



# Presentation of the first case study: the case of forestry



Juha Ruippo  
Director of International Affairs  
MTK - Finland



# Finnish Agri-Agency for Food and Forest Development (FFD)

- Established in 2012
- Members **MTK** (Finnish Central Union of Agricultural Producers and Forest Owners), **SLC** (MTK'S Swedish-speaking sister organisation, **Pellervo-seura** (Confederation of Finnish cooperatives) and Association of **ProAgria** Centres
- 4 employees (3 in Finland, 1 Ethiopia)
- FFD supports agricultural and forestry producers and their organisations in developing countries
- 10 - 15 twinning projects with duration of 1 – 2 years





## Completed projects of FFD

### **Vietnam (2009-2013; Thue Thie Hue, Quang Tri and Savotta FMA):**

- 70 % of the co-operative members (1800) acquire fertilizers and is marketing their products through co-operatives
  - The producer prices of seedlings and fertilizers have decreased 20 – 30 %
  - 60 – 80 % of the forest owners receive 10 % higher revenue from the forest
- ⇒ *Continuation project, two projects combined as a one greater project*

### **Ethiopia (2009-2013; Zenbaba Union and Kyyjärvi FMA):**

- 650 forest owners are trained to forestry and sales of timber
  - 4 forestry co-operatives have been established
- ⇒ *A new widened continuation project (EU-funds combined)*





## Case in Ethiopia:

**Objective: Poverty eradication of small farmers through selling eucalyptus poles**

**The number of project cooperatives grew from 4 to 20**

- If the cooperative's management is active, we have no reason to doubt cooperative's functionality
- The price of poles improves along with joint purchases. This has already occurred in the cooperatives. The situation resembles the situation in Finland in the 30s.
- One cooperative who lately participated in the project contracted the largest licence to harvest of the project history.
- The operation of the cooperatives has mostly depended on the capabilities of the persons in charge





# Training

## Marketing

- Provided for all the project cooperatives (farmers included as well)
- Links to the markets have been searched and successfully found Including the markets outside Ethiopia

## Forestry training

- How to plant, tend etc. Training for all the farmer members of the cooperatives
- Agroforestry – higher revenues

**Accounting and management training for the cooperatives and unions (capacity building)**





## Agroforestry and demonstration plots

### Local innovation

- One voluntary of the 12 cooperatives, whose field is used as an example for the other cooperative members. Attention is paid on all the cultivation technique details improving quality of harvested trees. This leads to increased opportunities for better price
- The revenue of demonstration plots from both trees and other plants goes to the landowner
- The idea is to spread the good practices from farmer to farmer. The results can be observed from the surrounding fields when successful





## Challenges to scale pole trading up

- ❖ Nurseries are collectively owned and managed by the cooperatives or grounded by a few cooperative farmers. Seedlings are produced for the members of the cooperatives but also to be sold to non-members.
- ❖ The diversification of cooperatives and the cooperative union to all forestry products combining honey and wood. Different products from the forest are now managed by the same cooperative
- ❖ In the future a bigger possibility to investments if and when the operations of the cooperatives continue profitable.
  - ❖ Transportation/logistics
  - ❖ Forestry tools/machinery
  - ❖ Infrastructure of cooperatives

