

# HCV assessments for biofuel feedstock applications

## Summary of lessons learned

Final Report, February 2009



This publication was commissioned and supported by the German Technical Cooperation organization, Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH.



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# 1. Introduction

Proforest, in collaboration with GTZ, conducted two field studies over the summer of 2008 to investigate how biofuel feedstock plantations can be planned and managed to comply with biodiversity and High Conservation Value requirements contained in RSPO and other sustainability standards. Fieldwork was carried out in contrasting locations (Box 1): in a landscape designated to support ca 60,000 ha of proposed new sugarcane plantations in Northern Mozambique, and in a long-established, 52,000 ha oil palm plantation in S. Thailand, owned and managed by a cooperative of smallholders.

In each of these landscapes, we aimed:

- to understand and describe the potential HCVs present within the landscape,
- to provide preliminary guidance for the management of biodiversity and HCVs

This summary report evaluates the process of assessment, the outcomes of the exercise, and implications for future work. In particular we set out lessons learned from landscape level assessment, implications for costs and resources needed for HCV assessment, and challenges for the future.

## Box 1: Opportunities for conserving biodiversity in biofuel feedstock plantations

Establishing *new* biofuel feedstock plantations involves clearing and preparing land, some of which may be converted from natural ecosystems. It is vital to avoid damaging High Conservation Values in this process, and these must therefore be identified *prior* to land clearance. Damage to HCVs may occur by direct clearance of valuable habitat, or by displacement of activities into valuable habitat as a result of the project. There is great scope during this planning phase to improve the future environmental and social performance of the plantation and avoid very expensive and sometimes irreversible mistakes.

Managing *established* biofuel feedstock plantations for HCVs offers more limited scope for improving environmental/social performance. Much of the improvement may result from restoration of key areas (e.g. riparian buffer strips, steep slopes, community use areas), all of which will require investment and negotiation.

For both types of applications, it is critical to know what the conservation priorities in the wider landscape are, so that efforts can be made to preserve, restore and link up critical areas using established conservation landscape planning techniques.

## 2. HCV assessment process - overview

In both case studies, we followed the “[Good practice guidelines for High Conservation Value assessments](#)” published by ProForest in July 2008 (hereafter referred to as “Good Practice Guidelines”). These guidelines set out a sequence of steps for the full HCV process:



The “Good Practice Guidelines” give detailed instructions on the preparation and planning of HCV assessments, and place particular emphasis on

- Data requirements
- Team requirements
- Consultation requirements

The scope of the assessments carried out for GTZ was to deliver the on the third step, “HCV identification and report”, as management and monitoring of these values needs to be devised and implemented by the land manager, and to provide preliminary guidance on the fourth step, key points to address for management of HCVs.

We used the generic definitions of HCVs from the “Good Practice Guidelines” as the basis for identification, as neither Mozambique nor Thailand have existing national HCV toolkits (Box 2).

### **Box 2: Definitions**

**High Conservation Value:** *a biological, ecological, social or cultural value which is considered to be of outstanding significance or critical importance at the national, regional or global scale, as defined in the HCVF Toolkit (Proforest 2003) and its various National/Regional Interpretations.*

**High Conservation Value Forest (HCVF) or Area (HCVA):** *A Forest (or Area) which possesses one or more of the following attributes:*

**HCV 1** Areas containing globally, regionally or nationally significant **concentrations of biodiversity values** (e.g. endemism, endangered species, refugia).

**HCV 2** Globally, regionally or nationally significant **large landscape-level areas where viable populations of most if not all naturally occurring species exist** in natural patterns of distribution and abundance.

**HCV 3** Areas that are in or **contain rare, threatened or endangered ecosystems.**

**HCV 4** Areas that provide **basic ecosystem services in critical situations** (e.g. watershed protection, erosion control).

**HCV 5** Areas fundamental to meeting **basic needs of local communities** (e.g. subsistence, health).

**HCV 6** Areas critical to **local communities’ traditional cultural identity** (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).

**HCVF or HCVA** can also be defined as the *forest or area which is required to maintain or enhance a High Conservation Value*. This definition introduces a management goal and can accurately be described as an **HCV Management Area (HCVMA)**, a term already used in some national HCV toolkits.

In both cases, the deadline for delivery of results was short and the budget allowed only for a very brief field period. It is important to bear in mind therefore that the outputs of the case studies are preliminary and could be subject to further refinement. However, the outcomes demonstrate that highly useful information for plantation planning and certification purposes can be produced at short notice, with a small team of appropriate experts.

The HCV identification reports are, in our view, robust enough to stand up to scrutiny and sufficient to inform the partner companies in prioritising key aspects of planning for further investigation (e.g. a selective and cost-effective social and environmental impact assessment), and for devising management prescriptions to meet certification requirements.

## 3. Lessons learned from the case studies

### 3.1. *Assessment process - methodologies and outcomes*

#### 3.1.1. Data requirements

One of the priorities of this work was to establish the link between landscape level conservation priorities and site level planning (Box 3). During the preparation phase, all available data sources were examined for their utility and those which gave pertinent information on HCVs were retained and analysed in greater detail. We used the “Good Practice Guidelines” for a summary of the pertinent information to research (Box 4). In both case studies it was critical to acquire data at a range of scales.

#### **Box 3: Landscape level assessment process for HCVs**

Identifying HCVs at the project or site scale (i.e. the plantation scale) requires a wider understanding of what HCVs are present at the landscape scale. **The aim of carrying out a landscape level conservation assessment is to provide the context within which features of the project site can be judged.** This informs the appropriate parameters and thresholds that can be used to define High Conservation Values.

Both case studies define an assessment landscape and examine HCVs at the landscape level. In addition, the **Mozambique case study** presents methodologies for using landscape level HCV data in plantation or project-level planning.

A critical outcome of these studies will be to disseminate the landscape assessment methodologies to a wider stakeholder audience in order to:

- verify their validity,
- improve them,
- discover and discuss alternatives,
- establish a cost-effective and *consistent* process for doing this work in different situations
- disseminate this process and train practitioners in its use and applications

### **Remote sensing and large scale mapping information:**

- Remote sensing and map based information is essential for establishing a broad framework for site-level decisions. Some information about all the HCVs can be obtained at the widest scale of research (i.e. provincial or national scale), but this needs to be verified by targeted, well planned site visits using appropriate expertise.
- One of the key decisions is to establish appropriate limits to the landscape scale assessment. The practical approach used in both case studies was to examine a very large area on a fairly superficial basis (e.g. reviewing national/subnational-level conservation priority-setting schemes and protected area systems), and to confine detailed analysis to provincial or district boundaries. If the political boundaries do not correspond well with the biogeographic and socio-cultural context, assessment will need to cross political boundaries, which is likely to be more complex.
- Cooperation with local or national government bodies was essential for acquisition of spatial data, and was hugely facilitated by having a well-connected local collaborator within the team. This also underlines the critical role of team selection.
- Expertise in the manipulation and analysis of GIS data is essential. This expertise can come from within the field assessment team (as was the case in Thailand) or be contracted out to a relevant expert (Mozambique case). It is very useful indeed to have access to GIS capability in real time during the assessment.
- Existing initiatives (such as the Ramsar Site management programme in the Thailand case study) are an invaluable source of information. Much of the detail is only available from local offices and contacts.
- Some critical information is contained in older reference works, which may or may not be available in-country; e.g. data in the Flora Zambesica (completed in the 1960's), digitised from hard copies held in the UK, formed the basis of HCV3 assessment at the provincial scale in Mozambique.

### **Site level information:**

- In the absence of detailed studies (almost invariably the case in the tropics), relevant details for management planning need to be gathered at the site level for biodiversity values (especially HCVs 1 and 3), ecosystem services (HCV 4) and particularly for socio-cultural values (HCVs 5 and 6).
- The choice of locally experienced team members is vital to rapidly acquiring and analysing information, including building a rapport with local actors and eliminating unproductive lines of enquiry.
- Preliminary analysis of the landscape level data gave the assessment teams guidance on specific aspects to check during site visits e.g. the presence of endemic birds in Mozambique was verified by targeted visits to suitable habitat (riparian vegetation corridors) mapped at a larger scale.

- The presence of biodiversity values, particularly fauna, is difficult to verify in person in a very brief visit. Circumstantial evidence, reports available at the local level ('grey literature' e.g. natural reserve management documents, local NGO reports etc) and eyewitness reports, all contribute important information.
- A short site visit is not sufficient for mapping all the values to a similar level of detail. In particular, mapping social and cultural values requires a much more intense effort than the one we had time to carry out. Natural areas which are critical for the livelihoods of local people (HCV 5) and sites of cultural importance (HCV 6) should be determined and mapped using a participatory mapping process. This is an appropriate level of detail for a company's social/environmental impact assessment programme.

**Box 4 - Key information sources for generic HCV assessments**

**Specific guidance (all HCVs):**

- Existing national or regional HCV interpretations (see [www.hcvnetwork.org](http://www.hcvnetwork.org) for a full list)
- Case studies
- Landscape level HCV maps

**Habitat and biodiversity information (HCV1, HCV2, HCV3):**

- Maps of known ecosystems:
  - Forest types
  - Details of other ecosystems (grasslands, wetlands etc)
- List of threatened or endangered species and distribution maps
  - List of species protected by national or local law
  - IUCN Red List
  - National or regional Red Books
  - CITES lists (NB: expert opinion is needed for CITES species threat status)
- Protected areas – location, status, threats, reasons for gazettelement
- Conservation NGO information sources
- Forest inventory data

**Ecosystem service information (HCV4):**

- Soil maps, topographic maps
- Watersheds/catchment boundaries
- Fire incidence

**Social and cultural information (HCV5 and HCV6):**

- Maps of human settlement and community data
- Any social studies conducted by company, NGOs or research institutions
- Any social impact assessments available for the area in question or affected communities
- NGO projects and current campaigns by the communities or in the region
- Cultural data or information available from museum, archaeology or cultural departments or bodies

**Evaluation of scale and impact (all HCVs):**

- Existing or planned land use (including landscape scale data) and infrastructure
- Operational plans for the area to be assessed
- Environmental impact assessments conducted by or for the company

### 3.1.2. Team requirements

The makeup of the teams followed recommendations of the “Good Practice Guidelines”. In each case the team was lead by an experienced HCV practitioner (ProForest) and incorporated local or national biodiversity and social expertise and GIS capability, as well as team members concerned mainly with logistical support.

- In both cases, the expertise provided by the core team present in the fieldwork was supplemented at various levels by contributions from other individuals (subcontracted for specific items of work, or consulted by phone or email).
- A critical factor in successful HCV assessment is early and clear communication of the objectives of the study, and assignment of responsibilities.
- In both cases, the selection of appropriate experts/practitioners was extremely important not just for expert interpretation of data, but also to acquire difficult data (unpublished reports etc), to enable the assessment to run smoothly at the local level, to open doors of government offices to the investigators, and to eliminate unproductive lines of enquiry.
- In order to scale up from the current, low rate of credible HCV assessments to meet the increasing needs (particularly for palm oil and soy, due to the corresponding RSPO and RTRS standards), it will be extremely important to identify national pools of capable investigators, and to train assessors with the skill sets and experience to participate in, and eventually lead, robust assessments.

### 3.1.3. Consultation requirements

Consultation is an essential part of HCV assessment<sup>1</sup>, and serves a number of important purposes. It is used to:

- gather information on the social and environmental situation in the assessment area, to contribute to the HCV identification and decision making process,
- provide information on potential negative impacts of operations on HCVs,
- identify possible approaches for avoiding, mitigating or compensating for negative impacts of operations,
- eliminate gaps in data, where information is held by stakeholders,
- avoid or significantly reduce conflicts arising from operations,
- increase social license associated with operations in controversial areas,
- ensure the transparency of the assessment process and the credibility of the decisions taken

Whilst both case studies dealt effectively with the data gathering aspects of consultation, it was possible to engage at a more strategic or political level in

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<sup>1</sup> See the “Good Practice Guidelines” for further details

Mozambique where the ground for a national consultation process had been laid by a previous effort (a training course and workshop run by ProForest in 2007). A group of experts and national institutions were therefore aware of the concept and its potential as a tool for land use planning in Mozambique, and were effectively brought together to discuss the outputs of the case study.

#### **Implications of the case study in Mozambique:**

- The Cabo Delgado study should be made publicly available (e.g. on the GTZ and the HCV Resource Network websites) and translated into Portuguese, for local stakeholders to progress in their understanding.
- Using the range of stakeholders and institutions already involved, further efforts should be made to promote:
  - a national interpretation of HCVs in Mozambique,
  - nationally appropriate methodologies for assessment, and identification of key resources (data and people)
  - further work on a provincial-scale conservation planning framework to provide context for site-level HCV assessments, using the combined data and expertise of NGOs, industry and government.
- WWF Mozambique is well engaged and would be a suitable institutional 'champion' of the HCV concept in Mozambique, with appropriate support from other bodies.
- Government land use planners are a critical component of the stakeholder group involved in developing the concept and implementing it.

#### **Implications of the case study in Thailand:**

In contrast to Mozambique, there is currently no institutional ownership of the HCV concept in Thailand. Understanding of sustainability standards and certification issues is virtually non-existent within agricultural/forestry institutions and government offices, and very poorly understood within the palm oil industry in S. Thailand. For the studies conducted here to have an impact, a programme of collaborative work and capacity building with the Thai palm oil industry, governments and NGOs will be necessary.

- The work done on the Krabi Palm Oil Farmer Cooperatives Federation should be translated into Thai and submitted for consultation to the cooperative (at the local level, English is very poorly spoken or not at all).
- The work should be made public for wider consultation, with permission of the industry partner.
- Depending on the likely capacity for progress towards certification, a range of stakeholders should be contacted to start a process of national interpretation of HCVs. It is recommended that such an effort should be appropriately prioritised within a wider strategy of building support for RSPO certification and capacity building.

### ***3.2. Resources required for HCV assessment***

One of the objectives of these case studies was to evaluate the level of effort and cost required to produce HCV maps at the landscape level and HCV guidance at the project or site level.

Cost will evidently vary with the situation but the case studies are probably fairly representative of the level of effort required for completing the first three steps of the HCV process (see introduction). As a very rough figure, carrying out a good and usable scoping assessment for a large plantation area in the tropics or subtropics, including the large landscape context, is likely to cost in the order of 10-30K USD. This is a very small fraction of the total investment that a company might expect to make for environmental impact assessments. It is likely that this will be recouped many-fold by helping to target ESIA efforts within critical areas and avoiding expensive mistakes later the planning phase.

#### **General observations on the process and time requirements:**

- Where very little information exists in an appropriate format (as for both case studies), it may take several days for an expert investigator to assemble sufficient maps, studies, satellite photos and other key data resources to begin planning the study.
- Some data may be slow to acquire. In some circumstances available data may not be sufficient to answer key questions, in which case specific data collection may have to be commissioned, greatly increasing expense and time.
- Some information, notably much map data, requires considerable pre-treatment and analysis before being usable for reporting.
- In our estimation, for a typical situation and given sufficient preparation, a small team made up of at a team leader with HCV experience and training, at least one social expert and one biodiversity expert, and a GIS expert can deliver useful results in about a week of fieldwork, for areas up to 50-100,000 ha, including verification of priorities identified at the landscape scale. In this time however it will not be possible to map some HCVs in detail. The output at this scale will be a preliminary study to guide a detailed site-level assessment.
- Factors which will increase the cost and time requirements for assessment include:
  - Increasing size of the area
  - Complexity of the topography and ecosystems
  - Complexity of the social situation (number of ethnicities and cultural groups) and degree of dependence on or cultural identification with natural ecosystems
  - Difficulty of physical access to the project area
  - Poor governance of natural resource issues, leading to difficulties in implementing compliance measures (this makes effective management measures more difficult)

- Intensity of the consultation process needed at the local or national levels
- Factors which will decrease the cost and time required include:
  - Availability of local experts with appropriate training and skills
  - Cooperative public sector stakeholders and ease in obtaining reliable government mapping and land use planning data.
  - Pre-existing conservation priority frameworks at an appropriate scale (e.g. with detail at the provincial or district level rather than national or supra-national).
  - Pre-existing HCV toolkits/national interpretations
  - Pre-existing, detailed studies of relevant social and biological values within the assessed landscape.
- It should be noted that it is not helpful or cost effective for every company within an area to conduct separate HCV assessments at the landscape level, since most will have access to exactly the same data. It is much preferable to disseminate and improve studies already carried out, which will also very much reduce the cost. For instance, the landscape aspects of the Mozambique case study can be picked up and refined by any operator in Cabo Delgado, which would enable them to concentrate on the site-level issues.
- Maps and methodologies developed for HCV identification and management must be robust enough to withstand intense scrutiny, which is a strong argument for public availability of the base data, the methodologies and the final maps.

## 4. HCV National Interpretations

### 4.1. Overview

The HCVF concept was developed by the FSC and incorporated into the FSC Principles and Criteria for Sustainable Forest Management in 1999<sup>2</sup>. It has since been incorporated into a range of other sustainability standards for agricultural and plantation commodities and for biofuel feedstocks. It is built on the notion that certain natural areas have critical value, either because they support threatened biodiversity, provide ecosystem services or provide basic needs for local people.

A practical approach to the HCV approach is outlined in the Toolkit for High Conservation Value Forests<sup>3</sup>. This defines six High Conservation Values (see Box 2) and outlines the concept as a framework to interpret information available from a range of sources, which involves relevant stakeholders in a process of decision making. The HCV assessment process should focus on three things:

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<sup>2</sup> FSC PRINCIPLES AND CRITERIA FOR FOREST STEWARDSHIP FSC-STD-01-001 (1996)

<sup>3</sup> Toolkit for High Conservation Value Forest. ProForest (2003)

1. Identifying areas which possess one or more HCV attributes
2. Managing critical areas in the landscape so that the HCVs are maintained or enhanced
3. Monitoring the effectiveness of the management

## ***4.2. HCV National Interpretation – general guidance***

For this approach to work efficiently, and for the concept to be applied consistently within and across land use sectors, the six generic HCVs need to be interpreted at a national level. This is to provide more specific information and guidance relevant to land use managers in each country.

National interpretation is important for several reasons:

- National guidance provides checklists, criteria, thresholds and support information (e.g. lists of institutions, contacts for national experts, and supporting documentation) which make it easier for managers to identify what features of their management would be considered HCV in the national context
- The generic values include terms like “significant”, “critical” and “concentration” need to be qualified according to the local context.
- Appropriate management of a high conservation value depends on the level of threat to that value (for example from changing land-use) which can vary dramatically between countries.
- National interpretation is a useful way to build consensus in the way each value is understood and applied. Ultimately this enables more consistency in the use of the concept within the country, which helps forest managers, government regulators and certifiers understand each other.

Part 2 of the Global HCVF Toolkit provides detailed guidance on the process of national interpretation.

National interpretation of the values can be undertaken by a technical working group, or a broad based multi-stakeholder group. An ideal National Interpretation working group will have:

- **Expertise:** the expertise of the members of the group or team needs to cover the full range of topics included in the HCVF definition, including biological, environmental services and social aspects.
- **Range of views:** defining HCVF should always be based on the best available scientific information, but deciding on the threshold level at which a ‘value’ becomes a ‘High Conservation Value’ is inevitably a subjective judgment. The outcome will depend on the membership of the group. As a result, it is important to try to make sure that the membership represents an appropriate range of views and perspectives.
- **Practical experience:** it is very important that the group or team includes people with real, current, practical experience to ensure that the interpretation and

accompanying guidance are appropriate, implementable and accessible to forest managers.

The process should also make use of the widest possible stakeholder involvement, for example, in reviewing of the outputs from the technical group. Care should be taken to ensure comments received from stakeholders are publicised in a transparent manner.

The outcome of this process of national interpretation should be a national guidance document on the use of HCV. This document will be aimed at forest managers, land use managers, certifiers, conservationists and people involved in land use planning.

It will:

- Explain each value with reference to the local context
- Provide guidance on how it can be identified in the field
- Provide guidance on appropriate management for each value
- Provide guidance on what type of activities are *not* acceptable in high conservation value areas

The process of national interpretation of the six high conservation values should contribute to the wider debate on best practice in land use planning. It should also help practitioners to understand how landscape-scale conservation priority setting should be linked to guidelines for responsible land use management within areas that are of conservation priority.

### ***4.3. HCV national interpretation in Mozambique and Thailand***

#### **4.3.1. Mozambique:**

In May 2007, WWF Mozambique, in cooperation with ProForest, ran a workshop in Maputo to raise awareness of the HCV concept, particularly amongst forestry stakeholders, and to draft a first version of an HCV interpretation for Mozambique. This draft document was circulated by WWF Mozambique for consultation but it appears that no final draft was published, and the work remains incomplete.

WWF Mozambique remains supportive of the HCV concept and participated actively in the GTZ biofuels study in Cabo Delgado, however the national interpretation process clearly needs a further stimulus. This has been given added urgency by the huge interest in expanding biofuel production, and it is recommended that the process should be revived as part of a working partnership with progressive industry partners interested in certification (including biofuels, plantations and natural forestry sectors), in cooperation with government and conservation stakeholders.

#### **The potential use of the HCV concept**

The 2007 workshop and the recent HCV assessment highlighted a number of challenges to implementation of sustainable land management in Mozambique. In particular, this will require the proper implementation of existing legal requirements,

for example, the involvement of local people in land zoning agreements, and the adequate sharing of benefits from land management through benefit sharing agreements which reflect the local peoples' legal and customary rights, e.g. over the use of forest resources. Additional requirements may be needed, governing the design of plantations to respect the value of the existing natural vegetation, as well as e.g. biodiversity management within commercial forest concessions and hunting reserves.

Some conservation priorities must be tackled at the national level through increased investment in government oversight and infrastructure, and fostered through partnerships between the government, industry, conservation organisations and community representatives. However, an ongoing responsibility also falls on the private concession holders to ensure conservation values are maintained wherever they occur.

It is strongly recommended that an eventual Mozambican HCV National Interpretation process should learn from the experience of similar groups elsewhere, and whose work and contact details can be obtained through the global HCV Resource Network website [www.HCVnetwork.org](http://www.HCVnetwork.org).

### **4.3.2. Thailand**

The HCV concept in Thailand is at an embryonic stage. The usual driver for HCV national interpretations has been the need for guidance for forest managers seeking FSC certification, and much more recently from other producers seeking RSPO certification or biofuel feedstock assessment. However, these drivers are weak in Thailand. The country has had a ban on logging in natural forests in 1989, and therefore the vast majority of Thailand's log production is from plantation timber, largely rubber wood, teak and eucalyptus. FSC certification activity in Thailand is low, with just 23 registered certificates in February 2009, only 5 of which are for forest plantation management (the rest are for Chain of Custody).

The Thai palm oil sector appears to be slowly waking up to the challenges raised by the need for sustainability, and the RSPO website now lists 10 RSPO members from Thailand. However, this includes 9 processors/traders and only one palm oil grower (UPOIC). In order for there to be a genuine, national process for HCV interpretation, a certain critical mass of interest in the process is necessary, normally driven by commercial imperatives to achieve certification. It is doubtful that this critical mass currently exists, and a wider strategy of building support for RSPO certification in Thailand will be necessary to reach this stage.

Until this time, it is more likely that HCV requirements will be assessed on a case by case basis for palm production; in order to ensure that this is done credibly, assessment should be carried by experienced practitioners according to current good practice guidelines, and teams should include at least one member having experience of HCV assessment for palm plantations in neighbouring Asian countries.

## 5. Implementing HCV planning – challenges for the future

### *5.1. Landscape level mapping and planning*

The case study in Mozambique in particular demonstrated that it is possible to come up with preliminary indications of provincial level conservation priorities corresponding to HCVs 1-4 within a short time-frame, using published data and existing conservation priority schemes (in this case, NGO-generated priority areas: Important Bird Areas and Biodiversity Hotspots).

In order for this work to be useful it is essential that it is exposed to stakeholder comment in order to test its premises and conclusions, and that the methodologies should be scaled up to apply to other areas of the world.

- A common methodology for assessing HCVs at the landscape scale needs to be elaborated. The case studies carried out for GTZ lay the foundations for this work. The HCV Resource Network (Box 5) is the natural institution through which to develop and disseminate such a methodology.
- A methodology (or a range of methods) for incorporating landscape-level data into project planning decisions also needs to be developed. The Mozambique example gives one possible methodology. Again, this should be developed using the HCV Resource Network as a key partner.
- The scale of these projects (i.e. large, district-level or sub-provincial plantation developments) bridges a gap between land use planning frameworks which are rightly the preserve of the state (e.g. national protected area planning) and those where local stakeholders are dominant (community-level planning). The government institutions which deal with land use planning at these intermediate scales typically have little understanding or interest in biodiversity conservation, and may be susceptible to undue pressure either from companies or higher levels of governments to green-light environmentally and socially damaging projects. Involvement of government planning departments at the national and local levels needs to be secured early on in this type of project, and a range of beneficial influences used to secure positive outcomes:
  - Clear requirements from responsible companies for land zoning which is compatible with conservation (and certification) priorities
  - Constructive lobbying and advocacy from conservation and social NGOs
  - Capacity-building aid from overseas development agencies, and investment by companies and other institutions.

### **Box 5: The High Conservation Value Resource Network**

The HCV Resource Network [www.HCVnetwork.org](http://www.HCVnetwork.org) is a network of organisations and individuals using the HCV approach, including: forest owners and managers; buyers, suppliers and certifiers of sustainable timber, palm oil, soy, and non-timber forest products; international agencies and financial institutions; and environmental and social NGOs.

The Network is globally recognized as the authoritative source on HCV issues, led by a representative coalition of stakeholder organizations: **World Bank, ITTO, IUCN, WBCSD, Mondi, Tetra Pak, WWF, TNC, Greenpeace, Forest Ethics, Call of the Earth, Forest Peoples Programme** and **FSC**. The secretariat is provided by ProForest, UK. The HCV Network promotes practical conservation by supporting collaboration, providing information on the evolving usage of HCVs, and ensuring that a consistent approach to HCVs is understood and applied throughout the world. The Network's shared vision is set out in a Charter stating its mission, structure and guiding principles. Full information is available on the Network website.

- Except in a few, exceptional circumstances, HCV maps are used on a purely voluntary basis and carry no legal weight; their implementation is driven principally by certification. It is in the interest of land-sector industries as a whole – though not necessarily individual companies – to use common maps, which provide a level playing field for planning decisions and clear guidance to certifiers. Credible national and/or international institutions need to be involved in developing, refining and updating these maps, and providing guidance to industry on how to implement them.

## **5.2. Smallholder issues**

One of the concerns which drove the GTZ study was the potential exclusion of smallholders from RSPO and other certification schemes, due to the complexity of the issues associated with HCV assessment and management.

### **Challenges of HCV for established smallholder cooperatives**

The Thailand study set out to assess HCVs within a smallholder dominated landscape. However, in practice the assessment process was very similar to that adopted for assessing large unitary management units, because of the cooperative nature of the palm oil plantations in Krabi. It is inconceivable that individual smallholders within this cooperative federation might become RSPO certified independently of their cooperatives; therefore the responsibility for managing an eventual certification effort lies squarely with the cooperative management.

In contrast to the situation in Mozambique, there were very few if any areas of natural vegetation outside of gazetted reserves for any expansion of plantations. Therefore few major opportunities for enhancing biodiversity and ecosystem services existed in this situation. These included:

- restoration of riparian buffer zones
- protection and restoration of steep slopes and other marginal areas

Whilst the management solutions to these challenges were similar to what might be expected for a plantation under company management, a number of complications for implementation in the smallholder setting exist, relative to a corresponding situation in a unitary company:

- Weak central planning and decision-making powers of the cooperatives
- Difficulties in implementation by thousands of semi-autonomous farmers, requiring a coordinated effort at awareness raising and education
- Requirement for a fair incentive scheme, and adequate compensation for smallholders losing productive land
- Challenges in oversight and verification of actions taken by smallholders
- Possible implications for smallholder land titles on land taken out of cultivation (negative incentive for restoring damaged ecosystems)

There is some doubt as to whether the current setup would be certifiable under RSPO, and these challenges would almost certainly require a systemic shift in the smallholder's organisation. However, the smallholder's association has been remarkably effective in organising itself and the challenges may be achievable with external support and capacity building. It is recommended that a follow-up project should be initiated to address wider certification challenges for smallholder cooperatives. It is recommended that such an effort should be appropriately prioritised within a wider strategy of building support for RSPO certification in Thailand.

### **HCV assessment for independent smallholders**

There is more work to be done for adapting HCV criteria to genuine, independent smallholders. Clearly, no genuine smallholder can afford or should be expected to carry out an HCV assessment on the scale of those commissioned by GTZ. For smallholder purposes, the following steps could be developed:

- Landscape scale HCV maps, developed by third parties (NGOs, industry, government or a combination of the three) which indicate whether the area of the operation has a high risk of supporting one or more specific HCVs
- Region-by-region smallholder guidance based on simplified versions of national interpretations to guide smallholders through very simple HCV identification steps for areas managed or directly affected by smallholders
- Appropriate guidance on managing and monitoring biodiversity and HCVs for smallholders
- Training and outreach programmes to raise awareness of biodiversity and HCV, and to provide support services for smallholders as local needs dictate.

The FSC has taken the lead in publishing smallholder guidance for HCV assessment in forest management<sup>4</sup>. A similar effort should be launched for independent palm oil smallholders, building on this guidance and adapting it for small-scale conversion scenarios. ProForest is preparing a discussion document for GTZ, to introduce HCV guidance for RSPO smallholders, which may serve as the basis for further developments.

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<sup>4</sup> Step by Step guide to Meeting FSC Certification Requirements for the Management and Monitoring of Biodiversity and High Conservation Value Forests – for Small and Low Intensity Managed Forests (ProForest/FSC, expected 2009) – see FSC Briefing note:

[http://www.fsc.org/fileadmin/web-data/public/document\\_center/publications/smallholders\\_briefing\\_notes/HCV\\_briefing\\_note\\_high\\_res.pdf](http://www.fsc.org/fileadmin/web-data/public/document_center/publications/smallholders_briefing_notes/HCV_briefing_note_high_res.pdf)