

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

Note: If there is any confidential information within the report that you do not wish to be shared on our website, please ensure you clearly highlight this.

Submission Deadline: 31st October 2022

Project reference	28-026
Project title	Himalayan plants for people: sustainable trade for biodiversity and development
Country(ies)/territory(ies)	Nepal
Lead partner	TRAFFIC International
Partner(s)	ANSAB Nepal, 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 (CATCM)
Project leader	Anastasiya Timoshyna
Report date and number (e.g. HYR1)	31 October 2022 (HYR2)
Project website/blog/social media	www.traffic.org

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

Planned project activities and deliverables were on-track over the last 6 months and there is solid progress to report across all project outputs. Details on activities during this period are as follows.

The ANSAB field team carried out participatory resource mapping in 5 Community Forest User Groups (CFUGs) (2 in Humla, 2 in Jumla and 1 in Bajhang), with participation of 84 (52 male and 32 female) executive members of the community forest (CF) and non-timber forest product (NTFP) harvesters (**SD 1- Number of Participants of Participatory Resources Mapping**). Through the mapping, the potential harvesting sites within the CFUGs have been identified, along with the species of NTFPs present and in what densities. Furthermore, detailed resource inventories of three prioritized species (Jatamansi, Kutki, and Himalayan Fritillary) and other associated NTFPs were carried out. The total forest area of these 5 CFUGs was 1670.1 ha, where 1080.6 ha was found to be potential for the targeted NTFPs, and the total households managing these forests is 531. For the detailed inventories, we followed the Participatory Inventory of Non-Timber Forest Products Toolkit of ANSAB, and NTFPs inventory guideline developed by Government of Nepal (**SD 2- Toolkit on Participatory Inventory of Non-Timber Forest Products and SD 3- NTFPs Inventory Guideline of Government of Nepal**). (**Activity 1.1**)

A gap analysis of the Community Forest Operational Plans (CFOPs) was conducted against the FairWild and Organic standards (**SD 5-Summary of Gaps on the CFOPs**). The results of the gap analysis were shared and feedback sought from stakeholders at four district-level workshops in Jumla, Humla, Darchula and Bajhang. (The workshop in Mugu took place in the previous reporting period.) There was a total of 61 participants (32 male and 29 female), representing CFUGs, Divisional Forest Offices (DFOs), Conservation Area Office, FECOFUN, and NTFP harvesters (**SD 6-Number of Participants of the Gap Sharing and**

Validation Workshop). The stakeholders made commitments to address the gaps while revising the CFOPs **(Activity 1.2, 4.4)**.

As samples, three model revised CFOPs have been drafted and shared with the concerned CFUGs for their feedback. Revisions were then made by the CFUGs, incorporating sustainable harvesting methods and practices, Annual Allowable Harvest (AAH) quantity of NTFPs, child labour provisions, fair pricing of NTFPs, documentation of the traditional use and practices of NTFPs, disciplinary measures of the harvesters and processing workers, display of the NTFPs specimens of the targeted NTFPs, FairWild premium fund distribution mechanism **(Activity 1.3, 4.2)**.

Two 'training of trainers' (ToT) events were organised on participatory plant resource management, sustainable harvesting techniques, monitoring, FairWild and organic standards and certification. 31 individuals participated (15 male and 16 female), who were potential LRPs, DFO staff, FECOFUN representatives, processing facility workers and local NGOs working in forestry **(SD 7- Number of Participants in the ToTs)**. The project team used a real CF management plan and involved participants in reviewing the plan, finding gaps and developing a strategy to address the identified gaps, considering FairWild and organic standards **(Activity 1.5, 3.2, 4.4)**.

After the ToTs, the trained LRPs (with technical support from field staff) rolled out training at CFUG-level to NTFP harvesters, processing workers, CF executive members and local forest users. Training covered FairWild and Organic standards, sustainable forest management, sustainable harvesting techniques for NTFPs and Occupational Health and Safety (OHS) measures, at harvester and processing levels. In this reporting period, 20 CFUG-level training sessions (9 in Humla, 6 in Bajhang and 5 in Darchula) were completed. A total of 595 participants including 338 male and 257 female participated in these training events during the reporting period **(SD 8- Number of Participants of the CFUGs level Trainings)**. **(Activity 1.5, 2.2)**.

ANSAB technical staff and district-level FECOFUN carry out regular monitoring of the target areas to enforce the proper implementation of management plans **(Activity 1.6, 4.4)**.

The project staff organized orientation training on harvesters' registration systems for CFUG executive members, NTFP harvesters and LRPs, with a total participation of 629 people (371 male, 258 female) **(SD 10- Number of Participants of the Orientation Training on Harvester's Registration System)**. After the orientation, the LRPs were mobilized to facilitate CFUG executives to establish harvesters' registers. In this reporting period, a total of 3,212 NTFP harvesters have been registered **(SD 11-Total Numbers of NTFPs Harvesters in the Project Sites)**, contributing to an overall total of 6,867 registered NTFP harvesters in the project sites. 3,655 harvesters were registered in the previous project (DAR 25-018) and are receiving support in this phase as well **(Activity 2.3)**.

29 harvesters' sub-committees, one in each CFUG, have been developed. Before formation of the sub-committees, orientation training was organized in each CFUG. A total of 460 executive members, harvesters and workers (281 male and 189 female) have been oriented on the process, method and policy to regulate the fair trade and equitable benefit sharing mechanism in each CFUGs **(SD 12-Number of Participants of the CFUGs-level Harvesters and Workers Sub-Committee Orientation Training)**. Now there are 29 CFUG-level harvesters and workers' executive committees, representing 185 harvesters (99 male and 86 female) **(SD 13-Number of Executive Members of the CFUGs-level Harvesters and Workers Sub-Committees)** **(Activity 2.4)**.

Building on the previous FairWild premium fund operation guidelines developed and applied in Jumla under the previous project (DAR 25-018), development of FairWild premium fund operation guidelines for each of the five focal districts has been initiated. Orientations have been conducted with all CFUGs and sub-committees about the guideline and its implementation. Signatories for the operation of the guidelines in each district have been identified. **(Activity 2.5, 3.2)**

Market analyses and value chain mapping were completed by ProFound in the previous reporting period. These examined priority species included in the project proposal (jatamansi, kutki, Himalayan fritillary) as well as additional Himalayan species of potential market interest: *Atis Delphinium himalayae*, *Setochini Polygonatum cirrhifolium*, *Aconitum* and *Juniperus*. Markets for these species were investigated and found to be primarily in the US, Europe, China and India. Full findings of the exercise can be seen in **SD 19- Market research priority species** **(Activity 3.1)**. In order to support companies to reach these priority markets, ProFound developed several market access tools on "Export marketing plan", "Finding buyers", and "Trade fair participation" **(Activity 3.2)**. ANSAB will be trained on the use of these tools to support local companies access international markets.

On sustainable supply chains and market outreach, TRAFFIC attended BioFach (the world's largest organic trade fair) in Nuremberg, Germany, in July, and met with HBTL, Annapurna Aroma, and NEHHPA/Alternative Herbs, as well as several companies with potential interest in purchasing sustainably harvested jatamansi and kutki. During these meetings, it was noted that demand for certified ingredients is steadily increasing, and that interest has spiked for another semi-wild ingredient, chiuri

butter, which could be a candidate for FairWild certification. Annapurna Aroma and Alternative Herbs agreed to conduct their FairWild risk assessments within several months, so that they would be ready to start the certification process during next year's harvesting season (Oct/Nov 2023), while details of HBTL's certification in Oct/Nov 2022 were confirmed. A side-event was held by TRAFFIC and the FairWild Foundation on 'Making wild plants work for you: impacts and opportunities in responsible sourcing', at which HBTL presented on their products, sustainability, and benefits of FairWild, to an audience of approx. 25 producers, brands, certification bodies, and other wild plants stakeholders. **(Activity 3.1, 3.3, 3.5)**.

A face-to-face industry meeting in Kathmandu, to connect Chinese and Indian buyers with producers, is in early planning stages for May/June 2023. ANSAB held a meeting with NEHHPA in May 2022 to confirm their interest and support. Furthermore, ANSAB supported Annapurna Aroma to prepare presentation slides of industry to present at the International Federation of Essential Oils and Aroma Trades (IFEAT) 2022 conference in Vancouver, Canada. The Sustainable Herbs Program (SHP) arranged a visit to Nepal with ANSAB to document harvesting of wild plants, including socioeconomic aspects of harvesters and communities; the visit is taking place in October 2022 and the resulting film will be used to raise awareness of Nepalese wild-harvesting practices **(Activity 3.3)**.

At field level, ANSAB organized meetings with local processors/traders and identified the areas of support needed for upgrading the local processing enterprises. In these meetings, a total of 27 participants (18 male and 9 females) joined **(SD 14- Number of Participants of the Meetings on Identifying Areas of Support to the Local Processing Enterprises in the Project Sites)** **(Activity 3.3, 3.4)**.

At CFUG level, Nepali-translated guides on traceability, social responsibility and fair trade **(SD 15- Nepali Translated Guideline on Traceability, Social responsibility and Fair Trade)**, Occupational Health and Safety (OHS) measures **(SD 16-Manual on Occupational Health and Safety measures)** and account and record keeping manual **(SD 9- Training Manual on Account and Record Keeping)** has been shared to LRP, CFUGs and local processing companies during the roll-out trainings in the project sites. NTFP harvesters in the project sites were officially registered through developing the harvesters' registration system. The harvester registration systems (discussed above, **Activity 2.3**) will help to track the total amount of NTFPs harvested from each particular CF, as well as prices and supply chains once there is trade of the targeted NTFPs **(Activity 3.4)**.

Two supply chains (Jatamansi & Kutki) from Jumla are in the process of FairWild certification, with the audit occurring Nov 15-23. Project staff supported audit preparation by providing training and documentation support to 3 CFUGs (Lamtehi, Baghjale and Bhaleni), focused on FairWild and Organic standards, sustainable harvesting of NTFPs, OHS and sustainable forest management, updating the harvester's registration system and FairWild premium fund operational guideline **(Activity 3.5)**.

The structure for a Bayesian Belief Model that will be used as a systematic framework to assess the sustainability of international trade in different NTFPs has been built based on a literature review, and is now being refined with the input of key experts in medicinal plant harvest, the specific species in question, and international markets for these products. Experts are being interviewed to ensure that the model includes all potential factors that may influence sustainability, including demand-related factors (e.g., increasing Chinese demand for TCM), supply-related factors (e.g., community access to markets), and species-specific factors (e.g., yield). **(Activity 4.1, 4.5)**

To identify the gaps on legal provision (esp. on the guideline), a ToR has been developed **(SD 17- ToR to Analyse the Gaps in the Current CF Guidelines and Draw Recommendations for their Improvement)**. The policy review and assessment will be carried out in next reporting period **(Activity 4.2)**.

The model for decentralized alpine natural resources management has been drafted by project partners at the University of Copenhagen for Jatamansi. More data is now being collected so the model can be developed across other high-value medicinal plant species in Nepal. A workshop will be held in Nepal in November to validate the new data and request comments on the model, and a paper will then be prepared around plant-based development for poverty alleviation in Nepal. Results of the model will be presented to stakeholders for review in mid-2023, tentatively planned alongside the industry meeting planned for May/June 2023. **(Activity 4.3)**

ANSAB presented on "Challenges in international trade of CITES listed species - A case of Jatamansi from Nepal" during a CITES orientation workshop organized by the Department of Forests and Soil Conservation on April 19, 2022. The workshop was organized to inform the DFO of Bagmati province on CITES laws, current challenges and the impacts on conservation and trade of CITES listed commercially important NTFPs/MAP species (<https://ansab.org.np/news/ansab-presents-in--orientation-on-cites-law-workshop>). Similarly, in a workshop organized by the Department of Plant Resources on June 10, 2022, ANSAB shared experience and learnings from implementing CITES related activities in Nepal (<https://ansab.org.np/news/ansab-presents-on-%E2%80%9Cnepal%E2%80%99s-cites-listed-plant-species%E2%80%9D>). On the back of a Jatamansi import request to Germany earlier in 2022, EU CITES authority have responded to Nepal CITES authority with several questions on the Non-Detriment Findings

(NDFs), moving forwards to challenge the EU negative finding and allow responsible trade of jatamansi with the EU. At the CITES COP19 in November, TRAFFIC will host a side-event at which Nepalese officials have been invited to speak: 'Saving plants that save lives: risks and opportunities of trade in medicinal and aromatic plants'. **(Activity 4.6)**

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.

Due to the unusual heavy rainfall and bad road conditions in Nepal during the reporting period, a few roll-out trainings at community level were affected. To compensate, LRPs were intensively mobilized to conduct training instead of project staff where possible. This has not affected the budget or timetable for the project.

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

Discussed with NIRAS-LTS: No

Formal Change Request submitted: No

Received confirmation of change acceptance No

Change request reference if known: N/A

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

No Estimated underspend: £

4b. 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 re-budget Change Request as soon as possible. There is no guarantee that Defra will agree a re-budget so please ensure you have enough time to make appropriate changes if necessary. Please DO NOT send these in the same email as your report.

5. Are there any other issues you wish to raise relating to the project or to BCF management, monitoring, or financial procedures?

No

If you are a new project and you received feedback comments that requested a response (including the submission of your risk register), or if your Annual Report Review asked you to provide a response with your next half year report, please attach your response to this document.

- Please see **SD 18-Responses to Annual Report Y1 comments.**

Please note: Any planned modifications to your project schedule/workplan can be discussed in this report but **should also be raised with NIRAS-LTS International through a Change Request. Please DO NOT send these in the same email.**

Please send your **completed report by email to BCF-Reports@niras.com**. The report should be between 2-3 pages maximum. **Please state your project reference number, followed by the specific fund in the header of your email message e.g. Subject: 29-001 Darwin Initiative Half Year Report**