



Convention on Biological Diversity

Distr.
GENERAL

UNEP/CBD/WG-RI/3/2/Add.2
25 March 2010

ORIGINAL: ENGLISH

AD HOC OPEN-ENDED WORKING GROUP ON REVIEW OF IMPLEMENTATION OF THE CONVENTION

Third meeting

Nairobi, 24-28 May 2010

Item 3.3 of the provisional agenda*

ENGAGEMENT OF BUSINESS

Note by the Executive Secretary

I. INTRODUCTION

1. At its ninth meeting, the Conference of the Parties adopted the decision IX/26, on promoting business engagement. This decision was a follow-up to a decision VIII/17 adopted at the eighth meeting of the Conference of the Parties, on private-sector engagement.
2. In decision IX/26, the Conference of the Parties recognized the potential impact of business operations on biodiversity and the role that the business community and civil society need to play for the implementation of the three objectives of the Convention, at all levels.
3. Decision IX/26 has two priority areas:
 - (a) Build and promote the business case for biodiversity, and
 - (b) Dissemination of tools and best practice.

This document reports on the progress made on these two priority areas and includes a draft decision to advance the engagement with the private sector based on experience gained since the eighth meeting of the Conference of the Parties.

II. PRIORITY AREA 1: BUILD AND PROMOTE THE BUSINESS CASE FOR BIODIVERSITY

A. *Meetings and conferences*

4. A gradual increase has been seen in the formation by private-sector organizations of national coalitions for conserving biodiversity. A Canadian Business and Biodiversity secretariat was recently established to work with the private sector. This was preceded by a meeting of representatives of Canadian businesses in Montreal on 11 June 2008 to review their business links with biodiversity and to consider the establishment of a Canadian business forum for biodiversity conservation. Prepared with close consultation between the CBD Secretariat, IUCN and the management consultancy firm, Deloitte, the seminar was held at the University of Quebec at Montreal (UQAM) and attracted more than sixty-five

* UNEP/CBD/WG-RI/3/1.

senior figures from industries ranging from oil and gas, mining, water, power, fisheries, finance and agri-business as well as representatives from government, environmental non-governmental organizations and international organizations. The meeting took place with the participation of Ms. H  l  ne Latouche, Assistant Deputy Minister, Policy Analysis, Ministry for International Relations, Government of Quebec. This was the first meeting of its kind aimed at mobilizing businesses in Canada in activities under the Convention on Biological Diversity and towards practical steps in implementing the Convention. Participants agreed to work together towards the establishment of a business forum for biodiversity conservation and that such a forum would help to position Canadian businesses as leaders in biodiversity conservation.

5. At the invitation of International Petroleum Industry Environmental Conservation Association (IPIECA), the Convention Secretariat participated in a stakeholder dialogue, held in San Francisco on 11-12 June 2008 and designed to help shape the direction and content of the IPIECA Strategic Plan. In addition to senior representatives from the industry, including major multinational companies, participants included the Convention Secretariat and the United Nations Environment Programme (UNEP). The discussions highlighted the need for the oil and gas industry to consider the implications of its exploration activities on biodiversity, especially as companies start to enter newer and more ecologically sensitive marine and terrestrial areas. The issue of freshwater management and the promotion of biofuels by the industry were also recognized as major factors that can have serious implications on biodiversity. The IPIECA expressed its commitment to continue working with the oil and gas industry not only to help minimize its environmental impact but also getting it involved in promoting biological diversity by influencing its substantial supply chain that is used to deliver a wide range of equipment and materials to support their operations. As a follow-up the Convention Secretariat invited IPIECA and its members to discuss in detail how its activities can help fulfil the objectives of the Convention. As a follow-up, the Association actively participated in an event under the Convention in 2009.

6. The Ministry of the Environment of Japan, in cooperation with the Convention Secretariat, IUCN, Hyogo Prefecture, Kobe City, Nippon Keidanren Committee on Nature Conservation, Aichi-Nagoya COP10 Promotion Committee and Japan Airlines, convened the "Kobe Biodiversity Dialogue" in Kobe City on 15-16 October 2009. Various topics were actively discussed by some 300 participants from governments, international organizations, the private sector, non-governmental organizations and academia, in preparation for the tenth meeting of the Conference of the Parties, to be held in Nagoya, Japan, from 18 to 29 October 2010. In their presentations, panelists reported on the progress of private sector activities for the conservation of biodiversity. Presenters noted that several declarations on private sector engagement have been adopted, and practical guidelines and tools have been developed. In particular, tools for quantitative assessments of biodiversity, including economic assessments, are being developed. It is expected that such tools can enable corporations to take more concrete and voluntary measures in an appropriate fashion. In this regard, it was pointed out that companies tend not to manage what cannot be quantitatively evaluated and measured. At its tenth meeting, the Conference of the Parties is to undertake an evaluation of progress towards the 2010 biodiversity target, which calls for a significant reduction in the rate of biodiversity loss by 2010, and a revision of the Strategic Plan of the Convention. Some indicators for the new Strategic Plan are being developed on the basis of solid data; while other indicators have only weak statistical support. Far more work is needed to strengthen both data and indicators, and to make them more relevant. Ideally, indicators should be developed along with a post-2010 vision, goal and targets. As part of this process, the Parties are encouraged to revise their national biodiversity strategies and action plans. It was agreed that the outcomes from the Kobe Biodiversity Dialogue should be communicated widely through various processes and events leading up to the tenth meeting of the Conference of the Parties, and also on the websites of relevant organizations.

7. Major companies from the over \$300 billion perfume and beauty industry met in Grasse, France, on 23-24 October 2008 to discuss support for the principles espoused in the Convention on Biological Diversity. The meeting was organized by the Grasse-based Natural Resources Stewardship Circle, formerly known as the Club des Entrepreneurs. Recognizing that plants have long been used in beauty products as a source of essential oils and aroma compounds, a collective policy by the beauty industry on

sourcing raw material that discourages loss of biodiversity and biopiracy, promotes sustainable use and economic opportunities for farmers can go a long way towards implementing the Convention. The Convention Secretariat was invited to the congress to highlight the importance of support for indigenous people, the sustainable use of the components of biodiversity, and improved sharing of the benefits arising from the commercial utilization of genetic resources in a fair and equitable way.

8. The Convention Secretariat participated at the Biodiversity & Ecosystem Finance Europe conference, held in London on 25-26 November 2008. Key corporate, finance and conservation case-studies were presented from several global market leaders from the business sector. The case studies looked at: What sectors and business models can generate benefits for biodiversity through the conservation of biological diversity, sustainable use of biological resources and equitable sharing of the benefits of using biodiversity? Can biodiversity and ecosystem finance enhance the competitive position and profitability of a business? David Bellamy a botanist, author, broadcaster and environmental campaigner was the keynote speaker.

B. Third Biodiversity and Business 2010 Challenge Conference

9. The Secretariat convened the Third Biodiversity and Business 2010 Challenge Conference in Jakarta from 30 November to 2 December 2009. The Conference, which was hosted by the Government of Indonesia with financial support from the Government of the Netherlands and additional support from UNEP, was organized in collaboration with the UNEP Business and Industry Global Dialogue. The objectives were: (i) to prepare the discussion on the item on business and biodiversity at the tenth meeting of the Conference of the Parties to the Convention on Biological Diversity; (ii) to identify opportunities for key partnerships or international organizations that would further support mainstreaming; (iii) to provide stakeholders a discussion platform for raising awareness, collecting feedback and supporting ongoing initiatives to better engage the private sector in biodiversity-related efforts, (iv) to establish an informal dialogue on business and access and benefit sharing; (v) to contribute to the celebration of the International Year of Biodiversity 2010.

10. The Conference generated immense interest among the participants as more than 500 organizations interacted with the Secretariat in its preparation, creating a valuable network for the Convention Secretariat. More than 200 companies, non-governmental organizations and Governments from all over the world physically participated in the Conference in the recognition that business related to biological diversity conservation and sustainable use can be a profitable activity, as well as one that ensures the sustainability of economic activities. The highlights of the Conference have been published as a special issue of the *Business 2010* newsletter which is also available on the CBD website.

11. The conference resulted in two major outputs: the adoption of the Jakarta Charter on Business and Biodiversity and the provision of useful comments for a Strategy to Advance the 2020 Business and Biodiversity Agenda (see para. 12 below). The text of the Jakarta Charter is annexed to the present note. The Conference achieved its objective of establishing a strong partnership between business representatives and other stakeholders to implement the year 2050 vision on biodiversity and the 2020 biodiversity target, to be considered at the tenth meeting of the Conference of the Parties.

12. The Strategy to Advance the 2020 Business and Biodiversity Agenda was drafted at a two-day informal brainstorming meeting held at the premises of the Convention Secretariat on 14-15 September 2009 with a view to advancing decisions VIII/17 and IX/26 of the Conference of the Parties. The meeting was convened under the four-year Letter of Intent between the Netherlands and the Secretariat with a view to coordinating the ongoing initiative on business and biodiversity undertaken in the context of the implementation of the Convention. The meeting was held with the participation of the current, previous and future Presidencies of the Conference of the Parties (Germany, Brazil and Japan, respectively) and with the participation of Canada and the Netherlands.

13. Following governmental consultations, the group was joined by representatives of the business community (the World Business Council for Sustainable Development (WBCSD), the Nippon Keidanren Committee on Nature Conservation, the Canadian Business and Biodiversity Initiative, the Lasting Initiative for Earth (LIFE)), non-governmental organizations (International Union for Conservation of

Nature (IUCN), Finance Alliance for Sustainable Trade (FAST)), and international organizations (the Global Environment Facility (GEF) and the UNEP Division of Technology, Industry and Economics of the United Nations Environment Programme (UNEP-DTIE)). Participants agreed on a timetable defining the next steps, which included elements of a strategy to advance the business and biodiversity agenda post-2010 and reaffirmed their commitment to take to the tenth meeting of the Conference of the Parties a meaningful and effective business and biodiversity initiative.

14. The conference was followed by a one-day (afternoon/morning) informal dialogue on business and access and benefit-sharing convened at the same venue by the Secretariat in collaboration with the United Nations University on 2-3 December.

C. *The Business.2010 newsletter*

15. The Secretariat continued to build and promote the business case for biodiversity through publishing the *Business.2010* newsletter in a new and improved format. The first edition of the newsletter in year 2010 was on the Jakarta Conference. The second edition is on BioTrade and is being prepared in partnerships with the Union for Ethical BioTrade (UEBT) and UNCTAD. It is scheduled to be released in time for the International Day for Biodiversity on 22 May 2010. The 2009 edition of the *Business.2010* newsletter was on invasive alien species. The December 2008 edition was on important initiatives highlighted at the ninth meeting of the Conference of the Parties; on links between business and biodiversity and non-governmental organizations and higher education; and parallels between the financial and ecological crises. The April 2008 newsletter was devoted to the ninth meeting of the Conference of the Parties. It highlighted, in particular, tools to assess a company's dependence on ecosystem services; efforts by Parties, non-governmental organizations, and the business community itself to mobilize companies on biodiversity. It also discussed the emergence of markets for ecosystem services.

16. The Secretariat redeveloped the newsletter based on feedback received over the past few years and the readership survey conducted at the ninth meeting of the Conference of the Parties. The core recommendations were focused around: the look and feel of the publication, improving the online version and its interactivity and addressing distribution channels. The recommendations included changing the length of the articles, adopting a different layout and adding punchy titles. The recommendations related to the online version are focused on increasing interactivity through direct click-through to articles instead of downloading the full PDF file, and adding an electronic "teaser" in between the quarterly newsletters. The recommendations related to distribution channels are based on going where the business community goes and are hence focused on creating a presence in mainstream business media and strategically targeting the blogosphere. Long-term recommendations are focused on targeting the academic world through business students and professors. Creating awareness and excitement around the issue of biodiversity and business in the academic world will translate to increased readership of the newsletter and increased diverse material. The methods to accomplish the long-term goal include creating a case-writing competition for academics, and later creating an MBA-level business case for students.

III. PRIORITY AREA 2: DISSEMINATE TOOLS AND BEST PRACTICES

17. The decision for promoting business engagement adopted at the ninth meeting of the Conference of the Parties prioritized the dissemination of tools and best practices. The following sections report on developments regarding some initiatives that were mentioned specifically.

A. *BioTrade*

18. The Convention Secretariat and the United Nations Conference on Trade and Development (UNCTAD) agreed on a memorandum to enhance cooperation between the Secretariat and the UNCTAD BioTrade Initiative, with a view to encouraging companies involved in BioTrade to adopt and promote good practices as a contribution towards the 2010 target and the objectives of the Convention.

19. Since the ninth meeting of the Conference of the Parties, the BioTrade framework has continued to evolve and scale up at the international level. Just before the ninth meeting of the Conference of the

Parties, the new second phase of the BioTrade Facilitation Programme (BTFP II) was launched and included a new framework for cooperation on BioTrade at the international level. Within the BTFP II framework, specific work lines of cooperation between BioTrade-relevant institutions at the international level were agreed, including: (i) promotion of an enabling policy and legal environment for BioTrade activities; (ii) market and product differentiation; (iii) financial mechanisms for BioTrade, market and product development; (iv) verification and certification frameworks for BioTrade companies, (v) the development of an impact assessment system for BioTrade activities; (vi) contributing to international efforts on the valuation of biodiversity; (vii) building of public awareness on biodiversity and BioTrade and the development of education material.

20. Since the ninth meeting of the Conference of the Parties, the UNCTAD BioTrade Initiative has successfully implemented various activities and outputs.

21. The work of BioTrade with multilateral environmental agreements has advanced significantly especially with the Convention on Biological Diversity, the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the Global Mechanism under the United Nations Convention to Combat Desertification (UNCCD), with which joint programmes of work have been established. The work of BioTrade regarding the promotion of an enabling policy and legal framework has centered on three main issues: non-tariff barriers, economic incentive measures, and facilitation of dialogue between trade negotiators and environment officials. Publications on these three issues have been produced and will be contributing to the discussions in preparation for the tenth meeting of the Conference of the Parties to the Convention. Of particular relevance in the context of decision IX/26 is the publication *The Business of BioTrade: using biological resources sustainably and responsibly*, which determines key drivers and incentives for private-sector engagement in BioTrade activities.

22. Additionally, a series of technical publications were released in 2009 advancing on tools and methodologies for the application of BioTrade principles and criteria. These included “Guidelines for the Development and Implementation of Management Plans for Wild-collected Plant Species” and “Guidelines for a Methodology to Support Value Chains for BioTrade Products”, among others.

23. The BioTrade Initiative has scaled up its business and biodiversity work, focusing on three main sectors: food, cosmetics and fashion. At the moment it is currently working with industry actors on the creation of sectoral platforms that will produce specific contributions to the tenth meeting of the Conference of the Parties.

24. In line with the objectives of the International Year of Biodiversity, a lot of work and ideas have been developed and implemented to scale up the efforts to build the awareness of companies and consumers of the importance of biodiversity. In 2009, major efforts were made to better communicate the biotrade concept to the private sector and final consumers and activities were developed such as the event organized in Geneva in January 2010, which included an exhibition on BioTrade and a fashion show using materials derived from biodiversity. The public awareness work will continue throughout the IYB and plans are under way to present specific outputs in the World Expo Shanghai and at the tenth meeting of the Conference of the Parties.

25. The development of an impact-assessment system to assess the sustainable-development impact of BioTrade at the international level is almost complete. A set of indicators has been agreed upon, and initial pilot testing has begun in six countries. It is envisaged that the work carried out for the development of this assessment system will also contribute to the process of the revision of the Strategic Plan and the Biodiversity Indicators Partnership (BIP)/biodiversity target.

26. BioTrade programmes are currently being developed in Indonesia and Viet Nam. These national programmes will add to the already existing national programmes, which include Brazil, Bolivia, Colombia, Ecuador, Peru and Uganda, and the regional programmes in the Amazon region, the Andean region and southern Africa.

27. BioTrade has become increasingly important in various policy and development initiatives at the international level. UNCTAD BioTrade began the implementation of a pilot project with the United Nations Development Programme (UNDP) on using BioTrade as a tool for disarmament, demobilization and reintegration (DDR) strategies, which seeks to link the sustainable use and conservation of biodiversity as a development alternative for ex-combatants.

28. Furthermore, BioTrade was increasingly present in a series of industry events and fairs such as ExpoSustentat in Brazil, Natur in Basel, In-Cosmetics in Munich, International Conference on Sustainable Production, Trade, Consumption and Lifestyle and Biofach in Nuremberg, among others.

B. Standards and certification

29. The International Social and Environmental Accreditation and Labelling (ISEAL) Alliance is a global association for social and environmental standards. Working with established and emerging voluntary standard systems, ISEAL develops guidance and helps strengthen the effectiveness and impact of these standards.

30. The Code of Good Practice launched in 2004 has become a global reference for good social and environmental standard-setting processes. In January 2010, the standard code saw a major update in its structure, with the introduction of separate normative sections on the standards development process and the standard content. In addition, many former recommendations (“should”) have been elevated to requirements (“shall”). The new rules strengthen a number of criteria in this international reference document for good standard-setting practices.

31. The ISEAL Alliance is developing a Code of Good Practice for Assessing the Impacts of Social and Environmental Standards Systems (Impacts Code) that will help standards systems to measure the social and environmental changes that result from their work and to improve the effectiveness of their systems. The draft set of requirements is currently posted for consultation. International experts in impact assessment and practitioners in standards systems have contributed more than 150 written contributions to the first formal public consultation on the upcoming ISEAL Impacts Code. The second formal consultation began on 1 March 2010 and continues until 30 April 2010. The current document includes the minimum requirements for standards systems to monitor progress toward their goals, and to report (publicly) on that progress. Though the requirements are considered a minimum set, implementation of the Impacts Code will not be a minor activity; as all levels of an organization play a part in the monitoring and evaluation programme.

32. ISEAL is starting a process to develop a Verification Code of Good Practice in 2010 that will define good operating practices in terms of accreditation, certification and auditing to social and environmental standards. A key focus of the Code will be the balance between ensuring that certification of social and environmental standards is both rigorous in terms of meeting the needs of consumers but also accessible in terms of making sure that small-scale enterprises can afford to enter into certification programmes see them as market enablers.

C. Business and Biodiversity Offsets

33. The Business and Biodiversity Offsets Program (BBOP) is a partnership of over 40 companies, governments, non-governmental organizations and civil-society groups, intergovernmental organizations and financial institutions. The members hold diverse perspectives on environment and development and come from many different countries. They often have years of experience in biodiversity-offset design and implementation.

34. Responding to decision IX/26, BBOP partners developed practical guidelines for offset design and implementation. Chief among this group’s products is a set of ten basic and fundamental principles agreed and supported by BBOP members and increasingly adopted and used by other companies, governments and civil society as a sound basis for ensuring high quality biodiversity offsets. In brief, these principles state that biodiversity offsets:

- (a) Are designed and implemented to achieve no net loss or a net gain of biodiversity;

- (b) Will achieve additional conservation outcomes;
- (c) Adhere to the mitigation hierarchy;
- (d) Recognize limits to what can be offset;
- (e) Are planned in a landscape context;
- (f) Involve stakeholders effectively in design and implementation;
- (g) Are designed and implemented in an equitable manner;
- (h) Are planned to secure outcomes that last at least as long as the project's impacts and preferably in perpetuity;
- (i) Are undertaken and communicated transparently;
- (j) Document the appropriate use of sound science and traditional knowledge.

Biodiversity offsets that follow these principles should achieve the best outcomes for biodiversity and manage the risks associated with using this tool.

35. The Offset Design Handbook presents information on a range of issues, methodologies and possible tools from which offset planners can select the approaches best suited to their individual circumstances. It describes a generic process of typical steps that offset planners could use in designing a biodiversity offset, from initial conception of a development project to the selection of offset sites and activities.

36. The Cost Benefit Handbook focuses in particular on people living in and around the project and potential offset sites. To be successful, biodiversity offsets should compensate indigenous peoples, local communities and other local stakeholders for any residual impacts of the project on their biodiversity-based livelihoods and amenity. The Handbook explains how to use economic tools of valuation and cost-benefit analysis to compare and arrive at a package of benefits for local stakeholders that compensate them for residual impacts and secure their involvement and support for the offset.

37. The Offset Implementation Handbook offers a discussion of the potential roles and responsibilities of potential stakeholders, legal and institutional aspects of establishing an offset, and how a biodiversity offset management plan can be developed. The Handbook suggests a number of ways in which a biodiversity offset can be financed over the long term, discussing ways to calculate the short- and long-term costs of implementing the biodiversity offset, and exploring long-term funding mechanisms, such as the establishment of conservation trust funds and non-fund options that explore a diverse array of revenue sources to achieve sustainability. It addresses how a biodiversity offset can be monitored and evaluated, and the final section helps the offset planner prepare to launch the implementation of the offset.

38. The Resource Paper on Biodiversity Offsets and Stakeholder Participation aims to explain the value and purpose of stakeholder identification, engagement and participation in the design and implementation of biodiversity offsets, and to provide guidance on relevant good practice tools and approaches. It is intended to support the Biodiversity Offset Design, Cost-Benefit and Implementation Handbooks and help offset planners implement the Principles on Biodiversity Offsets by offering suggestions and source material on best practice in the participation of stakeholders in the design and implementation of biodiversity offsets.

39. The Resource Paper on Impact Assessment and Biodiversity Offsets considers whether and how the process of designing and delivering biodiversity offsets should be integrated with impact assessment.

40. BBOP has planned a number of activities between July 2009 and July 2012, which include working at national level by providing guidelines, training, verification protocols and policy advice on biodiversity offsets, landscape-level and regional planning to governments, through general reports and specific advice. This will also include demonstrating through BBOP pilot projects how biodiversity offsets could work in a broad range of countries and industry sectors.

41. Between 2012 and 2015, BBOP intends to develop standards on biodiversity offsets that are agreed internationally by governments, companies, civil-society organizations and financial institutions. In addition, BBOP will undertake more work at the policy and pilot project levels, on guidelines and capacity-building. The work for this phase will aim to respond to requests from the Conference of the Parties at its eleventh and twelfth meetings.

D. A business case for high-biodiversity projects and schemes for Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD)

42. A report has been prepared by Ecosecurities for the Convention Secretariat on challenges for a business case for high-biodiversity REDD projects and schemes as part of its efforts to implement decision IX/5, paragraph 3 (b), requesting the Executive Secretary to support Parties efforts to address reducing emissions from deforestation and forest degradation in developing countries. The report, funded by the Netherlands Government, highlighted that the priority – for biodiversity and climate change mitigation – is to agree on and implement a workable REDD scheme internationally and within host countries in as short a timeframe as possible, with safeguards against negative biodiversity impacts, and flexibility for the optional maximization of biodiversity benefits at national or project level. Fundamentally, creating a strong business case for REDD will be the best and most certain way of creating a business case for high-biodiversity REDD.

IV. DRAFT DECISION TO ADVANCE THE BUSINESS AND BIODIVERSITY AGENDA BEYOND 2010

43. In its decisions VIII/17 and IX/26, the Conference of the Parties charted a way forward to improve the engagement of the business community in the implementation of the three objectives of the Convention on Biological Diversity. The main approaches as set out in these decisions may be summarized as follows:

- (a) Making and raising awareness of the business case for biodiversity;
- (b) Including biodiversity considerations into all investments by public and private financial institutions and to create investment schemes to promote sustainable business activities;
- (c) Engaging and encouraging companies to adopt practices that support the implementation of national biodiversity strategies and action plans through such means as the wider use of good practice guidelines, benchmarks, certification schemes, reporting guidelines, standards, and indicators.

44. In order to build on these decisions, the Working Group may wish to recommend that the Conference of the Parties at its tenth meeting adopt a decision along the following lines:

The Conference of the Parties,

Noting the economic value of biodiversity and ecosystem services,

Noting also that the advancement of private-sector engagement in biodiversity conservation, in accordance with objective 4.4 of the Strategic Plan, has been one of the main accomplishments of the implementation of the Plan in the period 2002-2010,

Realizing the need to incorporate biodiversity conservation into existing and emerging private-sector initiatives and operations,

Recognizing the important role that Governments can play in facilitating an enabling environment conducive to biodiversity conservation by the private sector,

Recognizing also the importance of a balance among ethical, scientific, and economic approaches for tackling biodiversity challenges,

Noting the potential role of non-governmental organizations in influencing business practices and in facilitating a modification of consumer behaviour and societal expectations,

Building on existing activities and initiatives under the Convention related to business and biodiversity, including those of the private sector itself,

Emphasizing the interest and capacities of private enterprise, including small and medium-sized enterprises, in the sustainable management of biodiversity and ecosystem services as a source for future business operations, and as a condition for new business opportunities and markets,

Recognizing the opportunity and need to incorporate biodiversity objectives into emerging new green development initiatives,

Recognizing also the need for the establishment of a regular forum of dialogue between Parties, business representatives and other stakeholders,

1. *Invites* Parties:

(a) To promote a public-policy environment that enables private-sector engagement and mainstreaming of biodiversity into corporate strategies and decision-making in a manner that contributes to the achievement of the three objectives of the Convention on Biological Diversity;

(b) To use the Convention as a reference point for defining concrete and measurable biodiversity targets for business;

(c) To develop principles for incorporating biodiversity into business practices that take into account existing developments under various forums, including relevant institutions and non-governmental organizations, such as Business and Biodiversity Offsets, IUCN, the United Nations Environment Programme, the World Business Council for Sustainable Development, the Organisation for Economic Co-operation and Development, Keidanren, the Biodiversity in Good Company Initiative (initiated at the ninth meeting of the Conference of the Parties), and agree to work toward global corporate performance standards/criteria for conservation and sustainable use;

(d) To establish, through national focal points, a global platform of business and biodiversity activities and initiatives;

(e) To strengthen and support the Secretariat of the Convention on Biological Diversity as a platform for promoting cooperation between the private sector, Governments and non-governmental organizations, in close collaboration with national focal points and relevant institutions;

(f) To develop and report on national activities that promote and facilitate the mainstreaming of biodiversity by business, such as through national biodiversity strategies and action plans and national reports;

(g) To encourage the sharing and adoption of lessons learned between and among small and medium-sized enterprises;

(h) To develop ongoing dialogue with the business community in relation to biodiversity-conservation activities;

(i) To include businesses as partners in any future revision and implementation of national biodiversity strategies and action plans;

2. *Encourages* the private sector:

(a) To define concrete commitments to biodiversity objectives by means of voluntary declaration of biodiversity conservation and sustainable-use principles, such as the Leadership Declaration of the Biodiversity in Good Company Initiative;

(b) To endorse the Jakarta Charter as a step to highlight their commitment to the three objectives of the Convention on Biological Diversity;

(c) To maintain an ongoing dialogue with Governments in relation to biodiversity conservation and sustainable-use activities;

- (d) To use criteria or indicators as a means to track implementation of these commitments;
- (e) To contribute to the implementation of the new biodiversity targets;
- 3. *Requests* the Executive Secretary, based on availability of resources:
 - (a) To explore the possibility of facilitating a forum of dialogue between Parties and other Governments, business and other stakeholders;
 - (b) To collect and analyse existing biodiversity-conservation tools such as business-operating principles for biodiversity conservation, indicators of conservation efficiency, and biodiversity-valuation methodologies/techniques/tools that can facilitate impact assessments, offsets, etc. and distribute these through the clearing house mechanism;
 - (c) To facilitate further development and application of market-based biodiversity conservation-related mechanisms such as certification, valuation, incentives, offsetting, etc.;
 - (d) To disseminate through the clearing-house mechanism tools and examples of best practice for encouraging the participation of small and medium-sized enterprises (SMEs).

*Annex***THE JAKARTA CHARTER**

We, the participants attending the Third Business and the 2010 Biodiversity Challenge Conference, held in Jakarta from 30 November to 2 December 2009,

Deeply concerned that resilience of ecosystems and their capacity to adapt remain under serious threat worldwide, and noted that climate change is a threat and requires focused efforts to protect biodiversity,

Stressing that sustainable use and conservation of biodiversity together with ecological restoration offers growing business opportunities while addressing climate change through instruments such as that on reducing emissions from deforestation and forest degradation (REDD plus) under the United Nations Framework Convention on Climate Change,

Emphasizing the need to incorporate biodiversity risks and opportunities into business strategies and mainstream biodiversity and ecosystem services into business policies and practices,

Acknowledging the ongoing work of the UNEP Economics of Ecosystems and Biodiversity (TEEB) study that was presented at the Jakarta Conference,

Recognizing the progress made over the past decade in integrating biodiversity conservation in business strategies and commends companies that have demonstrated commitment and leadership in this regard,

Noting the critical importance of tenth meeting of the Conference of Parties, to be held in Nagoya, Japan, in October 2010, and its objective of setting the global agenda for action for the next decade,

Have agreed as follows:

1. The value of biodiversity and ecosystem services needs to be better reflected in economic models and policies, bearing in mind that sustainable management of biodiversity and ecosystem services are a source for future business operations as well as a condition for new business opportunities and markets;
2. Mainstreaming biodiversity into business needs to be enhanced through voluntary corporate actions as well as market-oriented enabling policies and approaches such as the Green Development Mechanism, international standards and certification systems and related initiatives. In this context, State-owned corporations can also play a leadership role in supporting the three objectives of the Convention on Biological Diversity by incorporating biodiversity into their operations and procurement policies;
3. Integrating biodiversity into business can also contribute to poverty reduction and sustainable development especially through joint ventures with the indigenous and local communities;
4. The concept of no-net-loss of biodiversity and net-positive impact, as articulated by the Business and Biodiversity Offsets Programme, is a practical framework for assessing efforts to implement the Convention on Biological Diversity;

5. Improving the quantity, quality, availability of biodiversity data to facilitate business decision making and action that will support biodiversity conservation and sustainable use;
6. Increasing awareness and education of consumers, investors and small and medium-sized enterprises (SMEs) and other stakeholders regarding biodiversity;
7. To scale up existing innovations and champion good practices, tools, etc., on a comprehensive capacity-building scheme oriented towards competence enhancement for critical decision-making and action-taking, addressing all stakeholders;
8. Supporting the establishment of an intergovernmental science-policy platform on biodiversity and ecosystem services to play an important role in ensuring that biodiversity becomes and remains a priority for public- and private-sector decision makers;
9. It is imperative to work together for creating a public-policy environment that encourages greater private-sector engagement and mainstreaming of biodiversity into corporate strategies and decision-making for achieving the three objectives of the Convention on Biological Diversity and having Governments commit themselves to internalizing sustainable sourcing in their procurement policies, thus demonstrating leadership by example;
10. A visionary and effective *Strategy to Advance the 2020 Business and Biodiversity Agenda*, focusing in particular on the scaling up of successful approaches for mainstreaming biodiversity into business operations to be considered by the Conference of the Parties to the Convention on Biological Diversity at its tenth meeting, to be held in Aichi-Nagoya, Japan, in October 2010;
11. Improving the commitment and leadership of the private sector will be vital for the implementation of the Strategic Plan of the Convention for the period 2011-2020 as well as the post-2010 biodiversity targets;
12. Building on the experience of the last three Biodiversity Challenge Conferences, there is a need for a multi-sectoral global forum on business and biodiversity for promoting dialogue and partnerships between Parties, representatives of business, civil-society representatives and other stakeholders to advance the implementation of the three objectives of the Convention on Biological Diversity and its new Strategic Plan;
13. The first global forum on business and biodiversity may be convened as soon as possible and no later than the eleventh meeting of the Conference of the Parties to the Convention on Biological Diversity;
14. Businesses are encouraged to express their commitment to the three objectives of the Convention on Biological Diversity by endorsing the Jakarta Charter on Business and Biodiversity and participating actively in the tenth meeting of the Conference of the Parties, in conjunction with which a International Business and Ecosystems Day, being co-organized on 26 October 2010 by IUCN, the World Business Council for Sustainable Development and Nippon Keidanren with the support of the Secretariat of the Convention on Biological Diversity, will provide a further important opportunity for the engagement of business in supporting the core objectives of the Convention;
15. To thank the people and Government of Indonesia for hosting the third Business and the 2010 Biodiversity Challenge Conference.