



BEFSCI
Bioenergy and Food Security
Criteria and Indicators

Ensuring Inclusion of Smallholders in Global Bioenergy Value Chains and Certification:

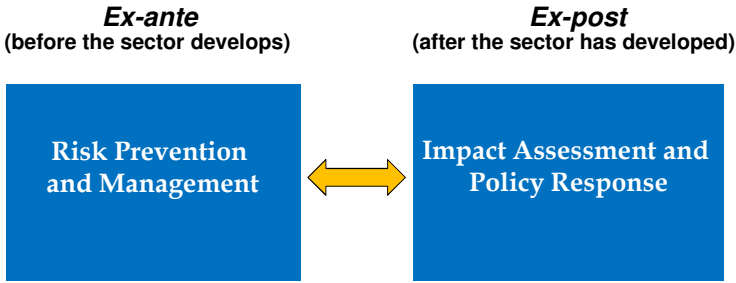
Results from Three Case Studies

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Bioenergy and Food Security Criteria and Indicators Project



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Bioenergy and Food Security Criteria and Indicators Project: ex-ante and ex-post approach




Ex-ante
(before the sector develops)

Ex-post
(after the sector has developed)

Risk Prevention and Management

Impact Assessment and Policy Response



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BEFSCI Risk Prevention and Management



Good practices that bioenergy feedstock producers may implement to mitigate risks and increase opportunities of bioenergy production



Policy instruments to mitigate risks and increase opportunities of bioenergy development, e.g. **incentives** for the “good” practices - and disincentives for the “bad” practices (i.e. carrot + stick)

BEFSCI Impact Assessment and Policy Response



Science-based **criteria, indicators** and **tools** to assess the impacts of bioenergy development on food security



Policy responses to mitigate the negative impacts of bioenergy production and/or to safeguard the areas and groups most negatively affected by these impacts.

BEFSCI Compilation of Bioenergy Sustainability Initiatives

- Numerous voluntary standards, guidance, and legislation have been developed to address the environmental and socio-economic impacts of biofuel (feedstock) production;
- Key gap identified was the need for a comparison of the challenges and opportunities presented by certification for smallholders**

Legislative Frameworks	Voluntary Standards / Certification Schemes		Scorecards
Swiss BLCAO GER BioNachV EU RED NET Cramer Crit. UK RTFO CA LCFS US RFS2 Brazil Social Fuel Seal	Basel Criteria Bon Sucro CSBP GBEP GGLS2	ISCC RSB RSPO RTRS Sekab VSEI FSC SBA	IDB BSS WB/WWF BESS

- Available at <http://www.fao.org/bioenergy/foodsecurity/befsci/62379/en/>

Existing Literature on Smallholder Inclusion in Global Value Chains

Benefits

- Higher income for smallholders through increased market access, price premium, and/or higher yield through agricultural training
- Processing companies can secure feedstock without purchasing land

Challenges

- Lower technical and managerial capacity
- Building trust to ensure stable supply
- Farmer organization, scale
- Costs for capacity building
- Costs to improve infrastructure

How are the benefits and challenges impacted by certification?

Building on Existing Literature and Expertise: Case Studies

Contrasting 3 Countries, 3 Feedstocks, 3 Business Models, and 3 Certification Schemes



Peru, in partnership with SNV

- Feedstock: Sugarcane
- Business Model: Outgrowers/Contract farming
- Scheme: International Sustainability and Carbon Certification (ISCC)



Mali, in partnership with IIED

- Feedstock: Jatropha
- Business Model: Joint venture and cooperative
- Scheme: Roundtable on Sustainable Biofuels (RSB)



Thailand, in partnership with GIZ

- Feedstock: Oil Palm
- Business Model: Partnership farming/Independent Smallholders
- Scheme: Roundtable on Sustainable Palm Oil (RSPO)

Key Findings

- *Under current scheme structures, **smallholders can still participate in global bioenergy value chains**, without becoming certified, through a mass balance chain of custody system (percentage of feedstock can come from uncertified sources)*
- *There is a **lack of current incentives** to certify smallholders, even with existing mechanisms for smallholder certification*
- *Farmer organization is a key factor in the success of both engaging with buyer companies; and in managing the certification process*

Recommendations

- *Create incentives for smallholder inclusion at the policy and private standard level*
- *Incorporate certification elements in existing capacity building efforts*
- *Develop financial mechanisms to enhance smallholder inclusion*
- *Tailor smallholder inclusion measures to the specifics of both the country and crop*



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THANK YOU!

<http://www.fao.org/bioenergy/foodsecurity/befsci>

Full report available **December 2011**

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