

## **Summary of the Exploratory Workshop on a Global Initiative on Banking, Business and Biodiversity**

**Beijing, China**

**18 October 2002**

1. The Conference of the Parties at its sixth meeting decided to request the Executive Secretary, in collaboration with the Global Environment Facility, to explore with interested partners opportunities of developing a global initiative on banking, business and biodiversity, taking into account the existing mechanisms and institutions, and other global regional initiatives or processes, with a view to increasing funding for biodiversity and mainstreaming biodiversity into the financial sector. In response to this request, the exploratory workshop on opportunities of developing a global initiative was organized on the margin of the twentieth meeting of the GEF Council and the second meeting of the GEF Assembly.
2. The meeting commenced at 9:00 am. Messrs Yibin Xiang, Pascal Poinlane and Harold Brookfield made presentations respectively on an overview of COP decisions related to the global initiative, brief on national efforts related to banking, business and biodiversity, brief overview of relevant UN initiatives/processes, and an example of farmers; involvement in biodiversity activities.
3. Mr. Xiang first gave an overview of existing guidance related to banking and business sectors. He pointed out that all implementation-oriented articles 6-26 are found of relevance to banking and business sectors. The Conference of the Parties has so far adopted 146 decisions. Over 50 decisions contain explicit provisions relating to banking and business sectors, and the number of relevant decisions has increased dramatically over time, i.e., from 3 at COP 1 to 15 at COP 6. By referring to various terms used in COP decisions, he was of the view that the term "banking and business" only refers to the for-profit private sector.
4. According to his presentation, the private sector is being considered as a strategic element of the Convention's Strategic Plan. The private sector can have an observer status in the Convention processes in accordance with the rule of procedures of the Conference of the Parties. The COP already considered the private sector involvement should be included on the agenda of the COP and wished to explore ways and means to encourage the greater involvement of the private sector. The COP expected the following from the private sector: funding support, technical and human resources support, consideration of the precautionary approach, application of technology, participation in the programme of work, creation of private reserves and private conservation, compliance and information (best practices and lessons learned). Modalities for working with the private sector include: consultation, networking, access to private sector funds,

learn business management skills, joint efforts/cooperation/collaboration, facilitation and support of a responsible private sector, creation of the conditions, awareness raising, involvement/engagement/participation, assessment of private sector trends, internalization of biodiversity values, partnership.

5. Mr. Poinlane assessed all national biodiversity strategies and action plans, the national reports and the thematic reports with a view to figuring out ongoing efforts at national level. He found out that the most commonly identified private sector involvement was the consultative role of private sector in formulating national strategies and action plans as well as national reports. He further examined relevant role of the private sector in the implementation of *in-situ* conservation, *ex-situ* conservation, sustainable use, incentive measures, public education and awareness, access to and transfer of technology, financial resources and mechanism. He felt insufficient involvement of the private sector in the implementation of articles 13 and 20. He made several suggestions on further involvement of the private sector in achieving the three-folded objectives of the Convention.

6. To examine and learn from experiences and lessons of other similar initiatives being undertaken by sister United Nations entities, Mr. Xiang gave a brief on existing initiatives. Numerous examples were found in energy sector, forest industry, biotechnology, fisheries, agriculture, mining, tourism, foundations, as well as cross-sectoral areas. At the regional level, examples were found in Africa, Europe and Latin America as of direct relevance to biodiversity. Within the UN system, many organizations already have a long history to work with the private sector. Most recently, a number of new initiatives have been established, for instance, the global compact, finance initiatives, bio-trade initiative, etc.. He pointed out four common ways of engagement: mobilizing private resources for United Nations programmes; encouraging private investment in critical areas; bringing the banking and business sectors into policy formulation; and joining forces in the implementation of projects. Issues related to working with banking and business sectors are: the need for a normative framework; the criteria for the selection of partners; the need to appropriately acknowledge contributions while preserving the integrity of the United Nations process; conflicts of interests and undue influence.

7. Mr. Brookfield presented the experience of the United Nations University project on People, Land Management and Environmental Change (PLEC). This GEF-funded global project successfully brought together the efforts of over 200 scientists, and a large number of collaborating farmers in 12 countries across the developing world. Through 21 developed demonstration sites, PLEC used expert farmers to advise others, with the scientists playing only a supporting role by introducing new ideas, and germplasm from other places. The project concluded that use of skilful and diverse methods could enable farmers not only to sustain biodiversity and improve their soils, but also to increase production, while providing greater security of both food supply and incomes. As the result of the project, he further presented a book entitled "Cultivating Biodiversity – Understanding, Analyzing and Using Agricultural Diversity".

### Definition of the private sector

8. After the presentations, the participants discussed the definition of banking, business and biodiversity. It was suggested to consider the relevant contributions and roles of different vectors of the private sector, but this still requires operational efforts.

### Enabling environment

9. Several participants raised the question of lack of national policy environment to enable the private sector to participate actively in the implementation of the Convention. Concerning enabling environment, the CBD Secretariat pointed out that the COP already adopted decisions requiring tax exemptions for biodiversity-related activities. One participant said that in his country, governments allowed tax exemption for donating equipments to biodiversity but not for cash contribution so that business and industry do not feel encouraged to play a greater role in biodiversity conservation.

10. The workshop was closed at 10:45 am, and Mr. Xiang thanked the speakers and all the participants.