



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

DAY 2 - Session 4.1- Tuesday 1 December 2009 09:30-11:00 - Panel discussion
MANAGING BIODIVERSITY RISKS TO BUSINESS

BACKGROUND

Over the past 50 years human activity has altered ecosystems faster and more extensively than ever before. The main findings of the UN Millennium Ecosystem Assessment – a four-year, international, scientific appraisal of the conditions and trends in the Earth's ecosystems completed in 2005 – are that the majority of critical ecosystem services assessed are being degraded or used at unsustainable levels and that this will accelerate, impacting on sustainable development options and business opportunities.

The Assessment identified six interconnected challenges that are of particular concern for business as these further affect the integrity of ecosystems and their capacity to provide services:

- Water scarcity
- Climate change
- Habitat change
- Biodiversity loss and invasive species
- Overexploitation of oceans
- Nutrient overloading.

Because of these inter-relationships, the trends and six challenges identified by the Millennium Ecosystem Assessment pose significant risks to companies (as well as to their suppliers, customers and investors), including:

- **Operational** – increased scarcity and cost of raw materials such as freshwater, disruptions to business operations caused by natural hazards, and higher insurance costs for disasters such as flooding
- **Regulatory** – emergence of new government policies such as taxes and moratoria on extractive activities
- **Reputational** – damage to corporate reputation from media and non-governmental organization (NGO) campaigns, shareholder resolutions and changing customer preferences



- **Access to capital** – restrictions as the financial community adopts more rigorous investment and lending policies.

However, most companies routinely fail to recognize the link between healthy ecosystems and their business interests.

Yet companies can pursue several steps to prepare for these risks, including by assessing impacts and dependence and reducing their impacts and scaling up solutions.

PURPOSE AND ISSUES TO ADDRESS

The session will explore and discuss ways that business can support their license to operate, innovate and grow by proactively:

- Addressing the business risks associated with accelerating ecosystem degradation and the loss of ecosystem services
- Promoting the development and uptake of best practice mitigation and market-based approaches that support the sustainable management and use of ecosystems services – both on a standalone basis and in cooperation with other stakeholders
- Assessing and measuring business ecosystem impacts, dependence and assets
- Reducing business impacts on ecosystems by scaling up mitigation, offsetting or finding sustainable use solutions

MODERATOR

- Bambi Semroc, Director, Conservation Tools for Business, Center for Environmental Leadership in Business Center for Environmental Leadership, Conservation International, United States

PRESENTERS

- Naotake Okubo, Chairman, Nippon Keidanren Committee on Nature Conservation, Japan
- Neil Franklin, Director of Sustainability, April Group, Indonesia
- John Finisdore, Associate, World Resources Institute (WRI), United States
 - Will present the Corporate Ecosystem Services Review (ESRE) - A structured methodology designed to help business managers proactively develop strategies to manage business risks and opportunities arising from their company's dependence and impact on ecosystems.

RAPPORTEUR

- Mikkel Kallesoe Program Manager, WBCSD Ecosystems Focus Area, Switzerland

CONTACT

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