

Section 3

ADVICE/GUIDANCE TO INDUSTRY

Have agreed as follows,

Ways of working together:

1. Traditional Knowledge

Traditional Knowledge, its role and its commercial use in the aromatic, perfume and cosmetics industrial sector should be acknowledged and further investigated with the full and effective participation of Indigenous peoples and local communities.

Traditional Knowledge should be recognised/respected by the industry and its access and use should be determined by the Free Prior and Informed Consent (FPIC) of the Indigenous peoples and local communities, who are the knowledge holders.

2. Sustainability

Ensure sustainable use and support indigenous and local communities to ensure sustainability. The resource must be sustainable and renewable. Make sure the origins of the raw materials are acknowledged. Promote investigation of other product development/diversification possibilities. Promote in the industry, the potential use of one product in other formulas. Consider the potential of long term use considering the socio-economic evolution of indigenous peoples and local communities.

3. Sustainability of project

Indigenous peoples and local communities require capacity building to negotiate (on a level playing field), capacity to evaluate quality of ingredients, evaluating sustainability of the project and not to be dependant upon one company (or partner).

4. Know the capacity of supply

Both the supplier community and the industry should understand the potential and limitations of supply (sustainability).

5. Understand the supply chain and added value (including the added value of traditional knowledge and sustainability). Both communities and industry should understand the value added at each stage and develop realistic expectations.

6. Profitability

The price of products – know what is the added value of the product at each step of the chain. The final consumer should support sustainability of the project by paying more if necessary for a product produced from sustainable community sourced extracts. Indigenous peoples and local communities can use profits to secure their land tenure. No risks should be taken that impact on food security.

7. Independent Audits/Certification/Verification

This system allows for evidence of sustainable community sourcing and equity in the supply chain, acknowledging goals of conservation and sustainable use. Such certification could be provided by the industry or the community and could add value to the final product.

8. Community protocols

Users need certainty about community processes and Indigenous peoples and local communities also need a common understanding of agreements entered into. Indigenous peoples and local communities should be encouraged to diversify their interests. There is no “one-size fits all” community protocol. Each community must develop their own processes/protocols according to their customary laws and unique national and cultural circumstances. Interactions should be based on an equal dialogue between partners, in order to have equitable sharing of benefits and to achieve mutual goals including conservation and sustainable use.

9. Legal frameworks considering the community protocols (including customary laws).

Legal frameworks should consider land tenure, traditional organization of Indigenous peoples and local communities. Indigenous peoples and local communities should be included as a partner in the registration of the products. Business partnerships can proceed without a legal framework however minimal standards need to be agreed upon prior to commencement of activities.

10. Educating the customer regarding the added value of sustainable product sourcing and traditional knowledge.

Customers should be educated about the value added to products by sustainable sourcing of ingredients, traditional knowledge and common goals of conservation and sustainable use and be willing to pay a higher price for these elements.

11. Contracts

Contracts may be a useful tool. Contracts should include duration, working terms and quality aspects. Contracts should translate commitment including the need for benefits for both community and environment. Contracts should constitute ethical standards of fairness and sustainable use. Contracts should clarify for the end of the supply chain the requirements at the local level. Contracts should establish clarity in the supply chain.

12. Exclusivity

Exclusivity is not a problem if it is for a limited time period. It can ensure a fair price. Industry should promote a clear understanding of the limited interest for exclusivity. Exclusivity should be negotiated on a case by case basis.