



STATEMENT

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

ON THE OCCASION OF

**THE PRESS ROUNDTABLE AT THE 2ND INTERNATIONAL
CONFERENCE ON SUSTAINABLE BUSINESS AND
CONSUMPTION:
“FINDING SYNERGIES – LONG WAY TO NAGOYA”**

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Life in harmony, into the future
いのちの共生を、未来へ
COP 10 / MOP 5

It is clear that loss of biological diversity impoverishes the productivity of ecosystems, shrinking nature's basket of goods and services. It is these ecosystems from which we draw sustenance, including the means of industry, making a strong business case for the conservation and sustainable use of biodiversity.

Indeed the recently-released third edition of *Global Biodiversity Outlook* contains a warning to our global society, including the business community: the continuing loss of biodiversity may push ecosystems beyond tipping points where the degradation they have suffered is irreversible, leading to the widespread loss of irreplaceable ecosystem services such as the provisioning of food, fuels and medicines, the generation and renewal of soil fertility, and the pollination of wild plants and crops.

A major challenge in addressing this loss is the fact that most stakeholders do not understand the extent to which they actually rely on natural resources nor the ramifications of this reliance. Addressing this gap in understanding the economic value of biodiversity and sustaining life on Earth is the first step to halt the degradation of biological resources.

We have known for some time that actions of private companies, landowners, fishermen, and farmers amongst others affect biodiversity. However, the extent of this impact, especially in terms of dollars and cents has not been clearly. A recent assessment conducted by London-based consultancy Trucost for the UN backed Principles for Responsible Investment of the 3,000 biggest public companies in the world, which includes household names from the major stock markets, found the estimated combined damage on nature to be worth \$2.2 trillion dollars in 2008 – a figure bigger than the national economies of all but seven countries in the world that year.

Another global assessment, *The Economics of Ecosystems and Biodiversity* (TEEB) pegs the annual cost of biodiversity loss at close to 3 trillion dollars. This is compared to what three major sectors of economy grosses in total in a year, car industry earns 1.9 trillion, the IT industry 0.95 trillion, and steel 0.6 trillion.

Indeed the TEEB provides a litany of compelling statistics:

- Approximately half of synthetic drugs have a natural origin, including 10 of the 25 highest selling drugs in the United States of America.
- Of all the anti-cancer drugs available, 42% are natural and 34% semi-natural.
- The value of the watershed protection provided by intact coastal ecosystems, such as mangroves and other wetlands, has been estimated at US\$ 845 per hectare per year in Malaysia and US\$ 1,022 per hectare per year in Hawaii.

In its decisions in 2006 and 2008, the CBD responded to the challenge of engaging the business community directly in the implementation of the three objectives of the CBD. These decisions may be summarized as:

- Raising awareness of the business case for biodiversity;
- Including biodiversity considerations in all investments by public and private financial institutions and to create investment schemes to promote sustainable business activities;
- Engaging and encouraging companies to adopt practices that support the implementation of national biodiversity strategies and action plans through such

means as the wider use of good practice guidelines, benchmarks, certification schemes, reporting guidelines, standards, and indicators.

The CBD and its Parties are now developing an ambitious strategy for the 2011-2020 period to address the underlying causes of biodiversity loss by helping to mainstream biodiversity across all sectors of government and society. This strategy would help benefit from synergy with all similar environmental and social issues being handled by government and business.

There is no alternative for the industry except to take the initiative to reduce their footprint on nature. What the CBD and the international community recognize is that this be done in the most cost-efficient manner by linking actions to solve climate change, desertification, deforestation and other environmental and social problems that industry will be asked to cover.

The CBD supports mechanisms that allow companies to reduce the footprint of their activities on biodiversity through biodiversity offsets, payment for ecosystem services and use of certification and standards. The CBD decisions encourage participation of industry in formulating these mechanisms and standards to benefit from synergy with similar actions.

A positive step would for companies at COP-10 in October 2010 to showcase good practices and highlight their commitment to the conservation and sustainable use of biodiversity by including principles such as 'no net loss' of biodiversity within their own business strategies. There will be several biodiversity and business events held over the two weeks of meetings at COP10 where companies from the world over will participate.

Their show of commitment at COP-10 will build the necessary confidence among governments and civil society to accept them as partners in meeting the challenge of biodiversity loss.

In this regard, the message of UN Secretary-General Ban Ki Moon to the business community at the 2009 World Economic Forum in Davos is most apropos:

"I ask you to lead by example. Educate your customers, suppliers and workers and share your technologies with the poor – it is the one and only path for a sustainable future with the prospect of prosperity for all."