

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.