

SEAPLANT.NET
The South East Asia Seaplant Network
An Initiative of IFC-PENSA

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Abstract

SEAPLANT.NET is an initiative of the International Finance Corporation Program for Eastern Indonesia SME Assistance (IFC-PENSA). The program is funded by the IFC, the Asian Development Bank (ADB) and the governments of Australia, Canada, Japan, the Netherlands and Switzerland. IFC-PENSA products and services provide technical assistance and capacity building facilities to SME in Indonesia and the Philippines where the program is known as PEP Philippines.

Initial emphasis is on *Kappaphycus spp.* (cottonii) and *Eucheuma spp.* (spinosum). These tropical seaplants are grown primarily in the Philippines and Indonesia where total combined production of almost 200,000 tons per annum produces farm gate revenues of more than 150 K USD per year. These plants are the world's major source of the biopolymer known as carrageenan.

The focus of SEAPLANT.NET is on working with MSME (micro, small and medium enterprises) to make them effective business units. Special emphasis is laid on the aggregations of family farm units that comprise most of the enterprises involved in seaplant production. The tools and solutions provided by SEAPLANT.NET facilitate the availability, access and applicability of the six groups of essentials that are necessary before any enterprise can prosper. These essentials are fair finance; fair access to global markets; communication and logistics; essential goods and social services; strategic alliances; and science and technology.

The SEAPLANT.NET value proposition is that Value chains can be sustainable if stakeholders benefit from transparently adding value... not from processes that make value chains opaque. The overall seaplant approach is to link sustainable seaplant sources through near-source "mini-factories" to end users through a system by which crops are transparently "tolled" through process facilities.

With tolling systems farmers are aggregated into enterprise units that retain crop ownership as value is added and farmer enterprises get paid for value-added products rather than for raw crops. The end-products of SEAPLANT.NET-facilitated seaplant value chains are "ingredient building blocks" such as dried seaplants; solid concentrates; and liquid concentrates. These are marketed globally to further processors; value solutions providers; and technically advanced end users.

In the long run SEAPLANT.NET will facilitate sustainable growth in seaplant value chains by expanding the number of crops grown; promoting integrated coastal zone development; developing sustainable, appropriate systems for adding value near seaplant sources; and facilitating the development of more innovative products for wider local & global markets.