



## Convention on Biological Diversity

Distr.  
GENERAL

UNEP/CBD/BS/WS-SEC/1/2

1 November 2011

ORIGINAL: ENGLISH

### WORKSHOP ON CAPACITY-BUILDING FOR RESEARCH AND INFORMATION EXCHANGE ON SOCIO-ECONOMIC IMPACTS OF LIVING MODIFIED ORGANISMS

New Delhi, 14-16 November 2011  
Item 3 of the provisional agenda\*

#### **Synthesis of Information on Experiences with Socio-Economic Considerations in Decision-Making in Areas Other Than Biosafety**

*Note by the Executive Secretary*

#### **I. INTRODUCTION**

1. In decision BS-V/3, the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol on Biosafety requested the Executive Secretary to convene regional online conferences on socio-economic considerations as well as a regionally-balanced workshop on capacity-building for research and information exchange on socio-economic impacts of living modified organisms (LMOs).
2. Accordingly, the Secretariat organized a series of regional online real-time conferences on socio-economic considerations that were held in June and July 2011 through the Biosafety Clearing-House. One of the guiding questions for the discussions during the real-time conferences was “Does your country have experience with socio-economic considerations in other sectors besides biosafety? For example, have socio-economic considerations been included in decision-making processes for other products such as pharmaceuticals or in planning and decision-making for development projects using methodologies such as social impact assessments or strategic environmental assessment?”
3. This document synthesizes the information provided in response to this question during the real-time conferences.

#### **II. EXPERIENCES WITH SOCIO-ECONOMIC CONSIDERATIONS IN DECISION-MAKING BEYOND BIOSAFETY**

4. The representative of Liberia in the English-language real-time conference for Africa noted that his country’s Environment Protection and Management Law requires that, before the commencement of any project or activity that may have significant environmental impact, the proponent conduct an

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environmental impact assessment and obtain a permit from the Environmental Protection Agency. The types of projects that could require an environmental impact assessment include forestry, large-scale agricultural plantations, mining, fisheries, etc. The environmental impact assessment involves assessing both environmental and social impacts. Some socio-economic issues that have been identified and addressed include loss of income and livelihood, land tenure, human health, etc.

5. The representative of Zimbabwe explained that socio-economic impacts are taken into account in most development projects in the country. Zimbabwe's environmental impact assessment also has socio-economic components; however, no standardized instruments exist.

6. The representative of the Togolese Initiative for Sustainable Development (*Initiative Togolaise pour le Développement Durable*) in the informal real-time discussion among French-language participants from Africa<sup>1</sup> indicated that Togo has some experience with socio-economic considerations in other sectors such as:

(a) Impact assessment of development projects: Articles 24 and 25 of their Environmental Code require a report on the economic and social effects when an impact study indicates that a sensitive natural resource will be depleted or will disappear;

(b) Phytosanitary protection: the order establishing prior authorization for imports and the phytosanitary certificate;

(c) Animal quarantine: the legislation aims to ensure the population has safe food to eat;

(d) Drug control; and

(e) Human rights.

7. The representative of the Third World Network in the Asia-Pacific real-time conference was aware of at least two formal contexts in Malaysia where socio-economic considerations have emerged – development planning and environmental impact assessment. She indicated that there are likely other avenues where social impact assessment is used. Regarding development planning, the Federal Department of Town and Country Planning has included social impact assessment in development plans (structure plans, local plans). The role of social impact assessment is further strengthened with the inclusion of “social implications” of development within the Town and Country Planning Act (amendment 2001), which requires social impacts arising from plan proposals to be appropriately and sufficiently addressed. The implementation of Local Agenda 21 projects also includes a social component.

8. She noted that environmental impact assessment has been a mandatory requirement for prescribed activities in Malaysia since 1988. Social impacts are in some cases taken into account, including the social impact assessment elements of public participation, public opinion sampling and public meetings. Economic valuation and cost-benefit analysis are also required in environmental impact assessments. She pointed to the Malaysian Association of Social Impact Assessment, which comprises academics, practitioners, etc., whose expertise would be invaluable to the biosafety arena.

9. The representative of Malaysia in the Asia-Pacific real-time conference agreed that some assessment methods are well-established. He suggested that this may be because of concerns that

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<sup>1</sup> Only two participants were present for the French-language Africa real-time conference so an informal discussion was held among those who were present and the relevant information has been included here.

developed over many years whereas socio-economic considerations in biosafety needs time to build momentum. He expressed a need to move in an expedited manner.

10. A representative of India in the Asia-Pacific real-time conference expressed the view that the issue is complex and there are some differences between socio-economic considerations in general and socio-economic considerations in biosafety. He indicated that one such difference may be trade concerns which may not be an issue in environmental impact assessments.

11. The representative of *Deutsche Gesellschaft für Internationale Zusammenarbeit* (GIZ) in the Western Europe and Others Group (WEOG) and Central and Eastern Europe (CEE) real-time conference pointed to the German seed variety registration rules as a field in which economic factors play a role in a government approval process. Apart from the criteria of distinctness, uniformity and stability based on the UPOV Convention,<sup>2</sup> German law also requires that a new seed variety offer a larger economic benefit to farmers than existing varieties – if the new trait is not a unique trait and a benefit in itself. He noted that, according to the preliminary data gathered through official field tests in the late 1990s, this fourth criteria of economic benefit would have been a major challenge for the planned approval of herbicide-tolerant canola varieties. Although the genetically modified canola had received biosafety approval, its economic benefits compared with existing varieties could not be sufficiently proven in these trials; therefore variety registration could have been problematic. The German authority was never in the situation to consider approval, however, because of the European Union's moratorium on approvals of genetically modified organisms.

12. The representative of GIZ noted that more information on the German seed variety registration procedures, including the tests on distinctness, uniformity and stability and on value for cultivation and use, may be found at <http://www.bundessortenamt.de/internet30/index.php?id=28&L=1>. The examination guidelines for these tests are available at <http://www.bundessortenamt.de/internet30/index.php?id=9&L=1>.

13. The representative of Belgium in the WEOG and CEE real-time conference noted that Belgium has some experience in taking socio-economic considerations into account in sectors other than biosafety, in particular chemical products; pharmaceuticals; strategic environmental assessment; and ecosystem services.

14. Regarding chemical products, she pointed to implementation of the European Regulation on the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). She explained that, under the Regulation, a Committee for Socio-economic Analysis has been established in parallel to a Committee for Risk Assessment. The socio-economic committee includes representatives of the European Commission plus two representatives from each of the Member States, various stakeholders and five co-opted members. The representatives from Belgium on the committee are from the federal ministries of Environment and Economy.

15. She noted that the socio-economic committee had recently proposed its first opinion, which had not yet been published at the time of the real-time conference. For this first experience, the socio-economic committee analysed all data provided from all sources. According to some members of the committee, it was difficult to get complete and balanced information and good quantitative data; a lot was based on assumptions. The conclusion of the analysis of the socio-economic committee is transmitted to decision-makers as an opinion accompanied by background documents arguing the opinion. She noted that under Articles 70-72 of REACH, the opinion of the socio-economic committee

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<sup>2</sup> International Convention for the Protection of New Varieties of Plants.

has the same importance as the risk evaluation in the final decision and the European Chemicals Agency must propose a decision based on the opinions of both committees.

16. Regarding pharmaceuticals, the Belgian representative noted that the European legislation for pharmaceutical registration requires consideration of the added value of a new pharmaceutical in addition to examining the risk-benefit relationship in a defined target population, or the effectiveness/safeness relationship under conditions of use. The marketing authorization processes also consider the cost-effectiveness and the comparative effectiveness although these aspects are not determinative in the decision-making process.

17. The Belgian representative stated that the country also has experience with strategic environmental assessment and parallel assessments for global plans and programmes. At the federal level, Belgium has established a strategic environmental assessment committee assessing global environmental impacts of wide plans and programmes (law of 13 February 2006 transposing European directive 2001/42/EC). She noted that the strategic environmental assessment committee is composed of members of the federal ministries of Environment, Health, Sustainable Development, Mobility, Economy (in particular its Energy Department) and Foreign Affairs.

18. She explained that the author of a plan must submit to the committee a first report on environmental assessment from the first draft of the plan, accompanied by proposals for reasonable alternatives. On the basis of comments of the strategic environmental assessment committee, the author must complete the environmental assessment. Furthermore, the environmental assessment is part of a more complete sustainability assessment, including socio-economic aspects, that is submitted to public consultation, regional governments, the Belgian Federal Council for Sustainable Development (which is composed of various social groups: non-governmental organizations active in environment, development cooperation, protection of consumers and workers, and employers, energy producers, and scientists), in addition to the strategic environmental assessment committee. She noted that plans for nuclear waste management and prospective studies for electricity supplies from different sources have been submitted to strategic environmental assessment at the federal level in Belgium. The Belgian regions have also transposed the European directive.

19. The representative of Belgium explained that the Belgian Biodiversity Platform acts as a common platform among scientists, policy-makers and other stakeholders. The Belgium Ecosystem Services cluster is part of the Platform and it aims to: (i) deliver an overview of the issues at stake, including methodologies, from an environmental, economic and sociological point of view; and (ii) provide advice on priority research and policy actions needed to achieve policy-relevant strategy for ecosystem services in Belgium. Finally, socio-economic aspects, particularly regarding impacts on employment, are taken into account in framing political objectives linked to climate change.

20. The representative of Spain in the WEOG and CEE real-time conference stated that socio-economic considerations are included in other processes under Spanish legislation, such as infrastructure planning. These socio-economic considerations are studied on a case-by-case basis, depending on the socio-economic impacts (positive and negative), and included in the environmental risk assessment as well as being subject to public interest considerations.

21. The representative of Canada in the WEOG and CEE real-time conference indicated that his country has a seed variety registration process that considers merit for the introduction of a new variety. He characterized the process as a consideration of benefits.

22. The representative of Colombia in the Latin America and the Caribbean (LAC) real-time conference noted that the Colombian constitution and national regulations on public participation

establish that the prior informed consent of black or indigenous communities must be obtained for any project, work or activity to be developed on their communal lands. This can be done through a prior consultation mechanism that is regulated in terms of scope and procedure. It only applies on a mandatory basis for these types of communities but it is required for any type of project to be developed on their lands (e.g., pipeline, road, electric transmission line, cultivation of an LMO.) She noted that, to date, there are no approved living modified crops in such territories, and indeed there is an express prohibition against planting transgenic corn in these territories.

23. The representative of Colombia also explained that the country has environmental control and management tools (permits, authorizations, environmental licenses) that require a social, economic and cultural impact study of the activity to be undertaken as part of the evaluation and approval process. The drawback is that there is a lack of any clear and unified methodology for such an analysis and it has emerged as a response to the particularities of the project, work or activity, which can lead to an insufficient consideration of elements.

24. The representative of Bolivia in the LAC real-time conference noted that Bolivia has a similar requirement to that of Colombia. Projects such as infrastructure or industrial development require the prior informed consent of the Indigenous Communal Territories (*Territorios Comunitarios de Origen*, TCO). She explained that the requirement for the consent of the TCOs and the recognition of their welfare rights, health, information, etc., are contained in the New Political Constitution of the State (*Nueva Constitución Política del Estado*). The drafting of the Constitution was a participatory process of many years during which social and indigenous groups played an important role. For this reason, several issues related to the rights of original and indigenous peoples (including environmental and social issues that affect biosafety regulations) have been incorporated. She noted that indigenous groups are in the majority in the TCOs and they make the decisions regarding their territories.

25. She also explained that Bolivian environmental and production (especially agricultural) legislation requires that socio-economic considerations be included in the monitoring of the environment, agriculture and of impacts on development.

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