## THE BIOTRADE INITIATIVE

PROMOTING TRADE AND INVESTMENT IN BIODIVERSITY RESOURCES

#### **GLOBAL CONTEXT**

Biodiversity is the natural capital base for a sustainable economy. The conservation of biodiversity and the sustainable use and trade of biodiversity-derived products and services provide countries valuable opportunities for economic development and improvement of livelihoods. Furthermore, the market for sustainably sourced products (such as natural cosmetics and personal care products) has grown significantly over the last 20 years. Many developing countries rich in biological resources have the potential to capture the market and use such products as an engine of sustainable development – and, at the same time, counteract ongoing depletion of biodiversity due to overexploitation, land-use change and climate change. Their access to the market, however, is hindered by factors such as non-tariff measures, access to credit and lack of financial and management capacities. The consolidation and expansion of emerging biodiversity-based sectors also require financial and technical support from the international community.

UNCTAD launched the BioTrade Initiative in 1996 to help developing countries achieve the dual objectives of biodiversity conservation and improved economic and social welfare. The initiative promotes "biotrade", which encompasses collecting, producing, transforming and commercializing goods and services derived from native biodiversity – species and ecosystems – in a way that meets the criteria of environmental, social and economic sustainability. It also supports the implementation of the objectives of the Convention on Biological Diversity and biodiversity-related multilateral environmental agreements such as the Convention on International Trade in Endangered Species of Wild Fauna and Flora. Within the framework of the 2030 Agenda for Sustainable Development of the United Nations, biotrade can contribute specifically to implementing Sustainable Development Goal 12 on responsible consumption and production patterns and Goal 15 which includes halting biodiversity loss.

#### **HOW CAN A FOCUS ON BIOTRADE HELP COUNTRIES?**

The UNCTAD BioTrade Initiative generally works at the national, regional and global levels with partners on three strategic lines: enabling policy framework for biotrade; value chain enhancement; and market creation and development for biodiversity products and services. National programmes on biotrade, initiated at the request of beneficiary countries, are developed and implemented jointly with national partners. Regional programmes on biotrade are developed to share experience and knowledge, overcome common limitations and promote an enabling regional environment.

At the international level, the BioTrade Facilitation Programme was launched under the initiative in 2003 to facilitate sustainable trade in biodiversity-based products and services. Currently in phase III, with financial support from Switzerland, the programme comprises mainstreaming biotrade into sustainable development strategies and processes, identifying and addressing non-tariff measures applicable to biodiversity-based products and providing guidance on biotrade-friendly implementation of the Nagoya Protocol to the Convention on Biological Diversity.

As one means of enhancing the value chain, UNCTAD has developed a biotrade value chain methodology to support the growth of biodiversity-based sectors. The aim is to enhance the production of value added products and services derived from biodiversity, for both domestic and international markets.

# PROGRAMME FACTS AND FIGURES

Programme start date: 1996

Number of activities to date:
70+ publications since 2000; 60+ events, including 3 BioTrade Initiative congresses, and 60+ advisory missions (since 2004)

Activities per year: Over 16
Programme website:
unctad.org/biotrade

#### Biotrade value chain methodology

Identification of sectors with potential

List of products and services

Product groups

Prioritizing

Selection of value chains

Selection of matrices

Strategic analysis

Participatory assessment of the value chain

Gathering of information

Mapping

Gap analysis

Analysis of problems and solutions

Prioritizing solutions

Formulation of the sector strategy

Strategic lines of work

Formulating a workplan of activities

Validation of the strategy

Implementation

Implementation of the strategy

#### **RESULTS AND IMPACT AT A GLANCE**

Since the launch of the BioTrade Initiative, progress has been achieved by private actors and partners in embracing biotrade concepts and principles. Over 20 developing countries in Africa, Asia and Latin America have been implementing the BioTrade Initiative. Currently, there are eight national programmes in Africa, Asia and Latin America under implementation. Two regional programmes in Latin America successfully concluded: the Amazon BioTrade Programme covered eight Amazon-basin countries, while the Andean BioTrade Programme benefited four of the region's countries.

The products and services traded by beneficiary countries cover sectors such as personal care, food, pharmaceuticals, fashion, ornamental flora and fauna, handicrafts, textiles and natural fibres, and sustainable tourism. For example, through the BioTrade Initiative:

- Activities in biotrade have benefited approximately 30,000 farmers, collectors, breeders, hunters and producers, creating jobs and generating additional income opportunities for rural and marginal communities as well as other actors in the value chain.
- More than 19 million hectares of land are sustainably managed by beneficiary organizations working in biotrade, promoting conservation and sustainable use of biodiversity.
- Sales revenues of biotrade beneficiary organizations, working with small and medium-sized enterprises and multinational companies, amounted to US\$5.2 billion in 2012 – compared with US\$2.3 billion in 2010.

#### **Results in-depth**

#### Biotrade and peace-building in Indonesia and Colombia

Biotrade is being used in post-conflict reintegration and recovery programmes as an approach to promote sustainable livelihoods. In Aceh Selatan, Indonesia, where nutmeg production is an important economic activity and a major source of livelihood, this native spice was successfully promoted as a biotrade commodity under the UNCTAD/United Nations Development Programme pilot project on a gender-responsive reintegration approach to reintegration and peace stabilization.

In Colombia, biotrade has been increasingly considered as a key tool that can support the reintegration of ex-combatants and displaced people. Initiatives have been funded by the Andean BioTrade Programme (Development Bank of Latin America, Global Environment Facility and United Nations Environment Programme), the Presidential Agency of International Cooperation, in coordination with the Ministry of Environment and Sustainable Development and other biotrade partners.

### DONORS/ FUNDING SOURCE

Current: Switzerland (State Secretariat for Economic Affairs (SECO))

Past: Denmark, the Netherlands, Norway, Spain, United Nations Foundation/United Nations Fund for International Partnerships