





#### **STATEMENT**

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#### ON THE OCCASION OF

# THE $2^{ND}$ INTERNATIONAL CONFERENCE ON SUSTAINABLE BUSINESS AND CONSUMPTION

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Ladies and Gentlemen, Distinguished Guests,

It is a great pleasure for me to be here in Germany once again during this 2010 International Year of Biodiversity. Five months ago the celebrations of the International Year were launched in Berlin under the chairmanship of Chancellor Merkel. The success of that event set the tone for the last few months. Today's conference, coming close to the midway point of the International Year, presents a prime opportunity to build on the momentum we have gathered to date in our attempt to save the diversity of life on Earth.

It is fitting that this pivotal conference is taking place in Nuremberg, for Nuremberg was the home of Albrecht Dürer, the great Renaissance artist and thinker. And today more than ever we need another Renaissance – a modern rebirth of human society. Today more than ever, when we are systematically destroying life on this planet through our own short-sightedness, we need to listen to the wisdom of Dürer, who said "Life in Nature reveals the truth of things." During this 2010 International Year of Biodiversity, we need to comprehensively rethink our place in, and our interactions with, Nature.

It is no exaggeration to say that our modern way of life would simply not be possible without the richness of life on Earth. Not only do many of us turn to nature for spiritual and aesthetic fulfilment, but every single one of us depends on biodiversity for eminently practical ends. Our food, fuel and medicines, and much of our fibre and building material all have biological origins. Biological goods support such diverse industries as agriculture, cosmetics, pharmaceuticals, pulp and paper, horticulture and construction.

Moreover, ecosystems provide human beings with a range of services that would be extremely costly or impossible to replace, including the purification of air and water, the detoxification and decomposition of wastes, the stabilization and moderation of the Earth's climate, the moderation of floods, droughts, temperature extremes and the forces of wind, the generation and renewal of soil fertility, the cycling of nutrients, the pollination of wild plants and crops, and the control of pests and diseases.

That is why in 2002 world leaders attending the Johannesburg World Summit on Sustainable Development decided to redefine how we live on this planet by agreeing to substantially reduce the rate of biodiversity loss worldwide by 2010.

However, the recently-released third edition of *Global Biodiversity Outlook* shows that the 2010 biodiversity target has not been met. Reviewing all available evidence, including the national reports of over 110 Parties to the Convention on Biological Diversity and the scientific literature, GBO3 concludes that biodiversity today continues to disappear at an unprecedented rate – indeed, up to 1000 times the natural background rate of extinction. The report further shows that the five main global drivers of biodiversity loss – habitat loss, the unsustainable use and overexploitation of resources, climate change, the spread of invasive alien species, and pollution – have not only remained more or less constant over the last decade, but are in some cases intensifying. It also warns that irreversible degradation may take place if ecosystems are pushed beyond certain tipping points, leading to the widespread loss of ecosystem services that we depend on greatly.

The International Year of Biodiversity presents an opportunity to begin a more comprehensive and effective renaissance in our interactions with Nature. The goals of this historic year are to raise awareness about the importance of biodiversity, to communicate the

human costs of its ongoing loss to the both the public and to policymakers, and to involve all sectors of society – including the private sector – in efforts to conserve and sustainably use our natural heritage.

It is particularly crucial that we involve the business community in our preservation efforts: despite our fundamental dependence on the goods and services that biodiversity offers, the economic value of biodiversity has historically been overlooked. In his preface to Phase 1 of the report *The Economics of Ecosystems and Biodiversity* (TEEB), study leader Pavan Sukhdev wrote: "Nature is the source of much value to us every day, and yet it mostly bypasses markets, escapes pricing and defies valuation....The economic compass that we use today was a success when it was created, but it needs to be improved or replaced."

The initial phases of the TEEB study, which was launched at the Convention on Biological Diversity (CBD)'s ninth Conference of the Parties (COP9) in Bonn in 2008, give us a glimpse of some of the impressive statistics on the economic value of biological goods and ecosystem services. Approximately half of synthetic drugs have a natural origin, including 10 of the 25 highest selling drugs in the United States of America. Of all the anti-cancer drugs available, 42% are natural and 34% semi-natural. The value of the watershed protection provided by intact coastal ecosystems, such as mangroves and other wetlands, has been estimated at US\$ 845 per hectare per year in Malaysia and US\$ 1,022 per hectare per year in Hawaii.

The TEEB report pegs the annual cost of biodiversity loss at close to 3 trillion dollars. This compares to what three major sectors of the economy gross in total in a year, the car industry earning 1.9 trillion, the IT industry 0.95 trillion, and steel 0.6 trillion. Moreover, a recent assessment conducted by the London-based consultancy *Trucost* for the UN backed Principles for Responsible Investment of the 3,000 biggest public companies in the world found their estimated combined damage to nature to be worth \$2.2 trillion dollars in 2008 – a figure bigger than the national economies of all but seven countries in the world that year.

The human costs of such losses are high: because of the many economic benefits we obtain from biodiversity, preserving it is central to sustainable development and poverty alleviation strategies. As Gro Harlem Brundtland stated, 'You cannot tackle hunger, disease, and poverty unless you can also provide people with a healthy ecosystem in which their economies can grow.'

This is particularly true when we consider development sectors such as agriculture, forestry, fisheries and tourism. 300 million people worldwide, the majority poor, are estimated to depend substantially on forest biodiversity, including non-wood forest products, for their survival and livelihood. 1 billion people depend on fish as their sole or main source of animal protein, while fish provided more than 2.6 billion people with at least 20 percent of their average per capita animal protein intake. Coral reefs provide food and livelihood for most of the estimated 30 million small-scale fishers in the developing world. For example, the productivity of the fisheries sector in Belize, Honduras and Mexico depending directly on the health of the adjacent barrier reef. Coral reef tourism has also increased in frequency and value, with a current net present value estimated at US \$9 billion; the Great Barrier Reef alone attracts 1.6 million visitors each year and generates over US \$1 billion annually in direct revenue.

Recognizing the economic imperative of protecting biodiversity and the need to engage the private sector, the 193 Parties to the CBD have increasingly been seeking business participation in the implementation of the CBD's objectives. To this end, a first global meeting

on business and biodiversity was held in London in January 2005, followed by a second in São Paulo in November 2005 and a third this past December in Jakarta.

Moreover, at COP8 in Curitiba in 2006, the first ever decision on business and biodiversity was adopted by the 4,000 attending participants. Following this, in July 2009 a Brazilian project called "LIFE certification" was launched in Curitiba, which aims to both quantify and officially recognize actions by companies related to biodiversity conservation.

In addition, at COP9 in Bonn the First International Business Initiative for the Protection of Biodiversity was launched at the initiative of the German government. Bringing together a group of 34 companies from Germany and other countries, the initiative aims to more closely involve the private sector in achieving the CBD's objectives. Also in Bonn, AVEDA hosted a reception and panel discussion targeting some 200-300 participant – including ministers, indigenous and local community representatives, the media and the private sector – to emphasize that sustainable ethical business practices, including equitable benefit sharing, are good for everyone and the environment.

Japan, which will host CBD COP10 this coming October 2010 in the city of Nagoya, is also reaching out to the private sector. Keidanren, the Japanese Business Federation, has launched a business and biodiversity initiative, while the Japanese Ministry of the Environment has prepared guidelines on the topic. Such efforts on the part of the Japanese are particularly welcome, since in Nagoya the Parties are expected to finalize the CBD's 2011-2020 Strategic Plan, create a 2020 biodiversity target and a 2050 biodiversity vision, and establish an international regime on Access and Benefit-Sharing. This will be done using the input of a broad range of stakeholders, including the business community, whose involvement will be facilitated by a high-level dialogue between Chief Executive Officers and Government Ministers on 28 October, coinciding with the Messe Nagoya, the first-ever technological fair on biodiversity.

Now is the for the business community to join the biodiversity family – for if not now, it will be too late. As Ban Ki-Moon stated at the Davos World Economic Forum in 2009:

"We stand at a crossroad. It is important that we realize we have a choice. We can choose short-sighted unilateralism and business as usual. Or we can grasp global cooperation and partnership on a scale never before seen."

Chancellor Merkel expressed the same urgency at the start of this year when she stated:

"The conservation of biological diversity has the same dimension as climate protection. We need a trend reversal - not at some point in the future, but immediately."

That is why a spirit of urgency is driving the celebrations of the International Year of Biodiversity and will guide the deliberations of the Nagoya Biodiversity Summit, where we hope to forge a truly global alliance of all stakeholders to save life on Earth. The consequence of failure will be an impoverished planet that can no longer support a healthy, vibrant global economy.

As the slogan of the International Year reminds us: Biodiversity is life... Biodiversity is our life.

Thank you for your kind attention.