

Secretariat of the Convention on Biological Diversity



Statement by

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at

CENTIFOLIA THE SEVENTH INTERNATIONAL CONGRESS ON PERFUMERY AND NATURAL RAW MATERIALS

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Distinguished delegates, Ladies and Gentlemen,

I am very pleased to witness the seventh edition of Centifolia today as it progresses to meet important challenges of our day. Let me highlight three of these challenges that relate well to the UN Convention on Biological Diversity.

Firstly, we welcome your initiative to self-regulate, the importance of which cannot be under estimated in view of the current global economic crisis which affects us all. As our economic system becomes ever more complex it is harder and harder to depend only on Governments for regulation to serve and protect the public and the environment.

Therefore, your efforts today to include environmentally sustainable and socially ethical practice by setting shared standards are a good example that we fully support.

Of course, self-regulation is a privilege, so maintaining the public trust through proper monitoring and compliance mechanism will be essential for you to maintain the privilege of self-regulation. Still, economics and ethics are naturally linked to each other as both deal with the problem of value and I hope your initiative can be a good example for replication.

The second challenge about supporting indigenous knowledge that you are advancing is even more important. This knowledge or shall I say wisdom not only provides significant contribution to global knowledge but it is also the social capital of the poor -- actually their main asset to invest in the struggle for survival, to produce food, to provide for shelter and to achieve control of their own lives.

Today, many indigenous knowledge systems are at risk of becoming extinct because of rapidly changing natural environment and poor financial returns. This is a tragedy, especially for the 400 million indigenous people in the world who remain the keepers of linguistic and cultural diversity, and custodians of the world's biological diversity. Yet they remain marginalized and fall back on all social indicators of disadvantage and poverty.

When traditional communities become destabilized or go extinct – all of us suffer – all of us are impoverished. For these communities are a storehouse of knowledge about local flora and fauna. This is embedded in their languages – including valuable information about their traits and potential uses, as well how to live in the midst of biodiversity - generation after generation in a sustainable manner. Your initiative today gives recognition to the breadth of this knowledge. It had been estimated that there are literally tens of thousands of plants used by indigenous peoples and local communities for traditional medicines and other purposes, but perhaps less than 1% of these are known to scientists and used commercially. Thus, it is to everyone's benefit to protect the rights and livelihood of traditional communities.

This brings me to your third objective, integrating an eco-responsible approach, which would ideally include promotion of biological diversity.

Ladies and gentlemen,

Biodiversity is more than plants, animals and micro organisms and their ecosystems. Biodiversity is about people and our need for food security, medicines, fresh air and water, shelter, and a clean and healthy environment in which to live.

Biodiversity is hence of utmost economic importance. As you may know, a major study on the Economics of Ecosystems and Biodiversity has recently been sponsored by the government of Germany and the European Commission, as a follow-up to the G-8 environment ministers. According to this work, the global economy is currently losing more money from the disappearance of forests than through the current banking crisis. The report puts the annual cost of forest loss at between \$2 trillion and \$5 trillion if

you include the value of the various services that forests perform, such as providing clean water and absorbing carbon dioxide.

However, human activities are creating the greatest wave of extinction since the natural disaster that wiped out the dinosaurs millions of years ago. Species are disappearing at up to 1000 times the natural rate and one can go on highlighting dismal statistics about how many birds or mammals have already become extinct.

Looking to the future, with current loss rates it is projected that by 2050 an additional 1.3 billion hectares of land will lose its entire original biodiversity – an area about 1.5 times the size of the United States.

This is a major risk to global economy and definitely not desirable. To quote the French biologist Jean Claude Lefeuvre, "safeguarding the planet's biodiversity is not a cost, not a luxury of rich countries, but on the contrary, richness for the days to come, the guarantor of a viable future."

And our economic system in coming days will need more not less from nature. For example, according to the Centre for Promotion of Imports from Developing Countries, the natural cosmetics market is growing considerably faster than the overall cosmetics markets. The European market alone grew around 20 % annually in the past few years and now exceeds 1.3 billion US dollars. At the same time, however, the ability of your industry and indeed all humanity to continue to benefit from services provided by biodiversity is under threat. Take the example of sandalwood, whose price has skyrocketed due to the unsustainable exploitation of the last remaining stands.

Therefore, your initiative today is not only in your best commercial interest in the long-term but also good for environment and biodiversity.

Now, let me talk briefly about what the United Nations is doing in response to this growing threat to our natural wealth and what can we do together.

The UN facilitated an international treaty on Biological Diversity which has over the past 15 years been signed by 191 countries. The treaty has three forward looking goals for facilitating global action:

- 1. Conservation of biodiversity;
- 2. Sustainable use of the components of biodiversity, and
- 3. Sharing the benefits arising from the commercial utilization of genetic resources in a fair and equitable way.

Specifically the Parties to the Convention on Biological Diversity have committed to slowing the rate of biodiversity loss by establishing a target for 2010, which has been designated the International Year of Biodiversity by the United Nations General Assembly.

Furthermore, the Parties have agreed to promote environmentally, socially, and economically sustainable trade in biodiversity-based products. This bio-trade will be an important mechanism to create incentives for the conservation and sustainable use of biodiversity, and an essential way of achieving the 2010 target. We are cooperating closely with the UNCTAD Bio trade Initiative and the Union for Ethical Bio-Trade to promote private sector engagement in sustainable use of biodiversity and the Convention.

The Convention has also launched an ambitious two-year roadmap for achieving its third goal for promoting "fair and equitable sharing of the benefits arising out of the utilization of genetic resources..." It is the first international agreement to recognise the sovereignty of States over their natural resources.

In simple terms what it means is that a person or institution seeking access to the genetic material of a biological resource in a foreign country must seek the prior informed consent of the country in which the resource is located. Moreover, the person or institution must also negotiate and agree on the terms and conditions of access and use of this resource. This should include agreement on sharing of benefits arising from the use of this resource.

As a complement, countries that are providers of genetic resources would agree to create conditions for facilitating access to their genetic resources for environmentally sound uses and not impose restrictions that run counter to the objectives of the Convention.

At its ninth meeting in Bonn, in May this year, the Conference of the Parties of the Biodiversity Convention agreed to finalise the negotiation of this international regime on access and benefit sharing by October 2010 when it meets again in Japan.

I am pleased to say that at the meeting in Bonn, AVEDA hosted a timely event to emphasize the increasing support for sustainable ethical business practices, including equitable benefit sharing. Today's meeting bringing together leaders of the flavours, fragrances, and cosmetic industries is an excellent and quick follow-up to what was discussed in Bonn earlier this year.

And this to me is progress that can be communicated to all Parties. I therefore once again commend your important initiative to foster sustainable relationships between plant producer communities and indigenous peoples and local communities through self-regulation and preservation of the environment. We, at the UN convention on biological diversity support you in this self-regulated initiative and will work with you to ensure that it is translated into real action without much need for bureaucratic intervention.

Considering your noble endeavour today for promoting ethical trade and sustainable use of biological diversity, I am reminded of the words of Buddha who defined Karma as actions of a wise person that may be unpleasant to do but provide good results, contrary to actions that are convenient to undertake but end in poor results. I believe the action taken collectively by you today under the rubric of Centifolia will be your good karma indeed.

Thank you.		