



International
Trade
Centre



Strengthening the competitiveness of small businesses in the socio-bioeconomy

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The International Trade Centre (ITC) is the joint agency of the World Trade Organization and the United Nations. ITC assists small and medium-sized enterprises in developing countries to become more competitive in global markets, thereby contributing to sustainable development.

The challenge

Biodiversity offers essential ecosystem services like clean water, food, climate regulation, and pest control, which are key for local communities in developing countries that depend on natural resources for sustenance and income.

Micro, small, and medium-sized enterprises (MSMEs) play key roles in the biodiversity-based value chains, contributing to various stages such as production, processing, and trade. These enterprises often involve local communities and indigenous populations, fostering inclusivity and respect of cultural and social diversity.

MSMEs face significant challenges in fully participating in biodiversity-based value chains, which can include limited market access and value addition opportunities, climate vulnerability, limited access to a supportive business ecosystem, inadequate infrastructure, seasonal products and buyer's dependence and insufficient capacity to comply with regulatory and voluntary requirements.

Socio-bioeconomy models address these challenges by integrating sustainable production with social equity, cultural diversity, and ecosystem preservation. They promote the sustainable use and management of natural resources while ensuring the inclusion of marginalized communities, such as Indigenous peoples, traditional communities, smallholders, women, and youth.

Unlocking the potential of socio-bioeconomy models promotes the conservation of standing forests and other ecosystems. These models help tackle environmental challenges like climate change, biodiversity loss, ecosystem degradation, and deforestation, while also addressing socio-economic issues such as poverty, food insecurity, and unsustainable production practices.



ITC's work on socio-bioeconomy

The International Trade Centre (ITC) promotes sustainable use and management of biodiversity-based value chains and enables businesses to innovate and implement socio-bioeconomy business models, while contributing to local livelihoods and biodiversity conservation. With this approach, ITC aims to enhancing the competitiveness and resilience of MSMEs in biodiversity-based value chains in developing countries.

Benefits for MSMEs

1

Inclusion and increased participation of MSMEs and local actors in local, regional and international trade with high-value addition of products and services.

2

Enhanced livelihood opportunities for communities in biodiversity-based value chains.

3

Improved international competitiveness of MSMEs through improved capacity to meet sustainability and quality standards.

4

Mitigate biodiversity loss by promoting the sustainable use and management of natural resources.

5

New business opportunities through the development of new products derived from biodiversity.

6

Protection of genetic heritage and preservation of traditional knowledge.

7

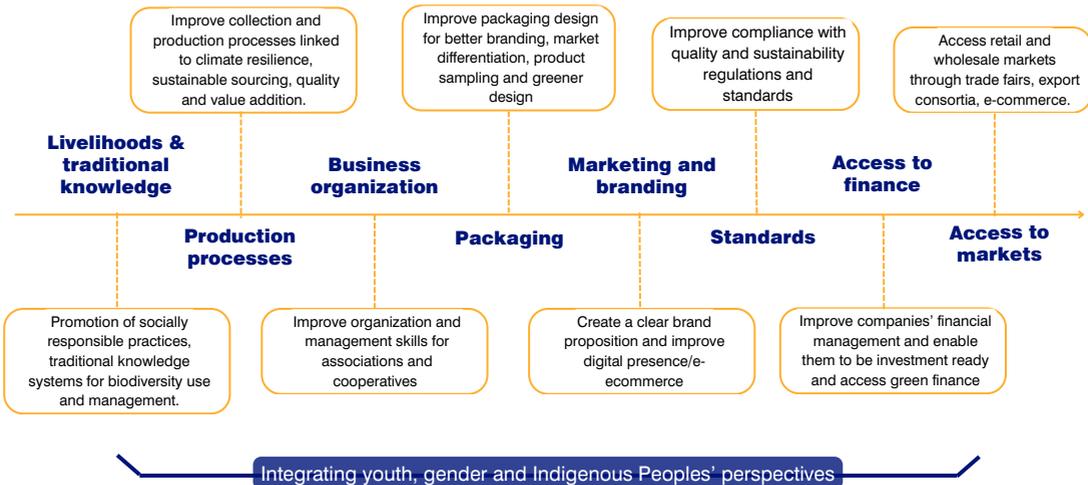
Strengthened climate resilience and reduced low-carbon footprint through the implementation of circular, climate and nature-positive production practices.

ITC's approach

Strengthening MSME capacities

ITC's approach on socio-bioeconomy is tailored to the specific needs of beneficiary MSMEs and local actors. ITC supports the capacity of MSMEs in biodiversity-based value chains to better produce, connect and trade through different coaching activities in different areas as illustrated in figure 1.

Figure 1. Trade-related technical assistance for MSMEs in the socio-bioeconomy



Improving the business environment

To improve the business environment of MSMEs in biodiversity-based value chains, ITC provides trade and market intelligence for enhanced transparency. It helps countries collect data to track exports and assess unrealized potential.

ITC also facilitates the formulation of national, sub-national, or regional strategies and action plans for the development of biodiversity-based sectors. In addressing trade and market access barriers, ITC tackles challenges such as regulatory compliance, sanitary and phytosanitary standards, and trade facilitation. Additionally, ITC helps to attract investment to selected biodiversity-based value chains and strengthens the actors within the business support ecosystem.

Case study

Eat Brazil nuts, save the Amazon rainforest!

The Brazil nut, known for its rich flavor and high selenium content, is harvested from massive trees in the Amazon rainforest. However, deforestation poses a serious threat. In Peru's Madre de Dios region, where Brazil nuts are a key crop, many communities, part of them indigenous, depend on their collection but face poverty due to low prices and high costs.

Shiwi, a Peruvian business, was born with the mission to create a local, value-added market for Brazil nuts to prevent farmers from planting rainforest-destroying food products.



Shiwi produces value-added Brazil nut products, such as granola bars and lip balms. Shiwi processes nuts gathered by an association of harvester families that live around the Tambopata National Reserve. Location both helped and impaired the company's activities. It was easy to acquire organic certification, but isolation created logistical problems.

Harvesters must pick the nuts by hand and carry 70-kilo baskets for hours through the forest. Also, Shiwi faced limited access to bank loans and had to find ways to educate local consumers to understand why sustainably harvested nuts should be priced higher.



Shiwi was part of the ITC's GreenToCompete Hubs that help small businesses implement sustainable business practices and become climate-resilient, lower their carbon emissions, recycle waste, get certified with sustainability standards or access green finance and value chains.

“Trading sustainable products from the Peruvian Amazon creates the harmony between money, people, and planet, says Shiwi's founder Sofia Rubio.

**Scan the QR-code
to read more:**



The role of trade in scaling the socio-bioeconomy

Over half of the global GDP, a staggering \$44 trillion, is moderately or highly dependent on nature, according to a 2020 World Economic Forum study. This dependency is particularly pronounced in rural communities, where forest ecosystems can contribute significantly to livelihoods.

Around 1.6 billion people depend on forests for their livelihood, including some 70 million indigenous people.

At the same time, the small business sector represents 90% of the world's businesses and more than half of global employment.

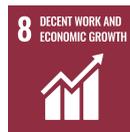
Trade can facilitate advancing socio-bioeconomy models. It can help disseminate more sustainable and efficient production techniques and technologies, along with sustainable



goods and services across regions. Trade regulations can help guarantee fair and equitable sharing of benefits derived from biodiversity and related traditional knowledge.

Addressing trade barriers, including regulatory and market access challenges, can unlock the growth potential of bioeconomy value chains.

SOCIO-BIOECONOMY'S CONTRIBUTION TO THE SDGS



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