



Business engagement in the Convention on Biological Diversity

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This information paper outlines the priorities for business engagement in the CBD's agenda post-2010. Furthermore, it is a call for the business and conservation communities (communities which over-lap in many important areas) to devise a framework for collaboration that enhances conservation outcomes and ensures sustainable use and equitable benefit sharing in the next decade. The paper is aimed at the Secretariat of the Convention on Biological Diversity, Parties to the Convention and businesses. It is the result of a consultation process that has involved several IUCN and WBCSD business partners and members.

Key messages

- Businesses are already helping to deliver improved conservation outcomes through their own actions including through investment in restoration and biodiversity enhancement, through the creation and strengthening of sustainable supply chains and through programmes which build capacity, transfer technology and enhance monitoring and reporting performance;
- Business stands ready to assume accountability and to support the delivery of the post 2010 Biodiversity Targets noting that their adoption by business will necessitate spatial disaggregation and translation into metrics meaningful for business;
- Business can play a major role in harnessing market forces for conservation, but this requires governments to put in place the enabling conditions for market-based solutions to function and/or to ensure the effective and consistent implementation of existing regulations;
- A framework for closer collaboration between business and governments on biodiversity conservation is needed; this should include a more defined role for business within the Convention as well as in other Multilateral Environmental Agreements.

1. Business contributing to global conservation goals

All businesses depend upon and impact biodiversity and ecosystem services and many are facing increased risks associated with natural resource scarcity. Growing awareness of the business impacts of biodiversity loss and ecosystem degradation is leading businesses to measure and manage the associated risks and to scale up mitigation, offsetting and sustainable use approaches. Associated with these risks, there are also opportunities to tap into new markets and business models. Some businesses are increasingly becoming positive agents of change and are often the source of innovation, helping to create new ecosystem-friendly markets and developing more sustainable technologies and business practices.

A growing body of literature exists documenting how business is contributing to sustainable development through innovation and developing markets for eco-efficient goods, services and technologies. The recent study on The Economics of Ecosystems and Biodiversity (TEEB)¹ is probably the most comprehensive

¹ The Economics of Ecosystems and Biodiversity - <http://www.teebweb.org>

review of the value of biodiversity and ecosystems to society. The TEEB for business report provides guidance on the issues and opportunities created by the inclusion of ecosystem- and biodiversity-related considerations in mainstream business practices. It makes a compelling case for business to take a positive stance on the conservation agenda and demonstrates that the business community is often well-equipped to support global conservation goals. TEEB also points to many case studies that demonstrate how business is already contributing to biodiversity conservation.

To illustrate how business contributes to global conservation goals, a couple of approaches are outlined below:

- **No Net Loss and Net Positive Impact:** Increasingly, companies in the building materials and mining sectors are making commitments of ecological neutrality and even gain to counter the impacts of their operations on biodiversity and ecosystems. These sectors recognize that their operations will inevitably result in some loss of biodiversity and ecosystems in a given area in spite of mitigation and restoration efforts. While some of these impacts cannot be avoided, a company can aim to achieve a net zero or positive impact by taking actions to conserve or restore biodiversity and ecosystems in other areas, with a view to maintaining overall ecological integrity.
- **Supply Chain Management:** Both shifts in consumer preference and emerging regulation have prompted companies in many sectors, including the forestry and agricultural industries, to work with their suppliers to ensure that their products uphold high environmental and social standards. Supply chain management and certification are increasingly important tools for monitoring impacts on ecosystems but also for achieving recognition from consumers. By mid-2009, the global area of certified forest endorsed by the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification Scheme (PEFC) amounted to approximately 8% of global forest area.

For more specific examples of how business has been helping to deliver on the CBD's objectives please refer to the recent WBCSD publication "Responding to the biodiversity challenge – business contributions to the Convention on Biological Diversity".

2. Role of business in implementing the Convention on Biological Diversity

Business can play an important role in implementing the Strategic Plan and programs of work of the CBD in a post-2010 regime. Besides their growing experience in biodiversity conservation, business can bring to the table complementary perspectives to those of governments. In particular, business knowledge of markets, ability to harness advanced research and development to deliver solutions and management experience can be valuable assets when applied to conservation. Furthermore, businesses already collect large quantities of biodiversity-related data in their areas of operation which could contribute to monitoring implementation success. The wider adoption of good environmental practices by business will also have an important impact in support of the CBD.

In order for business to support the implementation of the Convention, the post-2010 biodiversity targets need to be disaggregated and adapted to a business context to the extent possible. As currently framed some of the proposed targets are very complex. However, business looks forward to supporting their achievement through disaggregating them (including geographically) into more meaningful and measurable metrics which facilitate the assigning of accountability. Businesses can support the CBD by bringing to bear their experience in monitoring the achievement of targets including by assisting with the development of metrics and indicators for measuring performance against targets.

Business can also play a role in furthering the programs of work of the Convention, particularly with regards to incentive measures and resource mobilization. With regards to incentive measures, companies could provide information on the incentives and subsidies that they are receiving as well as help ensure that incentives are efficient. Business could also be involved in formulation of methodologies of

measurement/valuation/reporting/monitoring of performance and impact. In regards to resource mobilization, the business community has far more to offer in support of conservation than simply financial resources including technical/business skills, capacity building, awareness raising and the potential for technology transfer.

3. Enabling conditions

In order for business to further support the biodiversity conservation agenda, governments need to put in place the enabling conditions that allow market forces to be harnessed for conservation. In some instances this requires governments to ensure the effective and consistent implementation of existing regulations, in others, new regulations or incentive measures are needed to necessitate or encourage market-based solutions. Changes are needed both at national and international levels and should aim to create a level playing field both for companies competing in the same markets, and for companies competing to use the same resources. Both the CBD and Parties to the Convention have a role to play in providing these enabling conditions.

Businesses can work in partnership with Parties to the CBD to help set up appropriate legal and institutional frameworks that create incentives for business investment and simultaneously reduce risk. Business can also help build capacity at the national level through skills transfer. At the international level, there is need for more collaboration between the CBD and businesses and in particular for a much more clearly defined role for business within the Convention.

4. A framework for collaboration

Better mechanisms for formal business input into the CBD processes are required if business is to play a role in a post-2010 regime. The interface between TEEB for policy-makers and TEEB for business could help define a framework for collaboration between business and the CBD. The CBD could also look to other multilateral environmental agreements to frame the integration of business into the post-2010 Strategic Plan and biodiversity targets of the convention.

Through individual policy papers, both IUCN and WBCSD have outlined how an enabling environment for biodiversity conservation can be reached with business support. Important elements include identifying and removing perverse incentives (CBD COP 10 - General Position Paper), rewarding biodiversity-friendly industry practices, promoting public-private partnerships and devising strategies that scale up and mainstream biodiversity conservation.

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