Biodiversity and Business
Convention for Biological Diversity
Third Business and the 2010 Biodiversity Challenge Conference
In Conjunction with the
UNEP Business and Industry Global Dialogue
Jakarta, Indonesia

DAY 1 - Session 3.B - Monday 30 November 2009 15:00-18:00 – Parallel session

LUXURY AND FASHION INDUSTRIES

BACKGROUND

Many consumers want the brands they use to reflect their concerns and aspirations for a better world. As ethical consumerism continues to gather momentum, it is becoming ever more evident that companies that are able to promote superior environmental and social values will be better placed to succeed in the long term. This is particularly so in the case of luxury and fashion goods, as the increasing demand for natural, organic and fair trade products demonstrates. Many companies are embracing this opportunity and innovative approaches to global supply chains, worker's rights and environmental issues are at an all time high. However, the need to integrate biodiversity strategies into these corporate sustainability initiatives is key.

All companies depend on biodiversity as either a source of raw materials, innovation or business opportunities. However, the direct and indirect links between the luxury and fashion industries and biodiversity are manifold. Fashion companies rely heavily on different fibres and other raw materials for textiles, jewellery, cosmetics and accessories. Meanwhile, high-end tourism activities frequently depend on a variety of ecosystem services. In summary, biodiversity offers companies in these industries the opportunity to innovate and develop.

Unfortunately, this relationship is not always mutually beneficial. The sourcing and extraction of raw materials can affect biodiversity in different ways, for example, overharvesting wild species for leather or fibres can cause population declines and damage to the wider ecosystem. Meanwhile, the transformation processes of textiles and other product manufacturing procedures use large amounts of water and energy and can contribute to air, water and soil pollution. As frequent users and beneficiaries of biodiversity, the luxury and fashion industries have the opportunity and responsibility to becoming increasingly involved in its management and conservation.

Responsible business initiatives, by both SMEs and multinational companies, are not without obstacles. Incoherent policies, restrictive regulations, prevailing attitudes and a lack of information can seriously hamper attempts to change the way business is done. In order to address these issues and therefore make meaningful progress towards halting and reversing the trend of biodiversity loss, the business community must be brought into the heart of policy debates. Luxury and fashion companies have the strategic potential to be at the forefront of such debates. Strategic alliances with governments, academia, international institutions and civil society play an important role in this and should be encouraged and promoted.

PURPOSE AND ISSUES TO ADDRESS

The session on luxury and fashion industries will promote an interactive and collaborative dialogue and active participation between participants. Through a series of brainstorming and group exercises the session will:

> Explore ongoing initiatives by luxury and fashion companies to integrate biodiversity issues into corporate sustainability strategies.
> Identify and prioritise major opportunities for business related to the conservation and sustainable use of biodiversity, and major risks associated with its loss and degradation.
> Identify major hurdles and challenges faced by business in the formulation and implementation of sustainable practices linked to biodiversity
> Identify and prioritise the most important needs from non-market stakeholders to create an enabling framework to promote businesses that are successfully engaging in biodiversity issues.
> Formulate recommendations for future work in the areas of greater private sector engagement (CBD Decision IX/26) and incentive measures (CBD Decision IX/6).

MODERATOR
> Eduardo Escobedo, Economic Affairs Officer, United Nations Conference on Trade and Development

PANELISTS
This interactive debate will be lead by a series of industry experts. They will provide initial ideas from their respective sectors and then head the break-out group discussions:

> Sergio Talocchi, Rural Suppliers Relationship Manager, Natura Cosmeticos
>> o Will present the perspective from the cosmetics sector including the sourcing of raw materials, the transformation of natural ingredients and access and benefit sharing.
> Patricia Isabel Gallardo, Director of Corporate Social Responsibility and Sustainability, Shangri-La Hotels and Resorts
>> o Will present the view from the high-end tourism sector including the benefits arising from ecosystem services and the valuation of biodiversity for leisure and sightseeing activities,
> Sheila McCann, Director of Spa Brand Quality, Shangri-La Hotels and Resorts
>> o Will present the perspective of how biodiversity services and products are linked to the spa and wellness services
> Lizette Smook, Managing Director, InnovAsians Ltd
>> o Will present the view from the fashion industry including the use of natural fibres, the transformation processes and their impacts on biodiversity.
> Rik Kutsch Lojenga, Executive Director, Union for Ethical Biotrade
>> o Will present the view from a verification, certification and equitable sharing of benefits perspective, including challenges and opportunities arising for the industries

RAPPORTEUR
> Gabrielle Kirstein, Program Manager, Green2greener

AGENDA

15:00-15:10 Introduction to session by moderator
15:10-16:00 Introductory remarks by experts from each sector
16:00-17:30 Break out group discussions
17:30-18:00 Moderated discussion in plenary and formulation of conclusions and recommendations by group.

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