

The BioTrade Initiative of the UN Conference on Trade and Development



Value Chain Analysis Workshop
Jakarta, 20 and 21 July 2011



Overview



1. Trade opportunities for sustainably produced p/s
2. The BioTrade Initiative
 - Concept
 - Scope / sectors
3. BioTrade case studies



1. Trade opportunities for sustainably produced products and services



Estimated market opportunity

Market opportunities	Market value (USD per annum)	
	2008	Estimated 2020
Certified agricultural products (e.g., organic, conservation grade)	\$40 billion	\$710 billion
Certified forest products (e.g., FSC, PEFC)	\$1 billion	\$10 billion
Bio-carbon / forest offsets (e.g., CDM, VCS, REDD+)	\$21 million	\$10.5 billion
Payments for ecosystem services (government supported)	\$1 billion	\$20 billion
Payments for ecosystem services (voluntary biodiversity offsets)	\$17 million	\$400 million
Other payments for ecosystem services (government supported)	\$3 billion	\$7 billion
Mandatory biodiversity offsets (e.g., US mitigation banking)	\$3.4 billion	\$20 billion
Voluntary biodiversity offsets	\$17 million	\$400 million
Bio-prospecting contracts	\$30 million	\$100 million
Private food trade, conservation assessments (e.g., North America, Australia)	\$8 billion	\$20 billion

EEUU- 2008 sales organic products: US\$24.6 billions (17% annual growth); food niche grew by 15.8% (vs. 4.9% conventional sector)- OTA

Natural cosmetics (Europe) imports: grow by 5-6 % annually in 2010-2012, and thereafter accelerate to 7% per year.



Sustainability & businesses

Sustainability is extremely or very important for

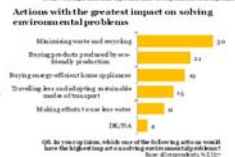


Source: McKinsey Global Survey, March 2010

Importance of various aspects of products when deciding which ones to buy



Action with the greatest impact on solving environmental problems



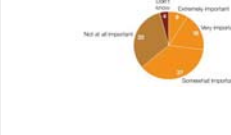
Source: Gallup Organization/Hungary - 2009 Eurobarometer survey on the EU's attitude to sustainable consumption and production

Biodiversity is slowly being considered as an asset for businesses

% of respondents n = 1,076



Most important, if at all, in biodiversity to your business?



Source: McKinsey Global Survey, Aug. 2010

- Biodiversity is seen as an opportunity (58% of executives)
- may allow their businesses to grow,
- obtain cost savings
- building an environmentally responsible reputation



Opportunity for sustainable practices

Developing countries are rich in BD which is traditionally used, but is being threatened

Need for sustainable pro-poor economic activities

- 70 % of the world's poor live in rural areas & directly depend on those resources to cover 90% of their needs in terms of food, fuel, medicine, shelter and transportation
- Some 1.6 bn people depend on forest and NTFP for their livelihoods and over 3 bn depend on marine and coastal

Initiative to link the sustainable use and trade of biodiversity (BioTrade)



1. The BioTrade Initiative of UNCTAD



What is BioTrade?

BioTrade refers to those activities of collection, production, transformation, and commercialization of goods and services derived from native biodiversity under the criteria of environmental, social and economic sustainability.

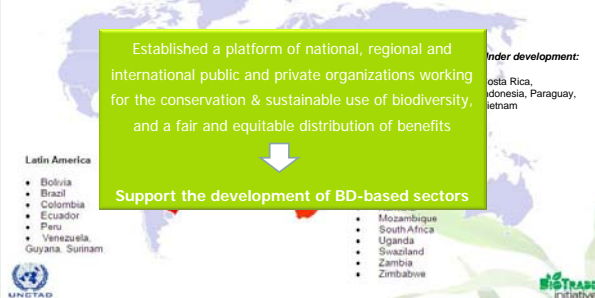
Principles

1. Conservation of biodiversity
2. Sustainable use of biodiversity
3. Fair and equitable sharing of benefits derived from the use of biodiversity
4. Socio-economic sustainability
5. Compliance with national and international regulations
6. Respect for the rights of actors involved in BioTrade activities
7. Clarity about land tenure, use and access to natural resources and knowledge



BioTrade network

Activities are implemented by national, regional and international partners that foster BioTrade, its Principles and Criteria



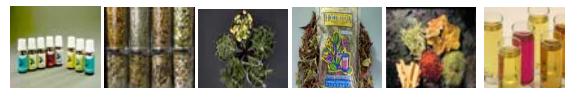
BioTrade sectors supported



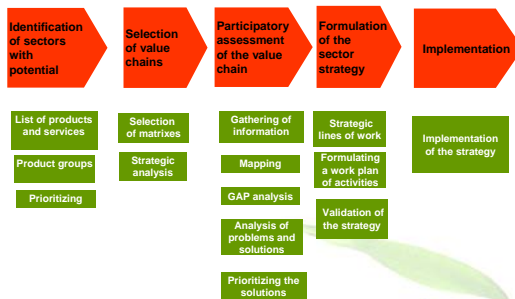
- ❖ Natural ingredients and products for cosmetics, food and pharmaceuticals industries
- ❖ Wild life trade for pets
- ❖ Flowers and foliage
- ❖ Crocodile products
- ❖ Fish products
- ❖ Handicrafts
- ❖ Sustainable tourism



BioTrade case studies



BioTrade's value chain methodology



Market access



- Trade fairs, B2B programmes, information
- Overcome market barriers: Novel Foods Regulation of the EU
- Consumer's awareness and market differentiation
- Funding: credits, factoring



Processing and quality improvement



Fulfilling market requirements:

Enhance facilities of companies, training on GMP, develop VA and quality products



TA and training for cultivated species



Support in implementing GAP



TA for wildlife collected species



Development of management plans

1. Identification of collection areas and collectors
2. Assessment of managed resources
3. Definition of good practices to be implemented
4. Definition of follow-up and monitoring systems
5. Implementing documentation systems



Methodology available at www.biobrade.org



Opportunities & challenges

Consumer preferences - Market access

Conservation & sustainable use of biodiversity

Value chains - developing & strengthening

Engagement of actors & benefit sharing

Enabling policy environment

Data & measuring the impact of BD sectors/BT



BioTrade video:

Experiences with the fashion and food industries

Developed with the support of UN TV,
Swiss State Secretariat for Economic
Affairs (SECO) and UNCTAD

