



Tropentag, September 16-18, 2015, Berlin, Germany

“Management of land use systems for enhanced food security:  
conflicts, controversies and resolutions”

## Impact of Sustainable Certification of Smallholder Farmers: The Case of Abaca Cultivators in Catanduanes, Philippines

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### Abstract

Abaca (*Musa textilis* Née), widely grown in the Philippines, is the key raw material for the production of specialty papers. Abaca cultivation in the country is largely dominated by smallholder farmers. Glatfelter, the world's leading tea bag paper manufacturing corporation, has developed a group certification scheme for sustainable Abaca cultivation, called the Catanduanes Abaca Sustainability Initiative (CASI). CASI represents the first group of Abaca farmers certified by Rainforest Alliance (RA). The purpose of the sustainability certification is to inform the consumers about the social and environmental production conditions of a particular commodity. This study aimed at examining the farming and trading practices in Catanduanes, the world's capital of Abaca, as well as the environmental, social and economic impact of RA certification on Abaca smallholder farmers. Primary data was collected in Catanduanes from August to October 2014. The study made use of mixed-methods combining quantitative and qualitative research, including semi-structured interviews with certified and non-certified Abaca farmers, strippers, sub-traders, and government functionaries.

The study suggests that farm cleanliness, improvement of the natural water reservoirs and awareness of the importance of wildlife protection are the main environmental benefits derived from the RA sustainability standards implementation. Observance of principles such as the prohibition of minor-age laborers and fair payment conditions for farm workers, poses the greatest challenge for standard compliance. Access to information about better farming practices is the leading motivation for farmers' participation although certification initiatives thus far, have targeted relatively better-off small holders in Catanduanes. Price premium is widely regarded as a key economic benefit of sustainable certification but the study found that certified produce is not entirely sold at certified prices and through certified channels, thus limiting its economic impact. Weak financial capabilities of farmers and traders, lack of good quality stripping knives and drying technologies, poor knowledge on classification of quality grades and fraudulent practices at the different levels of the Abaca supply undermine a fair distribution of economic benefits in the Abaca sector. Future efforts of sustainable certification in the Abaca sector should be targeted at enhancing transparency of the trading system and improving production of quality fibers.

**Keywords:** Abaca, Catanduanes, net map, rainforest alliance, smallholder farmers, sustainable certification