

Biodiversity Challenge Funds Projects Darwin Initiative, Illegal Wildlife Trade Challenge Fund, and Darwin Plus Half Year Report

Project reference	28-026
Project title	Himalayan plants for people: sustainable trade for biodiversity and development
Country(ies)/territory(ies)	Nepal
Lead partner	TRAFFIC
Partner(s)	ANSAB, Ministry of Forests and Environment, Federation of Community Forestry Users Nepal (FECOFUN), ProFound - Advisers in Development, University of Oxford, University of Copenhagen, Royal Botanic Garden Edinburgh, Nepal Herbs and Herbal Products Association (NEHHPA), FairWild Foundation, China Association of Traditional Chinese Medicine
Project leader	Anastasiya Timoshyna
Report date and number	HYR3 ; 31 October 2023
Project website/blog/social media	Matchmaking companies with ethical and sustainable wild-harvest producers in Nepal. ; World Wildlife Day 2023: partnering to support CITES for almost 50 years ; World Health Day 2022: Celebrating the Himalayan plants supporting local livelihoods, health, and biodiversity ; ANSAB: HIMALAYAN PLANTS FOR PEOPLE: SUSTAINABLE TRADE FOR BIODIVERSITY AND DEVELOPMENT ; CITES and Livelihoods case-study Spotlight on wild harvesting: Sustainability pain points and potential for action Can wildlife trade ever be beneficial? A look at its positive side

Outline progress over the last 6 months (April – Sept) against the agreed project implementation timetable.

The resource inventory was completed in the previous reporting period Y2 (**Activity 1.1**). A comprehensive report has been finalised in this reporting period (*SD1: NTFPs Resources Assessment Report*). The assessment report provides the population status of Jatamansi and its associated species, their effective area, density, frequency of occurrence and mean growing stock per hectare in the forest and meadows. The report also provides the total growing stock and annual allowable harvest amount in Community Forest User Groups (CFUGs). The total growing stock of target NTFPs in all 29 CF was found to be 153.63 t while the annual allowable harvest or sustainable harvest amount was found to be 61.44 t from Community Forests (CFs) in the project districts. Area of distribution was mapped alongside highest potential altitude and aspects for growth of priority species. **Activity 1.2** was completed in previous project periods.

Based on the gap analysis with respect to the FairWild and Organic standards along with the provisions of sustainable NTFP harvesting including total effective area, growing stock and annual allowable harvest (AAH) quantity, the CF operational plans have been prepared. A total of 29 Community Forest Operational Plans (CFOPs) have been drafted by field staff in this reporting period (**Activity 1.3**). CFOPs have been submitted to the respective sub-division forest office and Api Nampa Conservation Area Office for review and feedback. Field staff incorporated the feedback CFOPs were submitted to the divisional forest office and Api Nampa Conservation Office for final review and feedback. The CFOPs include the provisions for FairWild and Organic standards and sustainable NTFP harvesting. So far, a total of 6 CFOPs (3 Jumla, 1 in Mugu and 2 in in Bajhang districts) have been approved with the remaining 23 CFOPs in the process of being approved (*SD2: List of approved CFOPs in the project districts*).

Project training packages have been developed in previous period (**Activity 1.4**). In the reporting period, ANSAB developed additional briefing notes on species level sustainable harvesting practices of 10 high value NTFPs species in Nepali language (*SD3: Sustainable harvesting guidelines of 10 key NTFPs*). These were distributed among the CFs of five districts as a reference material for refresher trainings. Sustainable harvesting methods/practices were also incorporated within the CFOPs in all five project districts.

A total of 29 refresher training events were organised for CFUGs within five project districts (9 in Humla, 5 in Mugu, 7 in Jumla, 4 in Bajhang and 4 in Darchula) including harvesters, processing workers, CF executive members and other forest users (**Activities 1.5 and 2.2**). A total of 975 individuals (597 male and 378 female) participated in these refresher trainings during this reporting period (*SD4: List of participants of refresher trainings on participatory plant resource management, sustainable harvesting techniques, and monitoring and FairWild and Organic certification standards*). A cumulative total of 2,321 (1,366 male and 955 female) NTFP harvesters, processing workers, CF executive members and other forest users were trained to date on Sustainable Forest Management (SFM), FairWild and organic standards, sustainable NTFP harvesting methods.

The participatory monitoring of the target areas is a regular and ongoing activity jointly organised by ANSAB, DFO staff, and the FECOFUN district chapters at project sites. ANSAB supported CFUGs to conduct regular meetings with harvesters, including women and marginalized forest-dependent communities, orientation for harvesters before harvesting seasons, maintenance of accounts and record keeping at CFUG level. Four joint monitoring visits were carried out in Darchula, Bajhang, Jumla and Mugu in the reporting period (**Activity 1.6**). 20 participants from government stakeholders were involved (*SD 5: List of participants of the participatory monitoring in the project sites*). Technical gaps in the CFOPs and practical difficulty in the implementation were identified, discussed and incorporated into revised CFOPs (Activity 1.3). In the monitoring visits, focused on assessing the status of planned activities versus their implementation by the CF. The team found satisfactory results in the case of Bajhang and Darchula and provided feedback for future improvements. In Mugu and Jumla, the team identified well maintained accounts, record keeping, a harvester registry and a traceability system.

Harvesters and producer-level baselines have been established in previous periods (**Activity 2.1**). Harvester registration systems have been set up and/or improved in 37 CFUGs (**Activity 2.3**). Each CFUG has a register where they have maintained the list of harvesters and their details. During the CFUGs level refresher trainings, the harvesters along with the CF executive members were oriented on the maintenance and timely update of the harvesters. In this reporting period, four CFUGs harvesters list in Humla and one CFUG harvesters list in Darchula have been updated. In the reporting period, 10 (6M/4F) new harvesters in Humla and 7 (5M/2F) new harvesters in Darchula were added in the harvesters' register. The cumulative total of harvesters from the start of the project until now is 6,884 NTFPs harvesters across all project sites. (*SD6- Updated total numbers of NTFPs harvesters in the project sites*).

In this reporting period 31 CFUG harvester sub-committees were given training in development of policies and mechanisms for regulating fair trade and equitable benefit sharing during the CFUG level refresher trainings. **Activity 2.4**, and combined with Activity 3.4.

Building on the FairWild premium fund operational guidelines developed in the previous Darwin Initiative project, FairWild premium fund operation guidelines were re-established for Jumla district in the reporting period. An orientation training was organised by ANSAB during this reporting period in Jumla (**Activity 2.5**). A new committee for operationalising the FairWild premium fund was formed in Jumla (*SD7: FairWild premium fund operational guideline*). ANSAB and FECOFUN Jumla district chapters were nominated advisors for FairWild premium fund operationalisation in the district. The new bank account for the FairWild premium fund operationalisation has been opened in a commercial bank in Jumla. Similar guidelines will be developed immediately in an additional four districts during in the next reporting period.

Assessment of the market with regard to species in this project was completed previously (**Activity 3.1**). A number of updates for delivery of Activity 3.2: ANSAB shared market access tools developed by ProFound to 13 Nepalese producer companies. Producer companies provided feedback that the three market access tools: "Export marketing plan", "Finding buyers", and "Trade fair participation" are useful to them in finding international buyers, preparing for trade fair participation and developing marketing plans. (*SD 8: List of producers' companies among whom the market access tools were shared*). ANSAB also provided support to six new community-based producer companies in the project area (*SD 9: List of community-based producers companies supported*) through information/guidance sharing and regular contacts. Upon the request of producer groups, ANSAB, provided a list of the CITES listed plant species of Nepal as compiled by the Department of Plant Resources (DPR) (*SD10: CITES listed plants of Nepal*). ANSAB supported the development of disciplinary measures (*SD11: Disciplinary Measures*) in the Nepali language for Annapurna Aroma an essential oil producing enterprise based in Lalitpur district of Bagmati province. A species ingredient brochure developed entitled "Sourcing from the Wild in Nepal" was shared with companies in Nepal, and Chinese and other companies attending the market access workshop held in Kathmandu in June (*SD12: Species ingredient brochure*). At field site level, ANSAB organised meetings with CFUG members and NTFP harvesters in Jumla and Bajhang. 17 participants (10 male and 7 female) identified areas of support in Jumla (*SD13: List of meeting participants of area of support need in Jumla*). Based on the assessment, an urgent need to construct a shade house or storage facility at the Jatamansi collection site of Lamtehi CF was identified. This facility is vital to provide harvesters with a place to store wild-harvested NTFPs and protect them from adverse weather conditions, including rainfall, snowfall, and moisture exposure. Similarly, in Bajhang (via meeting attended by eight participants (5M/3F), the assessment identified the need to support an NTFP processing enterprise, which requires the construction

of a shade house for the storage of both raw and processed materials. (SD14: *List of meeting participants in the area requiring support in Bajhang*).

ANSAB, Nepal Herbs and Herbal Products Association (NEHHPA) and TRAFFIC with the support of Profound and the FairWild Foundation organised a Market Access Workshop from in June 2023 in Kathmandu (**Activity 3.3**). The event had a total of 63 attendees in person with an additional 13 participants who joined virtually. The virtual participants came from diverse countries, including Korea, France, Germany, Belgium, and Slovenia. The workshop generated significant outcomes, providing a platform and facilitating direct engagement between Nepali exporters and the buyers. This engagement allowed participants to strengthen trade relationships and showcase their products and samples. During this workshop, government representatives also pledged to create an enabling environment for the trade of NTFPs (SD15: *Market Access Workshop Report*). Positive donor feedback was received from FCDO, the European Union representatives, particularly regarding the virtual business matchmaking sessions. The EU invited TRAFFIC and the FairWild Foundation to present at their next business forum in May 2024.

In this reporting period, ANSAB provided training to CFUG members, harvesters and processing workers and their sub-groups on social responsibility, traceability, fair price determination, fairtrade, accounting, record keeping and equitable benefit sharing (**Activity 3.4**). 31 CFUG-level trainings were organised in the project sites (9 in Humla, 5 in Mugu, 7 in Jumla, 6 in Bajhang and 3 in Darchula) where a total of 1,375 key participants have participated since the project start date (768 male and 607 female) (SD16: *List of participants of the CFUGs level training on FairWild requirements, including the traceability system*). Trainings have assisted CFUG members, harvesters and processing workers and their sub-groups to understand traceability, including the NTFP harvested quantities, the area they were harvested from, batch and lot number of the harvested material, local trading price of NTFPs. Training has also included a focus on social responsibility including understanding child labour, minimum wage, equal wages for equal work, safe working environment and fair price calculations, as well as the Premium fund utilisation at CFUG level. As a result, each CF has maintained a harvester register including detailed information on the individual harvesters, maintained a record of activities conducted in the CF, account logbooks and traceability, enhanced social responsibility and encouraged equitable trade for CFUG harvesters and processors.

ANSAB facilitated support to CFUGs and producer enterprises with meeting the FairWild certification audit requirements (**Activity 3.5**). The onsite third-party FairWild audit in Jumla in Baghjale, Lamтели and Bhaleni CFUGs included: field visit to observe Jatamansi and Kutki harvesting in harvesting sites; group and individual interviews with the Jatamansi and Kutki harvesters; household level visits to observe drying, cleaning and storage of NTFPs; meetings with the CFUGs executive members; meetings with the local and district level traders and a visit to observe the local processing unit and interview with the processing unit manager and workers. HBTL was successful in achieving the FairWild certification. for Jatamansi Oil and Kutki dried rhizomes (SD17: *Certificate issued by ECOCERT to HBTL*), sourcing from three CFUGs.

During this reporting period, the University of Oxford has finalised the structure and started to add in expert conditional probability estimates to the Bayesian network model (**Activity 4.1**). This was presented at a conference, and probabilities have been obtained from trader groups and harvesters in Nepal, with the support of a researcher in Nepal.

ANSAB carried out an assessment of different policies related to NTFPs and the Forestry sector of Nepal, with a particular focus on the Community Forest Development Program Guidelines (revised in 2015). This assessment led to the formulation of policy recommendations aimed at creating a comprehensive and practical guideline that covers all relevant aspects, including sustainable NTFP harvesting and management practices. Based on this assessment and previous gap analysis of the CFOPs in all five districts, ANSAB revised and developed the CFOPs (**Activity 4.2**). These plans prioritise the inclusion of provisions for scientific resource inventories, sustainable NTFP harvesting methods, and practices, while addressing the mean growing stock and Annual Allowable Harvest (AAH). The amended CFOPs incorporate provisions related to FairWild and Organic certification standards. ANSAB and FECOFUN has also carried out consultation on how to move forward to provide orientation and hands-on training to local and national FECOFUN to facilitate the dissemination of guideline including NTFP harvesting and management with plan developed for activities in Nov 2023-March 2024 (**Activity 4.4**).

A model for assessing the sustainability of wild-harvested plants is being developed by the University of Copenhagen, ANSAB and TRAFFIC. A manuscript currently titled "*The sustainability of trade in wild plants – a data-integration approach tested on critically endangered *Nardostachys jatamansi**" has been submitted to an international peer-reviewed journal, confirmed for publication. In August 2023, University of Copenhagen, ANSAB, and TRAFFIC co-organised a workshop on "*Building a roadmap for sustainable management of commercial medicinal plants in Nepal*" in Kathmandu, aiming to convene stakeholders in Nepal's medicinal plant production network- harvesters, traders, processors, civil society, researchers, and government policy-makers - to discuss and agree on how to move towards more sustainable management of commercial medicinal plants in Nepal, including development of a roadmap (**Activity 4.3**). Building on a systematic review of proposed interventions in the literature, including an annotated bibliography of all literature and annual dialogue meetings with key stakeholders, five foundational pathways were identified, upon which to build future interventions: (i) increase cultivation, (ii) strengthen local management, (iii)

support domestic industries, (iv) improve sector governance, and (v) establish regional collaboration. Workshop also agreed *The Jadibuti Declaration to 2030* was agreed. Detailed information is provided on the workshop report (*SD18: Report on Building a roadmap for sustainable management of commercial medicinal plants in Nepal* – **confidential, as being prepared for peer-review publication**).

Consultation meetings and dialogue to embed sustainability considerations in Nepal’s trade policy and agreement concerning NTFPs took place (**Activity 4.5**). ANSAB facilitated two important meetings between Chinese delegates and Nepal government representatives in June 2023, focussing on plant quarantine imports and quality controls (with the Department of Plant Quarantine and Pesticide Management Centre), and creating pathways for sustainable herbal trade market between Nepal and China (with the Ministry of Industry, Commerce, and Supplies).

Project continued providing support to CBD and CITES authorities on issues of relevance to trade in plant products (**Activity 4.6**). In June, Nepal’s Department of Plant Resources extended an invitation to ANSAB to offer feedback and assistance on three critical agendas: (i) NTFPs Inventory Method (Nepali to English Translation); (ii) Technical Support for the Non-Detriment Findings (NDF) of Jatamansi, and (iii) Support for the Preparation of the Jatamansi Conservation Action Plan. As an outcome of this collaborative effort, ANSAB has completed the draft translation of the Nepali NTFP inventory guideline into English, and committed to providing technical support for the preparation of NDF. Regarding, the Jatamansi Conservation Action Plan, the draft underwent thorough discussion and review, and received substantial technical input from the project team. One notable addition to the document is a new strategy related to Fair, Responsible, and Ethical Trade. Additionally, ANSAB suggested incorporating provisions for sustainable harvesting methods and management practices for Jatamansi in the documents.

2. 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.

During the rainy season (June-July) the rural roads were blocked for almost 1 months in Bajhang and Mugu. This slightly affected the field movement of staff and caused delay in the CFOPs approval process. The transfer of DFO staff in Mugu, Bajhang and Jumla also have delayed the approval process of the CFOPs. We do not anticipate significant change to the project budget and timetable of activities.

3. Have any of these issues been discussed with NIRAS and if so, have changes been made to the original agreement?

Discussed with NIRAS: No

Formal Change Request submitted: No

Received confirmation of change acceptance No

Change request reference if known: N/A

4a. Please confirm your actual spend in this financial year to date

Actual spend: £ [REDACTED]

4b. Do you currently expect to have any significant (e.g. more than £5,000) underspend in your budget for this financial year (ending 31 March 2024)?

No Estimated underspend: £0

4c. 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. **N/A**

5. Are there any other issues you wish to raise relating to the project or to BCF management, monitoring, or financial procedures? No