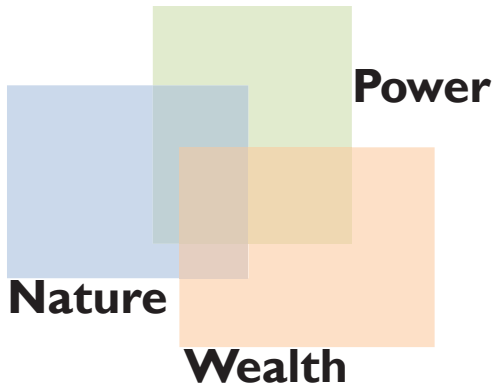




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Himalayan Bio Trade Pvt. Ltd.
(www.himalayanbiotrade.com)

HBTL promotes responsible resource management that protects endangered species and maximizes benefits to the communities, while producing the highest quality natural products.

Certified Wildlife Friendly™ Products

HBTL products are sold in domestic and international markets as natural products, sustainably harvested from community managed forests and processed by community-owned enterprises. HBTL products include:

Handmade paper products: Handmade paper products are produced from wild-crafted Lokta bark, a perennial shrub that grows in the understory of the high altitude Himalayan forests. HBTL's handmade paper products include; paper sheets - both natural color and dyed; file/folders; journals/notebooks; wrapping paper; stationery; lampshades; shopping bags; boxes; and visiting cards/business cards.

Essential oils: Oils obtained by steam distillation from various plants including Abies oil, Anthopogon oil, Artemisia oil, Calamus oil, Jatamansi oil, Juniper berry, Juniper needle, Valerian oil, and Zanthoxylum oil.

Other Products: Natural fiber products, Himalayan Nettle and Hemp fiber products; Non-volatile (fixed) oils such as Butternut oil, Dhatelo oil, Seabuckthorn seed oil, and Herbs for a variety of uses including tea blends.

The products are Certified Wildlife Friendly™ and have Forest Stewardship Council (FSC) certification. International buyers include the Aveda Corporation, S&D Aroma UK, S&D Aroma India, CTM Altromercato Italy and others.

Conservation Challenge

Local communities are highly dependent on the forests for subsistence needs (housing timber, fuel wood, fodder), and the collection of non-timber forest products (NTFPs) that are sold to obtain cash income. About 42 thousand tons of over 100 NTFPs are harvested annually. Nearly all are harvested



**Wildlife Friendly Enterprise Network:
Himalayan Bio Trade Pvt. Ltd. (HBTL)**

and crafted by the poorest of the poor in the remotest mountains, where 57% of the population lives below the poverty line (\$59 annually in Nepal). NTFP harvest is often the only source of cash in these highland communities. Lack of forest protection and subsequent clearing of forest has led to massive soil erosion and landslides as well as significant habitat loss for threatened and endangered wildlife. Illegal trade in animal products across the border to Tibet poses a great threat to much of the wildlife of the region.

Context and Business Model

Nepal has a rich community forestry program that is taking responsibility for stopping deforestation and rehabilitating degraded forest lands. The Certified Wildlife Friendly products are sourced from NTFPs that are collected from the wild by community forest user groups (CFUGs) in the districts of Dolakha and Bajhang. These districts are found in the upper temperate forest zone at an altitude between 1800m and 3300m. In the Dolakha District just over half the area is forested and a third is agricultural and pasture land.



Key species in the forests of Bajhang and Dolakha include the Grey Wolf, Himalayan Tahr Leopard, Musk Deer, Pangolin, Red Panda and the Wild Yak. These districts also border on the habitat of the endangered snow leopard.

Himalayan Bio Trade Pvt. Ltd. (HBTL), a natural products trading company based in Katmandu, was formed in 2000 to facilitate consolidation of products from remote CFUG enterprises and market high quality natural products that promote biodiversity conservation and fair trade. HBTL is a producer owned company that works with community groups to facilitate community based enterprise start-up, suitable technology transfer, product design, quality control and buy-back guarantees with fair prices. HBTL has an agreement with the community-based forest enterprises (CBFEs) to source NTFP products. The CBFEs in turn have agreements with the Community Forest User Groups (CFUG) to supply the NTFPs. CFUGs are village groups that obtain legal tenure over forest areas from the Nepal government, and devise forest management plans that allow for sustainable use, while protecting overall forest biodiversity. It is noteworthy that the CFUGs in Bajhang and Dolakha, the community enterprises, and HBTL were the first in the world to be awarded a group FSC certification for NTFPs.



Impact and Monitoring

There are 7,500 households with about 40,000 people in the community forest user groups (CFUGs) who are the managers and users of community forests from which the Certified Wildlife Friendly™ products are sourced. The community forests offer protected habitat and migratory corridors for key wildlife including the endangered species (IUCN listed) such as the Musk Deer and Pheasant. Over the past ten years a significant portion of degraded lands have been reforested and overall the area of forested land has increased. Daily patrols walk the forest areas and over the past 10 to 15 years, with the increased area of habitat, the community members report increased numbers of wildlife which they now actively protect against wildlife trade. Community members also restrict outsiders from going up to the higher elevations to poach other endangered species, including the snow leopard.

Promoting and marketing of the HBTL community produced and certified natural products, derived from the NTFPs, has greatly benefited marginalized community groups, helping them to fight poverty and improve their standard of living. The profits generated by the trading of community produced products are distributed to the community shareholders on an equitable basis. There has been significant job creation at different stages of the supply chain and in 2008 over \$1.5 million in revenue was generated for the forest communities.

CFUGs conduct monitoring of the impact of their activities and the activities of the community based enterprises. CFUGs, FECOFUN (the Federation of Nepal's CFUGs), local communities and the District Forest Office are all involved in monitoring the forest with a particular focus on wildlife poaching along with overall condition of the habitat in the CFUG areas. The community members report seeing wildlife on a regular basis and consolidate the sightings in bi-annual reporting. FSC certification evaluates the harvesting plans and overall natural resource management of the areas, including impact on wildlife. FSC audits the groups annually to verify that the sustainable harvest protocols are being followed and to assess forest condition, which includes biodiversity/wildlife condition.

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