



# BUSINESS.2010

Vol.3 | Issue 4  
December 2008

*A newsletter on business and biodiversity by the Secretariat of the Convention on Biological Diversity*



# Business commitment for biodiversity continues to grow

By AHMED DJOGLAF



Ahmed Djoghlaif at the Opening of COP 9, Bonn, Germany (May 2008)

This has been a tumultuous year for business and the New Year may still start with a fair amount of uncertainty. However, I am very pleased to note that, 2008 also witnessed the continuing trend of major business sector associations increasingly recognizing the value of biological diversity. Indeed some business sectors even undertook steps to safeguard biodiversity in their operations while others are actively considering it. This is very good news for the Convention (CBD) knowing the immense impact business activities has on biodiversity.

We now look forward to consolidate these efforts in 2009 ahead of COP 10 in Nagoya, Japan.

In this issue of the Business.2010 newsletter we review what the Secretariat and the Business Community accomplished while considering the road ahead. The ninth Conference of the Parties to the Convention on Biological Diversity (COP9), held in Bonn, Germany in May 2008, was both the culmination of two years of dynamic, cross-cutting initiatives, as well as the starting point of the next two years of work.

I would like to thank all business associations and individual companies which participated in business and biodiversity initiatives and helped to underline the important link between these two realms. Enhanced by the G8 Potsdam Initiative in 2007 and the G8 Kobe Call to Action in 2008, the *Lisbon Declaration on Business* presented at COP 9 was an example of the growing commitment of the business community. Each step has been an important one in raising awareness of the fact that biodiversity underpins not only human well-being, but the health of the business world as well. The first phase of the *Eco-*

*nomics of Ecosystems and Biodiversity*<sup>1</sup> report presented at COP 9 by Pavan Sukhdev of Deutsche Bank further emphasized this link.

Action plans for the coming two years aim to build on the advances achieved to date - as emphasized by decision IX/26. The Secretariat is preparing a guide to highlight the value of considering biodiversity in business activities and attract as many new players as possible. Moreover, we will host the third *Business and the 2010 Biodiversity Challenge* conference to consider business and biodiversity issues with an emphasis on new opportunities and the Asian region.

In the lead up to 2010 when we review the 2010 Biodiversity Targets and launch the International Year of Biodiversity, it would be important to receive a strong signal from the business community to their commitment to play a strong role in implementing the new targets that the Parties to the Convention may establish in Nagoya, Japan. The business community will be fully consulted when discussing these ideas in the lead up to COP 10.

In the meantime, we invite the business community to engage for a successful negotiation of an International Regime on Access and Benefit Sharing (ABS). Consultations on ABS have already begun and the next negotiating meeting will be held in Paris in April 2009. I encourage all stakeholders, and specifically the business community, to contribute to these discussions either through: submissions of view and proposals in written form; participation in informal consultations and meetings of the Working Group on ABS; organizing side events during ABS meetings; or nominating experts to attend the legal and technical

expert groups meetings. Successful negotiation of the regime depends on dialogue with any and all stakeholders.

The decisions taken at COP 9 laid out a very challenging road map for the next two years. Yet it is one that we must follow through to the end to achieve the many goals the countries of the world have set out for the Convention on Biological Diversity. We will continue to engage the business community at every step along the way and whole-heartedly welcome the response from the business community to date and look forward to strengthening the links already made.

1 [http://ec.europa.eu/environment/nature/biodiversity/economics/index\\_en.htm](http://ec.europa.eu/environment/nature/biodiversity/economics/index_en.htm).

## In this issue



3-14  
UPDATES ON BUSINESS AND  
BIODIVERSITY



15-19  
NEWS AND EVENTS



20-29  
CBD TOWARDS 2010



# Updates on business and biodiversity



## In this section

*This section includes articles on important initiatives highlighted at COP9; on links of business and biodiversity with NGOs and higher education; and an article that draws parallel between the current economic and ecological crises.*

Pipestela candelabra. Photo courtesy of the Queensland Museum.



# BIODIVERSITY IN GOOD COMPANY

BUSINESS AND BIODIVERSITY INITIATIVE

## Business and Biodiversity Initiative - Update

By MARK SCHAUER AND SILJA DRESSEL

### What did we do? - A brief review of COP 9

**B**iodiversity in Good Company- The Business and Biodiversity Initiative participated in varied ways at COP 9. The activities culminated in the official presentation of the Initiative at the High Level Segment in front of high ranking officials from the CBD member states.

Thirty-four forerunner companies presented their activities and engagement in taking action on the integration of biodiversity into their management systems.

The partner enterprises of the Business & Biodiversity Initiative used a multitude of options to discuss with the interested public, experts and politicians

### What's next? B&B on the way to Nagoya

Currently the B&B Initiative is undertaking consultative workshops with the member companies in order to establish business demands and concrete contributions for the Initiative's design until 2010. The first preliminary results show a demand for the varied services the initiative will provide:

- Support in the implementation of the Leadership Declaration in the range from elaborating guidelines to acting as

facilitator for expertise

- Design and Steering of a communication platform for the companies; knowledge management
- Working Roundtables and newsletters for partner companies
- Public Relations including a Website with a dedicated page for B&B member companies for exchange cooperation, which includes the development of joint projects and publication of best practices
- International cooperation with organizations and institutions for further development of methods and instruments

On the way to Nagoya, the B&B Initiative represents an important pillar of the German CBD presidency and aims to generate significant knowledge on the importance of biodiversity within the business community and implements the framework of priority actions on business- decision IX/26.

*Mark Schauer and Silja Dressel are with the Federal Ministry for the Environment Nature Conservation and Nuclear Safety, Germany.*



We are online on the  
15th of January 2009!

[www.business-and-biodiversity.de](http://www.business-and-biodiversity.de)

## Designing new financing mechanisms for conservation

By KRISTINA JAHN

Germany hosted the ninth meeting of Conference of the Parties (COP 9) to the Convention on Biological Diversity (CBD) from 19 to 30 May 2008, in Bonn. Nearly 7,000 participants from 191 countries discussed the steps needed to stop the alarming loss of biological diversity. Emerging as a top issue during many of the side events at COP 9, was the need for innovative mechanisms to integrate conservation into economic decision-making. More than sixty events during COP 9 focused on the role of business and the question of how economic instruments can be used for the protection of biodiversity.

In the past, the economic system has been “blind” to the cost for damaging biodiversity. At COP 9 it became clear that it is necessary for these costs to be internalized and reflected in market prices. Only if the cost of biodiversity loss is made “visible” in balance sheets, will companies and consumers take it into account in their decision making. The same is true for creating business opportunities in the field of biodiversity protection: if market mechanisms reward the protection of habitat, innovative biodiversity business ideas will also find the necessary financing.

Steps have been taken: among them, the concept of biodiversity offsets, which shows the feasibility of the use of the market mechanisms for biodiversity protection. However, to be successful on a larger scale, governments need to create a binding market framework like that of the Kyoto Protocol for the protection of biodiversity and, at the same time, adapt the climate regimes to take into account the needs of biodiversity protection, by, e.g. also rewarding the protection of existing rain forests.

During the run-up to COP 9, Wolfgang Wagner, Member of the Board of the professional services firm PricewaterhouseCoopers (PwC), Germany and responsible for Sustainable Business Solutions, participated in a panel debate at an international conference on biodiversity with the German Chancellor Angela Merkel. The Chancellor called for decisive action in the fight for the conservation of biodiversity. Wolfgang

Wagner outlined the results of the PwC study “Sustainable Investments for Conservation - The Business Case for Biodiversity” and called for companies and investors to regard biodiversity as an integral part of business models rather than a mere risk and cost factor (Find the documentation at: [www.cducsu.de/Titel\\_Merkel\\_ruft\\_zum\\_Schutz\\_der\\_Artenvielfalt\\_auf/TabID\\_1/SubTabID\\_5/InhaltTypID\\_4/InhaltID\\_9409/Inhalte.aspx](http://www.cducsu.de/Titel_Merkel_ruft_zum_Schutz_der_Artenvielfalt_auf/TabID_1/SubTabID_5/InhaltTypID_4/InhaltID_9409/Inhalte.aspx)). Picture Source: CDU/CSU Bundestagsfraktion)

The study compiled by PwC on behalf of WWF Germany and which was featured in an earlier issue of this magazine, demonstrates how conservation projects can be designed to be financially profitable. Projects in the area of sustainable forestry and eco-tourism have demonstrated that these types of projects do not only offer a valuable contribution to conservation, but that they can also have an additional social benefit through job creation for the



local populations in biodiversity hotspots. The advantage: the projects have a positive triple bottom line - positive effects on the environment, society and the economy. This puts an end to the competition between conservation on the one hand and economic growth on the other, because companies of this kind also create jobs. In developing countries especially, the creation of economic alternatives to overexploitation of nature is particularly urgent. PwC's concept outlines how these projects can be bundled in “Biodiversity Enterprise Funds” for them to access new sources of funding. (More information can be found on [www.pwc.de/en/sustainable-investments](http://www.pwc.de/en/sustainable-investments)).

On the occasion of COP 9, Kristina Jahn discussed the findings of the PwC research at a panel debate following the launch of the IUCN/ Shell report Building Biodiversity Business. Confirming the findings of the

PwC study, the report states that there are numerous pro-biodiversity business opportunities that can generate significant profits as well as benefits for nature. However, the panel debate with Dr Joshua Bishop, IUCN's Senior Advisor on Economics and the Environment, also made it clear that a few inspiring examples are not enough. Panellists agreed that, in order to achieve a major increase in business investment in biodiversity conservation, it is necessary to link policy reforms, technical assistance and innovative financing tools, such as:

- The establishment of appropriate regulatory frameworks and incentives by Governments to make investments into pro-biodiversity businesses attractive
- The provision of attractive credit lines or guarantees by international financial institutions to accelerate market development, so as to reduce the risk perceived by local banks
- The creation of a biodiversity financing facility that would accelerate the market for commercial banks by showing that investments into pro-biodiversity businesses are economically viable.

The “Business Case for Biodiversity” was also discussed on the occasion of the launch of the new BBC series “Nature Inc” on 26 May: Wolfgang Wagner discussed the concept with Ahmed Djoghla, UN Assistant Secretary-General and Executive Secretary of the Convention on Biological Diversity (CBD) and Astrid Klug, Parliamentary

State Secretary, German Federal Ministry for Environment, Nature Conservation and Nuclear Safety. Nature Inc., broadcast on BBC World News, presents a new breed of investor - the biosphere bankers, who view investment in sustainable development as a good business strategy. It is the first TV series on an international network that puts a price on nature: what it costs in cash not to conserve ecosystems and how much money can be made investing in it.

(Read more on: <http://www.natureinc.org/home.htm> and [http://unfccc.metafusion.com/kongresse/CBD2008\\_2/templply\\_cbd.php?id\\_kongresssession=1114&player\\_mode=isdn\\_real](http://unfccc.metafusion.com/kongresse/CBD2008_2/templply_cbd.php?id_kongresssession=1114&player_mode=isdn_real))

Another new financing tool for conservation purposes in developing countries are trust funds. Shortly before COP 9, PwC, Germany conducted a due diligence and feasibility

ity study for the establishment of a Trust Fund for the “Foundation for the Parks and Nature Reserves of Côte d’Ivoire” (FPRCI). On behalf of the Worldwide Fund for Nature Germany (WWF) and with financial support from the German Federal Ministry for Economic Cooperation and Development (BMZ) and technical assistance from the Gesellschaft für Technische Zusammenarbeit (GTZ), PwC helped develop criteria for supporting a sustainable financing mechanism for the Tai National Park. The purpose of this due diligence was to assess the current situation of the Foundation to inform the BMZ about the Foundation’s legal and organizational situation, its human and financial resources, as well as its financial, portfolio and grant management capabilities. The results of the feasibility study were presented at COP 9 and received a lot of positive feedback, possibly acting as a door-opener for similar financing initiatives in other countries.

COP 9 made it clear that finding new ways of financing conservation and implementing them requires the joint effort by governments, businesses and NGOs. The preparations for COP 10 could give these efforts the necessary momentum.

*Kristina Jahn is Manager, PriceWaterhouseCoopers Germany, Sustainable Business Solutions*

## Landscape auctions - reflections and future prospects

By IVO MULDER, LIESKE VAN SANTEN AND DAAN WENSING

“Welcome to the future!” is how we kicked-off our article in February’s edition of Business.2010 newsletter. We celebrated the birth of a financing mechanism for nature conservation, a mechanism that we believe to be a promising means to generate funding and engagement for nature conservation. Something unique, and very fresh: the Landscape Auction. With almost a year having passed since the inception of the instrument it is time to reflect on its success, and to consider whether it lives up to its ‘future-proof’ potential. What are the experiences, lessons learned and where do we go from here? In this article we look back on the Landscape Auctions held, define factors for success and give an outlook for our ambitions set for next year and years to come.



What is the Landscape Auction all about? Very briefly, at a Landscape Auction ‘buyers’ place a bid for landscape elements or biodiversity (e.g. preservation of habitat for a specific species) that are offered by landowners, such as farmers or conservation organizations. The successful bidder “adopts” the element by paying the landowner for the management costs related to the conservation (or rehabilitation) of the respective landscape element for a given period of time. The direct relation between ‘what you see is what you get’ makes it substantially different from other financing mechanisms. The Landscape Auction is developed and implemented by Triple E with the aim of generating an additional revenue stream for nature conservation, as there is a discrepancy between how we value our landscape and biological diversity and what we pay for it.

### **Success in the Netherlands...**

Since the first auction, in September 2007 in the Ooijpolder in the Netherlands, where €140,000 was raised in just over an hour, Landscape Auctions have been organised under different circumstances and for many different audiences. The direct revenue from the respective auction varied accordingly. For example, families bid for the management of solitary trees, a school to support the pruning and planting of an apple orchard, a group of colleagues placed a bid for the management of a meadow suitable for bees, a company adopted an old chapel in the forest and another company supported the management of a traditional breed of cows.

Heralded as bringing ‘buyers’ closer to the people and organizations which take care of our landscape and protect biodiversity, the Auctions do not compete with other sources of finance for conservation, but focuses on ‘buyers’ that have previously been difficult to reach, generating an additional stream of revenue. This includes local companies that operate in the vicinity of the landscape on offer, or citizens that use the area for recreation.

### **... ready to go global at COP 9**

Encouraged by the success in the Netherlands we were ready for the next step: to bring it to an international audience, the auctioning of biodiversity elements from all over the world. What better opportunity than at the 9th UN Convention on Biological Diversity in Bonn to organise, together with our German partner the Global Nature Fund, the first international Landscape Auction.

The result... From an audience comprising delegates, NGOs, representatives from business and other participants, hands were raised to bid for, camera traps for the Jaguar in the Pantanal; the conservation of freshwater dolphins in Indonesia; meadow orchards in Germany; the restoration of mangrove forests in Sri Lanka and snow leopards in Central Asia. This experience at COP 9 indicates that at the global level, Landscape Auctions also link conservation needs to people and companies. The atmosphere during the auction was, just like with local auctions, a feeling of: together we can contribute to nature conservation in a direct way. In addition to raising funds, the event generated a ‘feel

good' factor , which is just as important.

### ***It works! And what have we learned?***

So far Triple E has organised over 10 auctions, of which two have been held outside The Netherlands. What have we learned and what can we improve?

- 'What you see is what you get' is particularly relevant. This includes the organisation of an outdoor auction, where people can directly see the landscape elements that are put up for auction. Unfortunately, at the international level, this is much more difficult and in many cases impossible to achieve. What have learned, for this idea to be fully realised, is that we will need to select 'auctionable' products that have a direct link with people or companies. However, whether at a local or a global level, it is important to know exactly how the money will be spent. Landscape elements on offer should be adjusted to the interest and budget of the buyers. Of course there are many different motivations for people to participate in an auction, and their engagement to support a specific landscape element varies accordingly. The elements brought under the gavel need to be 'fit for the audience'.

- Interest and available budget may differ substantially between Western Europe and other developed countries on the one hand, and cash constraint economies on the other -often regions with biological and landscape diversity. This is something we have to take into account while aiming to further expand the reach of Landscape Auctions.

- Never underestimate to the time to prepare for an auction. We learned that individuals who came spontaneously to bid have a different willingness to pay compared to individuals that were well aware of the auction and the elements they could support. Engagement from business also needs time. Planning adequately to explain and promote the auction is therefore a well worth investment.

- The added value of Landscape Auctions are largest in areas where there is an immediate threat of land use change, destruction of habitats, and loss of species. People who are already concerned value the opportunity provided by the auctions to express their concern by financially supporting an element that is threatened.

- For landowners and nature organizations alike, Landscape Auctions are a welcome means to generate financial compensation for the 'scenic beauty' they create. While many people enjoy the view of a characteristic landscape, so far this has not led to support for the management necessary

to maintain traditional landscapes. Landscape Auctions allow the maintenance of these traditional landscapes through for example, the re-planting of orchards, trimming of hedges, and compensation for income losses as a result of protecting species and leave solitary trees in agricultural fields.

- Finally, a 'feel good' atmosphere is key to the success of the auctions. The auctions are more than a finance mechanism: they provide a need to be able to take care of what we consider important in a fun and positive way. No doom and gloom stories, but an opportunity to act and help. The auctions create a direct link, not only between nature and financier, but also between people with the same interests, creating a new community taking responsibility for their environment.

### ***What future for Landscape Auctions?***

When the Landscape Auctions were developed, sceptics thought it would never work. We have proven them wrong. The auctions do deliver. Additional funding for conservation efforts has been generated and a new instrument has been established. Willingness to pay transformed into revealed preferences: a direct revenue for nature conservation, and, on top of that, a great sense of achievement and many more engaged people to take responsibility for their green surroundings. So we are continuing our efforts to create revenues to protect more landscapes and biodiversity, and we are about to use the auction in many more places worldwide.

The world needs practical and smart busi-

ness solutions in order to halt further biodiversity loss. Landscape Auctions provide a new and more market-oriented approach to biodiversity conservation. The range of options to use the auctions is huge. In The Netherlands for example we will organise a Landscape Auction in early 2009 to buy out a project developer. This is a test case to see how inhabitants in a municipality value their natural environment in such a way that they are willing to invest and safeguard their landscape. Also on the agenda, the first Landscape Auction tailored to companies willing to voluntarily offset their carbon emissions by conserving carbon that is stored in forest biomass ( Reduced Emissions from Deforestation and Forest Degradation (REDD)). This REDD auction aims to prevent deforestation of forests and conservation areas in tropical countries. This is not where we stop, as we also intend to safeguard marine biodiversity by establishing Marine Protected Areas with finance from the business sector through a number of auctions in certain designated countries.

### ***Final note***

What is of paramount importance is that with a Landscape Auction you are guaranteed a sustainable investment. Far from a short-term commitment, participants have become stakeholders in safeguarding their own surroundings. With the current gloomy financial crises and lack of trust and certainty among the public, it is the opinion of the authors that it is time to rethink what we really value and how much value we are ready to invest in this. At a Landscape Auction people are confronted with the actual costs of a 'healthy planet' and



Bees in Crocus flowers. Photo courtesy of [www.flickr.com/photos/117](http://www.flickr.com/photos/117)



balance that with what they are willing to pay. Considering the positive experiences, we are convinced that this balance might well turn out in favour for a more sustainable world where people are given the responsibility to act.

*Ivo Mulder, Lieske van Santen and Daan Wensing (co-ordinator) all work for the international department of Triple E. Triple E (Economy, Ecology and Experience) is an expertise centre specialised in the relation between nature, economy and the experience people gain through and from nature.*

## Business Biodiversity Partnerships - An NGO perspective

By STEFAN HÖRMANN

**E**stablishing biodiversity partnerships between business and NGOs is a complex and sensitive process. NGOs are sometimes in the dilemma of acting as watchdogs aiming to prevent corporate green washing, while at the same time, looking for financial support from companies to carry out projects for the improvement and protection of biodiversity.

Since its launch in 1998, the environmental foundation Global Nature Fund (GNF) has worked with many companies and institutions, to develop solutions for the protection of the environment, nature and species. The German based NGO has made some good experiences with a cooperative approach.

### Living Lakes

One of the key projects of GNF is the international Living Lakes network. Living Lakes is a global partnership whose mission is to enhance the protection and restoration of lakes, wetlands and other freshwater bodies all over the world.

Lakes and wetlands are very often biodiversity hotspots. For instance, the Pantanal Wetland in South America, covering an area of 240,000 km<sup>2</sup> is home for 260 species of fish and 650 species of birds.

On the other hand, lakes and wetlands are already degrading faster than any other type of ecosystems due to the following causes:

- **Pollution:** from agricultural run-offs, domestic waste, and industrial sewage.
- **Land use change:** transformation for agricultural use, for urban growth, and for industrial construction.



Overuse: water is excessively consumed by agriculture, industry and domestic households.

- **Invasive species:** new species are introduced into the ecosystem and replace local biodiversity.

In the Pantanal and its catchment the rush for biofuels has increased the existing pressures from soy farming, cotton and cattle grazing. 45 % of the original vegetation has been suppressed.

The Living Lakes network started with four partners at Lake Constance (Germany, Austria, Switzerland), Lake Biwa (Japan), St. Lucia Lake (South Africa) and Mono Lake (USA) in 1998. Today, Living Lakes includes 55 lakes represented by more than 70 partner organisations - predominantly NGOs. In order to conserve and restore the ecosystems and their functions for drinking water or food supply business has to take responsibility. From the beginning partners from business such as Daimler, Lufthansa and Unilever have supported and been actively involved in the Living Lakes initiative.

Various tangible examples of collaborations exist such as corporate volunteering in conservation projects. In particular, young employees of the German airline Deutsche Lufthansa, and other companies such as Sika or Ziemann, became actively engaged in GNF's conservation projects. They work on site together with locals, for example helping to repair nature trails at the Estonian Lake Võrtsjärv or assisting rangers in South Africa. The Nature Summer Camps aim to raise environmental awareness among the employees and simultaneously improve the internal communication and understanding of the company's biodiversity commitment. As an NGO we are sometimes accused of allowing companies to

influence our decisions. We would rather see it the other way round. With a project like the Nature Camps we are able to reach corporate employees exposing them, very often, to totally new experiences which results in a new understanding of nature and value of biodiversity.

### Protecting Climate and Biodiversity

Although lakes and wetlands cover approximately 6% of the Earth's surface, they contain an estimated 25 - 35% of carbon stored in terrestrial biomass on earth. This extraordinary capacity of wetlands to store carbon is achieved by building up peatlands, which are the most efficient carbon storages of all terrestrial ecosystems: on a world-wide scale, peatlands store twice the carbon present in forest biomass and their storage is a very long term, contrary to forests.

Within the Living Lakes Partnership, flagship projects in South Africa, Brazil and China aim at climate change mitigation while at the same time supporting the conservation of the threatened ecosystems and biodiversity. All projects are targeting carbon markets and private business investors who want to offset their carbon and biodiversity footprints.

In the South African St. Lucia and the Brazilian Pantanal wetlands, both UNESCO World Heritage Sites, degraded forests will be restored on a large scale using a pro-poor & poverty alleviation based approach. In China, the installation of new biogas plants will aid in overcoming the problem of the manure deposits from a growing livestock sector in open ponds. Negative effects are huge methane emissions and leakage into groundwater and surface water threatening the vulnerable ecosystem lake Poyang, China's largest freshwater lake.



Osram lamp. Photo courtesy of [www.flicker.com/HectorMilla](http://www.flicker.com/HectorMilla)

The introduction of solar lamp systems at Lake Victoria is a good example of a climate mitigation and biodiversity action which was implemented by an NGO and turned into a viable market-option for private sector companies. In 2004, the Kenyan NGO Osienala and GNF started to look for solutions for the replacement of kerosene lamps that are harmful to health and the environment. The aim was to develop environmentally friendly solar lamps for night fishing of the native Victoria Sardine as the mineral oil used in the conventional kerosene lamps consistently pollutes the lake and drinking water. The bulb producer OSRAM contributed to the NGOs efforts by providing fishermen at Africa's largest lake with off-grid lighting with financial support and technical expertise. Following a one year planning stage, a solar power service station - a so called Energy Hub - was installed. Three further Energy Hubs in Kenya and Uganda will soon be launched. The OSRAM project lamps are rugged, water resistant and significantly cheaper to use than conventional kerosene lamps. The batteries can also be used for radios or recharging cell phones. The demand is huge, with approximately 160,000 night fishermen living on the shores of Lake Victoria. The technique is transferable to other regions in Africa and Asia and can also be used for lighting homes<sup>1</sup>.

### **Business and Nature Programme**

There is an increasing demand in the private sector for technical assistance and partnerships with NGOs in biodiversity conservation. GNF responded by setting up a Business and Nature programme which will assist companies in integrating conservation of biodiversity into corporate policy<sup>2</sup>. One of the first activities in this programme is the assessment of the biodiversity performance in supply chain management in the information and communication industry.

Regional biodiversity forums, targeting small and medium sized enterprises are further ways of assessing biodiversity needs at a local level. In September 2008, the first regional forum took place at Lake Constance, Germany, hosted by GNF's partner from the Lake Constance Foundation and the regional chamber of commerce. The forum brought together for the first time local industries to discuss concrete action at both local and regional levels to contribute to halt the loss of biodiversity. Follow up forums in this and other European regions are planned.

### **Intensified dialogue on B&B Initiatives**

We still see the need for an intensified dialogue on new and ongoing biodiversity initiatives involving the private sector, in

order to define the best options to promote sustainable partnerships with the corporate world. Critical discussion will contribute to a better cooperation between NGOs and the business sector thus contributing to the achievement of better results for the protection and restoration of biodiversity.

Some of the key issues which should be tackled from the business side are:

- A clear and transparent link between operative biodiversity management and the reporting on it
- The communication of quantitative and qualitative aims and measures in corporate biodiversity management in sustainability reports of companies
- Showing the overall corporate impact on biodiversity through single successful case studies and pilot projects
- An open dialogue on failed activities in biodiversity management between NGOs and corporations which might also increase the credibility and quality of future partnerships.

*Stefan Hörmann is the Project Manager for the Global Nature Fund and coordinates the Business and Biodiversity activities.*

Email: [hoermann@globalnature.org](mailto:hoermann@globalnature.org)  
[www.globalnature.org](http://www.globalnature.org)

*The Global Nature Fund is a non-profit and non-governmental foundation for nature and environment. Since 2007 GNF has placed a specific focus on Business and Biodiversity. In cooperation with the German Gesellschaft für Technische Zusammenarbeit (GTZ), the first international Business and Biodiversity Conference in Germany was hosted in April 2008<sup>3</sup>.*

<sup>1</sup> For more information:  
[www.osram.com/offgrid](http://www.osram.com/offgrid)

<sup>2</sup> [www.globalnature.org/business](http://www.globalnature.org/business)

<sup>3</sup> Conference Proceedings:  
[www.globalnature.org/bio-div](http://www.globalnature.org/bio-div)



Lake Malawi fisherman. Photo courtesy of [www.flicker.com/Larsz](http://www.flicker.com/Larsz)

## What's business school got to do with it?

By MIRA INBAR

The twenty-first century company faces increasingly complex environmental risks. Global climate change, water scarcity, and loss of biodiversity are issues that are fueling a fundamental shift in the role that business is taking in society. As environmental regulations emerge, the price of oil increases, and consumers become more conscious about environmental issues, companies are looking for innovative ways to reduce the risks associated with poor environmental performance and to advance into 'greener' business opportunities.

In parallel, business schools are training the next generation of business leaders to shape business in an increasingly complex world and creating the models that will beget a more sustainable future. Companies such as Clif Bar, Patagonia, and Method, whose business models emphasize positive environmental, social, and financial returns, are calling into question the conventional assumption that the core objective of business is to maximize profits.

Increasingly, more and more students are entering professional school with the aspiration to use business as a tool for sustainable development. These students come from public and non-profit backgrounds, frustrated with the limitations of these sectors. They also come from traditional business fields, looking for more meaningful careers. What impact does all of this momentum this have on biodiversity?

Economic development, while critical, is causing massive and irreversible disruptions to global ecosystems, threatening food and water supplies, and threatening social stability. Global extinctions are now approaching 1,000 times the background rate. According to the Millennium Ecosystem Assessment, 10-30% of mammal, bird, and amphibian species are threatened to extinction because of human activity. New ideas and innovations must take place in order to shift society towards more sustainable modes of production and consumption. Business school is just the forum for the kind of fresh and creative thinking that can launch the big ideas of the future.

The Haas School of Business at University of California is one place where that innovation is taking place. Take Jeff Denby, for example. Jeff graduated from Haas in 2008 to start a sustainable underwear company. His company sources all organic and sustainable products and donates a percent-



age of all proceeds to charitable organizations. Matt Evans and Jit Bhattacharya (class of 2008) began their own carbon offset retail organization, sourcing offsets from projects that have positive biodiversity and livelihood impacts. Last year, a group of Haas students started a Socially Responsible Investment Fund, which is the first investment fund of its kind managed entirely by students.

This past summer Haas MBA candidates from the class of 2009 experienced the opportunities for sustainability within big corporations. Jeff Shah created a brand identity for a new organic bourbon at Brown Forman. My colleague Justin Parker and I worked for the Dow Chemical Company, where we developed a business model for the company to enter the affordable housing market in India. Our project was anything but philanthropic and entirely integrated into the company's sustainability and strategic business development goals.

Such experiential learning is just one path towards innovation. Students are also taking an active role in redesigning the business school curricula. Last year I designed and convened a seven week speaker series which examined how companies are redesigning their internal business models to embrace more environmentally responsible practices. The seminar was designed to look at how issues such as climate change and biodiversity, effect companies across sectors, scales, and geographies. Companies such as Starbucks, HP, IDEO, Dell, Patagonia and others came to Haas to share specific ways in which they are integrating environmental criteria into business strategy and development. Students engaged

with these companies on a full gamut of opportunities and obstacles, from issues of carbon management across supply chains to green marketing.

The Net Impact Club at Haas, an umbrella organization for social and environmental responsibility, is convening a year-long seminar to examine the broader ecosystem changes that must take place for business to shift towards sustainability. Sessions will examine the fundamental shifts in law, policy, design, and spirituality that must support different production methods in the future. The seminar will be video-streamed for the Indian School of Business, Hyderabad and students from both Haas and ISB will blog jointly about their learning and thoughts on real-world applications. This kind of global collaboration is just what needs to happen in what Thomas Friedman dubs an increasingly "flat" and interdependent world.

The age of business versus the environment is disappearing. We are part of a new era in which environment is becoming a strategic opportunity for companies of all sizes and biodiversity is in the lexicon of some of the highest ranked business schools. Environmental conservationists beware. A new army of passionate change agents are joining you.

*Mira Inbar is with the Haas School of Business, University of California at Berkeley*



## Parallels between the financial and ongoing ecological crisis

By IVO MULDER , LAWRENCE JONES-WALTERS, AND LIESKE VAN SANTEN

**T**he financial crisis provides a metaphor for the ongoing ecological crisis in terms of causes and required actions to halt further destruction.

Though the nature of many Western societies is to take things such as savings and economic prosperity for granted, the recent turn of events in relation to the global financial crisis and implications for the world economy show that these assumptions may be misplaced. For example, we apparently failed to recognize the problem that was the Icelandic economy until it was far too late. And we all know that Iceland is not alone in this context.

Bankers and economists behaved like the pilots of a jumbo jet who, when flying through fog and low cloud, cannot believe the cockpit readings from their instruments, choose to ignore them and end up crashing into the side of a mountain. Only at the final moment did intervention, led by Prime Minister Gordon Brown and Nicolas Sarkozy, was a global financial meltdown avoided.

For all its negative effects on the global financial sector and the economy as a whole, one positive outcome of the recent financial crisis is that it offers a chance for change. With regard to the financial landscape, there has been talk about modernizing the Bretton Woods institutions. In the field of socially and environmentally responsible investment (SRI) there has been a notable surge of interest. In the past month alone, owners representing more than \$1,500 bn of assets have signed up to the six Principles for Responsible Investment (PRI), bringing the total above \$18,000 bn. However, while discussions around environmental issues have predominately focused on climate change, the current situation should also offer a chance to challenge and tackle the ongoing ecological crisis we are facing.

The state of the financial system and actions required to save it provide a perfect metaphor for the underlying



causes behind the ongoing ecological crisis, and the actions required to halt further destruction. There are three clear similarities. Firstly, we take our natural environment for granted and hence do not value it in an economic sense. Secondly, we are failing to recognize the problem of major degradation. Thirdly, similar to halting a global financial meltdown, the actions required to halt a disastrous loss of global biological diversity require a comparable radical and urgent change in attitude and coordinated effort by countries around the world.

We have a strong association with the landscapes that surround us and the life they harbour. They provide us with inspiration. They are, very much, what we expect to see when we go for a day out in a natural area. In a sense we take them for granted; and that, of course, is the first point because, as we take them for granted, we do not value them in an economic sense. Indeed, since 1970 global biological diversity has declined by nearly 30%, as measured by WWF's Living Planet Index .

Secondly, there is the failure to understand the problem. We have built a huge debt with nature, with the earth as its creditor. Our failure to properly value the goods and services that ecosystems around the world deliver to us and our global economy, has led to the largest market failure in history. A market failure which dwarfs the anomalies in risk management that led to the subprime mortgage bust. The Ecological Footprint has calculated that since 1980 we are overshooting our biocapacity; in 2003 by even 25%iii. Humanity is no longer living off nature's interest, but drawing down its capital. The problem is especially dire in the fisheries sector. A recent

report by the World Bank and the Food and Agriculture Organization , shows that the difference between the potential and actual net economic benefits from marine fisheries is in the order of \$50 billion per year. The build-up of a redundant fishing fleet capacity, deployment of increasingly powerful fishing technologies, increasing pollution and habitat loss have depleted fish stocks worldwide, while catches have remained stagnant. And fisheries is just one sector. Losses to our natural capital are felt not only in the year of the loss, but continue over time, and are added to by losses in subsequent years. These cumulative welfare losses could be equivalent to 7% of annual consumption by 2050 .

Thirdly, there is a need for a radical and coordinated effort to halt further destruction. There are some early signs that the political establishment, especially in Europe, is showing signs of doing just this. The G8 Potsdam declaration in March 2007, has been followed by support from the European Union and Germany's Gesellschaft für Technische Zusammenarbeit (GTZ) to conduct a global study on 'The Economics of Ecosystems and Biodiversity' (TEEB), which is similar to the Stern Review of the economic costs of climate change . In addition, the UN Environment Program has just launched the 'Global Green New Deal' - referring to Roosevelt's New Deal in the aftermath of the great depression in the 1930s - with the objective of enabling global leaders to recognize that environmental investments contribute to economic growth.

It is in relation to this evaluation process that we feel we should borrow from the world of economics. In order to tackle the underlying causes behind the



ecological crises and support politicians and businesses in a coordinated effort in tackling ecosystem degradation, we need pragmatic approaches to economically value nature since most techniques have so far failed to bridge the gap with policy makers and traditional economists. An alternative approach would therefore be to perceive nature areas as 'firms' for which all capital flows can be visualized and commoditized. In effect, it comes down to using traditional accounting principles, accounting for 'hard' cash flows such as turnover of companies depending on a nature area for their business, related corporate taxes, and the premium value of houses in green environments (in comparison with the same types of houses in an urban environment). By capturing all capital flows that can be attributed to nature, landscapes, and water, policy makers and other stakeholders get a more realistic and pragmatic view about the economics of nature and how many direct and indirect jobs are created and sustained.

Many studies in the Netherlands by Triple E have so far proven that investing in a natural environment results in a much stronger - regional - economy than one would be likely to imagine. For example, for a case study in the eastern part of the Netherlands, the National Park 'Weerribben-Wieden', we have calculated that in the current situation the area generates a net economic benefit or total cash-flow of over €70 million for an area of roughly 10,000 ha, while the costs (mainly management) amount to €6 million. Of the total of more than 23 thousand jobs, the nature-related jobs were calculated to be 3,897 from all sorts of businesses that directly or indirectly benefit from the presence of the nature area.

Since the method has so far only been applied in the relatively rich and urbanised Netherlands, Triple E and ECNC aim to jointly undertake a major study to apply this method to ten protected areas throughout Europe in the coming year to test its resilience in different economic circumstances and guide policy-making 'pilots' with 'cockpit readings' they can trust.

*Ivo Mulder and Lieske van Santen are with Triple E, Fribourg, Switzerland, Email: ivo@tripleee.nl*

*Lawrence Jones-Walters is with ECNC-European Centre for Nature Conservation, Tilburg, The Netherlands, Email: joneswalters@ecnc.org*

#### References

- i WWF, 2008. *Living Planet Report 2008*. WWF International: Gland, Institute of Zoology: London, Global Footprint Network, Oakland.
- ii World Bank and Food and Agriculture Organization, 2008. *The Sunken Billions. The Economic Justification for Fisheries Reform. Agriculture and Rural Development Department*. The World Bank. Washington DC
- iii TEEB (2008): *The Economics of Ecosystems & Biodiversity - An Interim Report*. EC, 2008. 64 pp. Available at: [http://ec.europa.eu/environment/nature/biodiversity/economics/pdf/teeb\\_report.pdf](http://ec.europa.eu/environment/nature/biodiversity/economics/pdf/teeb_report.pdf)
- iv Stern (2006): *Stern Review: the economics of climate change*. Available at [http://www.hm-treasury.gov.uk/independent\\_reviews/stern\\_review\\_economics\\_climate\\_change/stern\\_review\\_Report.cfm](http://www.hm-treasury.gov.uk/independent_reviews/stern_review_economics_climate_change/stern_review_Report.cfm)
- v Bade, T., Enzerink, R., Smid, G., 2008. *Nationaal Park Weerribben-Wieden als drager van de regionale economie*. Triple E: Arnhem.



Photo courtesy of [www.flickr.com/photos/azrainman](http://www.flickr.com/photos/azrainman)

## Conservation of endangered *Coffea arabica*

By FRANZ GATZWEILER, JÖRG VOLKMANN, MANFRED DENICH, TILL STELLMACHER, TADESSE W. GOLE, FEYERA SENBETA, ASEFFA SEYOUUM

**B**usiness based on coffee collected from wild populations of *Coffea arabica* is a balancing act between satisfying the gourmet and other demands of solvent customers and investing in the conservation of Ethiopia's endangered montane rainforests.

The *Coffea arabica* plant originates from these forests and wild populations can still be found in the undergrowth of many forest areas. Twenty percent of Ethiopia's Arabica coffee is produced in forest coffee systems of different management intensities, spanning from the mere collection of wild coffee in forests to management interventions such as pruning of wild coffee trees and removal of trees and shrubs competing with coffee plants. Unmanaged coffee forest areas yield between 5-50 kg/ha annually (managed forests yield up to 400 kg/ha). Thus, collecting coffee from the unmanaged areas (which might be considered the "true" wild coffee) is only attractive for the poorest living in the vicinity of the forest and only when market prices are high enough. Although the economic value of these wild populations has been estimated at 0.5-1.5 billion USD (Hein and Gatzweiler, 2006) little is invested in their conservation. The current and dominant



Coffee Arabica. Photo courtesy of [www.flickr.com/Refracted Moments](http://www.flickr.com/RefractedMoments)

approach is an exclusionary “fence and fines” approach taken by the Ethiopian government, which designates protected areas and aims at keeping people outside these areas. Lack of financial resources and guarding capacity to control the areas as well as ignorance towards the interests and needs of the local forest users, make it difficult to sustain conservation goals by this approach.

When governments fail to achieve conservation goals and communities are not empowered or capable to do so by themselves, private businesses seem to offer a third path. Since the boom in the coffee specialty market, some enterprises market Ethiopian coffees as “wild” coffee. Apart from promoting their unique flavours and high quality, these coffees are sold with a story which makes consumers believe they support either poor coffee collectors, the conservation of endangered wild coffee populations, or both. This is business “with” biodiversity and it is business as usual: Various biodiversity goods and services, be it material goods or inspirational values of biodiversity (like “wildness”), are used to add value to the product and generate additional private benefits from its sale. Other values added to the coffee, like its contribution to social and ecological (conservation) goals are mainly produced by mental associations of uncritical customers.

Business “for” biodiversity goes beyond the idea of simply using biodiversity goods and services to increase profit margins by adding real or illusory values. It is business which abstains from short-term profits for the benefit of the future and invests in biodiversity conservation as a public good and heritage.

A closer look at the market for wild Ethiopian *Coffea arabica*, taken by scientists

from the Center for Development Research (ZEF Bonn, Germany), reveals that harmful ecological and economic effects on biodiversity conservation can result from these business activities (Stellmacher 2008, Volkmann 2008):

1. Increases of coffee prices in general are an incentive for coffee collectors to manage wild coffee populations more intensively than in times with low market prices. Increasing coffee prices are an incentive to collect and intensify coffee production from more difficult to access forest areas, which were previously left idle. With increasing prices, it is worth to collect coffee from more difficult to access forest areas and to intensify production by removing the canopy trees and undergrowth in order to provide the coffee with more sunlight and by transplanting and pruning the coffee plants. Accordingly, “wild” forest coffee is increasingly modified into “forest coffee plantations” under the shade of few primary trees. These management interventions have negative effects on the genetic diversity of wild coffee populations (which is reduced) as well as on the forest biodiversity.

2. Coffee from some forest areas is bought from cooperatives which have been certified for either being ecologically responsible or trading fair. Others merely claim to be fair without being certified. Many coffee farmers delivering their coffee to these cooperatives do not know whether their cooperative is certified and what the respective certification standards say. Price premia from certification are often not passed down to the collectors. Mechanisms for monitoring and controlling the sustainable and ecologically friendly use of the wild coffee populations are not in place. Business relations between individual coffee farmers, the cooperatives and superior cooperative unions are defined by mistrust. Marketing this forest coffee only with product related certificates without having institutions that effectively control the conservation effect on the coffee forest will further threaten its endangered habitat.

Currently market-based instruments (MBI), like product certification, are an entry ticket for niche markets but have little, if any positive conservation effect on the wild coffee populations in Ethiopia and its habitat, the montane rainforests, due to:

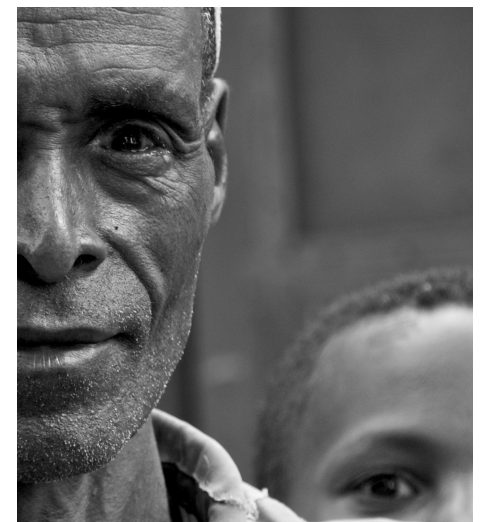
- higher prices for the product are an incentive to increase harvesting quantities and production intensity,
- certification criteria are product but not (forest) area related, and
- training and information for farmers and cooperatives on the (supposed)

conservation effect of certification are lacking.

This case is one of doing business with biodiversity. The niche for this market is defined by the lack of awareness and knowledge of consumers on what wild forest coffee from Ethiopia actually is and the economic gains for investing in a business activity with proven conservation gains. Business for biodiversity, true biodiversity business, would take care of both. Accordingly, an incentive package would need to respond to the existing market, policy and institutional failures, actually causing biodiversity loss. Apart from the business with coffee this would include cooperation with communities and civil society organisations, as well as policy makers towards common biodiversity conservation goal. Different options for incentives referring to the private, common and public good characteristics of coffee forest biodiversity are currently being elaborated by a team of researchers at the Center for Development Research ([www.coffee.uni-bonn.de](http://www.coffee.uni-bonn.de)).

#### References

- Hein, L. and Gatzweiler, F. 2006. *The economic value of coffee (Coffea arabica) genetic resources*. *Ecological Economics* 60: 176-185
- Stellmacher, T. 2008. Stellmacher, T. (2008): “Prospects and challenges of forest coffee certification in Ethiopia: the need to effectively link economic benefits to biodiversity conservation.” In: *Proceedings of the conference: Human Dimensions of Global Environmental Change*. Freie Universität Berlin, 22-23 February 2008; [web.fu-berlin.de/ffu/akumwelt/bc2008/papers/bc2008\\_9\\_Stellmacher.pdf](http://web.fu-berlin.de/ffu/akumwelt/bc2008/papers/bc2008_9_Stellmacher.pdf)
- Volkmann, J. 2008. *What Certification Standards for Ethiopian Forest Coffee? Presentation at the Workshop on Certification of Forest Coffee in Ethiopia, April 22nd, Addis Ababa*
- Volkmann, J. 2008. *Assessment of Certification Options for Wild Forest Coffee in Ethiopia*. CoCE Project Report, [www.coffee.uni-bonn.de](http://www.coffee.uni-bonn.de)
- Authors are researchers from the CoCE Project: *Conservation and use of wild populations of Coffea Arabica in the montane rainforests of Ethiopia, financed by the German Ministry for Research and Education (BMBF)*.
- Contact: Dr. Franz Gatzweiler, Center for Development Research (ZEF Bonn), eMail: [gatzweiler@gmail.com](mailto:gatzweiler@gmail.com)



Ethiopian coffee farmer - Tulo Bulo, Ormomia, Antony Robbins, May 2008. Photo courtesy of [www.flickr.com/Overseas Development Institute](http://www.flickr.com/OverseasDevelopmentInstitute)

# NEWS AND EVENTS



## In this section

*This section provides information on business and biodiversity events that have taken place since COP9.*

Photo courtesy of [www.flickr.com/kateyay](http://www.flickr.com/kateyay)

## Perfume Industry considers support for CBD

Major companies from the over \$300 billion perfume and beauty industry met in Grasse, France from October 23 to 24, 2008 to discuss support for the principles espoused in the Convention of Biological Diversity.

Euromonitor predicts the beauty market will experience an average annual growth of 3%, reaching global sales of more than \$337 billion by 2012. As France became the European center of perfume and cosmetic manufacture, aromatic plants have been increasingly grown in the Grasse region of France to provide the raw material.

This was the venue for the seventh congress on perfumery and natural raw materials to discuss how to support the principles espoused in the CBD, the UN declaration on the rights of indigenous peoples, the UN Global Compact and the ILO.

The meeting was organized by Ms Catherine Peyraud of the "Natural Resources Stewardship Circle", formerly known as the Club des Entrepreneurs based in Grasse.

Recognizing that plants have long been used in beauty products as a source of essential oils and aroma compounds, a collective policy by the beauty industry on sourcing raw material that discourages loss of biodiversity and biopiracy, promotes sustainable use and economic opportunities for farmers can go a long way in implementing the CBD. In the past, demands for aromatic materials like sandalwood, agarwood, and musk has led to the endangerment of these species as well as illegal trafficking and harvesting.



Perfume organ, Grasse, France. Photo courtesy of [www.flickr.com/tacoekkel](http://www.flickr.com/tacoekkel).

The initiative by the industry is also recognition of the growing consumer preference for green and ethically produced beauty products. Aveda, a leading manufacturer of plant-based beauty products states in its mission that "there is no responsible alternative to doing business other than through environmental sustainability." Similarly, an Australian company Eco Natural Makeup claims that, "Finally, green is sexy." Rohan Widdison, the company's founder notes that, "The market for organic personal care products was worth US\$4.3 billion, with an estimated 50% increase by 2010 to US\$6.6 billion. Much like free trade coffee, ethically chic, organic personal care resonates the emerging trend in socially responsible retailing."

The CBD, represented by Ravi Sharma from the secretariat, was invited to the congress to highlight the importance for supporting indigenous people, sustainable use of the components of biodiversity, and improved sharing of the benefits arising from the commercial utilization of genetic resources in a fair and equitable way.

The declaration put forward by the Natural Resources Stewardship Circle can be requested from [Catherine.peyraud@club-entrepreneurs-grasse.net](mailto:Catherine.peyraud@club-entrepreneurs-grasse.net).

**Ravi Sharma**  
Principal Officer, Implementation and Technical Support  
[ravi.sharma@cbd.int](mailto:ravi.sharma@cbd.int)



Madagascar Musk Grain from a Musk Pod on sale in Old Cairo, Egypt. Photo courtesy of [www.flickr.com/Swamibu](http://www.flickr.com/Swamibu).



Photo courtesy of [www.flickr.com/khal\\_nomore](http://www.flickr.com/khal_nomore)



Sandalwood oil. Photo courtesy of [www.flickr.com/premsworld](http://www.flickr.com/premsworld)



## ModEthik - Dressing for the Future



ModEthik t-shirt workshop. Photo courtesy of ModEthik

**E**thical fashion: Fashion that strives for a better world, a world which respects mankind, the environment, and the skills inherent to each culture. - [www.ethicalfashionshow.com](http://www.ethicalfashionshow.com)

Previously, the term “ethical fashion” conjured images of granola-crunching Birkenstock-clad hipsters toting recycled basmati rice handbags. However, if the rapid growth in recent years of events such as the Ethical Fashion Show in Paris and the investment of major labels and retailers such as Nike, Patagonia, American Apparel and Marks and Spencer in recycled, organic, local and fairly traded textiles are an indication of the future, this image is in dire need of a makeover.

Since 2004, the Ethical Fashion Show in Paris has showcased cutting-edge fashion with a twist. All the clothing, textiles and accessories in the show have been produced under conditions that respect the environment, human rights, humane working conditions and traditional skills found in diverse cultures. The annual event includes runway shows, conferences on textiles, traditional skills and ethics, and video and exhibition spaces for over 100 designers. In addition to promoting Paris as the world’s ethical fashion capital, the event celebrates the influences of developing countries, their cultures, and supports their economic development.

Montreal-based social entrepreneur Lis Suarez, founder of FEM International ([www.feminternational.org](http://www.feminternational.org)), is helping to remodel the image of ethical fashion in Canada through ModEthik, a fair and ethical fashion event that seeks to raise awareness of the benefits of ethical and fair trade practices in the fashion industry. Suarez’s initial foray into the fashion industry was inspired not by an interest in fashion. Instead, it was her passion of using a socially and environmentally

conscious approach to support women in becoming entrepreneurs and community leaders; this passion became the mission of FEM International. She needed an entry point to reach the masses.

“Why through fashion? The fashion industry entails consequences that are economical, social and environmental. It is a worldwide, multi-billion dollar business. Fashion never goes out of style; it is mainstream, multinational, multicultural, multiethnic and multi-budget. It touches people’s lives in the south as in the north, having both economic and environmental impacts on both types of communities around the world.

We all dress up; the level of awareness pertaining to what we are wearing varies among individuals, but we all do care in some way or another. In this sense, ethical fashion is a positive contribution to the market; it minimizes the adverse environmental effects while creating positive economic results for underprivileged communities. Ethical fashion is a choice that we support and promote, hoping to see more and more citizens choosing this option.”

ModEthik ([www.modethik.org](http://www.modethik.org)) brings together diverse players. The industry portion of the event attracts mainly Canadian designers, but also several international designers, who use the event to increase visibility, sell merchandise, network with buyers and other designers, and exchange ideas on ethical fashion practices. Participants of the public portion range from fashionistas, designers, manufacturers and retailers to environmental organizations, social activists, journalists, students and families. Together, they explore the economic, social and environmental potential of ethical fashion and in 2008, the links between biodiversity and fashion.

The fashion industry relies on the three components of biodiversity - genes, species and ecosystems - for raw materials such as plants and animals for fabric, dyes and embellishments. Synthetic fabrics and materials often mimic properties found in their biological counterparts. On a creative level, designers draw inspiration from the colours, patterns, textures, music and feel of biodiversity.

With biodiversity as the theme of this year’s ModEthik, event organizers invited the CBD Secretariat to provide in-kind and advisory support. With a minimal investment of resources, the Secretariat was able to provide the technical advice needed to produce a powerful presentation on biodiversity and the fashion industry, create a fashion and biodiversity banner for the exhibit hall and help to secure a suitable venue.

Ravi Sharma, Principal Officer of the Implementation and Technical Support unit of the SCBD delivered a keynote address at the VIP opening event. He challenged guests to view fashion “not only as a style of dress but a mode of expression that examines our notions of beauty and goodness”, and later called on the creative minds in the room to explore “imaginative solutions to the biodiversity crisis while promoting the notions of beauty and goodness in society.”

This year’s event also marked the launch of the marketing study Ethika: the ABC of Ethical Fashion in Canada. Ethika is a joint initiative of FEM International, the organizational host of ModEthik and Ethiquette Inc., an information service on responsible consumer choices. Ethika is a first attempt to study this growing market niche, to demonstrate that things are indeed moving forward and how. It is a unique tool for designers, retailers and academics alike, helping them understand the behaviours, needs and interests of the ethical consumers of today. That there was a need for such a study reflects the increasing interest in ethical as profitable.

Embodying new ideas and thoughts is a challenge that the fashion industry is well used to handling. Adding its creativity, energy and influence to the challenge of reducing biodiversity loss could have significant positive impacts.

For further information please contact Lis J Suarez Visbal, Director International Programs of Feminternational.

[www.feminternational.org](http://www.feminternational.org)



Photo courtesy of Jonodempsey.com

## Petroleum industry discusses biodiversity conservation

The CBD was invited to a two-day dialogue with fifty petroleum companies, academia, civil society and government in San Francisco to discuss a four year environmental plan for the industry. The meeting was organized by the International Petroleum Industry Environmental Conservation Association (IPIECA) which was established in 1974 to represent both the upstream and downstream oil and gas industry on key global environmental and social issues.

Stakeholder expectations of the dialogue were identified through an online survey which was distributed to all participants in advance. Expectations generally ranged from community engagement, human rights, environment and climate change. The meeting particularly discussed environmental impacts of the petroleum industry's activities, including biodiversity, fresh water use, waste management, supply chain impacts, accounting for ecosystem services costs, and trade-offs regarding biofuels.

IPIECA members are concerned about the relationship between climate change and biodiversity and how offset efforts such as tree planting may impact biodiversity. Further, there is unease about the industry operating in sensitive areas including, formerly inaccessible places such as in deep water or the Arctic that are now accessible due to technological advances. There is a similar apprehension about



Photo courtesy of [www.flickr.com/DenisFox](http://www.flickr.com/DenisFox)

the impact of existing oil infrastructure such as pipelines in cold areas where permafrost is dissipating. Finally, there is the issue about having “a level playing field” in place for national oil companies and international companies and clear guidance for all. As the industry moves into new operating environments, there may be new considerations for oil spill prevention and management.

A guide on the CBD for its members has been put together by IPIECA and may further create an industry primer that prioritizes biodiversity issues for the industry to help build the business case for biodiversity mapping, protection planning in high priority/risk areas, and biodiversity conservation. Specific content may include:

- Linking biodiversity conservation to financial/economic benefit/assets
- Criteria for valuing biodiversity and the implications of different modalities
- High biodiversity areas that do not have protected status
- Definitions and criteria for determining “no-go” / “at risk areas” and the advantages or disadvantages for IPIECA members
- Good practice guidance gleaned from the mining sector's experiences with biodiversity offsets
- Embedding expectations and good management guidelines in partner agreements

- The potential influence on future access to resources and the costs of inaction

The aim of the dialogue held on 11-12 June 2008 was to enable IPIECA to constructively engage with its stakeholders to validate that IPIECA is addressing the right issues as the basis for the direction and content of its 2009-2012 Strategic Plan and to support the organizations as it progresses towards its vision as “an oil and gas industry that successfully improves its operations and products to meet society's expectations for environmental and social performance.”

For further information please visit the IPIECA website: [www.ipieca.org](http://www.ipieca.org)



Photo courtesy of [www.flickr.com/Crashworks](http://www.flickr.com/Crashworks)

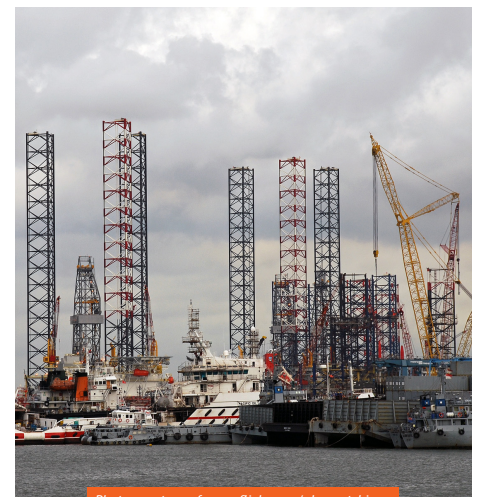


Photo courtesy of [www.flickr.com/chooyutshing](http://www.flickr.com/chooyutshing)



Canada goose. Photo courtesy of [www.flickr.com/cjschuette](http://www.flickr.com/cjschuette)

## Business leadership for Canadian conservation

**R**epresentatives of Canadian businesses met in Montreal on 11 June 2008 in a conference organized by Deloitte Touche and the World Conservation Union, IUCN, in consultation with the CBD Secretariat.

The need for the Business & Biodiversity Conference was stimulated by recognition of the importance of business leadership for Canadian conservation in light of the International Year for Biodiversity in 2010 with its attendant accountability for all countries to reduce the rate of biodiversity loss. Coupled with this recognition was the realisation that, while many businesses are achieving progress in conservation, more can be encouraged and achieved through collaborative efforts among businesses and across business sectors. This was borne out at the Conference with a number of ideas for a path forward.

The Conference attracted nearly 80 participants, representing 17 different business sectors, as well as environmental NGOs, journalists, academics, international organisations and governments. Discussion was stimulated by keynote presentations, a business panel, a challenge panel and a range of speakers on potential outcomes.

The meeting was opened by Johanne Gelin, Partner, Deloitte Touche. Ms. Hélène Latouche, Assistant Deputy Minister, Policy Analysis, Ministry for International Relations, Government of Quebec also participated in the opening. Keynote speakers were Gerard Dufour, Vice-President Envi-

ronment Health and Safety, of Rio Tinto Alcan, Benoît Limoges, Coordinator of Biodiversity of the Government of Québec, Jeff McNeely, Chief Scientist of IUCN, who spoke on how biology can build business, and Ahmed Djoghla, Executive Secretary of the CBD who emphasized the urgency for mitigating the rate of biodiversity loss and the potential of Canadian businesses for implementing effective conservation strategies.

The outcomes put forward by conference participants were to:

- \* Create a Canadian Conservation Forum, including a multi-sectoral core steering group, with NGO and government representation, to guide next steps.
- \* Call the steering group together soon to develop a 'game plan' for the Forum.
- \* Prepare a business-to-business 'best practices' document for conservation.
- \* Another early product should be a guide for businesses on how to understand biodiversity and how to develop corporate conservation planning.
- \* Prepare accounts of conservation achievements by Canadian businesses for public display and for 2010 reporting.
- \* Initiate a Canadian version of Leaders for Nature, which could also be under the guidance of the Forum.
- \* Initiate discussions, including through the Council for Chief Executives, towards a high-level business dec-

laration on conservation.

The conference identified the following immediate next steps:

- \* Identify high-level business 'champions' for the outcomes.
- \* Seek business commitments to the outcomes, including for their funding.
- \* Identify volunteers for a Forum steering group of about 10 players, including business (primarily), NGO and government.
- \* Identify a host organisation to manage finances and to house any needed secretariat support.
- \* After gauging the level of concrete business interest, approach government with a view to collaboration.

For further information and follow-up please contact Johanne Gelin, Partner, Deloitte Touche, [jgelinas@deloitte.ca](mailto:jgelinas@deloitte.ca)



Maple syrup vendor. Photo courtesy of [www.flickr.com/nyxie](http://www.flickr.com/nyxie)

# CBD Towards 2010



## In this section

*This section provides information on major CBD programmes in which business has an essential role to play in the run-up to 2010.*

Photo courtesy of [www.flickr.com/Luza](http://www.flickr.com/Luza)

## Business becoming an essential player in the CBD

The ninth meeting of the Conference of the Parties (COP-9) to the Convention on Biological Diversity held in May 2008 in Bonn, Germany turned out to be a critical platform for taking stock in a vibrant and rapidly evolving business and biodiversity landscape. With the participation of over 80 business-related events, the number of business representatives was at an all time high. Key highlights included, a dedicated session during the ministerial segment and the discussion of business engagement as part of formal negotiations.

### A short history of business engagement

While the high visibility of business engagement at COP-9 may have appeared as a novelty, the importance of involving business in the implementation of the Convention is deep rooted. Business is explicitly referred to in the Convention text. Arguably, most if not all articles of the Convention are relevant to business. Many decisions adopted by Parties over the years also refer to business. The programs, tools and guidance developed under the Convention are often directly relevant to business.

The Convention “shifted gears”, however, in 2006, with the adoption of the first decision to focus exclusively on business. This decision emerged after a series of meetings in 2005 convened by Brazil and the UK with, among others, the active participation of the Brazilian chapter of the World Business Council for Sustainable Development (WBCSD). By adopting decision VIII/17, Parties clearly and unambiguously stressed that business is critical to the implementation of the Convention.

Most notably, the 2006 decision looks into: engaging business in the drafting and implementation of national biodiversity strategies and actions plans; encouraging greater participation of business at Convention meetings; articulating and communicating the “business case” for biodiversity; and encouraging the dissemination and further development of practical tools to help companies align policies and practices with the objectives of the Convention. There has been much progress in the implementation of that decision (for a detailed overview, see document UNEP/CBD/COP/9/21/ADD1 available at <http://www.cbd.int/doc/meetings/cop/cop-09/official/cop-09-21-add1-en.pdf>) and many relevant initiatives - from Parties, business

and environmental organizations - were showcased at the COP.

### A growing agenda

Over the last two years, there has been a growing and sustained interest in business and biodiversity, including: the establishment of the WBCSD Ecosystems Focus Area, the 2007 (Potsdam) and 2008 (Kobe) G8 ministerial meetings on the environment, the November 2007 high level business and biodiversity conference hosted by Portugal, the establishment of the German Business and Biodiversity Initiative, the launch of an EU Business and Biodiversity Initiative, the French EU Presidency’s focus on business at the November 2008 European Platform for Biodiversity Research Strategy meeting.

### COP-9 decisions

At COP-9, Parties confirmed this trend by



## ONE NATURE · ONE WORLD · OUR FUTURE COP 9 MOP 4 Bonn Germany 2008

adopting decision IX/26 on promoting business engagement. This decision provides a framework for priority actions, focusing on the continued development and promotion of the business case for biodiversity and the dissemination of best practices. A particular focus of the decision - and a clear area of work for the Convention over the coming years - is on addressing the needs of small and medium sized companies and developing countries.

In addition to the adoption of this specific decision, business engagement can be seen throughout the body of decisions adopted in Bonn. Some of the issues touched upon include payments for ecosystem services, biodiversity offsets, certification schemes, public and private procurement policies, the compilation of good practice and the mobilization of the financial services sector.

At COP-9, particular focus was given to biofuels. While Parties agreed that the sustainable production and use of biofuels could have many positive contributions, its

success depends on the methods of production, the feedstocks and the agricultural practices involved. COP-9 called for the development of sound policy frameworks on biofuels under the Convention drawing upon the existing tools that have already been developed.

One of the most important outcomes of COP-9 concerns access and benefit sharing. Parties agreed on a firm process toward the establishment of international rules on access to genetic resources and the equitable sharing of benefits from their use. The COP produced a plan for the negotiations that not only sets out a clear roadmap leading up to 2010, but also provides a shortlist of options as to what elements should be legally binding and which should not.

### Towards 2010

Business and biodiversity has gone a long way under the Convention and, over the course of the next biennium, there are opportunities to further strengthen business engagement, in the context of:

- Achieving the 2010 biodiversity target
- The marking of the International Year on Biological Diversity (in 2010)
- Ongoing negotiations on an international regime for access and benefit sharing
- The revision of the Strategic Plan for the Convention
- The drafting of the third edition of Global Biodiversity Outlook (GBO3), and
- Finally, the launch of a global study on the Economics of Ecosystems and Biodiversity led by Pavan Sukhdev Managing Director of Deutsche Bank’s Global Markets business in India.

COP-10 will be a particularly critical event in the history of the Convention, an opportunity that cannot be missed by business to illustrate its contribution in advancing the three objectives of the Convention.

#### Ravi Sharma

Principal Officer, Implementation and Technical Support  
ravi.sharma@cbd.int



*Plectranthus "Mona-lavender". Photo courtesy of Adam Harrower, SANBI*

## Negotiating an international regime on access and benefit-sharing

Genetic resources, whether from plant, animal or micro-organisms, may be used for a variety of purposes. One purpose is the use of genetic resources in products developed by private companies operating in various sectors such as pharmaceuticals, agriculture, horticulture, cosmetics and biotechnology. With the development of new technologies, the transformation and use of genetic resources has rapidly evolved in the last years and has provided new market opportunities. However, in recent years the relationship between providers and users of genetic resources has been challenging. It has been alleged that the sole threat of "biopiracy" charges has become a serious impediment to research and bioprospecting activities. In addition, it has been argued that the lack of legal certainty, and the lack of transparency in some national ABS legislation, has actually discouraged companies from engaging in certain research activities.

The ongoing negotiations of an International Regime on Access and Benefit-sharing provide an excellent opportunity to establish a clear and transparent framework that will meet the needs of both providers and users of genetic resources. The International Regime that will emerge from these negotiations should in fact facilitate the process of accessing genetic resources for environmentally sound uses and ensure that the providers of genetic resources receive a fair and equitable share of benefits arising out of these resources. Based on its experience as a user of genetic resources, the business community has a key role to play in ensuring that the elements of the International Regime are practical and rooted in the realities of the industry sectors concerned.

### "Nagoya Roadmap" to an international regime on Access and Benefit-Sharing in 2010

COP 9 represented a pivotal point in the negotiations and elaboration of the International Regime on Access and Benefit-sharing. The COP not only extended the mandate of the Working Group on Access and Benefit-sharing (decision IX/12) and instructed it to finalise the negotiation of the international regime before its tenth meeting, in 2010, but also adopted a detailed process or "roadmap" to achieve this objective. It decided that the Ad Hoc Open-ended Working Group on Access and Benefit-sharing (WG-ABS) will meet three times prior to the tenth meeting of the Conference of the Parties, and it established three distinct groups of technical and legal experts to address key substantive issues at the core of the negotiation process. These expert groups are intended to assist the Working Group by providing legal and technical advice, including, options and/or scenarios on issues related to (i) compliance; (ii) concepts, terms, working definitions and sectoral approaches; and (iii) traditional knowledge associated with genetic resources.

The calendar of meetings for the next biennium is the following:

2 - 5 December 2008	Expert group on concepts, terms, working definitions and sectoral approaches
27 - 30 January 2009	Expert group on compliance
2 - 8 April 2009	WG ABS 7
16 - 19 June 2009	Expert group on traditional knowledge associated with genetic resources
9 - 15 November 2009	WG ABS 8
18 - 24 March 2010	WG ABS 9

Each of the meetings of the WG-ABS will be preceded by two days of informal consultations.

For more information on the meetings, please visit [www.cbd.int/abs/meetings.shtml](http://www.cbd.int/abs/meetings.shtml)

Another key development at COP 9 was the adoption of a text, first developed by WG-ABS 6, in Geneva, Switzerland, in January 2008 as the basis for the future negotiation and elaboration of the international regime (annex I to decision IX/12). This text

addresses the objective, scope, main components and nature of the international regime. The section on main components contains subsections on fair and equitable benefit-sharing, access to genetic resources, compliance, traditional knowledge associated with genetic resources, and capacity-building. For the upcoming meeting of the Working Group on ABS, Parties, indigenous and local communities and relevant stakeholders are invited to submit views and proposals, including operational text and supporting rationale, on the main components.

### Active involvement of all relevant stakeholders - also the business sector!

The active involvement of all relevant stakeholders, including the business sector is of major importance for the success of the negotiations. There are several ways of informing the process of the negotiations:

- 1) Submit your views and proposals on the International Regime on Access and Benefit-sharing in written form.
- 2) Participate actively during the informal consultations and meetings of the Working Group on Access and Benefit-sharing.
- 3) Organize side events during the meetings of the Working Group on Access and Benefit-sharing.
- 4) Nominate experts for the different meetings of the legal and technical expert groups and participate in the meetings of the Working Group on ABS.

For further information please see the latest relevant notifications at <https://www.cbd.int/abs/notifications.shtml> or contact directly the Secretariat at [secretariat@cbd.int](mailto:secretariat@cbd.int).



*Wild hoodia. Photo courtesy of Rachel Wynberg*

## Forest biodiversity

The stakes were high for global forest biodiversity at the ninth meeting of the Conference of the Parties (COP 9) in Bonn, 19-30 May 2008. A number of important decisions were reached, including on the future use of genetically modified trees, and on the production of biomass for energy.

In February 2008, the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA) of the CBD made several recommendations to improve the implementation of the CBD programme of work on forest biodiversity (decision IV/22). Based on these recommendations, the 191 Parties at COP 9 agreed to strengthen the implementation of the programme of work, and to address as a matter of priority human-induced threats to forest biodiversity, including forest degradation; unsustainable use of forest products and resources; climate change; illegal land conversion; forest fires; and invasive alien species (decision IX/5).

Specifically, the Parties recognized the need to strengthen the implementation of the programme of work in view of the 2010 target, among others through the following activities:

- address obstacles to sustainable forest management and seek to resolve land tenure and resource rights and responsibilities;
- strengthen efforts on forest protected area networks and ecological connectivity, and on sustainable financing;
- promote scientific research to better understand the impacts of climate change, including mitigation and adaptation activities, and environmental degradation on

forest biodiversity and on the livelihoods of indigenous and local communities;

- promote and implement sustainable forest management and the ecosystem approach in all types of forests;
- strengthen forest law and governance at all levels; and
- recognize the potential role of voluntary market-based certification schemes, tracking and chain-of-custody systems, and public and private procurement policies.

The use of genetically modified (GM) trees, control on trade in illegal timber and forest products, and references to impacts of climate change were among the more contentious issues during the discussions. After high-level consultations, delegates agreed to reaffirm the precautionary approach and only authorize the release of GM trees after completion of studies in containment as well as thorough, comprehensive and transparent risk assessments.

On GM trees, the COP furthermore urges Parties to:

- acknowledge the entitlement of Parties, in accordance with their domestic legislation, to suspend the release of GM trees; and
- welcome the Ad Hoc Technical Expert Group (AHTEG) on Risk Assessment and Risk Management, established under the Carta-



Photo courtesy of Iman Keira

gena Protocol, and request the Executive Secretary to make available the outcome of its work for consideration by COP 10.

The COP invites Parties, other governments, and relevant organizations to:

- ensure that possible actions for reducing emissions from deforestation and forest degradation do not run counter to the Convention's objectives but support implementation of the work programme and provide benefits for forest biodiversity, and, where possible, to indigenous and local communities;
- address impacts that the production and use of biomass for energy, in particular large-scale and/or industrial production and use, might have on forest biodiversity and on indigenous and local communities.

The CBD Secretariat was requested to support Parties in their implementation efforts through a series of thematic and/or regional capacity building workshops, as well as through supporting efforts to address reducing emissions from deforestation and forest degradation (REDD), among other requests.

Forest related decisions, e.g. with regard to biofuels and REDD, were also taken under agenda items agriculture and biofuels (decision IX/2), incentive measures (IX/6), climate change (IX/16), and protected areas (IX/18).

*The full text of the decisions is available on [www.cbd.int/decisions](http://www.cbd.int/decisions)*

**Tim Christophersen**  
Environmental Affairs Officer,  
Forest Biodiversity  
[tim.christophersen@cbd.int](mailto:tim.christophersen@cbd.int)



Photo courtesy of Iman Keira

## Technology transfer and cooperation

The September 2007 issue of the business2010 newsletter was specifically devoted to technology transfer and cooperation, and was launched at the meeting of the Ad Hoc Technical Experts Group on 10 September 2007. Since then, a number of important developments have taken place. This article provides a brief overview of those developments that are of particular relevance to the business community.

A strategy for implementing the programme of work on technology transfer

The Ad Hoc Technical Experts Group on Technology Transfer and Cooperation met in Geneva from 10-12 September 2008. It brought together approximately 30 experts from various Contracting Parties to the Convention, with geographical balance, as well as representatives from international and non-governmental organizations as well as stakeholders. The business community was represented by experts from BIO (Biotech Industry Organization) and from the World Business Council for Sustainable Development. The International Chamber of Commerce also provided written input into the work of the Expert Group.

As mandated by the eighth meeting of the Conference of the Parties, the Expert Group developed a practical strategy for the implementation of the programme of work, which was further considered by the COP at its ninth meeting and, after a number of amendments, annexed to its decision on technology transfer.

The strategy conceptualizes and defines technology transfer and cooperation under the Convention, underlines the important role of champions for moving the issue

forward, and contains concrete activities on: enabling environments for technology transfer, (both on the providing and the receiving end), facilitating mechanisms, and funding mechanisms. According to the Conference of the Parties, the strategy is a preliminary basis for concrete activities by Parties and international organizations. A number of these activities underline the importance of, and/or call for close cooperation with, the private sector.

Providing incentives for technology transfer

Specifically, emphasizing the important role of the private sector in technology transfer, the strategy calls for consideration of using measures and mechanisms that provide incentives to the private sector to enhance the transfer of pertinent technology, in accordance with international law. According to the strategy, such measures and mechanisms may include:

- The use or adaptation of existing provisions in domestic tax systems on tax breaks or deferrals for charitable activities, with a view to provide adequate incentives for private companies to engage in the transfer of relevant technologies and related capacity-building activities;

- The adaptation of existing guidelines for eligibility to research-oriented tax breaks or deferrals with a view to generate incentives for private sector actors that engage in research making use of genetic

resources, to implement adequate mechanisms for the promotion and advancement of priority access to the results and benefits arising from the biotechnologies that result from such research, in accordance with Article 19, paragraph 2, of the Convention;

- The application of subsidized export credits or loan guarantees that act as insurance against risks in international transactions with a view to provide incentives to private sector actors to engage in technology transfer for the purpose of the Convention.

Developing partnerships and networks

The strategy also calls for the development of cooperative partnerships and/or networks involving governmental agencies, public and private research institutions, the private sector, non-governmental organizations, indigenous and local communities and national and local stakeholders, including south-south cooperation and alternative models for triangular, regional or multilateral cooperation. Specific examples involving the private sector would include:

• Promoting the interaction between universities and other institutions of education and training as well as of research and development on the one side and the private sector on the other side, through alliances, joint ventures or public-private partnerships;

- Supporting the set-up of long-term technological cooperation between private firms in developed and developing countries, including the co-financing of local businesses with little or no access to long-term investment capital, through for instance the establishment and strengthening of so-called matchmaking programmes.

Study of the role of intellectual property rights for technology transfer under the





## Convention

As required by the programme of work on technology transfer and cooperation, a technical study on the role of intellectual property rights for technology transfer under the CBD was finalized by the CBD Secretariat in cooperation with the secretariats of the United Nations Conference on Trade and Development (UNCTAD) and the World Intellectual Property Organization (WIPO), and was submitted to the COP 9 for its consideration.

The study provides a succinct review of the different impacts, and the associated benefits and costs, of intellectual property rights that may arise during the different phases of technology transfer under the Convention, that is, at the stage of technology development, when identifying transfer opportunities, during the actual transfer, and during the phase of adapting the transferred technology to local needs and conditions. The study draws a number of conclusions, both of a general nature and applying to the individual phases considered, and also identifies potential options to increase synergy and overcome barriers to technology transfer and cooperation, a number of which were subsequently integrated into the strategy for implementation of the programme of work. The study also identified several opportunities for further research.

COP 9 noted with appreciation the cooperation of UNCTAD and WIPO in the preparation of the study, and, after consideration of the study and its conclusions, invited further research on the role of intellectual property rights in technology transfer in the context of the Convention such as:

- More in-depth analysis of new open-source-based modes of innovation, as well as other additional options to intellectual property rights;
- More empirical studies on the extent of use of patent data information in research and development in different sectors;
- Further empirical analysis on the scope and extent of patent clustering on technologies and other associated biological materials that are necessary inputs to desired technology development processes and on how prospective technology users in developing countries cope with patent clustering;
- Further examination by relevant international organizations of the overall trends in the application of the flexibilities provided by the Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPs).

Identification and dissemination of relevant information and good practices

COP 9 requested the CBD Secretariat to compile and analyse, in cooperation with relevant organizations and initiatives, information and good practices on the process of identifying modes of cooperation on science, technology and innovation, technologies, technology needs assessments and existing technology transfer agreements, and to make this information available through the clearing-house mechanism of the Convention. Any information of relevance in this regard will be very welcome and should be sent to Markus.Lehmann@cbd.int.

### Further information

*The decision by COP-9 on technology transfer and cooperation, including the strategy for implementation of the programme of work, is available here:*

<https://www.cbd.int/decisions/?m=COP-09&id=11657&lg=0>

*The technical study on the role of intellectual property rights for technology transfer under the Convention can be retrieved here:*

<https://www.cbd.int/doc/meetings/cop/cop-09/information/cop-09-inf-07-en.pdf>

**Markus Lehmann**  
Economist, SCBD  
markus.lehmann@cbd.int



## Invasive alien species

**B**iodiversity is crucial for economic growth. Biodiversity contributes to human well-being by providing clean water and air and useful genetic resources, as well as sustaining agriculture, forestry, fisheries, food and tourism industries. Ironically, invasive alien species, a component of biodiversity is also one of the greatest threats to biodiversity.

Invasive alien species are species whose introduction and/or spread outside their natural past or present distribution threaten biological diversity. For example, Nile tilapia, *Oreochromis niloticus* naturally occurs in the northern River Nile system and was stocked into several African lakes and river systems for fisheries enhancement, aquaculture and for recreational anglers. This caused severe consequences for native fish fauna. In Kenya, almost all native species of the genus *Oreochromis* (A genus is an evolutionally close group which has similar biological characters and that may contain many distinct species), were replaced within 30 years of its introduction, and many native fisheries were extinguished. Tilapias have also had major impacts on ecosystems in Australia, in the Americas, and in Asia. Although an increase in earnings between 2 and 12% per fisherman per year (US\$ 0.67 to US\$ 2.14) was observed from the introduction of *Oreochromis niloticus* in Kenya, the replacement of native species by Nile tilapia has not brought any economic advantage given the decimation of native fisheries (GISP 2004).

In Europe, more than 11,000 alien species have been documented by DAISIE (Delivering Alien Invasive Species Inventory for Europe), which is an inventory of invasive species that threaten European terrestrial, fresh-water and marine environments. Through this inventory, it has demonstrated that about 15 % of introduced alien species actually cause economic damage (DASIE 2008). However, while a small percentage of organisms transported to new environments become invasive, the negative impacts on human economic interests is significantly high.

Researchers have estimated the following annual environmental costs of introduced pests: Australia - US \$6.8 billion; Brazil - US\$ 6.7 billion; India - US\$ 25.0 billion; South Africa - US\$ 3.0 billion; United Kingdom - US\$ 6.6 billion; and the United States - US\$ 58.0 billion (Pimentel D. et al. 2001). Further studies estimate an annual economic impact of US\$157 billion in the USA, and annual international impacts of up to US\$1.4 trillion, which reaches

almost 5% of global GDP (Pimentel D. et al. 2005).

### **International regulatory framework on invasive alien species**

The international community has been working on developing rules and regulations to avoid problems related to the transportation of living organisms (See table 1). For example, the International Plant Protection Convention secures action to prevent the spread and introduction of pests of plants and plant products. Sanitary standards related to animal health (including zoonoses) and animal welfare have been administrated by World Organisation for Animal Health. However, the existing regulatory framework does not cover all potential invasive alien species and is not sufficient to prevent the negative impacts of invasive alien species on wildlife and ecosystems. To help bridge this gap, the Invasive Alien Species Programme of the CBD provides guidance to address the threat of invasive alien species in order to protect biodiversity and humans, and promote sustainable use of natural resources and equitable sharing of the benefits.

The increased human activities in trade, transport, travel and tourism have spread invasive alien species across the globe. Pressures such as habitat change, climate change and other emerging issues have accelerated the spread and establishment of invasive alien species. Further collaboration with relevant organisations can help ensure that the transport of living organisms allows for healthy economic development without posing a threat to the natural environment.

**TABLE 1 INTERNATIONAL ORGANISATIONS THAT PROVIDES REGULATORY FRAMEWORKS ON TRANSPORT OF LIVING ORGANISMS**

ACRONYM	NAME OF THE ORGANISATION	MANDATE
IPPC	International Plant Protection Convention	Secures action to prevent the spread and introduction of pests of plants and plant products.
OIE	World Organisation for Animal Health	Provides sanitary standards related to animal health (including zoonoses) and animal welfare.
FAO-COFI	Committee on Fisheries - Food and Agriculture Organisation	Addresses major international fisheries and aquaculture problems and issues
WTO SPS	World Trade Organisation, Committee on Sanitary and Phytosanitary Measures	Deals with food, animal and plant health and safety, and with product standards in general.
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora	Ensures that international trade in specimens of wild animals and plants does not threaten their survival.
IMO	International Maritime Organisation	Develops and maintain a comprehensive regulatory framework for shipping, including safety, environmental concerns, legal matters, technical co-operation, maritime security and the efficiency of shipping
ICAO	International Civil Aviation Organisation	Ensures the safe, efficient and orderly evolution of international civil aviation.

### **Good practices of business sectors**

Industries and international trade enrich our lives, provides an economic flow between countries and positive opportunities for developing countries. However, this international trade can be economically harmful if the importers do not apply a precautionary approach for potentially invasive species.

Business leaders in the pet industry have recently recognized the issue of invasive alien species. For example, the Pet Industry Joint Advisory Council (PIJAC) was founded in 1970 and has provided leadership internationally for the pet industry, promoting responsible pet ownership and animal welfare, fostering environmental stewardship, while ensuring the availability of pets. PIJAC is a pet trade pathway toolkit, whose final product would be an excellent education material for both consumers and the pet industry to deal with the potential problems

associated with invasive alien species introduced through the pet pathway.

The trade association, Ornamental Fish International (OFI), has developed educational materials on safe management of aquarium species for pet industries and consumers. OFI is also preparing an international workshop to improve public awareness on the risks of ornamental fish in May 2009.

Adopted by United Nations General Assembly, the 22nd of May is the International Day for Biological Diversity. In 2009, the International Day for Biological Diversity<sup>1</sup> will be celebrated under the theme of invasive alien species. Consumers and industries are most welcome to take part in IBD celebrations and address the threat of invasive alien species to biodiversity and increase public awareness.

The business sector has a key role to play in promoting good practices for the

<sup>1</sup> <http://www.cbd.int/ibd/2009/>



*Oreochromis sp. (Tilapia). Photo courtesy of Miguel Sicilia*

prevention, control and management of invasive alien species for global sustainable development.

#### References:

*Delivering Alien Invasive Species Inventory for Europe 2008*: <http://www.europe-aliens.org/>

*Global Invasive Species Programme (GISP). 2004: Best Practice for the management of introduced marine pests.*

*Global Invasive Species Programme (GISP). 2005: Training course: An Introduction to the Management of Invasive Alien Species. Retrieved on 18 August 2008 from <http://www.gisp.org/publications/courses/managinginvasive.asp>*

*Ornamental Fish International 2008.* <http://www.ornamental-fish-int.org/>

*Pet Industry Joint Advisory Council (PIJAC) 2008:* <http://www.pijac.org/i4a/pages/index.cfm?pageid=1>

*Pimentel D. et al. 2001: Agriculture, Ecosystems and Environment. 84*

*Pimentel, D. et al. 2005. Ecological Economics 52: 273- 288*

#### Junko Shimura

Programme Officer, Taxonomy & Invasive Alien Species  
[junko.shimura@cbd.int](mailto:junko.shimura@cbd.int)



*Eichhornia crassipes.* Photo courtesy of André Carvalho

## Indigenous peoples, business and biodiversity

The Convention on Biological Diversity has become an interesting nexus for linking essential partners in our battle to save life on Earth. In recent times, indigenous peoples and local communities are increasingly considering various options for economic independence and many are pursuing small businesses based on the sustainable use of their local biological diversity. However, in pursuing such innovations, partners and capacity building and sharing good practices has been essential.

Biodiversity based enterprises can be extremely diverse, from eco and cultural tourism ventures to distillation of essential oils to supply the global cosmetics industry.

The Executive Secretary, Dr. Ahmed Djoghlaif has been keen to provide bridges for essential partners of the Convention, such as indigenous peoples and local communities and the private sector, in order for us to work together in this great struggle to save the World's biodiversity.

In particular, the Secretariat of the Convention has been bringing together indigenous tourism operators in a series of regional meetings<sup>1</sup>, to learn from each other and to promote their businesses using modern communication tools including the internet. The most recent meeting held in

<sup>1</sup> 2007 for the Arctic and 2008 for the Pacific

Samoa, (the Pacific) was instrumental in establishing a regional Pacific Indigenous Tourism Network to promote their products. Research has shown repeatedly that for biodiversity to flourish and be maintained, indigenous and local communities must benefit from protected areas and local tourism ventures are a useful example of this.

The Secretariat has also engaged on a regular basis with the cosmetic company AVEDA (a subsidiary of Estee Lauder Inc.) and their partners, which include indigenous and local communities throughout Asia, Australia, and the Latin American and Caribbean region, to promote activities which ensure local biodiversity is used in sustainable ways for both communities and the private sector to benefit accordingly.

As well as working closely with indigenous and local communities in equitable business partnerships - AVEDA has contributed over 8 million US dollars for environmental and social causes through their Earth Month campaigns and has specifically funded indigenous and local community representatives to participate in international processes that are of interest to them such as the United Nations Permanent Forum on Indigenous Issues (UNPFII) and the various Convention meetings.

AVEDA also promotes indigenous entrepreneurs and sustainable business (based on biodiversity) through various international forums, including the UNPFII, through sponsorship of indigenous representatives and facilitating discussion



Local seal hunter showing his skills with a kayak and a harpoon, Kulusuk, Greenland. Photo courtesy of [www.flickr.com/will\\_hybrid](http://www.flickr.com/will_hybrid)

panels that promote their good practices. AVEDA has worked in close partnership with the CBD, UNPFII, UNDP, indigenous organizations and NGOs to promote ethical business practices and equitable benefit sharing arrangements for the provisions of natural ingredients/raw materials.

Through AVEDA, the Secretariat recently participated in a global event in Grasse, France, referred to as the Centrefolio<sup>2</sup>. This international congress brought together the CEOs from the world's cosmetics industry and representatives of indigenous and local communities to discuss, amongst other things, sustainable use of biodiversity and respect for the rights of indigenous peoples and local communities. The meeting adopted a declaration of commitment promising to adhere to the goals of the Convention on Biological Diversity and the Declaration on the rights of indigenous peoples.

This Centrefolia event and other similar events, such as the AVEDA and Partners Reception held at COP 9, have been instrumental in breaking down barriers and dispelling myths that indigenous peoples are not entrepreneurial nor are they interested in private sector engagement.

<sup>2</sup> The 7<sup>th</sup> annual International Congress on Perfumery and Natural Raw Materials, 21-24 October, 2008.

Together with other programmes such as the Equator Initiative<sup>3</sup>, successful partnerships are bringing together the United Nations, civil society, business, governments and communities to help build the capacity and raise the profile of grassroots efforts to reduce poverty through the conservation and sustainable use of biodiversity.

All this work echoes a simple truth - cultural and biological diversity are inextricably linked and go hand in hand in our efforts to save the planet.

Creative partnerships between the private sector and indigenous peoples and local communities can benefit biodiversity and the environment - it is a win-win situation.

To further encourage the promotion of partnerships between indigenous and local communities and the private sector, for the benefit of biodiversity, the Secretariat will partner with AVEDA and Tribal Link<sup>4</sup> in 2009, to facilitate a Conference on Indigenous Peoples, Biodiversity and Business, which is tentatively planned at UN headquarters on the eve of the 8<sup>th</sup> session of the UNPFII in May 2009. The conference plans to bring together about

<sup>3</sup> For detailed information on this United Nations programme refer to <http://www.equatorinitiative.org/>

<sup>4</sup> NGO based in New York that supports indigenous peoples and their issues.

one hundred indigenous peoples together with the private sector, with the primary objectives of celebrating success, sharing best practices, and informing policy.

This particular initiative supports community efforts to link sustainable economic development and income generation with the conservation and sustainable use of biodiversity. As such it will feed into and inform the discussions at the 8<sup>th</sup> session of the UNPFII concerning economic development.

We at the Secretariat, join with the spirit of AVEDA when they say:

***“We can change the world by changing the way the world does business”***

Dominique Conseil - President of Aveda

**John Scott**  
Programme Officer, Traditional Knowledge  
[john.scott@cbd.int](mailto:john.scott@cbd.int)



Hill Tribes weaver, Thailand. Photo courtesy of [www.flickr.com/babasteve](http://www.flickr.com/babasteve)



West African woman. Photo courtesy of [www.flickr.com/babasteve](http://www.flickr.com/babasteve)

# Table of contents

## SECTION 1 UPDATES ON BUSINESS AND BIODIVERSITY

- 5 Mark Schauer and Silja Dressel: Business and Biodiversity Initiative - Update
- 6 Kristina Jahn: Designing new financing mechanisms for conservation
- 7 Ivo Mulder, Lieske van Santen and Daan Wensing: Landscape auctions - reflections and future prospects
- 9 Stefan Hormann: Business Biodiversity Partnerships - An NGO perspective
- 11 Mira Inbar: What's business school got to do with it?
- 12 Ivo Mulder, Lawrence Jones-Walters, and Lieske van Santen: Parallels between the financial and ongoing ecological crisis
- 13 Franz Gatzweiler, Manfred Denich, Till Stellmacher, Tadesse W. Gole, Feyera Senbeta, Aseffa Seyoum: Conservation of endangered coffee arabica

## SECTION 2 NEWS AND EVENTS

- 16 Perfume Industry considers support for CBD
- 17 Dressing for the Future - ModEthik
- 18 Petroleum industry discusses biodiversity conservation
- 19 Canadian business and biodiversity

## SECTION 3 CBD TOWARDS 2010

- 21 Business becoming an essential player in the CBD
- 22 Negotiating an international regime on access and benefit-sharing
- 23 Forest biodiversity
- 24 Technology transfer and cooperation
- 25 Invasive alien species
- 27 Indigenous peoples, business and biodiversity



Photo courtesy of [www.flickr.com/Luza](http://www.flickr.com/Luza)

## BUSINESS.2010

Director of publication:  
Ravi Sharma ravi.sharma@cbd.int

Editors:  
Marie Aminata Khan marie.khan@cbd.int  
Neil Pratt neil.pratt@cbd.int

Layout:  
Iman Keira iman.keira@cbd.int

### Advisory committee

Juan Marco Alvarez (SalvaNATURA, El Salvador); Catherine Cassagne (International Finance Corporation, USA); Saliem Fakir (University of Stellenbosch, South Africa); Isaura Frondizi (Desenvolvimento Sustentavel, Brazil); Naoya Furuta (Mitsubishi Research Institute, Inc., Japan); Johanne Gélinas (Samson Bélair / Deloitte & Touche s.e.n.c.r.l., Canada); James Griffiths (World Business Council for Sustainable Development, Switzerland); Prof. Anil K. Gupta (Indian Institute of Management, India); Kristina Jahn (PricewaterhouseCoopers, Germany); Raji Maasri (MORES s.a.r.l., Lebanon); Mary L. Shelman (Harvard Business School, USA); Laura van der Meer (International Environmental Resources SPRL, Belgium).

Produced with the generous financial support of the Government of The Netherlands.

Archive  
[www.cbd.int/business/newsletter.shtml](http://www.cbd.int/business/newsletter.shtml)

Disclaimer: The designations employed and the presentation of the material in this publication do not imply the expression of any opinion whatsoever on the part of the Secretariat of the Convention on Biological Diversity concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. The views expressed in this publication are those of the authors and do not necessarily reflect those of the Secretariat, nor does citing of trade names or commercial processes constitute endorsement.

Comments and suggestions for future columns are welcome and should be addressed to the editor.

Secretariat of the  
Convention on Biological Diversity  
413 Rue St. Jacques, Suite 800  
Montréal, Québec, H2Y 1N9 Canada  
Tel. +1 514 288 2220 / Fax: +1 514 288 6588  
[www.cbd.int](http://www.cbd.int)  
[secretariat@cbd.int](mailto:secretariat@cbd.int)

© 2008. All rights reserved.



Printed on Rolland Enviro100, which contains 100% recycled post-consumer fibre, is EcoLogo, Processed Chlorine Free and manufactured using biogas energy.