

NEPAL

Himalayan biotrade

The Asia Network for Sustainable Agriculture and Bioresources (ANSAB) in Nepal created Himalayan Bio Trade Private Limited (HBTL) to market non timber forest products (NTFPs) to national and international markets. HBTL is a consortium of community-based enterprises that specialise in natural and sustainably sourced NTFPs (essential oils, handmade paper, and medicinal and aromatic plants) that hold organic and/or Forest Stewardship Council (FSC) certification. The scheme targets supply chains of multinational companies committed to sustainability and willing to pay price premiums for sustainably sourced material (Aveda, S&D Aroma, Altromercato).

At the local level, ANSAB favours incentive-based resource management strategies such as enterprise oriented community forestry. This approach links enterprise creation to forest management in an effort to ensure the sustainable use of forest resources. Local communities are therefore responsible for protecting and monitoring the resources which they are then able to harvest/sell. The scheme also ensures that communities are empowered to run the enterprises and manage the forest through capacity building to community members. ANSAB then facilitates the implementation of both a forest management plan and an enterprise development plan. Additional incentives are provided further up the supply chain by linking community enterprises so they are better able to compete and obtain higher returns internationally. Another form of ensuring a premium for the community products as well as an incentive to conserve the resources is to achieve Forest Stewardship Council or Organic Certification.

This integrated model of enterprise development and forest conservation has been successful and suggests that market creation may improve the financial sustainability of conservation/sustainable use efforts by harnessing a broad range of resources that do not rely on government financed direct payments. Such programmes also operate as an important means to changing local attitudes to conservation and hence increase buy-in for protecting local biodiversity. Besides the economic incentives that are created, improved social conditions for local communities also work in favour of protecting the local environment.

At the policy level, this initiative has succeeded in improving the policy environment for the sustainable management and use of forest resources as well as raising awareness of how policy-making is reflected on the ground. ANSAB has become a very well-reputed organisation at the national level being able to influence the government and other stakeholders on the non-timber forest product agenda. Through this programme, ANSAB has also introduced forest certification as a tool to promote sustainable forest management and sustainable business practices.

Impact on biodiversity

In developing enterprise-oriented community forestry and the Himalayan Bio Trade, ANSAB aimed to create economic and social incentives for biodiversity conservation in the rural areas of Nepal. Biodiversity in these areas was under threat due to the need for local people to secure their livelihoods and the lack of viable alternatives for doing so.

As a result of this programme, 80,000 hectares of forest land are currently under improved management, out of which 14,000 hectares are certified by the FSC. The programme has also led to the adoption of improved collection and trading practices by individuals and community

groups. There have also been significant benefits associated with improved livelihoods for 15,000 households. In addition, the Aveda partnership has generated 30,000 jobs in rural areas.

Replicability

ANSAB began testing the model of integrating enterprise development with forest management in a few rural villages and has continued to replicate this model in many of Nepal's regions. Continued replication has then allowed the organisation to scale up the project through the creation of Himalayan Bio Trade. This has in turn added value to local products and therefore created additional incentives for conservation at the local level.

From a global perspective, the number of biodiversity-based businesses focusing on the sustainable harvesting of natural products and NTFPs is steadily increasing (see http://www.iucn.org/about/work/programmes/business/bbp_our_work/biobusiness/). Examples of such businesses are becoming widespread: In Lebanon's largest nature reserve, the Al Shouf Cedar Society works with local communities to produce and market the products that showcase the area's traditions and the reserves resources. In the greater Mekong region, WWF and IKEA are working together to develop a model for sustainable rattan production and commercialisation that improves community welfare. In South Africa, the Flower Valley Conservation Trust works to ensure that flowers from the mega-biodiverse Cape Floral Kingdom are sustainably managed and harvested for sale to the retail flower industry.

Lessons learned

Devote time to developing appropriate business and forest management plans, including mechanisms for economic incentives that reward creativity and hard work

Stakeholder buy-in, involvement and collaboration are necessary for the long-haul.

It is essential to look at the bigger picture, think about the end-product and envisage the place where the business will end up. The market is complex and an effort should be made in understanding and responding to it.

Partnerships are crucial and can make the enterprise more competitive.

It is important to manage expectations, particularly from local communities.

It is necessary to think about scaling up early on and to ensure that the business has the capacity to do this without compromising the resources upon which it depends.

Sources: IUCN (2009); Subedi (2009).