



STATEMENT BY

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ON THE OCCASION OF

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BIOTRADE CONGRESS**

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Dear colleagues, ladies and gentlemen, dear friends,

UNCTAD and its Biotrade Initiative is one of the oldest partners in implementing the Convention on Biological Diversity – in fact, our formal cooperation with UNCTAD on biotrade goes back to October 1997, the date of signature of the formal memorandum of understanding between the CBD and UNCTAD Secretariats. It therefore gives me great pleasure to be with you today and to share some thoughts of our achievements so far, and on how to jointly address the challenges ahead.

This long-standing cooperation between the CBD and UNCTAD came for a good reason. Rampant land use change and ongoing encroachment on natural ecosystems is a major reason for biodiversity loss and, in this context, the Parties to the Convention recognized early on that biotrade can provide important incentives towards conservation and sustainable use of biodiversity. In circumstances where the risk of converting natural landscapes to other purposes is high, encouraging sustainable production, and sustainable use more generally, can provide incentives to conserve the so-called ‘components of biodiversity’ – habitats and ecosystems, the species within them, and the genetic variability of the species – thus linking conservation with sustainable use. Changing the incentives for the players in a society – for individuals, both as citizens and as consumers, but also for companies and of governments – is critical for the effective implementation of the Convention; the Convention devotes an article to taking measures that act as incentives for conservation and sustainable use, including measures that promote biotrade.

Since 1997, biotrade has therefore been firmly on the agenda of the Convention. The decisions and work programmes of the Conference of the Parties contain frequent references to biotrade activities, including appreciative language with regard to the activities of the UNCTAD Initiative and invitations to continue the good work. The same period saw significant achievements, including the establishment of a number of biotrade programmes at national and sub-regional levels and their promotion, supported by the BioTrade Facilitation Programme (BTFP), of sustainable products based on fauna, food and nutraceuticals, natural cosmetics and ecotourism; the development of global guidance in form of the Biotrade Principles and Criteria, published in 2007, as well as of sector-specific guidance material; and, last but not least, an ever-growing network of biotrade partners, as witnessed by the establishment of the Union for Ethical Biotrade and, more recently, the Fashion and Cosmetics Biodiversity Platform.

I already mentioned the contribution of biotrade to the conservation and sustainable use of biodiversity – which are two of the main objectives of the Convention. However, the Biotrade Principles and Criteria also include a reference to fair and equitable benefit sharing, thus referring to the third objective of the Convention. While this objective, under the Convention, focusses specifically on the benefits arising out of the utilization of genetic resources, it is also highly relevant as a general principle to the local communities and small and medium enterprises that engage in biotrade, and it is therefore a pleasure to note that it found entry into the Biotrade Principles.

Ladies and gentlemen, dear colleagues and friends,

Despite some progress in some regions and on some issues, we collectively failed so far to reduce the current rate of biodiversity loss. Many of you will have seen the latest issue of *Nature* and its report cards to the Rio process where the CBD receives – in fact, all three Rio Conventions receive – a straight F on the main assignments. Recently, researchers at the United Nations University studied existing national biodiversity strategies and action plans and their final report pointed to an important reason for this failure. Their report concluded that many national biodiversity strategies and policies do not adequately address the underlying causes of biodiversity loss. In particular, they fail in mainstreaming ecosystems and biodiversity into economic planning and economic sectors. All too often, biodiversity policies address, and are designed and implemented by, a dedicated but small and rather isolated community operating in a biodiversity niche.

As you will note, there is an important parallel here to the development and prospects of biotrade. Despite the achievements outlined above and the undeniable progress made in some markets – certified timber or organic farming comes to mind, perhaps also natural cosmetics – most markets of biotrade products and related products remain niche markets, and, for that matter, frequently they are even small niche markets.

What can we do to change this situation? How can we move out of our niches and upscale biotrade? Reacting to the deficiencies detected in many biodiversity policies, the new Strategic Plan for Biodiversity 2011-2020 puts strong emphasis on addressing the underlying causes of biodiversity loss by mainstreaming biodiversity across government and society. It therefore provides important cues. While Jaime will provide you with a more detailed overview on the

Strategic Plan in the next session, let me briefly sketch what I believe are some key ingredients in scaling up biotrade as part of the mainstreaming agenda:

- First, raising awareness and appreciation of the value of biodiversity and its contribution to human well-being is very much unfinished business. If we want to increase the market shares of biotrade products, this is a critical precondition: as these are more costly to produce, they depend on consumers' willingness to pay price premiums, which requires a prior understanding that it is worthwhile paying such price premiums. Importantly, this does not only concern individual citizens, but also companies, local and national governments, and organizations – as those are also consumers, or potential consumers, of biodiversity-related goods, and the inclusion of pertinent criteria in procurement plans, strategies for sustainable consumption and production, and similar planning frameworks could provide a boost to biotrade.
- Second, there is an ongoing need to strengthen our knowledge base in particular on the linkages between biodiversity, ecosystem functioning, and ecosystem services and their contribution to human well-being and poverty alleviation, and on what small and medium enterprises and local communities can do to include and benefit from biodiversity-friendly practices.
- Third, improving the enabling environment for biotrade remains an important challenge, including addressing the technical barriers to international biotrade, labeling and certification. Regulations of biodiversity-based products which are unnecessary or inadequate can increase costs, foreclose opportunities and even encourage unsustainable uses of biodiversity.
- And last but not least, building capacity with a view to bringing down production costs will be critical for enhancing the competitive position of biotrade products. This would include, amongst other things, the further strengthening of professional supply-chain management, streamlining labeling criteria and certification processes, etc.

When the latest CBD COP adopted the Strategic Plan for Biodiversity, it urged governments to have a hard look at their existing biodiversity strategy and action plans and to revise and update them, in order to bring them in line with the Strategic Plan, and to develop national targets and associated indicators using the Strategic Plan as a flexible framework. This process, which is now

fully underway in many countries, offers many opportunities for promoting biotrade and introducing strong market development activities in the revised biodiversity strategies and action plans. I am very positive that today's Biotrade Congress – the first of its kind – will provide a useful platform to exchange experiences and lessons learned and to strategize how to best achieve this. I also trust that it will leverage more of the concerted efforts by governments, international organizations, the companies, and local communities that effective biotrade promotion and market development requires so urgently.

I wish you fruitful discussions at the coming events and thank you for your attention.
