



**STATEMENT OF THE EXECUTIVE SECRETARY OF THE
CONVENTION ON BIOLOGICAL DIVERSITY**

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on the occasion of the

The 3rd ABS Business Dialogue

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Dear Ladies and gentlemen,

It is a great pleasure to address you at the Third ABS Business Dialogue. I would like to express my appreciation to the ABS Capacity Development Initiative and to the Danish Ministry of Environment for organizing and promoting this important event. I'd like also to thank all the participants for your vision and hard work in engaging with access and benefit-sharing associated with genetic resources and associated traditional knowledge and the Nagoya Protocol.

Genetic resources, whether from plant, animal or microorganisms, are used by different types of users (e.g. academics, research institutes, private companies), operating in different sectors (e.g. pharmaceuticals, cosmetics and personal care, biotechnologies, horticulture, fragrance and flavour, food and beverage industries, seed and crop protection) for different purposes from basic scientific research, such as taxonomy, to developing commercial products which contribute to human well-being and economic growth.

Biodiversity is a vital asset in global markets. According to some estimates the size of the total market for the natural component part of the cosmetic industry amounts to \$26 billion and for the functional beverages sector it is \$23 billion. The annual global market value of seed industry and crop protection is around \$45 and \$40 billion respectively. For the industrial biotechnology sector it is \$70 billion, and for the botanicals industry it is \$85 billion. Thus, biodiversity can truly be the basis for the green economy by reconciling conservation with sustainable development.

In addition, recently consumer interest in “natural”, “green”, “sustainable” and in some regions “fair trade” products has exploded, creating significant demand for products developed from natural resources, and even more those produced in environmentally and socially responsible ways.

Over the past two decades, scientific and technological developments, evolving markets, and different business and intellectual property models have transformed the demand for access to genetic resources and associated traditional knowledge. Thus the Nagoya Protocol will be implemented in a very different environment from that encountered by negotiators of the Convention on Biological Diversity (CBD) in 1992. The timing of the implementation of the Nagoya Protocol to adapt to these new realities, and to incorporate lessons learned from the last 20 years of access and benefit-sharing policy under the CBD, could not be better.

Twenty, even ten, years ago mistrust prevailed, indigenous and local communities were fighting for their rights, many developing countries established ABS legislation to secure equitable sharing of benefits, several research institutions from developed countries faced difficulties to conduct research in the tropics and some companies and researchers faced charges of biopiracy. The Nagoya Protocol agreed three years ago signals to a new era of trust building and partnerships with a balanced attention to the interests of providers and users of genetic resources and associated traditional knowledge.

Business engagement with ABS and the CBD, however, still varies both across and within sectors and regions. The differential involvement of sectors is largely determined by the extent of their reliance on genetic resources and traditional knowledge, their size, perceived risks and values associated with the use of genetic resources and traditional knowledge, and the relevance of the CBD to their work.

The Nagoya Protocol aims to create a new enabling environment in which innovation and multi-stakeholder collaboration is fostered. Implemented effectively, the Protocol provides an opportunity for users and providers of genetic resources and associated traditional knowledge, fulfilling their respective obligations, to work together to achieve the objectives of the CBD.

The absence of legal certainty in many countries has been commonly regarded as one of the most serious stumbling blocks in the path of biodiscovery, with many companies citing the importance of legal security, clear and workable ABS procedures. The Nagoya Protocol seeks to address this concern and

create an environment of legal certainty and mutual trust by requiring Parties to designate one or more competent national authorities to grant access to genetic resources and an ABS national focal point to make information available on procedures for obtaining prior informed consent and reaching mutually agreed terms. Through the checkpoints and the internationally recognized certificate of compliance, the Nagoya Protocol can help to monitor the use of genetic resources throughout supply chains. The Nagoya Protocol also seeks to help companies follow ABS laws by supporting information-sharing mechanisms like the ABS Clearing-House and by encouraging governments to establish information dissemination and outreach programs. Awareness-raising and capacity building programs for stakeholders and government officials are deemed of critical significance for the Protocol effective implementation.

The entry into force of the Nagoya Protocol is of strategic importance as it will create opportunities for developing an economy relying on sustainability and increased knowledge of the value of natural resources, creating incentives for preserving genetic diversity, and biodiversity in general, and associated traditional knowledge while providing the conditions for continuous research and development on genetic resources.

The Nagoya Protocol obtained 92 signatures by the closing date for signature and as of today, 19 Parties to the Convention have deposited their instruments of ratification or accession. This is over one-third of the 50 ratifications required for the Protocol to enter into force. We are also aware that a significant number of countries are in the process of finalizing their national level procedures towards ratification and it is clear that the momentum is building to bring the Protocol into force ahead of the twelfth meeting of the Conference of the Parties, so the first meeting of the Parties to the Nagoya Protocol can take place in October 2014 in South Korea.

The UN Secretary General has sent a letter to all Heads of State/Government of Parties in April 2013, urging early ratification so that the Nagoya Protocol can enter into force and the international community can move to the implementation phase. We could probably reach the required 50 ratifications or accessions for an early entry into force of the Protocol without Europe but I trust this will not be the case as I am aware of ongoing efforts and consultations being conducted in all European nations and at the European Union level. Additionally, for its effective implementation the Protocol needs a balanced membership of developing and developed nations and an effective participation of major stakeholder groups.

I would like to personally thank the business community for its commitment with the implementation of the Protocol through concrete and relevant initiatives. I truly believe that through our collective efforts we can create a more sustainable and prosperous future for ourselves, harnessing and benefiting from the heritage and traditions of indigenous and local communities and the creative power of the research and the business communities. Clearly there will be no benefit to be shared if research and technology development are not promoted. But innovation and trade will not prosper if the rights of providers of genetic resources and associated traditional knowledge are not respected and valued.

I wish you all a very fruitful and productive dialogue and, as always, the Secretariat stands ready to support your efforts.

Thank you