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WILD COLLECTION

NaM works with around 400 collectors engaged in wild harvesting activities, 70% of which are harvesting herbs from organic certified areas. NaM is located in the area where Roma people have been traditionally collecting wild plants, and over 90% of those harvesting for the company are from this ethnic group. The wild collection activity provides an important source of income to their households in this rural area, helping to keep traditional knowledge and practice alive.

The company has had solid and well-established relationships with collectors. Some collectors, including many Roma people, have been collecting for NaM for 25 years. The majority of the collectors are well qualified and experienced in wild-collection activities.

NaM has developed an internal tracking computerized system to distinguish collected herbal material. All sacks with collected herbal material are labelled with a number.

For example, the sacks of dried unprocessed FairWild nettle leaves have tracking number 1111284, where 111 is Common Nettle, 12 means raw/unprocessed, 8 means it is FairWild, and 4 means it's harvest of 2014. Such a system allows proper identification and distinction of all herbal material stored at the company's premises.

Implementation of FairWild certification scheme in Hungary

BACKGROUND Hungary is one of the most species-rich Central European countries of wild plants used for food, aromatic, medicinal, and cosmetics purposes for both domestic use and export, including to western Europe. Especially in rural areas, collection, use, processing, and trade of medicinal and aromatic plants (MAPs) are important contributors to the livelihoods of rural populations. Over 6000 people from rural areas are involved in wild plant collection in Hungary. There are over 100 enterprises involved in collection, processing, trade in MAPs in the country.

Nagy Mihály Medicinal Plant Ltd. (hereafter 'NaM'), situated in Cserháturány, near the Slovakian border, is such an enterprise working on the sustainable wild collection of medicinal plants. NaM is a family-owned business, with 40 years of history of dealing with MAPs. Mihály Nagy, the grandfather of the family, started to work in the herbal sector in 1976. He initially worked in a State-owned enterprise, which collapsed when the political system changed at the beginning of the 1990s. In 1991, he had an opportunity to establish a family company that currently provides 50-60 different kinds of wild-collected herbs, among them FairWild certified herbs, from the northern part of Hungary.

The company produces 200 tons of dried herbs yearly based on the customer's request. The commonly harvested plants include Black Elder *Sambucus nigra*, Common Nettle *Urtica dioica* (around 50 tons sold annually), Dandelion *Taraxacum officinale*, Common Marshmallow *Althaea officinalis* and many others. Much of the herbal material collected is destined for export to Germany, as a major processing and trading centre within Europe, prior to re-export to markets worldwide for use in a range of industries, such as pharmaceutical, cosmetic and food.



Common Mallow *Althaea officinalis*
CREDIT: Corvinus University/Peter Radacsi

CERTIFICATION NaM has a recent history of innovation with adoption of international standards and by 2000 it achieved organic certification for some of its wild-collection areas through the Hungarian inspection and certification body, Hungária Öko Garancia Kft.

FAIRWILD NaM began implementing the FairWild certification for their wild harvesting operations in 2012. The company did not have any major challenges in compliance with the FairWild ecological requirements as it had already been sustainably harvesting MAPs. Following NaM's work to initiate implementation of the certification scheme requirements, in 2013, Austria Bio Garantie, an authorised inspection body for determining compliance with the FairWild Standard, conducted the company's first audit. The company has chosen five medicinal plant species to be certified and obtained a FairWild certificate for Hawthorn *Crataegus* spp., Common Nettle *Urtica dioica*, Black Elder *Sambucus nigra*, Dandelion *Taraxacum officinale*, and Small leaf Linden *Tilia cordata*. In 2014, the FairWild certificate for the same plant species was renewed. These ingredients are currently used by US and UK customers.



Herbal processing facilities, Nagy Mihály Kft.
September 2014, CREDIT: TRAFFIC/
Anastasiya Timoshyna

TRAININGS AND RESOURCE ASSESSMENT In addition to fair trade aspects, NaM implements the ecological requirements of the scheme, developing management and monitoring systems for wild collection and training collectors in sustainable harvesting techniques.

As noted before, a very high proportion of NaM's collectors are Roma. They are familiar with the collection sites and collection techniques; they treat wild collection as their job. Each year, there is one training session on good collection practices and FairWild requirements organized for the collectors. All trainings are carried out in written and oral form in the Hungarian language by the company staff. The company encourages the collectors to take part in the FairWild trainings.

Based on the company's experience, the collectors are aware of the FairWild Standard and Premium Fund in principle, but they are not very familiar with other details, e.g. information about final products made of the plants collected by them. NaM thinks the recognition of their work should be highlighted in more depth in the future – helping the FairWild Standard achieve its potential as a tool that helps engagement along the trade chain, from collectors right up to consumers.

FUTURE VISION NaM plans to continue implementing the FairWild certification scheme in the future. The company has been successfully selling FairWild certified material to UK and US customers for two years, since 2013. The company is observing a gradual growth of demand of FairWild material. The company's future plans include purchasing new equipment for processing plants and expanding the plant facilities. Furthermore, FairWild collectors are happy to harvest herbs as they receive a fair trade price and benefit from the Premium Fund that is designed for community social development.

Concerning current challenges, NaM feels that certification is very costly given that there are not so many companies implementing the FairWild certification scheme. The FairWild inspections require a lot of paper work in comparison with the organic certification, but on the other hand, NaM successfully meets all requirements. Based on NaM's opinion, more auditors should be trained in accordance with FairWild requirements to reduce the costs of the audit. This means that more producer companies would likely require FairWild certification in the future.

To sum up, Nagy Mihaly's experience with FairWild certification scheme represents a good example of sustainable wild harvesting and fair trade in Hungary. Nagy Mihaly believes that the interest in the FairWild-certified ingredients will continue to grow, helping to keep traditions of wild collection alive and supporting achievement of biodiversity conservation goals.



FAIRWILD PREMIUM FUND At the moment, 40-50 collectors of NaM are included in the scope of the FairWild certification programme, receiving a fairtrade price for their collected plants and also benefiting from the FairWild Premium Fund.



Herbal processing facilities, Nagy Mihaly Kft., September 2014. CREDIT: TRAFFIC/Anastasiya Timoshyna



Herbal processing facilities, Nagy Mihaly Kft., September 2014. CREDIT: TRAFFIC/Anastasiya Timoshyna

In 2014, Nagy Mihaly had the first experience of discussing directly with collectors how to best use the Premium Fund money. The collectors voted to use the premium fund money to improve opportunities for drying collected herbal material. Special plastic sheet material was purchased for this purpose.



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This factsheet is compiled by Kristina Rodina, TRAFFIC, based on an interview with Balazs Nagy, Nagy Mihaly Medicinal Plant Ltd. (February 2015).

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