

# ***Mainstreaming Innovation, entrepreneurship and finance for the Biodiversity***

***Cancun, 3<sup>rd</sup> of December 2016***



- 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:



## Product development:

=> a bottom-up approach, source of innovation

### ➤ Main assets:

#### ✧ Transboundary species:

- ❖ increase reliability and offer
- ❖ Manage competitiveness

#### ✧ NTFP - mainly wild harvested:

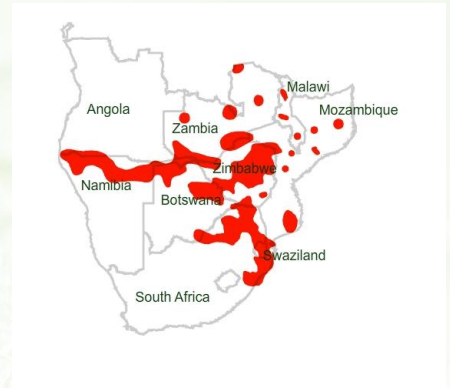
- ❖ clear and robust resource management systems

#### ✧ Seasonal harvests:

- ❖ Diversification of income

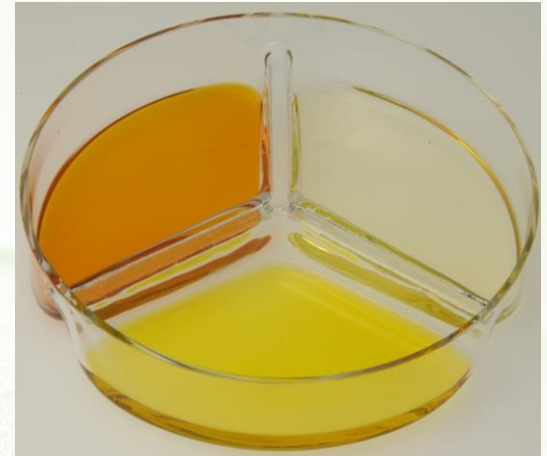
#### ✧ **Great source of inspiration:**

- ❖ innovations for several industrial Sectors
- ❖ **The offer creates the demand**



## Supply development:

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



### ➤ **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

## Sectorial development:

=> 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

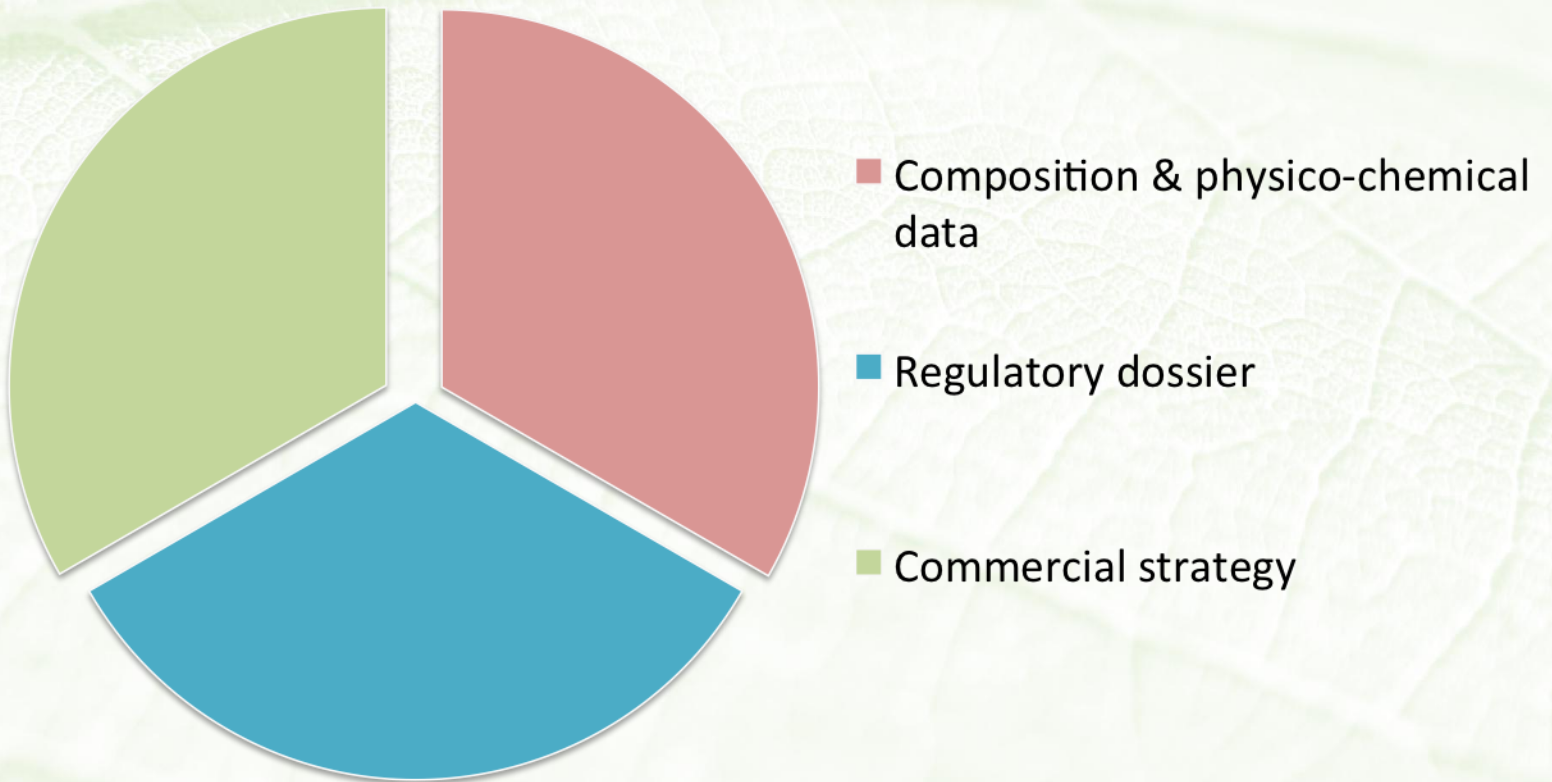
**=> They carry most of the "risks"**

The PTA model:

=> Product development

A “full ownership” approach or how to reinforce “sovereign rights”

### Ownership of an ingredient derived from the Biodiversity



## 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



The PTA model:

=> Market access

**Market access => a long term strategy which requires access to finances that are dedicated to support such Bio-Economy**

Some actions:

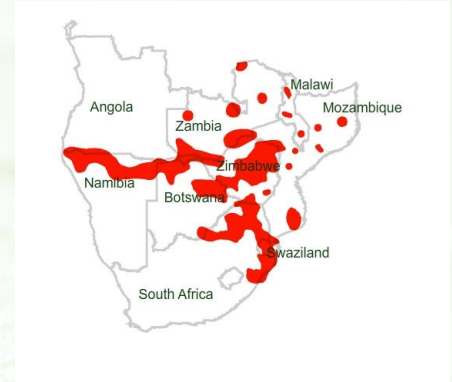
- National programs to support local entrepreneurs
- Business planning with diversification objectives
- Increase local value and competitiveness to foster investments
- Raise awareness at International level
- Facilitate market connections (local, regional and international)

Overall approach:

=> **Adaptive support**



Ex:



One resource, multiple actors

**Thank you**

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