Communities expectations on investments

Jogja, February 9th 2012
Expectations:
What we want from investors?

• People who want our products, understand our businesses, and respect our rights and existing organizations.

• Ways to dealing directly –not through middlemen/traders- who visit us.

• Need investors who help us to build feasible business plans including the needs of all members, both social and environmental (care about environment, be pro-farmers)
Expectations:
What we want from investors?

- Loan scales and rates that are appropriate to needs of farmers, including demands for collateral.
- Investors must share risks with us (e.g. if fire/harvest failure)
- Clear roles and bottom-up based design of business plans.
- Partnering to service delivery (e.g. government)
- Banking sector need to be convinced that community forestry is a viable business.
Expectations:
What we want from communities?

• Need to understand better what *investment* is, and how it can help communities
• Learn how to distinguish “hard” and “soft” investors, and work hard to attract the right ones.
• Establish clear formal organisations, keep sustainability standards and improve product quality.
• Build partnerships to fill the gaps in our own lack of experience.
• Educate community to think critically
• Larger groups to increase volume of timber
Some experiences:

- Nepal: “if the root is strong, the top is strong”.
- Guatemala: clarifying different kinds of objectives of groups, avoiding political goals and struggles interfere with community businesses, but strengthen local projects.
- Mexico: community and investors usually speak different languages, and operate on different time frames.
- Indonesia: both communities and investors have bad experiences in the past. We must focus on learnt lessons.