

SPECIAL POINTS OF INTEREST:

Market Access for BioTrade Products through BTFP and CBI: Exporters of Natural Ingredients at the international trade fair of the pharmaceutical industry.

UNCTAD/BioTrade Initiative through the BTFP organises side event in preparation for the 8th Conference of the Parties (COP8) of the Convention on Biological Diversity (CBD).

Workshop success on distinctive signs and biotrade in the Andean countries.

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Summary

Welcome to the first issue of the BioTrade Facilitation Programme's (BTFP) Newsletter! The purpose of this newsletter is to give both a global and country-focused perspective on some of the most recent developments in the biotrade arena and BTFP's specific contributions. By highlighting some of its activities and achievements, BTFP partners can keep abreast with the most pressing issues related to biotrade and sustainability.

BTFP continues its activities to promote the sustainable use of biological resources, while organising events that foster dialogue among the different actors along the value chain. This includes wild collectors, suppliers, productive enterprises, exporters, importers and decision makers on national and international levels.

In this context, various activities are being undertaken. This month's issue brings you up to date with recent events organized within the BTFP framework on topics such as *distinctive signs*, *the revision of the EU Novel Food Regulation (NFR)* and *the certification of BioTrade products*. It also brings news of the BTFP activities through the BioTrade National Programmes in Bolivia and Uganda.

You can always find out further information on any of the topics in this issue on our website: www.biotrade.org.



BTFP contributes to EU Novel Food Regulation revision

Exporters in developing countries are faced with considerable hurdles when trying to introduce their range of traditional foods and food-ingredients to the European market. Due to the EU's strict interpretation of the EU Novel Food Regulation (NFR), many of these "exotic" products are considered "new" and consequently have to undergo special testing before pre-market authorisation can be granted. The impact of the NFR on biotrade in Europe is therefore enormous.

As a result of the NFR, gaining access to the EU market for novel foods is costly and beyond the means of many medium-sized businesses from both Europe and developing countries. The EC is currently conducting a mandatory revision of the Novel Food Regulation and in the context of the BTFP, UNCTAD and its partners have taken a pro-active attitude in making suggestions for change. A proposal was put forward to include a special category on traditional exotic foods that takes into account traditional use in countries outside the EU.

On 1 December 2005 a workshop on the revision of the NFR was held in Brussels by UNCTAD and the Centre for the Promotion of Imports from developing countries (CBI). The workshop created a platform for governments and exporters from developing countries, European importers, and European health and consumer protection agencies to discuss their experience with the current legislation and provide their views on the proposal for inclusion of a separate category for traditional exotic foods.

Examples presented in the workshop by exporters from India, Southern Africa, Ecuador and Peru and importers from Germany and the Netherlands clearly showed the problem faced by importers and exporters. It is hoped that the European Commission will take into account their views in the ongoing revision process. The technical proposal suggested by UNCTAD, as well as a short issue paper and related presentations can be downloaded from our website: www.biotrade.org.

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Certifying BioTrade products and services

How do we distinguish and position BioTrade products from others that would seem to be identical but are produced in a less biodiversity-responsible way? BTFP has been exploring the possibility of developing a scheme for verifying BioTrade. Producers, buyers and donors have shown interest as established certification schemes only partially address the BioTrade principles and their associated criteria. For example, a product certified as fair trade may fulfil the third principle on benefit sharing but not the first principle on biodiversity conservation. There are some schemes that are closer to the BioTrade principles, such as the Forest Stewardship Council (FSC), the Sustainable Agriculture Network and the Marine Aquarium Council (MAC); however, none match them perfectly.

This has led to the BTFP and its partners looking into the possibility of developing their own system to verify BioTrade products. There is certainly a market for third party verification, but the case for such a scheme must take into account some important questions: What would be the benefits and cost of developing and implementing such a scheme? To whom would these benefits and costs accrue? Would the scheme be affordable to producers and buyers? Would it deliver tangible net added value to the companies as well as to biodiversity?

All of these questions were addressed at a BTFP stakeholders' workshop, held on 31 October 2005 in Madrid, Spain. The workshop brought together the interested parties to discuss the significant implications of setting up a new scheme. Acknowledging that such an endeavour is a costly and time-consuming exercise, four key components were discussed:

- A BioTrade B2B Club, including producers and buyers, to build a committed BioTrade community
- A set of flagship BioTrade natural ingredients or services to certify and strengthen the case for BioTrade
- Individual road maps to move companies from self-monitoring to verification (usually by buyers or investors) to certification (by independent third parties)
- Possibility to develop strategic linkages with existing certification schemes as appropriate

These options are now under detailed evaluation. BioTrade hopes to provide a cost-effective solution that satisfies all stakeholders, and creates incentives for the implementation of BioTrade criteria. As progress develops in this area of work, UNCTAD will provide information on the BioTrade website (www.biotrade.org). Comments and suggestions, as always, are most welcome. Please contact the BTFP Team at biotrade@unctad.org.



Distinctive signs and biotrade in the Andean countries

Biological resources have been used through the ages to develop a wide range of products, from new food and medicines to dyes and cosmetics. Today, the value of this biodiversity has been recognised by agricultural, natural and biotech industries that have begun to generate an array of products with high levels of profitability.

In order to obtain the customer's seal of approval and maximise profits, these products must be distinct from other products available on the market. Some of the tools used to differentiate such products are called distinctive signs. This enables a consumer to tell a product apart by its distinctive usefulness, quality, origin, production method or specific raw materials used.

The most relevant signs for biotrade include general frameworks, certification and collective marks, appellations of origin and geographical indications. These have great potential to promote sustainable development and biotrade as they ensure economic benefits for rural communities in particular and establish a general framework to protect their traditional knowledge and practices.

On 21 and 22 November at the headquarters of the Andean Community (CAN) in Lima, Peru, the International Centre for Trade and Sustainable Development (ICTSD), UNCTAD's BioTrade Initiative, the Peruvian Society of Environmental Law (SPDA) and CAN organised a workshop on "The Use of Geographical Indications and Appellations of Origin to Promote Sustainable Development and Biotrade".

The possibility to use distinctive signs was tested by evaluating their application to Maca (Peru), Cacao arriba (Ecuador), Borojo (Colombia) and Arapaima gigas – Paiche/Pirarucu (Amazonia).

The workshop also discussed the potential of distinctive signs for biotrade, economic and technical aspects, and the legal framework for such instruments.

Sustainable leather from Bolivia

Among the diverse fauna species native to Bolivia, the Spectacled Caiman (*Caiman yacare*) is one of the most important. Its commercial application in the leather and food industries generates income for communities living in marginalised regions of the country, usually suffering from extreme poverty.

However, there are various challenges to face in order to achieve the desired sustainable use and efficient production of goods derived from Spectacled Caiman in Bolivia. Unsustainable hunting practices, mistrust between the rural communities and the processors/exporters, outdated technology, unrealistic trade quotas, and legislation that is rarely enforced, all hold back the development of this industry.

The private and public sectors' common interest in fostering the production and exports of Spectacled Caiman-derived products from Bolivia encouraged the BTFP and the BioTrade National Programme to contribute to this goal. The value chain of Spectacled Caiman has been selected to receive support from the BTFP at various levels: sustainable production, access to external markets, product improvement, among others.

As part of the envisaged support, a value chain analysis workshop was carried out from 24 to 25 November 2005 in the city of Trinidad, in the Amazon region of Bolivia. The primary purpose of the workshop was to examine factors that underpin competitiveness and sustainable practices along the Spectacled Caiman supply chain. Participants at the workshop included environmental and other governmental officials, NGOs, community leaders, producers, transformers and exporters.

The outcomes of the workshop will be incorporated in the Spectacled Caiman value chain assessment which will reflect its potential and existing weaknesses. It has served in identifying the intervention areas of the strategy used by the BTFP and partners in order to contribute to the development of this value chain under criteria for environmental, social and economic sustainability.

“The BioTrade programme of Uganda and the BTFP are supporting the development of a sector strategy for the ecotourism niche.”



OTHER PUBLICATIONS:

Technical Updates are available for download from the BioTrade website.

Background Papers related to the topics addressed in this issue, are also made available through the BioTrade website.

BioTrade ecotourism in Uganda

The development of the sustainable tourism sector in Uganda is part of a National Strategy for Tourism to maximise the tourist potential of the country. A strategy for sustainable tourism was developed to guide actions undertaken at national level. The wildlife associated with the variety of Uganda landscapes was identified as a strong point of the strategy.

The BioTrade National Programme of Uganda and the BTFP, in collaboration with the International Trade Centre (ITC), are supporting the development of a sector strategy for the ecotourism niche that will also contribute to biodiversity conservation. Envisaged activities for the strategy are:

- Promotion of existing attractions such as bird watching, primate tracking and safari
- Encouragement of the industry to move towards environmentally friendly tourism by using eco-friendly endorsed products and practices in their locations
- Identification of new areas with potential for ecotourism that complement existing efforts
- Strengthening the actors along the value chain to implement practices of ecotourism and help in the development of management systems for the surrounding habitats
- Opening new opportunities of income generation to local communities located in areas of high biodiversity
- Transforming the market place interest on wildlife as a conservation strategy to fight illegal wildlife trade
- Undertaking focused research that can lead to an all encompassing strategy

In September 2005, a value chain analysis workshop of ecotourism was carried which provided an opportunity for sharing information and interaction among the sector players, as well as identifying the main issues affecting the sector. Solutions and lines of action to incorporate into a support strategy to develop the sector were discussed.

The official presentation of the strategy and work plan to develop the sector was presented in December 2005 by the BioTrade National Programme at the Uganda Export Promotion Board, in close coordination with the BTFP and the ITC.

Looking towards the Eighth Conference of the Parties (COP8)

UNCTAD/BioTrade Initiative, the BTFP and the National BioTrade Programmes derive their mandate from the three objectives of the Convention of Biodiversity (CBD) and therefore play an important role in its implementation. As the BTFP gears up for the Eighth Session of the Conference of the Parties (COP8) to be held in Curitiba, Brazil (20-31 March 2006), it organised a side event to the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA). SBSTTA is a subsidiary body of the COP and provides assessments of the status of biological diversity, assessments of types of measures taken, and responds to questions that the COP may put to the body. This year's meeting was held at the end of November 2005 in Montreal, Canada.

For its side event, the UNCTAD/BioTrade Initiative invited the biodiversity community to discuss the challenges biotrade faces in its role as an incentive measure for sustainable use and conservation of biodiversity. This event discussed four topics, focusing on:

- the implementation of BioTrade Principles and the Addis Ababa Principles of the CBD
- strengthening value chains of BioTrade products
- the wild collection of species as a way to promote sustainable use practices at country level
- the issue of certification of BioTrade products and its use as an incentive for the conservation and sustainable use of biodiversity

The participation in the SBSTTA represents our continued efforts to implement the CBD objectives and foster dialogue to manage trade, biological resources and local populations in a responsible and more effective way. UNCTAD/ Biotrade initiative looks forward to making further contributions to COP8 in Brazil, with several meetings and side events in preparation.



Event: Market Access through the BTFP, Madrid, Spain

Highlighted Events

- 1-3 November 2005: Madrid, Spain.

Market Access through the BTFP

Exporters from developing countries supported by CBI and BTFP exhibited their biodiversity-based natural ingredients derived from sustainable resources, at CPHI (the international trade fair for the pharmaceutical industry).

- 4-6 December 2005: Isle of Vilm, Germany.

Workshop on the "International Standard for Sustainable Wild Collection of Medicinal and Aromatic Plants - Results of the field consultations" (ISSC-MAP).

The UNCTAD/ BTFP presented its contributions to the development of the International Standard for Sustainable Wild Collection of Medicinal and Aromatic Plants by reporting on the results from field testing in Ecuador.

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Comments or ideas for future issues are most welcome.

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The BioTrade Facilitation Programme (BTFP) is UNCTAD/BioTrade Initiative's programme to assist developing countries in trade promotion of sustainable biodiversity-based products and services. It enables specific activities in beneficiary developing countries which enhance sustainable bio-resource management, product development, value-added processing, marketing and exports.