

# Business biodiversity efforts in key industry sectors: An overview

Mônica Barcellos Harris  
Head Business, Biodiversity and Ecosystem Services  
UNEP-WCMC





## The purpose of this paper

*To provide a global snapshot of major biodiversity impacts, efforts and future challenges in a number of key industries that depend and/or impact on biodiversity and ecosystem services*

## The purpose of this paper

*The paper does not provide a complete list or detailed description of all biodiversity impacts, efforts and challenges, but rather gives a general overview and mentions the most important biodiversity initiatives in terms of their reach and ambition*

# Background

- Biodiversity and ecosystem services are of fundamental importance for human society, but are currently undergoing an unprecedented rate of loss (MEA - around 60% of examined ecosystem services are now degraded or being used unsustainably)
- The CBD 2010 target – to reduce the rate of biodiversity loss
- Recognition of the crucial role of the private sector in achieving this and future targets realized – decisions of the CBD COP 9 and 10



# The Business Case for Biodiversity Conservation

- Risk mitigation.
  - Access to land and resources
  - Reputation
  - Access to capital and insurance
  - Access to markets
  - Social and legal license to operate
  - Security of supply
  - Liabilities
- Opportunities. Competitive advantage and new business opportunities



## Business Response?

- Variation between business sectors in their impact and dependence on biodiversity, as well as the market benefits that can result from conservation
- Overall, there are a range of standards, guidelines for good practice, and tools for integrating biodiversity into business strategies and operations
- For some, specific criteria have been developed that are often linked to certification
- Some sectors have more advanced tools

# A Sectoral Update

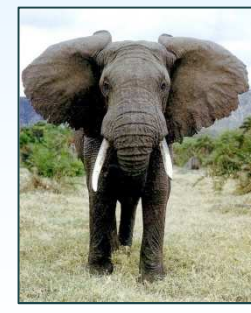
- Mining
- Energy
- Agrifoods & fisheries
- Construction & forestry
- Tourism
- Pharmaceuticals
- Cosmetics
- Fashion
- Finance

1. Dependence and Impact on Biodiversity
2. Biodiversity Initiatives – Principles, guidelines and tools
3. Future Challenges

## 1. Dependence on Biodiversity

Sectors vary considerably in their dependence on biodiversity.

- Mining and energy rely mainly on water supply
- Agriculture and fisheries productivity are dependent on numerous species and functioning ecosystems
- Tourism and pharmaceutical industries are increasingly finding opportunities in biodiversity, e.g nature based tourism, eco-tourism and new medical compounds



## 1. Impact on Biodiversity

- **large scale** (habitat and biodiversity loss, as with agriculture) to **localised** impacts (overharvesting of specific species, as with pharmaceuticals, cosmetics and fashion)
- **Direct** (Land conversion, over- exploitation, pollution) and **indirect** (Increased access to remote areas for hunting and logging)
- **Local** (Loss of important forest areas for local communities), **regional** (Polluted waterways) and **global** (CO2 emissions)
- From **production** (loss of natural habitat) to **supply chain** impacts (transportation)





## Some examples of major impacts:

- **Mining** – Loss of natural habitat from surface mining
- **Energy** – Greenhouse Gas Emissions and habitat loss
- **Agrifoods & fisheries** – Land conversion, overfishing
- **Construction & forestry** – land conversion, climate change
- **Tourism** – disruption and loss of natural habitats, pollution
- **Pharmaceuticals** – over-exploitation, pollution
- **Cosmetics** – over-exploitation, pollution
- **Fashion** - over-exploitation, pollution
- **Finance** – All indirectly

## 2. Biodiversity Initiatives – Principles, guidelines and tools

- Industry led initiatives, often developed in collaboration with conservation groups, government agencies and academics
- They include principles, position statements, guidelines for good practice, standards and criteria, and tools to help manage and minimise environmental impacts that include those on biodiversity

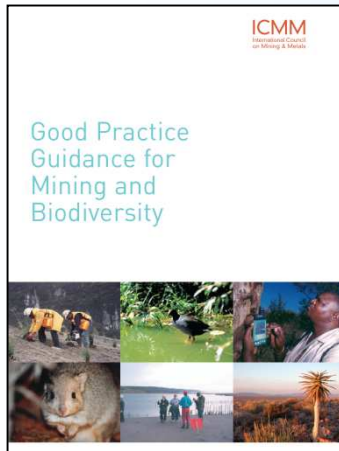


## 2. Biodiversity Initiatives – Principles and guidelines for good practice



GLOBAL CODE OF ETHICS FOR TOURISM

4. Tourism infrastructure should be designed and tourism activities programmed in such a way as to protect the natural heritage composed of ecosystems and biodiversity and to preserve endangered species of wildlife; the stakeholders



Broad policy statements and guidelines from industry groups

## 2. Biodiversity Initiatives – specific standards

Many of these are linked to certification schemes, whereby a market advantage is present

World Heritage properties as 'No-go' areas





## Some examples of Biodiversity Initiatives

- **Mining** – Some well developed guidelines, principles and tools, but poor linkage with consumers often impedes certification schemes
- **Energy** – Good practice policies, often focused on green house gas emissions
- **Agrifoods** – Range of standards that relate to certification
- **Forestry** - Large number of groups working on sustainable forestry practices and a range of certification schemes exist
- **Fisheries** – Strong legislative approach and certification
- **Construction** – Good practice guidelines exist, but often only indirectly related to biodiversity



## Some examples of Biodiversity Initiatives

- **Tourism** – International codes of conduct and nationally focused certification schemes
- **Pharmaceuticals** – Majority relates to bioprospecting
- **Cosmetics** – Guidelines for sustainable sourcing of natural ingredients and access and benefit sharing
- **Fashion** – Guidelines for sustainable textile production and sourcing of reptile skins, no certification that relates directly to biodiversity
- **Finance** – Several overarching frameworks, principles and tools for responsible investment

## 2. Biodiversity Initiatives – Emerging areas

### Payments for Environmental Services and biodiversity offsets and banking

- A way to compensate for residual biodiversity impacts that cannot be mitigated onsite
- Principles for offsets have been developed by BBOP
- Such efforts to date have tended to be from large footprint industries such as mining, energy and construction.



## 2. Biodiversity Initiatives – Summary

- The most ambitious biodiversity commitments and examples of good practice often come from individual companies.
- Tools for incorporating biodiversity considerations into business practice are well developed for mining, agriculture, fisheries, energy, tourism, forestry and finance activities
- Construction, pharmaceutical, cosmetics and fashion industries generally lack such tools.

### 3. Future Challenges – Global uptake of initiatives

- Buy-in of existing principles and good practices
- Uptake of certification in global markets. Less than 5% of the internationally traded volume of agricultural food products is certified, while organic cotton represents just 0.18% of the total market.
- Widespread inclusion of biodiversity in sustainability criteria (e.g. in construction)
- While good examples exist, there are challenges regarding large scale implementation at the global scale where vast differences in markets and national governance exist



### 3. Future Challenges – An enabling environment

#### Markets and Consumer demand

- Meeting the rising demand for energy, food etc. and preventing further biodiversity loss
- Raising consumer awareness on sustainable sourcing – enable market/investment
- Streamlining efforts e.g. harmonization of standards, due to the growing number of symbols and logos (e.g. for organic and sustainable sourcing)

#### Governance

- Level Playing Field - Good Governance and regulation at the national and international level (in the case of the high seas) is needed
- Mechanisms for ensuring that companies meet commitments made through industry groups, as has been seen in the mining industry



# Thank you