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**Sustainable harvesting and economic potential of medicinal plants and
herbs in the Southern Caucasus**

Udo Hirsch, CUNA Georgia

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Udo Hirsch, CAUCASAN/ CUNA Georgica

I. Protected areas and natural resources

The Caucasian ecosystems and their wildlife are under increasing threat from human pressure, leading to overuse. Armenia, Azerbaijan and Georgia, situated in the heart of the Caucasus, are particularly affected and therefore play a key role in the conservation and sustainable use of natural resources in the region.

In order to safeguard the most important areas of bio-diversity in the Caucasus, WWF and other nature conservation organisations support the establishment of protected area networks. Many of these areas are zoned for conservation and sustainable use of natural resources, with the objective to regulate use and to ensure long term benefits for the local people.

II. The support zones of protected areas and their inhabitants

Our development programme concentrates on the inhabitants of support zones of protected areas in the Caucasus. These zones are mostly far away from towns and cities and have little opportunity for important economic development. There are no large agrarian areas, but every family have their own gardens. For more than 15 years the local people have been concentrating on subsistence economy and the traditional use of wild plants and fruits. Only in a few places, tourism and (illegal) woodcutting may provide some income in cash.

CUNA Georgica has developed a support zone programme to promote the sustainable use of natural resources, to support the production of a selected number of traditional products and to facilitate their marketing.

III. Natural products from the Caucasus and their chances on national and international markets

Normal food stuffs from the Caucasus have hardly any chances on the European market. Caucasian products from organic agriculture have also lost their marketing chances, because recently added EU countries dominate the European market with their high quality and less expensive certified products. The situation is different in Russia however, where there is a good market for certified organic products from the Caucasus.

Following over ten years of experience in marketing natural products from the Caucasus and after a considerable number of market analyses, we can conclude that there is an important niche for certified products from the wild. Sustainable harvesting in particular, but also processing, packing and labelling are thoroughly organized and controlled. So, these products stand a good chance to be marketed successfully on the European, Russian and to a small extent also on Caucasian markets.

IV. The organisation of the production and marketing of certified products

Villagers and small scale producers have few possibilities to produce goods ready to be marketed. They do not have access to regional or national markets either. Small scale producers need a partner for the processing, packing, labelling and marketing.

CAUCASAN Ltd. was established to serve as the Central Processing and Marketing Unit for producers. All producers are entitled to become members or co-owners of the company. Since 1996 CAUCASAN products have been marketed in Western Europe by a Mail Order House in Germany and a selected number of shops.

Later on, the "Caucasus Wild Plant Certification Centre" (CWC) was established in Georgia, in order to organize the control and certification work, based on EU and IFOAM (International Federation of Organic Agriculture Movements). The programme is being further elaborated with support of "Naturland e.V. Germany", an internationally renowned certifier for organic products. In 2004 the production of special products was taken up by CAUCASAN and CWC in Armenia, Azerbaijan and Georgia and training programmes for international certification were started.

V. Our strategy

Our overall strategy is to put finished products on to the market. These products consist mainly of medicinal plants, herbs, berries, fruits, mushrooms, juices, jams, spices, teas, pestos, and salsas. Today about 120 different products are produced by Village Production Groups and marketed by CAUCASAN in Western Europe

There is an increasing national and international market for our products, due to a clear production- and marketing strategy, cost effective organisation and close co-operation among all parts of the network, from the collector to those who market the products to the consumer.

Another important factor for success is the high quality of the product and a precise indication of their places of origin on the packages. This reads for CAUCASAN, “From protected areas of the Caucasus – For ecological rural development”.

It is our ambition not just to sell the product but also to promote the country, the culture and the people whose produce we are marketing. All our activities are aimed at establishing and maintaining a sound and effective structure to ensure the long term use of natural resources for the benefit of the people who live in protected areas.

Sustainable Harvesting of Medicinal Plants and Herbs and their Economic Potential in the Southern Caucasus

CUNA Georgica Society in Support of Culture and Nature in Georgia Tbilisi, Georgia

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I. Protected Areas in the Caucasus

- The establishment of protected area networks is the main tool for safeguarding biodiversity in the Caucasus.
Governments, international agencies and NGO's, in particular WWF, support this process.
- Many of these areas are zoned for conservation and sustainable use of natural resources, with the objective to maintain biodiversity by regulating use which helps to ensure long term benefits for the local people.
- Armenia, Azerbaijan and Georgia, are situated in the heart of the Caucasus. They play a key role in conserving the natural resources of the region.

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II. Support Zones of Protected Areas and People

- Support zones of Protected Areas include rural areas with limited possibilities for economic development.
- Most inhabitants of support zones are subsistence farmers. They own small gardens where they grow the basic food for their daily needs.
- Traditional use of wild plants, fruits and forest products is an important additional source for supporting their living.
- Tourism and (illegal) timber cutting may, in some cases, provide some income in cash

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- **Products from the Caucasus and their Chances for Marketing**

- Agricultural products from the Caucasus have hardly any chance on the European market.
- Caucasian products from organic agriculture have lost their market in Europe due to cheaper and better products from eastern EU countries.
- However there is an important niche in Europe for certified wild plant products from sustainable harvesting which are processed, packed and labelled according to EU regulations and certified by leading European organisations with “BIO” or “ECO” labels.
- There are also promising markets for high quality and certified products from the Caucasus in Russia and the Caucasian countries themselves.

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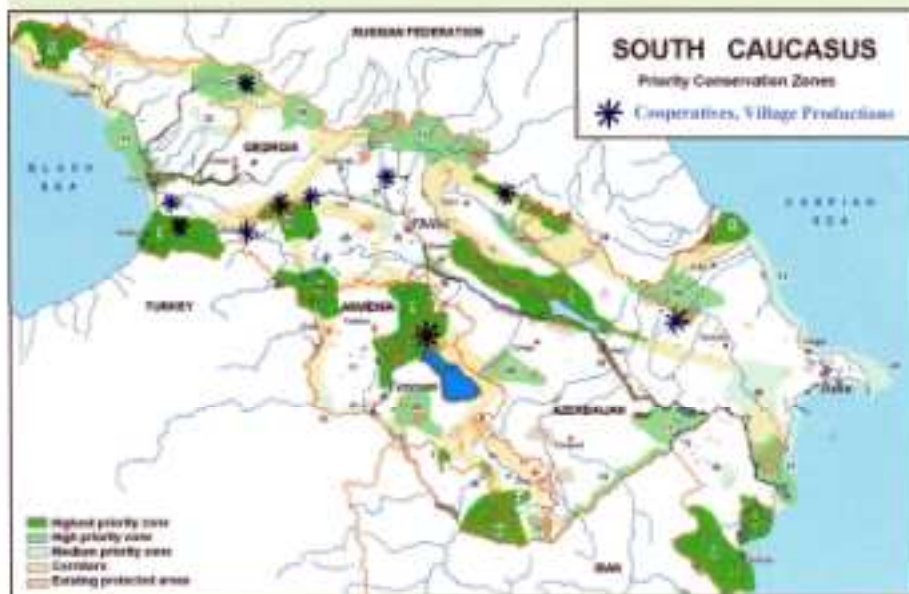
IV. Production and Marketing of Products from Wild Collections

Villagers and small scale producers have limited possibilities to produce and to market high quality products.

- CAUCASAN Ltd. has been established to overcome this problem. This organisation serves as a central processing and marketing unit for producers from support zones of protected areas.
- A mail order house has been established in Germany for marketing about 120 different CAUCASAN products in Western Europe.
- The Caucasus Wild Plant Certification Center (CWC) has been created in Georgia, supported by WWF, CUNA Georgica and the German eco-certifier “Naturland e.V.”
- The production of products from the support zones of protected areas in Armenia, Azerbaijan and Georgia has started. Collectors and inspectors have received a first introduction and basic training. The whole training process will take 3 years and needs additional funding.

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V. Cooperatives, Village Productions in the Caucasus



VI. Our Strategy

- 10 years of successful marketing experience of CAUCASAN products provided the basis for our cost effective production and marketing strategy, and for maintaining close cooperation and a strong network of all involved.
- One precondition for success is the exclusivity and high quality of our products, which are marketed under the slogan:
“From protected areas of the Caucasus - For ecological rural development”
- Another precondition, which we are about to fulfil, is a recognized certification programme, which guarantees that the entire process from harvesting, processing, packing, labelling and marketing follows accepted international standards for “BIO” or “ECO” products.
- We are building partnership with “Naturland” one of Europe’s leading eco –co certifier in the organic food market.
- We do not just sell a product we also promote the country, the culture and the people behind. **“Our products have a story to tell”.**

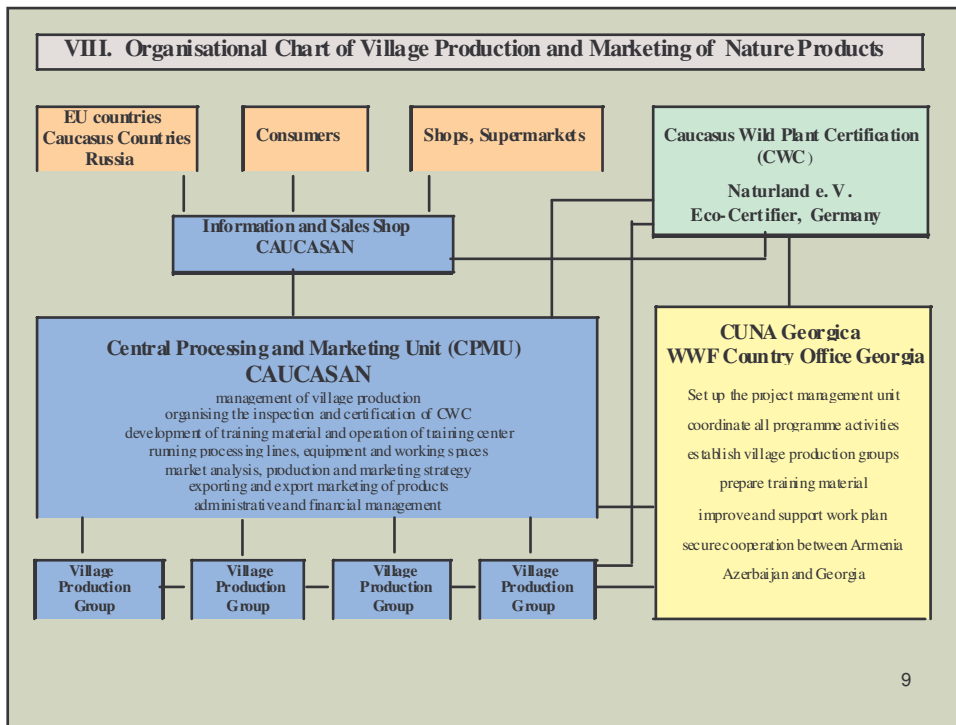
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VII. Our Future: Sustainable Harvesting, Controlled Processing, Marketing

- The sustainable harvesting of natural resources from support zones of protected areas has to be supported by skilled marketing of the final products.
- Collectors, producers and cooperatives are organised and trained in the sustainable use and processing of wild plant products.

Producers and cooperatives are operating under the name CAUCASAN and participate in processing, packaging, labelling, branding and marketing of their products.
- Staff of CWC will be trained by Naturland. e.V. CWC will use “Naturland” certification standards and act on “Naturland’s” behalf in the beginning. At a later stage CWC’s will become a certification organisation with accreditation at the European level.
- The final objective for CAUCASAN is, to market certified products from wild collections with support from “Naturland e.V.” by using Naturland’s labels and their partners.
- New producers from support zones of protected areas can be integrated into this structure at any time.

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The collage features several images: a field of colorful flowers, three bottles of essential oils, a man in a blue shirt holding a basket of produce, a branch with red berries, two jars of honey, a branch with red berries, three bottles of essential oils, a single bottle of essential oil, a group photo of people, three packages of herbs, the CAUCASAN logo, and three jars of honey.