COP XI CDB
Hyderabad, 11 October 2012

BioTrade, value chain, scientific & management interface. Case study in Madagascar
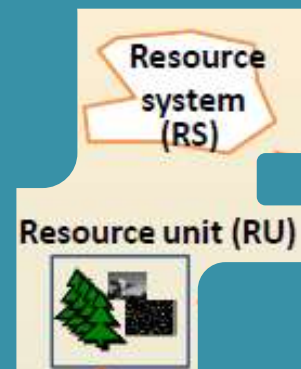
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A methodological framework

Main issues

- Sustainable exploitation of Centella asiatica

$\longrightarrow$ **Contract & regulation failure for BS**

- 40 years of exploitation

$\longrightarrow$ **Lessons learned ?**

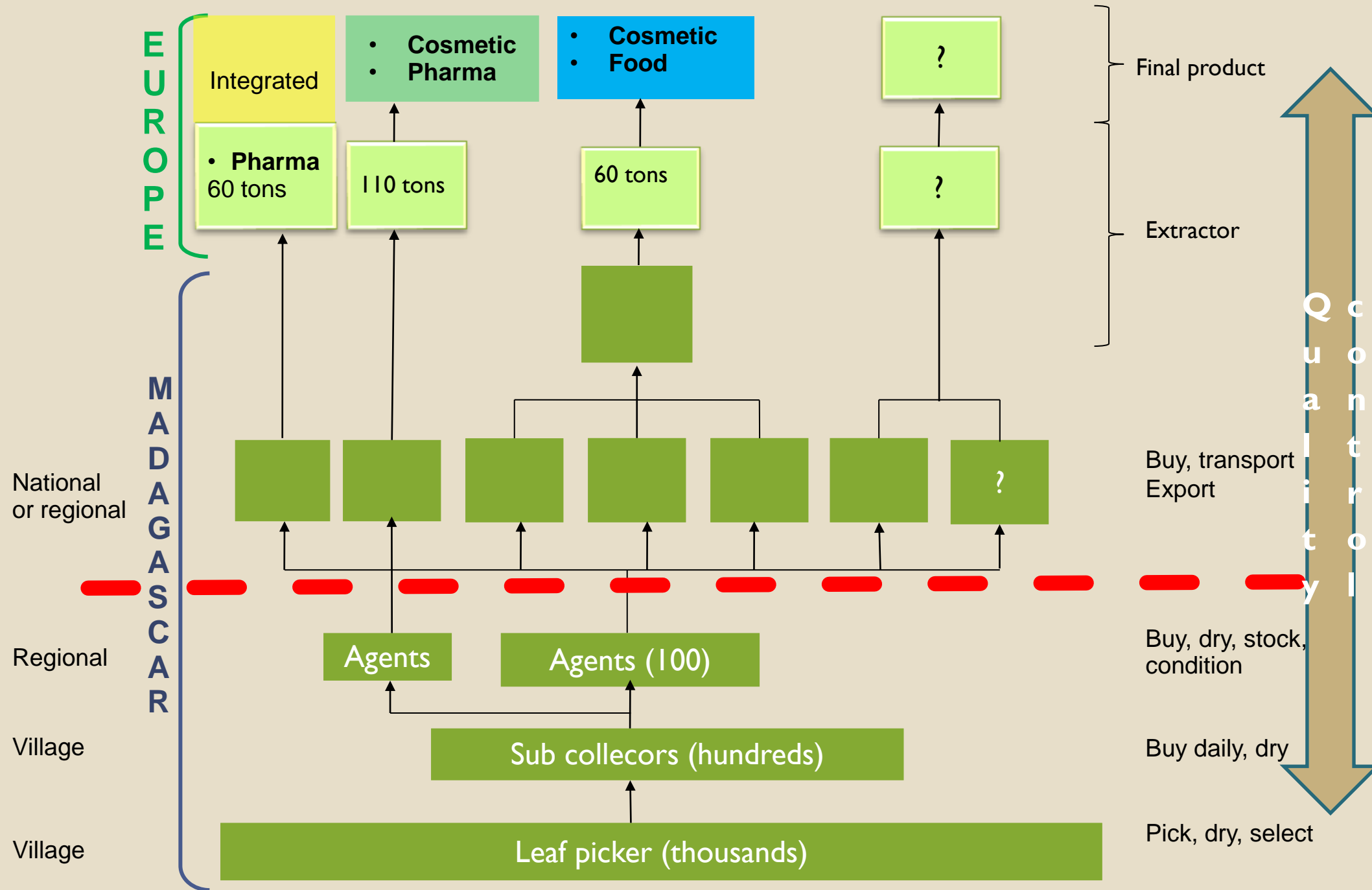- Contradiction between economic development, regeneration and social development

$\longrightarrow$ **Sourcing as a developpment lever or a poverty trap?**

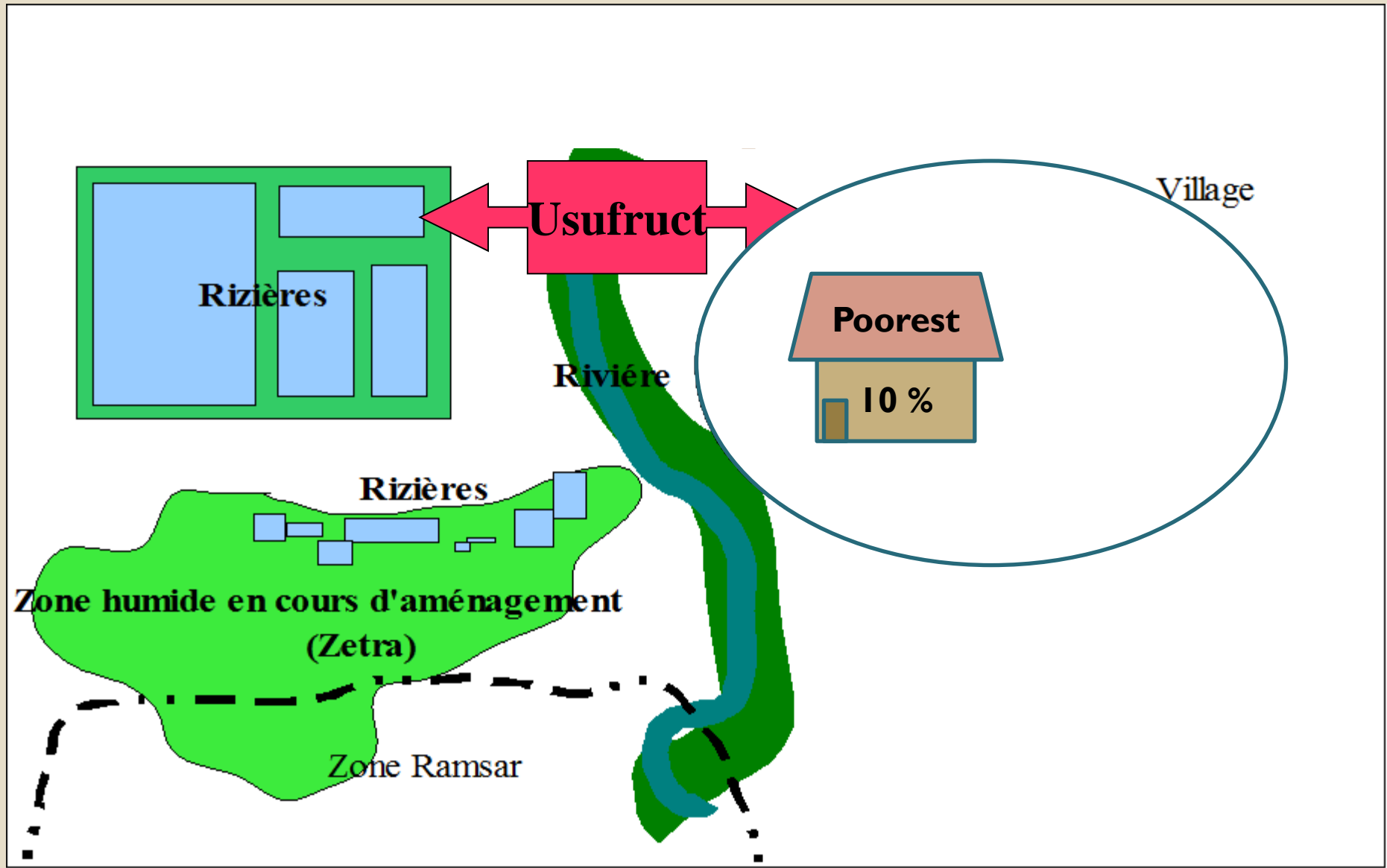$\longrightarrow$ **ABS perspective**

Main results

- 40 years of exploitation : plants regenerates well
  - Demand for plant's quality by the value chain

    → allows limited management of regeneration

  - Leaf picker have developped their own sustainable practices

    without being remunerated for this purpose

    →

- Contradiction between plant's regeneration and social development
  - Leaf picker revenu is under poverty line : poverty trap ?
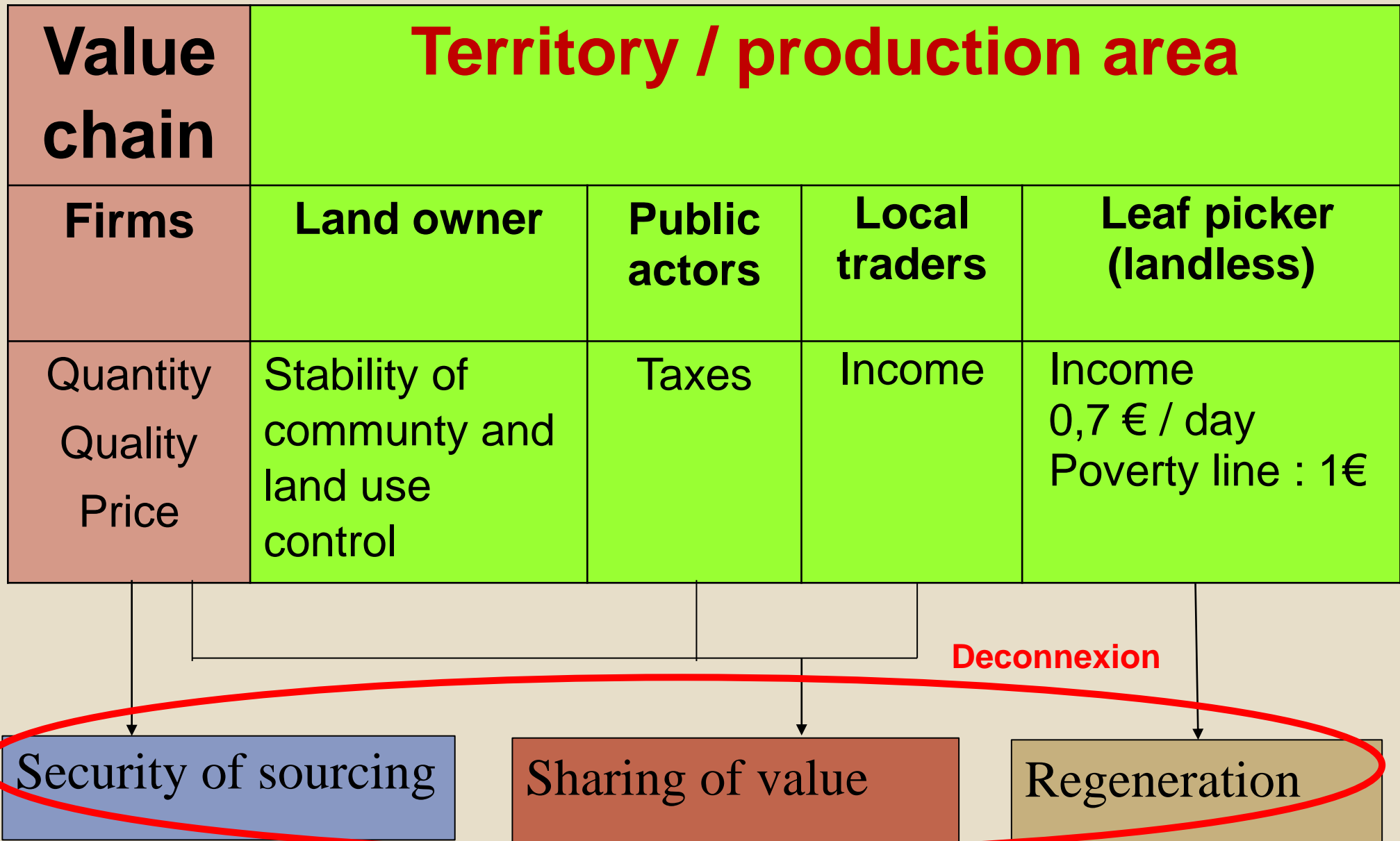 - System vulnerable to external shocks

Result 1 : value chain does not manage sustainability

Result 2 : regeneration of the ressource linked to exploitation by the poorest

Result 3 : A vulnerable system – no common goals

Value chain	Territory / production area			
Firms	**Land owner**	**Public actors**	**Local traders**	**Leaf picker (landless)**
Quantity Quality Price	Stability of communty and land use control	Taxes	Income	Income 0,7 € / day Poverty line : 1€

Deconnexion

Security of sourcing

Sharing of value

Regeneration

5 scenarios show risks in value chain and territory

	1/ No change	2/ Increase demand & price	3/ Increase poverty	4/ CC & decrease plant quality	5/ Centella star ingredient
Sourcing	🟢	🟢	🟠	🔴	🟢
Social impact	🟠	🟠	🔴	🔴	🔴
Leaf picker income	🔴	🔴	🔴	🔴	🔴
Regeneration	🟢	🟢	🔴	🟢	🟠
Active principle	🟢	🟢	🟠	🟠	🟠

Individually, actors are limited to adress these issues.

Value chain

Territory

Demand for sustainable sourcing

Quality

Technology

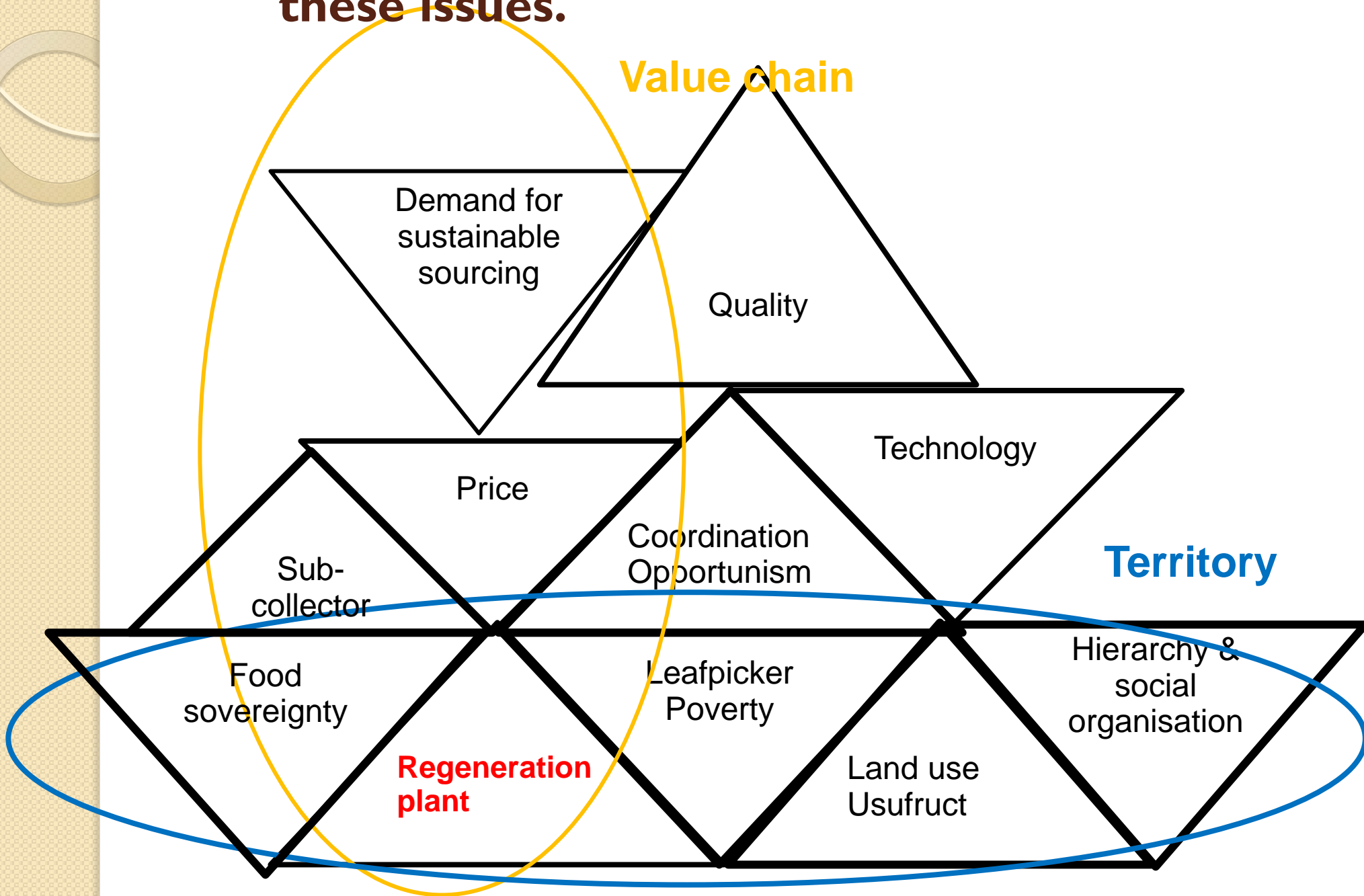Price

Coordination Opportunism

Sub-collector

Food sovereignty

Leafpicker Poverty

Hierarchy & social organisation

Regeneration plant

Land use Usufruct

Conclusion

Further analysing these scenarios :
- companion modeling with stakeholders
- at the scale of value chain and territory

For addressing :

– <u>Price</u> payed to leafpicker : below poverty line

➡ Benefit sharing / Fair trade

– <u>Territory</u> : local traders opportunism & precarious land use

➡ Blocages on price change

– <u>Value chain</u> : Traçability (role, responsibility, advantages)

➡ As a response ?

Thank you for your attention

- Julien Chupin

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