Mainstreaming Innovation, entrepreneurship and finance for the Biodiversity

Cancun, 3rd of December 2016
PhytoTrade Africa in brief

- Established in 2001
- Not-for-profit membership-based trade association from Southern Africa
- Donor funded
- Providers: Eight member countries and approximately 70 trading members
- Value chains: mainly NTFPs (fruits), but also roots, resins, and more recently flowers, leaves, ...
- Users: Global (local, regional and international)
- Implementation and monitoring of ABS processes across the value chain
- Industry focus: Cosmetic, food & beverage, herbal supplements
Objective:

- To alleviate poverty through BioTrade activities, while supporting local biodiversity conservation and sustainable use:
  - To help grow Southern Africa’s natural product industry while ensuring its long term sustainability and the sharing of benefits in a fair and equitable manner.
    - Facilitated through supply chain development, product development, and market access and development to meet regional and international market requirements.

- Main value chains:
Main assets:

- Transboundary species:
  - increase reliability and offer
  - Manage competitiveness

- NTFP - mainly wild harvested:
  - clear and robust resource management systems

- Seasonal harvests:
  - Diversification of income

- Great source of inspiration:
  - innovations for several industrial Sectors
  - The offer creates the demand
Supply development:

=> a bottom-up approach to **foster innovation**

- Need for reliability and competitiveness to secure Market (quality, quantity, availability, etc.)
- Fluctuating demand
- Cultural differences and long distance with main Markets

**Ingredients / common facts**

- Need for reliability and competitiveness to secure Market (quality, quantity, availability, etc.)
- Fluctuating demand
- Cultural differences and long distance with main Markets
=> Local entrepreneurship to be strengthened

- **Ingredients / PhytoTrade’s members = local entrepreneurs**

PTA’s members have a strategic position within value chains:

- Direct links with ILCs
  - Benefits Sharing mechanisms
- Direct links with local, regional or international users
  - Long term strategy based on resilience and competitiveness
- Directly impacted by all regulations including on ABS
  - Key VC actor for long term success at all stages

=> They carry most of the “risks”
A “full ownership” approach or how to reinforce “sovereign rights”

Ownership of an ingredient derived from the Biodiversity

- Composition & physico-chemical data
- Regulatory dossier
- Commercial strategy

The PTA model:

=> Product development
The PTA model:

=> Market access

➢ Overall value:

✴ value chain (i.e. ingredient) approach to best establish long term commercial strategies and capture potential IP locally
=> when “informed” means “having choices or options”

✴ Improve the Market stability (decrease dependency)

✴ Create long term partnerships between supplier and buyer

Some examples:

➢ Baobab powder / Novel Food and GRAS

➢ Vegetable oils throughout our network / REACH and EC 1223/2009

➢ Essential oils from Namibia / GHS, REACH and EC 1223/2009
Market access => a long term strategy which requires access to finances that are dedicated to support such Bio-Economy

Some actions:

- National programs to support local entrepreneurs
- Business planning with diversification objectives
- Increase local value and competitiveness to foster investments
- Raise awareness at International level
- Facilitate market connections (local, regional and international)
Overall approach:

=> Adaptive support

Ex:

One resource, multiple actors

Thank you

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