

# REPORT ON THE CBD COP 12 BUSINESS AND BIODIVERSITY FORUM

*Pyeongchang, Republic of Korea*

**CBD COP 12  
BUSINESS AND BIODIVERSITY FORUM**

12 to 14 October 2014 at Alpensia Convention Center

## Mainstreaming Biodiversity:

### Innovative opportunities for business



UNGTAD 3rd BioTrade Congress

Tourism and Biodiversity

Global Partnership for Business  
and Biodiversity

Commodity Impact Indicators  
for Biodiversity

Interactive Workshops

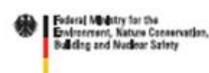
High-Level Business Panel

Networking Cocktail

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## **CBD COP 12 BUSINESS AND BIODIVERSITY FORUM**

*(12-14 October 2014)*

### **EXECUTIVE SUMMARY**

With the generous support of the Government of the Republic of Korea and the Government of Germany, the Secretariat of the Convention on Biological Diversity hosted a three-day business and biodiversity forum from 12 to 14 October 2014, in parallel with COP 12. The themes of mainstreaming, capacity-building and reporting were selected for the forum to reflect the parts of the COP 12 business draft decision which were under negotiation at that time.

On day one, parallel events were organized to discuss BioTrade, sustainable tourism, biodiversity indicators for commodity production, and the Global Partnership. On days two and three, discussion groups focused on the issues and concerns surrounding the implementation of the aforementioned key themes. All of the sessions focused on presentations and interactive discussions which led to expressions of interest for concrete actions by Parties to create enabling environments so that businesses can integrate values of biodiversity into their operations and strategies.

The first day began with an opening plenary panel featuring welcoming remarks by the Executive Secretary of CBD, Mr. Braulio Ferreira de Souza Dias, and by the Director General of the Korean Secretariat of the CBD COP12, Mr. Kim Sanghoon. These remarks were followed by a panel discussion introducing the Business Forum and the four parallel events of the day. The first parallel event was the 3rd BioTrade Congress organized by UNCTAD on Promoting Sustainable Use through Business Engagement. It provided a platform to share experiences and explore avenues on how to foster business engagement in BioTrade activities. The second parallel event consisted of a workshop on Sustainable Tourism and discussed green tourism development, financing protected areas, and supporting indigenous and local communities. The third parallel event introduced the Initiative for Biodiversity Impact Indicators for Commodity Production and discussed how major impacts of commodity production on biodiversity can be identified and addressed. The fourth and final parallel event consisted of the 4<sup>th</sup> Meeting of the Global Partnership. During this event, speakers presented their National and Regional Initiatives on Business and Biodiversity, and discussed future opportunities for the Global Partnership.

The second day saw the opening of the main Business Forum on Mainstreaming and Implementation during which four consecutive discussion sessions took place. The first session, on CBD Issues and Enabling Conditions, saw parallel discussions on access and benefit sharing (ABS), and resource mobilization. During the ABS discussions, the panellists noted that secrecy and competition surrounding research and development represent obstacles to benefit-sharing, and that the Nagoya Protocol should serve as a tool to promote research and development. In the discussion on resource mobilization, panellists examined economic issues, particularly with regard to the private sector, that would help to leverage the resources necessary to conserve biodiversity. The second session, on Mainstreaming and Assessment, examined sustainable consumption and production, standards and certifications schemes, sustainability action plans, and biodiversity valuation. The discussions highlighted corporate efforts to remove palm oil from

supply chains and reviewed challenges associated with convincing consumers and corporations to produce and consume sustainably. The panellists further reflected on the need to simplify and harmonize standards where possible and practical. The third session, on Capacity-Building and Cooperation, discussed training, partnerships, sustainable procurement, and supply chain management. The panellists found that capacity building requires the creation of a culture of biodiversity awareness within companies and the provision of real opportunities for engagement for employees at all levels of the corporation. The discussions further suggested that small communities should avoid over-reliance on a single industry or company for economic subsistence, and explored the concept of co-responsibility between large companies and their suppliers.

The third day began with the High-Level Business Panel on Business Contributions to the Strategic Plan for Biodiversity 2011-2020. The High-Level Business Panel began with welcoming remarks from Mr. Bráulio Ferreira de Souza Dias, Executive Secretary of the Secretariat for the CBD, and followed with a discussion featuring senior governmental officials and business leaders on corporate social responsibility (CSR), information sharing and cross-sectorial collaboration. The High-Level Business Panel was followed by the fourth and final session of the forum, on Reporting and Communication. This session discussed corporate reporting, communication, and sustainability reports. The panellists noted a lack of common understanding of the word “biodiversity” and a need for better communication strategies. The discussions further highlighted that corporate reports should be shorter and focussed on topics relevant to companies and their stakeholders. The panellists also suggested developing a guide for public policy makers on engaging the business sector in the development of National Biodiversity Strategies and Action Plans.

Approximately 250 people participated in the various elements of the forum over the course of the three days. This included official representatives of Parties, businesses, associations, NGOs, academia and other stakeholder groups, representing well over 30 countries. The mix of panel presentations and smaller discussion groups, that each focussed on cross-cutting, business-related topics, allowed for interactive and constructive discussions. Following the conclusion of the Business Forum, a summary statement was prepared for the high-level segment of the COP and was read out by Mr. Reg Melanson, Executive Director, Canadian Business and Biodiversity Council and Chair of the Executive Committee and the Global Partnership for Business and Biodiversity.

### **Preliminary Outcomes from the Discussions**

The discussions during this three day event had several common elements that went across the various topics and themes. These included:

- Enhancing communication between the various stakeholders to create a common “business case” and a basis of understanding and trust;
- Creating practical ways that will help businesses contribute to the achievements of the Aichi Biodiversity Targets, including recognition of expertise and excellence;
- Creating momentum to achieve scale and results from the various business initiatives towards the upcoming Sustainable Development Goals and related process;

- Helping both the public and private sectors to operate within planetary boundaries; and
- Creating a level playing field by ensuring the implementation of consistent legislation, regulation and economic incentives.

There were also some common challenges that were identified during the Forum. These included:

- The difficulty of going beyond the frontrunner companies, to reach out to the mainstream, including SMEs;
- Lack of financial and human resources for many business and biodiversity programmes and initiatives, including for the members of the Global Partnership;
- Translating the concepts of biodiversity conservation and sustainable use into business language and operational management decisions;
- Encouraging all stakeholders (including a wider range of CBD Parties) to find the balance between natural, social and financial capital; and
- Involving those stakeholders that may not be aware of the roles of biodiversity and related services on their agenda.

## FULL REPORT OF SESSIONS

Day 1

### OPENING PLENARY PANEL

#### Opening Remarks

Mr. Braulio Ferreira de Souza Dias

*Executive Secretary, Secretariat of the Convention on Biological Diversity*

Mr. Dias emphasized the importance of the Business and Biodiversity Forum to assess the implementation of the Convention, and in particular the Strategic Plan for Biodiversity and associated Aichi Targets. He underlined the need for mainstreaming biodiversity into business practices. Dr. Dias recalled a speech given by Mr. Pavan Sukhdev, head of the Economics of Ecosystems and Biodiversity Project, on the importance of business to biodiversity and the detrimental role of the private sector for biodiversity conservation. He noted the difficulty of valuing corporate financial losses caused by environmental degradation. He remarked that such large numbers defied easy comprehension and needed to be broken into smaller more manageable figures using techniques such as economic benefit valuation. He further discussed the challenges and obstacles faced by companies. He proposed creating positive enabling conditions for these companies to help them overcome these challenges and engage in practices such as environment profit and loss studies. He listed a number of topics that would be covered throughout the meeting, namely supply chain management and procurement, mainstreaming, capacity building, reporting, tourism, the 3<sup>rd</sup> UNCTAD BioTrade Congress, the Global Partnership for Business and Biodiversity and Global Commodity Impact Indicators for Biodiversity. He was glad to note that the creation and development of the Partnership showed a clear indication of the global community's increasing understanding that business needs to play a critical role in addressing serious environmental problems. He ended his speech expressing his firm belief that the world could be changed through collective efforts and a more sustainable and prosperous future could be achieved. This will require harnessing and benefitting from the incredible creative power of the business sector.

Mr. Kim Sanghoon

*Director-General, Korean Secretariat for the Convention on Biological Diversity COP 12*

Mr. Sanghoon began his speech by announcing that with the growing interest of businesses and the entry into force of the Nagoya Protocol, a High Level Business Panel and a Business Forum Workshop had been newly added to COP12. He presented some of the topics up for discussion during the Forum such as BioTrade, eco-tourism, biodiversity related products, access and benefit-sharing related to genetic resources, and capacity building and effective communication with stakeholders. He further indicated that in March 2014, Republic of Korea had confirmed its National Biodiversity Strategies and Action Plan for 2014-2018 which include various policies and measures to enhance the involvement of several stakeholder groups in biodiversity conservation. In addition, Mr. Sanghoon outlined some recent efforts made by Korean businesses to share benefits arising from the utilization of genetic resources such as Amorepacific's fair

trade purchase agreement with ten local Korean communities or their purchase agreement with the Jamui district in India which contributes to women's education projects. He also provided the example of the multinational Posco which installed artificial fish-reefs to create sea forests which have increased the biomass of the area seven times in the past 18 months. He added that the company intends to build 17 more sea forests in 51 hectares this year. Mr. Sanghoon expressed his view that businesses need to adopt creative economic approaches to enhance coexistence with biodiversity. He concluded his speech by encouraging participants to think of outstanding solutions to raise awareness among businesses and enhance their capability.

### **Panel Discussion Introducing the Business Forum**

*This opening panel served to introduce the various topics to the plenary audience and highlight some commonalities between the discussions that occurred during the rest of the day. The panel was moderated by Ms. Kristina Neumann, Junior Programme Officer for Business and Biodiversity at the Secretariat of the Convention on Biological Diversity.*

Mr. David Vivas Eugui

*Legal Officer, Trade, Environment, Climate Change and Sustainable Development Branch, DITC at UNCTAD*

Mr. Eugui presented the Business and Biodiversity Forum and its aim to promote discussion, seek new partnerships and create new business models. He indicated that this year, UNCTAD had sought to engage businesses in the achievement of the Strategic Plan for Biodiversity and Sustainable Development Goals. He added that UNCTAD had also focussed its efforts on the implications of the implementation of the Nagoya Protocol with regards to BioTrade, business and biodiversity, and intellectual property. He further detailed that UNCTAD was working on developing practical tools for the sustainable sourcing of biodiversity, as well as measures to increase sustainable supply and ethical demand.

Mr. Jason Clay

*Senior Vice-President, Food and Markets, World Wildlife Fund*

Mr. Clay began his talk by stating that reducing the footprint for producing commodities was the next key point to be addressed to preserve biodiversity at this point in time. He observed that the growing world population would have several impacts on the environment. For instance, he indicated that by 2050, the world would have increased by 2 billion people generating 2.9 times as much income per capita than now. He stated that humanity would need to shrink the current footprint of producing each commodity by 60% just to remain at the present level. He added that once this level reached, humanity would need to decrease by another 75% to be sustainable. He described the World Wildlife Fund's two year process to review potential measures to be implemented at the regional, national and international levels. He noted that this process required identifying the most urgent problems to be addressed. He felt that this process was essential for creating the awareness, consensus and strategic control needed to cut time in half. He further highlighted that by acting immediately, the cost of these impacts would be reduced by 75%. He concluded by listing a few next steps for action, namely assessing business standards and looking

at their impacts, identifying priorities, looking at indirect impacts such as food waste and consumption, looking at business drivers and defining new standards for industries.

Mr. Reg Melanson

*Executive Director, Canadian Business and Biodiversity Council*

*Chair, Global Partnership for Business and Biodiversity Executive Committee*

Mr. Melanson began his talk by noting the progress of the Global Partnership (GP) over the past few years. He stated that the previous meeting in Montreal had welcomed only 8 official initiatives while the current meeting hosted 20 members with others at varying stages of development. He felt that current initiatives are still in a growing and learning process to understand their roles in the sustainable use and conservation of biodiversity and ecosystem services. He added that the responsibilities assumed by players varied from one initiative to another with initiatives being led by government, business, NGOs, academia or communities. He observed that the governance model of initiatives is irrelevant, but that their common goal to ensure the long-term viability of the globe's natural resources is what really matters. Mr. Melanson then presented the four topics of the GP event and asked the participants to reflect on their vision for business in the GP, on the current engagement of business in biodiversity issues, on some examples of businesses working in partnerships and on the role of the government and civil society in encouraging businesses. He concluded by adding that the panels were conceived to blend well-established initiatives, new initiatives and initiatives still on the drawing board to promote the exchange of knowledge and experiences.

Mr. Jamie Sweeting

*Vice-President for Sustainability, G Adventures*

*President, Planeterra Foundation*

Mr. Sweeting briefly outlined the agenda for the tourism workshops, including the major topics for discussion (including the review of the User's Manual on the CBD Guidelines on Biodiversity and Tourism Development) and the various key speakers for each area. He also noted the role that ecotourism could play in helping preserve biodiversity and linked this to the wider discussion on sustainable development.

## PARALLEL EVENT 1: UNCTAD BIOTRADE CONGRESS

### *Summary*

The Third BioTrade Congress on *Promoting Sustainable Use through Business Engagement* provided a platform for the public and private sectors, civil society and international and regional organizations to share experiences and explore avenues on how to foster business engagement in BioTrade activities.

During this meeting the following issues were discussed:

- Engaging businesses in achieving the Strategic Plan for Biodiversity 2011-2020 and the sustainable development goals
- The implications of the Nagoya Protocol for developing BioTrade and biodiversity businesses
- Andean BioTrade success stories
- Practical tools for sustainable sourcing and use of biodiversity
- Sustainable supply and ethical demand from the business perspective

In a video message introducing the UNCTAD BioTrade Congress, the Secretary General of UNCTAD, Dr. Mukisha Kituyi, stated that “The private sector has the potential to become the engine of growth of BioTrade activities and the Nagoya Protocol opens a number of opportunities for this to happen. [...] However, governments, businesses, local communities and international organizations need to work together to ensure sustainability and fairness in BioTrade activities”. Subsequently, the Executive Secretary of the Convention on Biological Diversity, Dr. Braulio Dias, expressed his view that the technical support provided through BioTrade to increase the quality of products and market access for producers is a great step forward.

In addition, the Executive Director of the Union for Ethical BioTrade (UEBT), Mr. Rik Kutsch Lojenga, indicated that benefit sharing is an important tenant of BioTrade as many BioTrade companies conduct research development thus triggering Access and Benefit-Sharing (ABS) obligations. The Director of Nature, Biodiversity and Land Use at the European Commission, Ms. Pia Bucella, concluded the welcoming session by stressing the importance of concentrating aid to where it is most needed but also where it can make a difference.

On the occasion of the entry into force of the Nagoya Protocol, UNCTAD and Germany’s Federal Ministry for Economic Cooperation and Development (BMZ) launched their “Handbook on Intellectual Property Implications of the CBD and the Nagoya Protocol”, aimed at providing guidance on intellectual property (IP) issues where the Nagoya Protocol is silent. In presenting the Handbook, representatives from UNCTAD highlighted the importance of IP for ABS.

During the afternoon sessions, stakeholders identified tools and recommendations for sustainable sourcing of biodiversity and for CSR by different sectors including cosmetic, traditional medicine, fashion design and tourism. The last session of the congress consisted of a business to business roundtable which allowed companies such as Yves Rocher, MANE Industries and Gucci

to reflect on the importance given by consumers to sustainability and its impact to business branding strategies. A full report of the Congress can be accessed at:  
<http://r0.unctad.org/BioTrade/congress/event3rdCongress.htm>.

## PARALLEL EVENT 2: WORKSHOP ON SUSTAINABLE TOURISM

### *Summary*

The Workshop on Sustainable Tourism was opened by Mr. Oliver Hillel, Programme Officer of the Secretariat of the CBD, who welcomed participants to this event on biodiversity and tourism development. He introduced the moderator of the session, Dr. Richard Denman, Director of The Tourism Company.

The first panel on financing protected area systems discussed the importance of having public-private partnerships and supporting them with the necessary legislation. The panel felt that support and engagement from local and national governments is crucial, and suggested financing biodiversity conservation with ecotourism. During their discussion, the panellists recognized the volatility of tourism and addressed resilience issues. They concluded that over-reliance on tourism revenues should be avoided and that public investment was critical. They further suggested the adoption of a cross-sectorial management approach for protected area systems.

The second panel addressed the integration of biodiversity into the development of critical tourism and conservation hotspots. The panel felt that criteria should be identified to prioritize tourism and conservation hotspots using existing internationally accepted designations and then developed using baseline data on tourism volume, value and impact. The panellists indicated that tourism should be studied employing a life-cycle approach which includes observing distribution channels, and market interest and access. In the future, the panel wish to see more case studies depicting successful approaches and more collaboration at the international, national, subnational and regional levels.

The Workshop further reviewed the User's Manual on the CBD Guidelines on Biodiversity and Tourism Development. The panellists felt that the Manual should be clear about whose responsibility it is to implement the Guidelines and should prioritize communication and feedback, especially with regards to the CBD voluntary reporting. Some participants suggested that the Manual be rearranged in five categories; governance, integration, collaboration, market access development and destination.

The third panel was focussed on biodiversity and the challenge of blue/green tourism development. This panel highlighted the need for scaling up and mainstreaming work on tourism sustainability through larger-scaled projects. The panellists cautioned that the different circumstances of various small island developing states should be taken into account and that potential impacts should be addressed at the master planning stage of tourism development. The panel noted that there is a need to exert more influence on the demand for sustainable tourism through a more efficient use of social information technology.

The final panel of the Workshop examined tourism as an alternative livelihood for indigenous and local communities, as well as the potential threats and opportunities associated with it. The panel found that often times; tourism was not delivering the anticipated benefits to local communities. The panellists further found that businesses should always pursue a social licence to operate whether it is acquired through the use of certification or not. The panel emphasized the

continued need to engage with representatives of indigenous and local communities, and to seek the effective implementation and enforcement of regulations. A full report of this meeting can be accessed at:

[http://www.cbd.int/tourism/doc/COP12\\_Tourism\\_Event/COP12\\_Report\\_of\\_Tourism\\_Session\\_final.pdf](http://www.cbd.int/tourism/doc/COP12_Tourism_Event/COP12_Report_of_Tourism_Session_final.pdf).

## PARALLEL EVENT 3: GLOBAL COMMODITY IMPACT INDICATORS FOR BIODIVERSITY

### Welcoming Session

*This panel served to introduce the Global Commodity Impact Indicator for Biodiversity Initiative. The panel was moderated by Ms. Kristina Neumann, Junior Programme Officer for Business and Biodiversity at the Secretariat of the Convention on Biological Diversity.*

Ms. Amy Fraenkel

*Principal Officer, Secretariat of the Convention on Biological Diversity*

Ms. Fraenkel began her speech by stressing the importance of engaging businesses in the protection and conservation of biodiversity. She emphasized that most businesses depend on biodiversity and that nearly all businesses have an adverse impact on biodiversity. She indicated that these impacts are particularly eminent in commodity production and above all in agricultural commodities. She added that the vast majority of businesses are not aware of their impacts on biodiversity mainly because they lack the capacity to be aware and to reduce their impacts. She pointed out that the purpose of the initiative is to identify common types of impacts and to create a set of global commodity impact indicators for commodity production. She added that this will provide the tools for commodity producers to take first steps towards more sustainable business practices and further the development of mechanisms to assess impacts on biodiversity. Ms. Fraenkel expressed the Secretariat's happiness to witness the coming together around sustainability issues and conservation. She recalled the Global Biodiversity Outlook Report number 4 which found that without the support of the business community, the Aichi Targets would not be achieved by 2020. She ended her speech by thanking the audience for their presence.

Mr. Jason Clay

*Senior Vice-President, Food and Markets, World Wildlife Fund*

Mr. Clay opened his talk by stating that humanity is asleep to its impacts on the environment and to the rapid deterioration of the planet. He indicated that food and fibre production are the industries with the biggest negative environmental impacts and emphasized that by 2050, there will be more than nine billion humans consuming twice as much food. He recommended selecting indicators that monitor individual footprints and used an example to illustrate his point. He stated that the agriculture sector produces 25-35% of the total amount of greenhouse gas emissions when you include deforestation, land use change and conversion. Moreover, he stated that since 70% of all water used by humans on the planet is for food production, rather than trying to double food production, we should try to double net food availability as it would be impossible to double water usage. He reasoned that we should focus on increasing productivity and efficiency, and decreasing waste. He explained that if a third of the food produced is wasted, then a third of the water consumed and greenhouse gas emitted during the process was for producing waste. He gave the example of the new global performance standards adopted by 15 CEOs of salmon farming industry and explained that this industry had chosen to approach sustainability as a pre-competitive issue by sharing information about impacts, investments to

address impacts, payback periods, returns on investments and more. He felt that this approach should be duplicated by other industries as well as by governments. He detailed Ireland's engagement to certify 100% of their food exports against credible standards by 2060. Mr. Clay stressed that biodiversity and ecosystem indicators should be science based, result based, few in numbers, credible and should look at aggregates. He proposed selecting umbrella indicators applicable across commodities, places and production systems. He concluded his speech by stating that commodities produced illegally should not be traded legally and that illegal production currently concerns 5 to 50% of commodities globally traded.

## Discussion

*Some of the key topics and comments were as follows.*

### Identifying illegally produced commodities

- In Indonesia the government says that 70% of the palm oil produced does not come from legal land concessions. That fact alone means that 25% of all globally traded palm oil is not legal.
- In the United States of America, 33 to 50% of grouper or red snapper sold in markets are not genetically grouper or red snapper.
- In the Russian Far East, 40 to 70% of all timber concessions are not legal and they represent the main source of timber going into China. This illegal timber is then bought by Costco or Wal-Mart which are the 3<sup>rd</sup> and 5<sup>th</sup> biggest furniture sellers in the United States.
- In Thailand, boats harvesting for fish meal and fish oil operate in violation of human rights laws. CPU is the largest company buying these products and it produces 90% of all the shrimp feed used in Thailand, implying that in the United States 25% of all shrimp consumed are produced with slave labour.
- The WTO is worded in a way that does not allow buyers to look at how something is produced, manufactured or processed (PPM). Production models are fundamental for identifying which products should be sold in markets.

### Land restoration

- Most companies are not willing to engage in land restoration or to pay their suppliers to do so.
- For cocoa and coffee production, the average trees are currently 10 years beyond prime. Many farms need to be entirely replanted.
- Companies should engage in long term contracts (5, 10 or 15 years) with their suppliers of raw materials to give suppliers the time and financial security to invest in their land and restore it.
- Monitoring soil carbon or organic matter as indicators of soil health is very expensive to do on a large scale. Instead, productivity should be measured as an indicator of increasing resilience and increasing organic matter.
- It will be hard to restore ecosystems and biodiversity until their value has been assessed. For now, they are only subsidies for which nobody is willing to pay.

- Live stock issues provide a return on investment that companies can depend on and this return on investment is what drives improved performance.

#### Modifying legislation to reduce illegally produced commodities

- It is true that not all illegality is unsustainable. It depends on each country's laws. Some of those laws probably need to be changed.
- Most people are probably unaware that deforestation is also the arc of illegality. The problem is that humanity's ability to extract resources precedes its ability to enforce the rule of law. It often takes 10, 20 or 30 years to enforce the law by which point a lot of resources are gone.
- In the case of fisheries, you can exhaust the entire resource before a rule of law is put in place.

### **Impacts of Commodity Production on Biodiversity - State of Play of Impact Indicators and Standards**

*This panel served to discuss the impacts of commodity production on diversity and explore impact indicators and standards for commodity production. The panel was moderated by Ms. Kristina Neumann, Junior Programme Officer for Business and Biodiversity at the Secretariat of the Convention on Biological Diversity*

Mr. Claude Fromageot  
*Director of Sustainable Development, Yves Rocher Group*  
*Director, Yves Rocher Foundation*

Mr. Fromageot opened his presentation by recalling the beginnings of the Yves Rocher Group. He stated that the company had been launched in a countryside surrounded by poverty with the purpose of creating employment, protecting the environment, and developing tourism and culture for the area. He expressed that today the Yves Rocher legacy creates employment for more than 10 000 people, promotes environmental protection as well as eco-production, and encourages strong ties with nature. He observed that the company's factories are ISO certified and explained that the company strictly monitors water, energy and gas consumption while also tending to beehives as indicators of overall environmental health. He further pointed out that the company launched a botanic garden of 60 hectares for its employees to involve them in the experience of cultivating organic food and improving soil quality. He observed that the entire company and its suppliers are committed to environmental protection. Mr. Fromageot then presented the Yves Rocher Foundation as a public entity launched 25 years ago. He listed a few of their programmes that promote environmental awareness, such as their reward programmes for women who are leaders in the field and their target to plant 50 million trees before 2015. He expressed that the Foundation mainstreams environmental protection in the company by proposing new regulations and guidelines.

Ms. Sharon Brooks

*Programme Officer, UNEP-World Conservation Monitoring Centre (WCMC)*

Ms. Brooks began her talk by presenting the WCMC's mission to provide authoritative information about biodiversity and ecosystem services in a manner that is useful to decision-makers who are driving change in environment and development policy. She noted that there was an increase of land under certification and observed that across most commodities, the markets for standard-compliant products are substantially outpacing growth in production. She stated that the WCMC had found a lack of evidence showing that standardization was producing positive impacts on biodiversity. She outlined the WCMC's review of 36 standards across 8 business sectors and its conclusion that there is a lack of clear and consistent terminology as well as a lack of guidance around definitions and operations within protected areas, and limited uses of recognized systems to prioritize areas of biodiversity importance. She emphasized that certain biodiversity areas are more important than others for conservation and that there is a need to prioritize avoidance strategies to achieve the best biodiversity conservation outcomes possible. She observed that of the 51 biodiversity criteria developed by the International Trade Centre (ITC), a vast majority didn't identify priority areas and the remainder used a vast array of expressions such as "critical habitat", "high conservation value" or "key biodiversity areas". She reflected that the wide range of biodiversity components make it impossible for a single metric to measure everything. She presented several tools used to understand landscape level impacts and predict the future of commodities. She suggested that these tools be integrated, adapted and made relevant to the process of identifying priority areas and proposed concerted and collaborative efforts with the government for indicator development and evaluation.

Mr. Jeffrey Milder

*Lead Scientist, Evaluation and Research, Rainforest Alliance*

Mr. Milder began his talk by arguing that there are four components to certification systems; 1- the standards themselves, 2- the training and technical assistance that support the adoption of these standards on the ground, 3- the assurance mechanisms and 4- the claims. He indicated that there is an increasing number of companies sourcing their own policies and internal standards. He also observed that frameworks such as the Consumer Goods Forum are also emerging with similar pseudo standards created by their member companies through their commitments. He pointed out that efforts are currently underway to develop assurance systems for these pseudo standards to make these claims credible to society. He raised three questions that could help validate standards; 1- are they delivering public goods, 2- are they delivering value for private entities and 3- how can they be adapted and improved to increase public and private benefits. He mentioned that in 2009, the Global Environmental Facility (GEF) had found little evidence to support the hypothesis that sustainable certifications had positive socio-economic or environmental impacts, but added that this statement was no longer true. He maintained that in recent years certification systems have been greatly improved and are yielding positive results. Mr. Milder presented a generalized theory of change detailing how sustainable sourcing initiatives serve biodiversity. He explained that there are several levels of change; change in practices, change in social or environmental conditions, or change in landscape and watershed. He proposed defining change in both breadth and depth. He ended his speech by stating that indicators should be feasible to measure at scale, relevant and salient to private decision makers, and relevant to stakeholders and public goods. He also expressed the need for more initiatives

that can deliver critical monitoring infrastructure, further methodological advances and help focus efforts on critical questions.

Mr. Gabriel Huppe

*Project Officer, State of Sustainability Initiatives (SSI), International Institute for Sustainable Development (IISD)*

Mr. Huppe began by introducing the SSI and its aim to provide timely, accurate and pertinent information about voluntary sustainability standards and international markets. He noted that the SSI had recently released a 2014 review of 16 different sustainability standards across 10 commodity sectors. He expressed that one of the biggest and most prominent trends currently seen in the market is the growth of standard-compliant products. He supported this statement by indicating that between 2008 and 2012, the size of agricultural land under voluntary sustainability standard-compliant production had tripled. He added that the intensity of the standard-compliant production continues to increase for coffee, cocoa, palm oil and tea markets. However, he noted that most of the times, the growth in a commodity comes from only one or two initiatives. He feared that this showed a trend towards mainstream-oriented initiatives. He added that the desire to promote sustainable development is at odds with the desire to increase the market share of standard-compliant commodities. He supported this by stating that from 1972 to 2012, as the amount of land under standard compliance increased, the environmental index coverage decreased. He further stated that compliant supply is also tilted towards more economically endowed export oriented economies. He reflected upon the global indicator initiative and expressed his view that it would be quite possible to identify cross cutting indicators for agriculture and forestry. He noted the importance of differentiating between monitoring and impact indicators, and proposed using indicators that are tailored to the region or commodity, that are useful and meaningful, and that can be feasibly assessed. He ended his speech by suggesting that the indicators prioritize causal impacts, long-term outcomes, biodiversity performance and monitoring.

## Discussion

*This panel generated an extensive discussion, the highlights of which are as follows.*

### Modifying practices in the supply chain

- Companies need to work with NGOs, governments and suppliers to implement real changes in their supply chain, namely by improving packaging and promoting eco-conception.
- Companies should enlist their suppliers as partners and ask them for their suggestions.
- The Yves Rocher Group had four areas of their supply chain which worked directly with farmers. This direct link with the countryside allowed them to work with these suppliers to create new active ingredients for products. This inspired other suppliers to improve their methods and impacted the entire supply chain.

### The need for global commodity impact indicators

- The global indicator initiative is exciting because it's looking at that bottom bar to see how it can be raised and to monitor the changes across every producer.

- Indicators need to be usable, pragmatic and affordable to measure.
- Global commodity impact indicators will help companies ensure that their supply chain is sustainable, that certain commodities are certified and will allow them to track their impacts. Companies need something that can be measured and can quantifiably show that their practices are producing better results for biodiversity, for sustainability and for the business.
- There is no willingness to develop standards for all commodities. The global impact indicators will serve as a general umbrella that can be improved over time.
- There is a demand to reach the farmers with very low capacity and resources to help them produce more sustainably and more productively.
- Voluntary standards were never envisioned as the sole mechanism for making land based commodity production more sustainable for the future. It was always envisioned that there would be high, intermediate and low bar standards. Absolute bars are probably not the way to go forward, especially if you are trying to move the bottom up.

#### Managing different productive systems in a world of constantly changing environments

- Standard setting is a compromise between taking a science based approach looking at “what works” and reconciling it with “what is feasible” as defined by those who would uptake the standard.
- Agriculture is a very dynamic enterprise. Practices differ from place to place and what constitutes a “good” or a “bad” outcome is very site specific. Frameworks should be meaningful and comparable, but also allow for the reality of farming (conditions change and are localized).
- Efforts are underway to create a global map showing where commodity certifications are taking place and relate that spatial data to hotspots of key threats such as deforestation or biodiversity hotspots. The interface between agriculture and deforestation for instance is very important.

#### Subsistence farming and sustainability standards

- Protecting livelihoods is important but there is no specific focus on subsistence farming when choosing sustainability standards for commodities.
- All certification programmes have made provisions that standards can’t preclude certain producer groups. In every case there is a measure to protect sustainability farming.
- Sustainability standards should promote results and not practices, because imposing practices excludes certain classes of farmers.
- Policies based on results will disadvantage small producers because they don’t own enough land to achieve the results.
- Governments are aware of the consequences of sustainability standards on subsistence farmers. There is a real recognition that we need to analyse the land use farming before making decisions.

## PARALLEL EVENT 4: THE GLOBAL PARTNERSHIP FOR BUSINESS AND BIODIVERSITY

### **Opening of the Global Partnership Meeting: Status of the Partnership**

Mr. David Steuerman

*Programme Officer, Secretariat for the Convention on Biological Diversity*

Mr. Steuerman began his speech by describing the X/21 and XI/7 COP decisions implementing the Global Partnership (GP). He explained that the GP was adopted to promote discussions between the business sector and other stakeholder groups. He observed that the GP had brought a multitude of discussions into a single platform and noted that a number of countries and regions had since joined the GP resulting in a total of 19 members and 2 pending applications. In particular, he was pleased to note that Australia and ASEAN had recently joined the GP, and that China had expressed its intention to join shortly. Mr. Steuerman explained that business associations, governments and IGOs often operate independently and lack efficient cross-sectorial communication. He stated that the GP's objective was to create regional and national initiatives that would encourage dialogue and cooperation, and that the GP is an opportunity for stakeholder groups to share experiences and move forward. He recalled the last GP meeting in Montreal which resulted in the adoption of a governance document, resulting in a stable governance structure for the GP, and of the selection of an interim executive committee which has since transferred its powers to a full executive committee. He added that the meeting in Montreal had also discussed future directions for the GP and potential joined activities, and that the Partnership is actively recruiting new members. He also mentioned that the next GP meeting would occur in 2015 and that they would be unveiling a logo for the GP shortly. He ended his speech by raising the possibility of using the GP as a reporting vehicle to consolidate business reporting for national reports and COPs. He expressed the SCBD's view that this reporting component would greatly strengthen the GP and help to drive its future activities.

### **Panel 1: What are the Opportunities and Challenges for Initiatives and the Global Partnership**

*This panel served to discuss the opportunities and challenges for initiatives and for the Global Partnership for Business and Biodiversity. The panel was moderated by Mr. Naoya Furuta, Senior Project Officer for the Global Policy Unit at IUCN Japan Project Office.*

Mr. Naoya Furuta

*Senior Project Officer, Global Policy Unit, IUCN Japan Project Office (Japan)*

Mr. Furuta began his talk by recalling the beginnings of the Global Partnership (GP) in 2010. He stated that the GP was not implemented to be a centralized measure but rather to be decentralized and possess several national initiatives. He stressed that it is really important for the GP to have many active initiatives at the national level. He explained that a growing number of nations and countries had already joined the initiative and that many other countries had officially expressed

their interest and intention to join. He called upon the audience to reflect upon the role of the GP, its future opportunities and challenges.

Ms. Kristiina Niikkonen

*Senior Environmental Adviser, Department of the Natural Environment (Finland)*

Ms. Niikkonen opened her speech by presenting the Finnish Business and Biodiversity initiative. She outlined that the initiative had been launched on the 28<sup>th</sup> of January 2014 and that its purpose was to achieve the CBD Aichi Targets. She highlighted their desire to create a platform for key stakeholders to invent new ways of doing sustainable business and to provide them with the tools for doing so. She indicated that the initiative is managed by a steering committee consisting of stakeholders from ministries, public authorities, NGOs, research and business. Ms. Niikkonen presented the network responsible for running the Finnish initiative; FIBS. She stated that FIBS had recently joined the CBD Global Partnership, the WBCSD, as well as the European Union Business and Biodiversity platform, and that they actively participate in various international forums such as the Corporate Social Responsibility Forum. She noted that the Finnish initiative organizes workshops, seminars, and provides master class training for selected companies based on BET training models. She believed that this training is essential for improving dialogue and collaboration with the business sector. She listed a few challenges faced by the Finnish initiative, such as poor awareness of biodiversity, the continuity and prioritization of business operations, the need for sustainable business initiatives and ways of financing them, the need to get companies more involved, as well as the need to convince companies of the effectiveness of the initiative and of the added value of international networking. She presented a few key opportunities for the initiative, such as the raised awareness and understanding of biodiversity, the choice of companies to adopt the Aichi Targets, the multi-sectorial collaboration, the introduction of new tools, and the improvement of corporate reporting. Ms. Niikkonen indicated that in 2015, FIBS will be publishing a workbook of best practices to share business cases and experiences with other companies.

Ms. Seema Arora

*Executive Director, CII-ITC Centre of Excellence for Sustainable Development (India)*

Ms. Arora began her talk with a brief description of the Confederation of Indian Industry (CII); a large industry association with 7 500 members across various geographies and sectors. She outlined that earlier this year, CII had launched with the support of GIZ the India Business and Biodiversity Initiative (IBBI) on the 22 May 2014. She added that the Indian Ministry of Environment and Forest had endorsed the initiative, but that the initiative is run by a business association. She indicated that IBBI is hosted by the CII-ITS Centre of Excellence for Sustainable Development which works with companies on mainstreaming sustainability into business activities. She explained that IBBI's advisory group is chaired by a CEO of one of its member companies. She stated that the platform reunites members from the business sector, conservation organization, NGOs and more, and that the government can also be invited to the platform when required. She presented the platform's mission to help companies mainstream biodiversity by reuniting all stakeholders in one location. She further indicated that CEOs of member companies are required to personally sign up to a 10 point declaration. She indicated that this 10 point declaration includes reporting as one of the business engagements and

expressed her belief that reporting should be part of the GP and of national initiatives. She detailed that IBBI asks companies to put out a public report on their activities and their compliance with the 10 point declaration every 2 years. She indicated that the platform also undertakes capacity-building by helping companies understand linkages and by facilitating cross-learning. She felt that IBBI's strength is that it's led by CEOs who are enlisting other CEOs to do the same. She listed a few challenges, such as the demonstration of business case, the lack of understanding of biodiversity and the valuation of natural capital. She felt that future opportunities lied within enabling collective and collaborative action, the 2% CSR mandate in India and the South-South cooperation.

Mr. Ciprian Ionescu  
*Association Orée (France)*

Mr. Ionescu presented the French initiative for Business and Biodiversity, its main challenges and opportunities. He began by introducing Orée which has been cooperating with the GP since 2011. He described Orée as a multi-stakeholder non-profit organization whose members include companies, local authorities, NGOs, academics, unions, researchers, and more. He expressed that Orée is working with their members to co-build relevant tools, plan events and improve communication. He added that Orée has been involved for many years in various business and biodiversity activities in France. He emphasized that the French initiative is faced with the challenge of enlisting expert organizations to the platform. He pointed out the two main roles of the initiative; bringing inspiration to companies for managing biodiversity and helping them face their challenges. He listed a few opportunities for the platform; highlighting business cases through feedbacks, presenting expert organizations and providing relevant information from stakeholders. He ended his speech by stating that Orée organizes workshops, seminars, and trainings on several topics of interest to the initiative.

## Discussion

*The discussion and Q&A session following the presentations was quite lively, with a number of areas addressed by both the panelists and from the audience. Some of the key questions and comments were as follows.*

## Opportunities

- (Finland) The BET training is separated into four modules; 1- connecting business to biodiversity, 2- impact dependency and how it translates to risk and opportunity, 3- evaluation, and 4- strategies and next steps. Each module targets different stakeholder groups.
- (India) The IBBI model is interesting because it feeds back straight into the main industry. The chair of the CII Centre reports back to main body of CII and provides it with recommendations. IBBI also feeds the policy council of CII and parts of the government as well. It's fully integrated into the governance mechanism of CII.
- (India) CII-ITC has been working with the Ministry of Environment and Forest to include green public procurement requirements into the procurement requirements of the country. This required putting together a multi-stakeholder group of users, departments and supplier associations.

Involving stakeholders and creating dialogue among the various partners at the national and international levels.

- Involve expert organization in platforms so that they can bring their own network of members.
- (India) Follow the model implemented by CII where CEOs are personally engaged to a declaration and are involved in the process of recruiting other CEOs to the initiative. Businesses can take voluntary action which leads to strong policies.
- Involving business associations can sometimes be complicated because organizations have their own memberships that can be in competition with one another.

Capacity building

- There is potential for the GP to help national initiatives grow stronger by binding structures, publicising initiatives and achievements (cross-learning and showcasing why the GP is effective), providing mechanisms for tracking effectiveness, and communicating across countries.

Balancing companies' desire to grow and national restrictions with sustainability

- The starting point is the achievement of Aichi Targets for all platforms. Targets for protected areas need to be achieved while also promoting biodiversity protection outside protected areas.
- It can be a win-win situation if companies are shown that they can benefit from innovation or from reducing their water or energy consumption. Inter-dependencies between businesses and biodiversity can be used to show businesses how respecting ecological limits is important and how it can ensure the longevity of their companies.

## **Panel 2: What are some of the Outreach Models to Businesses and Other Stakeholders**

*This panel served to discuss some outreach models to businesses and other stakeholders. The panel was moderated by Mr. Daan Wensing, Manager of Leaders for Nature at IUCN Netherlands.*

Ms. Carolin Bossmeyer

*Managing Director, Biodiversity in Good Company (Germany)*

Ms. Bossmeyer began her talk with a timeline presenting the German initiative. She stated that in 2007, Germany adopted a National Strategy on Biodiversity and launched their national initiative in 2008. She noted that the launch of the initiative mainstreamed biodiversity into the agenda of frontrunners, such as NGOs and federations. She added that since 2008, there have been annual national forums on biological diversity and on business dialogue. She detailed that the German initiative reaches out to companies via a cross-sectorial business network which includes ministries, federal agencies, business federations, nature conservation organization and company networks. She went on to list several opportunities for the German initiative, such as providing comprehensive information, showcasing individual commitments, networking, providing new information modules, organizing working groups, discussion forums, annual conferences, steering committees and round tables, offering institutional support, providing national contact

networks, showcasing best practices, and more. She concluded her speech by detailing some limits and constraints faced by the German initiative, including the lack of willingness to engage with biodiversity and pay for it, the vagueness of individual actions, the difficulty of measuring impacts or changes, and the need to identify what is at stake in current patterns of production and consumption.

Mr. Kiruben Naicker

*Director, Science Policy Interface, Department of Environmental Affairs (South Africa)*

Mr. Kiruben introduced the South African Initiative; the National Biodiversity and Business Network (NBBN), and presented its aim to facilitate engagement amongst members to assist the integration and mainstreaming of biodiversity into business agendas and operations. He described the progress of the initiative stating that the NBBN grew from 184 members to 672 members and includes various sectors such as private, public, NGOs and academia. He further indicated that the NBBN had hosted 13 workshops and training sessions around the country, assessed current practices, and produced a guidance document for the real estate sector. He noted a few key weaknesses of the initiative such as the lack of human resources, the need to consolidate communication strategies, press releases and regular articles, and the overabundance of inland focus. Mr. Kiruben also announced the establishment of the South African Mining and Biodiversity Forum Sub-Committee on training, capacity building and mainstreaming of mining and biodiversity issues. He stated that the focus of the Sub-Committee is to implement the Mining and Biodiversity Guideline and added that he wished to see a similar approach implemented for other sectors. He listed four lessons learned in the development of tools and outreach models, notably having effective coordination and communication, bridging the mandate gap, and prioritising biodiversity conservation. He concluded his speech with the South African vision of key deliverables for 2024 which included 60 000 new sustainable jobs, 2 million hectares of communal land restored and developed for commercial game ranching, 4 billion Rand in game and 3 billion Rand on fixed assets and infrastructure, and 300 000 heads of wildlife under private community owned ranches.

Ms. R. M. Harshini de Silva

*Coordinator, Sri Lanka B&B Platform (Sri Lanka)*

Ms. de Silva gave a brief introduction to the Sri Lanka Business and Biodiversity Platform, noting its history and rationale for establishment, and that it was aimed at fulfilling the objectives of the CBD. She mentioned that the Initiating Partners included the Ceylon Chamber of Commerce, IUCN Sri Lanka and Dilmah Conservation. She also explained that the Platform has a six-Member Advisory Committee and a Secretariat. She further noted that the membership of the Platform represents six industry sectors including plantations and agribusiness, hospitality and tourism, banking and finance, engineering and construction, manufacturing and production and information and communication technology. Other stakeholders and continuous partners of the Platform represent the government, non-government as well as the academic sectors. She then went on to describe some of the different models used by the Platform to reach out to its Members and other associated stakeholders. These include: day-to-day building of member relationships; thematic networking and learning events organized on general and industry sector-wise basis; training and capacity building workshops; conservation project implementation in

collaboration with members and other stakeholders; special partnership projects carried out in collaboration with various agencies; and various publicity activities carried out through various media channels.

#### Discussion

*This panel generated a robust discussion, the highlights of which are as follows.*

#### Outreach done by companies

- National or regional infrastructures are limited. Companies that integrate biodiversity into their management and reporting systems have a significant outreach.

#### The interplay between stakeholders

- (Sri Lanka) There is an interesting trend where large companies are asking organizations to help them engage smaller companies in their supply chain. It would be good to get the Sri Lankan Chamber of Commerce onto the platform as they have a wide reach and are influential.
- (Germany) We see an increase of engagement from the German federation of industries (BBI) and from particular industries.
- (South Africa) The South African initiative is focusing on emerging markets and smaller enterprises such as land owners. They are providing them with business models, plans and tools to make their lands more productive and sustainable. The government is very involved in the initiative for now, but some fear that their engagement will decrease as previous experience has shown.

#### Outreach to businesses

- Biodiversity is the overall goal, but it's not always the right measure. The word biodiversity does not have to be used when looking at impacts on biodiversity.
- Companies are often confused about managing biodiversity. They sometimes wonder if it's up to them to monitor and measure biodiversity, but in most cases companies are dependent on available scientific data.
- It is really important that biodiversity becomes part of the core business of companies and not just a CSR target.
- For newer smaller companies, it's better to first introduce biodiversity as a portion of CSR and later, once they start seeing the benefits for their companies, help them integrate it within their core business activities.

#### Outreach to farmers

- (Brazil) Farmers are very conscious and very worried about biodiversity. Most farmers are seeing the need to separate from chemical usage and water over-consumption. They are leaving the path of traditional agriculture to protect the environment.
- (Brazil) Farming companies are the ones leading the process, promoting biodiversity, while other sectors are falling behind.
- It would be really good to have a database of best practices from various countries and companies. It would be good to include sustainable traditional practices which are now dying down. These practices can easily be taken on by farmers.

- Farmers understand biodiversity loss. Governments were the ones that refused to hear the message for a long time and didn't act in time, but farmers were always the most aware of the changes and the most willing to get involved.

### **Panel 3: How the Partnership can contribute to the Mainstreaming of Biodiversity by Business**

*This panel served to discuss how the Global Partnership for Business and Biodiversity can contribute to the mainstreaming of biodiversity by business. The panel was moderated by Mr. Richard Spencer, Head of Sustainability for the Technical Strategy Department at the Institute of Chartered Accountants in England and Wales (ICAEW).*

Mr. Jung Jun Park

*Deputy Director, Biodiversity Division, Ministry of Environment (Republic of Korea)*

Mr. Park introduced the Korean initiative and described the efforts to involve all stakeholder groups in biodiversity protection. He explained that the Korean Initiative, begun on 26 September 2013, has a number of founding companies and is supported by the KBCSD (a regional partner of WBCSD), the Korea biotechnology industry organization, and the Secretariat of Green Companies. He described the Government's leading role in promoting the global partnership with business associations and other stakeholder groups. He outlined the government's 2013 commitment to increase membership for the initiative and their 2014 commitment to raise awareness by hosting various events such as workshops, education programmes, and seminars.

Ms. Elisa Romano

*Policy and Industry Specialist, National Confederation of Industry (CNI) (Brazil)*

Ms. Romano began her speech by pointing out that the biodiversity initiative in Brazil is being led by the business sector and that the next step will be to include other stakeholder groups. She detailed that there is a need to raise awareness in companies among technical staff as well as higher level executives such as the CEOs themselves so that companies may mainstream biodiversity into their policies and practices. She noted that CNI is a business association that represents more than 100 000 companies and that CNI has noticed that most of its member companies do not fully understand what biodiversity protection entails. She highlighted the importance of educating the business sector on local and international implications of the business and biodiversity initiative. She added that the GP can help companies gain a better understanding of the environment and ecosystem services, as well as their role in the initiative.

Ms. Maria Luisa del Rio Mispireta

*Advisor to Vice Minister, Strategic Development of Natural Resources, Ministry of Environment (Peru)*

Ms. Mispireta began by considering Peru's very limited space for common ground between business and government on biodiversity issues. She explained that businesses perceive that the government is trying to limit their activities and that the government finds it very difficult to raise awareness among the business community. She observed that the difficult relationship between government and business is due to attitude problems more than communication problems. She also noted that there is a serious lack of information for both sectors on biodiversity and conservation. She emphasized that neither side truly understands the motives for a global partnership and suggested presenting them with business cases. She further highlighted that companies need to understand the relationship between their company and ecosystem services.

#### Discussion

*This topic had a fairly active discussion following the panel presentations. The following represents the questions and comments that arose during this session.*

#### Role of NGOs

- (Brazil) In Brazil, NGOs are very involved with biodiversity protection, but they remain reluctant to create partnerships with the business sector. When formulating policies, NGOs often refuse to include sustainable use as a target. NGOs need to understand that sustainable use as well as conservation is important.
- (Brazil) CNI has tried to create partnerships with the government and NGOs, but when the government or NGOs are invited to attend debates, they refuse to attend or attend just to criticize companies.
- There is a high degree of suspicion between companies and NGOs which comes in the way of building partnerships.

#### Legislation

- All necessary stakeholders are disenfranchised during the law making process.

#### Creating partnerships

- Businesses are wary of partnerships because they don't want to be told that they cannot go forward with a project. A solution could be centring discussions around the terms and conditions for a project to go forth.
- (Brazil) Not all international organizations or NGOs are willing to enter partnerships with the private sector. Organizations like the IUCN or WWF will engage with businesses.
- (Brazil) For some companies like TransCanada, building partnerships with other sectors was a completely new idea. When approached with the proposal, they showed great interest. They had never considered creating partnerships with other stakeholder groups.
- Businesses need these types of relationships to maintain their social licence.

### Mainstreaming biodiversity

- (Republic of Korea) The main benefit of the GP is the provision of information.
- (Peru) The GP provides Peru with conservation targets for the business sector and regional alliances, such as the one with Canada.
- The GP can consolidate existing partnerships, allow sharing in a systematic way, adapt the technical language of biodiversity into business language, and drive the practice to create more and do better through workshops, capacity building and idea sharing.

### Governance of national initiatives

- (Peru) The initiative in Peru is being led by the Government but companies are not following as expected. The Government is still trying to understand how companies are interacting with biodiversity and trying to identify the needs of the private sector.
- (Brazil) In Brazil, the initiative is business-based as much as government-based. It works because it is being led by businesses.
- (Republic of Korea) The Government of the Republic of Korea reaches out to the NGOs and contacts companies through the secretariat.
- Biodiversity discussions are learning a lot from previous experiences during climate change discussions. During climate change discussions, there had been serious mistrust issues between government, industry and NGOs, making it very difficult to construct strong relationships. On the topic of biodiversity, the various sectors are being much more cooperative and relationships are more constructive. The business sector is a lot more engaged and does not wait for the government to act first.

## **Panel 4: How to Expand Membership of the Partnership and Future Projects**

*This panel served to discuss ways of expanding the membership of the Global Partnership for Business and Biodiversity, as well as of future projects. The panel was moderated by Ms. Anne Theo Seinen, Policy Officer for the Directorate-General for the Environment, at the European Commission.*

Mr. Rolando A. Inciong

*Director, Communication and Public Affairs, ASEAN Centre for Biodiversity*

Mr. Inciong began by stating that the GP needs to engage regional organizations. He provided the example of the CACCI (Confederation of Asia-Pacific Chambers of Commerce and Industry) which meets every two years to discuss topics relevant to global sustainability. He explained that CACCI is very powerful and should be involved in mainstreaming biodiversity into business activities. He stated that the GP needs to engage organizations employing large numbers of individuals. He gave the example of Rotary International, which partnered up with the World Health Organization to implement a global campaign against polio. He indicated that the GP could facilitate communication by providing a clear and concise definition of biodiversity. He added that the GP should provide examples of business engagements worldwide. He emphasized the need to show businesses that biodiversity is not an expense but, rather, a business investment for them. He suggested providing businesses with examples of responsible practices and how they benefit biodiversity. He noted that some businesses may not even be aware that their

activities are damaging. He also noted that businesses are both drivers and solutions to biodiversity issues. He further indicated that the government should consider abandoning the antagonistic relationship between business and government and giving larger roles to the business sector. He suggested looking for entertainment celebrities to champion business and biodiversity.

Mr. Wang Xin

*Director, Division IV, Foreign Economic Cooperation Centre, Ministry of Environmental Protection (China)*

Mr. Xin opened his talk by presenting that biodiversity in China is the most threatened in the world. He highlighted the SCBD's crucial role in helping China realize the importance of partnerships between business and government. He stated that, in 2012, China organized an international forum on biodiversity and invited a variety of stakeholders from various industries. He added that, following this forum, three representatives from various business sectors had jointly signed an initiative on biodiversity. He recalled the results of a public survey on biodiversity conducted in 2013 which found that very few people were aware of the meaning of the word "biodiversity". He reflected that in 2010, the Government implemented a national committee of 25 departments which organized multiple activities on biodiversity all over the country. He noted that the Government was currently preparing the Third International Forum on Biodiversity and that the Government would continue to serve as the platform for the national initiative of China on business and biodiversity. He was pleased to announce that China had decided to join the GP. He stressed that the creation of partnerships is only the first step to engaging businesses in biodiversity conservation and that there would also be a need to formulate new policies. He pointed out that biodiversity protection is as much a family right as an indigenous one, since families also rely on biodiversity for their subsistence.

Mr. Eduard Muller

*Rector, Universidad para la Cooperación Internacional, Biodiversity Partnership MesoAmerica*

Mr. Muller began by highlighting the importance of good environmental communication. He pointed out that engaging businesses would require linking nature to human needs. He observed that for many industries, these issues are starting to become more and more personal as their businesses suffer from the collapse of ecosystems and biodiversity. He noted that biodiversity conservation goes beyond producing bird inventories and that the destruction of key environment features, such as mangroves for the shrimp industry, will impact entire towns and communities relying on those industries. He indicated that, in order to engage businesses, issues will have to be linked to livelihoods and the longevity of their company. He highlighted the importance of reaching out to children as an increasing number of CEOs are being pushed by their children to engage with biodiversity. He reflected on the linkages between water usage, watersheds, biodiversity and soil health and explained that involving companies such as breweries who use thousands of litres of water for their production will require the demonstration of these linkages. He added that companies need to understand how their company affects biodiversity and how biodiversity impacts their company. He also outlined the crucial role of consumers, who can pressure companies to produce sustainably and look for new solutions. He outlined the role of governments, which can force companies to rebuilt ecosystems and push for biodiversity to be

integrated into business plans. He suggested that banks could require companies to disclose how they handle biodiversity or sustainability issues before giving out loans. He concluded by saying that levers such as social media could be used to persuade companies to engage with biodiversity protection.

## Discussion

*There were several questions and comments that arose in this discussion period. A summary of them is as follows.*

### Stimulating biodiversity awareness and actions

- (China) The GP should promote an understanding of the technical aspects of biodiversity through meetings, workshops, and more. The GP can help companies understand their relation to biodiversity conservation.
- (Mesoamerica) The GP should give companies some recognition for their contributions to biodiversity. There is still no measure of involvement for companies. There should be some form of checklist to identify which companies are mainstreaming biodiversity.
- Companies individually changing their methods are not enough. Sometimes, there are situations where it is only possible to make a difference by taking collective actions. This is the use of the GP; to discuss limitations and set standards.

### Downscaling global or regional targets to the national level

- (ASEAN) Local NGO partners can explain local or regional contexts to help develop sustainability plans better suited to the local reality while still following the global trends.

### Should the GP target achieving the Aichi Targets or finding common ground?

- The GP can help companies make changes and shorten their gaps with the Aichi Targets. A lot of companies are losing their businesses quickly because of biodiversity loss. The GP can offer them solutions.
- The objective is changing practices to achieve the Aichi Targets.
- Business has to figure out how to build trust with other stakeholder groups and the GP can help them do that.
- The aim is business transparency.

## Concluding Remarks

Mr. David Steuerman

*Programme Officer, Secretariat of the Convention on Biological Diversity*

Mr. Steuerman expressed his view that the GP provides an important structure for future business participation at COPs. He stressed the importance of having a really strong structure before being able to decide “what can be achieved”. He found that since the GP’s inception in 2010, there had been a lot of progress, but that there still remained a lot to do. He was optimistic that the GP was headed in the right direction and hoped that more substantive projects based on decisions could be undertaken in the future.

Mr. Reg Melanson

*Chair, Global Partnership Interim Executive Committee (Executive Director, Canadian Business and Biodiversity Council)*

Mr. Melanson recalled the discussions that occurred at the very first meeting of the GP in 2011 and observed that many of the topics recurred in 2014. He listed a few of these topics, including “why is the understanding of biodiversity important”, “why is biodiversity a priority for conservation”, “how to demonstrate business case”, “getting governments involved”, and the “language barrier”. As an example of the challenges being faced, he noted that, in recent years, the Canadian Initiative had lost several board members, and they needed to be replaced. He stressed the importance of keeping companies engaged in the GP to ensure a progression over the years. He closed his speech by underlining that the GP neither wants nor needs enforcement measures to bind companies; rather, it needs to enlist governments responsible for enforcement in their country.

SESSION 1: OTHER CBD ISSUES AND ENABLING CONDITIONS

**Parallel Panel 1a: Access and Benefit-Sharing**

*With the coming into force of the Nagoya Protocol, access and benefit sharing has taken on a particular importance for companies. This panel discussion examined issues surrounding ABS vis-à-vis business as well as both the implications and opportunities for companies represented by the Protocol. The panel was moderated by Mr. Eduardo Escobedo, Director of the Responsible Ecosystems Sourcing Platform (RESP).*

Mr. Eduardo Escobedo

*Director, Responsible Ecosystems Sourcing Platform (RESP)*

Mr. Escobedo began by introducing three elements of ABS; the biodiversity itself, the stewards of biodiversity, and the users of biodiversity. He highlighted the importance of understanding how these elements relate to each other to ensure cooperation and collaboration. He added that businesses are users of biodiversity and therefore just one part of the equation. He encouraged the audience to think of the Nagoya Protocol as a protective mechanism for biodiversity. He believed that understanding and choosing who can have access and exploit biodiversity is crucial for its preservation. He highlighted the importance of understanding the environment's profile, the needs of stakeholders and the ways in which the environment is solicited. He believed that laws should be amended to better reflect the interactions between business and biodiversity. He also suggested supplying documentation and tools for businesses, and implementing positive protection mechanisms.

Mr. Suhel al-Janabi

*Co-Manager, Access and Benefit-Sharing Capacity Development Initiative*

Mr. Al-Janabi described the ABS Capacity Development Initiative as a GIZ executive initiative supported by Germany, Denmark, the European Union and the Institut de la Francophonie. He stated that ABS requires user countries that are technology rich and provider countries that are resource rich. He identified 5 core elements of the Nagoya Protocol; 1- the capacity to implement and to comply with the obligations of the protocol, 2- the capacity to develop, implement and enforce legislative, administrative or policy measures on ABS, 3- the capacity to negotiate mutually agreed terms, 4- the capacity, needs and priorities of indigenous and local communities as well as relevant stakeholders including the business sector and the research community, and 5- the capacity of countries to develop their endogenous research capabilities to add value to their own genetic resources. He stated that innovation is at the core of the Protocol and that therefore, the Protocol should not hinder but rather promote research and development. He also explained that the utilization of genetic resources, level of science and technology, investments for research and development, access to generic resources, standard operational procedures, internal research and development, and intellectual property vary between sectors. He further presented the four phases of product development (pre-access, research and development, business plan, and

production) and noted that the benefits negotiated for each could vary. He added that there are big discussions among provider countries around access schemes in situations where prior informed consent is required. He explained that some believe there should be a second negotiation before the commercialization phase. Mr. Al-Janabi suggested that user countries be as transparent as possible when laying out their functioning.

Mr. Thiago Augusto Terada

*Corporate Responsibility & Sustainability, Beraca*

Mr. Terada spoke about environmental degradation in the Brazilian context and its neglect of traditional cultures. He stated that Brazil houses six different biomes and a total population of 202 million people. He noted that, in Brazil, ABS is regulated by an interim measure and completed by decrees. He added that the National Council of Genetic Resources (CGEN) releases resolutions, decisions and procedural guidance on ABS. He also indicated that if there is a potential for commercial use of genetic resources, the CGEN must approve the contract for bioprospecting or technological activities. He presented Beraca as a company with 57 years of history and performance, and emphasized that Beraca has created tight partnerships with several other companies, including the Yves Rocher Group, Coopemaflima, L'Occitane Foundation, and more. He then addressed the role of the Nagoya Protocol and stated there are still many key issues in Brazil with regards to benefit sharing and traceability. He explained that ABS is not very well regulated in Brazil and that this was further demonstrated by the country's refusal to ratify the Nagoya Protocol for its entry into force. He believed that this legislative void was the cause for the social exploitation and environmental degradation in Brazil.

Mr. Claude Fromageot

*Director of Sustainable Development, Yves Rocher Group*

Mr. Fromageot began his talk by listing three of his beliefs: (1) benefit sharing must be done directly on the territory; (2) the economic dimension of benefit sharing must be linked to the economic dimension of plants; and (3) having a local plant supply chain is a huge opportunity for a community. Mr. Fromageot noted the lack of attendance of the private sector at COP 12. He stated that, in the past 50 years, the Yves Rocher Group had implemented a kind of ABS with the small community of La Gacilly in France. He described their launch of botanical gardens for sustainable culture and their creation of sustainability charts for plant extraction. He detailed the company's move to eco-conception, which spread from their plant extraction factories to every other department of the company. He detailed some activities of the Yves Rocher Foundation, which pledged to plant 50 million trees before 2015. He explained that the small scale of operations in the cosmetics sector creates opportunities for companies such as the Yves Rocher Group to experiment with micro-projects locally. Mr. Fromageot felt that the hardest part of his work was creating biodiversity awareness in the marketing department of the company and emphasized the need to bridge the gap between production chains and marketing. He suggested that benefit sharing should be integrated to plant economics and production chains. He stressed the need for collaboration to develop new micro-projects and foster change.

## Discussion

*This group generated a great deal of interest and discussion, which was somewhat constrained due to a lack of time in the session. However, the following represents some of the questions and comments during the discussion.*

### Obstacles to benefit sharing

- One of the main obstacles to benefit sharing is the secrecy and competition surrounding research and development. The competition in the pharmaceutical sector is very low, but in the cosmetic sector it is very high. There is a lot of optimism surrounding green production, but some industries will have to pay more royalties for bioprospecting because of the issue of confidentiality.
- Stakeholders need to better understand business models, but businesses also need to understand the way other stakeholder groups work and how they come together.

### **Parallel Panel 1b: Resource Mobilization**

*Resource mobilization will be one of the most important factors in determining the success or failure of the Strategic Plan and the Aichi Biodiversity Targets. The business sector is one of the major players in this regard. This panel examined some of the innovative financial mechanisms that are available to companies, as well as the safeguards that must be put in place so as to ensure that unintended negative consequences (such as those on local communities) are kept to a minimum. The panel was moderated by Ms. Claudia Ituarte, Research Project Leader for International Environmental Law at the Stockholm Resilience Centre.*

Ms. Claudia Ituarte

*Research Project Leader, International Environmental Law, Stockholm Resilience Centre*

Ms. Ituarte began her talk by noting that coherence and harmonization of biodiversity and social safeguards across international and national law and policy can be a means of addressing the underlying causes of biodiversity loss and promoting equity. She added that while mobilising resources for biodiversity and ecosystem services can be a means for contributing to the achievement of the objectives of the CBD, the development of Biodiversity Financing Mechanisms (BFM) has also generated concerns with social equity implications, for example in relation to the rights of indigenous peoples and local communities. She indicated that to address these concerns, such as the associated risks of shifts in resource ownership or governing power, various stakeholders have stressed the importance of safeguards as pre-requisites for achieving the CBD objective. She stated that safeguards in BFMs, which are measures for maximizing the protection of biodiversity and people's livelihoods while minimising negative impacts, need to respond to the risks and opportunities of each BFM. However, she noted that the risks and opportunities of distinct BFMs can be interconnected and linked to broader legal frameworks and other forms of resource mobilization, such as official development assistance (ODA). Therefore, while Parties and other stakeholders, including the business sector, develop specific strategies that respond to the risks and opportunities of each BFM, she indicated that mainstreaming biodiversity and equity also requires harmonizing different legal systems and safeguards in resource mobilization.

Mr. Seiji Kawazoe

*ESG Specialist, Associate General Manager, Sumitomo Mitsui Trust Bank*

Mr. Kawazoe presented SuMi Trust, a leading trust bank with banking, investment and asset management services. He indicated that SuMi Trust possesses assets under management (AUM) totalling USD 497 billion from institutional investors and explained that SuMi Trust is a subsidiary of Sumitomo Mitsui Trust Holdings. He noted that Sumitomo Mitsui Trust Bank offers fiduciary services and conducts a wide range of financial services to an expanding client base across the world. Mr. Kawazoe further presented the Bank's Environmental Rating Loans with Natural Capital Preservation, launched in April 2013, which incorporate natural capital impact evaluation and company initiatives into the environmental-rating evaluation process. He added that this initiative is the world's first attempt to incorporate natural capital evaluation in bank loans. He noted that a company's eligibility to obtain a preferential loan is determined by 6 criteria: 1- strategy and environmental management, 2- climate change and global warming mitigation efforts, 3- resource recycling and pollution counter measures, 4- environmental friendliness of products and environmental business, 5- environmentally friendly properties, and 6- biodiversity. He added that the analysis is conducted on both a qualitative and quantitative basis and includes procurement data. He indicated that the Bank uses the ESCHER (Efficient Supply Chain Economic and Environmental Reporting) tool developed by PwC Germany to calculate the value of natural capital impacts. Mr. Kawazoe felt that there were many benefits to natural capital evaluation, including the disclosure of quantitative risk data related to supply chains and of quantitative data on environmental impacts. He concluded his speech by listing a few future considerations, such as the need to evaluate the business risk in supply chains more than measuring the usage of natural capital, to develop tools to evaluate the five elements of natural capital (flora, fauna, water, air and soil), and to include environmental rating as part of credit analysis processes.

Mr. Laurent Piermont

*President, CDC Biodiversité - Mission Économie de la Biodiversité – Groupe Caisse des Dépôts*

Mr. Piermont gave a presentation on economic leverages to conciliate economic development with biodiversity. He noted that the Caisse des Dépôts was created in 1916 to help the economic development of the country through housing, infrastructure, engineering, life insurance, retirement schemes, ski resorts, transport, and more. He explained that the Caisse des Dépôts manages over 300 billion euros and 120,000 individuals. He stated that they conciliate biodiversity with economic development through the implementation of a strategy coherent with the biodiversity national strategy. He pointed out that CDC Biodiversité, a subsidiary of the Group, was created in 2008. He explained that there were several economic leverages that could be used to conciliate business and biodiversity. For activities that consume renewable resources, he suggested having consumers pay to preserve the ability of the ecosystem to produce resources or implementing ecological certifications. For activities that destroy natural resources, he proposed avoiding, reducing or compensating for these activities, as well as maintaining this compensation in the long term. For activities that need nature but do not consume or destroy it, he recommended choosing positive biodiversity solutions based on the final demand to create value or business. He concluded by affirming that biodiversity can be conciliated with business, that tools already exist to help businesses, that taking action pays off, that measures are affordable, and that there is a large demand for a greener world. He cautioned against looking at

the market as a public budget and emphasized that progress is still needed for the implementation of economic leverages and legal frameworks.

Mr. Frank Vorhies

*GDI Coordinator, Earthmind*

Mr. Vorhies gave a presentation on corporate biodiversity finance and listed three tools for financing zero net losses and yielding positive impacts. He described the first tool, corporate biodiversity mitigation, which recommends avoiding, minimizing, restoring and offsetting impacts through a process of adaptive management over the project lifecycle. He provided the examples of the South Stream Offshore Pipeline between the Russian Federation, Turkey and Bulgaria and the Nacala Corridor in Mozambique, both executed in compliance with IFC requirements. He described the second tool, verified conservation areas (VCAs), which suggests registering VCAs and submitting audited management plans for them. He added that, in order to remain registered, VCAs need to submit audited performance reports yearly. He felt that VCAs create opportunities for businesses inside protected areas, outside of them and within supply chains. He provided the examples of the Yemen LNG marine conservation area and the Coutada Five area in Mozambique. He described the third tool, conservation capital funds, which proposes securing long-term capital for biodiversity conservation, providing independent assurance and accountability, and financing biodiversity mitigation and verified conservation. He provided the examples of La Fondation pour l'Environnement et le Développement au Cameroun and the Niger Delta Biodiversity Trust Fund.

Discussion

*Due to time constraints, discussion on this topic was limited. Points were reflected in initial presentations.*

## SESSION 2: MAINSTREAMING AND ASSESSMENT

### **Introductory Panel**

*This panel functioned to introduce the broad topic of Mainstreaming and Assessment and also to briefly touch upon the sub-discussions that followed. The panel was moderated by Mr. Jeff Milder, Lead Scientist for Evaluation and Research at the Rainforest Alliance.*

Mr. Jeff Milder

*Lead Scientist, Evaluation and Research, Rainforest Alliance*

Mr. Milder began by defining “biodiversity mainstreaming” as the process of embedding biodiversity considerations into policies, strategies and practices of key public and private actors to promote the conservation and sustainable use of natural resources. He stated that a report from the Global Environment Facility had found that biodiversity was not being routinely embedded in the work of conservation practitioners or into key sectors. He presented the mission of the Rainforest Alliance to conserve biodiversity and ensure sustainable livelihoods by transforming land-use practices, business practices and consumer behaviour. He highlighted the fact that, after 20 years of work, the Rainforest Alliance had helped bring over 75 million hectares of land, including 22 million hectares of high conservation value areas, under sustainable management. He also stated that more than 1 million farmers now comply with their sustainability standards and that more than 11 million farmers, workers and their family members benefit from social standards, better wages and increased productivity. He added that they also demonstrated the business case for sustainable production sourcing which resulted in a substantial uptake worth up to 10% of commodity sectors. He explained that standards ensure that agriculture, forestry and operators protect these key biodiversity and ecosystem values rather than manage them as ecological sacrifices. He observed that over 11.4 million hectares of land had been set aside in natural ecosystem reserves connected by corridors and protected against major harmful impacts.

Ms. Violaine Berger

*Director, Ecosystems & Agriculture, World Business Council for Sustainable Development (WBCSD)*

Ms. Berger began by explaining that the WBCSD is an organization grouping some 200 companies working on sustainability issues like climate change, water and sustainable use. She indicated that businesses impact and depend on nature both directly and indirectly. She also explained that mainstreaming biodiversity represents risks and opportunities for businesses. She gave the examples of companies such as Walmart, Rainforest Alliance, Vittel and Chevron, which have benefited from mainstreaming biodiversity. She listed a few measures that businesses can adopt in their direct operations and value chains, such as (a) measuring, valuing and dynamic reporting, (b) managing and mitigating impacts through the sharing of best practices, (c) investing in ecosystems and their services by adopting a landscape-level approach, and (d) promoting partnerships and smart regulation. She emphasized the importance of going beyond a company’s direct impacts and provided the examples of Puma and Unilever, which produce most of their GHG emissions in their supply chain or during consumer usage. She presented the

WBCSD's Natural Capital Protocol, a methodology which enables businesses to assess and better manage their interactions with natural capital.

Mr. Jason Clay

*Senior Vice President, Markets and Food, World Wildlife Fund*

Mr. Clay began by stating that teaching should be centred on “how to think” and not “what to think”. He noted that the production of food and fibre is the largest threat to environment, biodiversity and ecosystem services. He added that, by 2050, the world would require double the amount of food currently available. He reflected upon whether consumers should be given the choice to consume sustainable products or whether all available products should be made from sustainable production. He observed that mainstreaming biodiversity meant making sustainable commodities the norm rather than just niche markets. He raised the example of Unilever, which made the commitment to certify 100% of their products as sustainable by 2020. He gave the example of the Consumer Goods Forum and its 18 members, which have agreed to focus on removing deforestation from their supply chains. He further observed that 15 CEOs of salmon aquaculture companies have agreed to certify their production against globally credible standards by 2020. He added that Ireland has made the commitment to certify 100% of their food exports as sustainable by 2016. He pointed out that the risk for companies' lies within resource availability and brand reputation. He explained that the current global trading system is focused on the physical attributes of commodities, and that it needs to start including other values, such as water usage, GHG emissions, smallholder treatment, deforestation, child labour and illegal production. He stated that voluntary standards have the adverse effect of rewarding better performers rather than improving the bottom 25% of producers, which are responsible for 40-50% of environmental impacts and 10% of the product. He stressed that, in order to shift the bottom 25% of producers, governments would have to demonstrate business cases. He proposed promoting long-term contracts to buy down the risk for companies.

Mr. Akira Ichikawa

*Vice Chairman, Keidanren Committee on Nature Conservation (KCNC)*

Mr. Ichikawa began by introducing KCNC and the Japanese business initiatives under the Global Partnership for Business and Biodiversity. He stated that the company was launched in 1992 and that it now has over 110 member companies. Their activities include operating a fund (KNCF), networking with NGOs, developing awareness, and supporting the restoration of Tohoku. He expressed that the KCNC has been supporting the activities of the Japan business and biodiversity partnership since its launch in 2010. He highlighted the results of their 2014 survey which showed an increase in companies implementing the initiative from 50% to 93% when compared to 2010. He also noted an increase in company actions for achieving the Aichi Targets 7, 8, 9 and 15 focussed on agriculture, aquaculture and forestry. He provided the example of the Sapporo Dome Stadium, constructed by the Tasei Corporation for the World Cup in Japan, and their introduction of planning technology to regenerate the natural habitat. He also gave the example of the Sanden Corporation, which introduced ecological planning and a Neo Natural Construction method onto their property to generate rich habitats. Finally, he spoke about the company Sumitomo Forestry, which was responsible for the reforestation of Mount Bessi. He concluded by stating that, since 2010, Japanese businesses have made a steady progression

towards biodiversity conservation and have taken concrete actions to regenerate biodiversity in their property sites. He highlighted the importance of strong will and technology for achieving conservation.

### **Focus Group 2a: The 10-Year Framework of Programmes on Sustainable Consumption and Production: Opportunities for Business**

*This group discussed the implications and opportunities for engagement by businesses with regard to the 10-Year Framework Programme on Sustainable Consumption and Production (SPC). The group also examined some best practices in the area of SPC and how companies can benefit from these practices. The group was moderated by Ms. Elisa Romano, Policy and Industry Specialist at CNI.*

Mr. Jamie Sweeting

*Vice President for Sustainability at G Adventures  
President, Planeterra Foundation*

Mr. Sweeting began his speech by stating that the meaning of sustainable consumption and production was nebulous. He added that in the context of tourism, sustainable production and consumption are very much about the ingredients necessary to create the travel experience. He detailed that this includes everything going into the production process for hotels, furniture, food, etc. He noted that sustainable tourism is unique because production and consumption occur at the same time. He presented Planeterra's current work with the Inter-American Development Bank on finding ways to bring communities currently not receiving any benefits from tourism into the tourism supply chain in a sustainable manner. He highlighted that Planeterra has 26 projects around the world and that their aim is to have 50 projects in the next 5 years. He expressed his belief that sustainable production and consumption require first and foremost the management of the supply chain. He outlined the results of their 2014 supply chain analysis, which found that 96% of their sourcing is locally owned and run. He observed that, in many cases, communities are faced with choosing between poverty alleviation and biodiversity protection. He believed that providing local communities with alternatives for poverty alleviation through tourism and business would also alleviate the threat to biodiversity.

Mr. Yoshinori Hashibe

*Manager, Agricultural Department, Aleph*

Mr. Hashibe began his talk by briefly introducing Aleph's business profile. He indicated that Aleph was established in 1968 and that the head office is located in Sapporo, Hokkaido, in Japan. He observed that Aleph runs about 300 restaurants named Bikkuri Donkey. He pointed out that their factory supply chains produce 4,000 tons of rice a year from about 500 accredited rice farmers to provide for their restaurants. He expressed Aleph's belief that the food industry should serve to improve humanity. He described their food procurement policies which provide three guarantees; guarantees of safety, quality and traceability. He added that these guarantees operate in contradiction with consumer health, environmental protection and farmer productivity. He stated that Aleph had made commitments to decrease chemicals in procured materials through

programmes such as their “Less Agrochemical Rice” programme launched in 1996. He reflected that the company’s activities in rice paddies affect the environmental health of over 100 hectares of farming areas through the procurement supplies for their restaurant. He observed that after signing the declaration of the business and biodiversity initiative, Aleph launched the “Living-Things-Friendly Rice Paddies” project in 2009 to conserve the biodiversity within rice paddies by asking all their accredited farmers to produce rice based on organic farming, to monitor the biodiversity, and to produce environmentally. He noted that in 2011, Aleph attained their midterm target to extend the “Living-Things-Friendly Rice Paddies” project to 10% of their total rice procurement. He highlighted the importance of raising biodiversity awareness among consumers by inviting them to visit their rice paddy farms. He affirmed the company’s intention to extend biodiversity protection to all their food procurement.

Mr. Claude Fromageot

*Director of Sustainable Development, Yves Rocher Group*

Mr. Fromageot began by recalling Mr. Yves Rocher’s aim to create a business that would provide revenues for a very small and poor village. He explained that from the very inception of the company, the CEO was engaged with environmental protection and socio-economic considerations. He added that today the company provides 10,000 jobs in local communities, protects the environment, refuses deforestation, has launched a free photo exhibition visited by more than 300,000 people each year, and has developed an eco-tourism spa. He reflected that the Yves Rocher Group has demonstrated that it is possible for a business to generate well-being in a community at the same time as economic growth. He outlined the difficulties faced by the company is implementing positive change simultaneously in all their facilities. He emphasized that the modern representation of daily life comforts is deeply embedded in employee mindsets. He added that the Yves Rocher Foundation challenges these mindsets by organizing activities such as tree planting, reward programmes, and more for their employees. He concluded his speech by listing three types of sustainability; economic, environmental and social, and he emphasized the importance of environmental sustainability above others as the root of human development.

Discussion

*The discussion and Q&A session following the presentations was quite lively, with a number of areas addressed by both the panellists and from the audience. Some of the key questions and comments were as follows.*

Removing palm oil from supply chains

- The Yves Rocher Group is trying to avoid using palm oil and has decided to forbid its use in their new formulas. In certain products where palm oil cannot be replaced, they ask their intermediaries to produce “good” palm oil or palm oil derivatives transformed to meet chemical specificities. The company also created partnerships with other cosmetic companies as well as with the food industry to pressure suppliers to remove deforestation from their supply chain. The problem is that there is currently no way of getting assurances that the palm oil and other raw materials are being correctly produced.

Challenges of convincing consumers and corporates to produce and consume sustainably

- It takes pioneering companies to show others how to do things differently and change consumer behaviour. In the United States, the successful uptake of the Toyota Prius allowed the Environmental Protection Agency to make emission regulations far more progressive than ever before. The car industry in the United States drives the rest of the world.
- One of the most progressive companies is Patagonia which had a huge advertising campaign in North America last year that said “do not buy this jacket”. Their entire campaign was centred on “overconsumption” and telling consumers that they didn’t need a new jacket. Sales in other Patagonia products went up 14% last year.
- Studies of car usages show that most cars are only utilized at 2% of their capacity and spend most of their lives parked. Instead of asking “should we do better cars”, sustainable consumption should ask “do we need so many cars”.
- Purchasing departments of companies are normally very strict. They are educated to buy at lesser costs and to secure supplies. However, the Yves Rocher purchasing department was very impressed with the plant department’s efforts to improve their plant supply chain. This prompted the purchasing department to launch an award for sustainable suppliers. As a result, suppliers are forthcoming with their ideas to increase sustainability.

#### Role of the government

- In order to mainstream biodiversity, governments need to facilitate and encourage businesses. When it comes to the tourism industry, there is no reason for hotels or tourism agencies to be managed and run by foreigners rather than nationals of the area. The tax incentives given to foreign investors by governments are harming sustainable development. Governments should tie those tax breaks to simple things like asking companies to make 80% of their management local within 10 years. Companies would do it overnight because it isn’t that hard for them.

#### Role of consumers

- Customers don’t choose restaurants based on biodiversity, but rather on food quality, hospitality, cleanliness and price. If restaurants don’t improve those four areas, their customers won’t return. There is a need to also raise customer awareness about biodiversity. Aleph has been monitoring the biodiversity in rice paddies for 9 years and their consumers remember this project better than they would any television commercial.
- (Aleph) In Japan, there is an increased awareness about food safety and consumers are asking for food produced with fewer chemicals. Safer food is becoming more important than cheaper food. This change will benefit the environment.
- Consumers are being bombarded with brands all the time and are getting confused. Finding a way for consumers to associate with these added values and remember them is extraordinarily hard to do.
- There is room for innovative companies that mainstream biodiversity and market it, but this may not be enough to change the whole production and consumption patterns. It’s still just a niche market.
- Walmart has done a lot of work towards sustainable production by improving their supply chain. They have been able to change the dialogue on production because of their size. However, in terms of consumption, they are probably one of the worst players in the

world because their motto has always been “buy more, pay less”. It’s the antithesis of sustainability.

- The average European currently has a material footprint of 29,000 kg per year, while a sustainable footprint per person is considered to be around 8,000 kg per year. The issue is not necessarily about choosing the right product to buy, but about making more informed decisions about the whole mindset of consumption.
- Getting humans to aspire to have less is fundamentally against the DNA of human beings. Companies cannot advertise that consumers stop buying their products.
- For the moment, it seems that society is not quite ready to anticipate. Society will eventually be forced to change its ways because of climate change.

## **Focus Group 2b: What are the Roles and Benefits of Standards and Certification Schemes**

*There are a plethora of tools, standards and certification schemes available to businesses which can often be very confusing, particular for SMEs. This discussion focussed on how the various tools, standards, and certification schemes can benefit businesses. In addition, considerations were given as to how businesses can select schemes that would best fit their needs. The group was moderated by Ms. Sharon Brooks, Programme Officer at UNEP-WCMC.*

Mr. Mat Roberts

*Director of Sustainability Strategy, Interserve PLC (Landmarc UK Stakeholder)*

Mr. Roberts introduced Interserve as one of the world’s foremost support services and construction companies, operating in the public and private sectors in the United Kingdom and internationally. He indicated that Interserve offers advice, design, construction, equipment, facilities management and front-line public services. He added that Interserve is based in the United Kingdom and is listed in the FTSE 250 index, and noted that in 2013, Interserve had gross revenue of £3.4 billion and a workforce of over 80,000 people worldwide. Mr. Roberts stated that in 2013, Interserve launched their *SustainAbilities* Plan which represents a more strategic and joined up approach to tackling the challenges facing society and the Group’s commitment to sustainable business. He indicated that *SustainAbilities* brings together Interserve’s existing initiatives, policies and strategies and sets us a number of new challenges. He added that *SustainAbilities* has four capitals (financial, knowledge, social and natural), five outcomes (places that benefit people; public service in the public interest; more skills, more opportunities; positive environmental impact; sustainable growth), 15 goals and 48 targets which are all measurable and reportable. Mr. Roberts then presented *SustainAbilities*’ route map charting their journey to 2020. For instance, he noted that the outcome “Positive Environmental Impact” has four goals and 12 targets, including sustainable products, healthy meals and traceability of materials. He added that Interserve has adopted several biodiversity-friendly measures, such as requirements for certified procurement, design checklists, site actions, post completion assessments, moving away from chemical to nature-based cleaning materials and habitat creation within contracts. He described a few of their projects, including the Green Food Challenge, the National Tree Seed Project and the Natural Capital Decision Support Tool. Mr. Roberts concluded by noting future challenges for Interserve, namely the separation of biodiversity and natural capital, the lack of demand from clients for biodiversity friendly

services, and the need for better measurement tools, for incentives for early adopters, and for innovative finance models.

Ms. Elizabeth T. Kennedy

*Director, Evaluation and Research, Rainforest Alliance*

Ms. Kennedy began her speech by stating that her work as Director of Evaluation and Research at the Rainforest Alliance entails setting sustainability outcomes for businesses to achieve through the application of various standards. She explained that her work revolves around the theory of change and finding various pathways for standard systems to actually draw sustainability and deliver biodiversity outcomes. She added that Rainforest Alliance also develops clear evaluation frameworks around periods of change with a focus on strengthening engagement across sectors and identifying critical questions. She highlighted the aim of their work which is to improve standards and secure commitments from various interested actors. Ms. Kennedy felt that biodiversity issues are difficult to address from a solely regulatory process due to the fact that many producers are small, geographically dispersed, under staffed and lack the financial assistance to apply best practices. Furthermore, she added that regulatory frameworks lack the agencies and the resources to implement them, especially in developing countries. She indicated that companies often don't have the incentives or the proper motives to internalize standards on water quality, deforestation, habitat destruction and more. She noted that, while standard systems are not perfect, they provide companies with a framework to supplement the systems. She added that frameworks level the playing field across countries and sectors by ensuring quality, productivity and volume. She stated that standards also facilitate contract establishment. She concluded her speech by presenting that standard systems take the fuzzy nature of biodiversity and make it very clear what outcomes are needed in tractable and measurable terms.

Mr. Matthew Wenban-Smith

*Director, One World Standards*

Mr. Wenban-Smith spoke of developing standard schemes and using standards more efficiently. He indicated that the roles and potential benefits of standards can vary from one organization to another depending on their perspectives (producers, buyers, retailers, investors, government partnerships, NGOs). He further stated that some businesses see environmental protection as a social obligation to do the right thing while others engage with it only because they have to. He listed a few examples of corporate motivations, such as obtaining a licence to operate, improving the company's reputation, reducing costs, greenwashing, brand positioning and more. He added that given the diversity of objectives and perspectives, it isn't surprising that there is quite a diversity of standards which can create frustration and call for greater simplicity. He stated that diversity isn't necessarily a bad thing and that different standards allow for more customized approaches. However, he noted that there is plenty of room for alignment on certain aspects such as definitions, cross references and impact measurement, while maintaining key differences. He concluded his speech by listing a few key challenges for the use of standards for biodiversity, including the scale of the planet, the use of standards in Africa, getting rid of the "rape and pillage" approach, market segmentation, fairness between countries and financing tools.

## Discussion

*This group generated a lively discussion. The following represents the points discussed during this period.*

### Roles and benefits

- Standards play an important role in governing certain business practices where regulation is weak or lacking.
- Standards have different roles in moving sustainable operations from niche to norm due to the varying missions of standards systems.
- Standards are adopted for various reasons from licence to operate to achieving ambitious sustainability targets. Some businesses are motivated by the public relations advantage.
- Standards give confidence of legality and performance of operations.
- They can support a more level playing field, help organize small holders, and can offer technical support to producers.
- They provide a code of practice to follow that can be easier than developing new methods.
- They enable sustainable procurement without the need to independently assess producer operations.
- Standards can support improved legislation by proving what is possible, thereby creating a road tested framework for legislation.

### Challenges

- Standards are prolific and often confusing but there are increasing attempts to harmonize where possible.
- They can be expensive and time consuming to comply with, and are often technically challenging.
- There are many barriers to uptake, including awareness by business, prohibitive laws in some countries, and a lack of financial and technical assistance in some parts of the world.
- Standards may not be applicable to all sectors (for example, the service sector) that have impacts but don't directly own operations.

### Needs and improvements

- Credibility of standards can be assumed through the presence of third party verification and compliance with ISEALs credibility principles.
- There are increasing efforts to improve monitoring and evaluation of standards impacts.
- Standards need to move into new commodity sectors and geographies.
- Big business can push standards down their supply chains.
- Governments can play an important role through removing legal barriers and disincentives (for example, competition laws), and providing incentives (for example, tax relief).
- Governments can drive uptake and legitimize activities through public procurement strategies.

- Business can't do everything – government action and support is needed. Companies can have leverage with government but the interaction needs to be facilitated – and with the right ministries – not just environment.

## **Focus Group 2c: How to Develop a Biodiversity/Sustainability Action Plan**

*In order to take concrete action, companies need to develop a strategy to deal with their impacts and dependencies on biodiversity. This group examined how companies can create a biodiversity or sustainability action plan, including the various factors and resource implications that must be considered internally when committing to this type of activity. This group was moderated by Mr. Reg Melanson, Executive Director of the Canadian Business and Biodiversity Council.*

Ms. Malu Nunes

*Sustainability Director and Executive Director, Boticario Group Foundation for Nature Protection*

Ms. Nunes began her talk by presenting that the Boticario Group is the world's largest perfumeries franchising network. She stated that the organization represents over 4000 stores all over Brazil and has the mission to promote and realize conservation actions and projects in alignment with the Aichi Targets. She indicated that, in 2009, the company began to adhere more strongly to sustainability in business processes, particularly during the stages of a product's life cycle. Ms. Nunes explained that sustainability should be addressed during all steps of the process from development to consumption and should include social and environmental issues. She expressed that in 2012, the company decided to go further and monitor changes in the world. She presented the company's position on biodiversity; "we will consider our values and guided by profitability, we will constantly and reasonably implement measures required to improve our social and environmental impacts in our business, with our respective value chain and in society". She explained that, to implement this position, the company had examined 16 particular issues for its 20- to 30-year horizon and identified plans and goals on three fronts for their operation plan to biodiversity: (1) packages and raw materials; (2) sales channels; and (3) ecoefficiency. She specified that the plan covers all business units with adaptation of the intensity and time. She indicated that each focal point has a team managing the progress of the plan, recording engagements and deliveries for all areas, and providing sustainability knowledge. She concluded by stating that sustainability goals directly influence yearly promises and deliver results.

Mr. Paul Holthus

*CEO and President, World Ocean Council*

Mr. Holthus began by indicating that the World Ocean Council (WOC) is an international business alliance on sustainability, stewardship and science. He reflected upon the inherently transboundary nature of marine environments. He stated that the aim of WOC is to bring together the multi-sectoral ocean business community to catalyse global leadership and collaboration in ocean sustainability and "corporate ocean responsibility". He stressed that, in reality, it is often

difficult for companies to find the time, the people and the productivity to engage in CBD processes and involve executives into plans and outcome priorities. He emphasized that this is particularly true for maritime industries and for the 70+ companies that the WOC represents. He added that most of these companies prefer to engage with sustainability through groups such as the WOC or the WCBSD, and thus are one step removed from individual company action plans. He indicated that in the marine environment, risks and opportunities are very site specific and can greatly vary. He explained that maritime companies prefer to include biodiversity as part of their specific projects or site plans defined by a site-level process. He reflected that biodiversity itself is only one part of sustainability and that much of the programmes and reports on biodiversity in the maritime industry are implied or contained within a larger sustainability action plan. He concluded by stating that governments and the CBD need to understand that not every industry can have biodiversity outcomes per se and that there needs to be a more multi-faceted biodiversity aspect within broader sustainability and management.

Ms. Violaine Berger

*Director, Ecosystems & Agriculture, World Business Council for Sustainable Development (WBCSD)*

Ms. Berger introduced the topic of biodiversity by stating that the first step for companies is to develop an action plan to direct their operations. She admitted that this would be challenging for many companies, even large ones. She believed that following this, businesses should focus on assessing, mitigating and managing their impacts on biodiversity. She felt that certain companies would need to go further and by investing in ecosystem services. She gave the example of companies using wetland habitats and suggested investing in treatment facilities to restore these habitats. She added that there is a need to get more companies to invest in ecosystem issues, as well as to draw forces with governments and NGOs for ecosystem administration programmes. She concluded her talk with an example of a company with 500 sites around the world which began by screening all their sites to identify the ones most at risk shortlist them for biodiversity assessments and action plans to monitor and reduce impacts.

## Discussion

*Some of the key comments in the follow-up discussion were as follows.*

### Tips for developing a sustainability action plan

- Marine industries don't usually have biodiversity action plans but rather health, safety and environment plans. Most often, the person developing the plan does not have a background in environment.
- It is best to work with the existing structure and process, to use the hierarchy for dealing with impacts (identify, avoid, minimize, reduce, mitigate and compensate) and to help companies document what is already being done.
- Train all departments in the company on biodiversity issues, not just the sustainability department.

### Convincing companies to have sustainability action plans

- Linking the economic viability of a company to biodiversity can be hard to show to board members.
- It can be showed if looked at from a “licence to operate” perspective.
- It’s hard to get companies to come to the table and lay down their cards and develop sustainability action plans. This process requires leaders and these leaders can be the government.
- There is an increasing interest from the finance sector. The European Investment Bank has expressed its interest to be involved in certain projects of collaborative action.

#### Collaboration

- A lot of companies don’t have the expertise or resource to do environmental monitoring, and that is where they can stand to learn a lot from local communities.
- For marine issues regarding environment and sustainability, the interconnecting nature of the ecosystems themselves creates a driver for collaboration at various scales. Collaboration is already down from a global scale to a regional scale.
- Pre-competition collaboration on sustainability issues is key.
- Collaboration on science, research and development, solutions and technology is important.

#### Reporting

- Tailoring a report to the audience so that the results are efficiently communicated will help the company gain support.
- There is a guide called “Reporting Matters” from the WBCSD meant to be a tool to help companies with their reporting activities.

### **Focus Group 2d: How can Businesses Effectively Value Biodiversity**

*Biodiversity is often seen as a rather vague term by business, and it can also be difficult for them to understand their reliance and impacts on biodiversity and ecosystem services. This discussion focused on how companies can assess their impacts on biodiversity, including through a process of “valuing” (both in monetary and non-monetary terms) the ecosystem services that they are dependent upon. The group was moderated by Mr. Frank Vorhies, GDI Coordinator at Earthmind.*

Mr. Michinori Kutami

*Principal Technologist, Corporate Environmental Strategy Unit, Fujitsu Ltd.*

Mr. Kutami began by stating that information and communication technologies are key tools for biodiversity protection. He indicated that the Fujitsu Group promotes “manufacturing in harmony with nature” and views environmental protection as an important part of corporate management. He explained that throughout the company’s 79 year history, they have had many biodiversity-related activities. He emphasized that Fujitsu has been participating in the business and biodiversity initiative called “Biodiversity in Good Company” since 2008. He announced that Fujitsu’s midterm environmental vision called “Green Policy 2020” would include

biodiversity-related objectives and targets. He listed the company's two biodiversity objectives; to reduce the impact of business operations on biodiversity and ecosystem services, and to contribute to the realization of a society that ensures the conservation of biodiversity and ecosystem services through the provision of information and communication technology solutions with customers, partners and society.

Mr. Richard Mattison  
*CEO, Trucost*

Mr. Mattison's comments focused on the fact that nature is priced today in transactions, but its value is seen as zero. Some recognition and measurement of the economic value of natural systems would be useful (and likely necessary) in steering policy and capital allocation to a more sustainable future. It would therefore be important for companies to understand and value their biodiversity impacts and dependencies, as this exercise can help companies make better decisions about biodiversity and sustainability.

Mr. Diego Pacheco  
*Head of Delegation, Bolivia*

Mr. Pacheco expressed Bolivia's perspective that our only chance to save the planet and mankind is through the construction of a new world order. He advocated switching from an anthropocentric view towards a cosmocentric paradigm where humans form a unity with nature. He presented a study from *The Economy of Ecosystems and Biodiversity* (TEEB 2010) which considered that the balance between humans and nature had been broken and offered a conceptual model for the Green Economy. In his view, the main problem is that nobody cares for nature, natural capital, and ecosystem services because they are largely public services belonging to the people as a whole. He indicated that a common solution to the problem of deteriorating ecosystems involves assigning an economic value to them. He proposed another solution: to adopt the Living-Well, approach which proposes overcoming an economic view of nature and building on the complementarity between the worlds of the economy of exchange and the economy of complementarity, solidarity and redistribution. He added that, with this approach, there is no accumulation of capital without limits because it is redistributed. Additionally, he explained that, with this approach, having financial resources does not only depend on a person's own efforts but also on the will of Mother Earth and society, which is why it is said that this economy produces material, social and spiritual wealth. He indicated three stages for the approach: (1) the characterization of systems of life; (2) the agreement of complementarity with Mother Earth; and (3) the harmonization of systems of life. He concluded by stating that, with this approach, the business sector can provide important foundations to the harmonious relationship between society and nature by respecting the rights of Mother Earth.

#### Discussion

*This group generated an extensive discussion among both the panellists and with the audience. The following represents the questions and comments during this part of the session.*

The importance of valuation for companies

- (Kutami) Companies need to value their biodiversity impacts and dependencies using numerical evaluations and analyses. Companies require improve valuation methods to improve decision making. Using this valuation, companies can establish counter-measures to reduce their impacts on biodiversity.
- Putting a price on nature can play a central role in corporate decision-making.
- There is a risk associated with valuing things that should be conserved irrespective of its contribution to a company's bottom line.

#### Strategy or tools for valuation

- (Kutami) Strategies need to be adapted to each region targeted for biodiversity actions. Actions should be prioritized and thought of from a supply chain and life cycle perspective. Companies need a unit for measuring their impacts, like monetary values or evaluation indices, such as the Biodiversity Total Index or the Biodiversity Consolidated Index. Individual site data such as LCA, Foot Print or LIME must be related to other sites using total indices. It is essential to set numerical targets for impact reduction.
- Valuation techniques, such as those developed by environmental economists, can be used to enable companies to make sound financial decisions about conservation.
- Financial decisions about conservation are unwise. Principles and standards that conserve nature irrespective of its market value should be adopted.

#### The risk to nature conservation

- (Pacheco) Diego Pacheco, the head of the Bolivian delegation took a strong position against the commodification of nature and the use of market-based mechanisms for biodiversity.
- (Mattison) Mr. Mattison's comments focused on the fact that nature is priced today in transactions; it's just that its value is zero. Some recognition and measurement of the economic value of natural systems will surely be useful in steering policy and capital allocation to a more sustainable future.
- There is, of course, a risk that if nature is not valued high enough, it will not be conserved. There is also a more general risk of changing the relationship between society and nature from one based on principled respect to one based on the commodification of nature. A key challenge facing corporate biodiversity valuations is to ensure that these are aligned with societal or community biodiversity valuations.

#### The role of governments

- (Kutami) At present, valuation methods are being set by various bodies, such as ISO. In the future, governments should be the ones to set standards and valuation methods. Valuation methods should be eventually standardized across countries and companies.
- It may be necessary for governments to set standards or regulations for corporate biodiversity valuation. These, however, will need to be aligned with corporate biodiversity management standards already in place, such as the IFC Performance Standard 6 on biodiversity conservation.

## SESSION 3: CAPACITY-BUILDING AND COOPERATION

### **Introductory Panel**

*This introductory discussion focussed on the issue of Capacity Building and Cooperation and also looked at the sub-topics that followed. The panel was moderated by Mr. Jose Koechlin, Chairman and CEO of Inkaterra.*

Mr. Jose Koechlin

*Chairman and CEO, Inkaterra*

Mr. Koechlin introduced Inkaterra, a tourism company founded in 1975 and driven by conservation research. He believed that in order to preserve biodiversity, we need more inventories containing quantifiable factual data. He stated that Inkaterra is a self-funded company which provides it with the required flexibility to take a wide range of initiatives. He presented Inkaterra's objective to preserve the beauty and awe of the rainforest, as well as to raise awareness through conservation research. He expressed his strong belief that involving indigenous people in ecotourism could greatly strengthen an organization. He noted that since 2001, Inkaterra has been working side by side with the Global Environment Facility (GEF)-International Finance Corporation (IFC) on several projects. He emphasized that involving businesses, NGOs, academia, indigenous and local communities is crucial for biotourism research and activities. He believed that companies which enlist the help of local communities in their business activities greatly reduce their costs and ensure the longevity of their company. He highlighted the importance of workshops, trainings and seminars for teaching local communities and employees about environmental protection. He observed that supply chain management is very important for leaving behind positive footprints.

Mr. Yusuke Saraya

*President Saraya Co. Ltd.*

Mr. Saraya began by stating that businesses need to get more involved with biodiversity and work with governmental organizations to slow rapid environmental degradation. He noted that his company is currently trying to reduce their consumption of palm oil because of the massive deforestation associated with this industry. He listed a few of the company's other initiatives to reduce their impact on the environment, such as their 2005 elephant protection project with the Sabah Wildlife Department and the 2005 Roundtable on Sustainable Palm Oil General Assembly meeting, where Saraya sponsored a resolution to protect the riparian habitat. He discussed their involvement in the 2006 Borneo Biodiversity and Ecosystems Conservation programme (BBEC) which established corridors for elephants crossing the river and added that, in 2009, Saraya inaugurated a Borneo Elephant Sanctuary. He concluded by emphasizing the importance of collaborating with various stakeholder groups for efficient action.

Ms. Annabelle Prin-Cojan

*Responsable du Pôle Environnement, Entreprises pour l'Environnement (EPE)*

Ms. Prin-Cojan began by explaining that EPE is the French partner of WBCSD. She stated that EPE is an association of 40 leading companies from various sectors which share the view that environmental protection is an opportunity for business. She noted that EPE helps businesses think about various issues such as climate change, biodiversity loss and environmental degradation. She presented the results of their biodiversity working group entitled “Measuring and Managing Biodiversity” and listed two starting points for corporate biodiversity reporting: (1) choosing a relevant scope of work; (2) using existing tools to help develop biodiversity indicators. She explained that indicators are important for establishing corporate ethics, facilitating communication and unity, helping anticipate and prevent risks, and that they can be useful management tools. She further indicated that good indicators should be credible, actionable, robust and integral.

Mr. David Oswald

*President, DE Design and Environment Inc.*

Mr. Oswald expressed his view that there is a role for design in establishing biodiversity awareness within an organization. He explained that DE is a consultancy firm hired by companies to implement environmental management systems, training programmes, technological innovations and belief systems in their company. He felt that the first step for any company is to create biodiversity awareness starting with the CEOs. He observed that most companies with which DE works are very aware of the topic of climate change, but lacked awareness of biodiversity issues. He further stated that biodiversity issues should be related to the company's operations to identify leverage points within the organization. He further indicated that this requires tapping into the company's regulatory obligations, efficiency, economic benefits or moral and ethical priorities to make biodiversity a priority for the company. He suggested that environmental management or CSR can be an entry point for the company. He explained that part of DE's work is to mainstream biodiversity into environmental impact assessment processes and stressed that his company only works with real data, rigorous analyses and truth. He argued that creating a culture of biodiversity and awareness could require designing new processes and implementing new technologies. He listed four key factors for engraining a biodiversity culture into business organizations: (1) high quality of design; (2) cultural context; (3) interactivity; and (4) capturing the story of the eco-preneurs. He listed a few challenges faced by his company, including making biodiversity a priority for companies, creating financial motivations or arguments for action, and providing high quality analytics for biodiversity impacts in non-traditional industries such as aerospace.

### **Focus Group 3a: How to Train Managers and Employees to Ensure Buy-In**

*Sustainability can sometimes be seen as just a fad in corporate cultures. This group examined the process of ensuring that both managers and staff understand how to implement sustainability plans. It also explored how to keep managers and staff motivated to engage in the process, and how to ensure that sufficient resources are dedicated to these efforts. The group was moderated*

*by Ms. R. M. Harshini de Silva, Coordinator of the Sri Lanka Business and Biodiversity Platform.*

Ms. R. M. Harshini de Silva  
*Coordinator, Sri Lanka Business and Biodiversity Platform*

Ms. Harshini de Silva began her speech by providing two Sri Lankan examples for training managers and employees to ensure buy-in. She first provided the example of a sustainable institution which helped its employee to gain momentum by training him and promoting him to a top manager of the hotel. She added that this employee went from having never seen or tasted wine before to winning “sommelier of the year” in a global wine tasting competition last year. She then gave the example of an employee who helped gain recognition for an institution by establishing the first ever low risk conservation centre in Sri Lanka to protect one of the smallest nocturnal mammals in the world.

Ms. Gabriela P. Burian  
*Sustainable Agriculture Ecosystems Director, Monsanto*

Ms. Burian talked about “Business Ecosystem Training” (BET) and stated that it was developed by the World Business Council to help businesses understand their interactions with ecosystems. She explained that in 2012 Monsanto had partnered with the Brazilian Business Council to implement the BET process in the company. Ms. Burian felt that the BET was an opportunity for Monsanto to improve its dialogue and understanding of biodiversity, and ultimately help the company. She stated that her objective was to enlist employees with a real interest in the BET programme and use them as key multipliers within the company. She added that since 2012, the BET programme has been amplified and adapted to the agricultural sector. She listed a few suggestions for improving the BET programme, such as providing examples that relate to the cultural context, defining how to move forward to engage a company from the bottom-up, detailing how to create new partnerships, and ensuring that companies are connecting the dots with socio-economic aspects. She viewed that success for Monsanto would be achieving the Aichi Targets.

Ms. Barbara G. McCutchan  
*Director of Value Chains, Sustainable Flows*

Ms. McCutchan spoke of incorporating biodiversity considerations into corporations and changing their management systems. She drew a parallel with safety concerns in the workplace, stating that they used to be the responsibility of only one Health and Safety Officer in a company before safety was made the responsibility of every employee to reduce accident occurrences. She highlighted that the driving factor for the policy change was the frequency of accident occurrences. She felt that environmental management should be made the responsibility of every employee in the company and not just of one environmental team. She described three steps of change; a sense of urgency or a disaster, a vision from higher management which is communicated, and the training of employees to act on that vision through capacity building. She stressed the importance of having “short-term wins” and continued efforts to keep building on

that change. She stated that after this process, change usually gets codified into the company and should include processes and management systems that allow for continuous improvement and monitoring. She explained that for many companies, a 2050 analysis could trigger the initial sense of urgency. She indicated that employees should be informed of their role for achieving the company's vision through quantifiable meaningful short term wins. She stated that companies with the capacity to readily adopt new technologies are usually more amenable to change. She concluded her speech with three suggestions: (1) identify the relevance to business; (2) establish trust; and (3) use appropriate tools (for example, the Ecosystem Services Priority Review and the FEGS).

Mr. David Oswald

*President, DE Design and Environment Inc.*

Mr. Oswald presented DE's works and detailed that it provides advisory services to companies on topics ranging from measuring carbon footprints to adopting new environmental technologies and implementing CSR programmes. He further indicated that DE also specializes in cultural communication projects for mainstreaming biodiversity as well as for training and engaging individuals. He believed that engagement should begin with the company's CEOs and executives. He felt that CSR programmes could be a good starting point for businesses to engage with biodiversity and to educate the company's executives. He talked about contextualising efforts into task based engagements for employees. He listed a few of DE's most recent projects including a region-wide integrated environmental monitoring project and their work with Bell Canada on promoting environmental management efforts. He gave an example of a project with the Inter-American Development Bank to create a database system containing environmental monitoring data for the wider Caribbean region. He added that this database would help decision makers across the Caribbean deal with climate change adaptations and mitigation issues. He detailed that this project required collecting data from various stakeholder groups to assess protection efforts and problems faced. He listed a few ongoing challenges, such as getting buy-in at various levels, monitoring methodologies and standard reporting, and having tangible goals to engage people. He concluded by recommending to identify leverage points and proposition values for companies.

Discussion

*This group generated a very robust discussion, the highlights of which are as follows.*

Creating top-down engagement

- In large organizations, there is an increased engagement of employees which helps push the leaders of the company. It's a form of bottom-up engagement rather than top-down. This system can be really powerful and create a sort of silent revolution in the company.
- Most large corporations still deal with a hierarchy system. The middle management level is where some things come down and others come up. Getting that level of management engaged with biodiversity is very hard to do unless it's part of their work or their performance is checked against it. This is why getting a cross-functional team to co-develop goals, decide a direction and mainstream biodiversity is very critical.
- Outside organizations can help the alignment of a company a great deal.

#### Getting the buy-in from small companies

- The BET model has been very successful for training employees. Getting the managing director involved with these issues can have a huge impact.
- Communication and access to the outside world (not doing only in-house training) is important. Having connections to various different organizations outside improves the company's capacity to enable their staff even more.

#### Tools to improve employee buy-in and capacity building

- Training of all staff including those with and without the passion to carry out their work is essential, as their recruitment may or may not have occurred from within the desired professional field.
- Holding monthly daylong workshops to train management and employees together can help improve employee buy-in.
- Some challenges with the BET training are that because it's a very broad training, it needs to be customized to the issues that concern the company and to each role within the company.
- Getting a company to understand the need for the training is a big challenge. Employees often don't understand what they can get out of these trainings and will have a tendency to put them off.
- Over-customization is risky as the overall objective of the training can be lost.
- It is possible to modify the BET training by adding personal tutors who are outsiders specialized on biodiversity (e.g. the Finnish Environmental Institute).
- It takes a combination of both soft and hard mechanisms to ensure the continuous buy-in of managers and employees.
- Have capacity building that is relevant to everyone's role. Make involvements real for the employees from top to bottom.

#### Communication with suppliers to ensure buy-in

- Major companies are including a lot of requirements in their contracts and are entering long term contracts with their suppliers. This enables suppliers to innovate and come up with new ideas.
- There is a huge supply chain associated with aerospace industries. When DE met with Bombardier, DE was surprised to discover that the company was quite open and willing to engage with environmental protection. However, some of Bombardier's local suppliers were only implementing environmental policies because of contractual obligations set by Bombardier.
- It is difficult to ensure company buy-in but sometimes it can be even harder to ensure individual buy-in.

### **Focus Group 3b: How to Engage Civil Society and Academia in Partnerships with Business**

*Often businesses lack the expertise or ability to implement sustainable processes on their own. This group examined the advantages for businesses and NGOs or academia to enter into partnerships that can allow for greater capacity vis-à-vis ecologically friendly activities. This*

*group also looked at some of the potential risks in this strategy and how these might be mitigated. The group was moderated by Mr. Eduard Muller, President of Biodiversity Partnership MesoAmerica.*

Dr. Paul Oldham

*Visiting Research Fellow, Institute for Advanced Study for Sustainability (IAS), United Nations University*

Dr. Oldham began by describing his work at the United Nations University, where he is looking at issues related to biodiversity, intellectual property and emerging areas of science and technology. He also described One World Analytics, where he is a director. He noted that One World Analytics provides analysis of global environmental, economic and social issues, specialising in large scale analytics, network analysis, visualization and data mining to improve understanding of complex emerging issues and enable informed decision-making. He noted that these issues are particularly important for companies to understand when operating in ecologically sensitive areas.

Mr. Martin Hollands

*Senior Advisor, Working with Corporates, Birdlife International*

Mr. Hollands briefly described Birdlife and some of their work with corporations, nationally and regionally. Beyond this brief introduction, his initial comments were kept short so as to focus more upon the discussion.

Mr. Lovish Ahuja

*Sustainability Manager/Head, Vedanta Base Metals: Africa, Ireland and Australia, Black Mountain Mining*

Mr. Ahuja discussed the role of civil society and NGOs in today's changing environment. He felt that their role is extremely important as engagements are getting transformed from risk-based approaches to symbiotic relationships. He added that businesses are now expecting NGOs and civil society to join hands with them in resolving problems instead of simply highlighting them. He indicated that previously, there was a divide amidst stakeholder groups which was grounded in the mistrust created by past experiences and coveted interests. However, he stated that the situation is changing as transparency, communication and commitment requirements are increasingly pressurising all sides. Mr. Ahuja then presented Vedanta Base Metals and its Black Mountain Mining operations. He indicated that when Vedanta began its operations in the Succulent Karoo region, it sought the help of the IUCN to guide the project implementation process without jeopardising the sanctity of the pristine environment and its critical biodiversity. He further noted that the partnership was not limited to operational requirements and that efforts were undertaken to improve local and regional biodiversity features which were not directly related to operational impacts. Mr. Ahuja further pointed out that Vedanta also engages with universities such as the University of Cape Town and the WITS University on several issues, such as socio-economic assessments and the improvement of closure plans in line with regional

and global best practices. He noted that Vedanta often gives priority to universities over consultants because of their non-financial core objective to generate new knowledge.

## Discussion

*The topic generated a great deal of interest and the session was well attended. Some of the key questions and comments were as follows.*

## Examples of training initiatives

- The Finnish platform has set up a Master Class Training and BET training model (IUCN/WBCSD).
- The Indian platform has developed a programme to exchange experiences and knowledge.
- IUCN Netherlands has launched Leaders for Nature.
- Deutsche Umwelthilfe through the Helmholtz Centre for Environmental Research has established a programme on ecosystem valuation.
- Sri Lanka has established a database on sustainable practices.
- South Africa has set up workshops on mainstreaming biodiversity in real estate, tourism, agricultural supply chains, and the productive sector. It has also established a mining and biodiversity initiative developed jointly with the mining sector.
- UNCTAD is offering several online courses through Global Campus 21.
- Unternehmen Biologische Vielfalt 2020 is an umbrella organization that promotes nature protection through open dialogue and action.
- Biodiversity Partnership Mesoamerica is a multi-stakeholder platform which incorporates academia, NGOs and business as equal members.

## The business case for partnerships

- The demonstration of the business case for partnerships is important and can be achieved by establishing working groups within the global platform.
- Universities and research institutions should market their skills and capabilities in a better and more aggressive manner, so that business can learn about their competencies and engage with them more frequently.

## Reporting

- Reporting is vital for building transparent partnerships. The reporting process needs to be safeguarded to ensure that real data is used and communicated appropriately.
- A high level endorsement of guidelines would add value to reports. Guidelines for businesses should also be applied to other sectors as well. A stepwise assessment should be adopted to avoid overwhelming businesses.
- Biodiversity should be integrated into existing environmental management processes.
- The process should be designed to achieve a culture of biodiversity.

#### Interactions with indigenous people and benefit sharing

- Local academics and NGOs can serve as mediators when dealing with indigenous and local communities. However, businesses should be careful to engage only with organizations that have mandates from indigenous and local communities.

#### Partnerships within the mining and oil industry

- The mining and oil industry can greatly benefit from partnerships with NGOs that are knowledgeable about biodiversity, understand the mining sector very well, have credibility and are also capable of capacity building. NGOs can also benefit from such partnerships as governments are often more willing to listen to businesses than NGOs.

#### Challenges and opportunities

- Businesses often lack holistic thinking. Partnerships can help businesses go from narrow thinking to integrated thinking, by facilitating a common understanding of issues.
- Cultural differences have a great importance; for instance, Chinese people rely strongly on existing relationships to forge partnerships, while Americans prefer to rely on contracts. Maintaining the same people involved in partnerships builds trust.
- Working on biodiversity conservation with underperforming companies offers a greater chance for improvement.
- Businesses are more risk prone than other sectors. However, building partnerships with other sectors can mitigate the risk for biodiversity by developing a new sense of corporate responsibility.

### **Focus Group 3c: What are the Benefits and Means of Engaging with Local Communities**

*Mistrust and misunderstandings are often common occurrences when businesses engage with local communities, even if both sides begin with the best of intentions. This discussion focussed on how business must engage with local communities so as to ensure a viable and equitable relationship. It also explored how companies can obtain a social licence to operate that ensures respect for both ecological and social standards. The group was moderated by Ms. Violet Ford, Vice-President at the Inuit Circumpolar Conference.*

Ms. Anastasiya Timoshyna

*Medicinal Plants Programme Leader, Traffic International*

Ms. Timoshyna presented the Biodiversity and Community Health (BaCH) initiative which is a global multi-stakeholder platform for identifying linkages between biodiversity and health. She indicated that the global platform was launched 3 years ago at COP10 and that its aim is to develop and mainstream community health approaches synergizing bio-resources and traditional knowledge. She stated that the organization includes various stakeholder groups, such as academia, NGOs, business, government and more. She also presented Traffic International (The Wildlife Trade Monitoring Network), which is the leading non-governmental organization working globally on trade in wild animals and plants in the context of both biodiversity conservation and sustainable development. She concluded by providing four ways in which partnerships with local communities can benefit business and biodiversity: (1) the number of

community-driven endogenous enterprises; (2) public-private partnerships; (3) voluntary standards for sustainable harvesting and best practices; and (4) case studies of industry leadership.

Mr. Jose Koechlin

*Chairman and CEO, Inkaterra*

Mr. Koechlin began his speech by expressing his view that businesses need to learn from their past mistakes to better themselves. He stated that since its inception, Inkaterra has tried to protect remote rainforest areas. He added that protecting the rainforest includes protecting local communities and indigenous tribes in the area. He stated that Inkaterra believes that inventories are essential for the conservation process as they provide an in-depth understanding of biodiversity. He believed that environmental protection should be managed in a holistic manner to protect the local people and provide them with jobs while maintaining their way of life.

Mr. Alain Chabrolle

*Vice-Président Délégué à la Santé et à l'Environnement, Conseil régional de Rhône-Alpes*

Mr. Chabrolle presented the Rhône-Alpes Regional Council and his role as Vice-President in charge of Health and Environment. Indicating that Rhône-Alpes is one of France's 22 administrative regions, he explained that the Regional Council is composed of 157 regional councillors elected by direct universal suffrage for a four-year term. He specified that the Regional Council's remit affects numerous aspects of its citizens' daily lives, including transport, high schools and colleges and even employment. He described that his responsibilities include finding tools and strategies to deal with issues regarding water, biodiversity and environment.

Discussion

*There were several questions and comments that arose in this discussion period. A summary follows.*

Importance of engaging with local communities and indigenous people

- (Koechlin) Local communities need to be more involved in the business process to bring them into modern society without changing their habits and traditions. The key is to find out how a society can cope with newcomers that have different ways and bring them into the existing system.
- (Fromageot) It is of vital importance to build links between private companies and the public affairs of the city or region.
- The dialogue with first nations is important. Companies to acknowledge that traditional knowledge is an asset and that it is not about changing traditional ways but about protecting them by opening dialogues. Indigenous people care about nature and their reserves and want to protect them. If companies can connect with them and respect them, the dialogue will flow.
- (Koechlin) A useful rule of thumb for engaging with local communities is honesty. Companies need to be true about their intentions and true to the local communities about

every implication of each action. Companies need to ensure that local communities understand correctly.

#### Avoiding coercive relationships between community and company

- Companies need to engage directly with indigenous and local communities because there is a huge gap between the interest of local communities and those of the private sector. Companies rely on NGOs mostly to breach that gap in terms of culture and help indigenous communities understand their business models. NGOs can also help companies understand indigenous and local communities.
- (Ford) Businesses have the power to put pressure on governments and local communities, thus influencing outcomes. An Inuit community of northern Labrador in Canada was entering negotiations with the provincial government on land management. At the same time, a nickel deposit was found in the region and a mining company pressured the government to reach an agreement with the indigenous. This required a long consultation process involving all stakeholders and resulted in a mutually beneficial agreement.
- (Ford) Communities should avoid overreliance on one industry or company. In Newfoundland, the economy relies on the Northern Atlantic Fishery. In the 1940s, the premier of Newfoundland wanted people to move rural communities into central areas and so he tried to get them away from the fishery by setting up an asbestos plant. The company was established in the most poverty stricken area and the economy relied fully on the company. When locals started dying from asbestos poisoning, the people who used to be fisherman had to go back to relearn their fishing skills.

#### Companies protecting communities

- By breeding a culture of respect for communities within the company.
- By managing expectations within the communities and having communities come to the company with local projects.
- Education of all the stakeholders.

### **Focus Group 3d: Approaches to, and Implications of, Sustainable Procurement and Supply Chain Management**

*Very few companies are able to act in isolation in today's globalized world. Whether a company is at the head of a value chain, or one of the lower-tier suppliers, understanding the dynamics of sustainable procurement is vital. This group examined some of the aspects of sustainable procurement, including public procurement, as well as discussing some best practices. The group was moderated by Mr. Naoki Adachi, CEO and Founder of Response Ability Inc.*

Mr. Naoki Adachi

*CEO and Founder, Response Ability Inc.*

Mr. Adachi presented Response Ability, an independent consultancy firm on CSR and environmental management. He described their work helping Japanese companies establish their procurement policies and their plans for sustainable procurement. He indicated that the Japanese initiative implemented seven years ago had recently organized a working group on sustainable

procurement. He proposed to centre the panel's discussion on practices, how to make them more workable, and how to attract more companies to sustainable procurement.

Mr. Cesar Augusto Lima Costa  
*Industrial Manager, Posigraf*

Mr. Costa discussed the procurement process. He stated that Posigraf requires their suppliers to have ISO certifications and a sustainable production chain among other things. He pointed out that, when observing a potential supplier's production chain, they investigate the following: (1) raw materials supply management; (2) receiving infrastructure condition, specification and inspection; (3) supply production process; (4) expedition and transport; (5) arrival at the factory. Mr. Costa explained that Posigraf asks its suppliers for evidence of compliance with sustainability requirements and biodiversity protection. He stated that companies with integrated management systems find it easier to incorporate sustainability into their supply chain. He expressed the company's view that certifications should be a natural subproduct of the company's work rather than a guide for their actions. He further indicated that certifications alone cannot guarantee environmental compliance if they are not supported by an attitude of willingness on the side of the company and its supplier. He added that the company should provide guidance to suppliers when needed as they both gain from the relationship. Furthermore, he felt that businesses should focus on the considerations that are really important to them, rather than trying to implement broad standards. He stated that the mindset of the supplier is very important and that biodiversity conservation should be a value for the supplier. He concluded by suggesting that companies choose suppliers with which they can have long-term relationships and move together in the future.

Mr. Rajendra Dobriyal  
*Senior Regulatory Affairs Manager, India, Hindustan Unilever Limited*

Mr. Dobriyal began by stating that supply chains should not be seen as isolated components of a business, but as an integrated part of it. He presented Unilever's efforts over the past 15 years to implement and improve their sustainable procurement. He stated that, in 2010, the CEO decided to implement a programme on "Integrated Good Business". He also pointed out that the company has taken the commitment to implement a complete environmental turnover by 2020 which includes reducing their GHG emissions across their entire value chain. He stated that such an engagement requires the involvement of every employee in the company. He also highlighted that the company has taken the commitment to refuse procurement proposals where there are indications that they are not sustainable. He concluded by stating that there are some non-negotiable requirements for all Unilever suppliers.

Mr. Carlos Alberto de Mattos Scaramuzza  
*Director, Department of Biological Conservation (DCBIO), Secretariat of Biodiversity and Forests (SBF), Ministry of the Environment (MMA)*

Mr. Scaramuzza began by noting that public procurement represents 21% of the GDP of Brazil. He stated that Brazil has a national action plan for sustainable consumption as part of the

Marrakesh process. He pointed out that this initiative addresses issues such as climate change, poverty, biodiversity and social responsibility. He added that the first cycle of this national plan would be complete in 2014 and that they would be reviewing the results shortly. He felt that having laws on sustainability in public procurement is very important for Brazil as the State is the largest consumer of the GDP. He indicated that in 2010 Brazil adopted a federal law which requires contracts entered into by the State to include sustainable development and a federal decree in 2012 which establishes guidelines for sustainable purchases. He expressed his belief that the international initiative is a great advancement for Brazil as it forces all actors to be involved in discussions surrounding sustainability. He listed a few of Brazil's recent efforts: (a) training public managers on sustainability; (b) making sustainability plans for the Ministry of Environment; and (c) opening dialogue with public auditing agencies. He stated that a challenge faced by Brazil is convincing public auditing agencies that sustainability requirements are not discriminatory ways of prioritizing certain suppliers over others. He concluded by outlining other challenges faced by Brazil, such as increasing the number of sustainable products in catalogues, working to define sustainability criteria, working with the purchasing sector to find standards they can follow and getting sustainable public procurement to be an accepted practice in all areas of government.

#### Discussion

*This group generated an extensive discussion amongst both the panellists and with the audience. The following represents the questions and comments during this part of the session.*

#### Implementing sustainability standards for supply chains/public procurement

- (Dobriyal) Unilever developed commodity-specific indices to measure impacts in each area for each commodity. Then, they found certifying agencies for relevant areas.
- (Costa) Posigraf started looking at its main raw materials and impacts. It worked with suppliers to define criteria. Posigraf initiated the progress by working with company leaders that could move the company in the desired direction.
- (Scaramuzza) Brazil's policies are quickly changing. Not all of Brazil's ministers are very convinced and understand the need for sustainability yet, but they have to attend sustainability discussions, which helps educate them.

#### Governmental engagement

- (Dobriyal) India did not wait for the Nagoya Protocol to get prepared for ABS, mechanisms were implemented beforehand. However, the mechanisms were made so exigent that ABS was not implemented the way it should.

#### Need for improvement

- (Scaramuzza) Brazil still needs to improve specifications for projects and the materials they require. This will take a great deal of time to do because, by including sustainability requirements to public procurement, the government is excluding certain suppliers, which can create problems.
  - Ex: The government is not buying legal timber. The problem is that the timber industries refuse certifications. They believe that labelling is giving a preference

of some kind to certain suppliers. . As a result, Brazil is considering including certification as a mid-term goal.

#### Role of the government

- (Costa) Government support is very important to promote some change. If the government asks for certain standards or certifications, the market will adapt.
- (Scaramuzza) For a country like Brazil, it varies from one sector to another. For instance, the production of pulp and paper is a very illegal sector with very few actors, but they have been the leaders for implementing several practices. They can easily change the market without need for pressure from the government.

#### Making sustainable sourcing easier and more transparent

- Posigraf was certified one month ago. They informed their suppliers of their new certification and explained the business risk to them (exhausting ecosystem services, environmental fines, reputational damage).
- Companies need a clear methodology to evaluate themselves and their suppliers. Companies need to identify what is most important to them and make it a priority for the supplier.
- (Scaramuzza) In Brazil there is a strong concept related to co-responsibility. It is a very interesting concept to be explored because, if a company is aware of something being made illegally by a supplier, the company can become responsible as well.
- (Scaramuzza) The business sector wants to see a reform of Brazil's national legislation on ABS before Brazil ratifies the Nagoya Protocol. In Brazil, the ABS legislation is so strict that, at the end of the day, it is killing the main cause and benefit of ABS. The legislation has to be more reasonable to allow for innovation so that there are some benefits to share.

## Day 3

### HIGH-LEVEL BUSINESS PANEL ON BUSINESS CONTRIBUTIONS TO THE STRATEGIC PLAN

#### Welcoming Remarks

Mr. Braulio Ferreira de Souza Dias

*Executive Secretary, Secretariat for the Convention on Biological Diversity*

Mr. Dias opened the High-Level Business Panel by expressing his happiness to be there and to witness in person the strengthening of partnerships between companies and organizations that believe in the opportunity for change and are willing to engage with the Convention on Biological Diversity. He emphasized the need for collaboration between stakeholder groups in order to achieve the sustainable use of biodiversity. He invited the audience to consult the Global Biodiversity Outlook Report number 4 for an overview of the current state of biodiversity. To summarize this report, he recalled its two main remarks; that there is an increase in effort from governments, businesses and other sectors to implement the biodiversity agenda and that these efforts will not be sufficient to achieve the 20 Global Biodiversity Targets by the end of the decade. However, Mr. Dias remained optimistic that the next six years could bring positive results through enhanced public-private collaboration. He reminded governments that they need to create more enabling positive policies with incentives and benefits for businesses to utilize more biodiversity. He emphasized that the aim of the CBD is not to decrease the use of biodiversity, but to conserve, and if possible see increases in levels of biodiversity, while also ensuring that it is used in a sustainable manner that provides benefits for the society. Mr. Dias invited all the participants of the Forum to call for more action and to think of innovative solutions that will reverse the trend of biodiversity loss. He reminded the audience that the Forum's major role is to promote negotiations at the global scale on a level playing field in order to establish common objectives that need to be attained. He expressed his desire for more progressive approaches such as removing deforestation from the supply chain in the commodity sector and aligning the industries that depend on genetic resources and traditional knowledge with CBD requirements. He congratulated the cosmetics sector on their collaboration with UNON for ethical BioTrade and noted the progress achieved in the microorganisms sector.

#### Panel Discussion

*This panel brought together Ministers, CEOs and other prominent figures to discuss how business can contribute to the implementation of the Strategic Plan for Biodiversity 2011-2020 in a practical manner as well as how governments can create the necessary enabling conditions for these types of sustainable business practices. The panel was moderated by Mr. Pavan Sukhdev, CEO of Green Initiatives for a Smart Tomorrow (GIST) Advisory Pvt. Ltd.*

Ms. Barbara Thompson

*Deputy Minister, Department of Environmental Affairs, South Africa*

Ms. Thompson began by describing the South African context and explaining the pressing needs to be addressed. She described South Africa's rich biodiversity and noted that investors are welcome to come to South Africa. Ms. Thompson explained that South Africa's legislative framework was not created to discourage investment, but rather to protect and drive the biodiversity economy. She expressed the view that regulations and policies are put in place to protect governments and businesses, as well as civil society, and that they are implemented for the benefit of all stakeholders. She noted that, without this regulatory framework, there would be no markets for businesses to enter. Ms. Thompson emphasized that communities are at the centre of South Africa's concerns and that the country is committed to ensuring that communities are the beneficiaries of business ventures. She underlined that South Africa will not condone businesses that turn their backs on South African communities. She therefore asked that all businesses share their benefits among beneficiaries. Ms. Thompson further identified that the environment is also at the heart of South Africa's concerns. She expressed her belief that, while businesses are often key role players in environmental loss, they can also be key role players in the restoration of environments.

Mr. R. Mukundan

*Managing Director, Tata Chemicals Limited*

*Chairman, India Business and Biodiversity Initiative (IBBI)*

Mr. Mukundan began by explaining that the Indian Corporate Social Responsibility regulation came about after a lot of active engagement between the government and the corporate sector. He expressed Tata Group's view that true social responsibility requires the engagement of government, civil society, local communities, consumers and corporations. Mr. Mukundan felt that, thus far, there had only been real engagements between civil society and government. He believed that corporates are often excluded from social responsibility, while consumers are only partly involved. Mr. Mukundan expressed Tata Group's belief that, without a common platform to involve all the players in an equal manner, there can be no substantial change. Mr. Mukundan explained that mandating companies to take action is only the first step towards social responsibility. Mandates should always be followed by incentives of one sort or another. He noted that, rather than adopting a view of punishment towards the industries that have in the past taken damaging actions, it is important that all players adopt an attitude of forgiveness in order to move forward. Mr. Mukundan felt that discussions with businesses have not yet reached this level of trust and should be centred on an attitude of partnership and collaboration. He concluded with a description of Tata Group's Whale Shark Project and listed three lessons learned: (1) involve the community; (2) adapt technology and include traditional knowledge; and (3) handle communication with a very positive undertone that can sometimes border spirituality.

Ms. Pia Bucella

*Biodiversity Chief, European Union Commission*

*Chair, The Economics of Ecosystems and Biodiversity (TEEB) Advisory Board*

Ms. Bucella expressed the European Union's belief that there should be an appropriate legal framework for businesses so as to create a level playing field. She explained that the European Union's legal framework, which is applied consistently throughout all 28 countries, provides industries with a degree of certainty. For instance, the European Union had already prepared the legal framework to implement the Nagoya Protocol before it entered into force, thus ensuring its immediate implementation. Ms. Bucella also highlighted the importance of civil society as a driver for companies to change. She noted the European Union's surprise when implementing their business and biodiversity platform upon noticing that the excavating industry had been one of the industries keenest to join. Their desire to share experiences and practices, and find ways to mitigate and compensate for the inevitable damage that such industries bring to biodiversity was reflected in their response to civil society pressure. She further explained that the excavating industry realized that unless they could show their efforts to reduce and repair their environmental damage, they would not maintain the social acceptance required in order to operate in those communities. Ms. Bucella concluded by noting that bringing businesses together in a single platform creates new means to help businesses operate.

Mr. Jose Koechlin

*Chairman and CEO, Inkaterra*

Mr. Koechlin expressed the need for collaboration in order to change the public and private sectors' ways of doing things. He emphasized the need for new laws and disrupting the status quo of current affairs. He observed that the tourism sector in Peru, and in South America as a whole, is a relatively small sector. He highlighted that there is still an opportunity for this industry to create good environmental conditions for tourism and to be a positive force vis-à-vis job-creating activity while still maintaining environmental standards. He indicated that there is a dire need for more inventories of the current state of biodiversity. He raised the issue of defining biodiversity in precise academic terms so that future changes may be assessed and that achievements for the environment and for local communities can be accurately measured.

Mr. Sang-Hoon Han

*Chief Technology Officer, Amore Pacific Group (Republic of Korea)*

Mr. Han opened his speech by expressing Amore Pacific Group's vision of making the world a better and more beautiful place, and its desire to contribute to the environmental cause. He reflected that the Republic of Korea is aware that it is less rich in resources than countries such as South Africa. However, he noted that Republic of Korea is constantly finding new ways for business, society, and government to work together to contribute to biodiversity. He detailed Amore Pacific's efforts to protect and enhance biodiversity in Jeju Island by funding restoration and increasing the populations of indigenous species. He also highlighted that Amore Pacific funds research and development on various indigenous species. He concluded his speech by pointing out that there is a need to extend the advocacy of biodiversity into the commercialization of biological resources.

## Discussion

*The discussion and Q&A session following the presentations was lively and covered a number of topics. The discussion revealed the following aspects.*

### Roles of multinationals in achieving the Aichi Targets

- At first, CEOs of multinationals should be offered the choice of signing on to the 20 Aichi Targets, and then, in a few years they should be mandated to do so.
- It is most convenient for companies to mitigate their impacts on biodiversity within their own value chain and sphere of influence, but CSR has to go beyond the needs of the company.

### Communication

- Communication is very important. It is the duty of the government to provide businesses with accurate data on biodiversity and help to foster trust amongst different sectors and stakeholders.
- Communication needs to be measurable, comparable, simple and actionable.
- Communication needs to involve government, local communities, civil society, consumers and corporations.
- Teaching schoolchildren about environmental awareness can have a powerful impact. Educating younger generations will ensure that they understand and appreciate the importance of biodiversity. As adults, they will then demand products suited to these needs, such as ecotourism.
- Environmental knowledge can be packaged in a way that generates wealth for local communities.
- Communication can help to create interesting initiatives and markets. As an example, world birding competitions have the advantage of validating inventories, creating awareness among the academic community and promoting ecotourism.
- There is a need to clarify the message being conveyed. The environment needs to be defined in factual terms that can be easily communicated. There is a need to simplify the biodiversity language in order to reach a wider audience.
- There is a need not only to communicate about environmental problems, but to also propose possible solutions.

### Missing information

- There is a need for better data on ecosystem services and their real value.
- More inventories need to be done. Ecotourism can be a source of factual academic knowledge.
- Satellite imaging and remote-sensing data should be made available to businesses in real time. This will push companies to invest and the industry to self-regulate.
- There is a need for information on indigenous knowledge to facilitate benefit sharing.

### Balancing public procurement and the green economy

- Balancing civil society, government and business is very important. In other words, the government should not support businesses that operate at the expense of the environment.

- Private and public entities should be subjected to the same environmental regulations.
- Public procurement should be subjected to the same rules as other sectors and it must become greener. This can be done by inserting conditionalities into agreements.

#### Fiscal incentives to promote biodiversity

- (Thompson) Businesses that mainstream biodiversity issues should qualify for tax incentives.
- (Koechlin) Tax incentives distort the market and are not favourable solutions. Instead, the government should allow companies to allocate their future taxes to projects approved by the local or national government.
- (Mukundan) Companies would prefer to have the government's support in getting their connection with consumers and communities right.
- Subsidies given by governments should not contribute to the destruction or depletion of biodiversity. They should, at the very least, have neutral impacts.
- Governments need to stop competing with each other over who gives more subsidies and establish a consistent level of subsidy (or eliminate them altogether).
- The same results achieved by subsidies can be attained through increasing productivity. This productivity increase can be accomplished through technology, by working together, and by improving systems.

#### Role of the government

- Governments should lead by example and communicate how they are implementing the CBD objectives in their sphere of influence. Public and private entities should be subjected to the same regulations.
- Governments should trust businesses more and enlist them as their partners to build a bridge with consumers and community. Giving businesses guidelines can be useful, but trust is even more important.
- Governments should conduct campaigns to increase public awareness of the importance of biodiversity conservation.
- The Amore Pacific Group would like to see a globally recognized norm for environmental practices so as to standardize requirements across countries.

#### Role of business

- Businesses could gain good reputations and save costs by identifying and assessing their negative impacts on the environment.
- Businesses should understand that protecting biodiversity and following the appropriate regulatory framework for its protection can create jobs and wealth. Biodiversity is at the heart of all activities, including in the commercial sphere.

## SESSION 4: REPORTING AND COMMUNICATION

### **Introductory Panel**

*This panel examined the broad issue of Reporting and Communication and also briefly discussed some of the subtopics that followed. The panel was moderated by Mr. Pavan Sukhdev, CEO of Green Initiatives for a Smart Tomorrow (GIST) Advisory Pvt. Ltd.*

Mr. Pavan Sukhdev

*CEO, Green Initiatives for a Smart Tomorrow (GIST) Advisory Pvt. Ltd.*

Mr. Sukhdev began his talk by describing two different methods of reporting: stakeholder reporting and integrated reporting. He observed that the prime reason for reporting is to increase transparency. He recalled the definition of transparency given by Tapscott and Ticoll, which defines it as “accessibility of information to stakeholders of institutions, regarding matters that affect their interests”. Mr. Sukhdev reflected on how business-as-usual was becoming increasingly difficult in the current age of communication, with whistle-blowers, inquisitive media, self-aware consumers and citizen activists monitoring and commenting on every action taken by companies. He gave the example of Nike and the human rights campaign coordinated by NGOs which significantly impacted the company’s brand value and reputation. He emphasized that transparency is essential for businesses with a brand value and a reputation to protect. Mr. Sukhdev also noted that reporting is important for any type of business whether it is privately, publicly, or community owned because all businesses operate and interact with physical, human, social, and natural capital. He noted, however, that most of the reporting is done for only one of the forms of capital even though all dimensions of value are impacted by economic activity. In his view, methods such as integrated reporting provide a more complete overview of impacts and are more representative of the reality. He listed several benefits for this type of reporting, namely lowering risk profiles, strategic management of brand reputation, increasing cost-efficiencies, providing new opportunities, and enhancing communication with stakeholders and investors. He stressed that a well-managed, responsible, long-term and integrated thinking is both sustainable and profitable for a company. He recommended for companies to assess the negative and positive externalities of their business activities as the first step towards generating cost efficiencies and new opportunities. Mr. Sukhdev concluded his speech by stating that stakeholder reporting creates long-term value for a company through the development of long-term mutual relationships, engagements with a variety of stakeholders upon whom the business’ survival depends, and a “licence-to-operate” from stakeholders.

Mr. Richard Spencer

*Head of Sustainability, Technical Strategy Department, the Institute of Chartered Accountants in England and Wales (ICAEW)*

Mr. Spencer began his speech by highlighting the importance of reporting and added that reporting implies public disclosure. He stated that the Natural Capital Coalition (formerly the TEEB Business Coalition) is currently developing a protocol that will provide clear guidance on how businesses can assess their impacts and dependencies on natural capital, and manage these

better. He felt that there is a need for broader policies that extend across stakeholder groups to help implement recognized reporting standards. He further pointed out that reporting should cover how companies generate their interests and how they make their business decisions. He indicated that transparency should not be a goal, but rather a means to an end. He cautioned against getting overwhelmed by transparency, as reporting is less about transparency and more about the quality of the information and its accessibility. He concluded his speech by stating that to achieve good public disclosure, there needs to be an active involvement from the business sector and that this will require demonstrating the business case for transparency.

Ms. Giulia Carbone

*Deputy Director, Global Business & Biodiversity Programme, IUCN*

Ms. Carbone addressed the topic of reporting and communication from IUCN's perspective. She expressed IUCN's belief that reporting is a very important step towards achieving a balance between business and biodiversity. She affirmed that the obligation for businesses to account and measure their impacts stems from the need for transparency. She listed a few questions that still need to be answered such as "how to enable transparency", "how to decide what information to share" and "who should decide what information to share". She indicated that good reporting takes into account stakeholders and the information that they need to know. She further pointed out that communication should flow in a bidirectional way; both to and from businesses. Ms. Carbone felt that in order to achieve transparency, there needs to be an understanding of how companies can achieve their global commercial targets, as well as the Aichi Targets. She stressed that in order to reach their goals, companies need a supportive framework that can answer questions such as "what does it mean to communicate". She observed that accountability places a heavy burden on companies by requiring them to spend a lot of time, money and resources for reporting. She also pointed out that companies can be accountable to more than one country, which further enhances their burden. Ms. Carbone concluded by stating that businesses need more tools and guidelines to help them understand how to communicate better. Ms. Carbone explained that the aim of reporting should be to help businesses achieve sustainability as well as financial responsibility. She concluded by affirming that companies which are honest and transparent in their reporting should be given full support and help in achieving their goals.

Mr. Richard Mattison

*CEO, Trucost*

Mr. Mattison began by indicating that the main issue revolving around reporting is passivity. He expressed that businesses which do not undertake integrated reporting are effectively not reporting the real state of affairs. He believed that inadequate reporting is an issue for companies because they rely on these reports to make decisions. It is also an issue for stakeholders because there is no way for them to have an appreciation of the value of reports with regards to reality. He explained that the standardization of reporting is another factor that compromises the quality of the information reported. He noted that reports should reflect externalities as well as the damage and benefits created for society as a whole. He further stated that, in a context where companies operate to maximize profits, the advantage of reporting is that it provides a glance at their impacts on the wider movement. He observed that companies which do not report their externalities are not called on to explain why they are not promoting sustainable development.

He stated that companies need to recognize that they have negative impacts, that they are trying to improve themselves at the expense of society, and that their investors are not really trying to correct the situation. Mr. Mattison outlined that governments are faced with the challenge of creating synergy to growth while reducing negative impacts. He expressed his belief that there is a lack of appreciation for what is really wrong: the measures of success for businesses. He concluded by listing five areas that require improvement: (1) reporting; (2) integrated strategies; (3) defining externalities; (4) valuation methods; and (5) measures of success.

#### **Focus Group 4a: How to Include Sustainability Issues into Corporate Reporting**

*There is often a tension between reporting on economic performance and environmental sustainability, with the latter sometimes being seen as a hindrance to the former. This group explored how reporting to shareholders and other corporate interests can fully articulate the benefits of sustainability vis-à-vis economic performance and ensure that these practices are encouraged in the future. The group was moderated by Mr. Daan Wensig, Manager of Leaders for Nature at IUCN Netherlands.*

Ms. Katja Kriege

*Reporting Standard Coordinator, CRI*

Ms. Kriege introduced the fourth generation of GRI Sustainability Reporting Guidelines (G4). She indicated that the aim of the G4 is to help reporters prepare sustainability reports that matter, contain valuable information about the organization's most critical sustainability-related issues, and make such sustainability reporting standard practice. She added that the G4 offers reporting principles, standard disclosures and an implementation manual for the preparation of sustainability reports by organizations, regardless of their size, sector or location. She stated that the G4 provides for two different types of standard disclosures: General Standard Disclosures and Specific Standard Disclosures. She highlighted that the Guidelines organize Specific Standard Disclosures into three Categories — Economic, Environmental and Social. She described the environmental dimension of sustainability which concerns the organization's impact on living and non-living natural systems, including land, air, water and ecosystems. She explained that the G4 has an increased emphasis on the need for organizations to focus the reporting process and final report on materiality and boundary, on management approach and on indicators. She explained that the new focus on materiality means that sustainability reports will be centred on matters that are really critical in order to achieve the organization's goals and manage its impact on society. She added that the Disclosures on Management Approach (DMA) is intended to give the organization an opportunity to explain how the economic, environmental and social impacts related to material aspects are managed. Finally, she noted that the focus on indicators provides information on the economic, environmental and social performance or impacts of an organization related to its material aspects.

Mr. Rene Gomez Garcia

*Head, Environmental Business Unit, Development Bank of Latin America (CAF)*

Mr. Garcia began his presentation by noting that the Andean countries hold 25% of global biodiversity, and thus accounting for corporate activities in this area is very important. He then described CAF, which is active throughout Latin America as well as in Spain and Portugal. He noted that sustainable development and regional integration are cornerstones of CAF's institutional mission. He further elaborated that CAF believes that the environmental dimension of sustainable development must be directed towards the conservation and sustainable use of the natural environment so as to improve societies' quality of life, overcome poverty, and promote long-term economic development and spiritual well-being. He went on to describe various projects that CAF is involved in, and noted the importance of accurate sustainability reporting in these areas. This is of particular importance when CAF is making assessments of a project's viability and sustainability vis-à-vis long-term financing.

Mr. Richard Spencer

*Head of Sustainability, Technical Strategy Department, the Institution of Chartered Accountants in England and Wales (ICAEW) (United Kingdom)*

Mr. Spencer distinguished between good corporate reporting such as the Global Reporting Initiative and bad reporting. He stated that companies should disclose their activities in a clear and public manner. He added that the business model aimed at simply maximizing stakeholder returns and stripping assets had been shown to be a flawed model leading to a dead end. He felt that stakeholders need to have access to quality information that is transparent. He indicated that the Natural Capital Coalition is working on a protocol to transform the way business operates through understanding and incorporating their impacts and dependencies on natural capital. He stated that this Protocol will bring together many organizations that reflect the broad group of stakeholders and provide the opportunity for two public consultation processes.

Discussion

*There were several key points, focused on the issue of reporting, that were raised during the discussion in this session. These included:*

- There is an enormous interest in transparency – both internal and external to a given corporation;
- Nobody seems to know exactly how to report on natural capital- not even agencies like GEF;
- Compounding this is the fact many companies and other stakeholders use different indicators and metrics, creating further problems in terms of meaningful, and comparable, reporting;
- Currently seeing the early stages of what can become a global shift towards transparency with regard to natural capital;
- Transparency is deemed important by many stakeholders, including the private sector (although for the time being only by front runner companies), government and government agencies, and civil society;

- Another major take away from the discussion is that, in the end, it is about impact on the ground: not simply reporting for the sake of reporting (reporting is a means to an end).

#### **Focus Group 4b: How to Effectively Communicate with Various Stakeholder Groups**

*In communicating their environmental impacts and activities, many companies either overstate their sustainability credentials (which can be seen as “Greenwashing”) or understate them. This group explored how to avoid these errors and ensure that communication with stakeholders and consumers are accurate and lead to constructive engagement. The group was moderated by Ms. Carolin Bossmeyer, Managing Director at Biodiversity in Good Company.*

Ms. Maria Yolanda Teran Maigua  
*Representative, Andes Chinchansuyo*

Ms. Maigua addressed the issue of communicating with indigenous people. She began her speech by enumerating a few key points that highly influence the indigenous people’s way of communicating and understanding communication. First, she expressed the indigenous view that Mother Nature is alive and sacred, and that all beings are interconnected within ecosystems. Second, she pointed out that indigenous people come from an oral tradition and that written communication rarely occurs. Third, she reflected on the meaning of “business” for the indigenous people, stating that it implies an exchange of goods or services done in good faith. Ms. Maigua asked of businesses that they exchange with indigenous communities with transparency and good will. She listed a few suggestions for businesses, namely bringing an interpreter, producing social and environmental impact assessments, being aware of the biocultural context and of the customary laws, knowing how to approach local authorities, and respecting the cultural time. She stated that indigenous people fully understand that businesses operate in a world where there is a need for quick responses, but that they need to be given appropriate amounts of time to review agreements. She recalled the concept of due diligence and asked businesses to apply it when dealing with indigenous people. She stressed the importance of consulting, informing and involving indigenous communities as partners during the entirety of the process. She concluded by emphasizing the need for businesses to improve their understanding, patience, solidarity, transparency and respect.

Mr. Rik Kutsch-Lojenga  
*Executive Director, Union of Ethical BioTrade (UEBT)*

Mr. Kutsch-Lojenga opened by detailing UEBT’s efforts to develop guidelines for their member companies on “how to engage with communities”. He stated that communities are important stakeholders and many companies are currently working towards creating biocultural protocols to better engage with them. He noted that an important aspect of communication is adapting the language. He noted that companies are often concerned about securing their supply chain or reducing their risks, and that they wonder whether biodiversity is truly important. He indicated that, over the past few years, UEBT has been working on understanding to what extent consumers understand the importance of biodiversity. He recalled a survey which found that 87% of consumers expect companies to have biodiversity policies and 50% of them found it to be an

essential consideration. He believed that this awareness of consumers could constitute a real opportunity for companies to fill an empty space in the market. The survey further demonstrated that consumers were unaware of which companies are engaged with biodiversity protection. In Mr. Kutsch-Lojenga's view, companies should promote their conservation efforts to attract the attention of customers. He moved on to examine the issue of communicating about biodiversity. He explained that keeping the message simple was very hard with this issue because of the many different aspects it entails, such as conservation, sustainable use and benefit sharing. He brought forth the difficulty of making biodiversity relevant to consumers and hooking them with a positive message. Mr. Kutsch-Lojenga also detailed UEBT's efforts to target the appropriate audience for this message. He stated that their research had shown that the consumers most aware of biodiversity issues are middle-aged higher-income well-educated women. He also observed that the message will have to change in a few years as awareness increases. He summarized by saying that this general question of biodiversity needs to be translated into concepts that resonate with businesses and consumers alike, so that executives may take strategic decisions about the future of their companies.

Mr. Eduardo Escobedo

*Director, Responsible Ecosystems Sourcing Platform (RESP)*

Mr. Escobedo began his talk by stressing that communication is not a single overarching thing. He expressed that effective communication is tailored to the message and to the recipients. In his view, the first step to any communication is identifying the stakeholders and their characteristics. Next, he suggested defining all the elements of biodiversity within the greater realm of sustainability and proposed developing terms of reference to facilitate internal communication and understanding. He then recommended finding convergence points between issues and their relevance for the targeted audience. Finally, he suggested basing communications on scientific and technical knowledge. Mr. Escobedo provided a hypothetical example for applying these steps. He proposed a situation where a company would want to target a communication to stakeholders working in design or product development with the power to impact biodiversity through their decision-making. A first difficulty would be identifying ways to communicate the message directly to them. He proposed that this could be done by gaining a higher understanding of the mechanisms and frameworks in which they operate. He suggested identifying the variables that relate to them and matching them to biodiversity targets. He stressed the need to define clear objectives for the communication and to find a balance between the current practices and the biodiversity needs. In his view, successful communication would imply making biodiversity needs relevant to the targeted stakeholder group. Mr. Escobedo concluded by summarizing the steps for efficient communication: (1) defining the concept of biodiversity; (2) establishing target stakeholder groups; (3) converging biodiversity issues with their relevance to stakeholders groups; and (4) finding the adequate scientific basis to communicate effectively.

## Discussion

*This group generated a very robust discussion, the highlights of which are as follows.*

### Communication strategies for biodiversity

- Biodiversity encompasses ecological and social considerations. However, most people are only aware of the ecological considerations of biodiversity. Communication strategies should inform society that biodiversity also refers to social aspects.
- Explaining the concept of biodiversity to indigenous communities is very hard because the word does not exist in their native tongue. The closest word for it is “life”.
- Communication will vary depending on the audience targeted. For instance, when communicating with design managers, the term may be perceived as a purely ecological concept and may need to be defined. For other targeted audiences, it may not have to be.
- In business, different sectors have different interests. For instance, the cosmetics sector is considered ahead of the food sector for biodiversity awareness, which implies that their interests are more aligned and that they are more willing to be involved.
- Biodiversity can mean different things in different countries. In China, the notion is being taught in schools and is well known, whereas in Germany they use the “nature conservation” instead of “biodiversity”.
- The use of the word biodiversity will depend on the objective of the communication. The challenge is finding the objective.
- We do not need to be tied to the word “biodiversity” or to be tied to a specific message. Biodiversity is the goal, but it is not necessarily always the right word for communication.

### Communicating to stakeholders that are “hard to reach”

- The youth stakeholder group has to be approached in a different way from others. Often this happens through schools.
- Companies do not have an unlimited amount of resources allocated to their communication department. It can be hard to prepare a communication strategy adapted to each stakeholder group. Having a message that can reach a wider audience can be advantageous.
- In order to reach indigenous stakeholders, there needs to be a trust-building process centred on transparent communication. Going through local authorities can be a good way of making initial contact. Avoid excluding women from the process as they may be the ones with the authority to sign an agreement.
- With indigenous communities, businesses can sometimes encounter problems related to lack of attendance at meetings and to messages not being transmitted to local authorities.

### Adapting communication strategies for the future

- The word biodiversity was invented in 1985, which means that most of the current adult population did not learn about the concept in school. The current communication strategy still revolves around informing people.
- In 2020 the youth will have learned about biodiversity in schools and therefore the communication surrounding biodiversity will be very different.
- Some companies that have mainstreamed biodiversity into their policies forget to include social aspects in their biodiversity strategies. This needs to be improved.

#### **Focus Group 4c: How to make Sustainability Reports Transparent and Accurate**

*Companies are often unsure of what to report with respect to biodiversity and sustainability, particularly given the wide array of reporting standards and terminology. This group examined some best practices and widely used approaches to ensure maximum accuracy and transparency in corporate reporting in this area. The group was moderated by Mr. Frank Vorhies, GDI Coordinator at Earthmind.*

Mr. Eric Dugelay

*Partner, Global Leader for Sustainability Services, Deloitte*

Mr. Dugelay opened his talk by presenting Deloitte's auditing and consulting work. He observed that half of Deloitte's revenues come from reporting and assurance on reporting. He stated that biodiversity and ecosystem services are one of the niche markets targeted by Deloitte. He highlighted that Deloitte is part of the International Audit Protocol Consortium (IAPC) working with the World Business Council for Sustainable Development (WBCSD) to create an integrated reporting protocol. He pointed out that integrated reporting refers to reporting involved with the International Integrated Reporting Council (IIRC). Mr. Dugelay further indicated that approximately 20% of his time was spent working with the WBCSD to coordinate the Redefining Value project on assurance and environmental, social and societal information. He indicated that his area of specialization is assurance reporting.

Ms. Claire Varret

*Responsable Biodiversité, Direction du Développement Durable, EDF (France)*

Ms. Varret began her presentation by detailing Electricity of France's (EDF) worldwide programme which provides reliable, energy efficient power to customers while leading the drive towards a carbon-free world. She indicated that her work within the Assistance to BioDevelopment Department relates to biodiversity protection. She pointed out that her responsibilities include leading a group of individuals from each area of business to develop strategy plans and actions for biodiversity such as research and development, training, pricing goods, and more.

Ms. Florence Clap

*Chargée de Programme "Politique et Biodiversité", IUCN (France)*

Ms. Clap opened by stating that biodiversity must be conserved for its own sake as well as for human kind's development. She outlined some tools proposed by IUCN to achieve biodiversity conservation, such as the red list and the protected area database. She emphasized that those tools can be used by companies for assessment and decision-making. She expressed IUCN's belief that companies can reduce their environmental impacts and help restore ecosystem services. She observed that IUCN wishes to integrate innovative solutions brought by companies into their strategies. She stated that IUCN recognizes that corporate reporting can be an interface

between nature conservation stakeholders and the private sector. She indicated that since 2008, IUCN has been organizing workshops for IUCN members, private sector partners and experts. She concluded by pointing out that these working groups produced a series of recommendations for fostering high-quality reporting behaviours.

## Discussion

*This topic had a fairly active discussion following the panel presentations. The following represents the questions and comments that arose during this session.*

### Standards for sustainability reporting

- At the international scale, companies are encouraged to do reporting and to send non-financial information to stakeholders.
- At the national level, governments have promoted non-financial reporting practices. In 2002, France adopted the “*Nouvelle Reputation Economic*” (NRE) policy that calls for compulsory reporting using a certain number of indicators. Last year, France made it mandatory to obtain external verification on this reporting.
- There is no common approach or method for reporting. These reports can vary in form and in content depending on what the company wants to include, which can make the report quite confusing for stakeholders.

### Standardization of reports

- Everyone in the corporate world currently uses their own standard.
- Global Reporting Initiative (GRI) in the past was just a long list of potential indicators for each sector of activities. GRI is being modified to become the Sustainability Reporting Standards Board (SRSB), which will enable it to issue some standards of its own.
- For the time being, the standards that companies like to use for their reporting is the standard developed by the International Auditing and Assurance Standards Board (IAASB) which is ISAE 3000. IAASB also requires ISAE 3410 for GHG emissions.
- The future of standardization for the auditing world is going to be assuring that reports are done evenly, seamlessly, globally and transparently.

### Information divulged in reports

- It is very important that companies disclose their information on biodiversity by qualifying and quantifying their dependencies.
- Companies should reveal their level of commitment to biodiversity conservation, as well as indicate how they manage biodiversity and if they have sustainable development policies.
- Companies should identify priority conservation sites and focus their conservation actions on these sites before focusing on others.

### Focusing reports on indicators

- For the last 10 years, the size of the reports has increased to a level that is too long. IIRC and GRI have been asking companies to report only on what matters to their stakeholders and businesses. Of the 27 suggested topics, companies should focus on the top 10 subjects that matter most to them.

- The IIRC has recommended issuing integrated reports of a maximum length of 30 pages, including all six categories: financial, manufactured good, intellectual, social, human and environmental.
- Indicators should not be the focus of the report.
- The IUCN study on Corporate Biodiversity Reporting revealed the following.
  - Reports should be short. Companies cannot expect their stakeholders to read a 700 page report on their activities.
  - Less than 12% of reports reflected sustainability issues considered to be material to the business.
  - 80% of reports were done in an integrated manner, but companies still manage sustainability issues separately from their business activities.
  - 75% achieved the GRI guidelines.
  - 60% of reports had some form of assurance.
  - Companies should report internally on sustainability at the same frequency as their financial reporting.

#### Transparency in reporting

- Companies should make their lists of indicators and reports available to the general public on their websites.
- IIRC and GRI suggest that companies balance their reporting between what they like and what they dislike to report.
- It is always difficult for companies to publish on their risks, but reporting can help companies achieve success by improving their methods.

#### Reporting on value chains

- IUCN members want companies to ideally report upstream and downstream across all their supply chain, but they also promote a step by step approach that recommends that companies first begin by reporting on their direct impacts.
- Asking companies to go back up their supply chain to find out all the environmental impacts would be incredibly costly. If NGOs need this information, they should buy it off companies.

### **Focus Group 4d: How can Business Better Understand the Strategic Plan for Biodiversity and Get Involved in the International Process**

*The various international processes, such as those at the CBD, can often seem remote to companies, but they often have a direct impact on national legislation, which will, in turn, affect companies. This group helped companies understand the international forums and how they can become involved so as to better understand, and contribute to, the outcomes. The group was moderated by Mr. Edgar Endrukaitis, Biodiversity Programme Director at GIZ (Deutsch Gesellschaft für, Internationale Zusammenarbeit GmbH).*

Mr. Veerapong Malai

*Director General, Biodiversity-Based Economy Development Office (Thailand)*

Mr. Malai presented the Biodiversity-Based Economy Development Office stating that it is setting a new norm for businesses in Thailand. He indicated that the Office is part of the Business and Biodiversity Platform, that it utilizes various distribution channels contributing to a healthy bioeconomy and that it is currently working on a concept for establishing regulatory measures on the promotion of business and biodiversity for sustainable development.

Ms. Seema Arora

*Executive Director, CII-ITC Centre of Excellence for Sustainable Development*

Ms. Arora began by stating that, for the most part, understanding of the need to conserve biodiversity is present. However, she felt that practical and simple tools for businesses are still missing. In her view, national and global initiatives can help develop unified tools and methods to be deployed around the world by business. Furthermore, she stated that the Global Partnership should become a contributor to the Convention on Biological Diversity and not a parallel event. She believed that an official process bringing businesses into the CBD would bridge the gap between government and business. Finally, she highlighted that consumers represent a critical stakeholder group in the dialogue on biodiversity conservation. She added that certifications can be part of the solution, but only as long as they originate from the top (i.e. the Global Partnership) to avoid more confusion with the many labels that are already out there in the market.

Ms. Giulia Carbone

*Deputy Director, Global Business and Biodiversity Programme, IUCN*

Ms. Carbone addressed the topic of helping businesses understand their impacts on biodiversity and ecosystems, which result in habitat loss, alteration and fragmentation of landscapes, and overexploitation. She proposed that by changing their business practices at the landscape and seascape levels, companies could generate benefits for biodiversity and natural resource-dependent livelihoods. She suggested three entry points for businesses to create change at the company and sectorial level. First she suggested that companies could adopt corporate policies to manage biodiversity risks and seek opportunities for biodiversity conservation. Then, she recommended extending their involvement to their supply chains. Finally, she proposed that businesses could influence public and financial policies to promote biodiversity conservation. Ms. Carbone stressed the importance of helping businesses understand that they can achieve their global commercial targets as well as Aichi Targets.

Discussion

*This group generated a great deal of interest and discussion, which was somewhat constrained due to a lack of time in the session. However, the following represents some of the questions and comments during the discussion.*

## Recommendations

- Develop a Guide for public policymakers on how they can engage the relevant business sectors in the development of National Biodiversity Strategies and Action Plans (NBSAPs) and in participation in international processes (in particular CBD).
- Develop business-related actions and indicators for each of the targets to help companies use the Aichi Targets in shaping their strategies/actions and reporting.
- Provide support to the Business focal point in CBD Secretariat to be able to operate as a liaison between businesses and parties (this includes organizing the Business Forum in a way that the outcome can really be an input to the process).