



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Department of the Environment,
Transport, Energy and Communications DETEC

Federal Office for the Environment FOEN
Division

Assessing Private Sector Investments for Biodiversity

5 May 2015 – Mexico City



Overview

- What have we done so far?
- How do we continue to engage with the private sector?
- Why has it not worked so far?
- Open Questions?



What have we done so far?

- Screening of **CSR reports**
 - **No quantified information**
 - Most companies report along GRI => no (quantified) BES indicators
 - Only 1 analysed company provided quantified data
 - Increasing **qualitative** information
 - **Increasing awareness of BES** in private sector (degree of awareness: agriculture / food industry > extractives > financial / insurance sector > other services)



What have we done so far?

- **Questionnaires & standardized interviews:**
 - very **bad response rate**: 8 out of 249 responded, 2 companies provided quantified information
 - **Differentiation domestic / international expenditures not possible**
 - **No incentive** to respond => questionnaires are time consuming
 - **No budget line** for BES expenditures
 - Lack of institutional knowledge, increasing individual BES expertise
 - High **complexity** and low political visibility



What have we done so far?

- Assessment of **consideration of BES by SRI** (socially responsible investment) **rating agencies**:
 - Coverage of **some aspects** of biodiversity in particular **in the extraction and mining sector** (contamination, water & land use, deforestation & effects on virgin forests, etc.)
 - **Market push is missing**
 - **Immature metrics**: translation into direct and indirect economic relevance to sectors not done systematically



What have we done so far?

- Analysis of **official statistical data**
 - **BES relevant indicators** within official statistics:
 - environmental protection global expenditure
 - corporate environmental protection expenditure
 - fiscal levies related to environment, and environmental goods and services
 - **Comparison** of official statistical data with:
 - estimated **biodiversity coefficient per sector**
 - information from **CSR reports** and **questionnaire** feedback



How do we continue to engage with the private sector?

- Engage with early movers
- Conferences together with the private sector to showcase best practices
- Delegation members from industry and from NGOs
- Deeper analysis of official statistics => Federal Office for Statistics
- Foster Sustainable Trade
- Enhanced political discussions around ESG reporting => linked to FfSD negotiations



Why has it not worked so far?

- No regulation / incentive
- No market push
- High complexity
- Relatively low political visibility
- No budget line for BES expenditures
- Confidentiality
- No differentiation for domestic and international investments
- Lack of awareness for business case linked to BES
- Lack of engagement / resources from Swiss government side



Open Questions

- How could we jointly overcome the various challenges?
- What role could the CBD play?
- Is it feasible to work with proxies and estimates when assessing private sector flows?
- How can we raise the awareness for BES in the private sector and BES as a business case opportunity?
- How can we incentivize reduced harmful expenditures and increased positive expenditures of the private sector?