

# **Providing Incentives for Biodiversity Conservation and Sustainable Collection of Wild Medicinal Plants, through the FairWild Standard and Premium Fund**

Transfer project in the framework of the Klaus Toepfer Fellowship Programme

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## **Executive Summary**

The increasing demand for natural products in the food, cosmetics, and pharmaceutical sectors poses major ecological and social challenges. High demand of threatened and potentially vulnerable wild plants can endanger local ecosystems and the livelihoods of collectors. In response to these concerns, the FairWild Standard and certification scheme, for sustainable collection and fair trade in wild plant ingredients, was developed by several international conservation organizations.

The transfer project focuses on one specific component of the FairWild Standard: the Premium Fund. The Premium Fund is intended to finance social development projects in the collectors' communities. The Fund may also be used to improve the sustainability of wild plant collection during the first five years of certification.

Based on numerous discussions with the key stakeholders involved in the FairWild certification scheme, a number of challenges related to the implementation of the Premium Fund concept were identified, including a lack of community sense of collectors, dispersed distribution of collectors, lack of official structures of collectors' representation, and others.

The goal of the project is to support existing FairWild certified companies and contribute to sustainable management of wild plant resources, through improved implementation of the Premium Fund. The main objectives are to share experience with the FairWild Premium Fund, including both best-practices and unsuccessful examples, through researching and documenting selected case studies, and to propose a set of recommendations to improve the implementation of the Premium Fund, and identify ways to potentially strengthen its conservation impact. The FairWild Secretariat and TRAFFIC are the main partners in this project.

The first project output consists of eight case studies on the implementation of the Premium Fund by selected FairWild certified companies. The second output is a final report on the project findings, including a set of recommendations to improve the implementation of the Premium Fund concept.

A wide range of social development projects were implemented by the interviewed companies, through the Premium Fund, between 2012 and 2016. They included dental treatments, house repairs, instalment of toilets, purchase of calves, purchase of school and household supplies, and other activities. The companies interviewed consider the Premium Fund to be a useful tool in support of producer empowerment, and towards the economic and social development of collectors and local communities.

The implementation of the projects through the Premium Fund has a positive impact on the communities: it helps to provide a sense of community, and incentive for collectors to come

together to discuss issues, which indirectly supports the conservation, sustainability and stewardship of resources.

The project demonstrated that there are examples in which biodiversity conservation projects themselves are financed through the Premium Fund. Several interviewed companies spent the Premium Fund on improving sustainable wild collection and increasing capacity building and knowledge of the collectors.

The main findings of the project, including a final report, will be shared with the FairWild Foundation and TRAFFIC and hopefully will help to develop clarifications on the Premium Fund concept and improve technical guidance to both certifiers and companies, implementing FairWild.