



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

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on the occasion of the

**THIRD MEETING OF THE GLOBAL PARTNERSHIP FOR BUSINESS AND
BIODIVERSITY**

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Ladies and Gentlemen,

I am delighted to welcome you to the Third Meeting of the Global Partnership on Business and Biodiversity in Montreal. This platform brings together a growing number of nascent national business and biodiversity initiatives that are key to engaging with the business community in this area. Building upon the first two meetings of the Global Partnership that stimulated many ideas and best practices I hope you will be able to make progress in helping businesses maximize their ability to mainstream the objectives of the CBD.

The Partnership currently has around two dozen country members, with many more countries exploring the possibility of joining. In order to maximize its effectiveness, however, it is important that the major economies, business interests, and other key stakeholder groups are represented and involved. I am especially glad to see the partner organizations who are here today, many of whom will be speaking during the course of this meeting. It is essential for me that the Global Partnership not be seen as a competitor to the good work that these groups do. Rather, we need to see the role of the Partnership as facilitating greater dialogue and cooperation amongst all groups and thus ensuring that our collective efforts are as complimentary as possible.

The Global Partnership, which stemmed from decisions taken at COP 10 and COP 11, is a concrete signal by the global community of its increasing understanding that business needs to play a critical role in addressing the serious environmental problems facing us, including the loss of biodiversity. While tackling the issue of sustainability is a serious challenge, there are also spectacular opportunities for those businesses that are able to seize the initiative and develop innovative strategies.

The head of the Economics of Ecosystems and Biodiversity (TEEB) project, and former



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managing director of Deutsche Bank, Pavan Sukhdev stated that, “The importance of business to biodiversity cannot be overstated. The private sector accounts for most of the world's production of goods. What they make and how carefully and efficiently they use earth's resources will determine the future of biodiversity conservation...” This same study noted that the “ecosystem services”, resulting from natural environmental processes, represents tens of trillions of dollars per annum worth of benefits that are currently utilized for free. By the same token, the loss of these services due to environmental degradation is on the order of \$5-7 trillion per year, or roughly the GDP of China. Companies or governments must either forgo the services that this represents, or find costly alternatives. When we consider the vast efforts that global corporations and governments put into accessing the newly emerging mega-economies, we have to wonder why we are so willing to simply allow this type of economic value slip through our fingers. These numbers are so large that they defy easy comprehension, but it is possible to bring it down to a more manageable scale. An interesting example comes from Masoala National Park in Madagascar, where the following economic benefits from biodiversity have been postulated: medicines (\$1.5 million); erosion control (\$380,000); carbon storage (\$105 million); recreation (\$5 million); and other forest products (\$4.2 million). These numbers show the potential that is available to those with the foresight to realize them.

There are many examples of firms that have taken steps to realize these opportunities and offer positive examples that others can emulate. During the next two days, you will be hearing about many interesting and inspiring examples of corporate actions that have made a positive impact in this area. One important initiative that has been taken, and that hopefully will find many imitators in the future, involves the efforts that Puma has been taking to find the true costs (in environmental terms) of its products. The environment profit and loss studies that it has started have both shown the impact of Puma's manufacturing processes and demand for materials, but also, more interestingly, how these impacts are distributed along its supply chain (with the vast majority being concentrated at lower tier suppliers which are more distant from the “parent” company). The results are striking in that they not only show the complexity of the issue, but also a way in which companies can create real opportunities from this challenge by effectively and proactively managing the supply chain.

Supply chain management is but one of the topics that you will have the opportunity to discuss over the course of this meeting. It is my hope that these panel sessions on a wide variety of issues related to the CBD business engagement agenda will provide you with a great deal of food for thought as well as case studies that will provide you with practical ideas for maximizing the opportunities that will arise as sustainability becomes the new normal building on the outcomes of the Rio+20 Conference “The Future We Want”.

However, despite these initial and increasing efforts of businesses to mainstream the objectives of the Convention, we still have a long way to go. The indicators of biodiversity loss, and of other environmental problems, continue to point in the wrong direction. Governments are finding it a challenge to fulfill their commitments due to a lack of awareness of the part of stakeholders (which is compounded by ongoing global economic uncertainty), and the vast majority of companies have yet to understand the importance of natural capital and the risks associated with biodiversity loss. Unfortunately, time is not on our side on this issue, and we must redouble our efforts if we hope to get on top of this problem. All levels of Government, business, academia and civil society must work together. The challenges are great, but I believe that the creativity that we have as a species, which manifests itself in innovation and the subsequent creation of new businesses, can rise to this occasion.

I am however encouraged that we will be able to overcome these challenges because we have witnessed an increasing willingness by governments and major stakeholders to enter into dialogue with each other and create an enabling environment for businesses to act sustainably. This includes the consideration of various best practices in various fields, the examination of how legislation can be reformed such that “negative” incentives (which encourage unsustainable behavior) are gradually phased out and are replaced by more eco-friendly policies, and the increasingly important role of sustainable public procurement. As I said, I believe that the Global Partnership is an embodiment of this growing realization. Governments have also recognized that tackling this issue will require significant resources that will go beyond environment ministry budgets.

The involvement of the private sector (including through various innovative financial mechanisms), as well as other major stakeholders, will be crucial to realizing the goal of long-term ecological sustainability. There are a number of these mechanisms, many of which will be discussed in detail later this morning. To take but one example of an interesting scheme, payment for ecosystem services can have enormous effect in terms of the revenues generated, which in turn provides concrete benefits for the companies, governments and other stakeholders which use the service.

The CBD Secretariat has been working hard to help facilitate various types of initiatives as mandated by the COP decisions. In the lead-up to COP 12 (which will take place in South Korea next year) the Secretariat is planning several regional business workshops which will build upon the results generated from this meeting. We also hope to continue to expand our outreach efforts (in conjunction with our partners) through various fora including newsletters, web presence, and national and regional conferences. We are also planning to have a significant business engagement program during COP. We will keep informed of our progress in all of these endeavors.

It is my hope that this meeting, over the course of the next couple of days, will help inform some of the decisions and next steps that we must undertake together in order to address this important issue. I truly believe that through our collective efforts we can change the world and create a more sustainable and prosperous future for ourselves, in part by harnessing and benefitting from the incredible creative power of the business sector. I hope this meeting will also help us identify the measures needed to move this agenda forward which could be incorporated in a COP12 decision on the roadmap to 2020!

I wish you a successful conference

Thank you.