Partnerships for Forests

How to unleash the potential of non-timber forest products in Colombia?

A Partnerships for Forests Program Perspective

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Introduction

Colombia has immense potential to use nature-based solutions to solve the most pressing development challenges. Its biodiversity and its applicable uses can guide the country on the path of equitable development, in social, economic and environmental terms. One path for the sustainable use of natural resources is the creation of public policies that facilitate their use by communities and the private sector.

The Partnerships for Forests[1] (P4F) program, funded by the UK government, has been working since 2019 to foster a public policy to regulate the sustainable use of forests. As part of the support, P4F provided the platform to develop a multidisciplinary, participatory and intersectoral process that resulted in the issuance of Decree 690 of 2021. The purpose of this decree is to "regulate the sustainable management of wild flora and non-timber forest products (NTFPs)", and seeks to improve efficiency and inclusiveness of the harvesting permit granting process for communities and companies. This document offers perspectives on the priorities that the government, the private sector, academia and communities must address to leverage the potential of NTFPs and to continue to strengthen this regulatory framework in Colombia.

Colombia has 59.7 million hectares of tropical forests and is home to more than 26,000 plant species of which 6,000 have been reported as having some type of use[2]. Despite this enormous diversity, over the past 20 years more than 2 million hectares were lost for different reasons, including most notably land grabbing and extensive livestock. NTFPs[3] are a potential driver for local and regional economies and can help reverse the high deforestation rates of the last decade[4]. These NTFP species include raw material from native flora such as fruits, fibers, seeds, buds, flowers, bark,

[1] Partnerships for Forests at https://partnershipsforforests.com

[2] Diazgranados, M.et al., 2020. ColPlantA: Colombian resources for Plants made Accessible (2nd ed.). Royal Botanic Gardens, Kew, Richmond, UK

[3] Lopez Camacho, R. & Murcia Orejuela, G.O., 2020. Productos forestales no maderables -PFNM- en Colombia. Consideraciones para su desarrollo

[4] Global Forest Watch: Colombia at www.globalforestwatch.org

roots and leaves, which can be exploited sustainably without permanently affecting the trees, palms or shrubs from which they are produced. With an estimated global market value of USD 88 billion, NTFPs can ensure the sustainable use of wild native flora for future generations[5].

In recent decades, there has been growing interest in the role of NTFPs in creating value chains, attracting private investment, and improving the livelihoods of ethnic groups and farmer communities. However, the sustainable use of forests through wild flora and NTFPs lagged almost 50 years behind, and this lack of regulation was one of the great barriers to using the nation's forests in a bioeconomy development effort. In recent years there have been improvements in this enabling environment, and a clear example is the development of guidelines and policies such as CONPES 3934 on Green Growth (2018), which aims at "a model that efficiently and sustainably manages biodiversity and biomass to create new products, processes and value-added services, based on knowledge and innovation."

An important benchmark for NTFP potential is the global açaí market: In 2019, it stood at USD $720 million, and is estimated to grow at a compound annual growth rate of more than 12% through 2025.[6] While Brazil has 90% of the global share, the açaí market in Colombia is valued at USD $4 million.[7] If we take annual growth rates worldwide as a benchmark, this global market will expand to USD $2,089 million, and if the right policies and incentives are in place, Colombia's share could expand to USD $10 million per year by the end of this decade.

Furthermore, NTFPs are products that can ensure a better quality of life for millions of Colombians. One study estimates that between 3.5 and 5.7 billion (20–60%) people worldwide use NTFPs for self-consumption or to supplement their livelihoods. In Colombia, reports show that 1.2 million people are economically dependent on the use of NTFPs. Thus, by promoting the formalization of the industry, together with the growth potential of NTFPs in global markets, an estimated 10 million Colombians could have a livelihood derived from this sector.

Decree 690 of 2021

Promoting public policies and developing markets that protect standing forests is key to consolidating sustainable economic alternatives for companies, people and communities living in conservation areas, and thus contributing to the transformation of existing and potential socio-environmental conflicts.

A significant step in this direction was the Decree 690 of 2021, which redefines the conditions for formalizing the activities for use of NTFPs. This regulation is a milestone for all those who want to access forest biological resources in Colombia. Its fundamental component is the regulation of the ways to secure the right to the sustainable use of wild flora and NTFPs that are part of natural ecosystems.

It also seeks to comply with provisions of Article 51 of Decree-Law 2811 of 1974, which establishes that this right can be secured by law, a permit, concession and partnership[11]. Before the decree was issued, only 10% of forest-based commercial operations associated with NTFPs had secured permits from the environmental authority. This informality precluded the regulation, financing and scaling up of these efforts, and the lack of management plans (specific for commercial use) for each of the species hindered the establishment of adequate monitoring mechanisms[12].

[5] FAO, 2018. State of the world's forests. Rome.
[6] Market Data Forecast, 2022. Acai Berry Market - Global Industry Analysis, Size, Share, Growth, Trends, Demand and Competitive Strategy Analysis Forecast Report 2022 to 2027
[7] Estimación de Partnerships for Forests (P4F) basada en las ventas de las empresas de asaí vinculadas al programa
[8] FAO, 2022. The State of the World's Forests. Forest Pathways for Green Recovery and Building Inclusive, Resilient and Sustinable Economies
[9] ONF Andina, 2018. Estudio sobre la Economía Forestal en el marco de la Misión de Crecimiento Verde en Colombia. Bogotá.
[10] 20% de la población Colombiana equivalente a 51 millones al 2022
[11] De la Cruz Torres, V., 2021. Decreto 690 de 2021 "Por el cual se adiciona y modifica el Decreto Único Reglamentario 1076 de 2015, del sector de Ambiente y Desarrollo Sostenible, en lo relacionado con el manejo sostenible de la flora silvestre y los productos forestales no maderables"
[12] ONF Andina, 2018. Estudios de Economía forestal en el marco de la Misión de Crecimiento Verde en Colombia. Resumen Ejecutivo

Progress in the use of NTFPs

The P4F program, with the "Unleashing Non-Timber Forest Products in Colombia" project and through funding from the UK government, has facilitated the development of a more comprehensive regulatory framework and research on the potential of some species. The following are the three main achievements of the project. However, for a more detailed understanding of the history, results and learnings of Decree 690, see the P4F Case Study **"How Policy and Regulation Can Promote Forest-Centered Sustainable Business: Supporting the Development of a Colombian National Bioeconomy."**

1. **Preparation of technical studies and management plans for NTFP use** — Since the issuance of Decree 690 and with the support of P4F, applications have been facilitated and approved for four permits for the harvesting of açaí and palm heart in forested areas of Chocó and the Amazon. During 2022 and 2023, additional technical studies are expected to be developed and applications for new harvest permits will be submitted for: açaí palm (*Euterpe oleracea*), aguaje (*Mauritia flexuosa*), American oil palm (*Elaeis oleifera*), agraz (*Vaccinium meridionale*), ramon (*Brosimum alicastrum*) and monkey-pot tree (*Lecythis minor*).

2. **Positive impact on communities** – The approved permits under Decree 690 impact four communities and members of community enterprises in three departments, and they allow the harvest of more than 13 tons of açaí annually.

3. **Commercial linkages and increased revenue** – Through project partner companies such as Corpocampo, communities have access to the commercialization of açaí in national and international markets for approximately USD $122,000. [13]

Recommendations to foster growth of NTFPs in Colombia

The Decree 690 of 2021 is a first step towards promoting the sustainable use of NTFPs. To realize the potential of this sector, Colombia must continue to build local capacities, create markets with a high scientific and technical component, and strengthen inter-institutional governance. The following recommendations are provided from the perspective of the P4F program and should be used as a starting point to foster dialogue among stakeholders:

Articulate existing public policies that facilitate the sustainable use of ecosystems

For example, the National Bioeconomy Mission [14] seeks to promote the creation of "value chains for biodiversity products with high added value, with a regional focus," the promotion of "global, sustainable and high value-added businesses" and the creation of "development alternatives for the rural sector." A key component for the diversification of economies and the emergence of new value chains is the articulation with existing public policies such as CONPES (Green Growth 3934[15] or Circular Economy 4004) and the development of new policies that regulate, facilitate and enhance the productive and sustainable use of resources from natural ecosystems.[16]

[13] El valor de presentación de 100 gr cuesta $15,000 pesos y sobre 300 gr $13,500. Entonces, el valor por año en su presentación más pequeña es $1950 millones COP en las presentaciones por encima de los 300gr (hasta 1 kg) $179,685,000, alrededor de 38.4k GBP. Estos son los extremos y en

[14] Minciencias, 2020. Bioeconomía para una Colombia viva y diversa: Hacia una sociedad impulsada por el Conocimiento

[15] DNP, 2018. Política de Crecimiento Verde. Documento CONPES 3934 de 2018. Resumen Ejecutivo

[16] Rodríguez, A.G., Rodríguez, M. & Sotomayor, O., 2019. Towards a sustainable bioeconomy in Latin America and the Caribbean: elements for a regional visión. Natural Resources and Development series, N°193

Foster intersectoral dialogue to support growth of NTFPs in Colombia

Colombia's economic growth based on the use of natural resources requires a joint effort between the public and private sectors, civil society and academia, among others. The local challenges of infrastructure as well as the technical and scientific knowhow for building these new sustainable supply chains require greater investment. Furthermore, the private sector plays a pivotal role in energizing national and international markets in which consumers increasingly consider the importance and added value derived from sustainability. Similarly, the government must strive for a comprehensive view in which the different sectors (transport, science and innovation, industry and commerce, environment) establish mechanisms to face their own and intersectoral challenges of the bioeconomy.

Considerations for communities and businesses

Create partnerships and promote rural entrepreneurship

To guarantee resilient productive structures in a rural context where informality prevails, it is necessary to promote associativity through entrepreneurship processes. To establish a rural-urban connection, we need research on the social structures of the territories, and to provide the legal, technical and financial tools for the creation of businesses that take into account cultural values and provide mechanisms for a distribution of benefits and equitable integration into value chains.

Analyze territorial specificities to develop market-based NTFP value chains

The socio-environmental specifics of each territory must be the starting point to develop supply chains adapted to their specific contexts. In Colombia, forested areas are often located in non-interconnected zones with restricted access to basic services such as energy, transport or telecommunications. Creating these value chains requires alternative solutions that address the challenges and help develop market-competitive products. This also requires a recognition of the role of consumers and joint efforts that publicize the value of NTFPs and foster their consumption.

Develop technical and scientific capacities for the creation of high value-added products

Engage in participatory research to foster the use of NTFPs

There are more than 150 NTFPs[17] with potential uses. However, the technical concepts and environmental criteria of growth rates, seasonality, climatic conditions and productivity that guide the management plans under Decree 690 of 2021 are yet to be developed and the challenge is that most of these species have not been studied from a commercial perspective. Even so, NTFPs have been used by local communities for hundreds of years and consequently, they are well aware of their properties as well as their use based on natural dynamics. Therefore, there is a need to promote participatory research, which recognizes the value of ancestral knowledge and which in turn serves as a guide in a process of co-creation with multiple stakeholders.

Develop technical and scientific capacities for the creation of high value-added products

Building technical capacities in rural areas allows for the development of more productive processes that transcend the mere harvesting of raw materials. To this end, it is necessary to technify processes (e.g., pressing, pulping, packing) under national and international quality standards. This allows for the sophistication and creation of value-added products that yield greater benefits for local communities.

Scan this QR code to access the full Case Study "How policy and regulation can promote sustainable forest-based businesses: Supporting the development of a Colombian national bioeconomy," developed by P4F.

[17] Rojas M. T., Cortés C., Noguera M., Acosta P. y Diazgranados M. 2021. Guía práctica para potencializar el uso sostenible de los ingredientes naturales en Colombia. Royal Botanic Gardens, Kew (Reino Unido), Instituto de Investigaciones en Recursos Biológicos Alexander von Humboldt.