the steering capabilities of the responsible authorities and promoting joint, network-based knowledge, it enhances innovation arrangements on all political levels.

/ Background

In 2013 a new national forest policy was adopted; a new forest authority was established in 2014 (the national forest authority SERFOR - Servicio Nacional Forestal y de Fauna Silvestre); a new forest law came into power in 2015; several action plans have been adopted and there is a strong political will to improve the forest sectors performance.

During the international Lima Climate Change Conference (COP 20), concerned public institutions, private sector companies and civil society organizations signed a declaration of intent called "National pact for legal timber" (Pacto Nacional por la Madera Legal) empowering Peru to trade and use only timber from verified legal sources from 2021 onwards.



¹ ProAmbiente acts on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ).

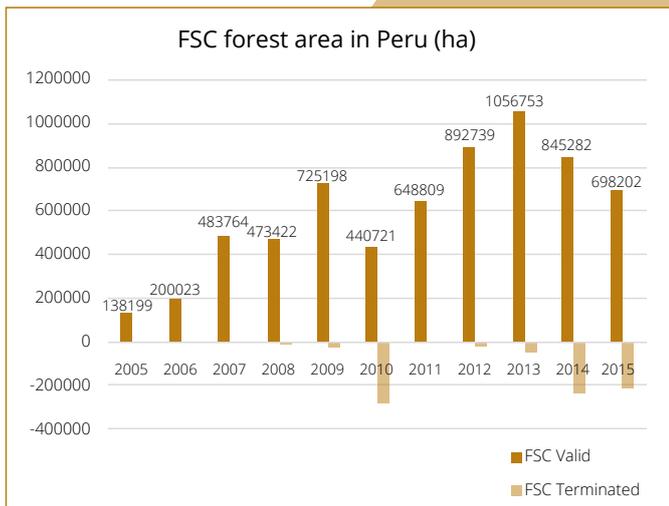


Figure 1: Development of FSC certified forest area in Peru from 2005 until 2015

Furthermore, the programme is working with the forest sector to not only improve the institutional framework conditions but also support legality, sustainability and competitiveness of the timber value-chain focusing both at public and private sector actors. One key topic is the promotion of controlled legal timber.

The Dutch Sustainable Trade Initiative (IDH), through its tropical timber producer support programmes The Amazon Alternative (TAA) –from 2011 until 2013– and the Peru Tropical Timber Programme (PTTP) –from 2013 until April 2015–, has been directly promoting the sustainability and competitiveness of timber companies in the Peruvian Amazon over several years in the process towards FSC certification.

Realizing the need for a holistic approach addressing both the public and the private sector needs, GIZ and IDH decided to join forces through the ProMadera project as of April 2015. Both subscribe to the principle of public-private partnerships as a cost effective way to generate dynamic change processes in the tropical timber sector, making use of existing market forces. ProMadera is being implemented by GIZ on behalf of IDH and will run until the end of 2016.

/ Objectives

ProMadera contributes to the achievement of the following objectives:

- At forest company level, the volumes of legally harvested timber in both forest concessions as well as community forestland will be increased.
- At the national level, the share of controlled legal timber in export as well as in the domestic market will be increased.

- At the value chain level, the number of timber industries that have a Chain of Custody Certificate will be increased, enhancing them to work with FSC products.
- Additionally, the volume of Lesser Used Timber Species commercially harvested and marketed will be increased, augmenting economic yield per hectare.

/ Partners

Direct programme partners of ProMadera are private sector forest enterprises. Both forest concession holders, as well as forest industries can participate. Companies that have working relations with forest communities are particularly welcomed.

/ Targets

Extending the certified forest area

ProMadera aims at increasing (2015) and then maintaining (2016) the area of FSC certified private and community managed forests in Peru at 1.000.000 hectares, with a focus on Controlled Wood².

Trade promotion

ProMadera aims at increasing the volume of FSC timber on domestic and export markets.

Lesser Used Tree Species promotion

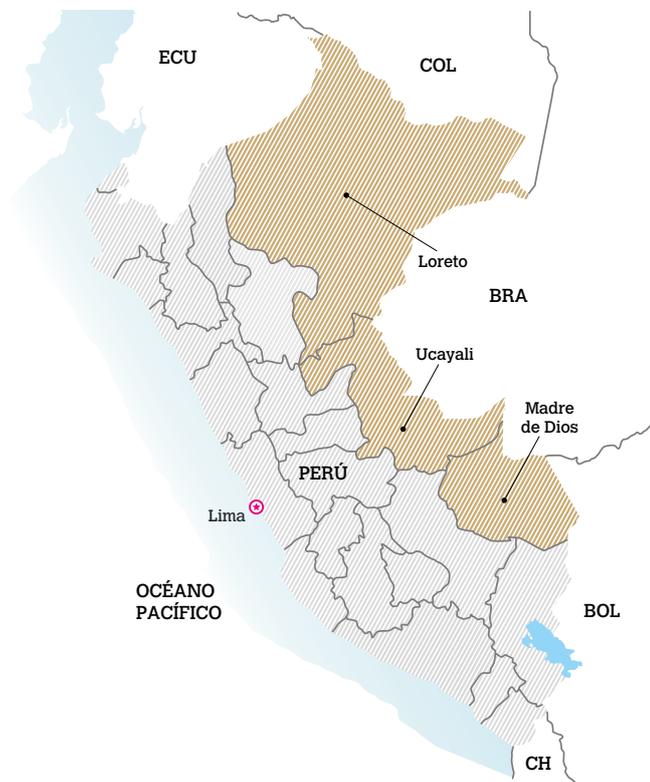
ProMadera aims at increasing the share of Lesser Used Tree Species traded nationally and being exported.



² Applying standard FSC STD 30-010 v2.

/ Geographical Scope

ProMadera works mainly with companies in the timber producing Peruvian Amazon Regions Madre de Dios, Ucayali and Loreto. Companies in Lima (e.g. timber processing facilities) are also eligible to receive support.



/ Type of support

On behalf of IDH, GIZ is providing co-financing to ProMadera partner companies. In some cases additional technical assistance through the ProAmbiente programme is possible.

/ Service Packages

Using the insights gained by the previous IDH programmes TAA and PTP and the ongoing ProAmbiente programme implementation, ProMadera developed six so-called "Service Packages" that are offered to programme participants.

Each service package is a coherent set of services aimed at reaching a higher level of competitiveness and stronger integration in the timber value chain for selected key forest companies.

The present service packages are:

1) Support to reach FSC Controlled Wood Certification³

- Technical assistance (forest management planning, forest operations, harvesting skills, traceability and costs analysis, etc.)
- Co-financing of direct and indirect certification costs (High Value Conservation Forest study, capacity building and training, FSC audit, etc.)

2) Support to maintain the FSC Certificate

- Technical assistance (reduced impact logging, sample plot management, community relation management, lifting Corrective Action Requests, etc.)
- Co-financing of external consultancy services

3) Support to reach FSC Chain of Custody Certification⁴

- Technical assistance (training aimed at increasing processing efficiency, quality improvement, as well as workers safety)
- Co-financing of external consultancy services and FSC audit, etc.



³ More information about the FSC Controlled Wood Standard (FSC-STD-30-010) is available here: <https://ic.fsc.org/controlled-wood-standards.596.htm>

⁴ More information about the FSC Chain of Custody Certification Standard (FSC-STD-40-004) is available here: <https://ic.fsc.org/chain-of-custody.80.htm>



The exact content of the technical and financial support under all mentioned service packages will be determined in close cooperation with the forest company and will always be “tailor made”.

/ Requisites to cooperate with ProMadera

ProMadera aims to increase the competitiveness of Peruvian timber companies through strengthening its position in the national and international sustainable tropical timber value chain. Therefore, it requires participating companies to provide relevant data to establish a “Company Profile” that serves as base line and monitoring instrument for measuring progress during the implementation phase.

The actual cooperation agreement with participating companies is between the company and GIZ. This agreement stipulates concrete implementation results, the indicators of how results will be measured and which actor will implement which activities. The agreement also includes the details on who pays for what.

4) Support to reach FSC 100% Certification

- Technical assistance (details to be defined depending on the specific needs and company/forest situation)
- Co-financing of external consultants and FSC audit costs

5) Support to International Market Linkages

- Technical support aimed at the 4P’s of marketing (Product, Price, Promotion, and Place) focusing at export markets in Europe / Germany
- Co-financing of Market development activities (development of products, participation in international fairs, marketing skills, etc.)

6) Support to National FSC Market Access

- Technical support aimed at sales, quality, standardization, product development, etc.
- Co-financing activities to increase sales of FSC products on the national market (e.g. sales points, market linkages)

