



**GUI20 – Final D – Application guide for Allanblackia to the UEBT
Standard**

4 May 2011



Foreword

The Union for Ethical BioTrade

The Union for Ethical BioTrade is a non-profit association that promotes the "sourcing with respect" of ingredients that come from native biodiversity. Members commit to gradually ensuring that their sourcing practices promote the conservation of biodiversity, respect traditional knowledge, and assure the equitable sharing of benefits all along their supply chains.

Continuous compliance with the Ethical BioTrade minimum indicators, actual implementation of the work plan and continuous compliance with the Verification Framework after the completion of the work plan are regularly monitored by 3rd party

Any enquiry about the Union for Ethical BioTrade should be addressed at the following address:

Union for Ethical BioTrade
32, Rue de Berne
1201 Geneva
Switzerland

Tel.: + 41 22 5661585

Fax.: + 41 22 7310340

Or via email: info@ethicalbiotrade.org

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INTRODUCTION

In order to provide income opportunities for rural households in Ghana and elsewhere in Africa, a Novella Africa Private Public Partnership (PPP) aiming for sustainable development of a new commodity, Allanblackia oil, was created in 2003 and now brings together the private sector, international organizations, international NGOs and in-country partners. The Novella Partnership asks the Union for Ethical BioTrade to develop an industry standard for Allanblackia production and trade to ensure sustainable and ethical practices are adhered to throughout the supply chain with support from SECO.

This document is a final draft of a sector specific application guide of the Ethical BioTrade standard to Allanblackia. It is based on the good practice guidelines developed previously by the Novella Partners.

Note: the Ethical BioTrade standard is under a revision process that is taking place until end of 2011. This sector application guide will then be up-dated accordingly.

1. SCOPE

This application guide to the UEBT standard for Allanblackia defines the general requirements for organizations sourcing Allanblackia to comply with the requirements of the UEBT Verification Framework for Native Natural Ingredients – 2007-09-20 (UEBT STD01), also referred to as the UEBT Standard.

This application guide contains specific guidance on Allanblackia as well as general guidance to the application of the UEBT standard.

The UEBT standard, together with this guide, can be used for verifying compliance with the Ethical BioTrade Principles and Criteria. It can be used to assess the management of natural resources by primary producing organizations and system and the supply chain management system of buying organizations. It can also be used for assessing compliance of a specific supply chain, noting that compliance of a supply chain does not mean necessarily compliance of the whole management system and thus not of the organization itself.

For auditors this document provides guidance on how to interpret the UEBT standard in the case of Allanblackia.

For UEBT Trading members involved in sourcing Allanblackia, this document is used as a basis for verifying their management systems and Allanblackia supply chains. The outcomes of such verification are used to define work-plans towards compliance and evaluate progress against this work-plan.

Compliance of a specific supply chain with the Ethical BioTrade P&C can be claimed on business-to-business communication only. UEBT Membership can be claimed on corporate communications, but not on-products (see UEBT POL01 – Communication and Claims Policy for trading Members).

2. NORMATIVE REFERENCES

The following referenced documents are indispensable for the application of this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

UEBT STD01 – Verification Framework for Native Natural Ingredients – 2007-09-20

Note: the UEBT standard is under a revision process that is taking place until end of 2011. This sector application guide will then be up-dated accordingly.

UEBT GOV25 – Membership Conditions and Obligations for Trading Members

UEBT POL01 – Communication & Claims Policy for Trading Members

Novella Partnership - Best Practices for Wild Harvesting of Allanblackia Seeds from forest and farmlands - 2008

International Labour Organization Core Conventions:

ILO C87 Freedom of Association and Protection of the Right to Organize 1948

ILO C98 Right to Organize and Collective Bargaining 1949

ILO C100 Equal Remuneration 1951

ILO C105 Abolition of Forced Labour Convention, 1957

ILO C111 Discrimination (Employment and Occupation) 1958

ILO C138 Minimum Age Convention 1973

ILO C182 Worst Forms of Child Labour, 1999

ILO C29 Convention on Forced Labor, 1930

<http://www.ilo.org/ilolex/english/convdisp1.htm>

OECD Guidelines for Multinational Enterprises, 2000

<http://www.oecd.org/dataoecd/56/36/1922428.pdf>

Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, 2004

<http://www.pic.int>

Stockholm Convention on Persistent Organic Pollutants, 2001

<http://www.pops.int>

UN Convention on Contracts for the International Sale of Goods, 1980

<http://www.cisg.law.pace.edu/cisg/text/treaty.html>

UN Convention against Transnational Organized Crime and its Protocols, 2000

<http://www.unodc.org/adhoc/palermo/convmain.html>

3. TERMS AND DEFINITIONS

The terms and definition provided in ISO/IEC 17000:2004, Conformity assessment, vocabulary and general principles apply, unless otherwise specified in the text or defined below. In addition, the following definitions are applicable in this document.

Note: Both this document and the UEBT Verification Framework for native natural ingredients include the definitions of specific terms. The two lists are nearly identical, however some additional terms have been defined in this document.

For the purposes of this document the following definitions apply.

Actors: people or organizations that play a role in the BioTrade.

Adaptive management: management that allows for the implementation of corrective measures in systems on an ongoing basis, based on a process of continued monitoring.

Note: In the case of management of biological resources, adaptive management is different from the monitoring of the impacts (environmental, social and economic) on the eco-systems and populations resulting from the use of biological resources. (Convention for Biological Diversity, Addis Ababa Guidelines and Principles for the Sustainable Use of Biodiversity, 2004)

Agricultural inputs: range of fertilizers, insecticides, herbicides, fungicides, hormones and other inputs that are used in cultivation.

Alien species: A species, subspecies or lower taxon introduced outside its natural past or present distribution; includes any part, gametes, seeds, and eggs or propagates of such species that might survive and subsequently reproduce (Convention on Biological Diversity, 1992)

Biological diversity: variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part; this includes diversity within species, between species and of ecosystems. (Convention on Biological Diversity, 1992)

Biological resources: resources, including genetic resources, organisms or parts thereof, populations, or any other biotic component of ecosystems with actual or potential use or value for humanity. (Convention on Biological Diversity, 1992)

Buyer: any organizations sourcing, processing or selling natural products or by-products along the supply chain that is not involved exclusively in the primary production of such products

Note: an organization can be producer and buyer at the same time, if it both buy and produces part of its supplies.

Criterion (pl. Criteria): means of judging whether or not a Principle has been fulfilled. (FSC Principles and Criteria for Forest Stewardship, 1996).

Customary rights: rights which result from a long series of habitual or customary actions, constantly repeated, which have, by such repetition and by uninterrupted acquiescence, acquired the force of a law within a geographical or sociological unit. (FSC Principles and Criteria for Forest Stewardship, 1996)

Ecosystem: dynamic complex of plant, animal and microorganism communities and their non-living environment interacting as a functional unit. (Convention on Biological Diversity, 1992)

Endangered species: any species, which is in danger of extinction throughout all or a significant portion of its range. (FSC Principles and Criteria for Forest Stewardship, 1996)

Environmental impact: any change to the environment, whether adverse or beneficial, wholly or partially resulting from an organization's activities, products or services. (ISO 14001:2004)

Genetic resources: genetic material of actual or potential value. (Convention on Biological Diversity, 1992)

Genetically modified organisms: organism with the exception of human beings in which the genetic material has been altered in such a way that does not occur naturally by mating and/or natural recombination (Article 2(2) of Directive 2001/18/EC)

Note: GMO is not actually a scientific term nor it was coined by scientists. “Transgenic organisms”, on the other hand, is a scientific term: it refers only to organisms that have acquired genetic material from other organisms.

Habitat: place or type of site where an organism or population naturally occurs. (Convention on Biological Diversity, 1992)

Indicator: quantitative or qualitative parameter, which can be assessed in relation to a criterion. (The Tropenbos Foundation, 1996 - Hierarchical framework)

Indigenous lands and territories: all lands, air, water, sea, sea- ice, flora and fauna, and other resources which indigenous peoples have traditionally owned or otherwise occupied or used. (Draft Declaration of the Rights of Indigenous Peoples: Part VI)

Indigenous peoples: existing descendants of the peoples who inhabited the present territory of a country wholly or partially at the time when persons of a different culture or ethnic origin arrived there from other parts of the world, overcame them and, by conquest, settlement, or other means reduced them to a non-dominant or colonial situation; who today live more in conformity with their particular social, economic and cultural customs and traditions than with the institutions of the country of which they now form a part, under State structure which incorporates mainly the national, social and cultural characteristics of other segments of the population which are predominant. (Working definition adopted by the UN Working Group on Indigenous Peoples).

Introduction: intentional or accidental dispersal by human agency of a living organism outside its historically known native range (IUCN Position Statement on Translocation of Living Organisms).

Local laws: all legal norms instituted by governmental bodies whose jurisdiction is less than the national level, such as departmental, municipal and customary norms. (Adapted from FSC Principles and Criteria for Forest Stewardship, 1996)

Minimum indicators: requirements that have to be met by organizations to enter into the system and be a member of the UEFT.

Native species: species, subspecies, or lower taxon, occurring within its natural range (past or present) and dispersal potential (i.e. within the range it occupies naturally or could occupy without direct or indirect introduction or care by humans). (IUCN Guidelines for the prevention of biodiversity loss caused by alien invasive species)

Natural cycles: nutrient and mineral cycles resulting from the interactions between soils, water, plants and animals in natural ecosystems that affect the ecological productivity of a given site. (Adapted from FSC Principles and Criteria for Forest Stewardship, 1996)

Natural habitat: area that has conserved its original ecological functions. To be considered at the ecosystem or landscape level, whatever the most relevant in a specific case.

Organization: Entity in the supply chain responsible for the implementation of the verification framework.

Precautionary Approach: application of the precautionary Principle by which the lack of full scientific certainty shall not be used as a reason for postponing measures to avoid or minimize threats of significant reduction or loss of biological diversity and/or social degradation (adapted from Rio Declaration on Environment and Development Principle 15 1992 and The Convention on Biological Diversity 1992)

Prior informed consent: requirement for consultation with and agreement of indigenous peoples and/or local communities before an organization can explore for and rightfully exploit natural resources. (Adapted from The Rotterdam Convention on the prior informed consent procedure for certain hazardous chemicals and pesticides in international trade. Revised 2005)

Note: Local groups accord their consent based upon an appreciation and understanding of the facts and implications of organizations future actions.

Principle: essential rule or element. (FSC Principles and Criteria for Forest Stewardship, 1996)

Producer: organization that has the responsibility to implement a management system at the ground level that ensures compliance of production methods with the requirements of the BioTrade Verification Framework. (UEBT, 2006)

Note: Such organizations can be individual farmers, cooperatives, or a primary buyer who is in direct contact with collectors, etc.

Productive area: site being utilized by the organization for the collection or cultivation of native natural ingredients. (UEBT 2007)

Protected area: geographically defined area, which is designated or regulated and managed to achieve specific conservation objectives. (Convention on Biological Diversity, 1992)

Supply chain: coordinated relationships established between actors involved directly and indirectly in a productive activity with the aim of moving a product or service from supplier to customer. (Bio-Trade Initiative, Implementation Strategy)

Note: Supply chains involve alliances among producers, processors, distributors, traders, regulatory and support institutions, which, departing from a market demand for their products and services, establish a joint vision to identify mutual needs and work jointly in the achievement of goals, and that are willing to share the associated risks and benefits, and invest time, energy, and resources in realizing these goals.

Sustainable use: use of components of biological diversity in a way and at a rate that does not lead to the long-term decline of biological diversity, thereby maintaining its potential to meet the needs and aspirations of present and future generations. (Convention on Biological Diversity, 1992)

Tenure: socially defined agreements held by individuals or groups, recognized by legal statutes or customary practice, regarding the "bundle of rights and duties" of ownership, holding, access and/or usage of a particular land unit or the associated resources there within (such as individual trees, plant species, water, minerals, etc). (FSC Principles and Criteria for Forest Stewardship, 1996)

Third party: person or body that is recognized as being independent of the parties involved, as concerns the issue in question.

Note: other parties involved are usually supplier ("first party") and purchaser ("second party") interests. (ISO/IEC Guide 2:1996)

Traceability: The ability to trace the history, application of location of an entity by means of recorded identifications (ISO 8402)

Use rights: rights for the use of **biological resources** that can be defined by **local** custom, mutual agreements, or prescribed by other entities holding access rights. (Based on FSC Principles and Criteria for Forest Stewardship, 1996)

Note: These rights may restrict the use of particular resources to specific levels of consumption or particular harvesting techniques.

4. GUIDANCE FOR THE APPLICATION OF THE BIOTRADE VERIFICATION FRAMEWORK FOR NATIVE NATURAL INGREDIENTS

4.1 *General observations*

The UEBT Standard forms a complete package to be considered as a whole, and the sequence of the Principles, Criteria and Indicators (PC&I) does not represent an ordering of priority. Compliance with all indicators needs to be evaluated. For all indicators, due consideration needs to be given to the specificities of the managed species, the conditions of exploitation, the complexity of operations and the sensitivity of the ecosystem.

Auditors are advised to evaluate the risk of non-compliance with the minimum indicators at the onset of the auditing process as this may avoid wasting resources should the organization not comply.

In some circumstances, an indicator may not apply directly. For example if no indigenous people exist in the country in question, the delegation of their rights on the resource cannot happen (indicator 6.2.2). If such is the case, the auditors, in the report of their findings will indicate why they deem the indicator is not applicable instead of just mentioning “NA” or a similar indication.

The UEBT Standard applies throughout the supply chains. Clearly, its application will not be identical whether it is applied at the primary producer level or at a buyer level that has few or no direct contact with primary production.

In general terms,

For producers, it is applicable to the management of natural resources.

For buyers, its scope is mainly about the supply chain management system of the organization and the measure to which this system can, up the chain to primary producers:

- ensure the transmission of the requirements,
- identify issues of compliance with the relevant clauses of the standard,
- allow a quick resolution to these issues once identified.

Nevertheless some clauses (for example the whole of principle 6 on the right of actors) will apply to all organizations, irrespectively of their position in the supply chain.

Resolving an issue of compliance with a clause should be done in collaboration with the actors involved in the chain. Changing suppliers simply to ensure that the issue disappear would not be in the spirit of Ethical BioTrade. However, if the lack of collaboration of one of the link in the chain was to render any correction of the issue impossible in a suitable timeframe, alternative chains should be envisaged as a last resort solution.

While it is difficult to give precise rules regarding what is a suitable timeframe for correcting an issue, the following elements need to be considered when determining the urgency of the actions and their results, in decreasing order:

- an issue that may cause a breach of compliance with a minimum indicator should be corrected with the highest priority once it is known;

- an issue impacting on the compliance at a principle level would also need to be highly prioritized;

an issue threatening the integrity of a criterion, but not of a Principle would need to be resolved within a longer timeframe, noting that compliance with the standard is evaluated at the criterion level;

an issue leading to the non-compliance with an indicator, but not a minimum indicator or not threatening the integrity of a criterion would be of least priority.

In evaluating the actions that need to be taken in resolving an issue it is important to assess if the problem is the result of a systemic fault, or if it is an isolated occurrence. It would be a mistake to work on resolving a number of similar occurrences individually if they were the result of a defect in the system, as they would continue to happen over time. On the other hand resolving one systemic fault may result in the resolution of a number of individual non-compliance in one go.

Minimum indicators apply to both producers and buyers, for their own organization (i.e. operations and sites). In addition buyers need to ensure that their supply chain management system addresses the minimum indicators within their supply chains 2 years after they have become UEBT Trading Members.

Important Note: throughout the standard and guidance documents, the term “managed species” refers to species being used, either resulting from wild collection or cultivated. For example, in this Allanblackia specific guide, “managed species” refers to Allanblackia.

4.2 Principles

Principle 1 Conservation of biodiversity

This is the first objective of the Convention on Biological Diversity (CBD): organizations should maintain biological diversity on all scales (genes, species, and ecosystems).

Buyers: Organizations should have a policy or develop activities to promote and raise awareness on the conservation of biological diversity among their providers according to the criteria of this principle.

A monitoring system should be in place to verify the compliance of providers with this principle.

As far as relevant, for example regarding the implantation and/or functioning of a factory or a storehouse, the organization itself should equally respect this principle.

Producers: Production practices should be implemented accordingly to the criteria of this principle.

1.1 Characteristics of ecosystems and natural habitats of managed species shall be maintained

1.1.1 **Minimum indicator:** There are no processes either to convert natural habitats to agricultural systems or natural forest to other productive systems

Generic Guidance

Please note the minimum indicator does not prohibit cultivation of the managed species outside areas that have kept their ecosystem function intact. Nor does it prohibit it in such areas, provided the ecosystem functions are not deteriorated by cultivation.

Buyers: A buyer should have a basic knowledge of relevant information on the ecosystems where the species come from according to indicators 1.1.1 and 1.1.2.

It should be aware of the production practices implemented by its suppliers and possible effects on the maintenance of ecosystems' characteristics according to indicators 1.1.3, 1.1.4, and 1.1.5

Producers: Production practices should allow the maintenance of the ecological conditions of the ecosystem where the species are being used according to indicators 1.1.1 and 1.1.2. Production activities should threaten neither the species used nor their ecosystems, according to indicators 1.1.3, and 1.1.5 and,

If chemical inputs are used, they should be restricted to cultivation areas and measures should be taken and in place to avoid the effects on natural ecosystems.

1.1.2 Threatening conditions or risks to the ecosystem and the habitats where the species are being managed have been identified and measures taken to address them.

Generic Guidance

Organizations (both producers and buyers) need to become more aware of the critical biodiversity conservation issues in the production area, even if there is no formal management or protected area. They should be proactive about preventing damage to the natural environment rather than reacting too late.

They should learn as much as possible about the biodiversity – especially globally rare species – in the production area, for example by asking experts, observing on the ground, and contributing to research and inventories.

Regarding animal life, harvesting paths should avoid extremely high value parts of ecosystems, and should not make it easier to hunt or collect rare species. Larger animals are frequently the first components of biodiversity to suffer when access to forests is increased or populations close to forests increase in size, especially due to hunting. Do not allow this to be a side-effect of any boom in *the* harvesting of the resource.

In terms of plant life and vegetation, be aware of the potential for introduced plants (and animals) to become serious pests or weeds. Therefore, before introducing a even a native species into new areas, consider any impact it (or accompanying animals) will have on other species.

- 1.1.3 Practices that promote biodiversity conservation and/or restoration of ecosystems or habitats of endangered species (as defined by local authorities and complemented by relevant international NGOs), where productive species are being managed, are promoted and/or implemented by the organization.

Generic Guidance

Such practices can include (indicative list):

- the creation of *ex situ* gene banks, in which case there needs to be some consideration about their location, with respect to natural variation in the species, and they should not usually be allowed to encourage genetic flow between previously isolated species or provenances;
- Active reforestation;
- Maintenance or restoration of existing forests;
- Prohibition of habitat destruction or modification;
- Prohibition of hunting;
- Environmental education;
- Maintenance or extension of natural vegetal cover (hedgerows, forest fragments);
- Existence of clear zoning of areas dedicated to production and conservation;
- Diversification of the productive system;
- Establishment of grazing itineraries;
- Protection of fragment or remnants of primary forests and implementation of management practices to ensure their conservation;
- Implementation of an integrated management system of pests and diseases.

- 1.1.4 ***Minimum indicator:*** The organization does not introduce alien species into natural habitats being managed.

Generic Guidance

Meaning: Alien species cannot be introduced into an area that has maintained its original ecosystem functions intact (i.e. Natural Habitats).

As a general remark about this Minimum Indicator, please note that it applies to natural habitats (see definition) and not to disturbed lands, e.g. where plantations, cultivations already occurred.

Organizations should be aware of the possibility for introduced plants (and animals) to become serious pests or weeds.

Note: even if native, before introducing a species into new areas, it is crucial to carefully consider any impact it (or accompanying animals) will have on other species, based on existing (e.g. traditional and/or local) knowledge and if necessary undertaking new research. The application of this recommendation should however consider the size and complexity of the operation, as well as the sensitivity of the ecosystem where it happens.

AB Specific Guidance

Note 1: The generic guidance needs to be taken into account: if this introduction is outside a natural habitat (e.g. the back garden of farmers, a cocoa plantation or a reforestation planting) the Minimum Indicator would not apply.

Note 2: A specific *Allanblackia* species that would be introduced in an area where it does not grow could still be considered native, if the dispersion could have occurred naturally. If not, it should be considered alien.

- 1.1.5 Main interactions between managed species and other organisms and that could be related to their production are identified, and measures to maintain and/or restore them are defined and implemented.

Generic Guidance

Promote species that are dependent on the fruits or seeds of the managed species. They may be competitors but should not be exterminated directly or indirectly. It is possible that the managed species is/are also depending on these dependant species, for seed distribution, for example. Find ways to monitor potentially dependent species and understand the interrelationships.

- 1.2 Genetic variability of flora, fauna and micro-organisms (for use and conservation) shall be maintained

Genetic variability is a vital element in ensuring the conservation of biodiversity. Therefore, it should be protected or managed in such a way that risks of losing it are avoided.

Buyers: Buyers should have at least some knowledge (depending on its size) of the genetic diversity and the ecosystems of the species they use.

Purchasing policies should favor diversity of varieties, i.e. they should not result in the systematic selection of specific specimens and consequently affect the genetic diversity of native varieties.

Producers: Production practices should not affect the diversity of the ecosystems and the species according to 1.2.1 and 1.2.2.

Practices that promote the diversification of production systems should be implemented in the case of cultivated species.

In case of domestication, the practices implemented do not promote the selection of individuals with some preferred characteristics to a point where the genetic variability of the species could be compromised.

If production activities are developed in natural ecosystems, there are mechanisms to allow the genetic exchange according to 1.2.2.

Before harvesting from protected areas, suppliers should ensure that they have the relevant rights according to the local authorities and legislation (permits, licenses, etc.) to do so.

The prime conservation efforts should be directed towards in situ conservation and ex situ gene banks.

1.2.1 The organization takes measures to maintain the varieties and wild relatives of the species being managed

Generic Guidance

A wide genetic basis in plantations can maintain the diversity of the local species. This should also reduce the risk of the whole population succumbing to a pest or disease or exhibiting the same dramatic peaks and troughs in yield.

The gene pool should not be eroded by over-harvesting, or by removing every year all the seeds and seedlings just from just a few desirable individuals.

AB Specific Guidance

Allanblackia utilisation should not erode the local *Allanblackia* gene pool or population structure to a position where genes are likely to be lost or the population is reduced to an unsustainable structure. (e.g. no regeneration because of over harvesting of seed). Where appropriate, promote *Allanblackia* regeneration using local genetic stock.

The natural and planted *Allanblackia* regeneration should be promoted, at least in fallow or unfarmed land, to compensate for the inevitable decline resulting from loss of seed input into the ecosystem.

1.2.2 Where necessary to maintain the genetic diversity of the managed species, the organization takes measures to connect fragments and remnants of natural vegetation to favour genetic exchange in managed areas

1.2.3 Genetically modified organisms are excluded from the productive systems and all associated operations

1.3 Activities shall be developed taking into account, if they exist, national or local authority management plans for natural habitats

Coherence among existing management and conservation plans is necessary in the areas where the activities of production are carried out so that the practices developed by the organization favor the implementation of these plans. These management plans could be developed by national authorities, local governments or other stakeholders.

This criterion concerns plans that might already be operational or in a late stage of development in the production areas, not the management plan that the organization itself may have. If it exists, the latter should be compatible with the former.

It is possible that forest or wildlife services have already surveyed and protected some nearby areas.

Buyers: A buyer should identify whether activities in the collection or cultivation areas are regulated by existing management plans or other directive documents that regulate their potential use according to the indicator 1.3.1.

In case where there is a management plan or a directive document for the collection/cultivation areas, these documents should have been analyzed and the buyer should be aware of the production practices that can be implemented in those areas, according to the indicator 1.3.2.

Producers: If they exist, implement production practices according to existing management plans, directive documents or conservation strategies that regulate the use of the collection/cultivation areas, according to 1.3.1 and 1.3.2 in the Verification Framework.

1.3.1 These existing management and conservation plans are identified in the areas of collection or cultivation

1.3.2 Management of wild species or cultivation activities are compatible with the strategies of use and conservation stipulated in natural areas (e.g. management plans, existing conservation strategies).

Generic Guidance

The exploitation of the species should contribute to the maintenance or enhancement of the network of protected areas, forest reserves etc. and protective legislation in the area. In particular, existing rules and legislation regarding conservation should be followed (to be seen in conjunction with P5).

The integrity of reserves and other conservation areas should be promoted. Harvesting is particularly desirable if it can limit degradation of reserved ecosystems, whilst local communities can gain benefit and therefore value its survival.

Principle 2 Sustainable use of biodiversity

This principle supports the implementation of the second objective of the CBD. BioTrade products should be derived from systems that are sustainable regarding both the resource being used and the ecosystem involved. The aim is that the use of a species or ecosystem is not higher than its regenerative and/or productive capacity. Organizations should define instruments for the application of good management and monitoring practices to guide, design and improve the production processes used.

Buyers: A buyer should have a policy or develop activities to promote and raise awareness on the implementation of sustainable use practices among its suppliers according to the criteria of this principle.

It should have a written policy on good practices that guide its suppliers in the implementation of the criteria of this principle. This policy could be reflected in manuals, information documents or training programmes targeted to suppliers.

A monitoring system should be in place to verify suppliers' compliance with this principle.

Producers: Production practices should be implemented accordingly to the criteria of this principle.

2.1 The use of natural resources shall be supported by management documents addressing, *inter alia*: harvest rates, monitoring systems, productivity indexes and regeneration rates.

Management documents are essential in identifying the fundamental processes, defining the necessary activities to ensure the sustainable use of biological resources, and facilitating the monitoring of activities and their impact.

The management document should be adapted to whether production activities are based on collection or cultivation, or a mix of both. This criterion does not necessarily imply the use of a management plan as usually understood, as the document should be appropriate to the size and complexity of the organization and its production practices. The content should address the information required in indicators 2.1.1 – 2.1.6.

Buyers: A buyer should have a basic knowledge of the collection/cultivation areas. According to 2.1.2, basic information about suppliers should be available. In the case that other providers (intermediary suppliers of the organization) have a direct relationship with collectors and farmers, there should be a mechanism to ensure that these actors themselves have a list of suppliers and other basic information about location, land tenure, etc.

According to the indicators 2.1.3, 2.1.4 and 2.1.5, a buyer should implement mechanisms to verify if its providers make a sustainable use of the raw materials according to the characteristics of the species and the scale of the intervention.

If collected species are located in fragile ecosystems, or local communities do not have the capacity to implement a management plan by themselves, the buyer should support its suppliers in the elaboration and implementation of management documents according to indicators 2.1.3, 2.1.4 and 2.1.5.

Producers: Good collection and cultivation practices should be sustainable in the long term (2.1.4). According to the scale and sensitivity of the intervention, practices may be defined for each species or combined for several species into, for example, a manual of good practices. The more sensitive or important the intervention, the more detailed the practices should be.

2.1.1 Collection or cultivation areas are clearly identified.

2.1.2 There is an up-to-date list of suppliers, collectors or producers and information relating to location, land tenure and productive activities. There is also identification of other non-UEBT organizations operating in the same area and their potential impact.

Generic Guidance

For Producers, applicable only if raw material is bought from others.

The “non-UEBT organizations” refers to organizations that have an impact on the resource and the ecosystem where it is managed. This includes other organizations with similar activities, but in certain circumstances, can be extended to other types of organizations. For example if there are open mining activities in the productive zone, this should be taken into consideration as this will evidently have an impact on the ecosystem.

2.1.3 For collected species, the harvest rate is based on an assessment of the managed populations that defines general characteristics of the population and identifies gaps in information for wild management.

Generic Guidance

See guidance under 1.2.1

2.1.4 Harvest rates are sustainable in the long-term.

Generic Guidance

In particular, organizations should encourage regeneration of the managed species at sustainable levels, in relation to harvest.

See also guidance under 1.2.1

AB Specific Guidance

Regeneration is usually abundant below and near unweeded, fruiting trees, so allowing at least a few to “get away” when weeding will keep the *Allanblackia* population in particular parts of the landscape alive.

- 2.1.5 Collection and/or cultivation practices have been defined and put in place based on existing information on the species and the potential impact of productive activities on species biology and their eco-systems; this has been done using a precautionary approach.

Generic Guidance

See guidance under 1.1.2, 1.1.3, 1.1.5

In general a progression towards (mixed) agroforestry stands on agricultural land stands most chance of being seen as sustainable from the environmental and economic points of view. Such systems stand more chance of representing an improvement in biodiversity values and economic efficiency than simplification of forest ecosystems.

The organization should be proactive in becoming more aware of, and learn about the critical biodiversity conservation issues in the production. Ways to take the potential impact into account and to mitigate it can include:

Participation in the creation of ex situ gene banks

Progression towards (mixed) agroforestry on agricultural land

Promotion of species that are dependent on the managed species and finding ways to monitor potentially dependent species and understand the interrelationships.

In any case, the organization should be aware of the potential for introduced plants (and animals) to become serious pests or weeds.

- 2.1.6 A monitoring system is in place that allows continual adjustment of good production practices (harvest rates, collection techniques, agricultural practices) with the aim of guaranteeing an adaptive management of the resource. Including a periodic review of operating plans with a clear statement of any changes occurring in collection area.

AB Specific Guidance

The periodic review should be done annually at a minimum.

For Allanblackia, the monitoring system should also include the recording of:

- When seeds are collected, there should be an identification of ‘mother’ trees that can deliver grafting materials for improving planting stocks for cultivation;
- the characteristics and location (e.g. by GPS location or reliable local knowledge) of the ‘mother’ trees;
- the ‘ownership’ of the genetic material and associated Intellectual Property. Apart from being basic good information management, in case the provenance deserves closer scrutiny, this information should be maintained in order to respect and maybe even reward the owners if individual trees or provenances make an important contribution to planting material in the future. (as well relevant for 3.4.1)

2.1.7 ***Minimum indicator:*** The organization does not use pesticides banned under the Stockholm Convention on Persistent Organic Pollutants (POPs), that fall under WHO Categories I and II and/or are listed in the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade.

Generic Guidance

There may be situations where the organization itself does not use the chemicals in question, but others do in the same productive zone.

If those who use the chemicals are suppliers to the organization, the latter is expected to act so that the use is abandoned within 2 years.

If there is no formal connection between the organization and the users of the chemicals, although it is not a formal requirement, the organization should undertake activities of sensitization about the danger of using such substances. This education effort should be undertaken if only because the substances risk to contaminate the organization’s own production and thus make its products non suitable for consumption.

2.1.8 Negative impacts of productive practices on air quality are identified and specific practices to prevent or mitigate these are implemented.

2.1.9 Negative impacts of productive practices on water-source and watercourse quality are identified and the mechanism to prevent or mitigate these are in place or implemented.

2.1.10 Negative impacts of productive practices on soil quality are identified and mechanisms to prevent or mitigate these are in place.

Generic Guidance

Avoid Physical disruption to harvested areas as much as possible. For example, light loads especially from forest collection areas are encouraged, rather than using heavy mechanised transport, which might cause soil compaction and pollution.

At the harvesting site, remove as little accessory material as possible from the areas of the trees.

2.1.11 There is no use of agricultural inputs derived from chemical synthesis in natural habitats. If products derived from chemical synthesis are used by an organization in productive areas then it uses mechanisms to prevent any drift to natural habitats.

Generic Guidance

In general, in plantations, minimize use of fertilizers, herbicides, and pesticides by good plantation design and a well-researched IPM strategy. In natural habitats, for example natural forests, these should not be used at all.

2.2 Workers and suppliers shall be trained in the implementation of good collection, cultivation and quality assurance practices

The organization's implementation of sustainable use practices depends on the organization personnel and suppliers' precise knowledge of the practices to be implemented, according to their responsibilities.

Buyers: Training programmes or tools should be in place according to 2.2.1-2.2.4. According to the scale and sensitivity of the intervention there should be manuals for guide suppliers in the management of the species, including collection/cultivation practices, harvest and post-harvest practices, and other relevant elements that assure the good management of the species and quality of the raw material.

Suggested generic content for these manuals could be: description of the used species (botanical characteristics), harvest practices and techniques, post-harvest techniques.

Producers: A producer should know the buyer's policies related to good management practices and quality requirements.

If the producer is directly responsible for the implementation of its own management document (management plan or GAP protocol), it should have a training programme or tools to ensure that its workers implement these management documents accordingly.

2.2.1 A training scheme for suppliers and workers exists.

Generic Guidance

The scheme can include the following elements:

- Curriculum of training programmes;
- Manuals for collectors/cultivators.

2.2.2 Field personnel and those working at the processing plant have been trained.

2.2.3 The collectors and suppliers are trained to carry out the work of harvesting and/or cultivation.

2.2.4 Personnel, collectors and suppliers implement the training.

2.3 Appropriate mechanisms shall be implemented to avoid waste of raw material and to reduce the generation of waste.

The reduction of waste and maximising the use of the managed resources are aspects that organizations should include to reduce their impacts on biodiversity.

Buyers: A buyer should be aware of the waste produced by production systems. It should have mechanisms in place to verify the good management of waste from its suppliers down to producers. The definition of the buyer's quality requirements for raw materials should take the potential waste production of the processes at a local level into account and provide recommendations for the management of waste. Its own processes should comply with the indicators of this criterion.

Producers: Production practices should comply with the indicators of this criterion.

2.3.1 Mechanisms are in place to minimize the waste of raw materials in different phases of production.

AB specific Guidance

At the seeds collection sites, as much fruit pulp as possible should be left in the areas of the trees.

2.3.2 Measures are in place to manage the waste derived from productive practices, including reuse and recycling activities.

2.3.3 Final waste disposal ensures the reduction of contamination risks, paying a particular attention to water bodies, if necessary by means of an Environmental Impact Assessment.

- 2.4 The actors along the supply chain shall be organised according to the supply of the resource or the harvesting seasons.

Purchasing of raw materials should be planned according to availability and harvesting seasons. In this way, the organization is provided with raw materials of good quality in adequate time and the resources are not exploited when they are unavailable or during periods when harvesting can endanger the survival of the species.

Buyers: A buyer should comply with the indicators under this criterion.

Producers: Production practices are implemented according to the purchase schedule provided by the buyers.

- 2.4.1 The organization has a purchasing schedule that details suppliers, seasons and volumes that the organization can purchase in accordance with the quantities and harvesting seasons defined in the management documents (see 2.1).

- 2.4.2 The purchase schedule of raw material is developed in accordance with the phenological cycles of plants (for fruit, flowers or seasonal production of leaves) defined in the management documents.

- 2.4.3 Suppliers and collectors are informed of these schedules and plan their activities accordingly.

Principle 3 Fair and equitable sharing of benefits derived from the use of biodiversity

While in the CBD fair and equitable benefit sharing is limited to the use of genetic resources, UEBT extend the notion to resources from biological diversity.

In order to guarantee fair and equitable benefit sharing, it is important that beneficiaries have access to the relevant information on the commercialization of products and services, and that they are involved in the negotiation of prices and trade conditions.

Buyers: In general terms, the buyer's responsibility is to ensure that fair and equitable benefit sharing goes all the way from its stage in the supply chain back up to the primary producers. Thus, it should ensure that all the actors up the supply chain, starting from its own, implement the requirements of Principle 3.

It should make sure that commercial relationships do not create undue dependency of the weakest participants in the chain on stronger ones. In the contrary, it should build capacity to diminish dependence.

In case of genetic resources, the buyer should follow relevant CBD procedures such as the (voluntary) Bonn guidelines of the CBD.

Producers: A production organization dealing directly with primary producers should make every effort to empower them to effectively negotiate and implement benefit-sharing agreements. In particular, communities should not become dependant on one product or primary buyer. Elements in achieving this objective could be providing skills to enable communities to improve their commercial practices and to add as much value as possible to the supply chain or to complement strictly commercial relationships with "partnerships" or other types of broader cooperation agreements with external organizations.

3.1 Negotiations and implementation of agreements related to benefit sharing shall be transparent and based on long-term dialogue and trust and shall take place between all *organisations* along the *supply chain*.

The interaction of the organization with the other actors involved in the production and commercialization supports the generation of transparent relationships that facilitate negotiations. Relationships based on trust and long-term mutual benefits are fundamental for equitable benefit sharing.

Elements to consider could include the production and exchange of reliable and relevant information in the course of negotiations and implementation, as well as the way in which this information is presented so that it can be understood and used competently. It should not merely be about the broad participation of actors, but also about measures taken to promote actual dialogue along the supply chain.

Buyers: Transparency applies to both buyers and producers in relation to the link between themselves and the primary production.

Producers: Transparency applies to both buyers and producers in relation to the link between themselves and the primary production.

3.1.1 ***Minimum indicator:*** There are no disputes related to the use of biodiversity and traditional knowledge of substantial magnitude involving a significant number of interests.

Generic Guidance

Minimum indicator 3.1.1 is adapted from Principle 2.3 of the FSC Principles and Criteria: “Appropriate mechanisms shall be employed to resolve disputes over tenure claims and use rights. The circumstances and status of any outstanding disputes will be explicitly considered in the certification evaluation. Disputes of substantial magnitude involving a significant number of interests will normally disqualify an operation from being certified.”

Regarding land tenure, please refer to indicator 7.1.1, below.

3.1.2 Procedures have been defined and implemented with the collaboration of the actors, to evaluate the needs of actors in the supply chain and resolve conflicts, ensuring inclusive and balanced representation of the actors along the supply chain.

Generic Guidance

Possible verifiers:

- Use of stakeholder mapping;
- Existence and implementation of procedures for notification, monitoring of implementation and evaluation of transparency;
- Perspectives of actors in supply chain;
- Minutes of meetings among actors in supply chain;
- Existence of groups and forums with equitable membership within communities. This will facilitate the dissemination of information on:
- Relevant national and international laws and regulations;
- Community and individual rights to forest resources and related traditional knowledge; and
- Agreements on use of biodiversity and traditional knowledge, and the equitable distribution of resulting benefits.
- Access to harvesting and membership of groups and forums should be inclusive and equitable and encourage more marginalized sections of society to participate, such as the poor and women. There should not be exclusive control over the managed species by local elites and traditional authorities.
- See also 3.2.3

3.1.3 Production and exchange of relevant information occurs in a culturally meaningful and transparent manner.

3.1.4 Actors are empowered to use the established mechanisms for transparency and dialogue, if necessary with the support of a third party.

Generic Guidance

Possible verifiers:

- Awareness of actors of established mechanisms and how to use them;
- Technical or other expert support of NGOs or other organizations in negotiations;
- Minutes of meetings.

3.2 Prices shall cover the costs of production according to this verification framework and include an adequate profit margin, thus ensuring adequate compensation.

Adequate compensation or adequate prices should be inalienable, i.e. adequate compensation is independent of other monetary or non-monetary benefits.

An adequate price should be above traditional market prices for similar products outside the scope of Ethical BioTrade, include a profit margin that falls within a locally accepted range for such products and operations, and established through a participatory and consensus-based process to adequately evaluate the risks, investment and work along the supply chain, including the costs necessary to guarantee economic, social, and environmental sustainability. This process would be particularly important if there were no price for the ingredient in the market.

3.2.1 ***Minimum indicator:*** The organization avoids immoral transactions in business relations according to international covenants, national law and practices (OECD Guidelines for Multinational Enterprises and UN Convention on Contracts for the Sale of Goods).

Generic Guidance

Together these convention establish that an enterprise should:

- refrain from seeking or accepting exemptions not contemplated in the law,
- timely, regularly, reliably and relevantly communicate with their stakeholders,
- apply ILO conventions,
- have environment management systems in relation with their size,
- combat bribery,
- protect consumers interests,
- collaborate with scientific institutions in the countries where they operate,
- respect the rules of competition (including avoiding creating trusts),
- pay their taxes,
- respect the commercial commitments (contracts), which need not be written.

3.2.2 Agreed commitments are properly documented.

Generic Guidance

The “documentation” of the agreed commitment should be consistent with the cultural circumstances and may not be written documents. However, it is important that mechanisms exist or are put in place to ensure that all parties to an agreement have a common understanding of the agreement and a reference for addressing potential disputes. The existence and extent of the commitments need to be communicable to people who have not been part of the negotiation.

3.2.3 Prices are based on negotiations that meet the criterion 3.1 and the different cost elements of which the price is composed can be identified.

Generic Guidance

Information exchange and dissemination should be promoted within the whole supply chain. Information on pricing, markets, market demand, the managed species products, new technologies and the distribution of profit margins within the supply chain should be made available to harvesting communities. This should enable local communities to adapt their livelihood strategies to the characteristics of the market. Possible verifiers, continuous information on:

- defined quality;
- Volume;
- Service;
- good production practices;
- production costs and profit margins;
- social and technological investment;
- target-market prices;
- processing/transformation of raw materials;
- The cost of increasing technical and commercial skills of producers to reduce dependence on limited number of buyers.

AB Specific Guidance

Research should also be conducted on the expenditure on labour in Allanblackia harvesting, its synchronisation with the farm labour calendar, and local perception of the price for seeds and its contribution to livelihoods.

Dissemination of reliable technical information on Allanblackia, and media campaigns and outreach programmes of NGOs should contribute to building equitable partnerships between communities, industry and research.

3.2.4 At minimum, prices cover the cost of production (including requirements of this Verification Framework), cost of investment and includes profit margin that provides a good incentive for the suppliers to continue.

Generic Guidance

The benefits and profits from harvesting should ensure that *the managed species is/are* seen as an asset by local harvesters and traditional users of land for diversification or enhancement of their livelihoods.

Profits must not be captured by wholesalers, crushers and buyers, nor must sub-contractors employed by farmers or harvesters be exploited.

This principle is key to developing sustainable local management, since the long-term value of the resource to the local community will be more clearly understood. It is important that information is made available in a usable way, so farmers can understand the expected future returns and risks.

3.2.5 Prices match or exceed local market prices, if these exist.

3.2.6 Determination of price is independent of other monetary or non-monetary benefits.

3.2.7 Price is periodically reviewed, with the possibility of re-negotiation.

Generic Guidance

Possible verifiers include:

- an established price review mechanism exists,
- notification given of price review process.

3.3 The organization shall generate sustainable local development

The generation of local development corresponds to “other monetary and non-monetary benefits”. As mentioned in the guidance to clause 3.2, this should not be “an excuse” for providing inadequate compensation but should come in addition to it.

Other monetary benefits can include: converting the diverse contributions into sustainable business margins; establishing the commercial relationship so as to increase economic benefits; noting the importance of long-term contracts with certain price stability.

An important element to consider is whether the benefits (for example creation of a local processing plant) participate in making the actors, particularly the weakest ones, more or less dependent of the stronger organization(s) in the supply chain.

3.3.1 The organization generates employment at a local level.

Generic Guidance

Possible verifiers include:

- number of jobs generated;
- purchasing of goods and services;
- maintenance of infrastructure.

3.3.2 Throughout the supply chain the organization contributes to continuous improvement in the quality of life of the people and communities living in or around it.

Generic Guidance

Possible verifiers:

- long-term contracts;
- payment in advance;
- price stability;
- capacity building;
- facilitated access to health services;
- improved access to good quality food and water;
- diminished environmental contamination.

3.3.3 The organization contributes to activities of sustainable local development in coordination with local authorities and civil society.

Generic Guidance

The organization should support a policy process that legitimises local institutional practices, and promotes sustainable development initiatives and sustainable harvesting of the sourced species (i.e. fees, regulations, by-laws, etc.).

It should also work with the relevant agencies to develop advocacy and other support programmes.

AB Specific Guidance

The organization should support and promote greater local 'ownership' of Allanblackia resources and management, where applicable.

These relevant agencies will be in a position to agree on rights, regulations, permits for wild collection and cultivation, codes of conducts, the responsibilities of Allanblackia collectors and growers towards sustainable forest management, the management of Allanblackia resources, and forest conservation. Responsibilities should include the communication of biodiversity issues concerned with Allanblackia resources management to Allanblackia collectors and growers. Prior Informed Consent and agreements should always be obtained when living material or knowledge is to be exchanged (CBD).

- 3.3.4 The organization increases technical and commercial skills of producers and communities to enhance their ability to add value and diminish their dependence on a limited number of products and/or a limited number of buyers.

Generic Guidance

As recommended by the CBD guidelines on access and benefit sharing, the organization should inform and involve local communities, as well as possibly other actors such as national university students, in research conducted, where possible promoting access to the relevant skills, tools and technologies.

- 3.3.5 There should be a baseline throughout the whole supply chain that identifies the social conditions in the area from the start of organization's UEBT membership.

Generic Guidance

Compliance with 3.3.5 should exist from the start or be one of the first items to be complied with in the organization's work-plan as it is supposed to have the baseline established at the time of entering the membership. This baseline will allow identifying changes and take adequate actions, if needs be. However, recreating the baseline should not unduly distract resources from actual improvement actions on the ground and/or in the supply chains.

- 3.3.6 Local communities recognise that the activities carried out by the organization promote desirable local development.

Generic Guidance

Possible verifiers:

- minutes of local community institutions report desirable development;
- interviews with local community people report desirable development.

- 3.4 Use of traditional knowledge shall be recognized, promoted and adequately compensated.

Identifying whether traditional knowledge is relevant in any particular product will be addressed under the transparency criterion by asking that organizations conduct a proactive and participatory study to determine whether an ingredient is in any way linked to traditional knowledge and who are its rightful owners. For any use of traditional knowledge, compliance with pre-informed consent requirement should be clearly documented.

Placing value on traditional knowledge will be treated, for example, by calling for intellectual property rights that reflect their contribution. Whenever relevant, organizations may be asked to establish a commercial relationship with the rightful owners of the traditional knowledge.

- 3.4.1 The organization has policies steered towards maintaining and/or placing value on traditional practices related to good management practices of natural resources.

3.4.2 The use of traditional knowledge is considered all along the supply chain and is based on the principle of prior informed consent, negotiation procedures consistent with clause 3.1, customs, values, and traditional practices of the relevant communities.

Generic Guidance

Possible verifiers:

- Local communities have documents reflecting transparent negotiated agreements;
- The organization has carried out a proactive and participatory study to determine any links to traditional knowledge;
- There is documented negotiation on how traditional knowledge may be used and built upon, including in relation to intellectual property rights;
- Traditional knowledge is explicitly considered in determining adequate price.

AB Specific Guidance

This may apply when investigating seeds for large scale ex situ plantations, and local knowledge relating to cultivation and yield of the species in general or trees in particular.

3.4.3 Benefits are redistributed according to agreements.

Principle 4 Socio-economic sustainability (productive, financial and market management)

Competitiveness in the field of BioTrade should result in sustainably managed products that are able to position themselves in specific markets and remain there long enough to generate the expected benefits.

4.1 The organization shall demonstrate sound and sustainable financial management.

To guarantee the generation of expected benefits and the implementation of the BioTrade Principles & Criteria, the organization should have an organizational system in place in accordance with its activities, as well as a strategy that shows high potential for financial sustainability in the long-term.

4.1.1 **Minimum indicator:** The organization is currently profitable or has a viable business plan to become so

Generic Guidance

4.1.1 is a minimum indicator as there would be little sense in UEBT including member organizations that cannot at least show that they can become profitable and are thus likely to be sustainable. However, the intention is not to exclude small and/or relatively unorganized organizations because of their current situation. In case of doubts, auditors should give the benefit of the doubt.

4.1.2 The organization's structure is in line with its production objectives and size.

4.1.3 The organization has financial planning tools that provide an indication of its profitability and the feasibility of its long-term business plan.

4.1.4 The organization has knowledge of the markets and/or strategies to reduce dependence of one product or one buyer.

4.2 The organization shall have enough quality-management capacity to access and remain in the target markets.

The sustainability of an organization depends on its productive capacity according to its clients' demands, particularly in terms of quality.

4.2.1 The organization has identified the target markets and the supply and demand of said markets.

4.2.2 The organization keeps records and relevant documentation to meet the requirements of the target markets.

4.2.3 Products meet the relevant quality standards of the target markets.

Generic Guidance

The organization should produce a good quality product free from contamination and damage.

AB Specific Guidance

For Allanblackia, quality issues can come from rancidity and contamination, particularly from smoke, inappropriate storage and/or transportation and processing equipment. The organization should take measures to avoid this to happen.

4.2.4 The organization has the management capacity to maintain the quality level of its products.

4.3 A system of traceability shall be in place that allows the identification of the product's origin all along the supply chain.

Traceability is a key factor in ensuring that requirements related to quality, benefit sharing, conservation and sustainable use are transmitted along the supply chain. In the same time, if an organization does not have a clear picture of the origin of its supply, it will not be able to identify issues related to Ethical BioTrade, and thus have no way of trying to resolve them. Organizations should include traceability in their quality-management system and make it an integral part of their routine business, in a way that is proportionate with their size and complexity.

Traceability also ensures that product origin can be known precisely and that products responding to certain criteria (e.g. BioTrade) are not mixed with ones that do not correspond to the said criteria. As such it is an important element in market differentiation and building trust amongst consumers.

Buyer: Directly applicable. A buyer should have a traceability system in place that ensures the accuracy of the information required by this criterion.

Producer: Directly applicable. A producer should know the information it has to register and how to keep relevant records.

A producer should keep records of basic information on the collection and/or cultivation areas according to the buyer's requirements and indicators 4.3.2 and 4.3.3.

4.3.1 To facilitate adequate traceability along the production chain the organization keeps record of basic information on the purchase of raw materials, processed or finished products and processes. The supplier records basic information on the collection and/or cultivation of the species including the harvest area, workers involved and processes involved.

Generic Guidance

The information should include records on:

- Location;
- harvesting time;
- agricultural inputs used;
- agricultural/collection practices implemented;
- quality of raw materials;
- collectors/suppliers that have received training and topic of the training.

4.3.2 Critical Control Points to monitor product traceability have been identified.

Generic Guidance

The identification of critical control points (i.e. points where the stream of information might become corrupted or even disappear) allows to focus on these points and thus to prioritize the use of resources for the implementation of a traceability system.

Principle 5 Compliance with national and international legislation

Compliance with relevant legislation and regulations applicable to BioTrade organizations is fundamental for the legal legitimacy of companies and market access for their products.

The Criteria for this Principle do not have indicators due to the fact that on an international level, specifying each law from every country is an impossible task.

In each country where a BioTrade operation exists, a list of the relevant laws and regulations, including their relevant points, should be established at the latest before the initial audit. It is however recommended that national BioTrade programmes and regional partners establish such lists in advance to allow organizations to assess their own compliance and diminish audit costs.

In any case, the auditor should make sure that the necessary information applicable to the organization that will be audited is available before the audit begins.

The adaptation at a national level should at least:

Take into consideration, inter alia:

- Tributary legislation
- Agricultural and wild-life legislation
- Requirements for licences to manage wild resources
- Quality regulations
- Legislation on intellectual property
- Exporting licences

Analyse existing laws and regulations that conflict with this standard, and propose solutions when such conflicts arise.

5.1 The organization shall comply with local, national, regional and international legislation as well as all administrative requirements related to use and trade of products and services derived from biodiversity.

Note: Conflicts between laws, regulations and the Verification Framework shall be evaluated on a case-by-case basis by the auditors and the involved or affected parties.

5.2 All fees, royalties, taxes and other legally applicable charges shall be paid.

5.3 In the signatory countries, the provisions of all international agreements, such as CITES, the ILO Conventions and CBD, shall be respected.

- 5.4 The organization shall know and take measures to stop or report the illegal use of areas that it manages and/or where resources are used.

Generic Guidance

It is not enough for the company to meet the regulations applicable to its own activities, but it should also take measures to minimize the risk that illegal activities take place in areas over which it has an influence. This principle is applicable for producers as well as for buyers.

It is hoped that the measures, even if indirect will have some effectiveness, particularly if the illegal activities have an impact on the resource and/or its ecosystem. It is thus a good idea to monitor the effect and adapt the measures as necessary. Stopping an illegal activity may not be possible at all for an organization, however the organization should at least report the illegal activities to the competent authorities (legal and/or traditional). Here also, the outcome should be monitored.

Principle 6 Respect for the rights of actors involved in BioTrade activities

The respect of the rights of actors that, in one way or another, interact with the organization is fundamental to the management of a BioTrade organization.

Despite the fact that it is a universal principle, respect for human rights needs to be defined further at the local level to be consistent with socio-cultural realities. For example, while child labour is condemnable, the situations in which work by children is acceptable or not change from place to place. These changes can relate to the age, the family situation, relation to access to education, or the type of work. Frequently this interpretation is provided by the national legislation and the information on the legal requirements necessary for implementing or verifying Principle 5 should include the respect for human rights.

6.1 The organization respects human rights

Human rights are fundamental to the work of all those involved in the sustainable trade of biodiversity products. They should therefore be duly recognised and respected.

6.1.1 **Minimum indicator:** The organization takes measures to ensure the respect for human rights and there is no evidence of non-respect, or of restrictive/discriminatory policies or practices.

Generic Guidance

Restrictive/discriminatory practices or policies could include discriminating against the hiring of certain groups of people based on their age, gender, race or social condition. The fact that there is no evidence of such practices via documentary research and interviews with internal and external stakeholders can bring a sufficient level of assurance.

In particular, instead of child labour exploitation, education and personal development should be encouraged.

- No child should be employed below the minimum age for employment specified in national law.
- Children should not be exposed to hazardous work (work that jeopardises the physical, mental or moral well-being of a child, either because of its nature or because of the conditions in which it is carried out).
- Practice should comply with ILO Convention 138 Minimum Age for Admission to Employment, which states that the minimum age for employment shall not be less than the age of completion of compulsory schooling.

In practice, this can be summarised as:

"No child shall be employed below the minimum age for employment specified in national law. Children may assist within a family group, outside of school hours and under adult supervision, provided that there is no hazardous work involved."

6.1.2 The organization respects the ILO Core Conventions on Freedom of Association and Protection of the Right to Organize (87), on the Right to Organize and Collective Bargaining (98), on Equal Remuneration (100), on the Abolition of Forced Labour

(105), on Discrimination (Employment and Occupation (111), on the Minimum Age Convention (138), on the Elimination of the Worst Forms of Child Labour (182), and the UN Convention against Trans-National Organized Crime, Protocol on Trafficking and Smuggling.

6.1.3 The organization has policies that promote equality of treatment and sensitize its staff about the issue.

Generic Guidance

Possible verifiers:

- handbooks owned by employees on organizational policy;
- signed and dated records to indicate that employees have read and understood the organizational policy.

6.2 The organization shall respect the rights of local communities and indigenous people.

These rights include, inter alia, territory and culture. Local communities and indigenous peoples are for the most part essential actors in the commercialisation of biodiversity-based products. To guarantee sustainable trade, the impacts of the production system on these groups should be identified and their rights duly respected.

Buyers: Directly applicable. In addition, a buyer should make every reasonable effort to ensure that its suppliers comply with this clause. To do so, it should have a basic knowledge of these rights and be able to assess the risk that its suppliers infringe on them. It should know of and have access to the producer's policies in the respect.

Producers: Directly applicable. It may be desirable that the producing organization carries out a proactive study on the existence and extent of these rights. This study could be done in correlation with the one related to traditional knowledge. The size, complexity and sensitivity of the operations should be taken into consideration when assessing the degree of compliance with this criterion.

6.2.1 Where productive activities are developed in territories of local communities, the organization has a specific policy to ensure that their rights are not affected or infringed.

- 6.2.2 Indigenous peoples control the management of the resources in their lands and territories, unless they delegate control with free and informed consent to other organizations.

Generic Guidance

Not all countries have indigenous peoples in the sense of the international definition provided in the definition section of this document, in which case the delegation cannot occur and the indicator is thus not applicable. Nevertheless auditors will indicate why it is not applicable and not only refer to “NA” in their report.

- 6.2.3 Sites of special cultural, ecological, economic or religious importance to indigenous peoples are clearly identified in cooperation with such peoples, and recognised and protected by those responsible for the management of the resources.

Generic Guidance

Harvesting should not harm national heritage sites, sacred sites or other areas of traditional and cultural land use or special biodiversity protection areas.

- 6.3 The organization shall ensure that its activities have no negative impacts on the health and safety of surrounding populations.

- 6.3.1 The organization has identified the potential impacts of its activities on surrounding populations.

- 6.3.2 The organization takes measures to avoid any negative impacts and optimize positive impacts

- 6.4 The organization shall provide adequate working conditions for its employees.

- 6.4.1 ***Minimum indicator:*** The organization provides adequate housing, where required, by workers and drinking water to all workers.

Generic Guidance

To be understood as: “The organization provides drinking water to all its worker and adequate housing when their duties require them to lodge outside their home.”

- 6.4.2 Where possible, the organization issues long-term contracts to its employees.

- 6.4.3 The **organization** ensures adequate working conditions and social security for its employees, (this includes health services and education).

Generic Guidance

Adequate working conditions include health and safety. For example, operative guidelines and procedures should insist on the implementation of healthy and safe practices.

6.4.4 The organization offers its workers training programmes and career development opportunities, and promotes proper working conditions among its suppliers.

6.5 The organization shall threaten neither food diversity nor food security of the local community.

The development of commercial activities in relation to natural resources can change the customs of producers and the dynamics of local markets. This can happen in such a way that traditional practices of production are affected as well as the availability and price of basic products for the food security of local populations.

Note: Even if introduced species do not enter into the scope of BioTrade, the use of such species is allowed to ensure diversification and food security.

6.5.1 Impacts on food diversity and food security that could be generated by productive activities have been identified.

6.5.2 The organization undertakes specific activities to eliminate its negative impacts on food diversity and food security.

Principle 7 Clarity about land tenure, right of use and access to natural resources

Clarity about rights of access is a very important element in the responsible management of an organization. Only then can long-term investments be made or can corresponding management measures be implemented to ensure sustainability. At the same time, clarity on this issue means that the responsibilities of each actor in the management of the species can be established.

7.1 The organization shall use land according to relevant tenure regulations if they exist.

It should not encroach upon the existing rights of local communities. In cases where there are conflicts over the use of land, where, for instance, traditional rights contradict legal rights, the organization should have the mechanisms to resolve such conflicts in a way that is satisfactory to all parties.

7.1.1 **Minimum indicator:** There are no disputes over land tenure and access of substantial magnitude involving a significant number of interests.

Generic Guidance

Recognizing that disputes can always exist, it is important that there are mechanisms to ensure their resolution. An important element in the evaluation of this criterion is the existence, or not, of conflict resolution mechanisms that are agreed by all parties. The transparency indicators of criterion 3.1 are useful reference in evaluating the transparency of these procedures if they exist.

While the final judgement call will be made by the external auditor, the following guiding factors (adapted from FSC document FSC-GUI-30-004 FSC Principles 2 and 3: Guidance on Interpretation) can help both organizations to monitor their on-going compliance with the requirement and external auditors in interpreting this minimum indicator:

- whether the dispute involves local rights holders, local forest workers, or local residents;
- the legitimacy of the claimant in the dispute;
- whether the dispute involves the legal or customary rights of indigenous peoples or local communities;
- the range of issues and/or interests involved, for example whether a whole interest group is concerned or if it is only individuals;
- whether the potential impacts on the disputant(s) are irreversible or cannot be mitigated; and /or
- whether the dispute involves issues related to meeting the requirements of the UEBT Standard.

7.1.2 Land tenure and the rights to use the resources are clearly defined (e.g. property titles, leasing contracts, permits, evidence of customary rights).

- 7.1.3 Community resources and tenure rights are not directly or indirectly threatened or limited by the management of resources.
- 7.1.4 Appropriate mechanisms shall be employed to resolve disputes over tenure claims and use rights.
- 7.2 The organisation shall use the resources it manages with the prior informed consent of the party that provides them.

An organization should be able to demonstrate that it has obtained the consent of the owners of any genetic resource it has gotten access to. For example, material transfer agreements are a good way to demonstrate such compliance. In addition, for an organization to demonstrate that it adequately compensates the parties that supply the resources, it is important for the latter to understand the conditions and real value of these resources (see Principle 3). These cases are normally regulated by national legislation, according to the CBD (see Principle 5).

Note: reference should be made to the CBD and/or national legislation to interpret this criterion.

- 7.2.1 The organization has carried out an administrative procedure soliciting access to the resources.

Generic Guidance

If required by national or local regulations, the organization should have applied for a permit documenting the prior informed consent of the authorities for access to the resources.

- 7.2.2 The organization can provide the contracts obtained for access to this resource.

Generic Guidance

Access to the resources should be on the basis of contracts, obtained through transparent and informed negotiations as required by Criterion 3.1.