

# Fifth BioTrade Congress: Linking trade and biodiversity

12-13 September 2019  
Palais des Nations, Geneva







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## Session 5: Post-2020 GBF - Driving transformation towards biodiversity- friendly societies and businesses

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# Session 5: Post-2020 GBF - Driving transformation towards biodiversity-friendly societies and businesses

Chair: **Ms. Ana Maria Hernández**, Chair, IPBES

Opening Video: **Dr. Cristiana Paşca-Palmer**, Executive Secretary, CBD

## *Speakers:*

- **Ms. Akanksha Khatri**, Head, Nature and Biodiversity Initiative, World Economic Forum (WEF)
- **Ms. Diane Holdorf**, Managing Director, Food and Nature, World Business Council for Sustainable Development (WBCSD)
- **Mr. Andrew Kingman**, Managing Director, Eco-MICAIA Ltd, Mozambique
- **Mr. João Teixeira**, Senior Sustainability Coordinator, Natura Cosmetics, Brazil
- **Ms. Maria del Pilar Alarcón**, Coordinator, Sustainable Trade Department, PromPerú
- **Mr. Frederic Perron-Welch**, Consultant, UNCTAD

Video: **Mr. Basile van Havre**, Canada; Co-Chair, Open Ended Working Group on the Post-2020 Global Biodiversity Framework



**Session 5: Post-2020 GBF - Driving transformation towards biodiversity-friendly societies and businesses**

 @BioTradeGroup  
#UNTradeForum #5BTCongress

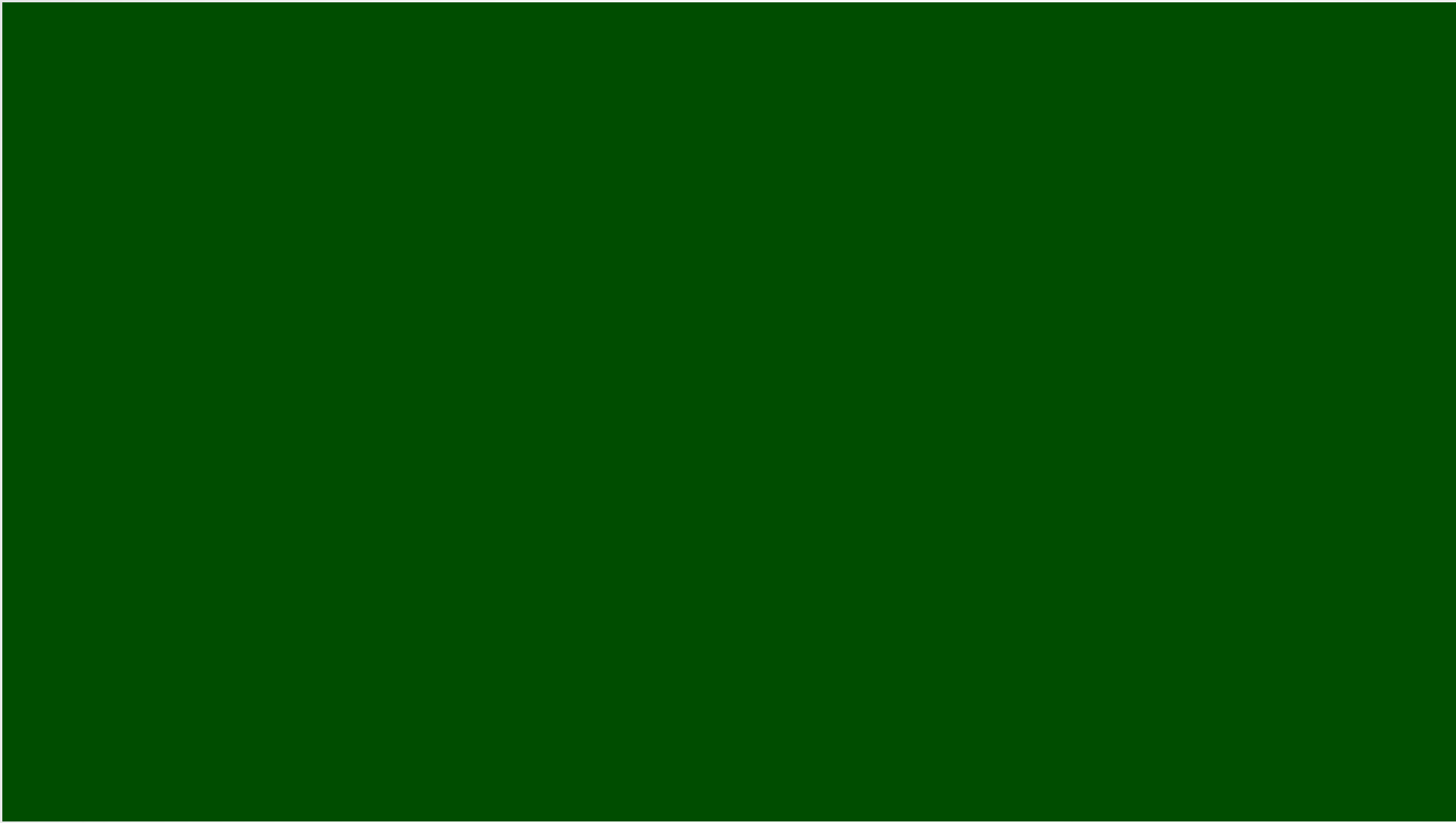
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# BioTrade's Contribution to the Post-2020 Global Biodiversity Framework

Frederic Perron-Welch, UNCTAD

*BioTrade is supported by the Swiss State Secretariat for Economic Affairs SECO, Governments of Norway, Spain, The Netherlands, as well as the UN Foundation and UN development account*



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# Trade and Biodiversity



**BioTrade Initiative launched in 1996** to promote trade and investment in biodiversity derived products and services to further sustainable development and poverty alleviation in **line with CBD objectives**

The **BioTrade Principles and Criteria (P&C) (2007)** form the core of the conceptual framework underlying the BioTrade Initiative's activities

UNCTAD BioTrade Initiative **steers, collaborates and works with partners and other organizations** to advance BioTrade, P&C implementation, and support **mainstreaming into development and biodiversity processes**

The **Accra Accord (2008)** and **Nairobi Maafikiano (2016)**, mandate UNCTAD to promote ***sustainable trade in biodiversity products and services to strengthen the sustainability of biodiversity and foster sustainable growth***

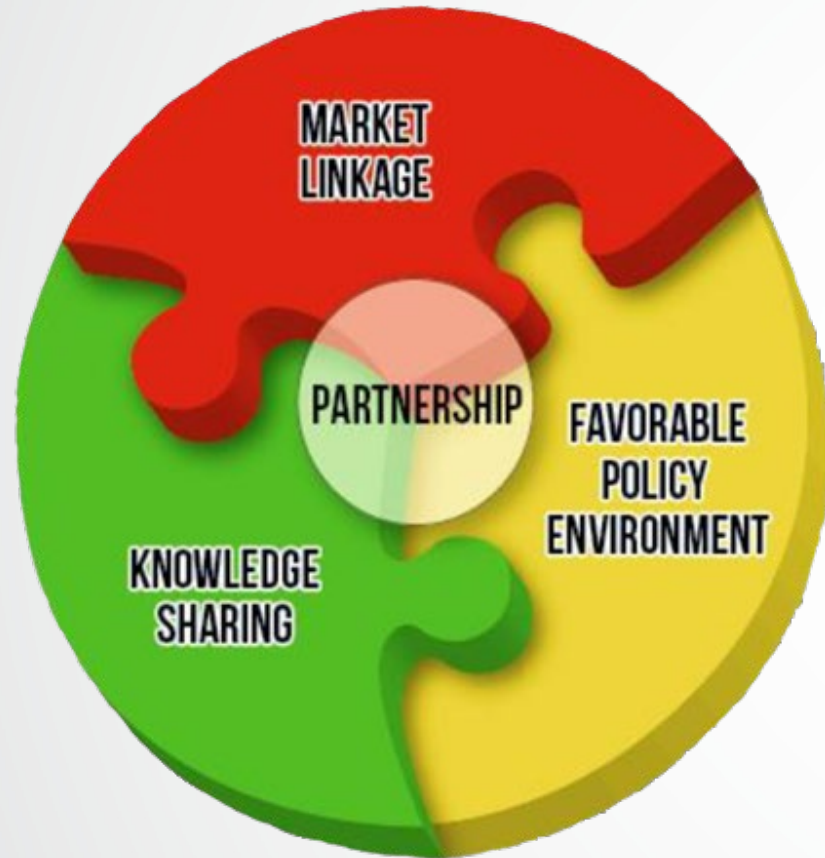
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# Translating Decisions to Action



UNCTAD's **BioTrade Strategy** is to **steer, coordinate and facilitate** actions of key stakeholders at the national, regional and international levels, in **addressing key policy and market concerns** limiting the trade flows of biodiversity-based products and services.

Our objective is to help **link biodiversity & sustainable development**, to advance the implementation of **SDGs, Aichi Targets and any future post-2020 global biodiversity framework**

Consistent engagement in the process will be **critical to incorporating the role of sustainable trade in biodiversity-based goods and services** in achieving the objectives of the CBD and post-2020 framework

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# Coordination and Engaging with BioTrade Partners to Contribute to the Post-2020 GBF

Coordinated action to provide substantive inputs in relation to lessons learned, experiences and information related to: 1) BioTrade/sustainable trade; 2) private sector engagement; 3) sustainable use; and 4) incentive measures

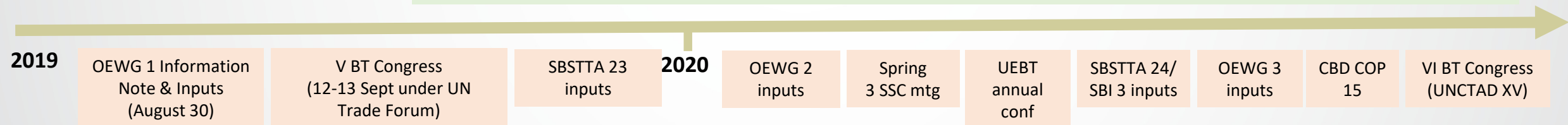
## Activities planned to October 2020

Consultations with partners and other organizations/stakeholders (online discussions, webinars, briefs at key events of MEAs and GBF) and outreach

Partner consultations, formulation of strategy, joint submission (15 April)

Informal briefs and exchanges with UNCTAD Member States (Geneva or capital-based), dissemination and outreach

Develop technical/policy notes, compilation studies, and joint submissions



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# Different opportunities for incorporating sustainable trade/BioTrade in post-2020 GBF

- Sustainable use of biodiversity (basis for sustainable trade)
- Private sector engagement (actors engaged in sustainable use and trade)
- Mainstreaming into sectors (mainstreaming BD in trade sector)
- Resource mobilization (trade as mobilizer of financial resources)
- Incentive measure (market creation)
- Partnerships for implementation (e.g. BioTrade Initiative)

**New target or sub-target on sustainable trade?**

# Proposals from other consultations

- X% of trade in biological resources is based on sustainable use
- All direct exploitation of wild species is at sustainable levels and without impacts on non-target species
- By 2030 all wild harvested species are managed and harvested sustainably, legally and applying ecosystem-based approaches, so that overexploitation is avoided, and the impacts of harvesting is within safe ecological limits
- By 2030, the components of biological diversity are used in a way and at a rate that does not lead to the long-term decline of biological diversity



# Thank you

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# Session 5: Post-2020 GBF - Driving transformation towards biodiversity-friendly societies and businesses

## Video





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## Session 6: From storytelling to story proving: BioTrade in Lao PDR and Viet Nam

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# Session 6: From storytelling to story proving: BioTrade in Lao PDR and Viet Nam

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- **Mr. Rudolf Lüthi**, Head of Sustainable and Inclusive Economies, Helvetas Swiss Intercooperation

*Speakers:*

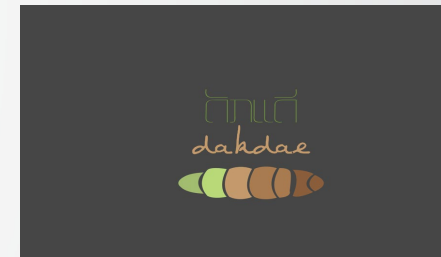
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- **Ms. Anousone Phimmachanh**, Co-founder, Dakdae Social enterprise, Lao People's Democratic Republic
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# Real case on BioTrade development in the Mekong Region:

## How SMEs from Lao PDR and Viet Nam source BioTrade products and connect to regional and global value chains

*Rudolf Lüthi*  
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[Rudolf.Luethi@helvetas.org](mailto:Rudolf.Luethi@helvetas.org)



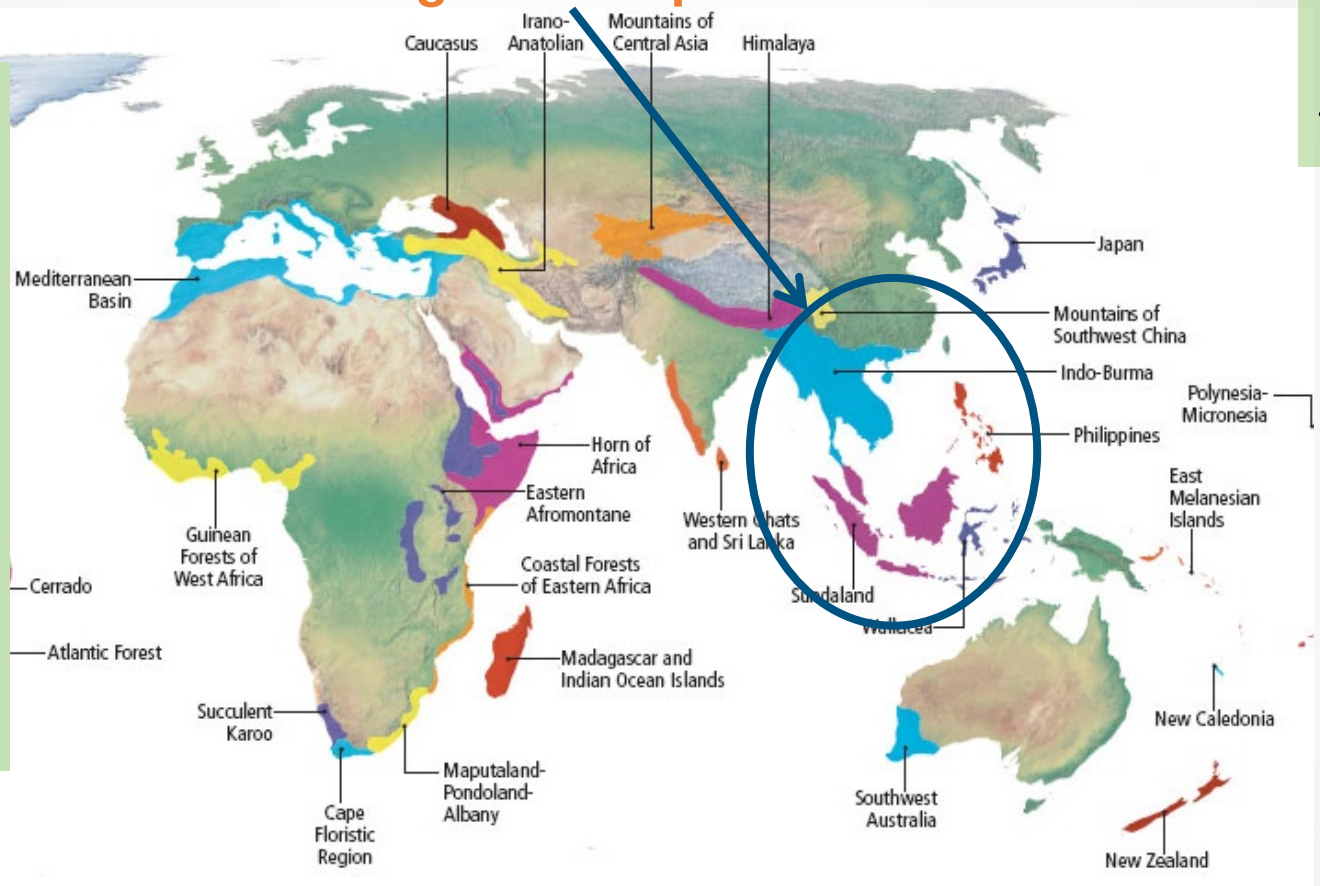
# The wider context

## Natural Ingredients as a Resource for the region

### South-East Asia: one of the **Biological Hotspots of the world**

Vietnam, Lao PDR, Myanmar amongst the most biologically diverse countries in the world

- SECO decided to launch BioTrade I VN 2012-15 followed by
- Regional Scale up: 2016 – 2020
- As a contribution to UNCTAD BioTrade Initiative
- Helvetas selected as project implementer

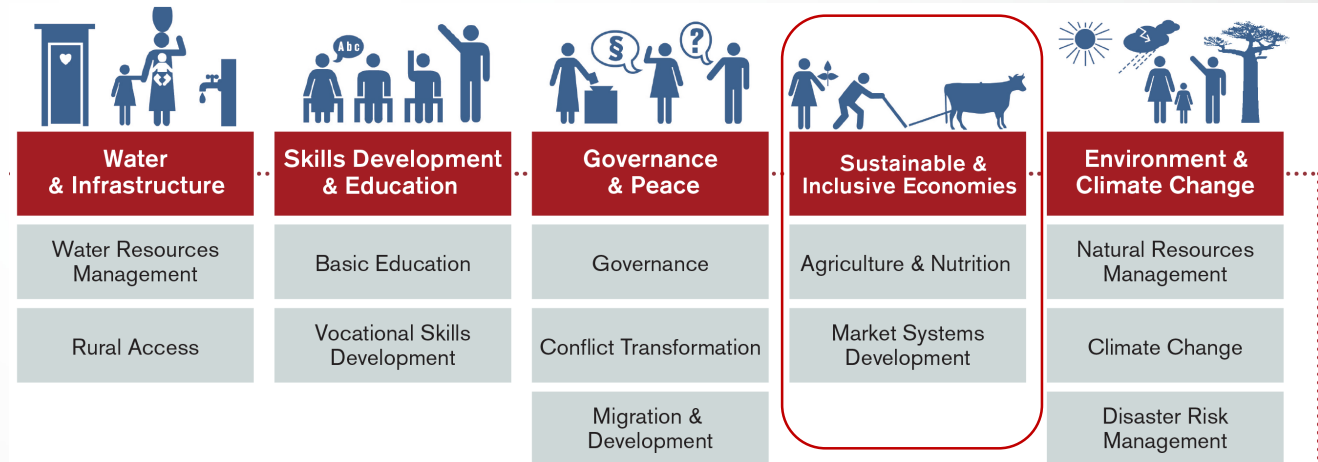


Many plants can be used for commercial purposes as natural ingredients and have considerable market value

# Who we are and what we do at



- Founded in 1955 as first private Swiss development organization – 2011 merger with Intercooperation
- Politically and denominationally neutral association supported by 100,000 members and private donors in Switzerland
- Projects and advisory services in about 30 partner countries in Africa, Asia, Latin America and Eastern Europe
- 1'151 staff members worldwide, of whom 969 are national staff



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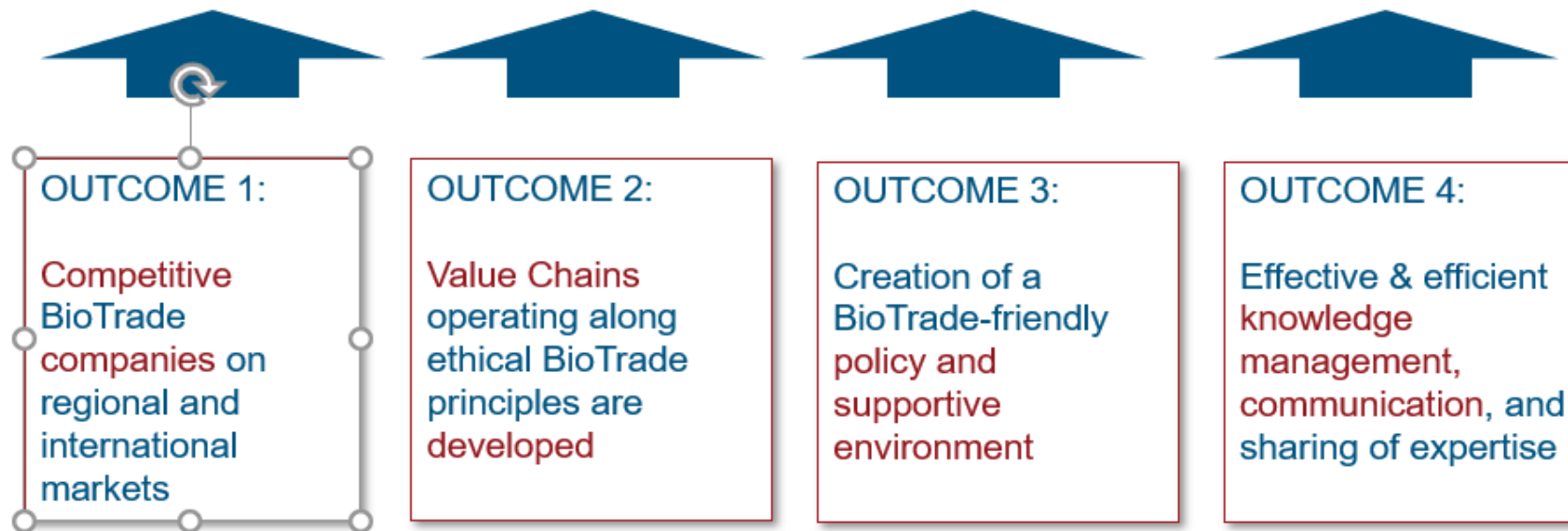




# The Regional BioTrade Project – Objectives

## OVERALL OBJECTIVE

Conservation of biodiversity through sustainable trade of natural ingredients  
...in a manner that increases the competitiveness of local exporters/producers and  
...the livelihood benefits (income and jobs) of rural population  
...while taking into account all relevant ethical BioTrade principles and criteria.



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# The Regional BioTrade Project – Key Targets

**20 companies** will be exporting BioTrade products according to BioTrade principles by 2020, including:

- 10-12 companies from **Vietnam** 4-6 companies **Lao PDR** and **Myanmar**

**16 products** sourced from native species will start being exported as BioTrade products, including:

- 10 products from **Vietnam**, 6 products from **Lao PDR** and **Myanmar**
- At least 1 product that is sourced **regionally**

**At least 9** service providers from the public sector, private sector or sector associations, including:

- **2 public or private service providers and 1 sector association in Lao PDR**
- Specifically target export promotion, but also expected for standards and certification

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# Case Study I – Benzoin – Vietnam – Duc Phu



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# Case Study II – Indian Prickly Ash (*Zanthoxylum rhetsa*) – Lao PDR



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**Business  
goes hand in hand with  
Biodiversity**

**NOT AN EASY TASK**



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## DUC PHU AGRICULTURE FORESTRY., JSC

- **Establishment:** 2015
- **Vision:** We aim to become an ethical and responsible natural ingredient production and exporting company in Vietnam
- **Mission:** Leading in implementation of innovative ideas to foster sustainable use of natural ingredients for biodiversity conservation and wellness of local communities.
- **Business principles:** Ethical – Fair – Biodiversity
- **Products:** Siam Benzoin Gum, Shellac, Essential Oils

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# DUC PHU AGRICULTURE FORESTRY., JSC

## DUC PHU'S SIAM BENZOIN BUSINESS:

- Siam benzoin gum is a resin that is extracted from *Styrax tonkinensis* trees usually a few months after farmers pierce in matchbox shape onto the bark of the trees. This gum is commonly used in aromatherapy and cosmetics industries.
- Since 2017, DUC PHU AAF., JSC has been cooperating with households to extract and collect benzoin gum following the BioTrade principles:
  - Number of households: 1,120 households in 6 Northern provinces of Vietnam
  - Income per household: 250-400 EUR

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# ADVANTAGES AND CHALLENGES IN THE CHAIN BUILDING PROCESS

Challenges	Advantages
1. A large number of farmers have been accustomed to clearing forests for cultivation, seriously harming biodiversity.	1. DUC PHU AAF., JSC is highly aware of how the biodiversity conservation mission is closely intertwined with our business. We have constantly researched sustainable production of benzoin and promoted communication to households.
2. Weak linkages between households and companies create difficulties in production activities that comply with BioTrade standards and in management of raw material areas.	2. DUC PHU AAF., JSC has received support from Helvetas Vietnam in the process of understanding, building production chains and linkages with households and local authorities.
3. The local governments used to not be active in making biodiversity conservation an indispensable requirement in forest plantation and protection.	3. Local governments are willing to support the company and advocated communication to households about biodiversity conservation, not only in the production area but also around the areas where they live.
4. Companies are not yet competitive in international markets.	4. The Vietnam National Strategy on Biodiversity until 2020 with a vision to 2030, which includes biodiversity conservation in national, sectoral and local policies, strategies, planning and development plans, has been approved.

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# IMPORTANCE OF BIODIVERSITY FOR DUC PHU AAF., JSC



Sustainable production based on biodiversity is a way for DUC PHU AAF., JSC to contribute to the global efforts of biodiversity conservation, while at the same time bringing about benefits and value to the community.



BioTrade is in line with the development trend in international markets. Production and trading based on biodiversity conservation improves the trust of customers and their willingness to share and support DUC PHU in production, generating economic value for the company.



A successful BioTrade production chain model will motivate local governments to recognize the model and replicate it to other areas.



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# LESSONS LEARNED

- Biodiversity conservation requires the contribution and participation of many stakeholders in all nations.
- Building a benzoin production chain based on the BioTrade principles must be linked to increasing household income in order to reduce the economic pressure on forests.
- We must rely on the awareness of actors in the value chain to promote sustainable development. Households need to be better aware of biodiversity conservation, and businesses need to be better aware of sustainable production and trade.
- The more natural ingredient producers participating in BioTrade, the greater the magnitude of biodiversity conservation.
- Collaboration between businesses, households, local governments, NGOs in building natural ingredient chains is important.
- **Expected outcomes:** Improving household incomes; Promoting business and market expansion; Biodiversity conservation.



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**DUC PHU**  
ETHICAL - FAIR - BIODIVERSITY

DUC PHU - We act for the community and sustainable development



# THANK YOU!



**DUC PHU AGRICULTURE FORESTRY .,JSC**

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# Session 6: From storytelling to story proving: BioTrade in Lao PDR and Viet Nam

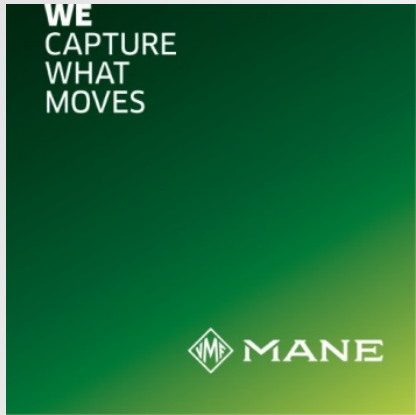
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MANE

Manufacturing of  
Fragrances and Flavors

# Sourcing benzoin from Duc Phu Company in Vietnam

Luc CARRIERE



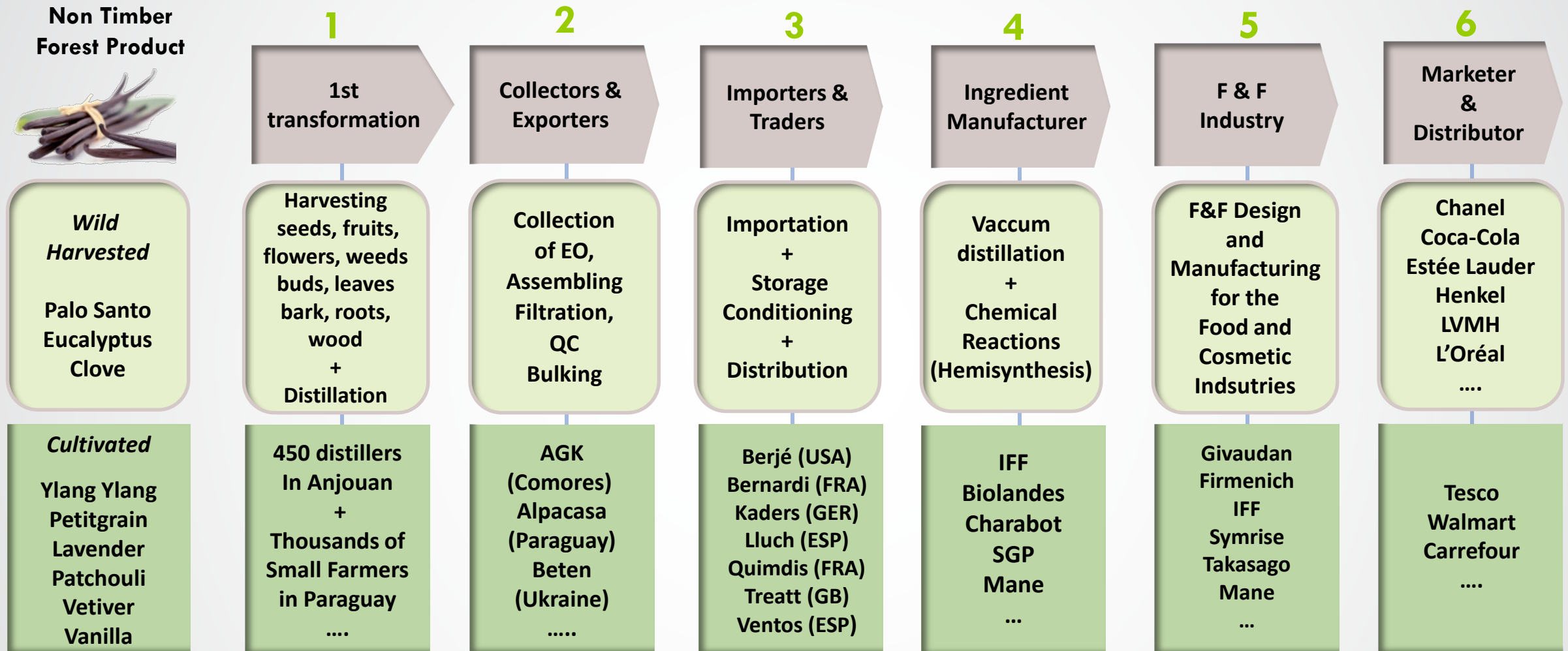
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# NTFPs VALUE CHAIN

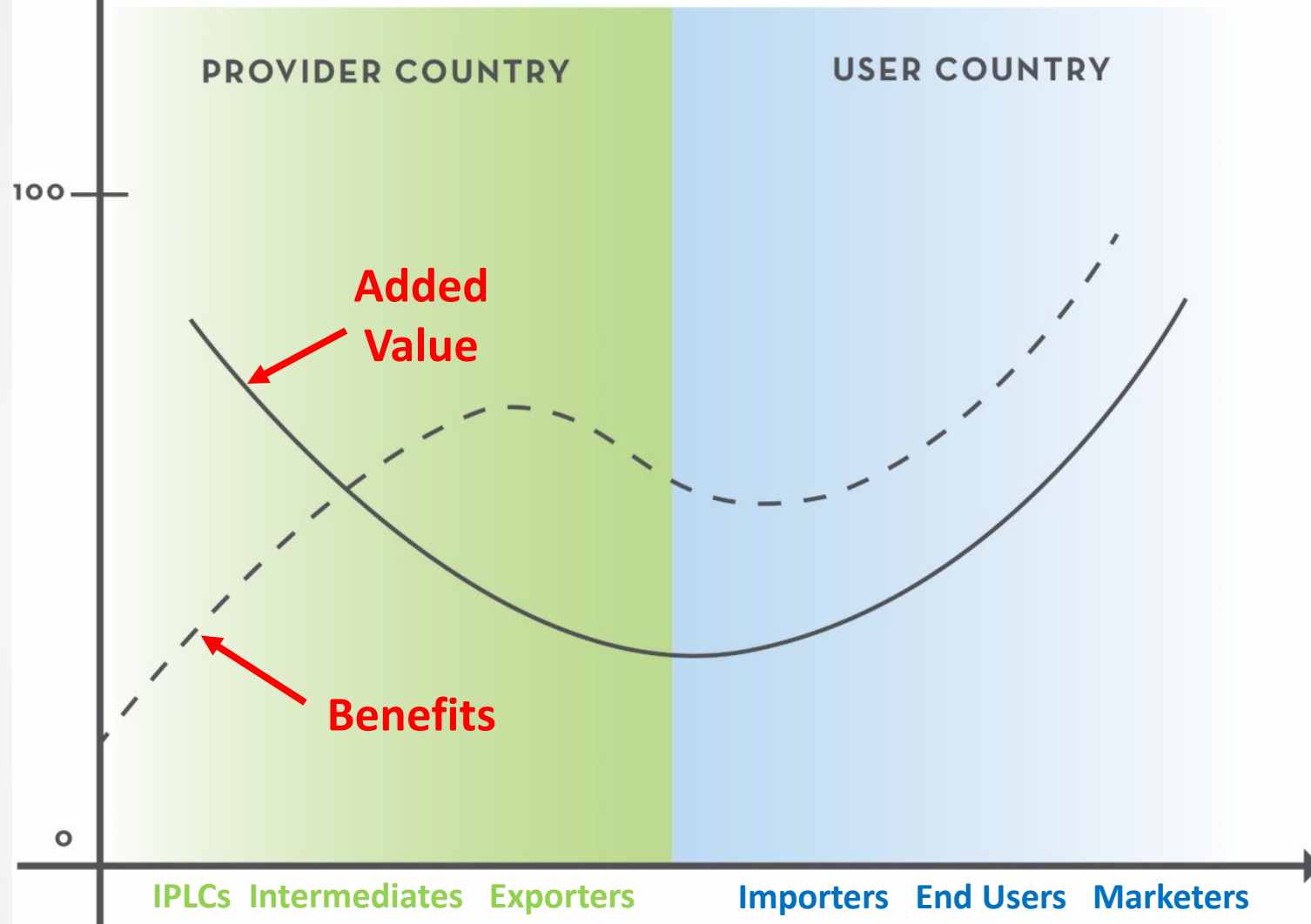
## SEEN FROM THE FLAVOR AND FRAGRANCE INDUSTRY



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# BENEFIT SHARING IN THE BIOTRADE WORLD



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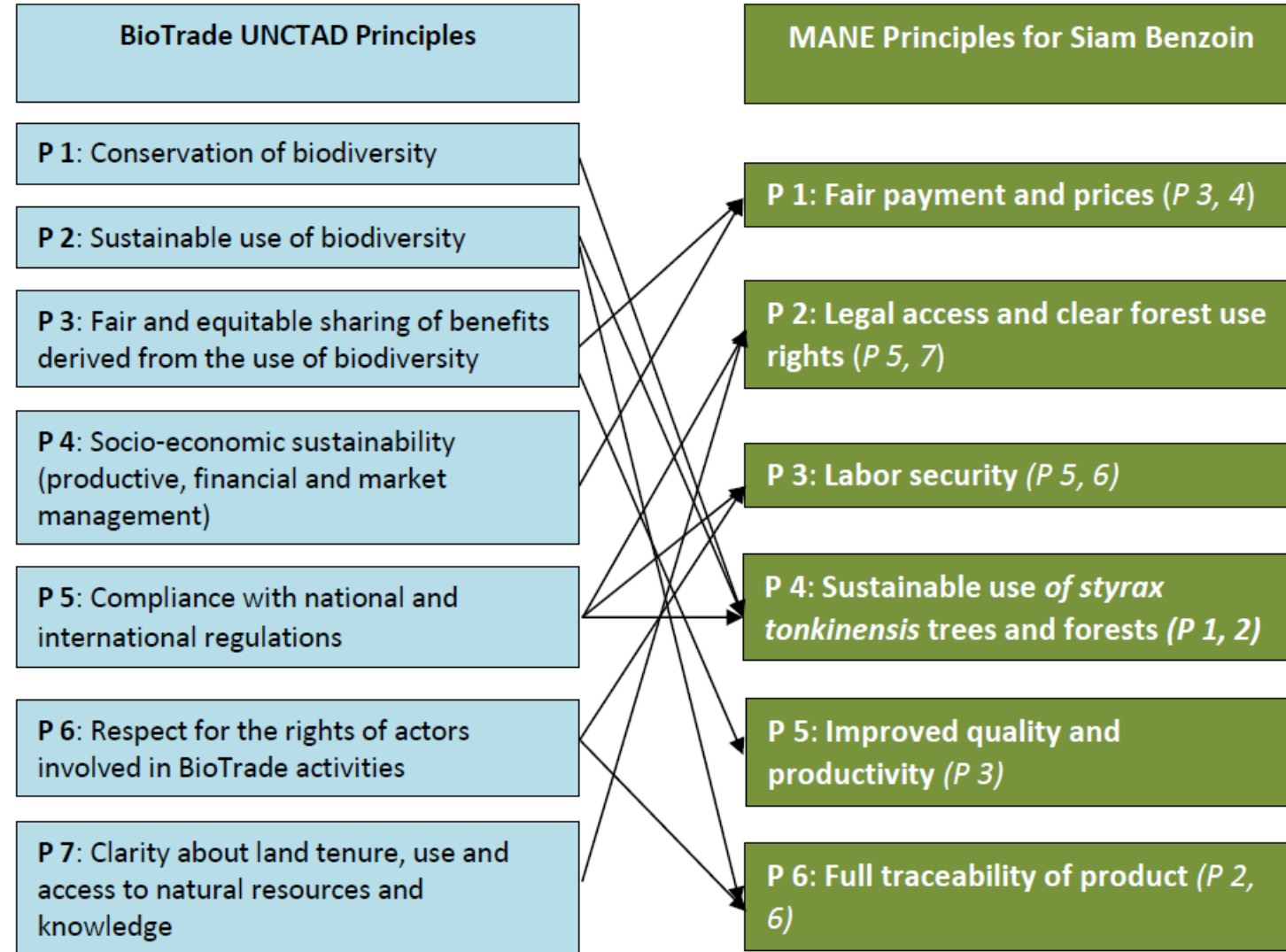
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## BioTrade sourcing for MANE

- MANE & UNCTAD have **aligned principles**
- MANE has a **responsible sourcing approach**

**Tab. 3: Assignment of BioTrade principles in specific principles for Siam Benzoin Gum in Vietnam.**



## Sourcing Benzoin from Duc Phu Company in Vietnam

- Benzoin extracts are strategic **fragrance ingredients** for Mane
- Vietnam : renewing with the past (Siam region is a **historical provider** of benzoin tears)
- Customers request more **traceability** (who benefits and where)
- Customers expect us to generate **net positive impact** to support their CSR agenda throughout the value chain

### Key benefits

- **Secure** the quality and quantity of our sourcing
- Partnership (SDG 17): creation and fair distribution of value

### Lessons learned

- **Gaps & uncertainties** in existing supply chain
- **Importance** of local partnership, commitment and expertise

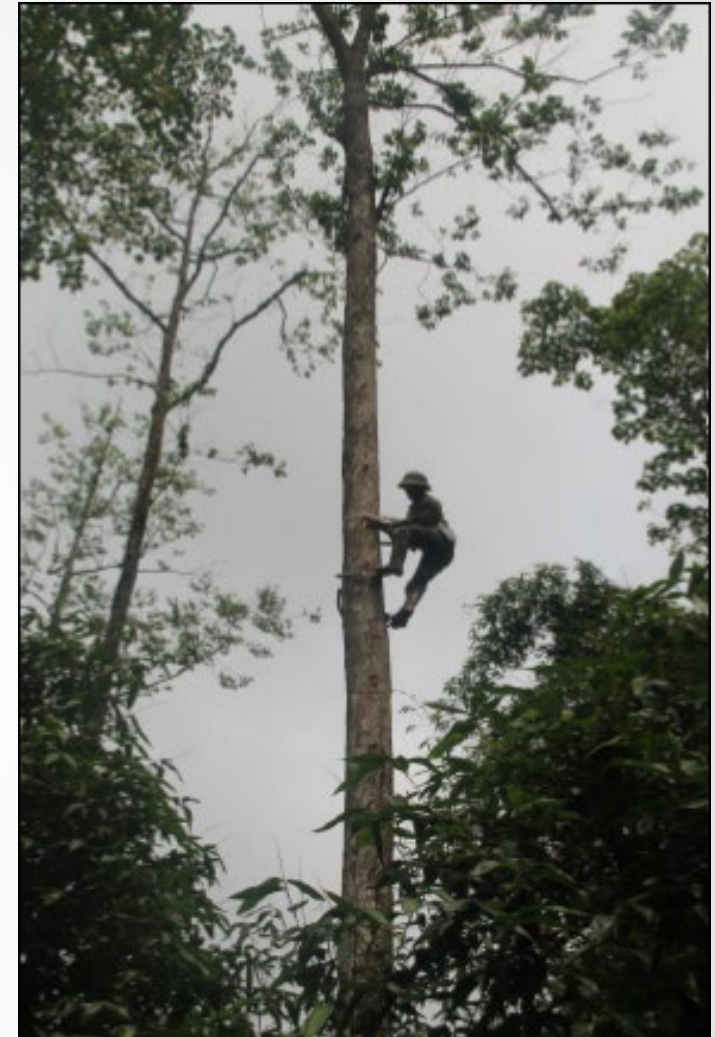


## Scaling potential in the region for natural ingredients

### **1 potential through local resources and biodiversity**

#### **Accelerate process through :**

- Capacity building
- Value chain
- Good practices
- Business ethics
- Working conditions
- Health and safety at work
- Compliance with regulations





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State Secretariat for Economic Affairs SECO

## Regional Biotrade Project Southeast Asia (Viet Nam, Lao PDR, Myanmar)





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