

## Darwin Initiative Main/Post/D+ Project Half Year Report (due 31 October 2016)

<b>Project Ref No</b>	22-010
<b>Project Title</b>	Enhancing management and benefit flows in Vietnam's wild medicinal products
<b>Country(ies)</b>	Viet Nam
<b>Lead Organisation</b>	TRAFFIC International
<b>Collaborator(s)</b>	Bac Kan Provincial Forest Protection Department (FPD), Hanoi University of Pharmacy and DK Pharma/Dk Natura, Ministry of Health, Viet Nam
<b>Project Leader</b>	Madelon Willemsen
<b>Report date and number (e.g., HYR3)</b>	31 October 2016, HYR2
<b>Project website/Twitter/Blog /Instagram etc</b>	<a href="http://www.traffic.org">www.traffic.org</a> ; <a href="http://facebook.com/trafficsea.gmp">http://facebook.com/trafficsea.gmp</a>
<b>Funder (DFID/Defra)</b>	DFID

### 1. Outline progress over the last 6 months (April – Sept) against the agreed baseline timetable for the project (if your project has started less than 6 months ago, please report on the period since start up to end September).

The following progress was achieved between April-September 2016:

Under the Output 1, team continued to engage, and, where relevant, formalize the participation of stakeholders in the project. Building on the baseline income survey (**Activity 1.1**), the discussion was initiated about alternative methods of evaluating change mid-term.

Building on the national and international market studies, the project team has developed the updated list of MAPs from the project areas (**Activity 1.2**). The implementation of training programme on improving entrepreneurial skills (**Activity 1.3**) was linked to the **Activity 2.2**, as target groups (collector households) for this activity overlap. See Activity 2.2. below for progress.

Building on the Assets-Based Community Development training and engagement sessions in Y1, further facilitation to the operation of the local collectors' organisations (**Activity 1.4**) has continued. In the reporting period, 16 organisations, established in Y1, launched the operations and developed their structure set-up. Issues of non-discrimination against gender, ethnicity, and economic status were considered in forming the collectors' organisations. All group members were trained in FairWild principles of sustainable harvesting, processing and trading.

In order to support the application of sustainability certification schemes (**Activity 1.5**), the baseline verification against FairWild Standard and organic regulation regarding wild collection in the project sites was completed in September 2016. The verification report identified the implementation achievements and critical shortcomings against the implementation of these two standards at the levels of Nam Xuan Lac Collector Cooperative, DK Natura and DK Pharma. Stakeholder are now aware of the gaps in achieving the certification, and this report will be used for adaptive actions through the Y2-3 of the project. The FairWild documentation was disseminated to stakeholders by project staff. New project implementation team members were trained in the FairWild Standard by TRAFFIC's team in Cambridge (through webinars).

Meetings were supported to increase the access to markets for local collectors (**Activity 1.6**). In particular, two meetings were held between DK Pharma, DK Natura and cooperative/collector

groups. The outcome of these meetings were the signing of a contract between the Xuan Lac cooperative and DK Pharma/DK Natura for trade in Jiaogulan. The contract includes a contractual obligation to pay 5% mark-up on the market price for ingredients. New commercial partner, Vherb, a Vietnamese pharmaceutical company, was also introduced to the project. Discussions with the Vherb are in progress to formalise the relationship. Discussions were also ongoing with the potential buyers in the EU and US, and the plans for the promotion of the project during the world's largest organic trade fair BioFach in February 2017. The collectors were supported with the diversification of national market channels, and the value-addition.

A set of project activities in support of the Output 2 delivery was implemented. In particular, further awareness-raising activities (**Activity 2.1**) were rolled-out through meetings and trainings. The training of trainers' materials on sustainable harvesting methods and monitoring of species in response to harvest were developed and [delivered to 12 Bac Kan FPD staff and 18 community representatives](#) (4 of them women) in August 2016. The trainers have since been delivering training sessions to the collectors (**Activity 2.2**). Two sessions were held: one with the focus on sustainable collection with (523 participants, 140 women), and one on the cooperative and group operations (353 participants, 115 of which women). Active participation of women collectors was encouraged and further efforts will be taken to support their empowerment. The Pocket Guide to promote FairWild principles on sustainable harvesting is being developed targeting collectors covering issues of sustainable harvest, processing, storage, and in MAPs.

Resource management activities were ongoing in the reporting period (**Activity 2.3**). The resource inventory is being updated based on the most recent surveys. The sustainable harvesting manual, together with the establishment of sustainable collection quotas and the identification of collection areas for target species are being completed. External experts and the project team have been drafting the species and area management plan, in parallel with the province-level MAPs policy review and field studies. In order to support the development for the province-level sustainable MAPs use strategy (**Activity 2.4**), project staff continued the dialogue with relevant provincial departments based on earlier commitments.

Under the Output 3, the project experience was highlighted (**Activity 3.1**), including as a contribution to the delivery of the CBD's Global Strategy for Plant Conservation (in the [Report](#) submitted to the 1<sup>st</sup> meeting of the Subsidiary Body on Implementation, May 2016), and in the preparation of [the study](#) "The applicability of traceability systems for CITES medicinal plants with a focus on the Greater Mekong countries". The project mid-term successes were also presented at several events (e.g. [this](#)) during the IUCN World Conservation Congress (**Activity 3.5**). Project staff has engaged with the BioTrade stakeholder forums in Viet Nam and provided the technical inputs to these, drawing on the experience of FairWild implementation (**Activities 3.2 and 3.3**). A new partnership with the [BioTrade Implementation Group](#) (BIG) was established to further support the delivery of Activity 3.3. To date, the BIG supports the gap analysis of policies/laws that cover harvesting and trade of forest resources (including MAPs), using the Timber Legality Framework and the FairWild Standard as frameworks. A report outlining policy recommendations will be prepared in the next reporting period, and findings disseminated at relevant forums and workshops to inform policy makers of the gaps and recommendations (**Activity 3.4**)

TRAFFIC has strengthened its partnership with the Administration of Traditional Medicine Management (ATMM) to promote sustainable harvesting with the government and other local organisations. A workshop on FairWild and the Good Agriculture and Collection Practice (GACP) Strategy and a forum for traditional medicine practitioners will be organized in the next reporting period. The objective of this engagement is to develop a plan of action to integrate FairWild standards into GACP or identify alternatives for wider policy impact (**Activity 3.4**)

**2a. Give details of any notable problems or unexpected developments/lessons learnt that the project has encountered over the last 6 months. Explain what impact these could have on the project and whether the changes will affect the budget and timetable of project activities.**

Project team changes occurred in the reporting period. A Programme Officer Thuy Nguyen was recruited in May 2016 to replace the staff member who left in the same month. In July 2016, a new director of the FPD was appointed to replace Mr Hai, the leader of the project implementing board in Bac Kan province. Both change requests were approved.

The continuous commitment of support from local partners, stakeholders and regional government officials is a challenge, and is addressed by nurturing productive relationships with all stakeholders including the local collector groups.

The involvement of the governmental ministries in the project is challenging, as the promotion of the MAPs cultivation is often prioritized over the sustainability of wild harvesting. Partners collaborate with various agencies to address this. This includes working with the Biodiversity Conservation Agency (MONRE) on demonstrating the link to Access and Benefit Sharing (ABS) implementation under CBD, and with the Ministry of Health around the development of the action plan to integrate the sustainability of wild collection of MAPs into the Viet Nam GACP.

The challenge of establishing the sustainable linkage to the international market players interested in FairWild certification is addressed via several strategies: continuous engagement with the potential buyers for Jiaogulan, promotion of other MAPs, and supporting collectors to diversify national market channel, which offer premium prices.

**2b. Have any of these issues been discussed with LTS International and if so, have changes been made to the original agreement?**

Discussed with LTS: Yes

Formal change request submitted: Yes

Received confirmation of change acceptance Yes

**3a. Do you currently expect to have any significant (e.g., more than £5,000) underspend in your budget for this year?**

Yes  No  Estimated underspend: £

**3b. If yes, then you need to consider your project budget needs carefully.** Please remember that any funds agreed for this financial year are only available to the project in this financial year. If you anticipate a significant underspend because of justifiable changes within the project please submit a rebudget Change Request as soon as possible. There is no guarantee that Defra will agree a rebudget so please ensure you have enough time to make appropriate changes if necessary.

**4. Are there any other issues you wish to raise relating to the project or to Darwin's management, monitoring, or financial procedures?**

The project does not expect significant underspend in Y2 budget. However, It is worth noting that due to the GBP exchange rate fluctuation following United Kingdom's vote to leave the European Union, the activity budget for Y2 has been reduced in Viet Nam's operating currency (USD) by GBP equivalent of just under £10,000. Negative consequences for the project activities are not anticipated, changes affecting the travel costs and the translation budget.

**If you were asked to provide a response to this year's annual report review with your next half year report, please attach your response to this document.**

**Please note: Any planned modifications to your project schedule/workplan can be discussed in this report but **should also** be raised with LTS International through a Change Request.**

Please send your **completed report by email** to Eilidh Young at [Darwin-Projects@ltsi.co.uk](mailto:Darwin-Projects@ltsi.co.uk) . The report should be between 2-3 pages maximum. **Please state your project reference number in the header of your email message e.g., Subject: 22-035 Darwin Half Year Report**