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“Bridging the gap between increasing knowledge and decreasing resources”

## Small Scale Forest Enterprises with Social Responsibility – Non-Destructive Forest Use and Poverty Alleviation

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### Abstract

The objective of this study was to develop a theory of how tropical forest communities can overcome poverty while using the forest in a non-destructive way. We used the Grounded Theory as a methodology for achieving this objective. Three data acquisition methods were used: literature review, problem centred in-depth group discussions, and focused observation in forest communities of Brazil, India, and Thailand. The acquired data was coded and put into interrelations between the causes for poverty and destructive forest use, the possible intervening conditions and the action strategy in order to overcome them, and the possible consequences of the action strategy.

As the result the action strategy could be formulated as the establishment of Small Scale Forest Enterprises with Social Responsibility (SSFESR). SSFESR imply obligatory forest monitoring and non-destructive forest management and creation of working places which depend on an intact ecosystem. We suggest the processing and the marketing of Non Timber Forest Products (NTFP) as a way for income creation in the SSFESR. Thereby various, complementary NTFP should be worked with in order for communities not to become dependent on only one source of income. We see SSFESR as a possibility of how sustainable development can be implemented into economic activities of tropical forest communities. SSFESR provide an environmental benefit as the forest conservation and forest monitoring, an economic benefit as the creation of working places and increase of income, and a social benefit in regard with infrastructure development, professional training etc.

The development of SSFESR is only possible under the conditions of (1) legal rights for forest management, (2) targeted investments and initial capital for the organisation of economic activities with social responsibility, and (3) organisational, technical, and methodical support. In order to validate the theory we suggest developing a mathematical model which would run with real case data showing the interdependencies between the investments into the enterprise development, the number of conserved hectares of forest, and the number of created working places.

**Keywords:** Non-timber forest products, poverty alleviation, small scale forest enterprises, social responsibility, sustainable development, tropical forest communities