Biocomercio Program

Instituto Alexander von Humboldt

Photographs from the Instituto Alexander von Humboldt
Presentation

1. Biocomercio program
2. Facilitation to small entrepreneurs
3. Andean program CAN-CAF-UNCTAD
4. Conclusions
Special thanks to

- CAF, World Bank, GEF, CAN.
- Cecodes, Fedemadera
- CRQ, CVC, Carder, Corpoamazonia, CDA
- Government of the Netherlands, Government of Spain
- Biotrade Initiative of UNCTAD
- Innovar
- Labfarve, Siempre Colombia, Ecoflora and other companies.
- Ministry of the Environment of Colombia
- Ministry of Foreign Trade of Colombia and Proexport
- Ministry of Agriculture of Colombia
- Proexport, CBI, ITC.
- Universities (Andes, Eafit, Externado, Politécnico)
- NGOs (CI, Cisec, FES, GTZ, Natura, PCN, TerraPreta, WRI, WWF, Zio-Ai).
1. Biocomercio Program
Background

- Oct. 98: Meeting.
- Preparation of national workshop.
- March 99: National workshop
- Design of Biocomercio.
- March 26th 2001: launching.
- Consolidation and growth of the program
**General description:**

- It is a facilitation mechanism: gives supports and incentives.
- Effective network.
- It is not a certification institution.
- It does not take the entrepreneur decisions.
- Policy design and enforcement is responsibility of the public sector.
- It does strategic research.
- It is voluntary.
- On continue construction: flexible tool.
A tool designed for:

- Organizations:
  - Campesinos-farmers
  - Indigenous groups
- Individuals
- NGOs
- Enterprises Pymes
- Consolidated enterprises
Products and services

- Non timber forest products
- Wood products
- Agricultural products
- Ecotourism
Network

International linkages (UNCTAD, CBI, FAO, etc)

Regional program: CAN-CAF-UNCTAD, BA, etc.

Ministry of Agriculture
Ministry of Environment
Ministry of Foreign trade

Biocomercio

• Projects
• Information systems
• Economic incentives

Local public sector
Local private sector
Local communities
Incubators & Universities
Objetive of the tool

- Criteria for identifying and characterized projects of interest.

- Identify gaps in order to define the best mechanisms to incentive the enterprise to accomplish its ecological, social and economic goals.

Incentive to support those who want to do the things well!!!
Criteria and evaluation

• Principles
• Precautionary criteria: eg. Toxics, threatened species, social aspects.
• Minimum green criteria: eg. Legal and environmental impacts
• Added value criteria: eg. Ecological functions and social aspects

* NO SUPPORT for projects that do not comply with precautionary criteria
Principles and Criteria (S, A y E-F)

Business plan
1. Product
2. Market and prices
3. Production and technology
4. Costs
5. Humane capital
6. Management plan
7. Social and environmental impacts assessment
8. Monitoring and policy enforcement.

Evaluation system

Application form
- TIR (item 2.3)
- Cash flow
- Extractive rates
- Productivity studies
- Legal documents

Answer Support
2. Facilitation to small enterprises
3. Facilitation to small entrepreneurs
Types of enterprises and organizations

1. Consolidated enterprises: Information
   Commercial contacts
   Legislation

2. Projects on development:

Macro: Legislation y negotiations

3. Competitive chains:
   Medium to long run strategy to insert communities into production
Obstacles

- No information available: demand and supply.
- A narrow view of bio-businesses and no technical approach.
- Lack of community organization.
- Lack of infrastructure for small scale projects in remote sites.
BIOcomercio

Biocomercio Sostenible del Instituto Alexander von Humboldt, es un sistema facilitador para los empresarios (Comunidades locales, personas naturales, empresas constituidas, ONGs, otros) o personas interesadas en:

- Obtener información sobre productos económicamente potenciales de la biodiversidad colombiana.
- Encontrar estadísticas sobre oportunidades de negocios ecológicos (sostenibles ambiental y socialmente).
- Obtener información sobre certificación y criterios de sostenibilidad.
- Encontrar asesoría para plantear o desarrollar planes de negocios.
- Acceder a herramientas financieras para sus negocios.
- Contactar socios comerciales.
- Obtener estudios técnicos e información de proyectos especiales relacionados con Biocomercio Sostenible.

Conozca más acerca de Biocomercio Sostenible y de cómo funcionan los 5 módulos que lo componen. Vea nuestro mapa de navegación y las preguntas más frecuentes de nuestros usuarios.

¿Busca apoyo de Biocomercio para el desarrollo de su empresa?:
Descargue el aplicativo aquí!

www.humboldt.org.co/biocomercio
www.biotrade.org
www.bolsamazonia.org.br
Number of visits to the website of BIOCOMERCIO

<table>
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<th>Month</th>
<th>Number of sessions of user</th>
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<tr>
<td>Septiembre</td>
<td>4800</td>
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</tbody>
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Obstacles

• No information available: demand and supply.
• A short view of bio-businesses and no technical approach.
• Lack of community organization.
• Lack of infrastructure for small scale projects.
Obstacles

- No information available: demand and supply
- A short view of bio-businesses and no technical explanation.
- It is a business!!
- Lack of infrastructure

- Specific information
  Support projects: technical assistance
Obstacles

• Need for a facilitator: give technical guidance.
• Lack of long run institutional strategy for the sector: reduce costs
• Clear rules of the game: laws for green markets
• Enterprise incubators do not have enough experiences in these types of projects and do not work in remote sites.
• Technical assistance in market research.
• Technical assistance in management plans
• Lack of economic and non economic incentives.
Obstacles

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Special projects

- Contest: CAF-IAvH.
- Business plans in Amazon.
- CARS.
- Natural ingredients for UE and competitive chain.
- 30 enterprises 2002.
- Ecological conservation and sustainable use areas.
Clients of the information system module:

- 100 direct contacts/month
- 154 entrepreneur applications (sept.-nov, 2001):
  67; Contest CAF-IAvH
  84; Bolsa Amazonia
  3; Both projects
Distribution of enterprises by types of organizations

- Persona Natural: 52%
- Asociativa
- Ltda
- ONG
- S.A.
- Grupos de trabajo
- Unipersonal
- Estatales: 28%
Distribution of enterprises by stage of business development

- Idea: 60%
- Inversión inicial
- Despegue
- Consolidación
- Expansión
- NS
Distribution of enterprises by size (number of employees)

- 1 a 10: 60%
- 11 a 199: 37%
- > 199: 3%
- NS: 0%

1234567890123456789012345678901234567890
Distribution of enterprises by types of products

- Agropecuarios ecológicos: 60%
- Ecoturismo
- No Maderables
- Maderables
- Fauna
Obstacles

• No information available.
• No experience on how to look for capital investment.
• Investment opportunities do not fit necessities: risks, time-frames, etc.
• Market penetration: high costs.
• Clear rules: laws for green markets
Biocomercio

Module 1
Information system

Module 2
Enterprise Development

Module 3
Market intelligence

Module 4
Special projects

Module 5
Investment tools

- Information: web
- Connection
- Fund: USD1 m
- Contests

Sector Networks
3. Regional program: CAN-CAF-UNCTAD
Stage of the andean countries

- Bolivia
- Colombia
- Ecuador
- Peru
- Venezuela
5. Lessons learned
• There is a need for facilitation mechanisms: different stages.
• Assistance tools need to have an holistic view.
• Serious pre-factibility and factibility studies.
• Competitive chains: transaction costs.
• Specific tools for protection of traditional knowledge.
• Participation of communities at different levels.
• Better research and approach for biodiversity conservation.
• Differentiation of aid and business approach.
• Leadership and business approach in early stages.
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