

The annual cordyceps stakeholders workshop on Cordycep value chain was graced by H.E. Hon'ble Minister, MoAF, where he highlighted on important topics that required deliberation during the workshop. The workshop organized by Department of Agricultural Marketing and Cooperatives with fund support from WWF program, Bhutan, saw representatives from various relevant agencies such as Department of Forests and park services, Bhutan Agriculture and Food Regulatory Authority, National Post Harvest Centre, Department of Revenue and Customs, Department of Trade, Cordycep exporters, Gups and Geog Administrative Officers from different cordycep harvesting geogs.

The main resolutions of the workshop are as follows:

A. Collection/Harvesting Issues

- **Permit Fees**

The Collection Permit Fees would be revised to Nu. 510 per person. Of the total fee, Nu. 10 will be document fee, Nu. 150 would be deposited to Department of Forests & Park Services (DoFPS) for Human-Wildlife Conflict Endowment Fund, Nu. 150 towards Geog CD account and balance Nu.200 would be retained as government revenue. The fees shall be revised and increased by 20% every 2 years. (**Action: DoFPS/Geog Administration**)

- **Collection Permit – No. of Households**

The issue was extensively discussed during the workshop. Three (3) members from each household would be eligible to collect. However, the permit will be issued to the household members only if the census is registered with the household. The permit cannot be hired or transferred. The case may, however, be considered by the Geog Administration only in case of disability including households with only aged members.

An authentic household without separate Thram, verified by the Geog administration together with DoFPS, will be issued permit for the current season. However, from next year, the need for issuance of separate thram for such cases would be reviewed by the Government. (**Action: DoFPS/Geog Administration**)

- **Collection Eligibility**

The people submitted to maintain the status-quo and authorize the Geog Administration to decide. However, the other exceptional cases like that of Kashi Geog last year (2013) will be not entertained. Also from this year, the collectors will be limited to one Geog

jurisdiction, meaning a person cannot be an eligible collector in two Geogs which was possible till last year (**Action: DoFPS/Geog Administration**).

- **Royalty**

The Ministry proposed to increase the royalty from Nu. 7,000 to Nu. 22,500 per Kg. The house submitted if the royalty could be increased by maximum up to 20 %, which is to be borne by the exporters as in the past. However, the exporters expressed that the royalty will have to be borne by the collectors/sellers if it is to be revised to Nu. 22,500 per Kg.

The royalty for the current season will be increased to Nu. 8,400 (20% increase over Nu. 7000). The fees shall be revised and increased by 20% every 2 years until the new the Royalty rates are approved and implemented by the RGoB. (**Action: DoFPS**)

- **Collection Duration**

The collection duration shall remain the same at 30 days as before. (**Action: DoFPS/Geog Administration**)

- **Life Insurance for Collectors**

Collectors are to produce Life Insurance Certificate upon which only the collection permit will be issued (**Action: Geog Administration**)

- **Human-Wildlife Conflict**

Participants expressed concern on the utilization of Nu. 150 contributed towards Human-Wildlife Conflict Endowment Fund. Since the issue merits detailed discussion, it was felt that a separate meeting would be necessary. (**Action: DoFPS**)

- **Auction Information**

The Department of Revenue & Customs requested relevant agencies (Geog/DoFPS/DAMC) to furnish overall auction transaction record and reflect the auction price on the bid document. (**Action: DoFPS/Geog Administration/DAMC**)

B. Marketing Issues

While the house adopted the auction guidelines 2014 as proposed, following were the additions/changes incorporated in the auction guideline.

- It was decided that National Post Harvest Center would join the Quality Assessment Committee, wherever and whenever possible. **(Action: NPHC/DAMC)**
- It was decided that the buyers failing to comply by guidelines and rules and regulations set by the Ministry would be deregistered **(Action: DoFPS/Geog Administration/DAMC)**
- In order to ensure smooth auctioning process, sellers would be registered by Geog administration before the start of auction **(Action: Geog Administration)**
- It was resolved that the registration of buyers will stop half an hour before start of auction **(Action: DoFPS/Geog Administration/DAMC)**
- It was also agreed that the sellers will be allowed to withdraw before the bid-master makes the final call. Similarly, the bid winner also has the option to accept/reject the remaining lot **(Action: DoFPS/Geog Administration/DAMC)**
- In case, if any party (buyer/seller) is found to be involved in fraudulent practices, then the goods will be seized **(Action: DoFPS/Geog Administration/DAMC)**
- A Guideline on sustainable utilization of the service charges, retained by the Geog Administration during the auction, would be developed **(Action: DoFPS/Geog Administration/DAMC)**

The Department of Revenue & Customs also informed the house that the ID card issued for helpers by DAMC would be accepted as legitimate document for tax filing purposes **(Action: DRC/Buyers/DAMC)**

C. Certification Issues

The house expressed that there is no issue on the export of cordyceps in bulk quantities and the existing normal procedures would be followed. The following were the additional issues discussed and resolved:

- The Ministry would allow retail selling of cordyceps packaged in small packages of not more than 5 grams. The lot should not be more than 500 grams during each transaction by an exporter **(Action: BAFRA/Buyers)**

- Issues of increasing the packaging size, certificate of origin and a proper system for retail selling would be developed after necessary consultation with relevant agencies(**Action: BAFRA /DAMC**).
- Exporters raised the issue of need for counter at Paro airport to certify the products to facilitate smooth transaction (**Action: BAFRA**)
- Needs were also felt on the establishment of One-Stop center for all documentations (**Action: BAFRA**)
- The inspection would also be available during weekends (**Action: BAFRA**)

D. Registration date & requirement

- The registration date for the buyers interested to participate in the auction was agreed as proposed from April 15-30, 2014. The registration would be done at the Department of Agricultural Marketing & Cooperatives (DAMC) (**Action: DAMC/Buyers**).
- The house also agreed on the other requirements of submission of registration forms, security deposit of Nu. 500,000 , trade license copy and tax clearance certificate. Bank Draft (Security deposit) should be in favour of DAMC, MoAF (**Action: DAMC/Buyers**)

E. Date & Venue for auctioning

- The people's representatives submitted for rotation of the auction places. It was agreed that the order of auction sites would change. It would start from Paro to Thimphu, Gasa, Wangdue, Bumthang, Trashiyangtse & Lhuentse (**Action: DoFPS/Geog Administration/DAMC/Buyers**).
 - Given the inconvenience caused to both buyers and sellers, it was agreed the existing auction site at Tashithang (auction site for Khamey/Lunana) would be relocated to Damji (**Action: DoFPS/Geog Administration/DAMC/Buyers**).
 - The auction duration for Naro and Lingzhi would be increased to 3 days (**Action: DoFPS/Geog Administration/DAMC/Buyers**). It was agreed that auction for Dotey
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would be carried out together with Soe & Tsento for 2 days (**Action: DoFPS/Geog Administration/DAMC/Buyers**).

F. Format for Cordyceps reporting/transaction document

- The house formally adopted the documents/formats developed for use during auction and direct buying-selling (**Action: DoFPS/Geog Administration/DAMC/Buyers**).

G. Post-harvest handling

- Peoples' Representatives submitted for training and awareness programs by relevant agencies and experts on such practices. It was decided that MoAF will try to provide capacity building and awareness programme on sustainable harvesting and post harvest techniques for the collectors. (**Action: DAMC/NPHC**).

H. Geog Tshogpa during cordyceps season

- Upon request for authority for the Geog Tshogpas to check collection permits, it was clarified that the Geog Tshogpas have the authority to evict any outsiders and inform the local foresters and there was no need for them to check for collection permits. However the foresters were requested to act immediately upon receipt of such information (**Action: DoFPS/Geog Administration**).

I. Authenticity of the resolutions of these annual stakeholders meetings.

- It was reinforced that it goes without saying that the resolutions of these meetings are valid and has to be respected and adhered to by all concerned. So if there is written report on any case of mishaps or shortcomings arising due to deliberate default of the resolutions of the meetings by any party, the concerned agency of the MoAF will investigate and deal accordingly. (**Action: All concerned/DAMC**).

J. Team work.

- The utmost need to work together as one team between the Geog Administration and the local Government officials specially the staff of DoFPS was emphasized (**Action: Geog Administration/Local DoFPS and other RGoB staff**).