## **Biocomercio Program**

#### Instituto Alexander von Humboldt















Photographs from the Instituto Alexander von Humboldt

## **Presentation**







- 1. Biocomercio program
- 2. Facilitation to small entrepeneurs
- 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



#### **Biocomercio Sostenible**

#### **Instituto Alexander von Humboldt**



#### **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 <u>voluntary</u>.
- On continue construction: flexible tool.

## A tool designed for:

- Organizations:
  - Campesinos-farmers
  - Indigeneous groups
- Individuals
- NGOs
- Enterprises Pymes
- Consolidated enterprises

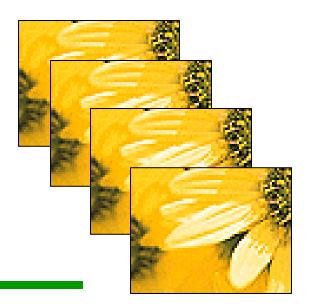




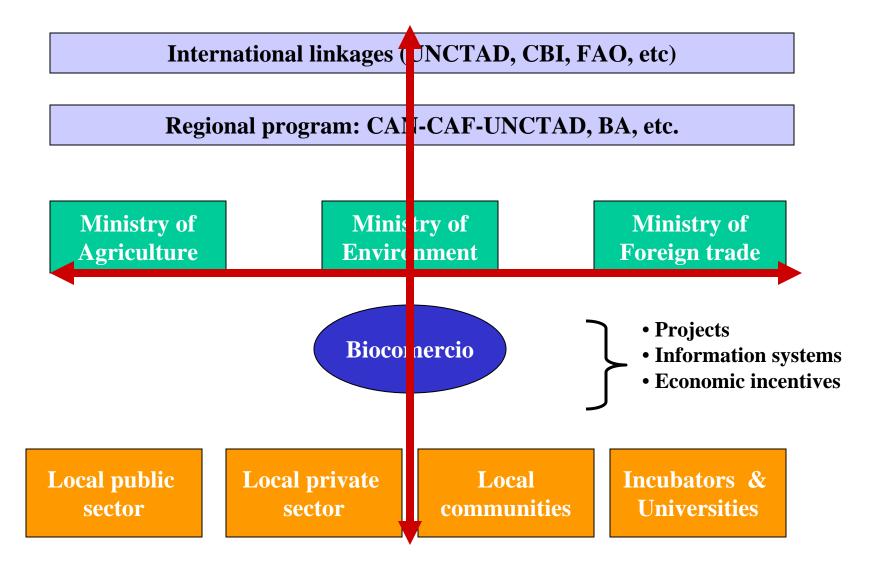


#### **Products and services**

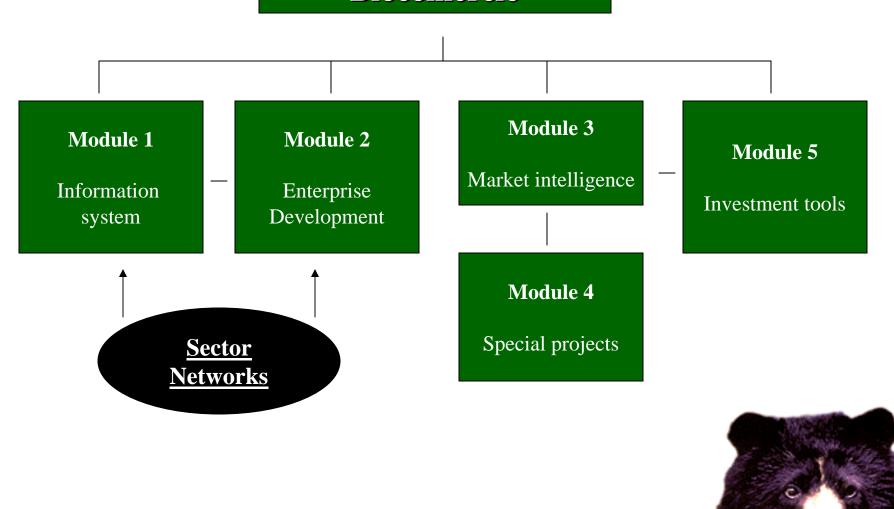
- Non timber forest products
- Wood products
- Agricultural products
- Ecoturism



#### Network



#### **Biocomercio**



## 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!!!



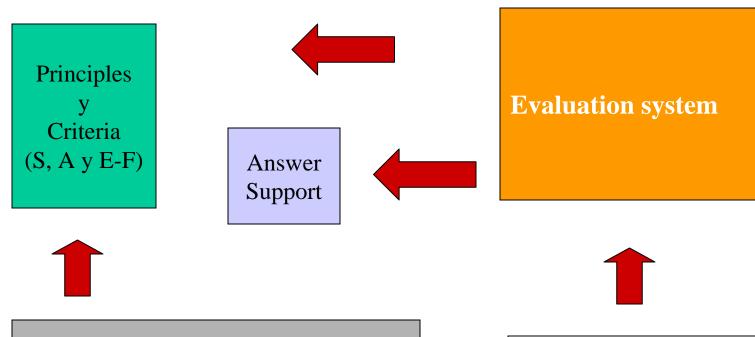
## Criteria and evaluation

- 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







#### 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 asses.
- 8. Monitoring and policy enforcement.

#### Application form

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

## 2. Facilitation to small enterprises



















# 3. Facilitation to small entrepreneurs

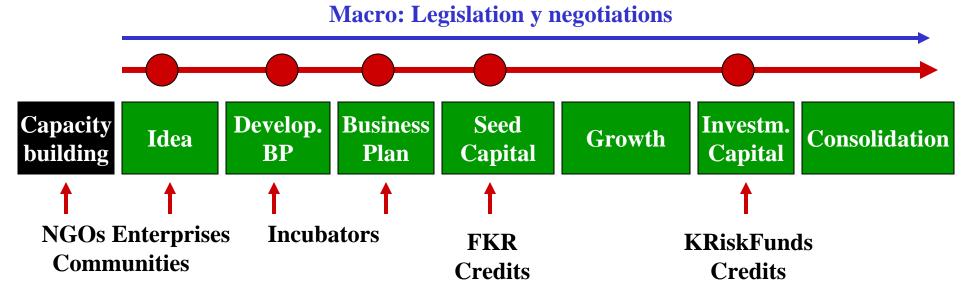
## Types of enterprises and organizations

1. Consolidated enterprises: Information

Commercial contacts

Legislation

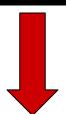
2. Projects on development:



#### 3. Competitive chains:

Medium to long run strategy to insert communities into production





A view from the enterprises

- 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.





intelectual
Herramientas financieras
Documentos y eventos

de Biocomercio
Proyectos especiales
Oportunidades de
Bionegocios

Redes de apoyo

<u>Mapa</u> <u>Preguntas</u>



#### **BIO**comercio

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 <u>Biocomercio Sostenible</u> y de cómo funcionan los <u>5 módulos</u> que lo componen. Vea nuestro <u>mapa de navegación</u> y las <u>preguntas más frecuentes</u> de nuestros usuarios.

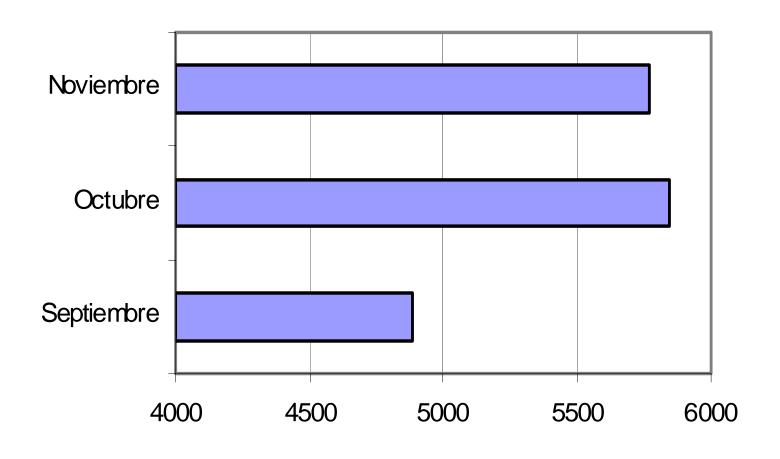
¿Busca apoyo de Biocomercio para el desarrollo de su empresa?: Descarque el aplicativo aquí!



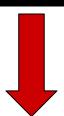
Los iconos usados corresponden a la serie "Animales Mitológicos" de Antonio Grass

> www.humboldt.org.co/biocomercio www.biotrade.org www.bolsamazonia.org.br

#### Number of visits to the website of BIOCOMERCIO



Número de sesiones de usuario



- 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

Project with FAO

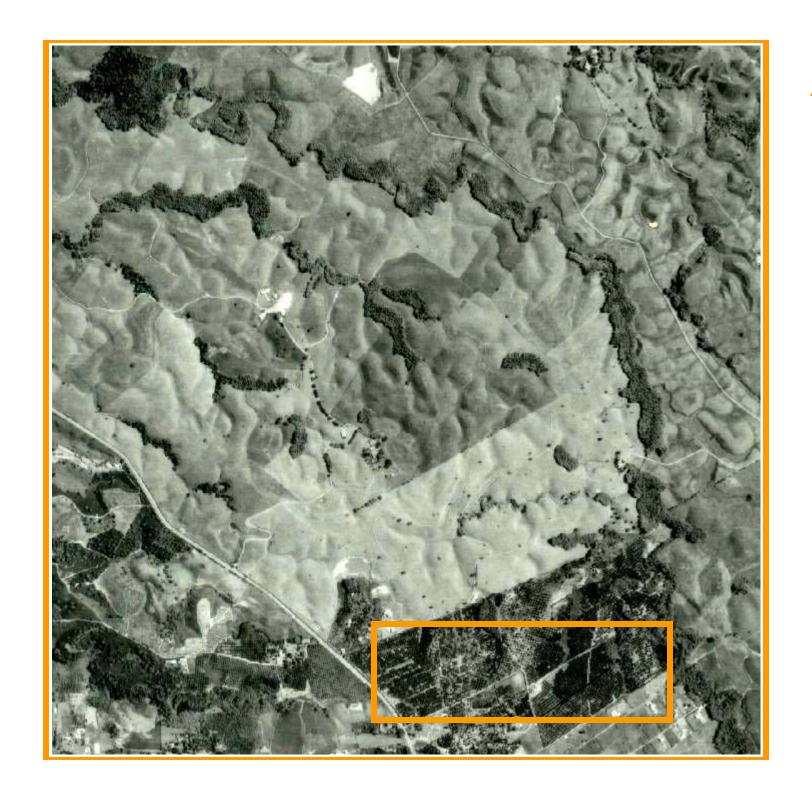




- No information available: demand and
- A short view of bio-businesse
- It is a business!!!
- Lack of infrastructure Specific information Support projects: technical assistance



- 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.



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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):

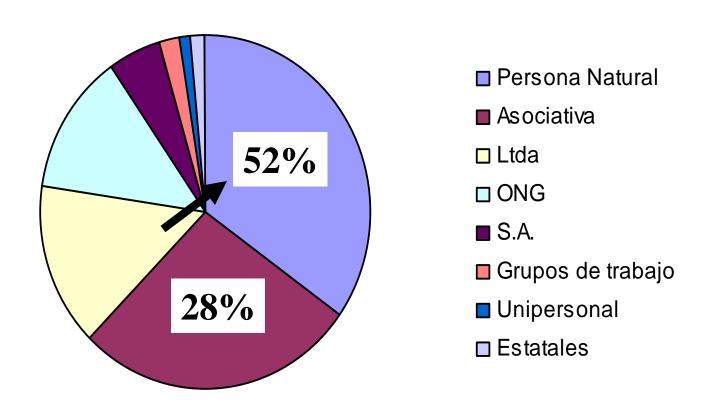
67; Contest CAF-IAvH

84; Bolsa Amazonia

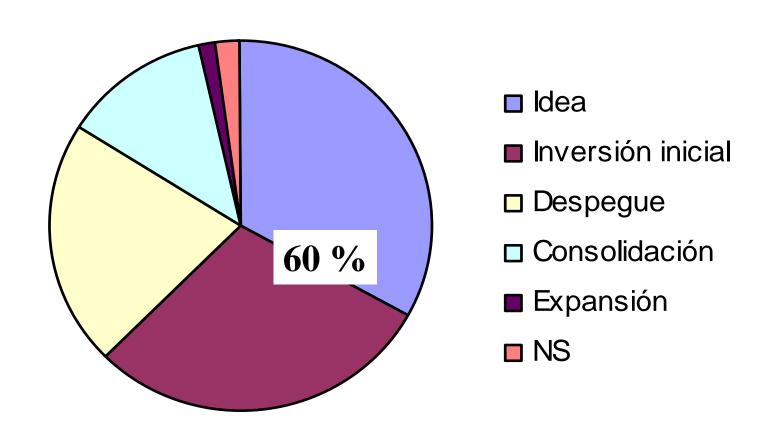
3; Both projects



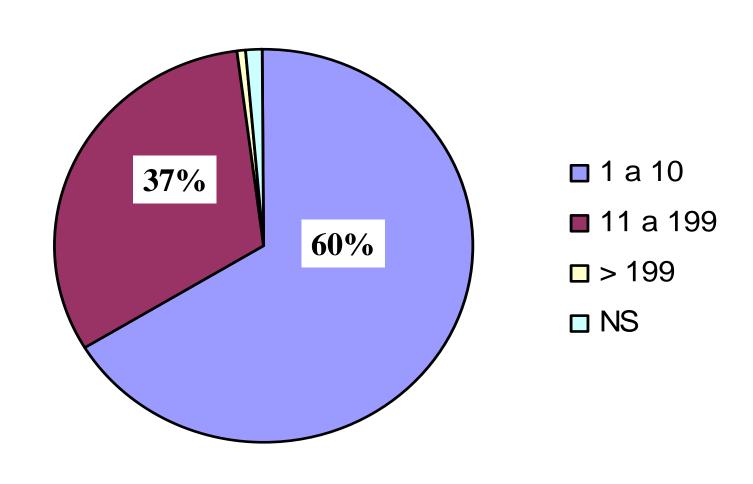
#### Distribution of enterprises by types of organizations



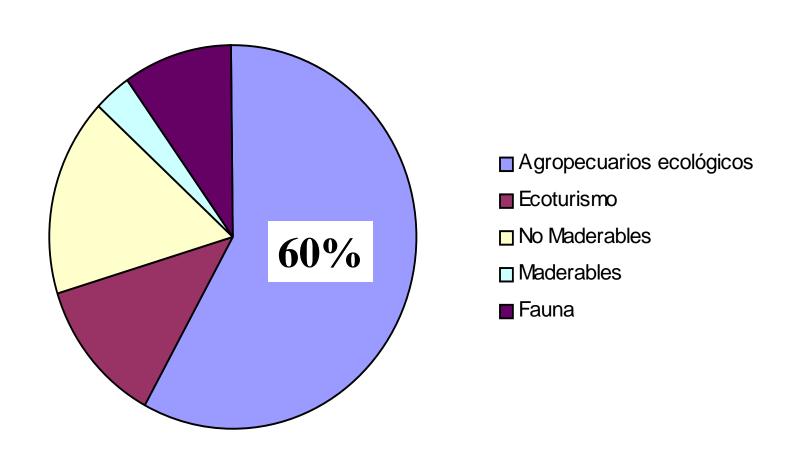
## Distribution of enterprises by stage of business development

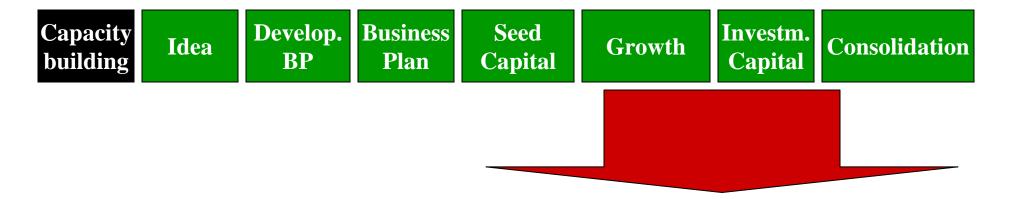


#### Distribution of enterprises by size (number of employees)



#### Distribution of enterprises by types of products

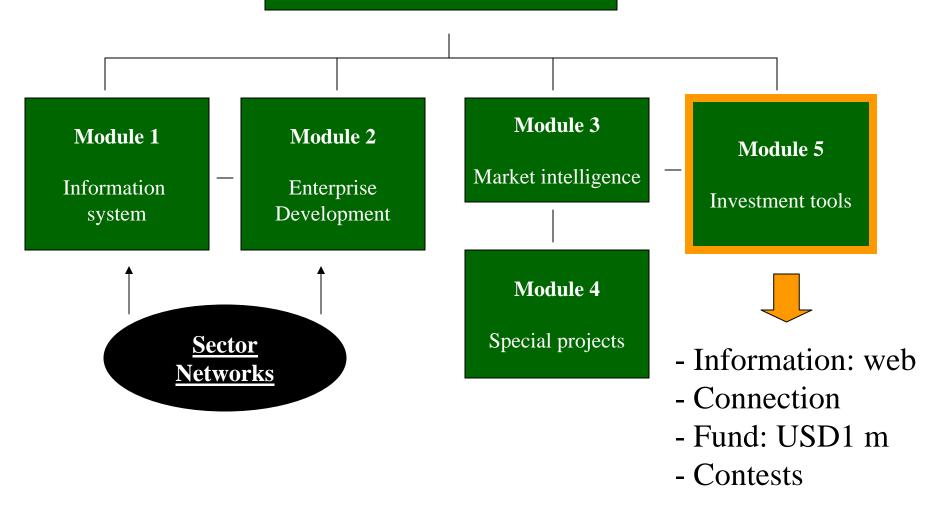




- No information available.
- No experience on how to look for capital investment.
- Investment opportunities do not fit necessities: risks, time-frames, etc.
- Market penetration: high costs.
- Clear rules: laws for green markets



#### Biocomercio



## 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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