



**HELVETAS**

**VIETNAM  
LAOS  
MYANMAR**



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Swiss Confederation

Federal Department of Economic Affairs,  
Education and Research EAER  
**State Secretariat for Economic Affairs SECO**

## Regional Biotrade Project South-East Asia (Vietnam, Lao PDR, Myanmar)



# Regional Biotrade Project



Funded by: Swiss State Secretariat for Economic Affairs (SECO)

Project Duration: 2016 – 2020

Project Budget: USD 4,951,906

Project areas: In the areas that provide input supply for participating companies

Implementation agencies: HELVETAS Vietnam  
HELVETAS Myanmar  
HELVETAS Laos



# What is BioTrade?



Collection, production, transformation, and commercialisation of goods and services derived from native biodiversity under the criteria of environmental, social and economic sustainability



Initiated by United Nations Conference on Trade and Development (UNCTAD), to support the implementation of the Convention on Biological Diversity



# Biotrade Principles



Conservation

Sustainable Use

Socio-economic sustainability

Compliance with regulations

Sharing of Benefits

Respect for rights of all actors

Clarity about land tenure, use and access to resources and knowledge





# BioTrade Sectors



## Focus of Regional Biotrade Project

- Natural ingredients and products for cosmetics, food, fashion and pharmaceuticals industries



- Flowers and foliage
- Fish products
- Handicrafts
- Sustainable tourism



# Potential of BioTrade in Southeast Asia

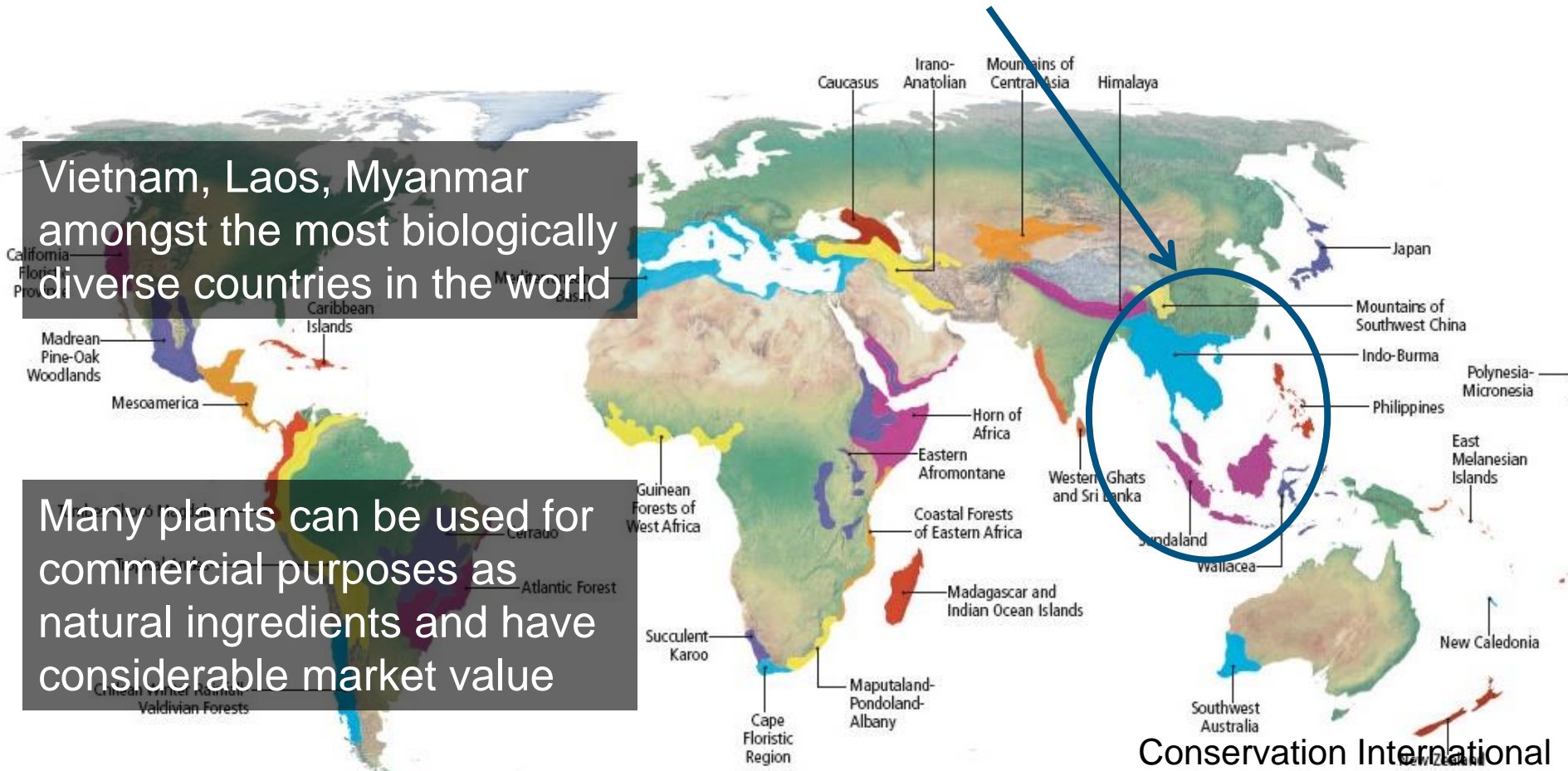


## Natural Ingredients as a Resource for the region

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

Vietnam, Laos, Myanmar amongst the most biologically diverse countries in the world

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



# Potential of BioTrade



## Increased demand and trade

World **demand** for Natural Ingredients is **growing rapidly** (10 - 15 % per annum)

## New applications, new trends

- diversifying the use of natural ingredients **beyond** traditional **medicine, cosmetics, or perfume**
- **alternative to chemically-based ingredients** in a large number of products (e.g. eco-friendly dyes, food ingredients and supplements, organic pesticides, household products, etc.)



## Threat for biodiversity and economic development of rural population, especially minorities

- **Unsustainable exploitation** can lead to loss of biodiversity and economic resource
- Risk that **traditional owners** of resources are not benefitting but **lose their resource**

## Weak market linkages

- **Within the countries**
- With **importers** in countries of high demand



# Project Background



## HELVETAS' Experience in Vietnam

SECO financed Biotrade Vietnam Project (2012-2015), objective:  
To **promote the conservation of biodiversity** through sustainable trade of natural ingredients **along ethical Biotrade principles**

- **built up five value chains** of natural health ingredients with **four Vietnamese pharmaceutical companies**
- **Evaluation confirmed relevance** of project and **recommended up-scaling to Lao and Myanmar**, as well as to **expand to other products than medicinal plants**

**Up-scaling within Vietnam** in European Commission-financed project (2016-2020)



## 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 by taking into account all relevant ethical Biotrade principles and criteria.



### OUTCOME 1:

Competitive Biotrade companies on regional and international markets



### OUTCOME 2:

Value Chains operating along ethical Biotrade principles are developed



### OUTCOME 3:

Creation of a Biotrade-friendly policy and supportive environment



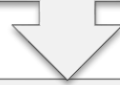
### OUTCOME 4:

Effective & efficient knowledge management, communication, and sharing of expertise

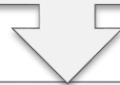
# Project Approach



Identify Natural Ingredients,  
assess export potential, opportunities and constraints



Identify Potential Processing/Exporting Companies



Select Value Chains and define Intervention Strategies



Support Companies to establish export oriented value chains  
together with farmers/collector, following Ethical Biobased Principles



Support Government to establish a conducive Enabling Environment  
for the Natural Ingredients Sector



Identify Natural Ingredients,  
assess export potential, opportunities and constraints



Identify Potential Processing/Exporting Companies



Select Value Chains and define Intervention Strategies

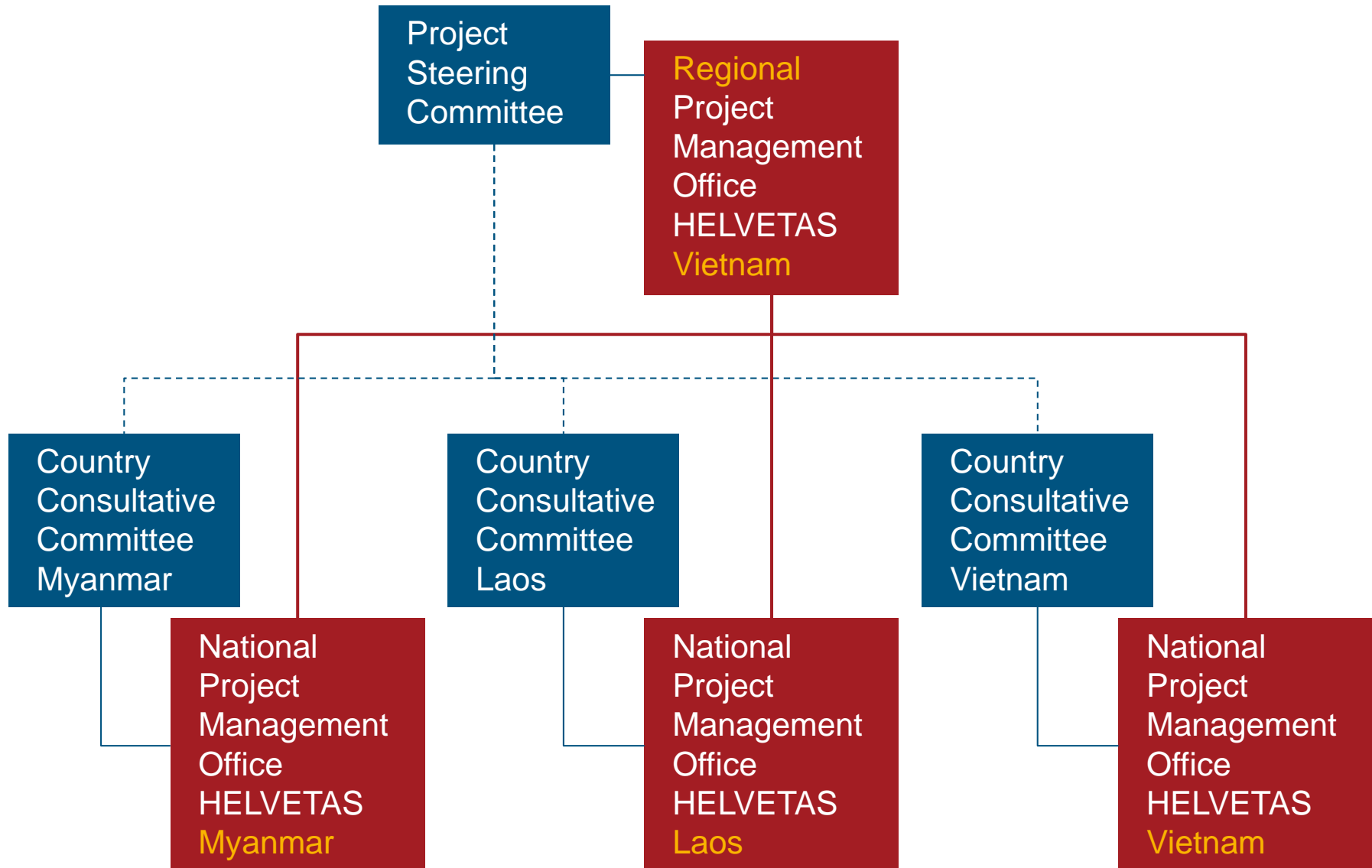


Support Companies to establish export oriented value chains  
together with farmers/collector, following Ethical Biobased Principles

(Implementation Phase)

Support Government to establish a conducive Enabling Environment  
for the Natural Ingredients Sector

# Project Structure



# Project Structure



Project  
Steering  
Committee

Representative of SECO  
at country level

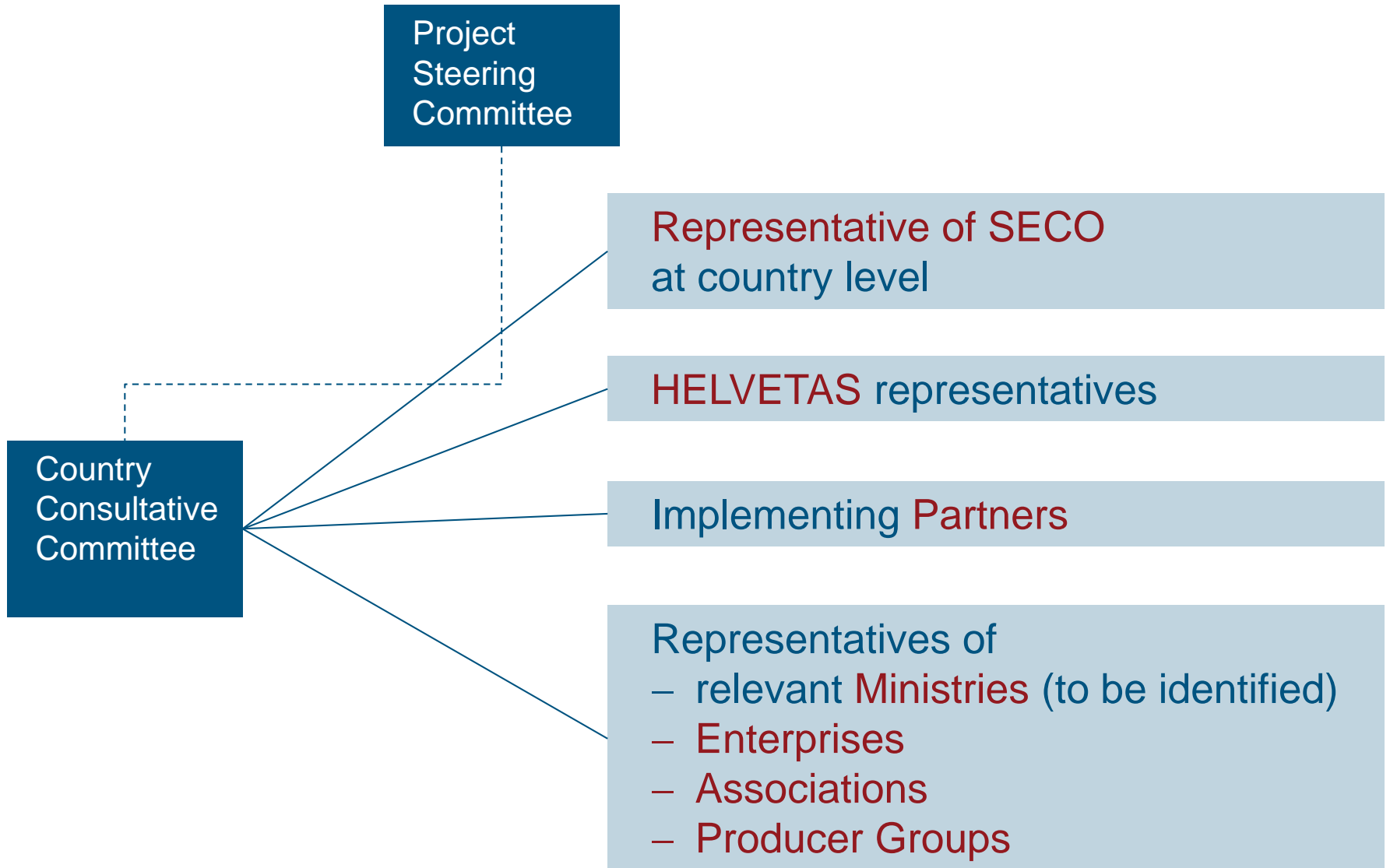
HELVETAS representatives

Implementing Partners

Representatives of

- relevant Ministries (to be identified)
- Enterprises
- Associations
- Producer Groups

Country  
Consultative  
Committee





# Project Structure



Project  
Steering  
Committee

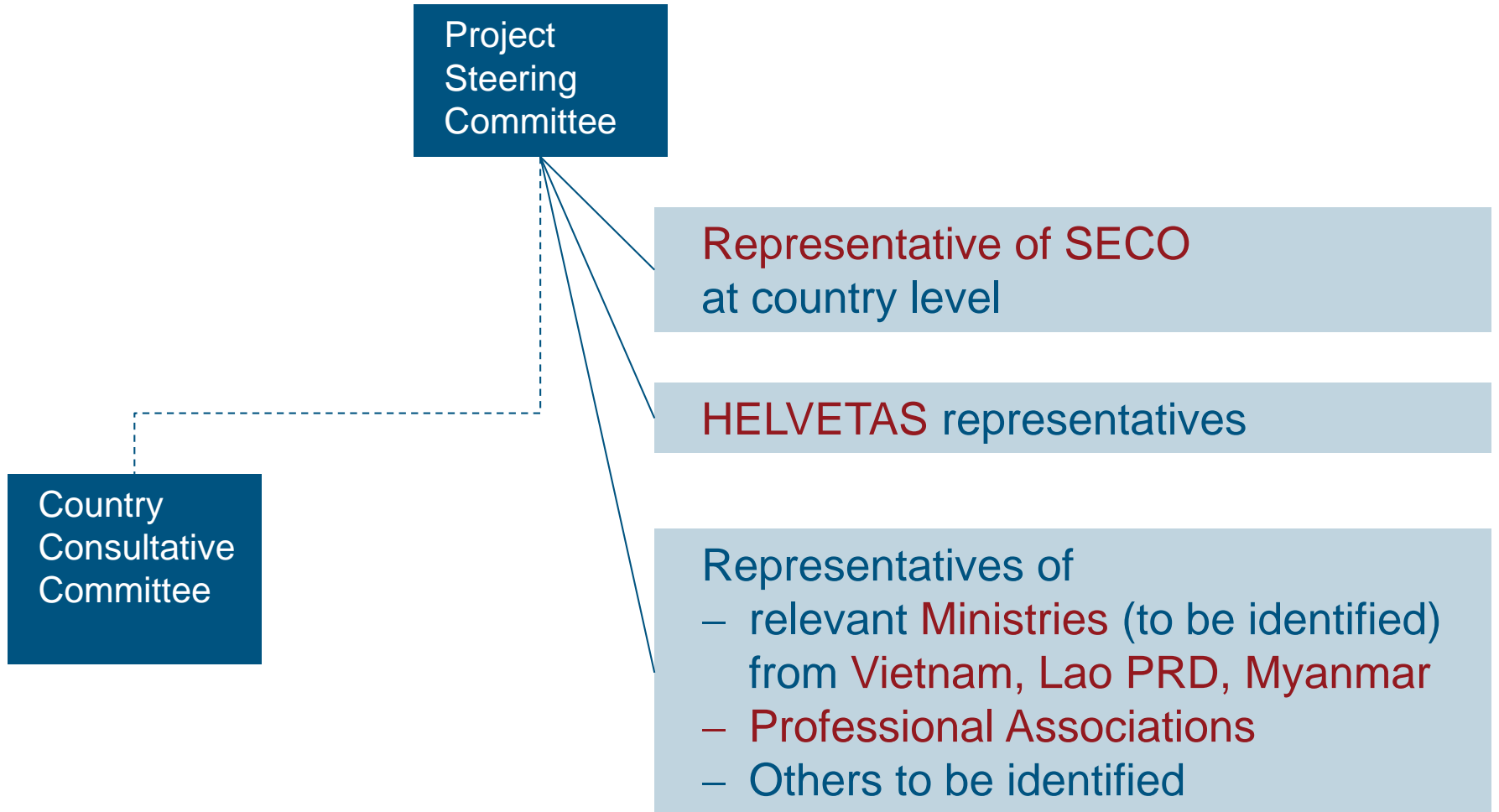
Representative of SECO  
at country level

HELVETAS representatives

Representatives of

- relevant **Ministries** (to be identified)  
from **Vietnam, Lao PRD, Myanmar**
- **Professional Associations**
- **Others to be identified**

Country  
Consultative  
Committee



# Biotrade Benefits for Companies



## RESOURCE MANAGEMENT

Production system by international standards

Secured sustainable supply of natural ingredient inputs

Opportunities for optional financial funding

## SALES & MARKET ACCESS

Enhanced brand value

Enhanced Business Competitiveness

Export Opportunity

Participate in global BioTrade network

## SECTOR PERFORMANCE

Policies better enable the business operation

# Expected Company Contributions



- **Improve their operation standards:** physical, environmental, human resources management: fair, equitable, sustainable, sound
- **Facilitate access** to services and inputs including training to smallholder collectors and farmers/producers
- **Support research** related to relevant topics e.g. access and benefit sharing,
- **Participate in** Country Consultative Committee and Project Steering Committee





# Biotrade Benefits for the Government



- Conserve and sustainably commercialize natural resources
- Additional income for population and companies
- Contribute to the socio-economic stabilisation
- Improved trade balance through export
- Improved competitiveness
- Improved legal framework
- Improved brand as a country supplier of natural resources

# Expected Government Contributions



- Improve policy framework
- Facilitate access to secondary data and market information and cooperation of private sector,
- Mobilise research related to relevant topics e.g. access and benefit sharing,
- Participate in Country Consultative Committee and Project Steering Committee



# Biotrade Benefits for Farmers



- **Improved capacities** in cultivating, harvesting, and processing natural ingredients (medicinal, spices, etc.)
- **Increased income** for farmers as a result of participating in the certified production value chains
- Potentially **other income** as traditional resource owner from Access and Benefit Sharing (ABS) schemes, if possible



# Biotrade Benefits for Consumers



- Healthy and safe products
- Assured Quality of products
- Provision of choices of products

