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CONFERENCE OF THE PARTIES TO THE  
CONVENTION ON BIOLOGICAL DIVERSITY  
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Item 5.3 of the provisional agenda\*

### ENGAGEMENT WITH BUSINESS

*Note by the Executive Secretary*

#### I. INTRODUCTION

1. At its tenth meeting, held in Nagoya, Japan, in October 2010, the Conference of the Parties adopted decision X/21 on business engagement, which built upon decisions IX/26, on promoting business engagement, and VIII/17, on private-sector engagement, adopted at its ninth and eighth meetings, respectively.

2. Specifically, in paragraph 3 of decision X/21, the Conference of the Parties called upon the Executive Secretary:

(a) To encourage the establishment of national and regional business and biodiversity initiatives by facilitating dialogue among Governments, business, and other stakeholders;

(b) To compile information on existing tools that can facilitate the engagement of businesses in integrating biodiversity concerns into corporate strategies and decision-making, to analyse the effectiveness of these tools in relevant economic sectors, and to make this compilation and analysis available;

(c) To encourage the development and application of tools and mechanisms that can facilitate the engagement of businesses in integrating biodiversity concerns into their work;

(d) To encourage the monitoring of the effects of these tools and mechanisms;

(e) To disseminate tools and examples of best practice for encouraging the participation of business; and

(f) To encourage businesses in communicating their biodiversity-relevant activities to their consumers, customers, and other stakeholders.

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\* UNEP/CBD/COP/11/1.

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3. Decision X/21 also called upon Governments and the private sector to engage in dialogue through the establishment of a global partnership on business and biodiversity. Other elements in the decision called upon governments to, *inter alia*, promote a public-policy environment enabling private-sector engagement and the mainstreaming of biodiversity into corporate strategies and decision-making; develop, and report on, national activities that promote and facilitate the mainstreaming of biodiversity by business; encourage involvement of businesses as stakeholders in any future revision and implementation of national biodiversity strategies and action plans; and adopt sustainability criteria for government purchases of products of biological resources. The private sector was requested to, *inter alia*, contribute to the implementation of the Convention as well as its Strategic Plan for Biodiversity 2011-2020 and its Aichi Biodiversity Targets, and to refer to these, as appropriate, for defining concrete and measurable biodiversity targets for their operations; monitor and assess their impacts on biodiversity and ecosystem services, and to develop and apply processes and production methods that minimize or avoid negative impacts on biodiversity; share and adopt lessons learned between and among business and enterprises; participate in voluntary certification schemes; adopt and track commitments to support the achievement of the three objectives of the Convention through initiatives at both national and global levels; and report on biodiversity conservation and sustainable use of ecosystem services related activities.

4. Particularly with regard to the requests to the Executive Secretary, the decision hinges on three primary aspects: facilitation of dialogue between government, industry and other stakeholders; assessment, dissemination and monitoring of tools and mechanisms; and encouraging businesses to share their experiences. These elements also coincide with the majority of the points that are directed towards governments and business.

5. This document provides an overview of the activities undertaken by both the Secretariat and partner organizations in fulfilling decision X/21.<sup>1</sup> Section II reflects various initiatives facilitating the development of a Global Partnership for Business and Biodiversity; it describes activities in different countries and regions, and reports on the first meeting of the Global Partnership. Sections III to VI focus primarily on the efforts of the Secretariat to disseminate various tools and other mechanisms to the business community and other interested stakeholders, through a variety of methods, including the newly developed Global Platform on Business and Biodiversity website and newsletters. Also discussed is the analytical work done by the Secretariat and partners (most notably the UNEP World Conservation Monitoring Centre, UNEP-WCMC) with regard to standards and certifications. Section VII relays the work being done in terms of outreach to the business community, including the distribution of case studies and engagement of businesses through workshops and other meetings. Section VIII explores issues not directly touched upon by decision X/21, including biotrade and some of the ongoing challenges related to engaging the business community and having them mainstream the ideals and goals of the Convention and the Aichi Biodiversity Targets.

## **II. ENCOURAGING THE ESTABLISHMENT OF NATIONAL AND REGIONAL BUSINESS AND BIODIVERSITY INITIATIVES**

6. For some time business has been encouraged to be a part of the wider discussion on mainstreaming biodiversity. Certain businesses that have been taking action in this area have played an important role in many important meetings regarding biodiversity and sustainability that have also involved governments. Building on the decisions coming out of the eighth and ninth meetings of the Conference of the Parties, four countries (Canada, France, Germany, and Japan) have created these initiatives and have seen them evolve and develop. Since the tenth meeting of the Conference of the Parties, a number of other countries have also become interested in these types of initiatives, including, *inter alia*, Brazil, India, the Republic of Korea, Rwanda, South Africa, and the United Kingdom of Great

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<sup>1</sup> Much of the material in this document was compiled prior to the WGRI 4 meeting, with some additions shortly thereafter; the document may not reflect more recent developments and updates.

Britain and Northern Ireland. With the encouragement and support of the Secretariat and other partners such as the International Union for Conservation of Nature (IUCN), they have begun to take shape. As more countries get involved in this process, a critical mass can be achieved which will encourage still more states to undertake these initiatives. There are also several regional initiatives that have been developed, the most active being those for the European Union and the ASEAN (Association of Southeast Asian Nations) region.

7. The Secretariat has helped to organize and participated in several workshops at both the national and regional levels, in a variety of countries with national and regional partners. These workshops were designed to raise awareness in the business community as well as encourage dialogue among the various stakeholders. The reaction to these events has generally been positive, with many companies reporting that they were more aware of, and sensitive to, the issue of protecting biodiversity. In addition, in several cases, these workshops were the precursor to the formation of national business and biodiversity initiatives. However, these workshops and initiatives are only a preliminary step, as the vast majority of businesses remain largely unaware of the importance of biodiversity to their operations. In addition, actions are required to establish transparent monitoring mechanism to ensure that business operations provide tangible environmental benefits and are not an exercise in “greenwashing”.

8. This section reports on national and regional initiatives, outlining the major activities undertaken at these levels with regard to the engagement of the business sector. It closes with a report on the first meeting of the Global Partnership for Business and Biodiversity, held in Tokyo in December 2011. The section also addresses the request by the Ad Hoc Open-ended Working Group on Review of Implementation for information on the various business initiatives.

9. Of particular note is the growing interest by many countries in this area, and the increasing level of cooperation and consultation that is beginning to take place between initiatives. This has been especially marked in the preparatory stages for both Rio+20 and the eleventh meeting of the Conference of the Parties.

### *National initiatives*

10. The Canadian Business and Biodiversity Council (CBBC) held three workshops in 2011. The first was held in Montreal in partnership with the Conseil patronal de l'environnement du Québec (March), the second was held in Toronto in partnership with Ontario Power Generation (May) and the third, the first annual CBBC Business and Biodiversity Conservation Workshop, was also held in Toronto (November). All of these workshops were well attended with numerous presentations and very active question-and-answer sessions. The structure of the workshops was similar, with the first presenters providing an overview of biodiversity and the threats that it is under from an international, national, and provincial perspective. Following the overview was a series of presentations by business outlining strategies and ideas for combating biodiversity loss and doing business in a sustainable manner. The final presentations examined the importance and advantages of partnerships across corporate, government and NGO lines and how these could assist businesses in their endeavours. All of these workshops were cross-sectoral and included both resource-based and non-resource-based businesses. Overall, the quality of the speakers and the presentations was extremely high with a great deal of information was provided. Participants learned about new initiatives and different ways to develop and implement biodiversity conservation programmes either directly from the presentations or the ensuing discussions, or contact information of where to get the information and help they needed. Opportunities for participants to network were provided throughout the day as well as after the event. Feedback from these events was positive and demonstrated the need and value of future workshops of a general nature as well as topic-specific.

11. The Japan Business and Biodiversity Partnership has been involved in a number of activities since the tenth meeting of the Conference of the Parties, including an extensive questionnaire survey for members which assessed their knowledge of biodiversity and their actions on the Aichi Biodiversity Targets. In addition, Japan is undertaking a revision of the "Declaration of Biodiversity by Keidanren: Guide to Action Policy". The Partnership is also involved in a collaboration with a domestic forest initiative ("Forest Supporters"), Aichi Targets implementation promotion campaign "Nijuumaru Project", and is enacting an award scheme, "Contests for Corporate Activities on Biodiversity". In December 2011, the Partnership also held its first general assembly which was coincident with the Global Partnership meeting and was very well attended. The Partnership also planned to participate in Rio+20 and the IUCN World Conservation Congress in the Republic of Korea in 2012, and to undertake a second questionnaire survey.

12. Germany's "Biodiversity in Good Company" initiative, which was established in 2008 as a publicly funded project by the German Federal Environment Ministry, became an independent, registered, company-driven business network in 2011 after public funding had terminated. A seven-member board was set up and a managing director took up work in August 2011. Among the activities are two-day members' workshops that take place three times a year, and a plan to start a three-year capacity-building project, based on the initiative's biodiversity handbook, for companies in Germany (and beyond), which will be partly funded by the German Federal Programme of Biological Diversity. The initiative is also regularly engaged with the German Federal Environment Ministry as well as the Federal Agency for Nature Conservation to support the German National Biodiversity Strategy. The next National Forum for Biological Diversity organized by the Ministry (planned for October or November 2012) is supposed to focus on business. The initiative is also participating in European Union (EU) network meetings of business and biodiversity initiatives, organized by the EU Commission and the European Business & Biodiversity Campaign (April 2012, Stuttgart, Germany) as well as international events such as Rio+20. In addition, thanks to support from Volkswagen AG, the initiative is able to "market" its work with an up-to-date flyer: "Ohne Vielfalt der Natur keine Vielfalt der Wirtschaft. Kurzporträt der Initiative" (Without Biological Diversity, No Economic Diversity. An Initiative Profile).

13. The French business and biodiversity initiative, Orée, leads a working group on "How to integrate biodiversity into business strategies", which involves approximately thirty companies (including large firms as well as small and medium-sized businesses), local authorities, research institutes and NGOs. Since 2006 this group has met every three months and it will continue its activities in 2012. Case studies are designed to feed into the discussions of the group and test, in concrete situations, its methodological ideas. Several case studies will be launched in 2012. In addition, a study has been launched for 2012 in order to continue the work of the previous study conducted by Mr. Joel Houdet. It is co-supported by Yves Rocher, LVMH, Veolia Environment and the French Government. Orée also takes part in working groups at various levels: international (Convention on Biological Diversity, Global Reporting Initiative, etc.), European (for instance the European Platform for Biodiversity Research Strategy, EPBRS) and national. It has been actively involved in the working groups to frame the French National Biodiversity Strategy 2011-2020, and will participate in the national strategy follow-up committee. There are a number of publications planned for the run-up to the eleventh meeting of the Conference of the Parties to the Convention on Biological Diversity, including a proposed guide on the biodiversity accounting framework. Orée has been involved in a number of events in 2011-2012, including, *inter alia*, Eco-Social Design, Some Ideas for 2011 (January 2011); International Year of Forests: Key Issues For Stakeholders (March 2011); Eco-design & Business Strategies (June 2011); Land-cover and land use issues: from competition to conciliation (November 2011); and presentation of the report on Perverse Subsidies Damaging Biodiversity (French Council of Strategic Analysis) (December 2011).

14. The Brazilian business and biodiversity workshop held in Rio de Janeiro on 30-31 August, 2011 was extremely well attended (approximately 250 participants over the two days) and executed, with overall impressions being very favourable. The workshop was set up by, and co-hosted with, the LIFE

Institute, a Brazilian non-profit organization. The first day began with presentations by the Convention Secretariat and the Brazilian government, setting out the overall policy perspective. This was followed by examples of best practices, legal issues, business impacts on ecosystems, and the challenges of scaling up biodiversity practices in various sectors. During the lunch break, the workshop hosted Professor Thomas Lovejoy, who gave a talk on the importance of functioning ecosystems and how businesses must participate in their preservation. Day 2 saw panel discussions on business engagement, access and benefits sharing, tools and mechanisms (including LIFE Certification), and discussion of the road to Rio+20 and the eleventh meeting of the Conference of the Parties. The presentations covered the issue very thoroughly and judging by the level of interaction among the participants, it seemed that the audience was interested and engaged. The end of the second day also saw the official launch of the LIFE Certification. This workshop was also seen as the launch of the process to create a Brazilian business and biodiversity initiative, which will bring together a number of Brazilian groups, including the Confederation of Industries (CNI), the Brazilian Council of Sustainable Development (CEBDS), the Brazilian Biodiversity Fund (FUNBIO), the Business Movement for Biodiversity in Brazil (MEBB), FGV and FDC. This was followed up during Rio+20 (June 2012) with another workshop (the International Business and Biodiversity Symposium), which brought together a number of the Brazilian groups to formally launch the Brazilian Business and Biodiversity Initiative. This was complemented by other workshops on the margins of Rio+20 (dealing with environmental issues including biodiversity protection) sponsored by the different individual organizations.

15. In South Africa, two workshops were held in September 2011, in Johannesburg (6 September) and Cape Town (7 September), co-hosted with the National Business Institute (NBI). Each workshop had approximately 30 people in attendance, with Johannesburg having a stronger business contingent and Cape Town a larger number of NGOs and consultants. The workshops unfolded in a similar fashion, with initial presentations by the the Convention Secretariat and government (policy perspectives), panels featuring case studies and challenges faced by companies, and finally perspectives on how to move forward. Although these were somewhat smaller seminars, the quality of participants and level of interaction indicated that they were very well received. In particular, the involvement of the government and the NBI was important, as they, with other partners, will form the basis of a South African business and biodiversity initiative. South Africa has continued substantial work on this project and indicated the intent to launch a national initiative at the eleventh meeting of the Conference of the Parties.

16. In Singapore, a round-table meeting was organized in May 2011 which featured representatives from the government, private sector and NGOs to discuss the idea of a business and biodiversity initiative in the city-state. In addition to this initial scoping exercise, the Singaporeans expressed a strong interest in getting further engagement with the private sector on this issue, with the possibility of holding a national workshop in 2012 to present to the major companies and other stakeholders the fundamentals of the business and biodiversity issue, and laying the foundations for a national initiative. Further work with the TEEB for Business<sup>2</sup> group was planned in order to facilitate the development of a Singaporean initiative later in the year.

17. The Republic of Korea held a workshop in December 2011 focused on the dual topics of business and biodiversity and the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their . This was structured with an opening plenary which presented the basic issues surrounding business and biodiversity (including the need and initial ideas for a national coordinating initiative) as well as the Republic of Korea's approach to ratifying and implementing the Nagoya Protocol. This was followed by break-out sessions which explored both topics in greater depth. The Koreans have indicated that they plan to continue with this initiative and hope to develop and launch a full-scale business and biodiversity initiative prior to the eleventh meeting of the Conference of the Parties.

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<sup>2</sup> TEEB = The Economics of Ecosystems and Biodiversity.

18. The United Kingdom announced its intention to embrace several existing programmes with this initiative during the second Global Business of Biodiversity symposium (GBOB 2), held in London in November 2011. This work is continuing and a United Kingdom initiative may be launched in time for the eleventh meeting of the Conference of the Parties. The TEEB for Business coalition, among others, will be taking a leading role in this process.

19. The Netherlands has been able to coordinate its Leaders for Nature (LFN) programme (which is the IUCN NL business network of twenty multinationals and major Dutch enterprises working together on greening the economy and which focuses on biodiversity and ecosystems as part of wider sustainability and business policies) with other Dutch initiatives to create a Netherlands business and biodiversity initiative. LFN holds regular seminars and events to trade ideas among companies and inspire action in the wider business community.

20. India is also investigating the feasibility of this type of initiative in the run-up to its hosting of the eleventh meeting of the Conference of the Parties in Hyderabad, and this was explored at the Sustainability Solutions Summit & Exhibition held in New Delhi on 25-26 November, 2011. The Indians (through the Confederation of Indian Industries, among others) are currently working with IUCN NL (Leaders for Nature) to establish a business initiative in time for the eleventh meeting of the Conference of the Parties.

21. A number of other countries are undertaking steps to facilitate the creation of these national business and biodiversity initiatives as called for in paragraph 1 (d) of decision X/21. In many cases, this involves simply bringing together existing initiatives so that they can engage in dialogue and share their experiences and best practices, as well as pooling resources where practical. Following a seminar for business in June 2011 (held in conjunction with a workshop on national biodiversity strategy and action plans) Rwanda has begun putting together a national initiative and planning a national workshop for 2012. Namibia has also been undertaking actions to develop a national business initiative. Several European countries, including Portugal, Spain and Denmark, are also working on this issue. Other workshops and initiatives are being considered in Australia, Central America and Southeast Asia in 2012.

### ***Regional initiatives***

22. The EU Business and Biodiversity Platform (B@B), initiated by the European Commission, is a unique facility where businesses can come together to share their experiences and best practices, learn from their peers, and voice their needs and concerns to the European Commission. The Platform aims to strengthen the link between the business sector and biodiversity conservation, in particular in the following six priority sectors: agriculture, food supply, forestry, non-energy extractive industry, finance and tourism. It is the first initiative of this magnitude worldwide. The participants in the Platform are involved in the following activities: best practices publication; workshops on the EU 2020 Biodiversity Strategy and its implementation; benchmarking workshops; round-table meetings on issues of interest; and award schemes. In conjunction with the European Business and Biodiversity Campaign and other partners, a round table of European business and biodiversity initiatives was planned for Stuttgart, Germany for 16-17 April, 2012. These meetings brought together a number of national and subnational programmes in order to begin discussions focusing upon cooperation and collaboration among the various bodies. Follow-up discussions are planned for after the eleventh meeting of the Conference of the Parties .

23. To ensure that Asian countries and businesses become key players in the advocacy for the sustainable management of biodiversity resources, the Sirindhorn International Environmental Park Foundation under the patronage of HRH Princess Maha Chakri Sirindhorn, in collaboration with the Royal Thai Government and the ASEAN Centre for Biodiversity, organized and conducted the Asia Regional Forum on Biodiversity, which actively promoted public awareness about the links between biodiversity and business. The United Nations University Institute of Advanced Studies (UNU-IAS)

through the Regional Centres of Expertise (RCEs) on Education for Sustainable Development (ESD) in Asia-Pacific also served as collaborators. Held at Cha-am, Phetchaburi, Thailand, on 3-4 November, 2011, the forum was attended by over 200 representatives from the business sector, schools and communities. The forum showcased best practices of biodiversity management involving communities in Southeast and South Asia and explored several themes, including the following: expanded partnership with the business sector in Asia; development of private-public/State partnerships; the provision of incentives for investments in biodiversity conservation; encouragement of sustainable and biodiversity-friendly business activities; and the promotion of business and biodiversity initiatives to various business communities and other stakeholders at the national, regional, and global levels. A key product anticipated from this forum was a publication that would compile the best practices of business and community partnership on biodiversity conservation in the Asian region.

24. The primary outcome of the forum was the Cha-am Declaration on Biodiversity (annexed below), which noted participants' commitment to, *inter alia*:

- Contribute to the preservation of the Earth's natural heritage through mainstreaming of biodiversity conservation and sustainable management;
- Produce goods and services in a manner that will contribute to the protection and conservation of biodiversity;
- Promote sound investments that will pave the way for environmentally sound technologies, products and services;
- Support global, regional and national efforts to halt the loss of biodiversity;
- Share the benefits of the economic utilization of natural resources fairly with those who grant access to them openly and cooperatively;
- Ensure the long-term viability of agriculture and fisheries for food production and income generation;
- Promote biodiversity conservation actions at all levels of government, communities, businesses and universities through education;
- Engage in transformative education on biodiversity conservation for sustainable development that can change behaviour of all stakeholders;
- Meet the basic needs for the present and future generation while maintaining balance between environmental, social and economic sustainability.

#### ***First meeting of the Global Partnership for Business and Biodiversity***

25. The Secretariat of the Convention on Biological Diversity, along with the Keidanren Committee on Nature Conservation, the Japanese Ministry of the Environment, and the International Union for Conservation of Nature (IUCN), organized the first meeting of the Global Partnership for Business and Biodiversity, held in Tokyo on 15-16 December, 2011. The purpose of the meeting was to help realize the decisions agreed upon by the Conference of the Parties at its tenth meeting, particularly with regard to the establishment of national and regional business and biodiversity initiatives, the encouragement of the development and application of tools and mechanisms that can facilitate the engagement of business, and the dissemination of tools and examples of best practice for encouraging the participation of business. The Tokyo meeting also saw the official launch of the full online Global Platform on Business and Biodiversity website. The primary goals of the meeting were to introduce the national business and biodiversity initiatives that are a part of the Global Partnership and discuss the challenges inherent in their mandate and in growing the Partnership further, to discuss the implementation of the business decisions taken at the tenth meeting of the Conference of the Parties and the challenges that businesses still face in

mainstreaming biodiversity into their day-to-day activities, and to explore initial recommendations for the business decisions for the eleventh meeting of the Conference of the Parties.

26. The meeting was divided into seven panels, each focusing upon specific elements of the Global Partnership or the run-up to the eleventh meeting of the Conference of the Parties:

(a) ***Discussion of existing business and biodiversity initiatives:*** Presentations at this session were given by Brazil, Canada, France, Germany, India, Japan, the Netherlands, the Republic of Korea, Rwanda and South Africa. Presentations on the established initiatives (Canada, France, Germany, Japan) were focused upon their accomplishments since the tenth meeting of the Conference of the Parties. The other speakers focused on current planning and ideas for facilitating national initiatives through the integration of current programmes;

(b) ***Role of the national initiatives in addressing policy challenges:*** In this panel, the previous panel's participants answered questions and addressed what they saw as the primary challenges facing them. Although a number of issues were raised in this forum, the biggest challenges were seen to be getting companies to understand biodiversity and how it fits into the larger context, and issues of administration (working with different stakeholders) and funding;

(c) ***Views and perspectives about industry:*** This panel had four companies (Mitsui, Taisa, Bridgestone and Petrobras) giving their perspective of the challenges of managing biodiversity, and a government representative responding to these issues. Overall, there was a sense that companies can benefit from protecting biodiversity, but that government must do its part including business and environment friendly policies;

(d) ***Perspectives on thematic initiatives and tools/mechanisms to integrate biodiversity into business:*** This panel featured a presentation on the work of UNEP-WCMC (done in conjunction with the Convention Secretariat) regarding a gap analysis of standards. The presentation reviewed the findings (discussed below) and noted next steps;

(e) ***Review of actions since the tenth meeting of the Conference of the Parties and initial recommendations for consideration at the eleventh meeting:*** This panel had presentations by Keidanren, the Japanese Ministry of Environment, UNEP-WCMC, and the Convention Secretariat. The first two speakers focused primarily on progress since the tenth meeting of the Conference of the Parties, and the latter two looked towards the eleventh meeting. There were a number of questions raised about the proposed language of the decisions, which have been addressed in subsequent drafts;

(f) ***Discussion of future business and biodiversity national initiatives and moving the Partnership forward:*** This featured regional presentations from ASEAN, IUCN-India, the European Commission, the World Ocean Council, and the Secretariat (regarding NBSAPs). The main purpose of this session was to introduce some of these regional and cross-cutting themes and address some of the projects and challenges facing them in 2012 and beyond. In addition, the session served to draw together these larger programmes with the national initiatives such that their efforts can be synergized to the highest degree possible;

(g) ***Discussion of the eleventh meeting of the Conference of the Parties and other events:*** The final panel session had speakers from the Convention Secretariat, the Indian government, and the World Business Council for Sustainable Development (WBCSD) exploring some of the ideas and events to be undertaken for both the eleventh meeting of the Conference of the Parties and Rio+20.

27. The meeting was very well attended, with approximately 250 participants from Japan and abroad. The majority of participants were from the private sector, although there were also many representatives



from non-governmental organizations (NGOs) and intergovernmental organizations (IGOs) from Japan and other countries, and representatives from approximately ten governments. The discussions were fairly active and in particular there was considerable feedback on the initial discussions regarding the eleventh meeting of the Conference of the Parties. Overall, participants were very supportive of a strong business decision for the eleventh meeting of the Conference of the Parties and felt that this would be an important step in ensuring that businesses have both the understanding and capabilities to mainstream the goals of the Convention and the Aichi Biodiversity Targets.

### **III. COMPILATION OF INFORMATION ON EXISTING TOOLS THAT CAN FACILITATE THE ENGAGEMENT OF BUSINESSES, ANALYSIS OF THE EFFECTIVENESS OF THESE TOOLS, AND MAKING THIS COMPILATION AND ANALYSIS AVAILABLE**

28. The development of tools and mechanisms is an essential element in helping companies to assess their needs, take the necessary actions, and then measure the results. These tools and mechanisms come in a wide variety of forms, from standards and certification schemes to online databases and programmes for offsetting negative environmental impacts, among other incentive measures. These can be either regulatory or voluntary schemes. As an initial step, the Secretariat has compiled an extensive list of various tools and mechanisms (including guidance documents) and has made this list (with direct links) available through the recently developed Global Platform on Business and Biodiversity website. This list is being continually updated to reflect new developments and improvements. In addition, a wide selection of best practices and corporate case studies are available through the website and newsletters. Companies and the national business and biodiversity initiatives have been very generous in sharing such studies on the Global Platform website.

#### ***Initial analysis of standards***

29. In response to paragraphs 3 (b) and 3 (d) of decision X/21, the Secretariat engaged with WCMC-UNEP and other partners in an effort to evaluate various standards so as to ascertain where gaps and other inconsistencies may exist. The initial results of the standards review showed that although there were many common elements to the majority of standards, such as the protection of habitats and species and the recognition of protected areas, there were significant differences in the level and quality of guidance provided in addressing these issues. There were also discrepancies in the use of language and definitions, as well as significant gaps in biodiversity criteria, which make comparing the standards and utilizing common analytic tools problematic. Initial recommendations stemming from this study included the following:

- (a) Adoption of internationally recognized definitions;
- (b) Avoiding the displacement of threats;
- (c) Inclusion of modified habitats;
- (d) Provision of guidance on operation inside protected areas;
- (e) Inclusion of specific reference to internationally recognized protected areas;
- (f) Recognition of Indigenous and Community Conserved Areas;
- (g) Safeguarding of priority conservation areas;
- (h) Adoption of the mitigation hierarchy and “no net loss” approaches.

30. This research was supplemented by a working-group meeting held in Cambridge, United Kingdom, on 30 November, 2011, where experts were asked to comment on the initial findings, methodologies, and recommendations. A number of suggestions were put forward, many revolving

around the idea of a “glossary” of internationally recognized definitions, but also touching on issues such as references to landscape/seascape planning, alignment with national and/or regional management plans, and references to internationally protected areas and recognizing Indigenous and Community Conserved Areas. There was also lively discussion around the idea of developing a set of minimum and/or optimal/aspirational biodiversity criteria for standards. On the one hand, minimum criteria were seen as more practical and less exclusive of small businesses that have limited resources with which to manage their environmental impacts. By improving baseline standards, this might help to close the gap between the “best” and “worst” business practices and their respective standards. On the other hand, minimum criteria that are less comprehensive than many of the existing standards may slow down progress towards better environmental practices. It was also noted that the different contexts in which all the standards operate may make a generic set of minimum criteria problematic, and there was concern that existing standards may be deemed not to meet a minimum despite having very specific and robust criteria that deal with the sector-specific threats posed. Therefore, it was suggested that a set of optimal criteria, or even best practice guidelines, may better support the drive towards improved performance and increased alignment with global biodiversity conventions and targets.

#### **IV. ENCOURAGING THE DEVELOPMENT AND APPLICATION OF TOOLS AND MECHANISMS THAT CAN FACILITATE THE ENGAGEMENT OF BUSINESSES**

31. There has been an explosion in the numbers of tools and mechanisms being developed for, and by, companies. There are numerous publications by various associations, IGOs, NGOs and governmental bodies that have provided tools, standards and guidance to companies in this area in a wide variety of sectors. One prominent example is the International Finance Corporation’s (IFC) Performance Standard 6 (PS 6), which was originally issued in April 2006 on Biodiversity Conservation and Sustainable Natural Resource Management. The IFC applies the Performance Standards to manage social and environmental risks and impacts and to enhance development opportunities in its private sector financing in its member countries eligible for financing. The Performance Standards may also be applied by other financial institutions electing to apply them to projects in emerging markets. PS 6 was recently updated.<sup>3</sup> The World Business Council on Sustainable Development, in cooperation with partners such as IUCN, also has issued a number of important publications on managing biodiversity and ecosystem services. Many of these documents can be found through the Convention’s Global Platform on Business and Biodiversity website (<http://www.cbd.int/en/business/tools-and-mechanisms>).

32. There have also been some very innovative analytical tools developed by companies, looking at various aspects of their impacts on the environment. One particular example of note was the work undertaken by Puma, which has broken its analysis down by the impacts of various segments of their supply chain. This noted particularly large impacts further down their supply chain where raw products are either grown or extracted from the natural environment. This type of analysis would be of particular value to many types of businesses that may not see their direct impact on biodiversity (or their benefit from ecosystem services) but which would have a much better understanding based on their supply chains or their position as a supplier to other companies/organizations. Other companies have taken different approaches, such as using indicator species to measure impacts or trying to place value on ecosystem services that they utilize. Many of these case studies are on the Global Platform website, and more in-depth case studies and analyses are planned for 2012.

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<sup>3</sup> See [http://www1.ifc.org/wps/wcm/connect/bff0a28049a790d6b835faa8c6a8312a/PS6\\_English\\_2012.pdf?MOD=AJPERES](http://www1.ifc.org/wps/wcm/connect/bff0a28049a790d6b835faa8c6a8312a/PS6_English_2012.pdf?MOD=AJPERES).

## **V. ENCOURAGING THE MONITORING OF THE EFFECTS OF THESE TOOLS AND MECHANISMS**

33. The Secretariat has undertaken a survey of the private sector regarding its use of tools and mechanisms, and a literature review of existing standards to determine commonalities and gaps. The preliminary results of the survey indicate that large enterprises appear to be more aware and concerned with biodiversity issues generally than smaller companies. This implies that specific awareness-raising activities aimed at small and medium-sized enterprises will have to be undertaken by the Secretariat and its partners. It was also found that tools and mechanisms aimed at companies in the forestry, mining, extraction, construction and energy sectors were most commonly used, whereas those in the financial, travel and tourism, and retail sectors appear to be less widely adopted. Although the majority of the tools and mechanisms reviewed were given above-average ratings, standards received the highest overall ratings and thus appeared to be the most effective in helping companies achieve their goals.

## **VI. DISSEMINATING TOOLS AND EXAMPLES OF BEST PRACTICES FOR ENCOURAGING THE PARTICIPATION OF BUSINESS**

### ***Global Platform on Business and Biodiversity website***

34. With the generous support of the Government of the Netherlands, the Secretariat has developed the Global Platform on Business and Biodiversity website. This site, which replaces the Convention's old business site, features an extensive list of the various tools and mechanisms (including guidance documents) as well as case studies which are searchable through a variety of criteria, including country, sector and type of document (e.g., tool, standard, guidance, etc). The website also includes an archive of the Convention's business newsletters and a calendar of business events. Phase 1 of the site was activated in June 2011. Initial response to the site was very favourable from companies and other stakeholders. The Secretariat received many requests to post additional tools and mechanisms, indicating that there was a perceived value to being included on the site's listings. The reception of the new site has been very positive. Visitors to the new site in its first six months of operation were up by over 120% against the old site. Analysis of the numbers also shows a greater number of people exploring the new site and significant numbers visiting the pages containing case studies and tools and mechanisms.

35. Phase 2, with various enhanced features, was launched during the Global Partnership meeting in Tokyo in December 2011. These features include more user-friendly search tools and a planned interactive portal which will be able to host webinars and allow companies to seek advice from various sectoral or biodiversity experts. In addition, the site will also provide information on the various national and regional business and biodiversity initiatives and will act as an important support platform for the global partnership. The site can be found at: <http://www.cbd.int/en/business>.

### ***Newsletter***

36. In 2011, two issues of the *Business.2020* newsletter were produced. The first focused on the outcomes of the tenth meeting of the Conference of the Parties and the road ahead. The second had a special focus on forests and efforts to conserve forest ecosystems. In 2012, the first issue focused on standards, and as of this writing, the next edition (looking at business and biodiversity in India) is in pre-production. A further issue to be released immediately after the meeting of the Conference of the Parties is also under consideration. The format of the newsletters continues to be streamlined, and the content is, to the degree possible, linked to the Global Platform website with regard to the case studies section. Archives of the newsletters can be found at <http://www.cbd.int/en/business/interactive-resources/newsletters>.

## **VII. ENCOURAGING BUSINESSES IN COMMUNICATING THEIR BIODIVERSITY-RELEVANT ACTIVITIES**

37. Many large companies and other organizations, in a variety of sectors, have undertaken activities aimed at sharing case studies and encouraging the adaptation of best practices. Many have spoken at events and workshops held before, during, and after the tenth meeting of the Conference of the Parties. Through the Global Platform website, the Secretariat has gathered a fairly comprehensive set of case studies and made them available to all interested stakeholders. In the lead-up to the eleventh meeting of the Conference of the Parties, there are plans to create more detailed case studies that will trace the decision-making processes and rationales that caused companies to undertake the actions that they took. This work will be aimed at further encouraging small and medium-sized enterprises to take action in this important area. Targeting supply chains of large multinational companies is being seen as an effective way to get the message across to a wide range of companies in particular sectors. This will be especially important in light of the need to specifically target small and medium-sized enterprises to help them understand the importance of biodiversity to their operations. While these businesses are currently still the exception, in terms of their ecologically friendly activities, it is felt that by highlighting their activities and ongoing (and often enhanced) profitability, their business and reporting practices can serve as a template for others to follow.

38. In addition, building on the ideals expressed in the Jakarta Charter on Business and Biodiversity (point 14), which asked businesses to endorse the Charter, the Secretariat is requesting businesses to commit to respecting and mainstreaming the objectives of the Convention and to demonstrate that they are continually striving to improve their performance vis-à-vis sustainability management and protection of biological diversity.

39. The tenth meeting of the Conference of the Parties saw the adoption of the Strategic Plan for Biodiversity 2011-2020 and its 20 Aichi Biodiversity Targets, many of which address issues of specific interests to business. As an example, target 3 talks about removing subsidies harmful to the preservation of biodiversity, and replacing them with policies that promote ecologically sustainable activities. Targets 6 and 7 speak of the importance of sustainable practices in managing and harvesting in the forestry, agricultural and fisheries sectors. The Secretariat and many partner organizations are working to ensure that businesses take the Aichi Biodiversity Targets and the Strategic Plan into account when undertaking actions designed to safeguard biodiversity.

40. Since the tenth meeting of the Conference of the Parties, there have been numerous conferences dealing with business and biodiversity (either in whole or in part) which have involved significant private sector participation. These meetings have occurred throughout the world and have brought together the private sector, academics, NGOs, IGOs and government representatives.

41. The Convention's business programme also worked with the other Rio Conventions under the auspices of the Rio Pavilion to help promote cooperation between the various treaty bodies as well as placing biodiversity into the broader context of overall sustainability. A business day was held in Durban, South Africa on 7 December, 2011, during the seventeenth meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC COP 17). This included a morning session featuring speakers from the South African Department of Environmental Affairs, the National Business Initiative and WBCSD; a panel discussion on mainstreaming environmental sustainability into business featuring WWF, the South African National Biodiversity Institute (SANBI), the University of Pretoria and AngloGold Ashanti; and a series of other events organized by IUCN, the South African government, the World Bank and the Global Mechanism. The business programme will continue undertaking these cooperative events at various Conferences of the Parties and planned a suite of activities for Rio+20 to be held in June 2012.

## VIII. OTHER BUSINESS-RELATED ISSUES

### *Biotrade*

42. Since the tenth meeting of the Conference of the Parties, the BioTrade Initiative of the United Nations Conference on Trade and Development (UNCTAD) has consolidated its Fashion and Cosmetics Biodiversity Platform (FCBP), which now brings together a number of international organizations and non-governmental organizations with more than 60 multinational companies and 150 micro, small and medium-sized biodiversity-based enterprises from the two industries. UNCTAD has been working together with its platform partners in the production of two sectoral documents for the cosmetic and fashion industries that will compile relevant knowledge, case studies and best practices in addressing the importance and impact of conservation and sustainable use of biodiversity by these two industries.

43. Developing countries need support to build institutional and technical capacity for meeting complex technical requirements and for effectively using voluntary sustainability standards as a marketing tool, including geographical indicators, intellectual property rights, and access and benefit sharing mechanisms. They also need support for more effective participation in international trade negotiations affecting biotrade, such as those on sanitary and phytosanitary measures (SPS) and technical barriers to trade (TBT). The UNEP-UNCTAD Capacity Building Task Force (CBTF) takes a two-pronged approach to addressing national and international challenges in promoting biotrade. The CBTF takes the lead in implementing international level activities, while the German Technical Cooperation Projects (GTZ) takes the lead in implementing national level activities in three pilot countries: Namibia, Nepal and Peru. This is done in close cooperation with national multi-stakeholder task teams on environment and trade (adapted from <http://www.unep-unctad.org/cbtf/biotrade.asp>).

### *Ongoing challenges for business and biodiversity*

44. Despite the considerable progress that has been made to date on engaging business with the issue of biodiversity protection, there remain a number of significant challenges which will have to be addressed if the goals of the decisions of the Conference of the Parties are to be realized. The first challenge is that of awareness-raising. There have been a number of surveys conducted (such as the Keidanren questionnaire discussed above and other similar studies conducted around the world) which have sought to assess business' awareness and understanding of biodiversity.

45. While many businesses indicate that they have heard of biodiversity, particularly in emerging markets such as Brazil and South Africa, nevertheless there often remains a gap in understanding of precisely what biodiversity entails (i.e., using the Convention definition). Often, the comprehension of biodiversity is limited to species protection and this can then create difficulties as companies may not understand how they will benefit (economically) from engaging in protection activities or how biodiversity degradation will affect them. In addition, businesses may also find it difficult to place the idea of biodiversity into the larger context of sustainability, particularly as some issues (e.g., climate change on a global scale, pollution on a more local scale) will tend to loom larger on the corporate radar than the somewhat more abstract notion of biodiversity protection. This illustrates the continuing importance of engagement among all stakeholders and the need to continue making the business case for biodiversity.

46. Another issue that can act as a constraint on action is the complex nature of the problem and the difficulty in accurately measuring and/or valuing biodiversity and its loss. Unlike climate change, which can be relatively simplified to the metric of carbon ton equivalents with regard to emissions, it is very difficult to find a single metric to analyse biodiversity. Valuation and monetization has been resisted at different levels for varying reasons, including scientific uncertainty, inaccurate weightings of value by potential markets, the non-fungibility of biodiversity assets, and moral and ethical concerns over

valuation of nature. The TEEB report has made a very important start in this area by looking at assessing values of ecosystem services, but this too has certain limitations. The private sector is also interested in being engaged in the conversations concerning valuation of biodiversity and mechanisms that may emerge from this exercise.

47. In November 2011, a discussion involving IGOs (including the CBD Secretariat), NGOs, academics and the private sector was held at Chatham House, London, to explore some of these issues. This discussion broadly examined the issues around valuation and the potential for markets and helped to highlight some of the issues from the private sector perspective. Some of the points that were raised included the idea that doing nothing will likely be worse than doing something, but it is critical to take societal views into account instead of focusing only on business interests; there is a need to find a way to reconcile intrinsic and extrinsic values; and economic considerations must follow from scientific based evidence. Further discussion, tied into the wider debate on this, could help to specify what is needed for the next steps and how best to get there.

48. It is important to realize that even where businesses are willing to take action; there may be various policy and economic challenges that make this difficult. There is no doubt that in the current economic climate, many businesses are fearful and are operating in survival mode. It is also true that adopting biodiversity and ecologically friendly practices, no matter that they may increase profitability in the medium- to long-term, will nevertheless incur some up-front costs. Businesses are looking for reassurance that they will not lose their competitive edge by incurring these costs, and that government policies will create a level-playing field. Businesses also need to understand that in terms of risk management, the risks incurred by any short-term costs made to ensure sustainability are outweighed by the risks in doing nothing and eventually losing market share and incurring far larger costs when having to catch up to legislation and far-sighted competitors. In addition, encouraging governments to adopt “eco-friendly” procurement policies will help to drive market demand for these types of products, and thus provide a strong incentive for businesses to take action. This will reinforce the actions that are beginning to be taken by some larger companies (and consumers) that are making more stringent demands on their suppliers vis-à-vis environmental issues.

49. One other issue that is especially important for small and medium-sized enterprises is the increasing difficulty in locating appropriate information. As often as not this is not due to a paucity of data but to being lost in a sea of competing standards and mechanisms. There are many excellent tools and guides available, but they can sometimes be difficult to locate, particularly for non-specialists. Through the Global Platform website and the Global Partnership, the Secretariat and the various national and regional initiatives are striving to provide easy-to-use guides and advice that will assist businesses to navigate these complicated waters. The Secretariat is to compile reference material specifically to this end that is expected to be unveiled during the eleventh meeting of the Conference of the Parties. The Secretariat is also encouraging Parties to consider best practices in standards and certifications as this may help to strengthen these tools and provide greater clarity to companies.

50. These ongoing gaps have prompted ongoing calls to further strengthen the engagement of business in the activities of the Convention, and to take greater action to instill in the business sector the goals of the Convention and the Aichi Biodiversity Targets. This sentiment has been expressed at virtually all workshops and conferences, and is at the heart of declarations such as the Jakarta Charter on Business and Biodiversity issued in 2009. The Global Partnership meeting held in Tokyo, while not issuing a formal declaration, indicated its overall support for a draft decision to be considered at the eleventh meeting of the Conference of the Parties that would further the gains made at the tenth meeting of the Conference of the Parties and help more businesses (in particular small and medium-sized enterprises) to mainstream biodiversity and sustainability issues. The decision that was considered at WGRI 4 builds upon and reinforces many of the elements that emanated from the business decision of the

tenth meeting of the Conference of the Parties, while also addressing certain key lacunae identified in various sections of this report.

*Annex*

**CHA-AM DECLARATION ON BIODIVERSITY**

We, the participants of the Asia Regional Forum on Biodiversity, recognize that nature is the foundation of life and that protecting nature is the joint task of business, government, academe, and other multi-stakeholders in society. Thus, we have committed ourselves to advocate for the protection and sustainable use of biodiversity in partnership with all sectors of society.

To this end, we declare our commitment to:

- Contribute to the preservation of the Earth's natural heritage by protecting species, ecosystems, and genetic diversity through mainstreaming of biodiversity conservation, sustainable management and advocacy in organizational plans and programs, as well as corporate social responsibility initiatives;
- Produce goods and services in forms and manners that will contribute to the protection and conservation of biodiversity;
- Promote sound investments that will pave the way for environmentally sound technologies, products and services;
- Use expertise, experience and resources to convince co-employees and customers, as well as the general public, to implement ecologically sustainable practices of living and consumption;
- Support global, regional and national efforts to halt the loss of biodiversity, including objectives and initiatives by the Convention on Biological Diversity, the Sirindhorn International Environmental Park Foundation under the Patronage of HRH Princess Maha Chakri Sirindhorn, the United Nations University Institute of Advanced Studies through the Regional Centres of Expertise on Education for Sustainable Development, the ASEAN Centre for Biodiversity and other relevant international/regional agreements and institutions;
- Share the benefits of the economic utilization of natural resources fairly with those who grant access to them openly and cooperatively;
- Explore the potential for cooperation with scientific institutions, non-governmental organizations and governmental institutions with the aim of deepening involvement in biodiversity conservation;
- Ensure, in cooperation and networking with all stakeholders including business sector and communities, the long-term viability of agriculture and fisheries for food production and income generation through fair, ecosystem-based, community-centered, science & technology oriented, R&D approaches, while providing solutions to problems of pollution, disease, land degradation, desertification and climate change that are affecting sustainable agricultural and fishery practices;
- Promote biodiversity conservation actions at all levels of government, communities, businesses and universities through education;
- Explore channels of support for biodiversity conservation actions and wildlife and forest law implementation as well as enforcement such as through social sanction, capacity building and public awareness;



- Encourage national governments to recognize the role of business in biodiversity conservation actions;
- To engage in transformative education on biodiversity conservation for sustainable development that can change behavior of all stakeholders;
- Encourage the youth involvement in biodiversity and environmental conservation action to promote sustainable development through education, training and social activities;
- Explore appropriate channels by regular interactive meetings for mass media of different status (government, business, etc.) through media resource centers to create awareness on various issues relating to biodiversity conservation; and
- To meet the basic needs for the present and future generation using scientific innovation for research and development for appropriate utilization of local and indigenous knowledge with equity and equality while maintaining balance between environmental, social and economic sustainability.

With this declaration, we will work together to inspire other organizations by communicating examples of environment-friendly best practice; encouraging multi-stakeholder partnerships; promoting wide leadership and public awareness of the values of biodiversity and the need for cooperation from all sectors; and recognizing outstanding contributions to biodiversity conservation and advocacy.

This Cha-am Declaration is adopted on the 4th of November 2011 at the Asia Regional Forum on Biodiversity held in Cha-am, Phetchaburi Province, Thailand.

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