

# DIALOGUES IN ETHICAL BIOTRADE

HOW TO ESTABLISH RESPECTFUL,  
BALANCED AND INCLUSIVE DISCUSSIONS  
IN THE SOURCING OF NATURAL INGREDIENTS

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**Prepared by:** Union for Ethical BioTrade

The Union for Ethical BioTrade (UEBT) is a non-profit association that promotes the 'Sourcing with Respect' of ingredients that come from biodiversity. Trading 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 the supply chain.

**With the support of:** GIZ

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# TABLE OF CONTENTS

<b>I. Introduction .....</b>	<b>5</b>
<b>II. Using these guidelines .....</b>	<b>6</b>
<b>III. Core elements of a dialogue .....</b>	<b>7</b>
1. Respect .....	8
2. Trust .....	9
3. Participation .....	10
4. Information sharing .....	11
5. Capacity development .....	12
6. Partnership building .....	13
<b>IV. Measures to establish a dialogue .....</b>	<b>14</b>
1. Determine own needs and expectations .....	14
2. Identify stakeholders .....	16
3. Understand the biocultural context .....	18
4. Clarify rights and obligations .....	20
5. Determine local needs and expectations .....	22
6. Prepare and share information .....	23
7. Establish rules of engagement .....	24
8. Document discussions and agreements .....	26
9. Monitor & evaluate .....	27
<b>V. Concluding remarks .....</b>	<b>29</b>



# I. INTRODUCTION

Ethical BioTrade requires discussions on the sourcing of biodiversity – such as those defining terms of supply, settling on prices, establishing good collection practices or requesting prior informed consent – to be based on dialogue and trust.

A dialogue is the process designed and implemented for actors along supply chains to establish respectful, balanced and inclusive discussions and to build ethical partnerships.

Companies implementing the Ethical BioTrade Standard must take measures to establish and maintain a dialogue with their partners. This is particularly important in discussions involving local producers, groups or communities. At the local level, there may be cultural differences, asymmetries of information, disparate capacities, and unbalanced distributions of power. In these cases, specific measures are required to ensure a dialogue between a company and its local partners.

The guidelines on ‘Dialogues in Ethical BioTrade,’ developed by the Union for Ethical BioTrade (UEBT), aim to provide companies working with the Ethical BioTrade Standard with practical guidance on establishing dialogues in the context of their sourcing activities<sup>1</sup>. These guidelines focus on interactions between companies and partners at the local level, such as producers, collectors, providers of genetic resources or their communities. Nevertheless, the approaches and information may be useful for companies to consider in discussions with other partners in the development or sourcing of natural ingredients.

<sup>1</sup> These guidelines are an optional tool for UEBT members. The Ethical BioTrade Standard, along with the UEBT membership conditions and obligations, remain the basis of the commitment and work of UEBT members.





## II. USING THESE GUIDELINES

The guidelines on ‘Dialogues in Ethical BioTrade,’ provide information and suggestions on various aspects linked to establishing and maintaining dialogues in the sourcing of natural ingredients. Section III describes the core elements of a dialogue in Ethical BioTrade. These core elements should be present for a discussion to be characterised as a dialogue in the context of Ethical BioTrade. Then, section IV outlines specific measures that companies would be expected to carry out when engaging in discussions with local actors in order to establish a dialogue. Figure 1 illustrates the link between the core elements, the specific measures and the dialogues in Ethical BioTrade. In turn, these guidelines are complemented by further tools, information and references on community engagement available at [www.uebt.org](http://www.uebt.org).

It is important to note that discussions on the sourcing of natural ingredients – particularly if they involve or impact topics such as access to genetic resources, land rights, indigenous peoples, and traditional knowledge – may be complex or subject to distinct legal requirements. Especially in these cases, the use of the guidelines for ‘Dialogues in Ethical BioTrade’ should be accompanied with other existing tools or the support of the UEBT Secretariat, affiliate members or partners, as well as local or community-based organisations.

### III. CORE ELEMENTS OF A DIALOGUE

The core elements of a dialogue refer to fundamental concepts that should be present in all interactions among actors in Ethical BioTrade. The term 'dialogue' does not refer to a specific process or moment in a discussion, but rather the approach that should characterise all aspects of the partnership. As a result, the core elements of a dialogue are not steps to be undertaken once but constant and evolving approaches in discussions with local partners.

Establishing a dialogue requires reflecting each of these core elements in a discussion or partnership. At the same time, these core elements are interconnected – strengthening any of these elements in an exchange or agreement also reinforces the other core elements.

The section below describes each of these core elements, defining its importance and practical implications in the context of ethical practices for the sourcing of biodiversity. The core elements of a dialogue derive from the Ethical BioTrade Standard, as well as the approaches and experiences of other organisations on establishing more balanced and equitable interaction with actors and communities at the local level.



# 1. RESPECT

Establishing a dialogue in Ethical BioTrade requires respecting all actors. Discussions on sourcing of biodiversity should appropriately take into account that actors may have particular needs, values, practices and aspirations. Measures should need to be taken to understand and address the views and standards of conduct of local actors (see, e.g. 'Understand the biocultural context' and 'Determine needs and expectations').

## This core element influences:

- The people and stakeholders involved;
- The manner in which discussions are held; and
- The agreements reached.



## What should a company do to ensure this core element?

Identify and appropriately involve all people and groups with rights, interests and concerns on issues being discussed;

- Accept that certain local stakeholders may not be interested in engaging or developing partnerships;
- Consider the biocultural context and needs and expectations of local partners;
- Establish procedures for discussions and activities that take into account the local context and practices; and
- Abide by jointly established rules of engagement and agreements.

## Indications that this core element is present in a discussion:

- Actors are at ease when interacting;
- Actors demonstrate empathy and openness to different points of view;
- There is clarity and agreement on the way to hold discussions and make decisions;
- The company understands the potential direct and indirect impact of its approaches and activities on local actors; and
- Actors follow through on agreements.



## 2. TRUST

Building trust is a process that requires time and investment on the part of all actors along the supply chain. Dialogues in Ethical BioTrade require actors to engage in discussions in good faith, with transparency and authenticity, in order to jointly construct such trust. Measures to build trust may include actions to involve actors in discussions and following through on agreements (see 'Identify stakeholders' and 'Document discussions and agreements').

### This core element influences:

- The manner in which discussions are held;
- The implementation of agreements; and
- The continuity and stability of the partnership.

### What should a company do to ensure this core element?

- Invest time in understanding local partners;
- Keep commitments and follow through on agreements;
- Share information and maintain constant communication channels; and
- Implement procedures for conflict management.

### Indications that this core element is present in a discussion:

- Parties interact comfortably and on a regular basis;
- Parties have sufficient information and discussion;
- There is compliance with agreements;
- The company works with a stable group of producers; and
- Conflicts are addressed openly.



## 3. PARTICIPATION

A dialogue in Ethical BioTrade requires discussions to involve all relevant local actors. It also requires the participation to be meaningful, with discussions characterised by sufficient information, occasions to be heard and real opportunities to influence decisions. In this regard, participation goes well beyond merely consulting stakeholders. Rather, companies should be proactive in involving all stakeholders, sharing information, and establishing rules of engagement that provide real opportunities to influence and make decisions, as appropriate to their size and the nature and context of sourcing activities (see 'Prepare and share information' and 'Establish rules of engagement').

In the case of discussions that are complex or subject to distinct legal requirements, measures to ensure effective participation are fundamental. For example, it may be necessary to involve a community-based organisation or other facilitators to adequately engage local actors. Experts may need to be brought in to provide guidance and technical support on particular issues. Workshops may need to be organised by the community to ensure sufficient internal discussion prior to decision-making.

### **This core element influences:**

- When and where meetings are organised;
- The persons or groups informed and invited;
- The methodology used in the meetings; and
- The commitment to discussions and agreements.

### **What should a company do to ensure this core element?**

- Consult and respect the approaches and internal dynamics for discussions of producers and their communities;
- Organise meetings considering local circumstances and practices;
- Support and provide adequate assistance for the participation of those who may face particular barriers to access, including members of producer groups or local communities members that may not always have a say, including women;
- Favour participatory methodologies focused on including different opinions and generating mutually beneficial consensus;
- Allow room for consultation of plans, projects or agreements with other actors or community members; and
- Maintain communication channels and provide answers to questions and concerns.
- Indications that this core element is present in a discussion:
  - There is broad, regular and varied participation of local actors in meetings;
  - Local actors feel ownership over discussions through having enough information and opportunity to influence outcomes;
  - Parties are able to express their views and opinions openly, confident that they are understood and valued in the decision-making process; and
  - Decisions are consensus-based and entail responsibilities and benefits for all actors.

## 4. INFORMATION SHARING

A dialogue requires a meaningful exchange of information between actors. An exchange of information is 'meaningful' when the facts, figures and explanations provided can be understood and discussed among actors. Dialogues should take place in the local language and facilitated by moderators aware of local customs and traditions. The information should also constitute sufficient basis for local actors to define and consider a range of options, with the relevant risks and opportunities of each option, from their own perspective. Companies should take measures to identify the necessary information for each exchange, and share with local producers in an appropriate manner (see 'Prepare and share information').

### **This core element influences:**

- The degree of substantive discussion;
- The relevance and appropriateness of agreements;
- The respect for the rights of stakeholders; and
- The trust being built between parties.

### **What should a company do to ensure this core element?**

- Share information about the company; its existing and proposed activities, its partners; and the legal, ethical and economic framework in which it is operating;
- Understand the structure, activities and legal, ethical and economic framework of local partners;
- Consider and present information appropriate for different audiences, from community leaders to members of the broader community;
- Present information in appropriate terms, in the local language, and with relevant references and examples; and
- Provide opportunities for local partners to ask questions, consider the information received and provide feedback.

### **Indications that this core element is present in a discussion:**

- Actors have the information relevant to consider options and make substantiated decisions;
- Local partners are knowledgeable about the company and the reasons and conditions for their collaboration;
- The company is knowledgeable about the producers' circumstances, practices and concerns; and
- Informational material has been developed specifically for local partners.

## 5. CAPACITY DEVELOPMENT

Establishing a dialogue requires a variety of skills and knowledge, both from the company and local partners. The company should identify aspects on which it may need support, including identifying applicable laws and regulation and facilitating discussions on complex issues. Measures should be taken to ensure that local partners have the skills to fully contribute to and benefit from discussions and related sourcing activities (see 'Determine local needs and expectations').

### **This core element influences:**

- The degree of substantive discussion;
- The relevance and appropriateness of agreements;
- The respect for the rights of stakeholders; and
- The implementation of agreements.



### **What should a company do to ensure this core element?**

- Identify the skills, tools or knowledge that would allow local partners to engage in a dialogue and implement its outcomes;
- Provide information or technical support required for local partners to understand legal or technical concepts and frameworks;
- Ensure that local partners are fully aware of their rights in relation to the resource in question;
- Assess its own capacities for engaging with local partners and implement strategies to strengthen these capacities.

### **Indications that this core element is present in a discussion:**

- Local partners and companies both enhance their knowledge and skills through participating in the dialogue process;
- Actors are able to exchange views and suggestions; and
- Training workshops are jointly and regularly considered and implemented.



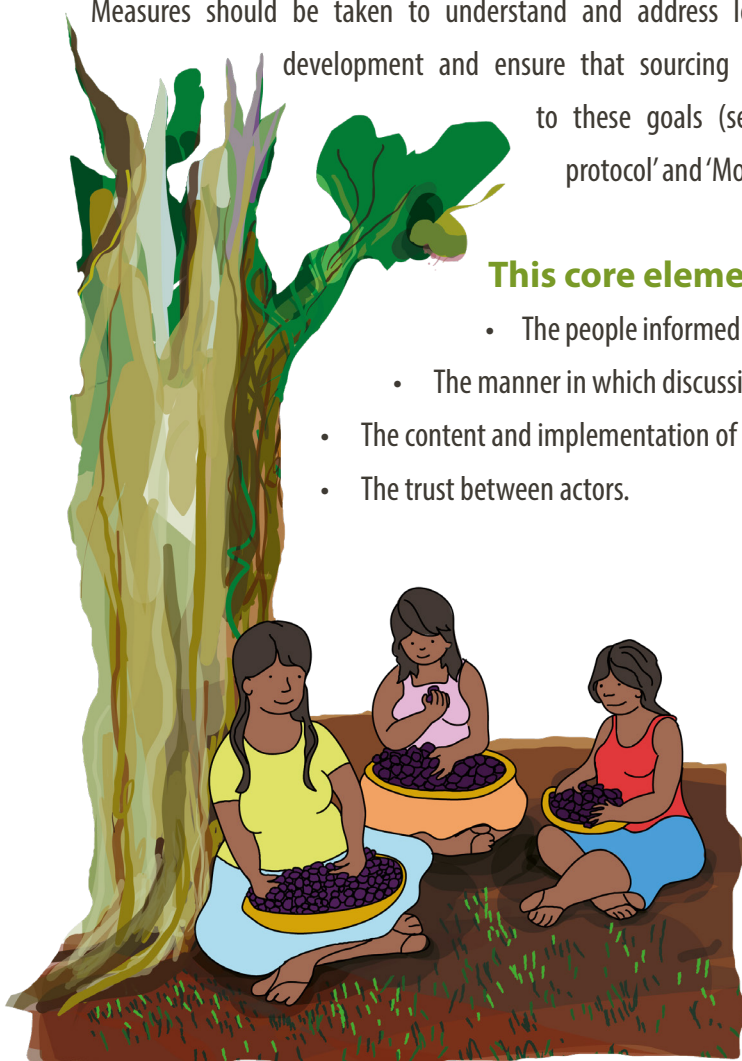
## 6. PARTNERSHIP BUILDING

A dialogue requires partners to work towards a long-term, sustainable partnership, rather than on quick, short-term wins. Interaction and agreements reflect a spirit of cooperation.

Measures should be taken to understand and address local goals for sustainable development and ensure that sourcing activities are contributing to these goals (see 'Understand biocultural protocol' and 'Monitor and evaluate').

### This core element influences:

- The people informed and involved in discussions;
- The manner in which discussions are held;
- The content and implementation of agreements; and
- The trust between actors.



### What should a company do to ensure this core element?

- Focus on how discussions and agreements will strengthen the partnership in the long run.
- Respect views and aspirations of local partners in defining 'successful' outcomes for discussions and collaboration;
- Be transparent about expectations, interests and needs;
- Share decisions and agreements widely; and
- Ensure that sourcing activities are contributing to local goals for sustainable development.

### Indications that this core element is present in a discussion:

- There is a stable group of producers working with the company;
- Partners have common, long-term objectives;
- Partners feel at ease when interacting;
- Partners have established clear expectations, rules of engagement and conflict resolution processes;
- Partners follow through and are comfortable with agreements; and
- There are ongoing processes for monitoring, assessing and improving collaboration.

## IV. MEASURES TO ESTABLISH A DIALOGUE

This section looks at measures companies may take to ensure that discussions with local producers and their communities reflect and advance the core elements of a dialogue in Ethical BioTrade.

Companies may include these measures in their policies and take them forth in specific discussions with local producers and their communities. Their clients and other actors along supply chains for natural ingredients may request or support the implementation of these measures as a way to support dialogues and Ethical BioTrade.

These measures are not steps to be performed in a sequence. Rather, as a whole, they represent points that must be comprehensively and continuously considered in partnerships in Ethical BioTrade. As a result, it is not possible to approach these measures as a stepwise approach or checklist. Some measures may be most effective when carried out prior to engaging with local partners. For example, clarify the rights and obligations pertinent to the area, the people and the proposed activities. Nevertheless, these measures are also useful to strengthen existing partnerships and may be performed at any time. For example, companies will consider the biocultural context, share information and conduct monitoring in a periodic and continuing manner. Finally, these measures are not necessarily separate and distinct actions. For example, there may be overlaps between measures to identify stakeholders and manage conflicts.

### 1. DETERMINE OWN NEEDS AND EXPECTATIONS

Companies have commercial needs and expectations in engaging with their suppliers. Additionally, companies bring their values into these discussions with local partners. Values – the principles underpinning the company’s activities – may be established in its mission, vision or other corporate documents or statements. Commitments to ethical practices may also derive from specific projects or requests from clients. In the context of Ethical BioTrade, companies joining UEBT internalise commitments to equity and sustainability, as well as implement ethical sourcing practices in their operations and supply chains.

Yet how these values, needs and expectations come together in relation to particular discussions is not always clear. As a result, companies may take measures to ensure these factors are defined, understood and coordinated among the various departments and staff involved in development or sourcing of natural ingredients, as well as those working on related legal, sustainability or marketing activities.

From a practical perspective, the company may first need to understand the relevance and basis for engaging in a dialogue. It can then determine how it wishes to proceed, the mechanisms and skills it needs and the expectations it has regarding the process and outcomes. A company will then be able to communicate its values, needs and expectations to local actors, which is fundamental to enhancing mutual understanding and building trust.

### What should a company do to put in practice this measure?

- Define the rationale and implications of a dialogue for the company. This may be done through internal discussion among different sectors or departments. For example, a working group may be established to develop a specific policy or follow a particular process with complexity or strategic importance.
- Identify needs and expectations for specific discussions with local actors. For example, what is the aim of the discussions? What legal and commercial aspects need to be addressed? What are the steps to be taken in light of certification or verification requirements? There may be additional information needed to address these questions or skills required to share these concerns with local actors. For example, staff may need training and support from a facilitator to express views in culturally appropriate terms (see Box 2, 'Biocultural dialogues').
- Maintain constant communication on improving the adequacy and productiveness of discussions and activities in relation to the established expectations.



## 2. IDENTIFY STAKEHOLDERS

In discussions with local producers towards sourcing or developing natural ingredients, it is useful to consider broader persons, groups or institutions with related rights, interests or concerns. Companies must consider that its decisions and actions may impact not only the directly involved in sourcing activities, but also have broader impacts on other local actors.

Sourcing activities often take place in a complex network of rights, interests and concerns linked to the land, natural resources and social and cultural structures. For example, individual producers may be contracted for collection of fruits or leaves – discussions on price, quality or good practices may normally be discussed with them. At the same time, the collection may take place in commonly managed lands and require authorisation from community leaders, who may also need to be involved in discussion on good practices. Local administrative authorities may need to be informed of commercial activities taking place within their jurisdiction. Other community members may also want to be informed of potential impact on their own activities or have an opinion on ways in which the sourcing might contribute to local development goals. Access to plants for use in research and development may require prior informed consent from local communities as well as permits from competent national authorities.

The basis for identifying stakeholders includes international, national or customary laws, as well as local practices. A range of stakeholders may be identified, with varying needs, rights or interests in being informed, consulted or involved in decision-making. These distinctions are important to consider. It is useful to clarify who is authorised to eventually make decisions and how these decisions should be discussed with or communicated to the broader community.

### What should a company do to put in practice this measure?

- Define rights of local actors, groups and communities under international, national and customary law, as well as local practices (see ‘Clarify rights and obligations’). Information about applicable legislation may be available through UEBT and its affiliate members, as well as through other organisations and groups working in the country or region.
- Conduct workshops to collectively map stakeholders and their role in discussions on sourcing activities (see Box 1, ‘Stakeholder mapping’). It is useful to maintain constant communication with local partners on the perspectives and influences of different persons and groups on discussions and activities. Information, participation and trust are relevant core elements to consider.
- Consider how to further identify and address potential impact on local actors.



## BOX 1. STAKEHOLDER MAPPING

### Purpose

To determine who needs to be informed, consulted or included in discussions, who will eventually make the decisions, and who will influence or be impacted by these decisions.

### Participation level

- Representatives of the producers and their communities, as well as the company.
- Where relevant, other local actors involved or affected by activities.

### Activities

- **Brainstorming:** Participants collectively identify who is who within the producers' groups or communities. Possible questions to guide brainstorming include:
  - How is the group, association and/or community group organised? What structures exist for consultation, discussion and decision-making?
  - Who is responsible for what activities and decisions? Who is consulted? Who makes decisions? Who leads discussions or activities?

Brainstorming also involves identifying external groups or organisations that are linked to, influence or work with producers and their communities, including government agencies, community associations and non-governmental organisations.

- **Defining stakeholders' roles:** For each stakeholder identified, participants describe its role in relation to the group or community. Possible contributions and challenges with respect to various stakeholders should be discussed.
- **Mapping:** Participants jointly elaborate a diagram on the basis of previous discussions, organising stakeholders according to criteria such as importance, influence, interest, needs, expectations, relevance or potential for cooperation or conflicts. Cards, drawings or diagrams may be used, using different colours or symbols to clearly distinguish groups of stakeholders.
- **Conclusions:** The stakeholder mapping process should be documented, as the discussions that have taken place are as important as the outcomes. A concluding discussions may be a reflection on how the approach and content of discussions or activities should consider the range of stakeholders and their various roles.

### 3. UNDERSTAND THE BIOCULTURAL CONTEXT

To engage in a dialogue, a company should understand the value that local producers and communities place on land and natural resources; the customary laws and practices that may impact discussions and decision-making; and the local perspectives on social, economic and spiritual well-being.

‘Biocultural’ refers to the fundamental links between indigenous peoples and local communities, their culture and their natural environment. It reflects indigenous peoples and local communities’ holistic worldview, which considers biodiversity as having intrinsic spiritual, aesthetic, cultural and economic elements.

Understanding the biocultural context allows companies to establish more adequate approaches to discussions and sourcing activities. For example, it is important for a company to revise its sourcing procedures in order to respect traditional practices that support sustainable use of resources or play a meaningful cultural role in the sourcing area. Actions may be taken to respect local decision-making processes and timelines. Use of images and stories in marketing of eventual products should not undermine the local culture or take place without adequate authorisation.

Working with regard for the biocultural context will promote a more solid basis for partnerships, through mutual appreciation and trust. Adequately addressing concerns and expectations also increases legal certainty.

#### **What should a company do to put in practice this measure?**

- Consult existing protocols or other documents or information. Some local communities have developed protocols or other types of documents that set forth their visions and priorities; detail rules of engagement with other stakeholders; and outline their rights and responsibilities on governing their territories and natural resources. Other local plans or strategies may also provide useful information on these issues. Finally, there may be unwritten practices or uses that may be consulted with local partners or community-based organisations.
- Establish biocultural dialogues. Companies may create a space, through meetings and discussions, for a specific discussion on values linked to biodiversity that are relevant for the development or sourcing of natural ingredients. Such processes may involve internal reflections within the company and the community, as well as an exchange of views. In Ethical BioTrade, these processes are called ‘biocultural dialogues.’

## BOX 2. BIOCULTURAL DIALOGUES

### Activities:

In the internal reflection, producers groups and their communities consider and outline the values, rights and governance structures that influence the manner in which they discuss and work with biodiversity.

### Possible issues to discuss include:

- Defining the community and its values
- Determining how discussions and decisions take place
- Rules that govern the use of resources or traditional knowledge and rights and obligations under international, national and customary law
- Goals and challenges for the community in relation to its well-being and development
- Value and management of land and natural resources
- Rules for engagement with other actors
- Information and capacity development needs

**Company representatives also consider and outline the organisation's objectives, factors and structures for decision-making, obligations under legal frameworks and ethical commitments. Possible issues to discuss include:**

- Defining the company and its values
- Determining how discussions and decisions take place
- Biodiversity as a strategic, commercial and sustainability issue
- Rules that govern the use of resources or traditional knowledge and rights and obligations under international, national and customary law, as well as voluntary commitments
- Rules for engagement with local actors
- Information and capacity development needs

In the exchange of views that follows the internal reflection process, producers and their communities come together with the company to communicate the values, rights, needs and expectations influencing the way in which discussions and activities linked to biodiversity take place. There is space for questions and clarification. The outcome of the dialogue should aim to be a definition of the shared understanding, values and commitments that define the rules of engagement for their partnerships.



## 4. CLARIFY RIGHTS AND OBLIGATIONS

It is important for discussions and activities linked to biodiversity to respect rights and obligations established by legal and regulatory frameworks. A range of laws and regulation may be relevant for various aspects of the dialogue or resulting activities, including those linked to the use of land, the collection or cultivation of plants, and the use that is given to these resources and associated knowledge. These rules may refer to procedures needed to engage with stakeholders; permits and authorisations required; and conditions to be agreed upon for the sourcing or other use of biodiversity.

These rules may be established in international agreements, national or local legislation and customary laws. At the international level, relevant agreements may include the Convention on Biological Diversity (CBD), the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), conventions within the International Labour Organisation (ILO) and the United Nations Declaration on the Right of Indigenous Peoples. International agreements are generally implemented through national law. Nevertheless, a company may need to refer to international agreements directly as national rules may not exist or be put into practice.

Relevant national laws and regulations may include those linked to environmental protection, biodiversity management, protected areas, property over land and other resources, non-timber forest products, access to genetic resources, sustainable management of natural resources, prior informed consent, traditional knowledge and indigenous peoples.

Customary law refers to the laws, practices and customs of indigenous peoples and local

communities. These laws govern, in the specific culture in which they have evolved, acceptable standards of behavior and are actively enforced by community members. Customary laws may not be written or specifically recognised by formal legislation. Nevertheless, they are increasingly acknowledged in international, national and local rules and strategies. In the Ethical BioTrade context, customary laws are therefore considered important basis for rights and obligations.

### What should a company do to put in practice this measure?

- Request information and support from local organisations or experts to define relevant international, national and customary rules in engaging with local actors on biodiversity-related issues. Information on relevant rules may be requested from the UEBT Secretariat or identified with the support of UEBT affiliate members or other local partners.
- Conduct biocultural dialogues or other participatory discussions to identify and discuss jointly with local actors and their communities the applicable rules and procedures.
- Ensure that compliance with applicable laws is considered both a value and pre-condition





## BOX 3. ACCESS AND BENEFIT SHARING (ABS)

The term 'Access and Benefit Sharing', or ABS, refers to a set of principles and rules established by the Convention on Biological Diversity (CBD) and the Nagoya Protocol with respect to the utilisation of genetic resources – defined as research and development of new products based on the genetic or biochemical composition of biodiversity.

The principles of ABS are based on the recognition of the rights that countries, indigenous and local communities hold over their biological resources, as well as the associated traditional knowledge. Therefore, these resources and knowledge can only be used for research and development with prior informed consent and based on mutually agreed terms, including regarding the equitable manner in which benefits should be shared.

ABS is implemented by means of national, local and customary laws and rules, and is also reflected in the requirements of the Ethical BioTrade Standard referring to biodiversity-based research and development.

Discussions on the possible access to or use of plant or other biological material for research and development on its genetic or biochemical components must thus respect applicable laws and rules on ABS. For example, national ABS requirements may define

which activities need administrative authorisation and prior informed consent, as well as identify the agencies, groups or communities entitled to provide such authorisation and consent.

Even in countries that have still not implemented or put in practice ABS requirements, Ethical BioTrade requires biodiversity-based research and development to be based on ABS principles. For example, the company must provide sufficient information on its plans to research new properties or uses of plants or animals, as well as to use traditional knowledge and how these activities fit within international, national, and customary laws recognising related rights of indigenous peoples and local communities. Issues to discuss, understand and agree upon include:

- What use of the resources and traditional knowledge is allowed?
- Who owns the information and findings derived from the research?
- What happens if the resources or knowledge are shared with another company?
- What recognition or sharing of benefits can be initially agreed?
- In case of successful research and development of products and services, how will further benefit sharing be discussed?

## 5. DETERMINE LOCAL NEEDS AND EXPECTATIONS

On the basis of an understanding of the biocultural context, it is useful to consider the specific needs and expectations of local partners discussions and sourcing activities. Needs may be linked to concrete information or capacities that is required to undertake activities and fulfill commitments. For example, producers may need a better understanding of the supply chain or technical support on cost calculation to effectively negotiate prices. Discussions should assess such needs and jointly identify training programmes or other approaches to address them.

Similarly, understanding and managing expectations may also relate to the comprehension of the issues and dynamics in the proposed activities. For example, if a company is requesting prior informed consent for biodiversity-based research and development, it may be necessary to address perceptions about the potential risks and opportunities of such activities. There may also need to be strong reporting and monitoring requirements in any agreements for research and development.

### **What should a company do to put in practice this measure?**

- Allow for discussion, prior to more formal or technical negotiations, on actors' understanding of the rational, process and outcomes of proposed activities. For example,

do local producers consider the proposed activities and conditions reasonable? If not, why? Are there concerns about social or other implications of collaboration? Are there suggestions on how the sourcing activities could be structured to further benefit the local community?

- Identify and address needs for additional information and skills for local actors to effectively engage in discussions and activities.
- Maintain constant communication on improving the adequacy and productiveness of discussions and activities in relation to the established expectations.



- Consider how to address potential impact on the needs and expectations of local actors.

## 6. PREPARE AND SHARE INFORMATION

Providing facts, figures and explanations that allow local actors to consider the proposed activities and their implications is one of the core elements of a dialogue. Companies should take measures to identify the necessary information for each exchange, and share with local producers in an appropriate manner. To determine the relevance of the information and the best manner in which it should be presented, it is helpful to consider the biocultural context of the local actors, as well as their existing understanding and expectations of the issues to be discussed.

Local actors should be involved in defining the information that is relevant and needed for discussions. It is also important to consider that the information that is 'relevant' or 'appropriate' may vary according to the stage in discussions and to the actors participating in the meetings. For example, meetings with community leaders may require more detailed and technical information than general information sessions with the broader community.

Focusing on how to communicate the information is crucial. Companies should present information in appropriate terms, in the local language, with relevant references and

examples. It is also important to provide opportunities for local partners to ask questions, consider the information received and give feedback.

### What should a company do to put in practice this measure?

- Identify, including through consultation with local partners, relevant information for the decision-making processes of local actors. Such information may relate to the company (its structure, operations and partners), the proposed activities (for example, what are the expected timelines and volumes for sourcing activities? How does the company usually determine prices for raw material?) and their legal, ethical and commercial framework (for example, what are legal requirements that apply to company activities? What kind of ingredients and products will the plants or fruits be used for? What does the value chain look like? How will changes in market conditions impact prices and other agreements?). Other information relevant for decision/making involves the procedures and outcome for discussions (for example, which decisions are to be made and why?), as well as the implications of the different possible decisions.
- Consider the appropriate way to communicate and seek support from local facilitator

or community-based organizations in sharing information. For example, it is always important to provide opportunities for local partners to consider the information received and ask questions. The company should actively listen and respond to the issues raised.

## 7. ESTABLISH RULES OF ENGAGEMENT

A dialogue needs clear and mutually agreed rules of engagement. The company and local partners should discuss and agree on different issues such as the process, participants, timeline and possible outcomes for discussions.

In setting rules of engagement, the company should define and explain to its local partners how its own decisions are made and the role and authority of various company representatives, as well as of any facilitators, support institutions or experts involved. On the part of local actors, sharing the biocultural context and explaining how it shapes engagement with outside actors is also important. Regulatory requirements may also determine how discussions are taken forth, who participates and who, ultimately, is able to make decisions at the local level and enter into related negotiations with the company.

Rules of engagement should be documented in a culturally appropriate manner. They should be easily accessible and understood for all participants in discussions. In addition, as far as possible, these rules should be made available more broadly to the community, civil society organisations or local authorities that may have related rights or interests.

It may be useful, particularly in more complex or recurring issues, to foresee opportunities to



jointly review the established rules of engagement in the course of discussions. Any doubts or misunderstanding should be expressly addressed. Both the company and the local partners should also consider and make suggestions for improving the process, based on the lessons learnt.

### What should a company do to put in practice this measure?

- Organise and hold meetings aiming to establish rules of engagement.
- Consider the range of topics that may come up on how to structure discussions and decision-making. Rules of engagement may include a range of topics, including:
  - **Principles of Interaction:** The values on which partners want to base their relationship.
  - **Dialogue Spaces:** The location for meetings and discussions. For example, there may be some discussions best handled by limited participants – for example, with only the presence of representatives or leaders. Other discussions may need to take place more openly – for example, in communal assemblies.
  - **Participants:** Who needs to be informed, who needs to be consulted and who will make decisions within local partners on different topics and stages of discussions.
  - **Process:** How meetings and discussions will be conducted and how agreements will be reached. For example, parties may have specific turns to present opinions and arguments. Time may be foreseen for local actors may have opportunities to consult internally.
  - **Support:** Whether an external person or organisation is needed to facilitate dialogue or provide technical support to local partners, in order to address various languages or other cultural differences. For example, partners may choose an independent facilitator

to accompany discussions. If required and appropriate under the circumstances, financial support may be provided to local actors – for example, if they are required to forego their daily activities in order to participate in discussions.

- **Timeline:** Regularity of dialogue meetings as well as time allowed for internal consultation within producer groups and their communities, and within the company. For example, parties may agree to meet at the beginning of each harvesting season and monthly through the season, to address different issues.
- **Liability:** Define obligations in relation to other partners and the fulfillment of legal requirements related to activities performed by each party.
- **Conflict Management:** A system to constructively address disagreements in a constructive manner. The system should specify how incidents or complaints are raised, who will discuss these issues, the possible role of an external actor, as well as the timeline for a response and how the response should be communicated. It may





also be useful to identify possible conflict scenarios in order to discuss and agree on constructive responses before they even happen. For example, parties may discuss what do if the quality of the product delivered drops significantly or if there is a delay in the payment for the product delivered.

## 8. DOCUMENT DISCUSSIONS AND AGREEMENTS

Documenting discussions is important to build trust and long-term partnerships. Producer groups and local communities may keep a minute book that could be used to document the date, participants, agenda and main outcomes of each meeting with the company. Similarly, the company may keep its own records of meetings. If appropriate, it is useful for participants to share meeting records with other members of the community with related interests or concerns.

The rules of engagement could establish a joint manner of documenting meetings and points agreed and to be followed up. Depending on language specificities and cultural aspects, it may be important for a local facilitators to provide support in documenting discussions and agreements. The rules of engagement and local practices may also foresee other manners of tracking meetings, given limited literacy or unease with documenting evolving negotiations. For example, audiovisual resources may be useful alternatives.



### What should a company do to put in practice this measure?

- Establish a system for recording meetings, including information such as date, participants, issues discussed, points agreed upon and follow-up actions, with consideration for the rules of engagement and local practices.

## 9. MONITOR & EVALUATE

The possibility to assess and improve discussions is central to establishing a dialogue. Monitoring refers to establishing mechanisms to gather, manage and share information on how discussions and agreements are progressing. These mechanisms may be unilateral – for example, the company may request information from producers – or established jointly through the rules of engagement or other discussions with local actors. Producers may identify and gather information to control implementation and impact of sourcing activities on their communities.

Evaluation is the periodic assessment of how relevant and effective the measures taken towards building a dialogue have proved. Evaluation procedures may be internal, joint with producers or also involve additional organisations or other partners. Annual reports and independent audits under the Ethical BioTrade verification system also provide an opportunity to evaluate progress. By monitoring and evaluating progress, the company and its local partners can increase awareness and commitment to the dialogue, improve measures, and promote accountability.

### What should a company do to put in practice this measure?

- Develop mechanisms for monitoring and evaluating how discussions reflect the core elements of a dialogue and how sourcing activities advance Ethical BioTrade practices.
- Consider a participatory approach to monitoring and evaluation, including through the rules of engagement, allowing for local actors to define goals and methodologies, assume roles in monitoring activities and evaluate themselves the quality of their dialogue (see Box 4 on 'Participatory monitoring and evaluation').



## BOX 4. PARTICIPATORY MONITORING AND EVALUATION

Participatory monitoring & evaluation (PM&E) is a process through which stakeholders engage in monitoring or evaluating a particular project or partnership. In a collaborative manner, stakeholders define the approach, the process and the results of the monitoring and evaluation activities and engage in identifying any necessary corrective actions.

PM&E offers a way of assessing and learning from change that is more inclusive, and more responsive to the needs and aspirations of those most directly affected. Its aim is not only measuring the effectiveness of a project, but also towards building ownership and empowering beneficiaries; building accountability and transparency; and improving the situation.

### Purpose

To assess and learn from what happens in the partnership and the results it achieves, in order to improve practices and strengthen the partnership.

### Participation level

- Representatives of the producers and their communities, as well as the company.
- Where relevant, other local actors involved or affected by activities.

### Core principles

- Stakeholders are active participants.
- Building capacity of local actors to analyse, reflect and take action.
- Mutual learning for stakeholders at various levels.
- Building commitment to take corrective actions.

### Activities

- **Setting frame of reference:** Participants discuss importance of M&E and the particular context – their partnership, their context, their agreed commitments. They collectively draft a list of ‘signs’ of how well their partnership is evolving. These ‘signs’ may be linked to the implementation of agreed rules, decisions and agreements, as well as more broadly to how needs and expectations are being addressed.
- **Elaborating a plan:** Participants further develop the indicators, identify what information is needed and how to obtain it, timeline and people responsible. Questions to consider include:
  - What is the measure of progress for this indicator?



- How will we assess the progress?
- How often will we assess progress?
- Who will participate in assessing progress of this issue? Who will be responsible for it?
- **Monitoring:** Selected participants put in practice the PM&E plan, measuring recording, collecting and sharing information on the agreed indicators.
- **Conducting evaluation meetings** in which progress on the different indicators is discussed assessed and measures taken to adjust and improve the Ethical BioTrade partnership.



## V. CONCLUDING REMARKS

Ethical BioTrade requires dialogues, particularly with local actors. These guidelines provide companies committed to Ethical BioTrade with practical guidance on establishing such dialogues with producers, collectors and other partners at the local level. They describe the core elements of a dialogue – the characteristics of a balanced and respectful exchange in Ethical BioTrade. In addition, they outline specific measures that companies may carry out to advance these core elements and establish a dialogue.

As a result, these guidelines hope to contribute to the work of UEBT members and partners in adopting sourcing practices for natural ingredients that advance sustainable business growth, local development and the conservation commitments are inherently based on

of biodiversity. These and require engaging with actors along supply chains in a respectful, balanced and inclusive manner. At the same time, dialogue, trust and the respect for all actors are among the aims of Ethical BioTrade, as well as of the international goals on biodiversity and development that it seeks to support.



The Union for Ethical BioTrade is a non-profit association that promotes sourcing with respect. We support and verify companies' commitments to innovation and sourcing that contribute to a world in which people and biodiversity thrive.

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