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Harnessing Biodiversity for Development

In the last 10 years, nearly 47,000 km^2 of the Amazon forest – an area bigger than Switzerland – has disappeared, and with it the unique diversity of its ecosystem. The sheer extent of the Amazon disaster has aroused the indignation of environmentalists worldwide. But this is not an isolated case. Africa and Asia are also endowed with great natural wealth that is continuously threatened: dynamite fishing is damaging coral reefs, illegal wildlife trade is decimating already endangered species, agriculture and urban expansion are eroding natural habitats…

Many developing countries have rich and diverse forest and marine resources: fruit, fish, nuts, fibres... Some are used as ingredients in a wide range of products, such as perfumes, natural dyes, oils and medicinal plants. Many local populations make a living out of these products. Colombian hammocks, for instance, are woven from local fibre and dyed with natural plants; Amazonian coconut fibre and latex are used to manufacture seats for the automobile industry. Other products are used in the pharmaceutical, biotechnology and cosmetic industries. In some countries, ecotourism is also a major source of revenue.

In general, population growth, poverty and the search for short-term economic gains among local populations are at the root of the threat to biological diversity, or biodiversity. Yet, if harnessed properly, the use of natural resources can generate economic benefits for people whose livelihoods depend on the wealth of their environment.

One way is to take advantage of the marked shift in both developed and developing countries towards natural and recyclable products and the resource needs of the emerging biotechnology industry.

If developing countries seized these opportunities, biodiversity could be turned into a reliable means of income generation and sustainable development. Yet so far no concrete initiative has been taken to promote the sustainable use of biological diversity at the global level.

This would require specific action and a certain amount of planning by Governments, local communities and the private sector, including:

- Developing legal and policy frameworks for the sustainable use of biodiversity
- Acquiring technical and entrepreneurial capabilities
- Obtaining market information and access
- Developing biodiversity conservation schemes
- Building capacity to develop sound business plans for biotrade products.

UNCTAD

Issues in Brief are circulated periodically by UNCTAD and cover topical issues pertinent to UNCTAD's work programme.

What does UNCTAD do to assist developing countries?

UNCTAD's BIOTRADE Initiative helps developing countries derive the maximum benefit from their natural resources while preserving the environment. One way they can do this is by moving from exports of primary goods to value-added products and services that not only generate income for local communities but also contribute to the sustainable use of biodiversity and retain people in their natural environment.

The programme operates through partnerships with key public and private actors to promote business ventures and assist in policy making. National BIOTRADE programmes are being implemented in Bolivia, Colombia, Ecuador, Peru, Uganda and Venezuela. Others will start soon in Iran and the Philippines.

In each country, government contacts for policy and technical matters are appointed. Their role is to develop policies and legislation to promote the use of natural products and make sure that these policies contribute to national development.

The role of partnerships

The BIOTRADE Initiative consists of a number of partnerships with national and regional organizations that have their own networks of community workers in the field. This public-private approach enables partners to address all aspects of the value chain of natural products, including market and policy issues. It also builds on the comparative advantages of each organization, creating synergies and making the most of scarce resources.

The most recent partnerships are with the Andean Development Corporation (CAF) and the Andean Community of Nations (CAN) for the implementation of BIOTRADE in the Andean countries.

New Ventures Investor Forum: Andean-Amazonian Bio-Business Contest: In June 2004, the World Resources Institute (WRI), CAF and UNCTAD will hold an investor forum bringing together small and medium-sized enterprises (SMEs) and investors interested in "green" investments. Over 50 enterprises selected from over 200 applicants will participate in a bio-business contest. In the run-up to the forum, the 10 most promising applicants will receive assistance and intensive monitoring from national BIOTRADE programmes to help them upgrade their business plans to include specific business and biodiversity criteria.

BIOTRADE Facilitation Programme (BTFP): The programme started in 2003 with the cooperation of the International Trade Centre (ITC). It helps SMEs in developing countries to export their natural products and services. It supports products that have market potential and are produced without harming biodiversity. To develop and market these products, export plans are formulated and then implemented through a set of practical trade promotion services, including market information, product development, quality certification and labelling. Selected countries from Latin America (the Andean and Amazonian regions), Africa (the eastern and southern regions) and Asia are currently part of the BTFP. Financial support for the programme is provided by the Governments of Switzerland and the Netherlands.

In Colombia, Ecuador and Peru, the BTFP works with enterprises that produce ingredients for cosmetics and pharmaceuticals – herbs, gums, essential oils, oleoresins and natural colours – to export their products to European markets. It helps them develop marketing projects and provides them with a wide range of services, from drafting business plans to improving product quality.

For more information, visit the BIOTRADE website (www.biotrade.org) or contact Lucas Assuncao, coordinator for BIOTRADE and Climate Change (tel.: +41 22 917 2116; e-mail: lucas.assuncao@unctad.org)